

**STATEMENT OF THE DEPARTMENT OF DEFENSE
BEFORE THE SUBCOMMITTEE ON NATIONAL SECURITY,
HOMELAND DEFENSE AND FOREIGN OPERATIONS
UNITED STATES HOUSE OF REPRESENTATIVES
June 28, 2012**

Chairman Chaffetz, Ranking Member Tierney, and distinguished Committee members, I appreciate the opportunity to appear before you today along with my Department of State colleagues to provide you with an update on the United States' transition from a military to a civilian-led presence in Iraq.

Given Iraq's importance, situated strategically in the Middle East, it remains profoundly in the U.S. national interest that Iraq emerge as a strategic partner with the United States; a sovereign, stable, self-reliant nation; and a positive force for moderation and stability in the region. In the time since we last appeared before this Committee, the United States has upheld its commitments in the 2008 U.S.-Iraq Security Agreement by withdrawing all U.S. forces by the end of December 2011.

The Department of Defense (DoD) has worked closely with the Department of State to help ensure a successful transition to a civilian-led presence in Iraq. Before, during, and after the transition, DoD provided all possible support to set up the Department of State for success as U.S. forces withdrew from Iraq. Today, DoD continues to work with the Department of State to help meet its needs through the assignment of DoD personnel, extensions of equipment loans, and contracting assistance.

The focus is now on developing a normalized presence in Iraq following the transition to a Department of State lead. Part of normalization means building on years of working with the Iraqis to create a lasting, long-term security relationship.

Developing a long-term security relationship with Iraq is one of our highest priorities and is part of a broader enduring commitment to regional peace and security. To that end, the principal guiding document for cooperation and engagement with Iraq is the 2008 Strategic Framework Agreement (SFA) between the United States and Iraq. The SFA identified

Joint Coordination Committees (JCCs) as the mechanisms for strategic engagement in seven agreed-upon areas of cooperation. A Higher Coordination Committee was established in 2011 to oversee the work of the subordinate JCCs and provide a forum for senior U.S. and Iraqi officials to discuss the work of the JCCs.

Office of Security Cooperation-Iraq (OSC-I)

Since we last appeared before this Committee, DoD established the Office of Security Cooperation-Iraq (OSC-I), under Chief of Mission (COM) authority. The OSC-I is the foundation of our long-term security relationship with Iraq and represents a critical component of the normalization of U.S.-Iraq relations. The OSC-I serves as the main vehicle to expand our security cooperation relationship with the Iraqis. On a daily basis, the OSC-I coordinates security assistance and other security cooperation activities, and engages Iraqi leaders on the development and modernization of the Iraqi Security Forces (ISF).

The size of the Foreign Military Sales (FMS) program that the OSC-I manages and implements is a good indicator of the Iraqi desire for a strong and enduring security relationship with the United States. Currently, our FMS program with Iraq is the fourth largest in the region, and the ninth largest in the world, with a total value of approximately \$11.6 billion.

Of all the FMS cases with Iraq, the F-16 case stands out as the cornerstone of the long-term U.S.-Iraq strategic relationship. The sale of 36 F-16s to Iraq at a value of approximately \$6 billion was notified to Congress. The Iraqis divided the sale into two tranches of 18 aircraft each. To date, Iraq has deposited approximately \$2.5 billion toward this sale. Deliveries of the first aircraft are scheduled for September 2014.

Foreign Military Financing (FMF) assistance for the ISF is another opportunity to strengthen the long-term security relationship between the United States and Iraq. Fiscal Year 2012 is the first year Iraq will receive FMF, which will be used to develop and improve the ISF. To date, Iraq has used funding from the Iraqi Security Forces Fund (ISFF). However, ISFF funding expires at the end of Fiscal Year 2012.

DoD Support for the U.S. Diplomatic Mission in Iraq

In November 2011, the Secretary of Defense approved the Department of State's request to assign DoD personnel to support the U.S. diplomatic mission in Iraq under COM authority. Additionally, the Department of State has requested that DoD extend its equipment loans and contracts to support critical capabilities. This request will satisfy the Department of State's immediate need while it continues to build its own capacity. The Department of State will continue to reimburse DoD for all equipment loans, contracts, and services provided.

These requests include, but are not limited to, security, extensions of equipment loans and associated maintenance, base life support and core logistics services, and continued assistance for food and fuel on a reimbursable basis as follows:

- Logistics Civil Augmentation Program (LOGCAP) – U.S. Army LOGCAP IV support will continue through Calendar Year 2013 to provide the Department of State sufficient time to implement its phased approach to build its own capability. The Department of State is evaluating the proposals for a contract to maintain facilities on the Embassy Baghdad compound and other sites being used by the Embassy to reduce dependence on LOGCAP
- Food, Fuel, and Distribution Services – The Defense Logistics Agency will continue to provide support through Calendar Year 2013 while the Department of State incrementally takes over these requirements.
- The Army Sustainment Command will continue to provide support through its Field and Installation Readiness Support Team (FIRST) maintenance contract for those items of equipment not maintained under existing Department of State contracts.
- Contract Oversight – The Defense Contract Management Agency and Defense Contract Audit Agency will continue to provide support while DoD contracts are in place and may, upon request, support Department of State contracts.

- Two DoD IT Systems - the Synchronized Pre-deployment and Operational Tracker (SPOT) and the Total Operational Picture Support System (TOPSS) will continue to be used by the Department of State as its preferred personnel management tools.

Defense and Security Joint Coordination Committee

On May 22-24, 2012, together with the Department of State, DoD co-hosted the inaugural Defense and Security Joint Coordination Committee (DSJCC) meeting in Washington. The DSJCC is the main forum for discussing important aspects of a long-term defense partnership with Iraq. The DSJCC discussions last month marked a new phase in our military-to-military relationship with Iraq and served as an opportunity to further the vital strategic interests of both nations.

The DSJCC was co-chaired by the Under Secretary of Defense for Policy and the Acting Under Secretary of State for Arms Control and International Security. Iraqi Acting Minister of Defense Dulaymi chaired for the Iraqi side. At the DSJCC, we discussed Iraq's national military objectives, FMS, and FMF.

Conclusion

We are now at the point where the strategic dividends of our efforts are within reach. The DoD has worked closely with the Department of State to help ensure a successful transition to a civilian-led presence in Iraq. That successful transition enables us to concentrate on building a long-term strategic partnership with Iraq based on mutual interests and mutual respect. Iraq, through its large FMS program, is demonstrating its desire for a long-term strategic partnership. Iraq's commitment to this program is a testimony to the future of the U.S.-Iraq partnership.



Peter F. Verga

Chief of Staff for the Under Secretary of Defense for Policy



Mr. Verga is the Chief of Staff and Senior Career Official for the Under Secretary of Defense for Policy and serves as the first assistant to the Principal Deputy Under Secretary of Defense for Policy. He is responsible for oversight of security cooperation policy implementation, technology security policy, detainee policy, and missing persons and prisoners of war issues.

Mr. Verga also oversees the management and day-to-day operations of the Policy organization and the integration and implementation of national security and defense policies. Additionally, Mr. Verga is the Special Assistant to the Secretary and Deputy Secretary of Defense for Compartmented Activities. Previously Mr. Verga served as the Principal Deputy Assistant Secretary for Homeland Defense and Americas' Security Affairs, acting as the principal advisor on matters related to homeland defense activities of the Department of Defense and regional security matters for the Western Hemisphere. He has served as a member of the Federal Emergency



Management Agency National Advisory Council. Mr. Verga also served as the Special Assistant for Homeland Security and Director of the Department of Defense Homeland Security Task Force; as the Deputy Under Secretary of Defense for Policy Integration, successfully negotiating the return of a U.S. EP-3 Aircraft in 2001; and as Deputy Under Secretary of Defense for Policy Support. Born in Winston-Salem, North Carolina, Mr. Verga holds a Bachelor of Science degree in Public Administration from the University of La Verne, La Verne California, and a Master of Science degree in Public Administration from Troy State University, Troy, Alabama. A graduate of the United States Army Command and General Staff College, he is a visiting professor at the Naval Postgraduate School. Mr. Verga has been a career member of the Senior Executive Service since 1998.

Mr. Verga is a retired U. S. Army officer with over twenty-six years of service, including combat operations in Vietnam from September, 1969 to November, 1971. Prior to retirement from active service, he served as the Deputy Director for Emergency Planning in the Office of the Secretary of Defense where he was responsible for a variety of special and sensitive activities and interagency matters regarding emergency preparedness and wartime continuity of government policy and on the White House staff as Special Assistant to the Assistant to the President for Management and Administration, advising on a variety of matters including continuity of government and sensitive emergency plans and programs in direct support of the President. This followed duty as Deputy Director of the Office of Emergency Operations of the White House Military Office and in the Operations Directorate of the Joint Chiefs of Staff.

Mr. Verga has been awarded the Presidential Ranks of Distinguished Executive and Meritorious Executive and has been awarded three Defense Distinguished Civilian Service Awards and the Defense Meritorious Civilian Service Award. During his military service his awards included, among others; the Combat Infantryman's Badge, the Defense Superior Service Medal, the Legion of Merit, four Bronze Star medals, the Purple Heart, three Defense Meritorious Service Medals, twenty-one Air Medals, and the Presidential Service Badge.

Mr. Verga is married to the former Elizabeth Anne McAneny, they currently reside in Alexandria, Virginia.