

**CORPORATE WATCH**

# **CORPORATE CARVE-UP**

**THE ROLE OF UK CORPORATIONS IN  
IRAQ, MARCH 2003-MARCH 2006**

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# EXECUTIVE SUMMARY

This report analyses the role of UK corporations in post-Saddam Iraq. To date, we have uncovered evidence for about £1.1bn worth of contracts, from the US and UK reconstruction budget, and from the Iraqi ministries.

This UK figure is certain to be an understatement, as the value of several large contracts is not known. These include the printing of the new Iraqi Dinar by De La Rue and Datasat's 'major telecomms contract', plus the money that successful security firms such as Hart, AK Group and Olive have made. It is also hard to gauge the revenue and influence that the banks HSBC and Standard Chartered have gained through their operations in Iraq.

The real UK total is certain to be far behind the US corporate Iraq profits; the latest Haliburton/KBR military contract alone is worth about £2.85bn.<sup>1</sup>

However, UK corporations are playing a key role in two sectors: consulting (especially privatisation support) and private security, including private military companies. See the sections 'Consultants: creating a new Iraq' and 'Bodies of armed men' for more on these areas. The UK government, and British-based trade associations, have also played a key role in facilitating corporate access to Iraq's markets, services and resources; see section 'Iraq wasn't sold in a day.'

## BREAK DOWN OF SOURCES OF INCOME

USAID	£556,743,161
Pentagon	£332,540,000
Iraq	£165,650,340
DfID/FCO	£78,532,490
Unknown	£28,800,000

## BREAKDOWN OF INVOLVEMENT, BY SECTOR

Power/water	£501,237,311
Private security	£382,971,284
Petroleum	£76,339,726
Financial	£62,161,871
Construction	£24,815,441
Consultants	£13,867,795
Telecomms	£10,000,000
Education	£9,470,451
Procurement	£7,992,112
Services	£7,500,000
Software	£4,500,000
Materials	£20,000

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<sup>1</sup> 'Halliburton Wins New \$4.9Billion Iraq Contract', 06/06/05, Corporate Watch (US), <http://www.corpwatch.org/article.php?id=12487>

# TOP TEN COMPANIES

1. AMEC £500m (approx)  
<http://www.amec.com/>  
Construction  
Subcontractor on \$154m Fluor contract to restore electrical power systems (Feb 2004)<sup>2</sup>  
Joint contract with Fluor to 'provide design-build services for construction, rehabilitation, operation, and maintenance of power generation facilities' \$500m from USAID (March 11 2004)<sup>3</sup>  
Joint contract with Fluor to 'provide design-build construction services for water resource projects in the northern and southern regions of Iraq' \$500m and \$600m from USAID (March 11 2004)<sup>4</sup>  
Unknown sum from Centcom contract;<sup>5</sup>  
'Federal spending in Iraq has helped Amec make a positive start to 2005.' (May 2005)<sup>6</sup>

2. Aegis £246.5m+  
<http://www.aegisworld.com/>  
Private security  
Three-year \$430m Pentagon contract to coordinate military/security companies in Iraq: 'a workforce the size of a military division; and may rank as the largest corporate military ever assembled' (June 2004, extended by another year in 2005).<sup>7</sup>  
Turnover of Aegis has gone from £554,000 (2003), to £62m (2005); three-quarters of this from work in Iraq.<sup>8</sup>

3. Erinys £86m+  
<http://www.erinysinternational.com/>  
Private security  
\$50m from US Army Corps of Engineers. \$100m to protect oil fields (2003 to December 2004)<sup>9</sup>

4. Petrel Resources (Anglo-Irish) £56.6m  
<http://www.petrelresources.com/>  
Petroleum

2 'AMEC Wins Leading UK Role in Rebuilding Iraq', AMEC press release, 17/02/04  
<http://www.amec.com/news/mediareleasedetails.asp?Pageid=876&MediaID=852>

3 Iraq Relief and Reconstruction Fund (IRRF) -- Major Project Contractors, 2004,  
[http://www.whitehouse.gov/omb/legislative/2207\\_appx3.pdf](http://www.whitehouse.gov/omb/legislative/2207_appx3.pdf)

4 Iraq Relief and Reconstruction Fund (IRRF) -- Major Project Contractors, 2004,  
[http://www.whitehouse.gov/omb/legislative/2207\\_appx3.pdf](http://www.whitehouse.gov/omb/legislative/2207_appx3.pdf); 'Exports to Iraq rise 150% in first half of year', *FT*, September 27, 2005

5 [http://www.export.gov/iraq/pdf/contracts04\\_print.pdf](http://www.export.gov/iraq/pdf/contracts04_print.pdf)

6 'Iraq Boost for Amec', *Building Magazine*, 18/05/05,  
<http://www.building.co.uk/story.asp?storycode=3051238&sectioncode=284>

7 'From Mercenaries to Peacemakers?', *Corporate Watch (US)*, 29/11/05,  
<http://www.corpwatch.org/article.php?id=12829>

8 'Dog of War Builds £62m Business', *Sunday Times*, 05/02/06, <http://corpwatch.org/article.php?id=13229>

9 'Out of the shadows? "Silent partners" deliver safety and security in a dangerous world', *Pipeline Magazine*, (September 2005) <http://www.pipelinedubai.com/feat/2005/security.htm>

Awarded \$197.4m (£113.17m) contract to develop Subba and Luhais oil fields by Ministry of Oil (September 2005)<sup>10</sup>. Have formed a joint venture with Makman oil and gas, in which each will take 50%.<sup>11</sup>

5. HSBC £36.88m (stake in Dar es Salaam bank)

<http://www.hsbc.com/>

Financial

Has bought 70% of Dar es Salaam Investment Bank, (which has assets of \$91.1m)<sup>12</sup>.

HSBC share is therefore £36,881,225. HSBC profit from Middle East business rose 25% in 2004.<sup>13</sup>

6. Cummins UK £25.8m+

<http://www.cummins.com/eu/pages/en/distributors/uk/index.cfm>

Power

\$45m from sale of power stations.<sup>14</sup> 'To date we have supplied four power stations: 2MW for the Forum in Baghdad, 4MW for the El Rasheed Hotel (USAID), 5MW for the airport and 8MW for the US army.'

7. PB Power £24.88m

<http://www.pbworld.com/>

\$43.4 'Provide program management office support for the electrical services sector' (March 10 2004).<sup>15</sup>

8. Control Risks £23.5m+

<http://www.crg.com/>

Private security

Unknown proportion of \$500m; subcontractor for Parsons USAID buildings contract.<sup>16</sup> (March 2004)

£23.5m from UK government for protection squads; figure disputed by CR (March 2004)<sup>17</sup> 'one of the largest British PSCs in Iraq'<sup>18</sup>; 2004 turnover £80m<sup>19</sup>. Has over 250 personnel in Iraq (June 2005)<sup>20</sup>.

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10 'Petrel Signs Iraqi Contract', 02/12/05, [http://www.petrelresources.com/\\_latestNews/news\\_archive.asp?newsID=13](http://www.petrelresources.com/_latestNews/news_archive.asp?newsID=13)

11 'Petrel Resources enters into Joint Venture to develop Subba & Luhais oil field', 06/01/06,

[http://www.petrelresources.com/\\_latestNews/news\\_archive.asp?newsID=14](http://www.petrelresources.com/_latestNews/news_archive.asp?newsID=14)

12 HSBC press release, 28/10/05, [http://www.hsbc.com/hsbc/news\\_room/news/news-archive-2005?cp=/public/groupsite/news\\_room/2005\\_archive/dar\\_es\\_salaam\\_investment\\_bank.jhtml&isPc=true](http://www.hsbc.com/hsbc/news_room/news/news-archive-2005?cp=/public/groupsite/news_room/2005_archive/dar_es_salaam_investment_bank.jhtml&isPc=true)

13 <http://www.bloomberg.com/apps/news?pid=10000102&sid=aGB0Btl54tMc&refer=uk>

14 Cummins profile, *UK Power Companies in Iraq*, UKTI, June 2005

15 [http://www.whitehouse.gov/omb/legislative/2207\\_appx3.pdf](http://www.whitehouse.gov/omb/legislative/2207_appx3.pdf), 'Australia turns to experts at PB Power', UK

Newsquest Regional Press - This is The NorthEast, **September** 14, 2004

16 Iraq Relief and Reconstruction Fund (IRRF) -- Major Project Contractors, 2004,

[http://www.whitehouse.gov/omb/legislative/2207\\_appx3.pdf](http://www.whitehouse.gov/omb/legislative/2207_appx3.pdf)

17 'A fistfull of contractors', British American Security Council, 04/09/0, p.9

<http://www.basicint.org/pubs/Research/2004PMC2iii.pdf>

18 'HSBC eyes stake in Iraqi bank', *Times*, January 29, 2005

19 'HSBC eyes stake in Iraqi bank', *Times*, January 29, 2005

20 Control Risks profile, *UK Power Companies in Iraq*, UKTI, June 2005

9. MerchantBridge £22.07m (capitalisation)  
<http://www.mbih.com>  
Financial  
'lead advisor' to Iraq Ministry of Industry and Minerals for factory lease programme (Jan 2004)<sup>21</sup>  
Launched Mansour Bank (Sep 2005), capitalised at \$38.5m; 90% from Iraqi investors.<sup>22</sup>

10. Global Risk Strategies £15.4m (at least)  
<http://www.globalrisk.uk.com/>  
Private security  
Has 2,000 staff in Iraq.<sup>23</sup> Received \$27m contract to distribute new Dinar (May 2004).<sup>24</sup>  
Guarded part of Baghdad airport (May 2004).<sup>25</sup>

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21 <http://www.ameinfo.com/33857.html>

22 [http://www.menafn.com/qn\\_news\\_story\\_s.asp?storyid=108206](http://www.menafn.com/qn_news_story_s.asp?storyid=108206)

23 'War's fertile grounds for soldiers of fortune', *Sunday Times*, 30/10/05, <http://corpwatch.org/article.php?id=12711>

24 'The Baghdad boom', *Economist*, 25/03/04, <http://www.sandline.com/hotlinks/Economist-Baghdad.html>

25 'Don't call us mercenaries, says British company with lucrative contracts and cheap labour', *Guardian*, 17/05/04, <http://www.guardian.co.uk/military/story/0,11816,1218365,00.html>

# INTRODUCTION

The US/UK-led invasion of Iraq in March 2003 was not to remove Saddam Hussein, or to lessen the risk of terrorist attacks, or to reduce supplies of Weapons of Mass Destruction (WMD). It was about preserving US/UK access to, and control over, the oil reserves of Iraq, the second largest in the world. This being the case, a military invasion and occupation is insufficient. In order to guarantee long-term control over Iraqi natural resources an Iraqi economy has to be created that is hospitable to the oil majors, such as Shell, Esso and BP. Corporate involvement in Iraq is therefore one of the key issues in the world today. If the corporate occupation of Iraq succeeds in creating a neo-liberal Iraq, then control over these immense natural resources passes firmly into the hands of US/UK-backed corporations. Iraq's oil will become further fuel for the current cycle of war, invasions and environmental catastrophe, which threatens us all.

There are, of course, several different motivations behind the presence of corporations in Iraq, but they mostly spring from pro-corporate ideology amongst the political and corporate elite. One reason is what has been called 'military Keynesianism': the use of the military (and in this case, aid) budget to shovel large amounts of public money towards private businesses and thereby supposedly stimulate the economy. The money that corporations have been making in Iraq has largely come from US and UK tax money, where it has not been skimmed off Iraqi oil revenue. Another related, but cruder, motivation comes from the desire of the US/UK political cliques to reward their domestic corporate backers, and the neo-conservative connections to the major Iraq contractor Haliburton/KBR are a basic example of this. The pressure on the Blair government to deliver reconstruction contracts for UK corporations in Iraq is a more nuanced version.

A large part of the story of UK companies' involvement in Iraq has been one of disappointment. As a member of the 'coalition of the willing' that invaded Iraq, the UK was expecting to reap significant rewards in terms of reconstruction and oil contracts. The hundreds of millions of dollars that UK companies have received is relatively small change when compared to the lion's share taken by the US. This reflects the weak bargaining position that the UK is in, protestations of a 'special relationship' aside. It also indicates that the British participation in the Iraq war was strongly ideologically driven - due to the Blair government's belief in the righteousness of the 'War on Terror' and probably also a pragmatic decision about the importance of continued control over Middle Eastern oil.

While the hopes for major reconstruction contracts have not been realised, despite the best lobbying efforts of the UK government, the UK private sector has been a very important player in the creation of a new, pro-corporate, Iraq. In the fields of pushing privatisation through consultancy work, and in the provision of private security to guard the reconstruction, British based and British managed companies have played a crucial part.

The oil majors, such as Shell and BP are barely touched upon in this report. They are holding back on making massive investments until a safe pro-corporate environment has been created. The memory of the oil company nationalisations of the 1950s-70s is still strong:

There has to be proper security, legitimate authority and a legitimate process... by which we will be able to negotiate agreements that would be longstanding for

decades. We wouldn't go into that situation unless these conditions were satisfied because we are a long-term business doing long-term projects and we need the framework in which we can make this sort of investment decision. Phil Watts, former head of Shell, November 2003.<sup>26</sup>

At the moment, oil companies are limiting their activity to surveying the oil fields, preparing development plans and signing agreements with the Oil Ministry in the hope that these will pay off once the legal and security framework exists for them to be implemented.

This analysis: of a corporate occupation of Iraq, is also one of hope. The economic capture of Iraq is not yet accomplished. There is still time for both the occupations to be reversed. Eventually, this should lead to a 'reconstruction' of Iraq by using its own natural wealth: in minerals, skills and education; and a reconstruction controlled by the people who's own society is being re-made.

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<sup>26</sup>'Security fears put a block on Iraq upstream reinvestment', Lloyd's List, 25 November 2003,

## UK CONSULTANTS: CREATING A NEW IRAQ

The UK's long historical involvement in the Middle East, and leading role in the invasion and occupation of Iraq, is paying off for a great number of UK-based consultancy firms. Just as privatisation and the private finance initiative (PFI) in the UK have opened up a new arena of profits, so the restructuring of Iraq's economy is providing fertile opportunities for an army of consultants.

After the ejection of the British-backed monarchy in 1958, much of Iraq's economy was taken over by the state. Several UK firms, such as the bank Standard Chartered<sup>27</sup>, and the oil companies BP and Shell, had their Iraqi assets nationalised.<sup>28</sup> These corporations are now operating in Iraq again, in the hope that state control over sectors such as banking and oil revenue will be removed. More than that, there is the assumption by the US and UK occupiers that Iraq will be transformed into a market economy. In their terms, this means an economy run according to 'free market' principles, which is to say, dominated by corporations. Already laws have been passed by the Coalition Provisional Authority (CPA) to allow the privatisation of over 200 state owned enterprises (SOE).<sup>29</sup>

However, to transform the running of an entire country involves more than simply passing a few laws; the entire political and economic management has to be shifted. The Department for International Development (DfID) recognises this:

Reform has begun with the introduction of a single currency, the creation of an independent Central Bank and agreement on a budget. But the new Iraqi Transitional Government will have to tackle energy pricing, commercialise the food distribution system, and reform the State Owned Enterprises sector if it wants to create a market economy. These reforms are politically sensitive. They will need to be carefully planned and staged to minimise adverse social and political consequences. (*Iraq: Interim Country Assistance Plan, DfID, February 2004*)

Ibrahim Bahr al-Uloum, who was Oil Minister both under the US-run CPA and the transitional government of Ibrahim al-Ja'afar, was quoted by the *Financial Times* as saying that 'The Iraqi oil sector needs privatisation, but it's a cultural issue.'<sup>30</sup> To assist sympathetic Iraqi politicians in the *sensitive* process of privatisation, various private firms have been selected, with experience in this field.

No firm is more experienced than Adam Smith International (ASI). This is an offshoot of the right-wing think-tank the Adam Smith Institute, which provided the Thatcher governments with much of their ideological backing, in privatising the UK state owned industries.<sup>31</sup> DfID is aware of the discomfort with which many Labour members will view ASI, and has stated that

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27 *Banker Middle East*, Who dares, wins, (August 2003) [http://www.bankerme.com/bme/2003/aug/cover\\_interview.asp](http://www.bankerme.com/bme/2003/aug/cover_interview.asp)

28 'Over a barrel', *The Guardian*, 22 November 2002, <http://www.guardian.co.uk/oil/story/0,11319,845166,00.html>

29 'Pillage is forbidden' *The Guardian*, November 7, 2003,

<http://www.guardian.co.uk/Iraq/Story/0,2763,1079563,00.html>; 'Coalition Provision Authority Order Number 39: Foreign Investment', [http://www.iraqcoalition.org/regulations/20031220\\_CPAORD\\_39\\_Foreign\\_Investment\\_.pdf](http://www.iraqcoalition.org/regulations/20031220_CPAORD_39_Foreign_Investment_.pdf)

30 *Production sharing agreements: oil privatisation by another name?*, Greg Muttitt, Platform, May 2005)

[http://platformlondon.org/carbonweb/documents/PSAs\\_privatisation.pdf](http://platformlondon.org/carbonweb/documents/PSAs_privatisation.pdf)

31 Profile of Adam Smith Institute, *The Guardian*,

<http://politics.guardian.co.uk/thinktanks/page/0,10538,526773,00.html>

The Adam Smith Institute is a free market think-tank which is concerned with trying to influence UK domestic policy. Adam Smith International Ltd is not part of the institute but an independent development consultancy which advises governments around the world on various aspects of government and economic reform.<sup>32</sup>

In fact, both organisations have the same directors (Dr Madsen Pirie and Dr Eamonn Butler). There is no doubt about the ASI commitment to privatisation especially in the form of 'private sector participation' (PSP), which they advise on in countries such as India, Botswana and Nepal, as well as Iraq.<sup>33</sup> DfID claimed that they 'ran an open and fair competition... Adam Smith International subsequently won this competition'<sup>34</sup>. A close relationship exists between ASI and DfID. In the period 1998-2003 ASI received payments of over £34m for its 'development' work.<sup>35</sup>

This work has included pushing the failed water privatisation scheme in Tanzania, which was described by the World Development Movement as 'another example of water privatisation failing to deliver clean water to poor communities. [...] It is a scandal that the UK aid budget, money that should go to reduce poverty, was used to push water privatisation in Tanzania.'<sup>36</sup> ASI received £725,000 for this work, including £430,000 to run a PR campaign, featuring a pro-privatisation pop video<sup>37</sup>. In Iraq, DfID have awarded them contracts totalling over £4m, for services including 'Economic Support to Coalition Provisional Authority' and 'Support to the Centre of Government'. They are also taking part in the DfID 'Emergency Public Administration Programme' (EPAP), described as 'providing technical support to the Iraqi Prime Minister's office, other government institutions and three ministries which are key for reconstruction: Finance, Municipalities and Public Works, and Planning and Development Co-operation. The project aims to build the foundations for a modern professional and accountable civil service.'<sup>38</sup>

Adam Smith have been involved in the foundation of the US-led Iraq government, and continue to influence the newly elected Ministries. In fact, they seem to be involved in reordering Iraqi government operations at the most basic level, 'to help restructure some of the Iraqi ministries, in fact physically restructure them, even suggesting how the minister's office should be laid out', as one MP found, after a fact-finding mission.<sup>39</sup>

Another favourite of the Thatcher governments, now involved in Iraq, is Tim Bell, who ran the Tories' election campaigns in 1979, 1983 and 1987. His PR firm Bell-Pottinger has been involved in 'A strategic campaign to promote bigger concepts such as the return of sovereignty, reconstruction, support for the army and police, minority rights and public probity'.<sup>40</sup>

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32 DfID memo, *Development Assistance in Iraq: Interim Report*, House of Commons International Development Committee, April 2005, p.73

33 'Enterprise and utility reform', [http://www.adamsmithinternational.com/services\\_eur\\_psp.html](http://www.adamsmithinternational.com/services_eur_psp.html)

34 DfID memo, *Development Assistance in Iraq: Interim Report*, House of Commons International Development Committee, April 2005, p.73

35 Parliamentary Debates, 'Adam Smith Institute', 26 January 2004

<http://www.publications.parliament.uk/pa/cm200304/cmhansrd/vo040126/text/40126w03.htm>

36 WDM press release, 18 May 2005, <http://www.wdm.org.uk/news/presrel/current/biwatertanzan.htm>

37 *Profiting from Poverty: Privatisation consultants, DFID and public services*, War on Want and PCS, September 2004

38 DfID memo, *Development Assistance in Iraq: Interim Report*, House of Commons International Development Committee, April 2005, p.45

39 MP Quentin Davies, *Development Assistance in Iraq: Interim Report*, House of Commons International Development Committee, April 2005, p.37,

40 *Development Assistance in Iraq: Interim Report*, House of Commons International Development Committee, April 2005, p64

Other consultancy firms include Enterplan, the Hedra Consortium, and PA Consulting, which has also received a contract for the UK government's ID cards scheme, worth around £19m<sup>41</sup>. It is not just in the area of economic restructuring that consultants are making their mark. Solace Enterprises are working with US firm Research Triangle Institute (RTI) to 'support the development of local institutions'<sup>42</sup>.

The presence of these consultants in Iraq is arguably a part of the UK government's policy to push British firms as lead providers of privatisation support. DfID 'has positioned itself as a champion of privatisation in developing countries' (War on Want<sup>43</sup>). The central part that UK firms are playing in reshaping Iraq's economy and society lays the ground for a shift towards a corporate-dominated economy. This will have repercussions lasting decades after the end of the military occupation.

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41 *Accountancy Age* 'PA Consulting bill for ID cards to bust £18m estimate' James Bennett and Kevin Reed 14/7/05, <http://www.accountancyage.com/accountancyage/news/2139802/pa-consulting-bill-id-cards>

42 'Iraq', *Parliamentary Reports*, 10/11/03  
<http://www.publications.parliament.uk/pa/cm200203/cmhansrd/vo031110/text/31110w07.htm>

43 *Profiting from Poverty: Privatisation consultants, DFID and public services*, War on Want and PCS, September 2004, p.3

# BODIES OF ARMED MEN

## The boom in private security

Success for UK companies, in terms of scale of contracts and personnel deployed, has come in the private security industry, which is experiencing an unprecedented and possibly unrepeatable boom in Iraq. Ironically, the costs of providing security and insurance cover have drastically curtailed operating margins for companies, such as Amec, which are trying to do business in the country.  
*Financial Times*, 14/04/05<sup>44</sup>

Attacks by insurgents; armed robbery ; kidnapping. All of these factors have made it hard for foreign companies to operate in Iraq. And these self-same 'security issues' are what has led to the 'Baghdad boom' in private security work. While UK companies may be playing a very secondary fiddle to the US as far as main Iraq reconstruction contracts go, British private security companies (PSC) and private military companies (PMC) are easily neck and neck with their US counterparts.

The private security companies in Iraq perform a range of functions, from major operations that command thousands of armed operatives, to tiny outfits that provide hostile regions training, 'risk management' and bodyguarding for companies and governments. There are two main areas of employment for the PSCs: government contracts and as subcontractors to corporations. In total there seems to be 20-30,000 security contractors in Iraq<sup>45</sup>. The Eriny's Oil Protection Force (2003-05) alone numbered 14,000.<sup>46</sup>

There is no accepted definition of a PSC or PMC. In general the term 'private military company' is redolant of freebooting outfits such as the now defunct Executive Outcomes and Sandline, hired for military operations in Africa during the 1990s.<sup>47</sup> However, the thread common to all these companies is their role in providing armed protection; other common themes include the employment of ex-military personnel. A definite PSC industry can also be identified, according to companies' common membership of various trade associations.

The Private Security Companies of Iraq grouping (<http://www.psc.ai.org/>) includes most PSCs operating in Iraq, including British, US, South African and Iraqi companies. UK member companies include Aegis, Armor Group, Control Risks Group (CRG), Hart, Olive and Janusian. This list indicates the solidarity that exists within the Iraq-based security industry. Aegis is run by a management team that includes Tim Spicer and other former members of the notorious Sandline.<sup>48</sup> It has been rejected once for membership of the International Peace Operations Association (IPOA), a trade association that prefers to style its sector the 'peace and stability industry'.<sup>49</sup> IPOA is run by a board including top members of Armor Group and Hart: companies that are happy to work with, and work

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44 'THE PITFALLS AND PERILS OF IRAQ'S RECONSTRUCTION CONTRACTS', *Financial Times*, 14/04/05, <http://news.ft.com/cms/s/d33fb60a-ac81-11d9-bb67-00000e2511c8.html>

45 'From Mercenaries to Peacemakers?', *CorpWatch*, 29/11/05, <http://www.corpwatch.org/article.php?id=12829>

46 *A Fistful of Contractors*, BRITISH AMERICAN SECURITY INFORMATION COUNCIL, September 2004, ch1, p.7

47 'Mercenaries in Africa's conflicts', 15/04/05, BBC, <http://news.bbc.co.uk/1/hi/world/africa/3501632.stm>

48 'Controversial Commando Wins Iraq Contract', *CorpWatch*, 9/06/04 <http://www.corpwatch.org/article.php?id=11350>

49 'From Mercenaries to Peacemakers?', *CorpWatch*, 29/11/05, <http://www.corpwatch.org/article.php?id=12829>

under, Aegis in Iraq<sup>50</sup>. Aegis is perhaps the biggest UK success story in Iraq, having won the \$430m Pentagon contract to oversee all PSC operations.<sup>51</sup>

The UK Foreign Office has stated that there is nothing new about the use of armed subcontractors to protect diplomatic posts, 'Primary responsibility normally resides with local authorities augmented where necessary by the employment of specialist security contractors'<sup>52</sup>. Nevertheless the scope and extent of such use in Iraq is clearly unprecedented, and the department for international development (DfID) has diverted over £278m from its Iraq reconstruction budget to pay for increased security.<sup>53</sup>

The PMC/PSC industry worldwide grew from \$900m in 2003 to about \$1.7bn in 2004, with similar growth expected in 2005 and with Iraq business accounting for at least one third of this total<sup>54</sup>. This development is mirrored in the growth of several of the biggest companies in Iraq - which have leapt from tiny start-ups to major corporations in the course of the years 2003-2005. Several of them have been founded mainly to cash in on the Iraq situation.

Foreign Office guidelines for dealing with PSCs in Iraq state that 'Many companies in this sector employ former members of the Armed Forces or of the Diplomatic Service. You should ensure that this does not give the companies privileged access beyond that available to other companies, or outside the terms of this guidance.'<sup>55</sup> This well meaning statement conceals, as the FCO must know, a wealth of contacts that PSCs have with the UK military. From a former minister of defence, all the way down to former SAS soldiers, there is a major public/private crossover between the armed men active in Iraq. Foreign Office guidelines also state that 'In the case of Iraq we have a real interest in helping PMCs/PSCs with legitimate operations'.<sup>56</sup>

A brief list of major ex-military/MoD figures now with a PSC includes:

#### Aegis Defence Services

- Major-General Jeremy Phipps (retired), ex-SAS; former head of British special forces 1989-1993.<sup>57</sup> Formerly of Control Risks; now head of operations in Iraq.
- Lieutenant Colonel Tim Spicer, OBE (retired), ex-Scots Guards, ex-SAS. Founder of Sandline, along with Simon Mann (now jailed for plotting a coup in Equatorial Guinea).<sup>58</sup> Chief Executive of Aegis.
- Nicholas Soames MP (Conservative, Sussex Mid). Former Minister of state, ministry of defence (1994-1997), non-executive director.

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50 IPOA board, <http://www.ipoaonline.org/about/board/>

51 'From Mercenaries to Peacemakers?', *CorpWatch*, 29/11/05, <http://www.corpwatch.org/article.php?id=12829>

52 Freedom of Information Release: The role of Private military companies and security companies in Iraq Released 14th July 2005 ('Contacts...' and 'PMCs...')

53 'Occupiers Spend Millions on Private Army of Security Men', *Independent*, 28/03/0, <http://www.globalexchange.org/countries/mideast/iraq/1672.html>

54 'Markets', Armour Group, [http://www.armorgroup.com/ir\\_markets.asp](http://www.armorgroup.com/ir_markets.asp)

55 'DEALING WITH PRIVATE MILITARY AND SECURITY COMPANIES IN IRAQ', Foreign and Commonwealth Office, 30 April 2004, FOI request, 20/06/05

56 'DEALING WITH PRIVATE MILITARY AND SECURITY COMPANIES IN IRAQ', Foreign and Commonwealth Office, 30 April 2004, FOI request, 20/06/05

57 'From Embassy Hero to Racing Disgrace', *CorpWatch*, 9/06/04 <http://www.corpwatch.org/article.php?id=11357>; BBC, Panorama, 2002, <http://news.bbc.co.uk/1/hi/programmes/panorama/2253105.stm>

58 'Give War a Chance: the Life and Times of Tim Spicer', *CorpWatch*, <http://www.corpwatch.org/article.php?id=11361>

### Armor Group

- Sir Malcolm Rifkind MP (Conservative, Kensington and Chelsea); former Secretary of State for defence. Non-executive director and chairman.

### Control Risks Group

- General Sir Michael Rose (retired), KCB, CBE. Commander of the 22nd SAS regiment, 1979-1982. Commandant of school of infantry, of staff college, Camberley, and first Director special forces, 1988-89; commander of the UK protection force, Bosnia-Hertzegovina, 1994-95. Non-executive director.<sup>59</sup>

### Hart Group

- Richard Bethell, Lord Westbury, former SAS officer. Founder.

### Janusian Security Risk Management

- Major General Walter Courage (retired). Former commander of 4 Armoured Brigade, Munich (1984-87) and Chief of Staff of UN force in Cyprus (1987-90). Director, Business Development, Risk Advisory Group (parent company of Janusian).<sup>60</sup>

### Olive Security

- Harry Legge-Bourke, ex-Welsh Guards captain. Former aide-de-camp to chief of defence staff Sir Charles Guthrie. Operations chief.<sup>61</sup>

With such a wealth of senior military and MoD political figures part of PSCs, it is extremely unlikely that this has not paid off. Contacts between the former military men and those currently serving will be maintained through informal mechanisms, such as shared membership of London clubs like the Special Forces Club<sup>62</sup>; university, staff college and public school alumni societies and a network of shared friends.

There have been a number of scandals around the activities of private security contractors in Iraq. Aegis personnel have filmed themselves shooting at Iraqis' cars<sup>63</sup>; Erinys employees have allegedly brutally interrogated suspected thieves<sup>64</sup> and Hart and Armor Group have both employed confirmed terrorists (from South Africa<sup>65</sup> and Northern Ireland<sup>66</sup>, respectively). Plus over 120 PSC employees have been killed in Iraq<sup>67</sup>. Issues such as this are causing the UK PSC industry to move towards creating a trade body and moving towards voluntary regulation. The British Association of Private Security Companies (BAPSC) charter states that 'it is only through effective self-regulation that the Members will enhance their position and be able to achieve differentiation from non Members in the same industry sector'<sup>68</sup>. The BAPSC head, Andy Bearpark, says that 'Some eighteen British Companies including all the major players supported us during the formulation phase', which seems to indicate that Aegis is on board, in contrast to its black-

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59 Wikipedia entry 'Hugh Michael Rose', viewed 06/03/06, [http://en.wikipedia.org/wiki/Hugh\\_Michael\\_Rose](http://en.wikipedia.org/wiki/Hugh_Michael_Rose)

60 'Who are we', Risk Advisory Group, <http://www.riskadvisory.net/index.php?id=7>

61 'UK security guard killed in Iraq', *Scotsman*, 29/04/04, <http://news.scotsman.com/topics.cfm?tid=404&id=359432004>

62 'Marketing the New 'Dogs of War'', Duncan Campbell, <http://www.public-i.org/bow/report.aspx?aid=149>

63 'From Mercenaries to Peacemakers?', *CorpWatch*, 29/11/05, <http://www.corpwatch.org/article.php?id=12829>

64 'British guard firm "abused scared Iraqi shepherd boy"', *Guardian*, 14/11/06, <http://www.guardian.co.uk/Iraq/Story/0,2763,1350866,00.html>

65 'Dirty Warriors', *Mother Jones*, November 2004, [http://www.motherjones.com/commentary/notebook/2004/11/11\\_200.html](http://www.motherjones.com/commentary/notebook/2004/11/11_200.html)

66 'File on Four', BBC, 25/05/04, [http://news.bbc.co.uk/nol/shared/bsp/hi/pdfs/fileon4\\_20040525\\_iraq.pdf](http://news.bbc.co.uk/nol/shared/bsp/hi/pdfs/fileon4_20040525_iraq.pdf)

67 'Iraq Coalition Casualty Count', [icasualties.org/oif/Civ.aspx](http://icasualties.org/oif/Civ.aspx)

68 CHARTER: BRITISH ASSOCIATION OF PRIVATE SECURITY COMPANIES (BAPSC), released 04/03/06

balling from the IPOA.

A report by the IPOA-linked linked British-American Security Information Council has advocated government-controlled auditing of PSCs, plus outside vetting of personnel and independent observer teams.<sup>69</sup> This is a form of the more stringent control that voluntary initiatives such as BAPSC are designed to head off. In 1999 the Sandline arms to Africa case prompted a government Green Paper, published 2002. This recommended a new international convention to regulate PMCs, but also concluded that 'an outright ban on all military activity abroad by private military companies would be counterproductive'<sup>70</sup> Jack Straw said that that legislation would need to follow 'wide debate'.<sup>71</sup> In 1995 Home Office minister David Maclean stated that 'the private security industry is very important. It is also a large industry which is important to Britain's export needs.'<sup>72</sup> In the Iraq of today this is even more the case. Any future regulations proposed by the UK government will take very seriously the important role of the PSC industry in protecting British corporate interests - and as a major corporate sector in tis own right.

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69 *A Fistful of Contractors*, BRITISH AMERICAN SECURITY INFORMATION COUNCIL, September 2004 ch6, p.2

70 'THE COMMITTEE'S CONCLUSIONS AND RECOMMENDATIONS', 01/08/02, <http://www.publications.parliament.uk/pa/cm200102/cmselect/cmfa922/92210.htm>

71 HC 577 Private Military Companies: Options for Regulation 2001-02, Forewaord <http://www.fco.gov.uk/Files/kfile/mercenaries,0.pdf>

72 'Private Security Industry', 19/10/95, <http://www.publications.parliament.uk/pa/cm199495/cmhansrd/1995-10-19/Orals-1.html>

# IRAQ WASN'T SOLD IN A DAY

## How UK government and industry groups facilitate the corporate occupation

The entry of UK companies into Iraq has been based on links established with the US-led invasion and occupation forces. The Coalition Provisional Authority itself included UK government figures, such as the UK special representative for Iraq, who sat on the 'programme review board', which made decisions on project spending.<sup>73</sup> During December 23-30, in the absence of Paul Bremer and his deputy from Iraq, the UK representative was acting head of the CPA.<sup>74</sup>

UK companies have benefitted from close and frequent contact with both US, UK and CPA officials and later with Iraqi government ministers. This access has been maintained by the efforts of both private and public organisations. The UK Trade and Investment department (UKTI), formerly UK Trade Partners, established an Iraq unit, later divided into working groups in the areas of education, healthcare, oil&gas, power, water and telecomms (August 2003)<sup>75</sup>. The UK government also appointed a special representative for Iraqi reconstruction (Brian Wilson, MP for Cunninghame North)<sup>76</sup>. Private organisations are also eager to act as middle-men in this game. Two prominent partners for UKTI have been the British Consultants and Construction Bureau (BCCB) and the South East Exports Agency (SEEA).

One of the most significant organisations in the game of selling Iraq is the UK-based 'Iraq Development Programme' (IDP), also known under a series of other names, including 'Iraq Procurement', Windrush Communications and Omega Marketing. This group boasts of being the 'number one business summit for Iraq'.<sup>77</sup> They have held a number of conferences for corporations: in London; in Amman, the capital of Jordan; in Kuwait and in Abu Dhabi, capital of the United Arab Emirates. For more on the IDP/Windrush, see the February/March 2005 issue of *Corporate Watch*.<sup>78</sup>

### LIST OF EVENTS

Iraq Reconstruction Update, 15 July 2003, London  
Organised by *Middle East Economic Digest* (MEED), *New Civil Engineer* magazine and *Construction News*. Speakers included Nick Griffiths, Deputy Head of Iraq Policy Unit (FCO); Gregor Lusty, Head of the Iraq Unit, Trade partners UK (now UKTI); Kevin Stovell, Managing Director Mott Macdonald; and Gary Wood, Director of The Risk Advisory Group.<sup>79</sup>

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73 'TRADE PARTNERS UK IRAQ RECONSTRUCTION NEWSLETTER NO 1, 1 August 2003', Freedom of Information request, 16/11/05

74 'Iraq', *Parliamentary Debates*, 09/03/05,  
<http://www.publications.parliament.uk/pa/cm200405/cmhansrd/cm050309/text/50309w28.htm>

75 TRADE PARTNERS UK IRAQ RECONSTRUCTION NEWSLETTER NO 2  
, 27/08/03, UKTI, FOI request, 16/11/05

76 IDP report <http://www.iraqdevelopmentprogram.org/idp/events/ipl2004.htm>

77 <http://www.iraqdevelopmentprogram.org/idp/events/events.htm>

78 'Windrush Communications: delivering Iraq to the corporations',  
[http://archive.corporatewatch.org/newsletter/issue22/issue22\\_part1.htm](http://archive.corporatewatch.org/newsletter/issue22/issue22_part1.htm)

79 'Iraq Reconstruction update', [www.iraq-reconstruction.co.uk](http://www.iraq-reconstruction.co.uk)

Iraq Industry Conference, 21 November 2003, London  
Organised by UKTI. The CPA explained their procurement strategies and the setting up of the new project management office.<sup>80</sup>

Iraq - a nation to be rebuilt, December 9-11 2003, Amman, Jordan<sup>81</sup>  
Organised by the Risk Advisory Group (see directory entry for 'Janusian') and the Middle East Association, which promotes trade between the UK and the middle east and north Africa.<sup>82</sup> It was also sponsored by the UKTI, the confederation of British industry (CBI) and the British Consultants and Contractor (BCCB).<sup>83</sup>

Rebuild Iraq 2004, January 19-23 2004, Kuwait  
The South of England Export Association (SEEA) was appointed by UKTI to lead a subsidised trade mission.<sup>84</sup> Brian Wilson attended as the UK government representative.<sup>85</sup> Around 100 British companies attended, as did CPA officials. 'UK Trade & Investment considers this an excellent opportunity for UK companies to meet like companies and organisations and meet key decision makers involved in the redevelopment of Iraq'.<sup>86</sup>

Iraq: Trading & Investing, 20 February 2004, London (DTI)  
Organised by UKTI 'to provide firms seeking to do business in Iraq with practical advice on trading and investing in the market, covering areas such as the legal framework in Iraq, security, the finance and banking infrastructure, the business environment and how to identify potential business partners in Iraq'; but did not cover reconstruction contracts; 'speakers will include Mike O'Brien MP, Minister for Trade & Investment, Maurice Collis, of HRD International, who runs the Business Facilitation Centre in Umm Qasr, and Matthew Kirk, First Secretary Commercial in the British Trade and Reconstruction Office, Baghdad'.<sup>87</sup>

Private Sector Development Conference, 24 February, 2004, London (DTI)  
Organised by UKTI. Dr Alawi, Iraqi Minister for Trade, spoke on the historical and legal context. Tom Foley, CPA Director of Private Sector Development ('senior official responsible for economic reform and foreign investment in Iraq') covered 'construction, agriculture, consumer goods, healthcare, petrochemicals, retailing, telecommunications, franchising and subcontracting for supplemental fund expenditure', but not winning USAID contracts.<sup>88</sup>

Seminar on Federal Acquisition Regulation (FAR), 26 March 2004, London, (DTI)  
Organised by UKTI specifically to teach UK companies about applying to the Iraq project management office (PMO) for subcontracts; 'During this seminar Senior Department of Defense personnel will explain FAR regulations which affect PMO sub-contractual

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80 'UKTI Iraq Unit Bulletin - CPA PMO Office RFP', 28/11/03

81 [http://www.portaliraq.com/news/Iraq+-+a+nation+to+be+rebuilt'+Conference\\_\\_161.html?PHPSESSID=6ef8eabf6c4c5b509c6649496eb22678](http://www.portaliraq.com/news/Iraq+-+a+nation+to+be+rebuilt'+Conference__161.html?PHPSESSID=6ef8eabf6c4c5b509c6649496eb22678)

82 <http://www.the-mea.co.uk/objectives.asp?pageid=3>

83 UKTI

84 'BRITISH TRADE MISSION TO KUWAIT RE: "REBUILD IRAQ" JANUARY 19<sup>th</sup> TO 23<sup>rd</sup> 2004 Description of Opportunity' 04/12/03, FoI request, 16/11/05

85 'Trade representative to lead on Iraq contracts', <http://www.exporeastofengland.org.uk/compdetails.asp?id=2283>

86 'BRITISH TRADE MISSION TO KUWAIT RE: "REBUILD IRAQ" JANUARY 19<sup>th</sup> TO 23<sup>rd</sup> 2004 Description of Opportunity' 04/12/03, FoI request, 16/11/05

87 'Iraq: Trade & Investment Conference', 29/01/04, UKTI, FoI request, 16/11/05

88 'Tom Foley: 24 February 2004', UKTI, 13/02/04, FoI request, 16/11/05

opportunities, and will be available for guidance and answering questions.<sup>89</sup> The line up featured Mike O'Brien, Minister for Trade and Investment and Admiral Nash (Retired), Director of the CPA Program Management Office, plus a speaker from Amec<sup>90</sup> and Parsons Brinkerhoff.<sup>91</sup>

Iraq Procurement 2004 – 'Meet the Buyers', 26-28 April 2004, London  
Organised by The Iraq Development Programme (IDP). A major conference featuring over 200 companies and with presentations from Iraqi ministries (including agriculture, communications, construction and housing, electricity, health, interiors, science and technology, trade, transport and water resources) and the Governor of Basra. There was also representation from the Central Bank of Iraq and the Iraqi Board of Tourism. Brian Wilson and Larry Crandall, director of USAID, spoke, plus Joseph V. Schwan of the US Department of Commerce. Businesses there included JP Morgan Treasury Service and Control Risks Group.<sup>92</sup>

Fluor AMEC Subcontracting Conference, 5th May 2004, London  
Organised by UKTI and AMEC; focused on sharing the expertise of AMEC in getting USAID subcontracts. Speakers included Bill Henderson, Director, International Trade Development Group; Brian Wilson, UK special representative for Iraq reconstruction; Ian Thomas, Business Development Director, AMEC; and David Herman, Business Development Director, FluorAMEC LLC.

Iraq-Kurdistan Trade, 4 June, 2004, London (DTI)  
Organised by the UKTI and the Kurdish Development Corporation, this 'forum on doing business in the stable region of Northern Iraq' was designed to showcase the Kurdish north, and its UK-friendly political elite. To underline this, the Prime Minister of the Kurdish Regional Government, Nechivan Barzani, opened the event.<sup>93</sup> UK companies such as Inclarity and B-Plan Information Systems are heavily involved in this region (see Directory).

British Consultants and Construction Bureau meeting, 22 July 2004, London  
Speakers included: David Raines, formerly head of one of the six CPA reconstruction sectors (public buildings, health, education); Andy Bearpark (now head of the British Association of Private Security Companies); Michael Gillibrand, formerly at the Iraqi Minister of Industry and Minerals, working on private sector development; Dr Khodeir Abbas, formerly Minister of Health.<sup>94</sup>

Iraq Oil & Gas, 21-22 August 2004, Amman, Jordan  
A special meeting involving senior figures from the Iraqi oil industry and major global corporations operating within the sector'. Organised by the IDP and Petra Travel & Tourism.<sup>95</sup>

Working with the UN and World Bank in Iraq 4 November 2004, London (DTI)  
Organised by the UKTI and BCCB to provide 'detailed insights into UN and World Bank

89 'Federal Acquisition Regulation (FAR) explained for PMO sub-contractual opportunities 26 March 2004', UKTI, 15/03/04, FoI request, 16/11/05

90 Iraq bulletin, 18/03/04, UKTI, FoI request, 16/11/05

91 'Transcript: Federal Acquisition Regulations Explained for PMO Subcontractual Opportunities 26 March 2004' [http://www.dti.gov.uk/iraqunitconferences/far\\_transcript.pdf](http://www.dti.gov.uk/iraqunitconferences/far_transcript.pdf)

92 Iraq Development Programme report, <http://www.iraqdevelopmentprogram.org/idp/events/ipl2004.htm>

93 Iraq bulletin, 07/05/04, UKTI, FoI request 16/11/05

94 'Iraq Unit Bulletin Friday 16 July 2004', UKTI, FoI request, 16/11/05

95 IDP report, <http://www.iraqdevelopmentprogram.org/idp/events/oil2004.htm>

plans for Iraq over the next 6 –12 months' and 'effective bidding in aid-funded business'. Speakers included the Executive Co-ordinator of the UN Iraq Trust Fund and staff from Crown Agents; British Embassy, Baghdad; and UK companies presently deployed in Iraq.<sup>96</sup>

Iraq Procurement 2004, 22-24 November 2004, Amman, Jordan  
Organised by the IDP and sponsored by companies including Shell, Volvo, Statoil, Pfizer, Raytheon and Microsoft.<sup>97</sup> The SEEA led a UKTI-supported British trade delegation under the name 'About Iraq'. The delegation's itinerary included a briefing from UKTI and the British embassy, 'lunch with a multinational' and an ambassador's reception in the evening. Each delegate received a UKTI travel subsidy of £400.<sup>98</sup> Speakers from the Iraqi Minister of Electricity and the Kurdish regional government, plus the chairman of the Iraqi-British Business Council.<sup>99</sup>

Rebuild Iraq 2005, 4-7 April 2005, Amman, Jordan  
UK delegation led by SEEA and UKTI; 50 stalls reserved for UK firms in the main hall. Each delegate received a UKTI travel subsidy of £400.<sup>100</sup>

Iraqi Petroleum Conference 2005, 29-30 June 2005, London  
Organised by Entrac Petroleum, and sponsored by companies including BP, Addax Petroleum, the Middle East Monitor and the Arab-British Chamber of Commerce. Speakers included experts from Shell, Statoil (Norway), and senior experts and managers from the Iraqi Oil Ministry. The conference fee was £1199.<sup>101</sup>

Iraq Development Program summit, Amman, 28-30 June 2005  
Organised by the IDP. Sponsors included Erinyes, Bayer Health Care, DHL and Royal Jordanian Airlines. Speakers included the acting Jordanian Minister of Industry and Trade; John Glassey, Director, Iraq Development Program; Iraqi Minister of Water Resources; Minister of Communications and the Iraqi Minister of Education.<sup>102</sup>

Iraq Mobile Telecommunications Conference, London, 21-22 July 2005  
Organised by IDP, with the Iraqi National Communications & Media Commission (NCMC) and with the support of the Iraqi Ministry of Communications. Speakers included the head of the NCMC, and the CEOs of the companies that held the Iraqi telecoms contracts from 2003-05: Orascom Telecom, Atheer Telecom and AsiaCell. There was also a presentation from Robert Paterson of PriceWaterhouseCoopers on licensing process.<sup>103</sup>

Iraq Security, Technology & Communications Summit, 16-17 January 2006 Abu Dhabi, UAE  
Organised by the IDP and sponsored by companies including Aegis, Janusian, Control Risks, ArmorGroup and Land Rover. Iraq ministers scheduled to attend included those of Defence, of Science & Technology, of Communications and of the Interior.<sup>104</sup>

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<sup>96</sup> 'Iraq Unit Bulletin Friday 22 October 2004', UKTI, FOI request 16/11/05

<sup>97</sup> IDP report, <http://www.iraqdevelopmentprogram.org/idp/events/ipj2004.htm>

<sup>98</sup> Iraq bulletin, 28/09/04, UKTI, FOI request 16/11/05

<sup>99</sup> IDP report, <http://www.iraqdevelopmentprogram.org/idp/events/ipj2004.htm>

<sup>100</sup> Iraq bulletin, 27/10/04, UKTI, FOI request 16/11/05

<sup>101</sup> 'Iraqi Petroleum Conference Programme', Entrac, <http://www.entrac.freemove.co.uk/IPC%202005-programme.pdf>

<sup>102</sup> IDP report, <http://www.iraqdevelopmentprogram.org/idp/events/idpj2005.htm>

<sup>103</sup> IDP report, <http://www.iraqdevelopmentprogram.org/idp/events/ncmc2005.htm>

<sup>104</sup> Iraq Development Programme, <http://www.iraqdevelopmentprogram.org/idp/istc/index.htm>

# DIRECTORY OF UK COMPANIES IN IRAQ

## 1. Adam Smith International

<http://www.adamsmithinternational.com/>

Consultants

£4,147,331 from DfID<sup>105</sup>.

Involved in several Iraqi ministries, including 'reviewing PSP [private sector participation] options for the Ministry of Municipalities and Public Works.'<sup>106</sup>

## 2. AD Consultancy

PO Box 153, Sutton, Surrey SM39WF

Private security.<sup>107</sup>

## 3. Aegis Defence Services

<http://www.aegisworld.com/>

Private security

£246.52m

Three-year \$430m Pentagon contract to coordinate the top military/security companies in Iraq: 'a workforce the size of a military division; and may rank as the largest corporate military ever assembled' (June 2004, extended by another year in 2005).<sup>108</sup>

Turnover of Aegis has gone from £554,000 (2003), to £62m (2005); three-quarters of this from work in Iraq.<sup>109</sup>

## 4. Aggreko

<http://www.aggreko.com/>

Power

Provided Bechtel with 21MW of Emergency Diesel Generators (June 2003)<sup>110</sup>

Since then 'have secured further contracts across Iraq to supply power projects'.<sup>111</sup>

## 5. AKE Group

<http://www.akegroup.com/>

Private security

'Another of the major companies operating in Iraq... Formed by Andrew Kain after he left the UK's SAS in 1991'.<sup>112</sup>

## 6. ALSTOM

<http://www.alstom.com/>

Power

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105DfID: 'Contracts let by Procurement Department', 2003-2006 <http://www.dfid.gov.uk/procurement/contractslet.asp>

106'Enterprise and utility reform', [http://www.adamsmithinternational.com/services\\_eur\\_psp.html](http://www.adamsmithinternational.com/services_eur_psp.html)

107'Revealed: Britain's arms deal with Iraq', *The Scotsman*, 15 February, 2004, <http://news.scotsman.com/topics.cfm?tid=404&id=182672004>

108'From Mercenaries to Peacemakers?', *Corporate Watch (US)*, 29/11/05, <http://www.corpwatch.org/article.php?id=12829>

109'Dog of War Builds £62m Business', *Sunday Times*, 05/02/06, <http://corpwatch.org/article.php?id=13229>

110'Power for Umm Qasr Port', Aggreko press release, 9th June 2003, <http://www.aggreko.com/ourcompany/2003-News/Power-For-Umm-Qasr-Port-June-2003.asp>

111'First off the blocks', *Gulf Construction* number 13, 2004,

<http://www.gulfconstructionworldwide.com/bkArticlesF.asp?Article=5333&Section=1039&IssueID=230>; 'Iraq contracts power Aggreko' *FT*, June 19, 2004

112'Out of the shadows? "Silent partners" deliver safety and security in a dangerous world', *Pipeline Magazine*, (September 2005) <http://www.pipelinedubai.com/feat/2005/security.htm>

Are 'carrying out wide ranging operational upgrade contracts for older gas turbine plant installed at two major power stations in southern Iraq, as the nominated contractor to two US-based prime contractors'.<sup>113</sup>

## 7. AMEC

<http://www.amec.com/>

Power/water

£500m (approx)

Subcontractor on \$154m Fluor contract to restore electrical power systems (Feb 2004)<sup>114</sup>

Joint contract with Fluor to 'provide design-build services for construction, rehabilitation, operation, and maintenance of power generation facilities' \$500m from USAID (March 11 2004)<sup>115</sup>

Joint contract with Fluor to 'provide design-build construction services for water resource projects in the northern and southern regions of Iraq' \$500m and \$600m from USAID (March 11 2004)<sup>116</sup>

Unknown sum from Centcom contract;<sup>117</sup> 'Federal spending in Iraq has helped Amec make a positive start to 2005.' (May 2005)<sup>118</sup>

## 8. ArmorGroup

<http://www.armorgroup.com/>

Private security

£11,471,284

Received unknown sum from Bechtel for 'Temporary services for unexploded ordnance' (April 2003)<sup>119</sup>; £1,314,000 for FCO security (July 2004)<sup>120</sup>; £5,300,000 from DfID (Global Conflict Prevention Pool) for Iraqi police mentoring<sup>121</sup> (June-Dec 2004); £4,857,284 for phase two of Iraq police project (March-August 2005)<sup>122</sup>. Malcolm Rifkind (formerly UK Foreign Secretary, Defence Secretary) is non-executive chairman<sup>123</sup>.

## 9. Baker Wilkins

<http://www.bakerwilkins.com/>

Construction

Won an 'undisclosed contract' (April 2003)<sup>124</sup>. Operated in Iraq for 30 years; pulled out in

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113Alstom profile, *Power Companies in Iraq, UKTI, June 2005*

114'AMEC Wins Leading UK Role in Rebuilding Iraq', AMEC press release, 17/02/04

<http://www.amec.com/news/mediareleasedetails.asp?Pageid=876&MediaID=852>

115Iraq Relief and Reconstruction Fund (IRRF) -- Major Project Contractors, 2004,

[http://www.whitehouse.gov/omb/legislative/2207\\_appx3.pdf](http://www.whitehouse.gov/omb/legislative/2207_appx3.pdf)

116Iraq Relief and Reconstruction Fund (IRRF) -- Major Project Contractors, 2004,

[http://www.whitehouse.gov/omb/legislative/2207\\_appx3.pdf](http://www.whitehouse.gov/omb/legislative/2207_appx3.pdf); 'Exports to Iraq rise 150% in first half of year', *FT*, September 27, 2005

117[http://www.export.gov/iraq/pdf/contracts04\\_print.pdf](http://www.export.gov/iraq/pdf/contracts04_print.pdf)

118'Iraq Boost for Amec', *Building Magazine*, 18/05/05,

<http://www.building.co.uk/story.asp?storycode=3051238&sectioncode=284>

119'Bechtel Awards Subcontracts But Iraq Work Slowed By Storms 5/5/03', *Engineering News-Record*,

<http://enr.construction.com/news/bizlabor/archives/030505a.asp>

120'Occupiers Spend Millions on Private Army of Security Men', *The Independent*, 29/03/04

<http://www.informationclearinghouse.info/article5976.htm>

121*Development Assistance in Iraq: Interim Report*, House of Commons International Development Committee, April 2005, p66

122*Development Assistance in Iraq: Interim Report*, House of Commons International Development Committee, April 2005, p.67

123'Sir Malcolm Rifkind Appointed Chairman of ArmorGroup', ArmorGroup press release, 13/04/04,

<http://www.armorgroup.com/viewNews.asp?alert=29>

124'Iraq', *Parliamentary Debates*, 10 November 2003,

<http://www.publications.parliament.uk/pa/cm200203/cmhansrd/vo031110/text/31110w07.htm>

1987. Has ruled out sending personnel (2005)<sup>125</sup>

10. BBC World Service Trust

<http://www.bbc.co.uk/worldservice/trust/>

Media

£6.7m from DfID for 'Re-establishment of radio and television broadcasting capacity in the four southern governorates.'<sup>126</sup>

11. Bell-Pottinger

<http://www.bppa.co.uk/>

Public relations

£3,016,000 from DfID (GCPP) 'promoting democracy' before July 2004 elections (March 2004)<sup>127</sup>

12. Birks Sinclair & Associates

<http://www.birks-sinclair.com/>

Consultants

£0 for 'Iraq Directorate Framework Agreements Social Development Sector'<sup>128</sup>; specialises in 'socio-economic development'.

13. B-Plan Information Systems

<http://www.b-plan.com/>

Software

£4.5m

£1m for computer network for Sulaimani university in North Iraq.<sup>129</sup> £3.5m to supply software to hospitals (December 2004).<sup>130</sup> Have provided technology and services to: 'Ministry of Education, Erbil; Iraqi Ministry of Municipalities and Public Works; University of Suleimani; Suleimani - Land Registry and Taxation Offices; Asia Cell; Kurdistan National Assembly.'<sup>131</sup> A spin-off company from Manchester Royal Infirmary. Shirko Abid, co-founder and chief exec, long-term opponent of Saddam, and associate of the PUK party.<sup>132</sup>

14. BP Global

<http://www.bp.com/>

Petroleum

£2.866m

\$5m (estimated) 'To help conduct technical studies providing the ministry with advice, analysis and training for Rumaila field'. (Jan 2005)<sup>133</sup>

125'Iraqi firms come to UK to build alliances' *Building Magazine*, 11/02/05,

<http://www.building.co.uk/story.asp?storycode=3046670&sectioncode=29>

126*Development Assistance in Iraq: Interim Report*, House of Commons International Development Committee, April 2005, p53

127*Development Assistance in Iraq: Interim Report*, House of Commons International Development Committee, April 2005, p64

128DfID: 'Contracts let by Procurement Department', 2004, <http://www.dfid.gov.uk/procurement/contracts2004april.asp>

129'B-PLAN RANKED 12th IN THE DELOITTE FAST 50 TECHNOLOGY AWARDS', B-Plan press release, 19/11/03, <http://www.b-plan.com/page.php3?page=news&nid=45&id=97>

130'B-Plan boost's Iraq's revival', *Manchester Evening News*, 16/12/04

[http://www.manchesteronline.co.uk/business/general/s/140/140412\\_bplan\\_boosts\\_iraqs\\_revival.html](http://www.manchesteronline.co.uk/business/general/s/140/140412_bplan_boosts_iraqs_revival.html)

131'B-Plan Information Systems enable modernisation in Iraq', UKTI success story

132'Kurdistan's Dilemma', BBC, 31/10/02, [http://news.bbc.co.uk/1/hi/programmes/crossing\\_continents/2377195.stm](http://news.bbc.co.uk/1/hi/programmes/crossing_continents/2377195.stm);

'Attacks on Kurds in Iraq kill 56', *Deseret news*, 02/02/04,

<http://deseretnews.com/dn/view/0,1249,590040303,00.html>

133'BP chosen to conduct Iraq oilfield study', Iraq Development Programme, 16/01/05

15. British Council

<http://www.britishcouncil.org/>

Teaching, consultants

£3,131,151 from DfID<sup>134</sup> for projects including 'Education Team to Support Coalition Provisional Authority'; Iraq: Political Participation Fund; Iraq: Civil Society Fund  
Removed anti-war articles from its website, September 2005<sup>135</sup>

16. Chiltern Broadcast Management

<http://www.chilternbroadcast.com/>

Media

£1,370,000 from DfID, via GCPP, for management of Iraqi Media Network.<sup>136</sup>

17. Conren

<http://www.conren.com/>

Materials

£20,000 contract to supply 'specialist coatings for an American-run airbase'. (June 2004)<sup>137</sup>

18. Control Risks

<http://www.crg.com/>

Private security

£23.5m

Unknown proportion of \$500m; subcontractor for Parsons USAID buildings contract.<sup>138</sup>  
(March 2004). £23.5m from UK government for protection squads; figure disputed by CR  
(March 2004)<sup>139</sup>

'One of the largest British PSCs [Private Security Companies] in Iraq'<sup>140</sup>; 2004 turnover  
£80m<sup>141</sup>. Has over 250 personnel in Iraq (June 2005)<sup>142</sup>.

19. Costain

<http://www.costain.com/>

Construction<sup>143</sup>

Working for the Kurdish Regional Government on three contracts worth £15m, near Erbil  
(May 2005).<sup>144</sup>

20. Crown Agents for Overseas Government

<http://www.iraqdevelopmentprogram.org/idp/news/new635.htm>

134DfID: 'Contracts let by Procurement Department', 2003-2006 <http://www.dfid.gov.uk/procurement/contractslet.asp>

135'Paid for by the British Council, claim that UK tested cluster bombs on Iraqi civilians', *Telegraph*, 25/09/05

136*Development Assistance in Iraq: Interim Report*, House of Commons International Development Committee, April 2005, p65

137'Conren wins Iraq base contract', *Western Mail*, 24/06/04,

[http://icwales.icnetwork.co.uk/0300business/0100news/tm\\_objectid=14360916&method=full&siteid=50082&headline=conrenwins-iraq-air-base-contract-name\\_page.html](http://icwales.icnetwork.co.uk/0300business/0100news/tm_objectid=14360916&method=full&siteid=50082&headline=conrenwins-iraq-air-base-contract-name_page.html)

138Iraq Relief and Reconstruction Fund (IRRF) -- Major Project Contractors, 2004,

[http://www.whitehouse.gov/omb/legislative/2207\\_appx3.pdf](http://www.whitehouse.gov/omb/legislative/2207_appx3.pdf)

139'A fistfull of contractors', British American Security Council, 04/09/0, p.9

<http://www.basicint.org/pubs/Research/2004PMC2iii.pdf>

140 'HSBC eyes stake in Iraqi bank', *Times*, January 29, 2005

141 'HSBC eyes stake in Iraqi bank', *Times*, January 29, 2005

142*Control Risks profile, Power Companies in Iraq, UKTI, June 2005*

143*Building Magazine*, <http://www.building.co.uk/story.asp?storycode=3044004&sectioncode=29>

144'Iraq Contracts for Costain', 25/05/04, <http://www.costain.com/news/newsfiles/nf170.pdf>

<http://www.crownagents.com/>

Procurement, consultants

£8m

£4,642,112 from DfID<sup>145</sup> for projects including 'Support to Iraq Coalition Provisional Authority'; 'DfID Seconded to Iraq Coalition Provisional Authority'; 'Senior Advisor to Ministry of Electricity'. £3.35 from DfID, via GCPP, for support to Ministry of the Interior; police oversight.<sup>146</sup> Crown Agents is a privatised body, run by a foundation. Members include Barclays, BCCB, Securicor, Standard Chartered, Unilever, Tate&Lyle; as well as Christian Aid, Co-op and British Council. As Crown Agents Consulting (Washington) Unknown sum for 'procurement, transport and warehouse management of goods and materials' as subcontractor for USAID contractor International Resources Group, \$38m (2003)<sup>147</sup>

## 21. Cummins UK

<http://www.cummins.com/eu/pages/en/distributors/uk/index.cfm>

Power

£25.8m

\$45m from sale of power stations.<sup>148</sup> 'To date we have supplied four power stations: 2MW for the Forum in Baghdad, 4MW for the El Rasheed Hotel (USAID), 5MW for the airport and 8MW for the US army.'

## 22. Datasat

<http://www.datasat.com/>

Telecomms

'Working on several projects all around data and voice communications infrastructure and services' (Nov 2003)<sup>149</sup>; a 'major telecoms contract' according to Mike O'Brien, Foreign Minister for Trade (Nov 2003).<sup>150</sup>

## 23. De La Rue

<http://www.delarue.com/>

Financial

Printed the new Iraqi Dinar (Nov 2003)<sup>151</sup>. Shares rose 9% on news of Dinar contract (2003)<sup>152</sup>. De La Rue 'never disclosed the size or value of the Iraq contract'. Profits 2004: £53.5m; 2003: \$48.1<sup>153</sup>. Sir Jeremy Greenstock, former UK special representative to Iraq (2003-4) is a non-executive director.<sup>154</sup>

## 24. DfID: anonymous contractors

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<sup>145</sup>DfID: 'Contracts let by Procurement Department', 2003-2006 <http://www.dfid.gov.uk/procurement/contractslet.asp>

<sup>146</sup>*Development Assistance in Iraq: Interim Report*, House of Commons International Development Committee, April 2005, p64

<sup>147</sup> U.S. GOVERNMENT IRAQ RECONSTRUCTION, PRIME CONTRACTS AND SUBCONTRACTS AWARDED, 14/11/03, [http://www.export.gov/iraq/market\\_ops/contracts03.html](http://www.export.gov/iraq/market_ops/contracts03.html); 'Crown Agents in Iraq', July 2003, <http://www.crownagents.com/outlookjuly03/default.asp?step=4&pid=1030>

<sup>148</sup>Cummins profile, *UK Power Companies in Iraq*, UKTI, June 2005

<sup>149</sup>'Iraq', *Parliamentary Debates*, 10 November 2003,

<http://www.publications.parliament.uk/pa/cm200203/cmhansrd/vo031110/text/31110w07.htm>

<sup>150</sup>British Companies must play their part in Iraq - Speech by Mike O'Brien - Foreign Minister for Trade', 21/22/03, CAABU, <http://www.caabu.org/press/documents/obrien-british-companies-in-iraq.html>

<sup>151</sup>'Iraq', *Parliamentary Debates*, 10 November 2003,

<http://www.publications.parliament.uk/pa/cm200203/cmhansrd/vo031110/text/31110w07.htm>

<sup>152</sup>'British firm De La Rue tapped to print "Swiss" dinar,' 20/7/2003, *Baghdad Bulletin*

[http://www.baghdadbulletin.com/pageArticle.php?article\\_id=68&cat\\_id=14](http://www.baghdadbulletin.com/pageArticle.php?article_id=68&cat_id=14)

<sup>153</sup>'De La Rue cashes in on Iraq business', *This is Hampshire*, <http://archive.thisishampshire.net/2004/3/19/33110.html>

<sup>154</sup>'about us', [http://www.delarue.com/DLR\\_Content/CDA/Pages/AboutUs/companydirectors/0,2682,,00.html](http://www.delarue.com/DLR_Content/CDA/Pages/AboutUs/companydirectors/0,2682,,00.html)

£1,155,068.<sup>155</sup>

## 25. Dynamic Processing Solutions

no website

Petroleum

£12m+ (approx)

Part of consortium developing Khurmala Dome oil field in North Iraq, in a \$136m (£72m) deal; the first contract awarded by post-Saddam Ministry of Oil (December 2004).<sup>156</sup> 'It is the most substantial contract in our company's history.' (DPS engineering manager).<sup>157</sup> DPS have probably received \$20-30m of this.

## 26. Eaton Electric Europe

<http://www.eatonelectrical.com/uk/>

Power

Have base in Iraq, (as Westinghouse US and MEM UK), as of June 2005. Formed consortium with Iraq company Al-Ghufran, plus Santec and Glantre.<sup>158</sup>

## 27. Enterplan Ltd

<http://www.enterplan.co.uk/>

Consultants

£4,531,591 from DfID.<sup>159</sup>

Projects include: Analytical Economist for the UN; Economic Management; Non Food Subsidies Policy Adviser; Advisor on the Fiscal Impacts of Transition.<sup>160</sup> Partners with many major companies, including KPMG, Crown Agents, Vodaphone and PriceWaterhouseCoopers.<sup>161</sup>

## 28. Erinys

<http://www.erinysinternational.com/>

Private security

£86m

\$50m from US Army Corps of Engineers. \$100m to protect oil fields (2003 to December 2004)<sup>162</sup>

## 29. ERIS

<http://www.eris.org.uk/>

Consultants

£61,012 from DfID for 'Public Information Adviser' (November 2004).<sup>163</sup>

## 30. European Land Solutions

<http://www.landmine-solutions.com/>

Private security

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<sup>155</sup>DfID: 'Contracts let by Procurement Department', 2003-2006 <http://www.dfid.gov.uk/procurement/contractslet.asp>

<sup>156</sup>Baghdad seals oil deal with 3-nation grouping', 24/12/04, *Financial Times*,

<http://www.zawya.com/printstory.cfm?storyid=FFT1043593D2AD759&SecCountries/pagIraq&l=000000041224>

<sup>157</sup>'70m Iraq oil deal for West', *Western Daily Press*, 30/12/04

<sup>158</sup>Eaton Electric profile, *UK Power Companies in Iraq*, UKTI, June 2005

<sup>159</sup>DfID: 'Contracts let by Procurement Department', 2003-2006 <http://www.dfid.gov.uk/procurement/contractslet.asp>

<sup>160</sup>'Projects: economic development' <http://www.enterplan.co.uk/default.asp?id=25&ver=1>

<sup>161</sup>'Partner organisations', <http://www.enterplan.co.uk/default.asp?id=13&ver=1>

<sup>162</sup>'Out of the shadows? "Silent partners" deliver safety and security in a dangerous world', *Pipeline Magazine*, (September 2005) <http://www.pipelinedubai.com/feat/2005/security.htm>

<sup>163</sup>DfID: 'Contracts let by Procurement Department', 2003-2006 <http://www.dfid.gov.uk/procurement/contractslet.asp>

Cleared landmines for Bechtel and other USAID contractors (July 2003).<sup>164</sup>

31. Exploration Consultants (ECL)

<http://www.ecqc.com/>

Petroleum

Unknown sum to carry out an 'integrated reservoir study for Kirkuk oil field' for the Ministry of Oil.<sup>165</sup>

32. Foster Wheeler UK

<http://www.fwc.com/>

Shinfield Park, Reading, Berkshire RG2 9FW

Construction, power

\$8.5m 'Provide program management office support for the oil sector' (March 2004)<sup>166</sup>

33. Global Risk Strategies

<http://www.globalrisk.uk.com/>

Private security

£15.48m

Has 2,000 staff in Iraq.<sup>167</sup> Received \$27m contract to distribute new Dinar (May 2004).<sup>168</sup>

Guarded part of Baghdad airport (May 2004).<sup>169</sup>

34. Halcrow

<http://www.halcrow.com/>

£6,815,441

Construction, consulting

£1,712,956 from DfID for projects including 'Set up of the Coalition Provincial Authority'.<sup>170</sup>

\$8.9m (£5,102,485) for 48 DfID reconstruction projects in South Iraq.<sup>171</sup> Unknown sum for Bechtel USAID subcontract.<sup>172</sup> Unknown proportion of CH2M Hill and Parsons' \$28.5m.

(March 2004)<sup>173</sup> Have refurbished government buildings in Nasiriyah, Amarah and Samawah (Feb 2006). Want to build Baghdad metro.<sup>174</sup> Team leader in Iraq (William Newcombe) got OBE (December 2004)<sup>175</sup>

Tony Allum, chair, is head of UK Iraq Industry Working Group, and also father of the co-owner of Olive Security.<sup>176</sup>

35. Hart Group

<http://www.hartsecurity.com/>

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164 U.S. GOVERNMENT IRAQ RECONSTRUCTION, PRIME CONTRACTS AND SUBCONTRACTS AWARDED, 14/11/03, [http://www.export.gov/iraq/market\\_ops/contracts03.html](http://www.export.gov/iraq/market_ops/contracts03.html)

165'Shell form agreement for Kirkuk oil study (15/01/05)', Iraq Development Programme, <http://www.iraqdevelopmentprogram.org/idp/news/new634.htm>

166'Britons keen to work in Iraq, says project firm', *Telegraph*, May 21

167'War's fertile grounds for soldiers of fortune', *Sunday Times*, 30/10/05, <http://corpwatch.org/article.php?id=12711>

168'The Baghdad boom', *Economist*, 25/03/04, <http://www.sandline.com/hotlinks/Economist-Baghdad.html>

169'Don't call us mercenaries, says British company with lucrative contracts and cheap labour', *Guardian*, 17/05/04, <http://www.guardian.co.uk/military/story/0,11816,1218365,00.html>

170DfID: 'Contracts let by Procurement Department', 2003

171'Basra series', *Building Magazine* 19/03/04,

<http://www.building.co.uk/story.asp?sectioncode=32&storycode=3033307>

172 U.S. GOVERNMENT IRAQ RECONSTRUCTION, PRIME CONTRACTS AND SUBCONTRACTS AWARDED, 14/11/03, [http://www.export.gov/iraq/market\\_ops/contracts03.html](http://www.export.gov/iraq/market_ops/contracts03.html)

173'US firms win more Iraq contracts', BBC, 11/03/04, <http://news.bbc.co.uk/1/hi/business/3500324.stm>

174'Rail plan back on track', *This is Wiltshire*, 04/02/06, <http://www.thisiswiltshire.co.uk/display.var.683633.0.0.php>

175'Iraq honours list', Downing St news room, 04/12/04, <http://www.number10.gov.uk/output/Page6716.asp>

176Rebuilding Iraq: Allum in the family, *Private Eye*, No. 1086, 8-21 August 2003

Private security  
'Largest security company in Southern Iraq'.<sup>177</sup>

36. Hedra Consortium  
<http://www.hedra.com/>  
Consultants.  
£ 245,540 from DfID for CPA 'Governance Teams Facilities Managers'.<sup>178</sup> Major firm; fee income grew by 23% in 2003.<sup>179</sup>

37. HSBC  
<http://www.hsbc.com/>  
Financial  
Has bought 70% of Dar es Salaam Investment Bank, (which has assets of \$91.1m)<sup>180</sup>.  
HSBC share is therefore £36,881,225. HSBC profit from Middle East business rose 25% in 2004.<sup>181</sup>

38. HTS Development (now HTSPE)  
<http://www.htspe.com/>  
Consultants  
Part of DfID's Iraq 'Framework Arrangements Infrastructure'.<sup>182</sup>

39. Inclarity Plc  
<http://www.inclarity.co.uk/>  
Telecomms  
£10m (approx)  
Subcontractor to Asia Cell, Kuwait (Jan 2004), providing mobile services.<sup>183</sup> 'Most of the £18 million company's revenue comes from the Iraq business.' Operated in North Iraq during 'safe haven'. (Oct 2005).<sup>184</sup>

40. Janusian Security Risk Management  
<http://www.janusian.com/>  
Private security  
Has run secure trade missions to Baghdad. Part of Risk Advisory Group. Allegedly recruits 'almost directly from British military'.<sup>185</sup> Close ties with US think-tank the RAND corporation.<sup>186</sup>

41. Kroll Associates  
<http://www.krollworldwide.com/>

<sup>177</sup>Hart profile on Iraq Development Programme, 2004, <http://www.iraqsupplier.com/docs/profiles/hart/home.htm>

<sup>178</sup>DfID: 'Contracts let by Procurement Department', 2003

<sup>179</sup>'Survey: Booming market, but uncertain outlook', *Management Consultancy*, 03/01/04, <http://www.managementconsultancy.co.uk/management-consultancy/features/2077786/survey-booming-market-uncertain-outlook>

<sup>180</sup>HSBC press release, 28/10/05, [http://www.hsbc.com/hsbc/news\\_room/news/news-archive-2005?cp=/public/groupsite/news\\_room/2005\\_archive/dar\\_es\\_salaam\\_investment\\_bank.jhtml&isPc=true](http://www.hsbc.com/hsbc/news_room/news/news-archive-2005?cp=/public/groupsite/news_room/2005_archive/dar_es_salaam_investment_bank.jhtml&isPc=true)

<sup>181</sup><http://www.bloomberg.com/apps/news?pid=10000102&sid=aGB0Btl54tMc&refer=uk>

<sup>182</sup>'Current framework agreements', <http://www.dfid.gov.uk/procurement/contractframework.asp>

<sup>183</sup><http://www.reconstructionofiraq.com/award.php?id=230>

<sup>184</sup>'How to set up shop in Africa', *Times*, 26/10/05, <http://www.inclarity.co.uk/news/article141.html>; 'Inclarity Connects Northern Iraq to the Rest of the World', 17/01/04, <http://www.inclarity.co.uk/news/article38.html>

<sup>185</sup>profile 'Janusian security risk management', [http://www.sourcewatch.org/index.php?title=Janusian\\_Security\\_Risk\\_Management\\_Ltd](http://www.sourcewatch.org/index.php?title=Janusian_Security_Risk_Management_Ltd).

<sup>186</sup>'Embedded Academics and Counter-Insurgency in Iraq', *Spinwatch*, 07/12/05, <http://www.spinwatch.org/modules.php?name=Content&pa=showpage&pid=426>

Private security  
Has provided 'security for USAID' (Nov 2003)<sup>187</sup>

42. Llewelyn Davies Yeang  
<http://www.llewelyn-davies-ltd.com/>  
Architects  
Helping to prepare a master plan for rebuilding of holy city of Najaf, for the Ministry of Public Works (formerly worked on Milton Keynes). Have received an unknown proportion of the initial £1.6m development.<sup>188</sup>

43. Maxwell Stamp  
Abbots Court, 34 Farringdon Lane, London EC1R 3AX  
Consultants  
£3,208,096 from DfID for 'Economic Reform (phase one)'.<sup>189</sup>

44. MerchantBridge  
<http://www.mbih.com>  
Financial, consulting  
Appointed 'lead advisor' to Iraq Ministry of Industry and Minerals for their 'Lease of Industrial Factories Programme.' (Jan 2004)<sup>190</sup> Launched Mansour Bank (Sep 2005), capitalised at \$38.5m; 90% from Iraqi investors.<sup>191</sup>

45. Minimal Risk  
<http://www.minimalrisk.co.uk/>  
Private Security  
Have done security training in Iraq for DfID; also subcontracted by another security firm to carry out the 'recruitment, deployment, communications, training, risk assessments and day to day operational management' for UK government security teams'.<sup>192</sup>

46. Mott MacDonald  
<http://www.mottmac.com/>  
Power/water  
£1,237,311 from DfID for emergency infrastructure, water advisor and 'Southern Iraq employment and services programme' (2003-2005).<sup>193</sup> Unknown fee to produce a briefing for the MoD 'identifying the key issues to the reconstruction work required in the Basra region of Iraq'.<sup>194</sup> Managing the £20m DfID emergency infrastructure project in Southern Iraq (March 2004)<sup>195</sup> In talks to take over work done by the Royal Engineers, in the event of an army pull-out.<sup>196</sup>

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187'Iraq', *Parliamentary Debates*, 10 November 2003,  
<http://www.publications.parliament.uk/pa/cm200203/cmhansrd/vo031110/text/31110w07.htm>

188'From the people who brought you Milton Keynes...', BBC, 20/02/06,  
<http://news.bbc.co.uk/1/hi/magazine/4725742.stm>

189'Iraq', *Parliamentary Debates*, 01/12/05,  
<http://www.publications.parliament.uk/pa/cm200506/cmhansrd/cm051201/text/51201w12.htm>

190'Iraq appoints MerchantBridge to advise on the leasing of State-owned companies to the Private Sector', *AME Info*, 21/01/04, <http://www.ameinfo.com/33857.html>

191'merchant banker MerchantBridge & Company Limited has launched Mansour Bank, a new commercial bank, in Iraq', *Khaleej Times*, 23/09/2005, [http://www.menafn.com/qn\\_news\\_story\\_s.asp?storyid=108206](http://www.menafn.com/qn_news_story_s.asp?storyid=108206)

192'Case studies', <http://www.minimalrisk.co.uk/pages/casestudies.php>

193DfID: 'Contracts let by Procurement Department', 2003-2005, <http://www.dfid.gov.uk/procurement/>

194Mott MacDonald profile, *UK Power Companies in Iraq*, UKTI, June 2005

195'Danger Money', *Building Magazine*, 19/03/04,

<http://www.building.co.uk/story.asp?sectioncode=32&storycode=3033307>

196'Mott MacDonald in talks over army work in Iraq', *Building Magazine*, 10/02/06,

47. Mowlem

<http://www.mowlem.com>

Construction

£3m, for Basra hotel refurbishment (Nov 2003)<sup>197</sup>

48. Nottingham University

<http://www.nottingham.ac.uk/>

Education

£609,300 from DfID for human rights programme, Sep 2004 to Nov 2005<sup>198</sup>

49. Olive Security

<http://www.olivegroup.com/>

Private security

Unknown sum from Bechtel for the 'prepositioning and fact-finding phases' of USAID work (April 2003).<sup>199</sup> 'Existing agreement' meant contract not awarded competitively.<sup>200</sup>

Turnover massively up (2004: £10.6m; 2003: £6.4)<sup>201</sup> Jonathan Allum is son of chair of Halcrow; allegedly had a role in securing the Bechtel contact.<sup>202</sup>

50. Oxford University

<http://www.ox.ac.uk/>

Education

Participated in archaeology consortium; total USAID budget, \$4,131,274.<sup>203</sup>

51. PA Consulting Group

<http://www.paconsulting.com/Home>

Consultants

Part of two DfID framework agreements, covering environmental policy and infrastructure, (June 2004)<sup>204</sup>. Are involved with UK ID scheme.<sup>205</sup>

As Infrastructure and Development Services

£427,548 from DfID for 'emergency response fund', (April 2005)<sup>206</sup>

52. PB Power (Parsons Brinckerhoff UK and Parsons US)

<http://www.pbworld.com/>

Power

£24.88m

\$43.4 contract to 'Provide program management office support for the electrical services

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<http://www.building.co.uk/story.asp?storycode=3062631&sectioncode=29>

197'Iraq', *Parliamentary Debates*, 10 November 2003,

<http://www.publications.parliament.uk/pa/cm200203/cmhansrd/vo031110/text/31110w07.htm>

198*Development Assistance in Iraq: Interim Report*, House of Commons International Development Committee, April 2005, p64; 'University of Nottingham lawyers to lead human rights training in Iraq', 28/05/04,

<http://research.nottingham.ac.uk/NewsReviews/newsDisplay.aspx?id=61>

199'FY2003 Reconstruction Contracts & Grants', [http://www.export.gov/iraq/market\\_ops/contracts03.html](http://www.export.gov/iraq/market_ops/contracts03.html)

200'Bechtel Awards Subcontracts But Iraq Work Slowed By Storms', *Engineering News Record*, 5/5/2003

<http://enr.construction.com/news/bizlabor/archives/030505a.asp>

201Van Dijk Bureau

202Rebuilding Iraq: Allum in the family, *Private Eye*, No. 1086, 8-21 August 2003

203*Reconstruction of Iraq*, Oct 2003, <http://www.reconstructionofiraq.com/award.php?id=212>

204'Contracts Let by Procurement Department June 2004', <http://www.dfid.gov.uk/procurement/contracts2004jun.asp>

205PA Consulting profile, *Corporate Identity*, <http://www.corporatewatch.org/?lid=2302>

206 'Contracts Let by Procurement Department April 2005',

<http://www.dfid.gov.uk/procurement/contracts2005april.asp>

sector' (March 10 2004).<sup>207</sup>

53. Petrel Resources (Anglo-Irish)

<http://www.petrelresources.com/>

Petroleum

£56.6m

Awarded \$197.4m (£113.17m) contract to develop Subba and Luhais oil fields by Ministry of Oil (September 2005)<sup>208</sup>. Have formed a joint venture with Makman oil and gas, in which each will take 50%.<sup>209</sup>

54. Powertecnicque

<http://www.powertecnicque.com/>

Power

Unknown sum, for supplying two 3MVA diesel generators in Abu Al Kasib (June 2005)<sup>210</sup>. Listed as 'success story' by UKTI.<sup>211</sup>

55. Schneider Electric UK

<http://www.schneider.co.uk/>

Power

Has office in Iraq (June 2005).<sup>212</sup> Exhibited at Rebuild Iraq 2004.<sup>213</sup> On trial over bribery in Lesotho (2003).<sup>214</sup>

56. Scott Wilson

<http://www.scottwilson.com>

Engineering

Unknown share of a \$160m contract from the Kurdish Regional Government (KRG), designing a new airport for Erbil, North Iraq, with Turkish company Mak-Yol. Completed 'concept' in May 2004. Phase two will involve creating a new runway and terminal, for an eventual capacity of 1.5 million passengers/35,000 tonnes of freight per year.<sup>215</sup>

57. Serco

<http://www.serco.com/>

Services

£7.5m

'£5m a year' for 18-month USAID airport management contract (2004).<sup>216</sup> Major donor to Save the Children UK, which allegedly muted criticisms of the Iraq war under pressure from its US wing (Nov 2003).<sup>217</sup>

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207 'Iraq Relief and Reconstruction Fund (IRRF) -- Major Project Contractors', [http://www.whitehouse.gov/omb/legislative/2207\\_appx3.pdf](http://www.whitehouse.gov/omb/legislative/2207_appx3.pdf), 'Australia turns to experts at PBPower', *This is The NorthEast*, September 14, 2004

208 'Petrel Signs Iraqi Contract', 02/12/05, [http://www.petrelresources.com/\\_latestNews/news\\_archive.asp?newsID=13](http://www.petrelresources.com/_latestNews/news_archive.asp?newsID=13)

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210 Powertecnicque profile, *UK Power Companies in Iraq*, UKTI, June 2005

211 'Powertecnicque generates power in Southern Iraq', UKTI

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213 'Exhibitor list', [http://www.rebuild-iraq-expo.com/exhibitors\\_list.asp?products=&country=&company=&page=25](http://www.rebuild-iraq-expo.com/exhibitors_list.asp?products=&country=&company=&page=25)

214 'Schneider Electric to stand trial in bribery case', *SAPA*, 13/12/03

<http://www.odiousdebts.org/odiousdebts/index.cfm?DSP=content&ContentID=9169>

215 Iraq Bulletin 'good news stories', 07/05/04, FOI request, 16/11/05

216 'Serco wins Iraqi air traffic deal', *Guardian*,

03/03/04 <http://www.guardian.co.uk/Iraq/Story/0,2763,1160808,00.html>

217 'How British charity was silenced on Iraq,' *Guardian*, 28/11/03,

<http://www.guardian.co.uk/Iraq/Story/0,2763,1095116,00.html>

### 58. Shell (Anglo-Dutch)

<http://www.shell.com/>

Unknown sum 'To help conduct technical studies providing the ministry [of oil] with advice, analysis and training for Kirkuk field' (Jan 2005). Working on Gas Master Plan with ministry of oil.

Are also involved with developing the Maysan field in the south.<sup>218</sup> Had been in Iraq from 1920s, until assets nationalised in 1973.<sup>219</sup>

### 59. Siemens

<http://www.siemens.com/>

Power

Unknown fee from USAID, for work on Daura power plant, 'one of the most important electrical projects in the country'.<sup>220</sup> Pulled out in April 2004.<sup>221</sup> As of June 2005, working in Iraq with Iraqi and non-Iraqi staff<sup>222</sup>

### 60. Solace Enterprises

<http://www.solaceenterprises.com/>

Consultants

Unknown fee as sole UK subcontractor for US firm Research Triangle Institute to 'develop local institutions' (Nov 2003)<sup>223</sup>. Iraq mission included Gurbux Singh, fired former head of the Commission for Racial Equality.<sup>224</sup>

### 61. Standard Chartered

<http://www.standardchartered.com/>

Financial

Part of consortium running the Trade Bank of Iraq, created by the CPA (August 2003).<sup>225</sup> Pulled out all British staff in May-June 2004.<sup>226</sup> Iraqi holdings were nationalised in the 1950s.<sup>227</sup>

### 62. TQ Education & Training

<http://www.tqstructures.com>

Education

\$10m contract from the Ministry of Electricity to train staff in 'English language, management, IT and training' (Feb 2005). Support from UKTI and British Embassies 'was invaluable'.<sup>228</sup>

### 63. UCL, Development Planning Unit

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221 'Poor security 'threatens to reduce power supply targets' *FT*, April 28, 2004

222 Siemens profile, *UK Power Companies in Iraq*, UKTI, June 2005

223 'Iraq', *Parliamentary Debates*, 10 November 2003,

<http://www.publications.parliament.uk/pa/cm200203/cmhansrd/vo031110/text/31110w07.htm>

224 <http://society.guardian.co.uk/offdiary/story/0,,1103282,00.html>

225 'JPM CONSORTIUM SELECTED TO HELP ESTABLISH AND OPERATE TRADE BANK OF IRAQ', 28/08/03,

[http://www.standardchartered.com/global/news/2003/press\\_20030828.pdf](http://www.standardchartered.com/global/news/2003/press_20030828.pdf)

226 'Interview with David Edwards', *AmeInfo*, 21/12/04, <http://www.ameinfo.com/50825.html>

227 'Who dares, wins', August 2003, [http://www.bankerme.com/bme/2003/aug/cover\\_interview.asp](http://www.bankerme.com/bme/2003/aug/cover_interview.asp)

228 'Training firm wins US\$ 10 million contract in Iraq', UKTI success stories

<http://www.ucl.ac.uk/>

Consultants

£221,556 from DfID for supplying two senior advisors, in the fields of public works (2003).<sup>229</sup>

64. United Mesopotamia for Security

<http://www.umssecurity.com/>

Private security

British/Iraqi company. Offices in Jordan and 'Northern England'.<sup>230</sup>

65. University of London

<http://www.lon.ac.uk/>

Consulting

£62,148 from DfID for help guiding the 'Political Participation Fund' (May 2004)<sup>231</sup>

66. Weir

<http://www.weir.co.uk/>

Unknown sum for a 'Small contract' doing oil assessments, as a subcontractor for KBR.<sup>232</sup>

Have been in Iraq since May 2003.<sup>233</sup> Made £2.5m from oil-for food contracts under Saddam.<sup>234</sup>

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229 'Contracts Let by Procurement Department, 2003'

230 UMS profile, 2004, IDP, <http://www.iraqsupplier.com/docs/profiles/ums/home.htm>

231 'Contracts Let by Procurement Department, 2004, DfID'

232 'Iraq', *Parliamentary Debates*, 10 November 2003,

<http://www.publications.parliament.uk/pa/cm200203/cmhansrd/vo031110/text/31110w07.htm>

233 *Weir profile, Power Companies in Iraq, UKTI, June 2005*

234 'Scots firm on Iraq payments list', BBC, 27/10/05, [http://news.bbc.co.uk/2/hi/uk\\_news/scotland/4383184.stm](http://news.bbc.co.uk/2/hi/uk_news/scotland/4383184.stm)

## GLOSSARY

ASI	Adam Smith International
BCCB	British Consultants and Construction Bureau
CBI	Confederation of British Industry
CPA	Coalition Provisional Authority
CRG	Control Risks Group
DfID	Department for International Development
DTI	Department of Trade and Industry
EPAP	Emergency Public Administration Programme
FCO	Foreign and Commonwealth Office
GCPP	Global Conflict Prevention Pool
IDP	Iraq Development Programme
IPOA	International Peace Operations Association
KRG	Kurdish Regional Government
MEED	Middle East Economic Digest
PFI	private finance initiative
PSP	private sector participation
SEEA	South of England Export Association
SOE	state owned enterprises
UKTI	UK Trade & Investment
USAID	The US international aid department
WDM	World Development Movement