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SECURING, STABILIZING, AND REBUILDING IRAQ

Iraqi Government Has Not Met Most Legislative, Security, and Economic Benchmarks

Statement of David M. Walker
Comptroller General of the United States



Mr. Chairman and Members of the Committee:

I am pleased to appear today to discuss our report¹ on whether or not the government of Iraq has met 18 benchmarks contained in the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act of 2007² (the Act). The Act requires GAO to report on the status of the achievement of these benchmarks. Consistent with GAO's core values and our desire to be fair and balanced, we also considered and used a "partially met" rating for some benchmarks. In comparison, the Act requires the administration to report on whether satisfactory progress is being made toward meeting the benchmarks. The benchmarks cover Iraqi government actions needed to advance reconciliation within Iraqi society, improve the security of the Iraqi population, provide essential services to the population, and promote economic well-being.

To complete this work, we reviewed U.S. agency and Iraqi documents and interviewed officials from the Departments of Defense, State, and the Treasury; the Multi-National Force-Iraq (MNF-I) and its subordinate commands; the Defense Intelligence Agency; the Central Intelligence Agency; the National Intelligence Council; and the United Nations. These officials included Ryan Crocker, the U.S. Ambassador to Iraq, and General David H. Petraeus, Commander of the Multi-National Force-Iraq. We made multiple visits to Iraq during 2006 and 2007, most recently from July 22 to August 1, 2007. Our analyses were enhanced by approximately 100 Iraq-related reports and testimonies that we have completed since May 2003. We conducted our review in accordance with generally accepted government auditing standards.

Summary

In summary, we found

The benchmarks were derived from commitments first articulated by the Iraqi government in June 2006.

The Iraqi government met 3, partially met 4, and did not meet 11 of its 18 benchmarks. Overall, key legislation has not been passed, violence remains high, and it is unclear whether the Iraqi government will spend

¹GAO, *Iraqi Government Has Not Met Most Legislative, Security, and Economic Benchmarks* (GAO-07-1195) (Washington, D.C.: Sept. 4, 2007).

²Section 1314 of P.L. 110-28.

\$10 billion in reconstruction funds. These results do not diminish the courageous efforts of coalition forces and progress that has been made in several areas, including Anbar Province.

The Iraqi government met one of eight legislative benchmarks: the rights of minority political parties in Iraq's legislature are protected. The government has not enacted legislation on de-Ba'athification, oil revenue sharing, provincial elections, amnesty, and militia disarmament.

It is unclear whether sectarian violence in Iraq has decreased—a key security benchmark—since it is difficult to measure whether the perpetrators' intents were sectarian in nature, and other measures of population security show differing trends.

As the Congress considers the way forward in Iraq, it should balance the achievement of the 18 Iraqi benchmarks with military progress and with homeland security goals, foreign policy goals, and other goals of the United States.

Origins of the Benchmarks

The benchmarks contained in the Act were derived from commitments articulated by the Iraqi government beginning in June 2006 and affirmed in subsequent statements by Prime Minister Maliki in September 2006 and January 2007 (see fig. 1). Iraq's commitments to these benchmarks were most recently stated in the May 2007 International Compact for Iraq.

Figure 1: Origin of Iraqi Benchmarks

| May 25, 2007 | 2006 | | 2007 | | | | |
|--|---|---|---|---|--|----------------------------------|----------------------------|
| | June | Sept. | Jan. | Jan. | Jan. | Jan. & Feb. | May |
| BENCHMARKS Public Law 110-28 | 24 Point Iraqi National Reconciliation Plan | Prime Minister Maliki's Benchmarks ^a | Additional commitments by Prime Minister Maliki | President Bush's New Way Forward speech | Highlights of the Iraq Strategy Review | Prime Minister Maliki's speeches | Compact commitments by GOI |
| 1. Forming a Constitutional Review Committee and then completing the constitutional review. | | ■ | | ■ | | | ■ |
| 2. Enacting and implementing legislation on de-Ba'athification. | ■ | ■ | | ■ | | ■ | ■ |
| 3. Enacting and implementing legislation to ensure the equitable distribution of hydrocarbon resources of the people of Iraq without regard to the sect or ethnicity of recipients, and enacting and implementing legislation to ensure that the energy resources of Iraq benefit Sunni Arabs, Shia Arabs, Kurds, and other Iraqi citizens in an equitable manner. | | ■ | | ■ | | ■ | ■ |
| 4. Enacting and implementing legislation on procedures to form semi-autonomous regions. | | ■ | | | | | ■ |
| 5. Enacting and implementing legislation establishing an Independent High Electoral Commission, provincial elections law, provincial council authorities, and a date for provincial elections. | | ■ | | ■ | | | ■ |
| 6. Enacting and implementing legislation addressing amnesty. | ■ | ■ | | | | | ■ |
| 7. Enacting and implementing legislation establishing a strong militia disarmament program to ensure that such security forces are accountable only to the central government and loyal to the Constitution of Iraq. | ■ | ■ | | | | ■ | ■ |
| 8. Establishing supporting political, media, economic, and services committees in support of the Baghdad security plan. | | | | | | ■ | ■ |
| 9. Providing three trained and ready Iraqi brigades to support Baghdad operations. | | | ■ | ■ | ■ | | |
| 10. Providing Iraqi commanders with all authorities to execute this plan and to make tactical and operational decisions, in consultation with U.S. commanders, without political intervention, to include the authority to pursue all extremists, including Sunni insurgents and Shiite militias. | ■ | | ■ | ■ | ■ | ■ | ■ |
| 11. Ensuring that the Iraqi security forces are providing even-handed enforcement of the law. | | | ■ | ■ | ■ | ■ | ■ |
| 12. Ensuring that, according to President Bush, Prime Minister Maliki said "the Baghdad security plan will not provide a safe haven for any outlaws, regardless of [their] sectarian or political affiliation." | | | | ■ | | ■ | |
| 13. Reducing the level of sectarian violence in Iraq and eliminating militia control of local security. | | | | | | ■ | ■ |
| 14. Establishing all of the planned joint security stations in neighborhoods across Baghdad. ^b | | | | | | | |
| 15. Increasing the number of Iraqi security forces' units capable of operating independently. | ■ | | | | ■ | | ■ |
| 16. Ensuring that the rights of minority political parties in the Iraqi legislature are protected. | | | | | | | ■ |
| 17. Allocating and spending \$10 billion in Iraqi revenues for reconstruction projects, including delivery of essential services, on an equitable basis. | | | ■ | ■ | ■ | | ■ |
| 18. Ensuring that Iraq's political authorities are not undermining or making false accusations against members of the Iraqi security forces. | | | | | | ■ | ■ |

Source: GAO analysis of Department of State, Department of Defense, and Iraqi government data.

GAO Assessment of the 18 Benchmarks

⁹Iraq's Policy Committee on National Security agreed upon a set of political, security, and economic benchmarks and an associated timeline in September 2006. These were reaffirmed by the Presidency Council on October 16, 2006.

⁹In December 2006 the Multi-National Force-Iraq and government of Iraq agreed to establish the Joint Security Stations.

As of August 30, 2007, the Iraqi government met 3, partially met 4, and did not meet 11 of its 18 benchmarks. Overall, key legislation has not been passed, violence remains high, and it is unclear whether the Iraqi government will spend \$10 billion in reconstruction funds.

Figure 2: GAO Assessment of the 18 Benchmarks

| Benchmark | GAO assessment | Status |
|--|----------------------------------|--|
| 1. Forming a Constitutional Review Committee and completing the constitutional review. | <input type="radio"/> | Committee formed but amendments not approved by the Iraqi legislature and no referendum scheduled. |
| 2. Enacting and implementing legislation on de-Ba'athification. | <input type="radio"/> | Laws drafted. |
| 3. Enacting and implementing legislation to ensure the equitable distribution of hydrocarbon resources of the people of Iraq without regard to the sect or ethnicity of recipients, and enacting and implementing legislation to ensure that the energy resources of Iraq benefit Sunni Arabs, Shia Arabs, Kurds, and other Iraqi citizens in an equitable manner. | <input type="radio"/> | 3 of 4 components drafted; none being considered by parliament. |
| 4. Enacting and implementing legislation on procedures to form semi-autonomous regions. | <input checked="" type="radio"/> | Law enacted; implementation scheduled for 2008. |
| 5. Enacting and implementing legislation establishing an Independent High Electoral Commission, provincial elections law, provincial council authorities, and a date for provincial elections. | <input type="radio"/> | Commission law enacted and implemented; however, supporting laws not enacted. |
| 6. Enacting and implementing legislation addressing amnesty. | <input type="radio"/> | No law drafted. |
| 7. Enacting and implementing legislation establishing a strong militia disarmament program to ensure that such security forces are accountable only to the central government and loyal to the Constitution of Iraq. | <input type="radio"/> | No law drafted. |
| 8. Establishing supporting political, media, economic, and services committees in support of the Baghdad security plan. | <input checked="" type="radio"/> | Committees established. |
| 9. Providing three trained and ready brigades to support Baghdad operations. | <input checked="" type="radio"/> | Forces provided; some of limited effectiveness. |
| 10. Providing Iraqi commanders with all authorities to execute this plan and to make tactical and operational decisions, in consultation with U.S. commanders, without political intervention, to include the authority to pursue all extremists, including Sunni insurgents and Shiite militias. | <input type="radio"/> | Political intervention continues. |
| 11. Ensuring that Iraqi security forces are providing even-handed enforcement of the law. | <input type="radio"/> | Iraqi security forces engaged in sectarian-based abuses. |
| 12. Ensuring that, according to President Bush, Prime Minister Maliki said "the Baghdad security plan will not provide a safe haven for any outlaws, regardless of [their] sectarian or political affiliation." | <input checked="" type="radio"/> | Militia infiltration of some security forces enables some safe havens. |
| 13. Reducing the level of sectarian violence in Iraq and eliminating militia control of local security. | <input type="radio"/> | Militias control some local security; unclear whether sectarian violence has decreased. |
| 14. Establishing all of the planned joint security stations in neighborhoods across Baghdad. | <input checked="" type="radio"/> | 32 of 34 stations established. |
| 15. Increasing the number of Iraqi security forces units capable of operating independently. | <input type="radio"/> | Number of independent units declined between March and July 2007. |
| 16. Ensuring that the rights of minority political parties in the Iraqi legislature are protected. | <input checked="" type="radio"/> | Legislators' rights protected; minority citizens' rights unprotected. |
| 17. Allocating and spending \$10 billion in Iraqi revenues for reconstruction projects, including delivery of essential services, on an equitable basis. | <input checked="" type="radio"/> | Funds allocated but unlikely to be fully spent. |
| 18. Ensuring that Iraq's political authorities are not undermining or making false accusations against members of the Iraqi security forces. | <input type="radio"/> | Unsubstantiated accusations continue to be made. |
| <input checked="" type="radio"/> Met <input checked="" type="radio"/> Partially met <input type="radio"/> Not met | | |

Source: GAO analysis of UN, U.S., and Iraqi data.

Most Legislative Benchmarks Have Yet to Be Enacted and Implemented

The Iraqi government met one of eight legislative benchmarks: the rights of minority political parties in Iraq's legislature are protected. The government also partially met one benchmark — to enact and implement legislation on the formation of regions; this law was enacted in October 2006 but will not be implemented until April 2008. Six other legislative benchmarks have not been met. Specifically, a review committee has not completed work on important revisions to Iraq's constitution. Further, the government has not enacted legislation on de-Ba'athification, oil revenue sharing, provincial elections, amnesty, and militia disarmament. The administration's report cited progress in achieving some benchmarks but provided little information on what step in the legislative process each benchmark had reached. We provide that information below.

Figure 3: Enactment and Implementation Status of Six Legislative Benchmarks

| | Drafting laws | | | | | | | | | | Enacting | | | | Implementing | |
|---------------------------------------|---------------------------|--|--|-------------------------|--|--------------------------|--|-------------------------|-------------------------|--------------------------|--|-------------------------------|--|---|--------------|--|
| | Laws drafted and reviewed | Draft referred to Council of Representatives/Committee | Draft placed on calendar by Speaker's Office | First reading completed | Draft amended by Committee, placed on calendar by Speaker's Office | Second reading completed | Draft amended by Committee, placed on calendar by Speaker's Office | Third reading completed | Ratification procedures | Law published in Gazette | Guidance issued by Prime Minister/Minister/other | Directives drafted by Cabinet | Directives drafted by Director General/other | | | |
| De-Ba'athification^a | ✓ | ✓ | | | | | | | | | | | | | | |
| Hydrocarbon laws | | | | | | | | | | | | | | | | |
| Framework | ✓ | | | | | | | | | | | | | | | |
| Revenue sharing | ✓ | | | | | | | | | | | | | | | |
| Ministry of Oil Restructuring | ✓ | | | | | | | | | | | | | | | |
| Iraq National Oil Company | — | | | | | | | | | | | | | | | |
| Formation of regions | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | b | | | | | | | |
| Elections | | | | | | | | | | | | | | | | |
| Electoral commission | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | |
| Provincial authorities ^c | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | | | | | | | | | |
| Provincial election law | — | | | | | | | | | | | | | | | |
| Provincial election date ^d | — | | | | | | | | | | | | | | | |
| Amnesty | — | | | | | | | | | | | | | | | |
| Disarmament and demobilization | — | | | | | | | | | | | | | | | |

— No legislation drafted

Source: GAO analysis of Department of State, Department of Defense, UN and Iraqi government data.

Notes:

^aThe Iraqi legislature is considering several competing drafts.

^bThe Iraqi Constitution exempts the law on formation of regions from following the Presidency Council's ratification process that is set out in Article 138 of the Constitution.

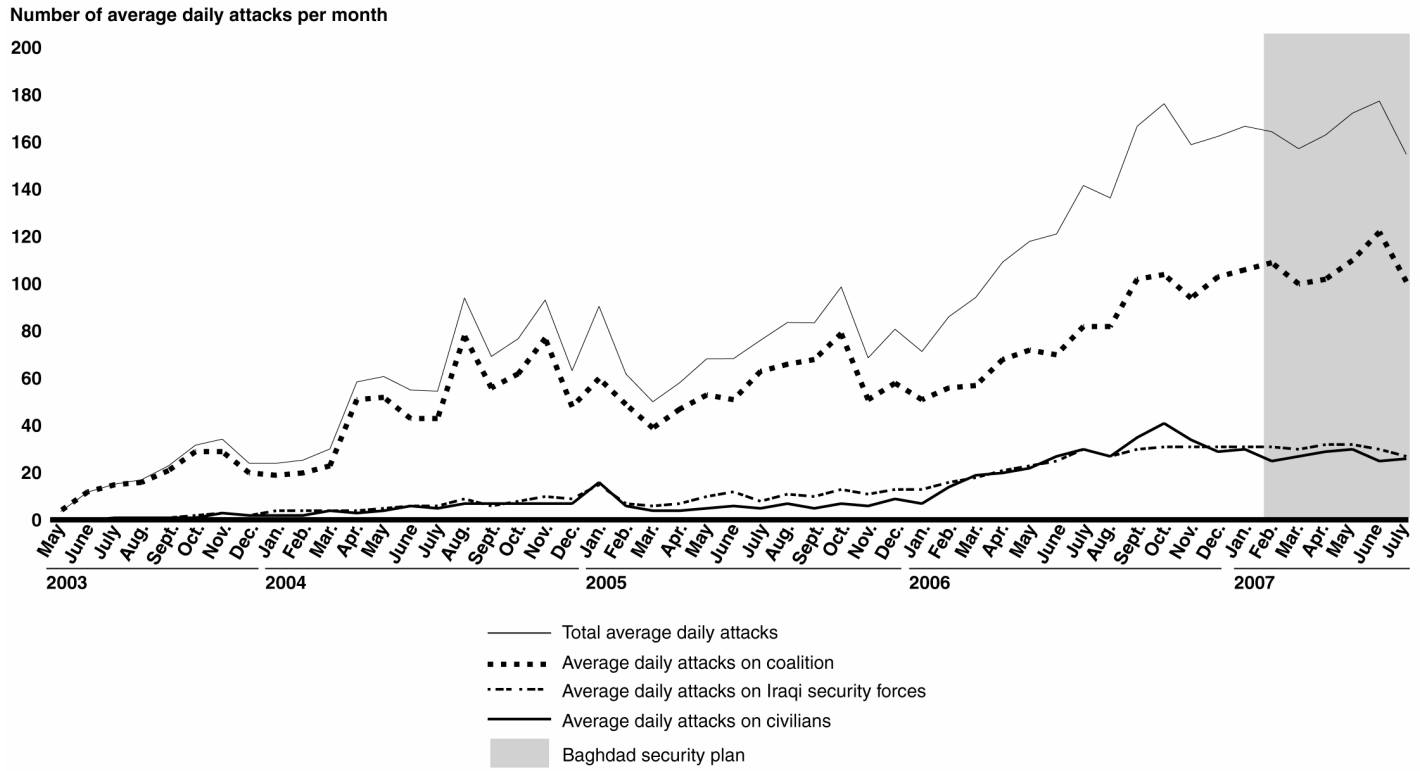
^cThe draft deals with broader federal versus provincial powers, according to the United Nations.

^dAccording to State, the Iraqi government may not need a law to set the election date, though to date this is unclear.

Mixed Results in Achieving Security Benchmarks

Two of nine security benchmarks have been met. Specifically, Iraq's government has established various committees in support of the Baghdad security plan and established almost all of the planned Joint Security Stations in Baghdad. The government has partially met the benchmarks of providing three trained and ready brigades for Baghdad operations and eliminating safe havens for outlawed groups. Five other benchmarks have not been met. The government has not eliminated militia control of local security, eliminated political intervention in military operations, ensured even-handed enforcement of the law, increased army units capable of independent operations, and ensured that political authorities made no false accusations against security forces. It is unclear whether sectarian violence in Iraq has decreased—a key security benchmark—since it is difficult to measure perpetrators' intents, and various other measures of population security from different sources show differing trends. As displayed in figure 4, average daily attacks against civilians have remained unchanged from February to July 2007.

Figure 4: Average Number of Daily, Enemy-Initiated Attacks Against the Coalition, Iraqi Security Forces, and Civilians (May 2003-July 2007)




Comparison of GAO and Executive Branch Assessments

Public Law 110-28 requires GAO to report to Congress by September 1, 2007,³ on whether or not the government of Iraq has met 18 benchmarks contained in the Act, and the status of the achievement of these benchmarks. The Act requires the administration to report in July and September 2007 on whether satisfactory progress is being made toward meeting the benchmarks. As stated previously, we considered and used a “partially met” rating in several circumstances. Figure 5 compares the two assessments.

³GAO provided this report to Congress on September 4, 2007, the first business day following September 1, 2007.

Figure 5: Comparison of GAO Assessment with Administration's July 2007 Initial Benchmark Assessment Report

| Benchmark | GAO assessment | Administration assessment of progress |
|--|--|---|
| 1. Forming a Constitutional Review Committee and then completing the constitutional review. | ○ | ■ |
| 2. Enacting and implementing legislation on de-Ba'athification. | ○ | □ |
| 3. Enacting and implementing legislation to ensure the equitable distribution of hydrocarbon resources of the people of Iraq without regard to the sect or ethnicity of recipients, and enacting and implementing legislation to ensure that the energy resources of Iraq benefit Sunni Arabs, Shia Arabs, Kurds, and other Iraqi citizens in an equitable manner. | ○ | □ |
| 4. Enacting and implementing legislation on procedures to form semi-autonomous regions. | ◐ | ■ |
| 5. Enacting and implementing legislation establishing an Independent High Electoral Commission, provincial elections law, provincial council authorities, and a date for provincial elections. | ○ | ◑ |
| 6. Enacting and implementing legislation addressing amnesty. | ○ | a |
| 7. Enacting and implementing legislation establishing a strong militia disarmament program to ensure that such security forces are accountable only to the central government and loyal to the Constitution of Iraq. | ○ | a |
| 8. Establishing supporting political, media, economic, and services committees in support of the Baghdad security plan. | ● | ■ |
| 9. Providing three trained and ready Iraqi brigades to support Baghdad operations. | ◐ | ■ |
| 10. Providing Iraqi commanders with all authorities to execute this plan and to make tactical and operational decisions, in consultation with U.S. commanders, without political intervention, to include the authority to pursue all extremists, including Sunni insurgents and Shiite militias. | ○ | □ |
| 11. Ensuring that the Iraqi Security Forces are providing even-handed enforcement of the law. | ○ | □ |
| 12. Ensuring that, according to President Bush, Prime Minister Maliki said "the Baghdad security plan will not provide a safe haven for any outlaws, regardless of [their] sectarian or political affiliation." | ◐ | ■ |
| 13. Reducing the level of sectarian violence in Iraq and eliminating militia control of local security. | ○ | ◑ |
| 14. Establishing all of the planned joint security stations in neighborhoods across Baghdad. | ● | ■ |
| 15. Increasing the number of Iraqi security forces units capable of operating independently. | ○ | □ |
| 16. Ensuring that the rights of minority political parties in the Iraqi legislature are protected. | ● | ■ |
| 17. Allocating and spending \$10 billion in Iraqi revenues for reconstruction projects, including delivery of essential services, on an equitable basis. | ◐ | ■ |
| 18. Ensuring that Iraq's political authorities are not undermining or making false accusations against members of the Iraqi security forces. | ○ | □ |
| Summary | 3 met, 4 partial, and 11 not met | 8 satisfactory, 2 mixed, and 6 unsatisfactory |
|  | | |

Source: GAO analysis of UN, U.S., and Iraqi data.

^aAccording to the U.S. State Department, conditions are not present for these benchmarks.

Conclusions

As of August 30, 2007, the Iraqi government met 3, partially met 4, and had not met 11 of 18 legislative, security, and economic benchmarks. The Iraqi government has not fulfilled commitments it first made in June 2006 to advance legislative, security, and economic measures that would promote national reconciliation among Iraq's warring factions. Of particular concern is the lack of progress on de-Ba'athification legislation that could promote greater Sunni participation in the national government and comprehensive hydrocarbon legislation that would distribute Iraq's vast oil wealth. In late August, Iraq's senior Shi'a, Sunni Arab and Kurdish political leaders signed a Unity Accord signaling efforts to foster greater national reconciliation. The Accord covered draft legislation on de-Ba'athification reform and provincial powers laws, as well as setting up a mechanism to release some Sunni detainees being held without charges. However, the polarization of Iraq's major sects and ethnic groups and fighting among Shi'a factions further diminishes the stability of Iraq's governing coalition and its potential to enact legislation needed for sectarian reconciliation.

Reconciliation was also premised on a reduction in violence. While the Baghdad security plan was intended to reduce sectarian violence, it is unclear whether violence has been reduced. Measuring such violence may be difficult since the perpetrators' intents are not clearly known. Other measures, such as the number of enemy-initiated attacks, show that violence has remained high through July 2007.

As the Congress considers the way forward in Iraq, it should balance the achievement of the 18 Iraqi benchmarks with military progress and homeland security, foreign policy, and other goals of the United States. Future administration reports on the benchmarks would be more useful to the Congress if they clearly depicted the status of each legislative benchmark, provided additional quantitative and qualitative information on violence from all relevant U.S. agencies, and specified the performance and loyalties of Iraqi security forces supporting coalition operations.

Recommendations

In preparing future reports to Congress and to help increase transparency on progress made toward achieving the benchmarks, we recommend that:

1. The Secretary of State provide information to the President that clearly specifies the status in drafting, enacting, and implementing Iraqi legislation;

-
2. The Secretary of Defense and the heads of other appropriate agencies provide information to the President on trends in sectarian violence with appropriate caveats, as well as broader quantitative and qualitative measures of security; and
 3. The Secretary of Defense and the heads of other appropriate agencies provide additional information on the operational readiness of Iraqi security forces supporting the Baghdad security plan, particularly information on their loyalty and willingness to help secure Baghdad.

We provided drafts of the report accompanying this testimony to the relevant U.S. agencies for review and comment, which we incorporated as appropriate. We received written comments from the Departments of State and Defense and technical comments from the Central Intelligence Agency and National Intelligence Council, which are included in the report. State and DOD concurred with our recommendations but disagreed with our assessment of certain benchmarks. Although we analyzed classified data, including the August 2007 National Intelligence Estimate for Iraq, the testimony and report only contain unclassified information, as of August 30, 2007. We issued a classified report to supplement the information discussed in our report.⁴

Mr. Chairman and Members of the Committee, this concludes my prepared statement. I would be happy to answer any questions that you may have.

Contact and Staff Acknowledgements

If you or your staffs have any questions about this testimony, please contact me at (202) 512-5500 or Mr. Joseph A. Christoff, Director, International Affairs and Trade, at (202) 512-8979. Key contributors to this testimony include Stephen Lord, David Bruno, Howard Cott, Timothy Fairbanks, Mattias Fenton, Whitney Havens, Dorian Herring, Bruce Kutnick, Judith McCloskey, Tetsuo Miyabara, and Kathleen Monahan.

⁴[GAO-07-1223C](#).

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