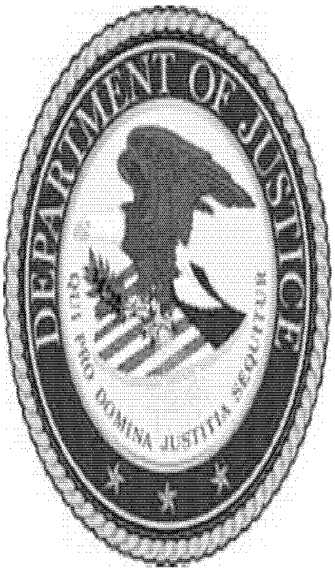
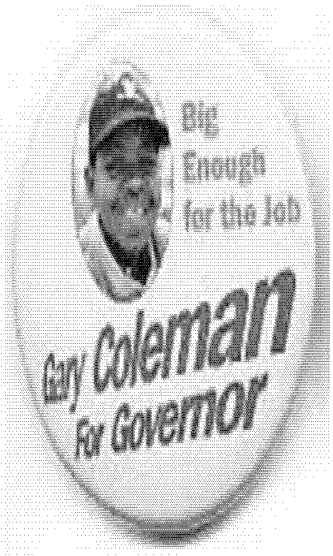


CONTRACTORS IN IRAQ

1 JULY 2004



CPA Order 17 (Revised)

STATUS OF THE COALITION PROVISIONAL AUTHORITY, MNF - IRAQ, CERTAIN MISSIONS AND PERSONNEL IN IRAQ

- **Contractor Privileges**
  - Exemption from Iraqi Laws governing contract terms and conditions
  - Exemption for Iraqi licensing, registration or inspection laws governing:
    - Vehicles
    - Vessels
    - Aircraft (Note: All must carry 3rd party insurance)
  - Exemption from Iraqi taxes (corporate, income, social security) and visas, licenses and permits without payment of restriction.
  - Freedom of movement throughout Iraq. Free importation without duty, inspection, or customs fees or taxes of all equipment necessary to perform mission.
  - Free usage of all roads, bridges, waterways, and airports without payment of tolls, navigation or landing fees.

Contractor Immunities

Immunity from Iraqi legal process and jurisdiction for acts performed within the scope of their contracts.

Immunity from any form of arrest or detention.

(Note: Contractors are subject to the exclusive jurisdiction of their Sending State. Immunity from legal process may be waived by the Sending State)

CPA Memorandum 17

REGISTRATION REQUIREMENTS FOR PRIVATE SECURITY COMPANIES (PSC)

All PSCs must be registered with the MOT with operations regulated by the MOI.

Licensing

Register with MOT (Business License).

Apply to MOI (PSC Registration and Vetting Office) for Operating Permit (e.g. background check intended to prevent hostile elements from legitimizing activities).

Grace period until 31 AUG 04.

Bonds/Insurances

Bonds: All PSCs submit $25K bond to MOI. Additional sums may be required by MOI on a pro-rata scale. Sixty day notice period.

Bonds may be forfeited if:

PSC fails to provide updated information to MOI every six months.

Employees or companies breach Iraqi law. (Decisions to forfeit bond or revoke operating License by MOI must be reasonable and proportionate to the offense. Mitigating factors to be considered).

Insurances: All PSCs must have public liability insurance in an amount to be published by the MOI. Exemptions may be granted by MOI if securing such insurance is not practicable.

CPA Memorandum 17

REGISTRATION REQUIREMENTS FOR PRIVATE SECURITY COMPANIES (PSC)

- **Weapons**
  - ALL PSC employees must obtain and carry an MOI-issued weapons card
  - PSCs must obtain weapons import certificate from MOI when importing weapons (Type, serial numbers)
  - MOI must receive proof of Sending State registration, certification of weapons training, serial numbers and type of weapons, names of employees, details of intended mission, and copies of contracts.

  PSCs must:

  Update MOI on weapons inventory and serial numbers every six months or risk license forfeiture

  Store weapons in secure facilities

  Ensure employees only use authorized weapons (CPA Order 3) (no private weapons)

  Ensure employees carry weapons cards.

  Ensure no law enforcement activity (criminal investigations)

  Audits

  PSCs are liable to periodic audits by the MOI to be carried out by an independent auditing firm to ensure compliance. Financial audits may be instituted by MOT.

  Revocation or Suspension of Operating License

  If a PSC or employee breaches Iraqi law, the MOI may suspend or revoke the operating license. The bond may also be forfeited. (Reasonableness-proportionality and mitigation standards apply).

  Oversight Committee

  MOI will establish this committee vested with general inspection and auditing responsibilities required by the Memo 17.

  Compliance

  All PSCs must ensure employees comply with (ROF-AnnexA), and Code of Conduct (Annex B)

Contractor Security In Iraq v. 3.0

- Developed from revisions to v 2.0 (23 Jun 04)

  - **Purpose**
    - Provide immediate guidance to contractors working in Iraq
    - An Iraq-centric blueprint for contractor coordination and security

  Features:

  Certification and Tracking:

  Certification Requirements (CSO, PCO development with ESG)

  Tracking Process (registration with CSO, database)

  Weapons Policy Overview:

  Weapons Standards (safety rules, ROF)

  Weapons Control and Training:

  Compliance with certification Requirements (CPA 17, CPA Memo 15)

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