

Weekly Report
Michael Maxey, USAID Rep.
EPRT North Babil
February 23 – March 1, 2008

Arrival at EPRT North Babil – I arrived at FOB Kalsu on February 24th to assume my assignment as USAID Rep. for EPRT North Babil. Vanguard staff provided excellent support. I was briefed on current issues facing the team and was formally presented to the 4th Brigade Combat Team Commander, Col. Thomas James.

Field Trip to Sedah City – On February 25th I traveled with Team Leader Howard Van Vranken to Sedah City area to (1) visit hydroelectric dam and discuss power infrastructure issues with Iraqi officials, (2) discuss local issues and development priorities with the Sedah City Council, and (3) tour the state owned cement factory and discuss production and marketing issues with the factory officials. See attached trip report and photos.

Field Trip to Fish Farm Areas with General Lynch – EPRT was directed to prepare for a visit by General Lynch to fish farm operations in the North Babil area. We proposed a visit to INMA Fish Farm activities that under consideration by USAID with two part visit planned by the INMA Aquaculture Expert to the Euphrates Fish Farm near Hillah followed by a visit to the Iskandariya Fish Farm area as a site for expansion for aquaculture support. See attached trip report and photos.

Participation in Governance Conference - On March 1st, I attended “State of Babil” Conference convened by General Cardon. Attached is Memorandum of Conversation from that meeting with a list of follow on actions.

Brief to Division Leadership on USAID Activities in North Babil – A FRAGO directed the EPRT to prepare a brief on present and future USAID activities in North Babil. The attached brief was prepared and will be delivered at some date in the future. The points included in the brief were requested in the FRAGO.

Upcoming Events:

(1) Meeting and Field Trip on March 2 and 3 at FOB ISKAN – I will travel to Iskandariya to discuss IDP (Internally Displaced Persons) situation for the Khidr area with USAID staff and USAID implementing institutions with objective of developing a plan of action to address IDP issues.

(2) Briefing with Vanguard Surgeons – August 7th meeting is scheduled to brief staff on USAID activities in health sector and discuss how we can better coordinate our efforts.

(3) Meeting with RTI Representative, Lamar Cravens, for briefing on Governance Training in North Babil and to discuss the potential of having two RTI staff assigned to this area.

Trip Report
Sedah City, North Babil
Michael Maxey
February 25, 2008

I accompanied EPRT Team Leader, Howard Van Vranken to Sedah City with Lt. Ray and a military escort from FOB ISKAN to three sites in the Sedah City area.

Sedah Dam - We first stopped at the Sedah Hydroelectric Dam and met with Mohammad Nasir, the General Manager of the Dam. He along technical staff explained that the facility was running at about 10 percent capacity. It produces only 1.5 megawatts out of a potential capacity of 15 megawatts. While the power produced at the plant feeds into the national grid, there is a dire situation locally in terms of access to electricity with power available only 3 to 4 hours per day. Four turbines are currently installed at the dam but because of (1) silting, which lowers water intake, (2) problems with trash removal of water going into the turbines, which limits the effective of power generation and can damage the still functioning turbines, and (3) a general lack of spare parts, the dam is barely functioning. Money is not available within the regular budget of the facility to purchase spare parts, repair the trash removal system, nor initiate dredging. Mr. Nasir indicated the highest priority need is to hire an engineer to fix the trash collection system. "Our problem is finding the money to pay for an engineer to repair the facility." We asked what actions were taken to address this within the Government of Iraq (GOI) and were told that a request for repairs had been sent to the Director General of Electricity but there had been no response. We asked for a copy of the request and a document number so that we could follow up directly with the DG of Electricity in Al Hillah. Mr. Nasir indicated he would forward us the necessary documentation.



Sedah Hydroelectric Dam

Sedah City Local Council - Our second stop was at the Sedah Local Council where we discussed governance issues and economic development. We met with Said Hayar and other members of the Council. They said that RTI governance training had been good

and that they learned important aspects of budget planning and execution as well as how to improve management systems.

Howard Van Vranken asked, “I wonder if there will be wide participation of the election in March?” Said Hayar stated that there were concerns because the election slate would be a closed list – people would not be able to vote for particular candidates. When asked about the last elections Mr. Hayar indicated that they had been fair. When asked about the council’s relation with the Provincial



Council, Mr. Hayar indicated that things were not great, the Provincial Council overstepped its authority in mandating two men to be hired under one of the trash pick up programs administered by the Local Council. When asked about the security situation, Mr. Hayar replied that security had improved significantly. When asked what were the greatest problems Sedah City faced, he replied that unemployment was the biggest issue the Local Council had to address.

Pressed to describe their local economic development plan, the Council said they had a strategy to promote tourism through the construction of a hotel and targeting the upscale religious pilgrims coming to the Shia Holy sites. Some actions are underway to support this project but the needed investment capital for the hotel has not been found yet. When we asked what do the local people think is most important, the Council members responded that the No. 1 complaint of the local population was the lack of essential services (electric power, sewage management, road rehabilitation and maintenance, and potable water).



The meeting closed with a ceremony and presentation of funding for small grants to the Local Council by Lt. Ray and his colleague.



Walk through Sedah City Market – After the meeting we toured the downtown market area. Stores were open and there was economic activity. We talked to different shopkeepers who were selling vegetables, cell phones, dry goods, etc. Everything appeared secure and people approached us and were open and friendly.



Cement Factory – The last stop on our trip was at a state owned cement factory where we met with Technical Representative Mr. Hussein. The plant is limited in the amount of cement it can produce because of a lack of electricity – production is at 25 percent of capacity (it has the potential to produce up to 12,000 metric tons of cement per month but now the production is around 3,000 metric tons). If the plant were fully operational, it would employ 1,000 people (it currently has 317 employees). We asked if funding could be made available from the Provincial Council for capital improvements at the factory. Mr. Hussien said that the repairs needed to infrastructure are very big. He then took us to see the 4 electric generators that previously powered the plant at full production – none of them worked.

Trip Report

General Lynch Visit to Euphrates Fish Farm &
Meeting with USAID/INMA Officials
Michael Maxey --- February 29, 2008

I accompanied Col. Shuck, Lt. Gottschall, and USDA Rep. George Stickels on a trip with General Lynch to the Euphrates Fish Farm area near Al Hillah. We were accompanied by INMA Chief of Party, Herschel Weeks, USAID Cognizant Technical Officer, Ron Curtis, and INMA Aquaculture Specialist Duane Stone. The purpose of the trip was to look at Euphrates Fish Farm operation and discuss INMA support for this project.

We landed at the fish farm site and General Lynch toured the hatchery, fish ponds and buildings with Duane Stone. The General questioned the lack of activity at the facility and asked what was being done. Stone explained that water was just now flowing into the ponds with support from INMA and the hatchery operation would be underway soon. The plan is to provide water, carp fingerlings, and fish feed for this growing season in the Al Hillah area with the idea of expanding INMA support for commercial fish farming to the Iskandariya area next season. It was agreed in an adhoc meeting with General Lynch after the tour that representatives of USDA, USAID, INMA and the EPRT North Babil would meet with General Cardon in the near future in Baghdad to determine what INMA and Vanguard could do to put together a functioning fish farm program in North Babil as soon as possible.

From a purely technical and operational view point, my suggestion is that from the INMA side we include their Chief of Party Herschel Weeks who is the director of all INMA operations in Iraq along with their Aquaculture Expert Duane Stone. USAID participants should include INMA CTO Ron Curtis and EPRT North Babil USAID Rep Michael Maxey who is also the INMA Activity Manager for the area. USDA should be represented by George Stickels. A representative from BCT who speaks for Col. James concerning allocation of CERP funding should participate as well.



The second part of the meeting focused on the Central Euphrates Farmers Market. It was decided to discuss INMA participation to support this activity in partnership with the military. A general discussion focused on how Vanguard could put up the funding for construction of a farmers market while INMA put funding for training and technical assistance for agricultural production and marketing. INMA Chief of Party asked EPRT North Babil staff to bring the proposal for the Central Euphrates Farmers Market to the meeting on Tuesday in order to work details and funding amounts in how we can cooperate.

Actions Requiring Decision: Col. James needs to decide how we will proceed in meeting General Lynch's request to have a meeting to discuss specific activities, funding sources and implementation issues for the Iskandariya Fish Farm Program and the Central Euphrates Farmers Market. We also need to finalize the details for the meeting with INMA, USAID and EPRT North Babil staff to decide how we can move forward on both these programs.



General Lynch studying map of fish farm areas.



General Lynch giving gift of a book to Fish Farm Manager.

Memorandum of Conversation
State of North Babil Meeting with General Cardon
March 1, 2008

I participated in a meeting on governance issues for Babil Province convened by General Cardon and attended by USAID Baghdad officials (Julie Koenen-Grant, Gavin Helf, Geoff Minott), RTI Regional Manager Lamar Cravens, Office of Provisional Affairs Desk Officer Walter Yates, Vanguard officer corps led by Col. Thomas James, and EPRT North Babil and PRT Babil. General Cardon started the meeting off by highlighting three problems that needed to be addressed (1) Sons of Iraq – Funding is coming to an end and a transition to private sector is needed, (2) North Babil – As a mixed Shia – Sunni area, there is a need to quickly promote economic development, participation and ownership of local governance mechanisms, and (3) Focus- What are the key areas to focus on.

There was open discussion on election process and how to promote transparent, Iraqi-owned elections. Linking North Babil to Babil area activities was discussed with PRT Babil explaining an effort already underway for better asset management through training and GIS technology provided by RTI. Original focus was on Hillah City but the program is now ready to expand north to Iskandariya and other cities in North Babil. In terms of focus, it was made clear that we should focus our efforts on the Belaydiah and leverage greater Ministry investment in the province. General Cardon reminded everyone that the 2009 budget cycle was almost ready to begin and that it was imperative to get Local Councils, Belaydiah and the Provincial Councils talking to each other to plan adequate investments that are equitable (investment amount based on population was discussed as one criterion for assessing fairness in budget planning and executing).

Follow up issues included:

- (1) Determining how we can promote more governance training for our Local Council, Provincial Council and other governance participants – RTI suggested having mixed classes in their facility at REO Hillah while LTC Shuck suggested also trying to find ways to bring the training classes to North Babil to ensure wide participation.
- (2) Given the need for economic development, it was suggested that General Cardon consider convoking an economic development discussion like had been done for governance that included USAID Baghdad Economic Growth staff.
- (3) Find out what type of investment promotion support is available within the Iraqi government or from donors to help the country attract investment capital. Recently a venture capital group talked with General Cardon about investing in agriculture, real estate and financial instruments in Iraq but he didn't know where to send them or to with whom they could talk.



Weekly Report March 8, 2008
ePRT North Babil
Michael Maxey, USAID Rep.

Primary action for the week was trip to Khidr area, north of Iskandariya, where elements of the 4th Brigade Combat Team, 3rd Infantry Division, “The Rock of the Marne,” had cleared out Al Qaeda of Mesopotamia from the fish farm areas. Purpose of the trip was to bring out USAID partners to determine what could be done to rebuild the area, provide essential services, and restore a sense of hope. Attached is a trip report to the Khidr area on March 2 – 3, 2008.

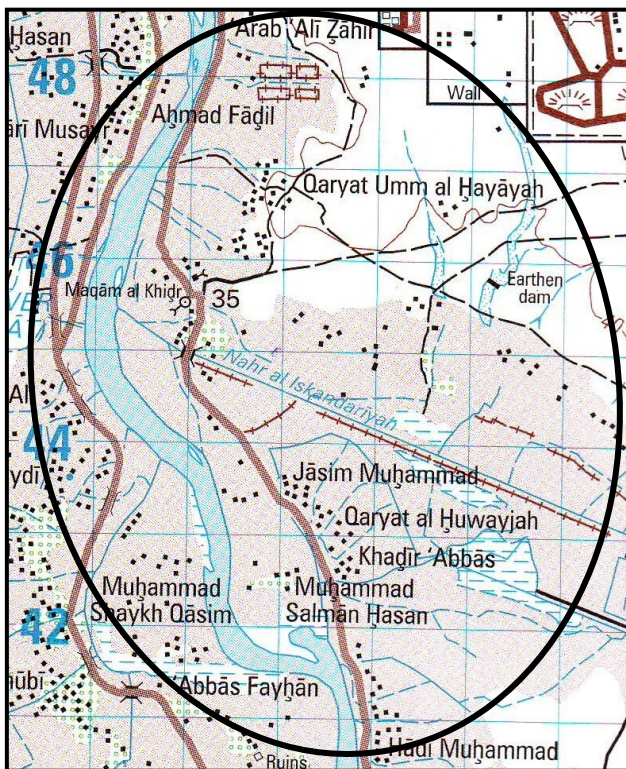


Shia Holy Shrine in Khidr – completely destroyed by Al Qaeda in December 2008

Trip Report
Meeting with Local Leaders & Field Trip to Khidr
To Assess Internally Displaced Persons (IDP)
Michael Maxey - USAID Rep. – EPRT North Babil
March 2 – 3, 2008

The purpose of this trip was to assess IDP issues and develop a preliminary plan for USAID financed activities in Khidr and nearby villages. Meetings were hosted by LTC Timothy Newsome on March 2nd with USAID staff and partners¹ as part of the assessment process. Three meetings were held on March 2nd: (1) USAID staff and partners introduced themselves explained their role in IDP situations, and what they could potentially bring to the fight, (2) the US military briefed on the situation in Khidr and the region, and (3) Iraqi local leaders from Khidr area explained their priorities for assistance.

We started the meeting with introductions of the different people and a brief explanation of their specific programs: Jane Thomson, IRD Manager for the Community Stabilization Program (CSP) explained that she was starting up activities in North Babil and their her mission was to provide assistance in community infrastructure (roads, schools, health clinics, etc.), small business development (micro-grants, votech training, etc.), and youth programs (sports leagues, sports facilities, etc. Jack Myer, Office of Foreign Disaster Assistance (OFDA) IDP Program. Manager highlighted the role of OFDA as the first responder to emergency situations where their goal is too keep people from dying immediately. OFDA



has a number of partners managing IDP activities in Iraq (one of which is IRD) and they are involved in providing temporary shelter, potable water, etc. The OFDA IDP program also interfaces with the Ministry of Migration payments to help people meet basic needs while they get back on their feet. Jon Wiebe and Rebecca Coolidge, DAI IRAP (this is

¹ Jon Wiebe, (jon_wiebe@dai.com) Iraqi Rapid Assistance Program (IRAP) DAI Program Manager; Rebecca Coolidge, (rebecca_coolidge@dai.com) DAI Grants Manager; Jane Thomson, (irdthomson@yahoo.com) IRD Manager Community Stabilization Program (CSP) and Mat Simmons, Security IRD; Jack Myer, (jmyerty@usaid.gov) OFDA IDP Expert; Michael Maxey, (mmaxey@iraq.usaid.gov) USAID Rep. EPRT North Babil.

the QRF mechanism) explained that IRAP is an EPRT led process that can do a variety of projects ranging from infrastructure rehabilitation (with sustainability assured in some way) to micro-finance for businesses. Jon explained the new limit for a grant under IRAP at the local level was raised to \$500,000 of which not more than \$200,000 could be used for construction. He also explained the process for developing and submitting proposals via the IRAP database.

The meeting with the Iraqis included three local leaders: (1) Sheik Jafe Hussens – Khidr; (2) Sheik Sadar – Ditung; Sheik Sadaoon – (not from the Khidr area), Mr. Omar and Mr. Udah (I believe are from a village called Umm al Hayahay which translates to Mother of Snakes). We met for two hours and had a wide ranging discussion. The Iraqis were focused on big ticket items – road paving, electricity and reconstruction of houses destroyed by AQI. We finally got down to some specific issues regarding their priorities: schools (especially refurbishing and expanding the high school in Khidr), potable water and home reconstruction. They also raised issues concerning inequities in distribution of food as well as payments for rebuilding of homes. They said Sunni were discriminated against – that Shia received benefits but the Sunni were excluded. They also said that they felt the Government of Iraq was unfair to them.

At one point, one of the Sheiks said, “The most important thing you can do for us is to get the Iraqi government to equitably allocate resources to our communities.”



Meeting with Iraqis at FOB ISKAN

In the discussion with the Iraqis it was noted that we could help them review the Provincial Reconstruction Program activities that were supposed to have been completed this year and also help them work with the Provincial Council on the 2009 budget. We discussed a possible trip to Hilla to assess budget allocation and execution for North Babil in general and the Khidr area specifically. It was also agreed that some quickly funded activity like canal cleaning was needed immediately to generate income for local residents.

March 3rd Field Trip to Khidr, Ditum and Umm al Hayayah – We went to the field with battle space commander, Captain Jim Hart who provided a briefing during the trip of how the battle was won for this area. He explained that the final fighting had taken place in mid-December and that as AQI left they destroyed homes, mosque, Shia shrine and medical clinic.

As we approached Khidr we saw many destroyed homes, a completely demolished shrine to Khidr, one of the 12 Imams of Shia Islam. This was an important shrine and was deliberately targeted. We stopped in Khidr and toured the area, at one point we stopped at the local school. The photographs below area composite of photos made near the school, the Shia Shrine lies in ruins in the background with people all around trying to rebuild and LTC Newsome with school children we found in their class room at the damaged school.



I visited one of the classrooms and made a photo with the local children. It was evident everywhere that people were not waiting for assistance but were actively trying to rebuild with whatever resources they could scavenge from the rubble.



Michael Maxy with local school children in Khidr.



Rebecca Coolidge – DAI



Jack Myer – USAID OFDA



Jon Wiebe - DAI



USAID Partners

The “Way Forward” for Khidr and Surrounding Area: At the end of the trip, LTC. Newsome met with us and asked for feedback on what we thought was possible in terms of assistance for Khidr. Each partner explained what they saw as primary issues and then told what the next steps were for providing assistance.

Jane Thomson – CSP – Immediate need for the area is employment. Over 3,700 SOIs that will need to be absorbed into local labor pool after the end of June. Focus should be on canal clean up to employ people. Jane requested and received from the US military a listing and map of all priority canal cleanup sites in the Iskandariya area. Jane also indicated there could be assistance in refurbishing the school in Khidr and in rebuilding the medical clinic. Some small business activity agriculture or fish farming may be possible as well.

Jon Wiebe – DAI IRAP - Reconstruction of destroyed homes is a key issue and this is an area that IRAP could possibly help on but Jon indicated he needs to confirm with staff in Baghdad on how to put together a proposal that would meet criteria for approval. If this is worked out, there could be up to \$200,000 for Khidr in reconstruction assistance (in-kind materials and supplies following a model unit to provide temporary housing until the community is rebuilt). Lower amounts of funding could possibly be provided to surrounding communities. Assistance in rebuilding the high school (adding bath rooms for women teachers and female students as well as refurbishing classrooms could be done – Jon and Jane will coordinate what CSP and DAI will do – one will work in Khidr with other focused on school rehabilitation elsewhere). The same for the destroyed medical clinic. Either CSP or DAI will work to rebuild it. In either case, a commitment will be obtained from the DG of Health and Education in Hilla committing teachers and medical staff. Jon indicate that something could also be possibly done for potable water. Finally, he mentioned the need to go forward with the pending \$500,000 business development microfinance program and tie this area into the training and micro-credit activities under the proposed Small Business Development Center. We also discussed seeking ways to link CSP and IRAP to combine the CSP micro-grant system with the IRAP micro-credit in order to leverage more synergy and support more viable businesses.

Rebecca Coolidge – DAI Civil Society – Highlighted the need to move forward in setting up registered NGOs as a way to provide assistance at the local level. She mentioned the intermediate term need to establish an “NGO Incubator” possibly in conjunction with the Small Business Development Center in Iskandariya. Regarding NGO registration Rebecca mentioned that the law has been changed and it is apparently becoming more difficult to register an NGO. We agreed to follow up on this issue after she meets with Embassy staff who have been involved in analyzing the new law.

Jack Myer – OFDA IDP – Conceded that CSP and DAI can play a stronger role than OFDA in the development Khidr since OFDA’s role is limited to people in very dire circumstances. Jack did mention that he could work with us terms of addressing the inequitable distribution of grants for reconstruction by the Ministry of Migration. We will follow up with more details so Jack can track this issue in Baghdad for us.

Recommendations/ Next Steps:

- (1) Take immediate action to promote better budget planning and execution of GOI resources to Iskandariya area (including Khidr). It was recommended that Capt. Jim Hart and I go to Hilla in order to do the following: (i) Get the PRDC list for the Iskandariya area (with this list we can compare what was planned against actual accomplishments) and we make sure the list is publicized for this year and when the 2009 list comes out, (ii) get written commitment of support in the form of a Memorandum of Understanding (MOU) with the DG for Health and for Education regarding the construction and/or refurbishment of schools and health clinics, and (iii) Meet with Small Business Development Center director (Dr. Asmaa) to discuss strategic vision of proposed SBDC in Iskandariya – how do we think strategically in order to have the greatest impact on small business development and how can we coordinate partner support toward a common goal.
- (2) Registration of NGOs - This may be a serious problem if Inma can only do grants and activities with registered farmer associations. Rebecca will work with us to find out how to proceed under the new law and also help us think about ways to work around any constraints the new law may bring (one idea was to work with existing registered NGOs in Baghdad and have them manage grants with unregistered farmer groups, fish farm association, etc.
- (3) Identify Local Committees – As part of Civil Society initiatives we agreed to help find out where the Community Action Committees are located and how they are operating. I agreed to request this information from CHF.

Destruction in Khidr Area

