

SENSITIVE BUT UNCLASSIFIED**Future of Iraq Project - Basis for Revised Budget Estimates****Overview**

- (1) The Department will enter into cooperative agreements with NGO's and a neutral conference organizing institute to support the work of a series of working groups on specific issues that will be important to the future of Iraq after Saddam Hussein. The Department intends to prioritize the startup of the first five working groups and to fund their work for about 3 months. (2) The Department will aim to convene a status mini-conference in Europe this summer with about 50-60 Iraqis and 10-20 international experts. By that time, we anticipate 4-5 of the working groups will have progress to report. (3) Further notifications will be sent up when ready.
- The provisional list of 15 working groups presented at an April 9-10 meeting of Iraqis convened by the Middle East Institute is in Tab 1-A. We have selected five working groups to begin the project: (1) Public health and humanitarian needs, (2) Water, agriculture and the environment, (3) Public finance and accounts, (4) Transitional justice, and (5) Public outreach.
- Each working group will initially have 10-20 members, to be determined by the Department. Many groups have already provided the Department with names of candidates with outstanding credentials, while other groups have yet to do so, but are expected to before the initial meetings of the working groups. Membership in the working groups may be somewhat fluid, as some people will drop out of the working groups over time, and others will be added as ideas evolve into different areas of expertise.

Phase I - Setting up the Working Groups and Initial Work

- A. Initial organizational phase to determine the initial membership of each working group.**

This phase will take staff work by the Department. A small number of key participants may be flown to the United States, or Department officials will travel to Europe or the Middle East, to have preliminary discussions with individuals who would form the nucleus of key working groups, and to select a venue for the mini-conference (travel for Department officials is funded out of regular appropriations).
- B. Hold an initial organizational meeting of each working group,** probably either in Washington or London depending on the center of gravity of the group's membership. The initial meeting, for which the logistics will be handled by a neutral conference-planning institute, will develop a common understanding of the objectives of each group, a timeline for its activities, and initial assignments for a paper to outline the major issues to be addressed through the practical work of each group.
- C. One or two of the individuals in each group would develop issue papers** describing the problem areas that could benefit from advance planning or thinking prior to regime change. The drafters, typically NGO professional staff members, would be in contact with group

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members by telephone or email. This phase should take no more than 2-4 weeks for each group.

- D. **Development of priority projects within each working group.** Using the issue papers as a basis, each working group would develop a consensus on the key problem areas for which practical planning needs to take place. For example, we anticipate the Public Health working group will say that steps need to be taken immediately to improve water quality in certain cities in southern Iraq. We would aim for this to be done at a mini-conference this summer (see below).

Phase II - A Mini-Conference This Summer

- E. **A Mini-Conference.** The Department will aim to convene a "mini-conference" this summer in Europe of about 40-50 Iraqis and 10 or so international experts to report on the progress of the working groups. This will allow the start-up working groups to report on their progress, exchange ideas, and provide an opportunity for feedback. Representatives of the working groups that are just starting up might also be invited to have their organizational meetings. The public diplomacy profile of this will conference depend on security consideration for group members and the overall political situation in the Middle East. Selected members of the political opposition may be invited as observers. Members of Congress and their staffs, and representatives of key allies may also be invited as observers.

Phase III - Follow-up Work

- F. **Work will continue after the mini-conference.** Selected Iraqi experts in each field, drawing on international experts as appropriate, will begin to develop the plans or materials for the projects that are approved by the Department. Different groups will take different amounts of time in this phase; in some cases, work could go on six months or more depending on the complexity of the issues. Groups would hold an ongoing dialog among members and with the U.S. Government and other supportive governments and institutions. We anticipate this will take additional funding within the overall project ceiling; that funding would be notified when ready. Additional working groups would follow the same general sequence outlined above. We are considering whether to have a larger conference with all the working groups in the fall.

Budget for Phases I and II

- **Working groups:** Average budget for each of 5 working groups for 3 months: **\$231,900.** **Estimated NGO program costs: \$141,600:** 1 program manager/substantive issue manager, 1 research assistant/WG support person, ½ admin/clerical support, ⅓ outside issue expert, telephone, printing, translations, direct office support, professional services (legal and accounting), 15% indirect costs. **Travel: \$90,300:** Organizational meeting: 15 people travel to Washington from USA, UK, Europe and Middle East. Mini-conference/progress meeting: 15 people travel to European city. Other incidental travel; use videoconferences and email for progress meetings along the way. No indirect costs on travel.

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- **Conference organizing institute:** Budget to support logistics of meetings for working groups, including making travel arrangements, meeting arrangements, handling visa issues and scheduling, organizing and supporting the mini-conference: **\$166,300**. **Program costs: \$103,500:** ½ program director, 1 program staff, ½ accounting staff, 1 clerical staff, telephone, printing, translations, direct office support, professional services and audit, 15% indirect costs. **Travel: \$62,800:** Travel to locate and arrange mini-conference location, and travel to set up and work during the mini-conference. No indirect costs on travel.
- **Mini-conference: \$208,100.** Travel for 15 international (i.e., non-Iraqi) expert participants: **\$29,900**. **Simultaneous interpretation and translation: \$29,400.** **Security: \$22,000.** Meeting site rental, pre-meeting costs for registration and preliminary meetings, audio/video, conference materials, media and host country relations, and management: **\$126,800**. These figures include both direct and indirect costs.
- **Total for Phases I and II: \$1,533,900.**