



Oral evidence: [UK Government policy on the Kurdistan](#)

[Region of Iraq](#), HC 1095

Tuesday 6 May 2014

Ordered by the House of Commons to be published on 6 May 2014

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Members present: Sir Richard Ottaway (Chair); Mr John Baron; Ann Clwyd; Mike Gapes; Sandra Osborne; Andrew Rosindell; Sir John Stanley

Questions 1-51

Witnesses: **Professor Charles Tripp**, Professor of Politics, School of Oriental and African Studies, University of London, and **Professor Gareth Stansfield**, Al-Qasimi Professor of Gulf Studies, Director of the Institute of Arab and Islamic Studies, University of Exeter, gave evidence.

Q1 Chair: I welcome members of the public to this sitting of the Foreign Affairs Committee. This is the first evidence session in our inquiry into UK Government policy on the Kurdistan region of Iraq. I am delighted to welcome two distinguished witnesses, Professor Charles Tripp, professor of politics at the School of Oriental and African Studies at the University of London, and Professor Gareth Stansfield, Al-Qasimi Professor of Gulf Studies and director of the Institute of Arab and Islamic Studies at the university of Exeter. Thank you both for coming along—it is much appreciated.

I will start by posing a simple question to Professor Stansfield. In your written evidence to us you talk of the risk of the UK being caught in an “interests versus values” debate unless there is internal reform in the Kurdistan region of Iraq. Would you like to elaborate on what you meant by that and why you conclude that it is one versus the other?

Professor Stansfield: It is very clear that the KRG in the Kurdistan region is undergoing a process of democratisation. It has been doing so in an off-on way since 1991, and especially since 2003. That democratisation sometimes improves and sometimes deteriorates.

Right now is a particularly important time in Kurdistan. They have had several rounds of provincial elections, and national elections as well, and there is the emergence of a new opposition party that has now engaged with the leading Kurdistan Democratic Party to form a new Government. The aspirations of the Kurdish population for seeing increased democratisation are very high. At this moment, the future of Kurdistan as a democratic entity, or as continuing on that democratic trajectory, will be identified—or otherwise. If the leading Kurdish parties get this particular moment right and increase their transparency, engage with the allegations of corruption that have been levelled against them and acknowledge some of the issues that the Kurdish people are raising with them, especially with regard to corruption,

Kurdistan will be very well set to move forward in a sustainable and increasingly democratised way.

Q2 Chair: The Division bell was ringing just then, but you mentioned the word “corruption”.

Professor Stansfield: There have been allegations of corruption against different parties within the Kurdistan region and the Kurdistan Regional Government itself. To his credit, the current Prime Minister, Nechirvan Barzani, has acknowledged those problems, but we have to see exactly how they will be tackled going forward. This is an important inflection point for the KRG and the leading parties—are they able to stand up to the demands of democratisation and the aspirations of the Kurdish population, which has seen this region in place since 1991, or are they going to carry on as they currently are? Those are important questions to ask. The UK is going to be caught in that debate, as it seeks to engage further with the KRG and heavily engage with the Iraqi Government—does it place national interests before the issues of values of democratisation, human rights and so on, and can it engage with the KRG to improve those matters going forward?

Q3 Chair: Professor Tripp, do you think Kurdistan is a genuine democracy?

Professor Tripp: I think it has promising signs. From my experience of Kurdistan, which I must confess is quite limited—most of my experience has been in Arab Iraq, rather than Kurdistan—it certainly has the makings of an accountable Government. I suppose there is the aspiration that Gareth talked about of an attempt to make that accountability more widespread. I suppose, again, there is a fear in the Kurdish region, just as in many other parts of Iraq, that those in power tend to shield themselves rather well from certain kinds of scrutiny. The question is where is the space to create that. One of the things that I was encouraged by in visiting Kurdistan was seeing that there are people who contest it. There are also people who want to shut it down, but there are some independent sources and people who try quite bravely to expose corruption and to expose malfeasance of one form or another. So where that is taking place and people feel that they can speak quite critically and frankly about those who rule them, there is hope. But I wouldn't be over-optimistic. I would certainly say that there is an optimism there, which I am afraid I do not share about the rest of Iraq.

Q4 Chair: It has taken seven months for them to form a Government. Do you think that is a sign of instability?

Professor Tripp: I think it is a sign of contestation in many ways, because of the realisation that you cannot form a Government of one party and therefore that you have to do deals of one kind or another. Those deals are extraordinarily complex. The fear is that the longer that goes on, the more people get away with it without being exposed to public scrutiny. In Baghdad itself, after the 2010 elections, it took nine or 10 months to form a Government. The fear is that we have just had elections in Iraq and it will take another nine or 10 months. Extraordinarily delicate negotiations are presumably going on in Kurdistan. I would have to defer to Gareth on the intricacies of that in the Kurdish region.

Q5 Chair: Is this business as usual, Professor Stansfield?

Professor Stansfield: It is certainly not unusual for either the KRG or the Iraqi Government to take a long time to form their new Government after elections. It is part of a

pattern that we have seen consistently since 2003. Right now within the Kurdistan region you could argue that the delay in forming a Government is a reflection of democracy in action. The elections of last year threw up a very different political landscape with the demise of the Patriotic Union of Kurdistan and the rise of the Gorran movement, which had principally been an opposition movement. This has certainly caused some headaches as to how to accommodate these different realities on the ground in what is still a difficult environment.

Kurdistan is different from the rest of Iraq, but it still exists within an Iraqi framework and within a wider Middle East that is rather unstable. So it is perhaps not surprising that the leadership of the region has taken a long time to get to a point where perhaps a Government is forming. From what I understand it has nearly formed. It hasn't been announced, and I doubt it will be until after the election results of 30 April. It is not an unusual pattern to see it take this long to form a Government.

Q6 Ann Clwyd: You talked about the aspirations of the Kurdish people. Anyone who knows Kurdistan knows that there are great gaps between the rich and the poor there. Kurdistan is becoming rich. It is clear to those of us who have been going there for some years that all the signs of economic progress are there. But then I still have the feeling that the gap between the rich and the poor, as in many other countries, is getting bigger.

Professor Stansfield: You perhaps know Kurdistan better than anybody in this room apart from our Kurdish friends here. You certainly make a valid point: the economy of the region has blossomed since 2006. There is an ongoing, nagging question about the rich getting richer and the poor getting poorer. This is combined with problems of increased urbanisation and the spread of the three big cities. But there seems to be a very vibrant and active informal economy. Yes, there is a tremendous amount of wealth in Kurdistan. Social security is very limited. Taxation is virtually non-existent. But there is very little regulation. It seems that the overall economy is benefiting many people, but there are these very significant problems of poverty, of people not having access to resources, and of state patronage and party patronage, which are still very important sources of revenue for many people.

Q7 Ann Clwyd: And do you think the greater variety of political parties now is going to make any difference to that?

Professor Stansfield: Well, the rise of Gorran was done very much on the basis of challenging corruption and nepotism within the two main parties, especially within the PUK, but they targeted the KDP as well. It showed that there is a very loud, vocal voice on this issue in Kurdistan, and hence we see this very strong support for Gorran, especially in Suleimaniah, but in Erbil they are very significant as well. It is a noise that will not go away. To the credit of the current Kurdish leadership of the KRG, and especially around the Prime Minister and senior figures there, they have had to acknowledge this problem. Within the wider setting of the Arab Spring, as well, when corrupt leaders were being dragged out from underneath culverts or whatever, they are very well aware of the problem of being seen to be heading a corrupt Government with an aspirational population. There is certainly a lot of evidence to suggest that the KRG and the Kurdish leadership will have to take this very seriously and that they want to. As I said in my opening remarks, I think we are going to see whether they are truly up to this initiative going forward.

Q8 Mr Baron: The KRG has said that the UK is its “partner of choice”. Apart from the fact that some Kurdish politicians have studied here and even worked here, what does that actually mean in practice, and does it stand the test of time given the UK’s stated policy of recognising the integrity of Iraq as a country?

Professor Stansfield: I certainly think the KRG would view the UK as a partner of choice. There has been a long engagement of the UK with the Kurdistan region, certainly since 1991—we can go back to the safe haven and the heavy UK involvement in the establishment of that, and the ongoing engagement over the last two decades, especially on the diplomatic front. The UK is a known entity for the KRG. On top of that, we also have the fact that many of the leading Kurdish politicians have been resident in the UK in the ’80s, ’90s or even before then.

It does throw up a dilemma or a tension for UK policy, as Iraq is, in effect, two countries. There is the Kurdistan region of Iraq, which is governed differently and has a very different feel to it compared with the rest of Iraq. The trajectories of both seem to be quite different. Of course, the tension, then, is how to support and enhance the situation in the Kurdistan region, whether that is economically, democratically or by engaging in trade and investment, while not undermining the territorial integrity of the overall state of Iraq. These are very big questions that I think will become apparent in the next few years. As Charles has said, the situation in Iraq seems pretty bleak, whereas in Kurdistan it is a very different place. That tension will become ever more obvious for those engaged in Iraq and Kurdistan.

Q9 Mr Baron: Professor Tripp, can I have your take on that? Once again, Britain seems to have the history but perhaps is not capitalising on that well enough going forward.

Professor Tripp: If one looks at it from the perspective of British relations with Iraq, there is rather a mixed history, to say the least. From the Kurdish people’s perspective, as well, the British do not have an unsullied record in their history of the letting down of the Kurdish people at various moments, although at other moments they have supported them very strongly. Looking at it from the perspective of Baghdad, one of the problems that Britain will have is that you can never displease people by casting the British as some kind of sinister force in Iraq—because of historical memory, because of long historical experience—whatever the British Government happens to be doing at the time. So any move that looks as if it is going to confer legitimacy on a separatist Kurdish region, rather than on an autonomous zone that the Iraqi Government has been forced to recognise, will, of course, be seized upon in Iraq.

One of the problems is that many of the issues between Erbil, the capital of the Kurdish region, and Baghdad are effectively about sovereignty. If Britain is forced to choose which side of the sovereign line it stands, that will see very difficult choices, whether about boundaries, oil or the security forces and so forth. There is this real problem.

One of the experiences in the past of the Kurdish people—and not just with Britain—is that having said that there are strong links and relations for a country supporting the Kurdish people, they find themselves let down, because that power, whether the United States or Britain, at certain moments finds that it has interests elsewhere.

Q10 Mr Baron: Is this more of a problem for Britain than for other countries? We hear that some of our European neighbours seem to be much more proactive about encouraging trade links, for example, and generally about establishing a bilateral relationship with the KRG. One thinks of visas as another potential problem for the British—that was another problem mentioned to us in submissions. This is an ancient part of the world, with a long history. Is this more of a problem for the British than for other countries? If not, why do we seem to be behind the curve on trade, visas and a range of other issues in developing a bilateral relationship?

Professor Tripp: I can only answer from the perspective of Baghdad. You could argue that yes, there is a very particular sensitivity about Britain's relations with the off-centre parts of Iraq—the bits that are not regarded by the Baghdad Government at present as fully signed up to whatever they have defined Iraq and the Iraqi national mission to be. Whether that is acting as an inhibitor on British investors and so on, I cannot really say. But certainly the sensitivity is there, and Britain does have a special place, which is not altogether comfortable, depending on how the rhetoric is being played out in Baghdad itself. I think that Gareth will know more about whether the British are particularly inhibited about this in the KRG region.

Professor Stansfield: I tend to agree. There is a cautiousness about the UK's engagement with the Kurdistan region. If we look at the foreign investment, apart from some significant moves by medium-sized oil companies at times into the region, the level of UK engagement in economic terms has been really quite slim, notwithstanding the efforts of the representation here to encourage more private sector interest to go there. Whereas, if we look at other European countries and other places, especially Russia, they have been very active indeed.

It is interesting to question why that is the case. At a political level, there has been a nervousness about encouraging UK private sector engagement too much because of the problem of offending Turkey, a key NATO ally and a key ally full stop. And there is also the concern about acting against the territorial integrity of Iraq and the Iraqi constitution, however you want to interpret that constitution. That generated a degree of cautiousness in UK foreign policy in the past that perhaps is changing now. But the result is that other countries, in some ways, have stolen a march, whether on the economic side, the educational side or the overall engagement with the KRG going forward, and the UK would now need to catch up quickly if it were to change that. It is very easy for the UK to do that. As you have said, the KRG has identified the UK as a partner of choice. There is a willingness and hope that the UK engages more fully across the spectrum of activities with the KRG. I would say that we are behind the curve with what we are doing there and how we are doing it.

Q11 Sir John Stanley: Would you each tell us what you consider the present British Government have got right, if anything, in their relations with Kurdistan, and what, if anything, they have got wrong?

Professor Tripp: As I have the least to say on this, I suppose I should go first. I think that what they have got right is that so far they have not brought down upon their heads the wrath of Baghdad. If one thinks about where the British place their relationship with the KRG vis-à-vis their relationship with Iraq as a whole, clearly that has been extraordinarily important. There is a sense in which they have played it cautiously.

The result, as we have just heard, is over-cautious, one might argue. Certainly, I cannot help feeling that when you look at British Government policy towards Iraq and the KRG, Iraq looms very large in their calculations—by Iraq, I mean Baghdad. You could argue, in playing the long game, that that is where the ultimate interests of the British Government may lie, given the oil resources and trade possibilities of the south.

All of that is quite a long way away, given what is happening in the rest of Iraq. Certainly, from that point of view you could argue that they have got that right, but it is temporary, in the sense that, as we said, it has allowed others to steal a march on them. You could say that they have relatively underplayed their hand towards the KRG; they have not exploited the very considerable reservoirs of good will that exist in the KRG towards Great Britain. Therefore, in a sense, by letting that lapse one might argue that within 10 years they will be largely irrelevant to the KRG.

Professor Stansfield: If we look at what the UK has got right, we can go back a few years into the '90s in particular and the 2000s, when British diplomacy was excellent with regard to its engagement with the Kurdish leadership at the time. I have mentioned the safe haven. It was largely British-led efforts that brought an end to the Kurdish civil war in the mid-1990s. That is not often mentioned. In diplomatic ways the UK has been very supportive and has acted as wise, dispassionate counsel at times for the Kurdish leadership.

However, on the down side of this, there has been a tendency at times, certainly until recently, not to take the Kurds and their positions terribly seriously. Perhaps that is as much to do with the way that the Kurdish leadership has put its own arguments across as well at times. It seems to have been the case that there has been a dismissive attitude at times towards the Kurdish position, which has become problematic as the Kurds have now got themselves into a very strong position in Iraq going forward.

I think we have got the Kurdish engagement with Baghdad wrong as well. The UK has focused very heavily since 2003 on the maintaining of the territorial integrity of Iraq at all costs. That means a very fixed interpretation of the constitution of Iraq and what that means going forward, to the extent that articles such as those that allow for the formation of federal regions in Iraq have largely been ignored—certainly in Baghdad—and have not been supported in their implementation by many western Governments, including this one.

Issues relating to the management and exploitation of oil and gas, which are tremendously sensitive and difficult, have not really been engaged with either, leaving the general assumption that what the Kurds are doing is illegal and what Baghdad is doing is legal in the oil and gas sector. In fact, it seems to me that they are both as illegal and legal as each other, until there is some clarification of what the constitution actually means. By not engaging with these very difficult questions as a neutral arbiter and being a dispassionate entity to engage with Baghdad and Erbil, I think there has been a failing of UK policy in the 2000s, as we have sought to preserve the integrity of Iraq at all costs.

Q12 Mike Gapes: Can I take you to relations with the al-Maliki Government? My impression from what I have heard and you have written is that the relations between the KRG and al-Maliki's Government in Baghdad are bad and getting worse. If the 30 April election means that al-Maliki stays in power, is that situation likely to deteriorate further, and where could that lead?

Professor Stansfield: It is the billion-dollar question. There is a very big “if” as to whether Prime Minister Maliki will remain in power. Twitter is alive with this debate right now, as you can imagine. There is no clear indication. What is apparent is that there are a lot of very powerful political forces aligning against him, so if he is to survive he is going to have to be very opportunistic, probably quite Machiavellian and willing to play politics in a way that perhaps even he has not played politics before. That means making a lot of promises, giving a lot of concessions and perhaps building alliances with people other than those he would normally choose. I do not know if Maliki will survive.

In this setting, you can imagine that the Kurdish bloc, with a quite significant number of members of the Council of Representatives, will be in a position to negotiate and to find a way to work with whatever Government is in Baghdad. Some discussions have already taken place. For example, President Massoud Barzani has already staked the claim of the Kurds to the presidency of Iraq, as part of the elite accommodation that goes on at that level with the Prime Minister, Presidents and Speaker of Parliament. I cannot remember the exact phrase that Prime Minister Maliki used last week to refer to the leadership of the Kurds, but it included the word “miserable”. However, he has since calmed down a little bit and talked of the possibility of strategic relationships being taken forward.

Clearly there is going to be a lot of opportunism and taking advantage of different positions as the relative weights of the blocs within Parliament unfold. If Prime Minister Maliki remains in place, he is going to have to give the Kurds a lot in order to maintain their support as happy participants within the Iraqi state rather than simply as people obliged to be Iraqis. If he is to go, then the Kurds would be very much at the centre of a new Government of Iraq. That would see them working with parties that they have worked with closely in their days in opposition in the 1990s, particularly among the Shi’a and the Supreme Council and also with the different Sunni parties that would be part of that mix. It is an interesting position for the Kurds right now.

Q13 Mike Gapes: Professor Tripp, do you agree?

Professor Tripp: I agree about the uncertainty, absolutely. One of the things that comes out of the present relationship between Maliki and the Kurdish leadership is the personalisation of power. Where power has become so personalised, these become deeply personal antagonisms. One might talk about the Kurds or about the Arabs or about the Iraqi nation, but what is actually going on is a kind of wrestling match between very jealous, powerful leaders. If the notion of sovereignty is invested in the individual, then this will continue whether it is Maliki or anyone else in Baghdad.

Looking at the pattern of Iraqi politics, my concern is not so much what happens in the first years of a coalition Government but what happens when Maliki, or his successor, feels confident enough to dispense with his allies. This is exactly what happened. In 2010, people were stitched up. Maliki made all sorts of alliances with people who were quite unlikely, and at various moments he made verbal concessions to the Kurds. He has then spent his time concentrating power in his hands completely so that he is now Minister of Defence, Minister of Interior and Minister of National Security as well as Prime Minister. He also leads from the Prime Minister’s office some of the most well-trained and certainly some of the most ruthless military units. You begin to think that this is about how long someone is in power, not because they then feel secure but because they want to make themselves secure in

the image that they have. I think that this is the real problem. It is about Maliki perhaps, but it is about proto-Malikis that might succeed Maliki. It is about the dynamics of politics in Iraq.

Q14 Mike Gapes: Last time it took months for Iraq to form a Government—even longer than Belgium, I think. Is the same time scale is likely? Could Maliki in effect remain in power because there is no agreement, even though eventually he does not hold power? Is forming a Government likely to take the same time?

Professor Tripp: It is possible. One of the mistakes that people made was believing that there was no Government in power in 2010 between the election and the anointing of Maliki as the next official Prime Minister. Of course there was a Government in power. It was run from Maliki's office. One can see the same thing happening. I very much take the point that Gareth made, that he will need all his skills, but that does not mean to say that he does not have them. It is quite possible that Maliki will come out of this as the next Prime Minister of Iraq.

Q15 Mike Gapes: Is there any prospect, given what you have both said, that an alternative Government would necessarily be more sympathetic to the interests of the KRG? Or, in practice, would the same issues and same way of working be endemic?

Professor Tripp: That would be the danger: that in order to become Prime Minister of Iraq, you have to have a certain ruthlessness and ability to pull strings and use networks that do not always find the light of day. The centralising notion of the Iraqi state is still a very powerfully ingrained notion. By centralising, I often mean centralising in the hands of one or two people—and that is the real danger. Again, I would say that even for a successor to Maliki, under the present condition of how the Iraqi parties operate and how sectarianism and communalism have shaped the politics of Iraq, there is a real danger that these issues will be handled in quite similar ways. They can be more forgiving at certain moments, but the same issues are there: oil, national security, boundaries and population. Those are not going to disappear.

Q16 Mike Gapes: Do you agree?

Professor Stansfield: Yes, on the whole I do. If we look at the elections now and what happened in 2010, there are differences as to why the Government formation will still take a long time. In 2010, two very large blocs emerged from that: the Iraqiyya list won 91 seats under Allawi, and the State of Law of Maliki won 89. The lesson was that even if you lose an election you can still form the Government. The period of time it took in 2010 to form that Government was Maliki manipulating the situation to get to the point where he could still form a Government, even though he had only 89 seats, and still build a bloc that would dominate the Council of Representatives.

Now we are seeing a very different dynamic. The contestation in Iraq has gone from between blocs that have been largely defined by their sectarian and ethnic identities to conflict within them. So Maliki's struggle is going to be with his own Shi'a counterparts, especially Hakim and Sadr. Similarly, there are struggles among the Sunnis, and some would say the Kurds also have their own struggle, as Massoud Barzani struggles to figure out how to balance Gorran and PUK. The end result of that could take quite some time to come about, or it could be nasty, brutal and short, as Maliki starts to use his forces and contest power on the street with Hakim. It could be quite unpleasant.

Looking forward to what this means for the Kurds if Maliki is not there, maybe I differ a little bit from Charles on this. They would arguably be dealing with figures who have already bought into the concept of federalism. All the way back in 1992, the Islamic Supreme Council of Iraq, as part of the Iraqi opposition that formed in 1992 with the Kurds, signed off on federalism as a concept. They may have been doing it just to keep the Kurds on board, but they were there at the time and they followed through with the Kurds closely ever since. On top of that, we have a whole range of non-Kurdish provinces of Iraq that over the past few years have tried to become federal regions and have the same level of autonomy that the Kurds have got, but have been denied that by Prime Minister Maliki himself. So we could see the resurrection of the demand for federal units if Maliki did not happen to be there.

I would like to end by saying that just because Maliki has behaved in a certain way as the Prime Minister up until this point, it does not mean that he will carry on behaving in that sort of way. He has shown himself to be a great political survivor, manipulator, player of Iraqi politics and, arguably, at times he has come very close to agreeing with the Kurds on oil and gas legislation and on some of the things that they have wanted to do to push their autonomy, but he has been reined in by these forces of centralisation that Charles has mentioned. He is not necessarily the same figure throughout.

Q17 Mike Gapes: In an earlier answer, you referred to the UK role as a possible arbiter. Is there any UK role in this scenario, or should we stay well clear of it?

Professor Stansfield: There is clearly a very big job to be done by somebody. Whether it is the UK, I am not sure. As Charles said earlier, it is very easy for the UK to be seen as meddlers, as neo-imperialists in Iraq. The return of Sykes-Picot for the Kurds would not go down at all well. A great deal of care has to be deployed in engaging with these questions. However, that does not mean that we should not be trying to engage through international forums or multilaterally on these questions.

Q18 Mike Gapes: Can I ask one last question touching on the issue of the power that is in the hands of al-Maliki as Defence Minister, and all the other roles? The Iraqi Government now have much stronger armed forces numerically than it had. It also now has American agreements to rearm those forces. Is there a danger in this for the Kurdistan region, and should it be worried about a strong central Iraqi army and that Maliki might decide to use force as he has done in other contexts within Iraq?

Professor Tripp: Can I just comment on that? I think one of the features of Iraq now is that one sees there are more men under arms than there were under Saddam Hussein and yet, when you look at the composition of the army, you have to think about two things. First, one of the reasons why Maliki has created such vast armed forces is that it is a way of creating jobs from patronage. He has followed that up by shifting officers around, playing politics, if you like, in the designation of the offices of the armed forces. So I see that leading in a different direction, which is much more likely creating a politics of the military in Iraq, which is something down the road. I do not think it has to be dealt with immediately.

On the other side, if you look at the behaviour of the formidably armed Iraqi units in the last year against people in Ramadi and Anbar province, it has been hopeless. People have deserted in their thousands. Once, when Maliki sent some units against the Kurdish forces in 2012, the whole battalion deserted to the Peshmerga, the Kurdish side. As a result, he has had

to call on some rather dodgy militia groups to come and reinforce central Government forces in other parts of Iraq near Baquba and so on. I do not think that the Kurds have to worry about, as it were, a massive Saddam Hussein 1989 or 1990-size of organised armed force, although clearly it is something on the horizon that they are concerned about. An Iraqi Government may feel that it no longer has to make any concessions to the Kurds and that it does not have to do so because it is militarily over-confident, but that has been a recipe for disaster from the 1940s onwards for successive Iraqi Governments. They did not know it at the time, but it was. Of course, for the Kurds, it has had terrible results as well. So, it must be something that is there, but frankly, I do not think realistically it is something that one would see in the next five, six or 10 years. A politics of the Iraqi armed forces is much more likely, which may actually debilitate it further.

Professor Stansfield: I think it is a great big psychological fear in the mind of the Kurdish leadership that these tank columns are going to come back north again as they saw not too long ago. The last time there was an invasion of Kurdistan was 1996 by Saddam's forces. It is a psychological fear, rather than a fear of what could actually happen now. But they are looking to the future as well. As Charles said, when the Iraqi security forces have confronted or come up against the Peshmerga, the Kurdistan army, I can think of three occasions since 2008 in Khanaqin, Zammari and in Tuz Khormato when there has been a very dangerous stand-off with ultimately everyone backing down. That seems to be the pattern; that this is used as sabre rattling and brinkmanship. But there is certainly a cohesion about the Kurdistan forces that the ISF do not seem to have.

If you are Massoud Barzani looking ahead, the problem is not really what these land forces are doing, it is what the Iraqi Government will be able to do in the air. Because of that, the Kurdish leadership has been extremely concerned about the possible sale of F-16s by the US to Iraq going forward and whether they would be used against the Kurdistan region.

Again, this is a real fear. It is also something that is very much grounded in their history, when they suffered from heavy aerial bombardment—chemical bombardment—from the air as well, in the '70s and '80s. There is the thought that, once again, there will be even more capable aircraft above them, commanded by somebody who is not necessarily their friend, and that is making them extremely nervous indeed and arguably, is pushing the Kurdish leadership towards embracing greater notions of autonomy and enhanced sovereignty perhaps than they would have done if those sales had never happened.

Q19 Sir John Stanley: Can I ask each of you whether you think the spiralling violence in Iraq, which may indeed get worse, necessitates any changes of policy by the British Government, either towards Iraq or Kurdistan?

Professor Stansfield: You are quite right, I think, to bring up the issue of spiralling levels of violence. The situation north of Baghdad seems to be extremely tense and difficult indeed, with the ISF struggling to cope with the successes of the Islamic State of Iraq and al-Sham. ISIS seems to be the most capable military force in Iraq right now and they have changed their tack, from al-Qaeda in Iraq being an insurgent force—a very successful one—in 2006-08, to operating almost as a regular army, seizing territory, working hearts and minds to control territory and moving quite openly in convoy in daytime, in a way that they could never do when the Americans were present, for example. I think this warrants serious

attention being paid again to Iraq's integrity and how the UK and other western countries—other international powers—engage with Iraq going forward.

Certainly, if we look at Kurdistan, it would seem a reasonable place to start, as it borders this area in a significant way that is currently suffering ISIS's attentions and is well placed to engage in what are called the disputed territories and in the Sunni Arab-dominated territories to the south of them. That has not really happened before. Whenever western powers have chosen to engage with insecurity in what was called the Sunni triangle, it was done largely from Baghdad and from bases around the capital. However, it may be more appropriate, going forward, to start to consider Iraq's security in a more holistic sense and to consider what the options are to engage with Kurdistan, which has effective counter-terrorism and counter-insurgency forces.

Professor Tripp: I think your point raises one of the fundamental dilemmas for any outside power, but certainly for the British Government looking at what is happening in Iraq, because the roots of the violence in Iraq are not simply the dealing with it in terms of counter-insurgency. The roots of violence are deeply ingrained in the way that power has been organised inside Iraq itself, so I would argue that it is difficult for a British Government—perhaps for any Government—to address three things that seem to have driven violence.

One is the ratcheting up of sectarian enmity and animosity, partly because that is not simply something that happens in one particular part of the population; it is now throughout the population and it is something that has been encouraged by Government. So the very structures of power are encouraging it—that is one problem.

The second problem is how does the British Government, or any outside Government, address the fact that some of the violence is also used to guard the division of the spoils? In other words, a deeply unequal society is policed violently, precisely to avoid answerability. Again, this goes to the heart of government. Violence becomes the currency of appropriation of what should be public and common goods.

The third is the style of government itself. If the Government of al-Maliki, or maybe someone else in Baghdad, sees the way of dealing with problem populations as using violence against them, this is part of their statecraft and, again, the British Government would find it difficult to address that.

I think I can see the real dilemmas—of how much the British Government might, quite understandably, deplore and try to deal with the human cost of some of that violence, but, actually, how it deals with the causes of it, I see as practically insuperable.

Q20 Chair: Can I turn to hydrocarbons? As you know, they are quite a hot potato and part of the tension between Baghdad and the KRI. Where do you think the KRG sees itself in five years' time on the oil and gas front?

Professor Stansfield: I think the KRG sees itself as being a major oil and gas exporter. The Minister of Natural Resources in the KRG, Ashti Hawrami, makes no secret of his projections going forward: 1 million barrels a day by 2014-15 and 2 million barrels thereafter, perhaps up to 4 million barrels. Whether they can attain those figures, particularly 4 million barrels a day, is another matter—there needs to be some significant investment—

but they certainly see themselves as being significant oil and gas exporters north through Turkey as a strategic partner, and who is to say they are wrong?

Recent developments such as the signing in November of the Ankara-Erbil oil and gas export agreement, the shipping of 100,000 barrels a day to the Turkish port of Ceyhan and now the move to sell that oil on the open market all suggest that the Kurdistan Government, with Turkish support, is moving towards being an independent oil exporter. The building of the oil economy lies at the heart of the KRG's economic plans going forward, so from the KRG's perspective, I think it is very clear what they want to do and how they want to do it.

Q21 Chair: Do they see it the same way in Baghdad?

Professor Tripp: I am sure they do. I think this is part of their apprehension. It is not simply what the Kurds may be taking out of the ground or selling at this moment; it is what kind of precedent this sets for other parts of Iraq. If, in a sense, the picture that Gareth is painting—I totally agree with it, in terms of what the Kurdish leadership may be seeing—is reproduced across Iraq, as there have been hints that it might be in Basra, in the south, people will say, “Why, if we are producing all this oil, are our public services so rubbish? Why is our condition of life so terrible? What happens to all this oil revenue when it flows to Baghdad and never comes back south again?”

Again, there is a feeling of local control. Even, as I gather, in Mosul, which has never been the most friendly towards Kurdish autonomy, the governor, al-Nujaifi, has been remarkably sanguine about the notion that if you have oil, you should export it, believing that in the provinces which he controls, there is a possibility of oil and gas exploration, and seeing that as a way they can free themselves from dependency on Baghdad. I think that hydrocarbons become a kind of metaphor for how people resent the kind of control they have been placed under by Baghdad. In the Kurdish region, it has a far more powerful history and infrastructure, but those feelings are awakening elsewhere as well. Clearly, the centralists—not just al-Maliki in Baghdad—are concerned about what precedent this will set elsewhere.

Q22 Chair: Did you know that the tension arises from interpretation of the constitution about what is an existing field and what is a new field? Who is right and who is wrong on this, or doesn't it matter what the constitution says? Have we moved on from the constitutional position?

Professor Stansfield: I think the tension is partly about what constitutes old and new fields. That will become a particular issue around the two northern domes of the Kirkuk oil field. You can argue either way whether they are new or old. The real tension comes over who has a right to sign contracts with these companies, and the mechanism by which revenue sharing will then take place. This is a sovereignty issue. Interestingly, in Iraq, there is agreement that 17% of Iraq's oil and gas revenue—17% of the budget—should go to the KRG, and nobody is disputing that, even though, arguably, the KRG does not get 17%.

But it is about the mechanism by which that process should happen. The Government of Iraq basically say that that 17% should be handed over to the KRG, and the KRG say that they should be receiving their own revenue and then giving back to Baghdad the component that is higher than 17%. It is about who has the sovereign right to manage that process. This

issue of sovereignty—economic sovereignty in particular—is going to be critical going forward.

The issue over new and old fields has, I think, been largely accepted; that is quite clear in the constitution. But what isn't clear is the detail of how these processes will work when it comes to signing contracts, distributing revenue, exporting oil, who receives and who distributes.

Professor Tripp: It is also quite difficult to argue about the constitutionalism of hydrocarbons or oil exploration when there is a general perception that the Government do not act constitutionally anyway in other areas, not just between the KRG and elsewhere. So there is, in a sense, a problem of how much of a binding nature the constitution has in Iraq; who should debate it; and who should be authorised to interpret it. That is still an unresolved question.

So, you could argue that the oil question has sharpened this in one area, but you could argue that it is lively in other areas too. There is a sense in which this is not a test case only, but it is something: a feeling that the constitution does matter, and a feeling that, if a certain interpretation of the constitution is put through, people have to accept the method by which that is the case, and constitutional adherence should not just be for one article, but across the board. Again, there is a concern about how, constitutionally, Iraq may be governed.

Q23 Chair: If the KRG wins the argument and it is considered that they have complete control over the oil, does that benefit the UK? Should the UK be playing closer attention to this?

Professor Stansfield: I think it is a political argument to win. I don't think it is a constitutional one as such. It is political in so far as, if it is in Prime Minister al-Maliki and President Barzani's interest to find a compromise on the way forward, then they will find one. The resolution is going to be political rather than any ruling from any court in Baghdad.

If the KRG was to get what it wants and to expand its oil and gas sector—it is pretty active already, with some 50 companies operating there, including Exxon, Total and Chevron—and manages to monetise the resources that are there, because a big question now is whether these companies can make money, then it is going to be an interesting sector for investment and engagement going forward. Indeed, there have been and are UK companies engaged in this sector with Erbil. There are some significant sums involved in this.

It becomes particularly interesting when we start looking at the possibility in the future of gas being exported from the Kurdistan region into Turkey, and then potentially onwards into Europe, although there are a lot of ifs and buts about that and the Nabucco pipeline in Turkey. But that becomes a much larger set of geopolitical questions about European energy security; Kurdistan's role as a supplier; Turkey as an energy hub; and diversifying Europe's natural gas sources.

Q24 Chair: You mentioned Turkey. The whole strategy is based on getting the stuff out from Turkey. Can the Kurds completely trust Turkey?

Professor Stansfield: Turkey is a single point of failure for the KRG. If they get their relationship with Turkey right, as it seems they are doing, then they are going to achieve very many things that they have set out to do. If they get it wrong, a negative relationship with Turkey now can close the Kurdistan region of Iraq down.

This improved relationship has not come about overnight. Since 2006 or 2007, there has been an ongoing process of engagement from the leadership in Erbil and Suleimaniah with Ankara, particularly with Erdogan, built around economic interests—construction and investment thereafter—and security interests regarding the PKK. That has fitted into wider Turkish foreign policy during this time. It has operated on the Kurdish side across a range of partners and interlocutors in Turkey, so this is not just Prime Minister Erdogan. The ties between Erbil and Ankara go into the military, into security, and into the private sector. It is much more extensive than simply being President Barzani and Prime Minister Erdogan. Arguably, it could be sustainable going forward even if Erdogan was not there.

However, the problem that the Kurds have is that Turkey's embracing of the rights of the Kurds in Turkey and also the existence of a Kurdistan region in Iraq is on a progression. There are still a lot of interests in Turkey that would be opposed to the Kurds and the Kurdistan region, and it is still a very sensitive subject in Turkey. So this is not fully resolved—it is not fully consolidated—but it is much stronger than it used to be.

Some years ago, Prime Minister Erdogan said words to the effect that he would oppose the existence of a Kurdistan even if it was in Argentina. That is a rare moment of humour from the Turkish Prime Minister, but he has now come to a point where he is regularly meeting President Barzani, Prime Minister Barzani, and the leadership figures from the PUK as well. The times have changed so much.

Chair: Pipelines can be a nice little earner at times.

Professor Stansfield: Especially if you are energy-deficient and you have huge economic problems, and the problems with advancing your economy, as Turkey wants to, where you are paying so much for your gas imports.

Chair: Mr Tripp, do you want to add to that?

Professor Tripp: No, I think that that is very comprehensive. One of the things that strikes one is of course how that relationship has changed. Twenty years ago, it was about security and about the insecurity of Turkish nationalism faced by Kurdish demands for self-expression. Clearly, that has not only diversified, but it has changed within Turkey itself. I would not say it was totally relaxed, but it is certainly a much more negotiable area where there are common interests being established.

Q25 Ann Clwyd: I also remember President Özal saying in the past that the one who had the power was the one who had the power to turn the tap off and on. Of course, he meant water. Is water still a matter of dispute between Kurdistan, Iraq and Turkey?

Professor Tripp: I think that between Iraq, Turkey and Syria—and Iran to some extent—it is still a constant preoccupation. Recently, damage was done to the water system of the upper rivers by the ISIS group to show how easy it is to disrupt that. Clearly, for a country like Iraq, which depends upon the two great rivers and has seen them hugely

diminished over the years, that sensitivity is bound to be part of a perception of national security, which will not disappear whoever is the Prime Minister in Baghdad.

My ignorance on this is pretty total in terms of knowing whether that enters into the concerns between Baghdad and Erbil, but I am not sure. I see it more as Baghdad and the upstream states. I do not know about it in terms of the Kurdish region.

Professor Stansfield: Again, it is not a subject that I follow terribly closely. I think Charles has covered this pretty well. Even after 2003, one of the similarities in the concerns of the Iraqi Government in 2005 onwards, compared to Saddam's Government, was the concern over the flow of the Tigris and the Euphrates. What exercises the Minister of Water in Baghdad's Government certainly exercised the Minister of Water and Irrigation in the post-2003 Government. I suppose it is an element of environmental determinism that Iraq will never escape from, and it will probably get worse, as the Southeastern Anatolia Project—GAP—in Turkey is now pretty much in full flow. Perhaps as Syria emerges—whenever it will emerge—from civil war, its use of the Euphrates will increase. Iraq's need for water will increase as its oil production increases, as it is reliant upon the injection of water into its reservoirs to maintain production, so there is certainly a bit of a car crash coming in terms of water usage in Turkey, Syria and Iraq, and where that water is coming from.

One last issue with water is that some of the headwaters of the Tigris rise in the Kurdistan region of Iraq or further into Kurdistan in Iran. In recent months when the withholding of salaries was put in place by Maliki's Government in Baghdad, there was a threat that perhaps Kurdistan could start to control some of the water that goes down into the rest of Iraq. Thankfully, to the Kurds' credit, they did not go through on that threat, realising, I think, that it would not be the Government of Iraq that suffered, it would poor Arab farmers on the Nineveh plains and the Jazira plain that would ultimately suffer instead. I do not think that threat ever saw the light of day. Water politics is not something we hear a great deal about, but I think the pressure is building all round.

Q26 Ann Clwyd: What are the prospects for the outstanding border disputes between KRG and the Iraqi Government? What prospect is there of them being resolved in the near future, or simply left where they are?

Professor Tripp: If we take the last one first, whether they can be left as they are, in some ways that is exactly what has happened over the past 10 years. Sometimes it has led to the brinkmanship that Gareth has talked about. It has certainly created an edge of antagonism and suspicion, as well as, to be fair, some quite serious misery for many of the populations caught in those uncertain regions. There has been a degree of violence as well.

Nevertheless, Erbil and Baghdad have managed to live with that, if you like. The clauses in the constitution about Kirkuk and so on have not yet been acted upon and, therefore, the difficult decisions about that area are still there. My feeling is that those border disputes—and it is not just Kirkuk, obviously it is in Nineveh and Diyala and elsewhere—are symptomatic of a feeling of whether Iraq will remain, as it were, under the control of Baghdad, not a unitary state. It is a question of whether those borders will be defined by whoever rules in Baghdad, or in a compromise that they come to with the KRG, or whether it will be something that is unilaterally asserted one way or the other.

At the moment, the unilateral assertion option that we heard about briefly before, the use of military force, has not been used. With any luck that will not be the case. The danger is that it is better to keep the thing in deep freeze than to act upon it, as I said, with often some quite bad results for the people living in those areas.

Professor Stansfield: No one has engaged with this question fully since about 2009 when the UNAMI mission undertook its own survey and reporting in a report that still remains embargoed to this day. As Charles mentioned, there are constitutional articles—such as article 140—that allowed for the resolution of the problem of the disputed territories. Those articles were time-limited and never implemented, so there is a question about whether they are still valid today.

Perhaps more important than arguing about whether those articles are valid is whether anybody is actually pushing to get this situation resolved. It seems that it is not really on anybody's agenda to resolve the question of the disputed territories right now. It is an extremely thorny issue. What seems to have happened—certainly on the Kurdish side—is that they have found a way to muddle through, perhaps to create realities on the ground, but build partnerships, whether they are economic or political ones, with Arab tribes and Arab stakeholders in those areas of the disputed territories.

As Charles mentioned, the relationship between the governor of Mosul, Atheel al-Nujaifi, and the leadership of the KRG in the past was extremely bad but now it is actually quite good, as they have found common cause in a whole range of areas. We see some KRG electricity plants now being able to provide areas south of Kurdistan, into Arab and Turcoman areas, with electricity. That goes down very well, although it is still a tremendously sensitive situation that nobody really wants to get to grips with at this point, but I think they will have to. Ultimately, if Kurdistan's trajectory continues, I think especially about what President Barzani has said recently—that he perhaps envisages not federalism but confederalism, which an interesting concept. I personally think he is talking about a binational federation so that Iraq would be one country and two states. That is what I think he is getting at. For that to happen, Kurdistan needs to find its southern boundary. The idea that it will just merge into a zone of grey, and on one side is Baghdad, on one side is Erbil and there will be some strange hinterland in the middle, I do not think really works in that setting. Perhaps there will be a moment when it will be phrased differently: rather than the problem with disputed territories, the problem of finding Kurdistan's southern boundary will become more apparent if this confederal binational arrangement comes to pass.

Q27 Ann Clwyd: When the Kurds were fleeing the helicopter gunships in the '90s, they were greatly helped by the opening up of borders. The Iranians let them across, the Turks let them across. Now I hear, and I have not been able to get confirmation of this, that the Syrians attempting to come across—I know a large number have already come across the border—are finding that trenches are being dug to prevent any further influx of Syrians. Is that something that you know about?

Professor Tripp: I have heard of it happening. It is quite a short border between, as it were, the Kurdish region and the Syrian-Kurdish region, in the sense of what it is they control, but of course it is a much longer border between the Arab-Iraqi centralised control and the Syrian state.

There are two different policies going on at the moment. One is the notion of Maliki's Government, which rather tends to support the Assad side in the civil war in Syria, and therefore does not look kindly on refugees coming across from the largely Sunni eastern, north-eastern or indeed Kurdish areas. Gareth will be able to say more about this, but, as I understand it, within the KDP and the KRG there is a difference of opinion about what kind of Kurdish movement they are supporting in Syria, and so possibly it may be that refugees from the fallout of one side of conflict are tolerated and others are not. I think Gareth will be able to say more about the intra-Kurdish cross-border politics of that kind.

Professor Stansfield: From what I understand—I have not seen them—these ditches are being built on the western side, in places such as Dohuk and Fishkapur, with the KRG saying that this is to do not with Kurdish movement but with the threat of ISIS, the Islamist insurgent group that is operating in Syria and in Iraq. There is a precedent for that. In the Iraq civil war in 2006, '07 and '08, the KRG once again built quite significant ditches and trenches along the green line, as it was then, to prevent the easy movement of possible insurgents to the north. That precedent is certainly there, but it has come at a time when the relationship between the KDP in particular and the PYD in Syria is not at all good, with the PYD being overwhelmingly dominant in the Kurdish cantons, as they are calling them, of Syria, and the KDP-supported Kurdistan National Congress in Syria being far less apparent on the ground. Perhaps it is coincidence that this ditch has gone up at this moment when the relationship with the PYD in Qamishli is not terribly good, but there is a precedent for the KRG building ditches to protect Kurdistan from Islamist insurgents, and that precedent was the Iraq civil war.

Q28 Ann Clwyd: Can I ask you about religious minorities? In Iraq, there has been quite a bit of persecution of those minorities. I met my first Iraqis in Cardiff in the 1970s. They were Mandaeans, and already the flood of Mandaeans leaving Iraq had started at that time. Kurdistan is looked on, I think, as a safe haven for some of those minority religions. Is that how you see it?

Professor Stansfield: Yes, I do. There are significant numbers of indigenous Christians in the Kurdistan region, who traditionally have been from the environs of Erbil up to Dohuk and certainly into the mountains. There are other quite significant populations of religious minorities, including Yazidis and Kaka'is—Ahl-e Haqq—as well as other minorities that have come from the rest of Iraq since 2003. They include the Christian community of Baghdad.

On the whole, in my experience, these communities, or certainly the communities that have been there all the time, as it were, have their own place and space within the social, cultural and political landscape of that region. That is not to say that there are not sometimes problems. There have been, at times, issues between Islamists and other, non-Islamic groupings, but the position of the leading parties has always been to promote religious tolerance, and I think that on the whole they have got this right.

There is a loud voice that comes principally from, I think, the expatriate Assyrian community, especially in the US, about the targeting of Christians in Iraq by Barzani's KDP in particular. I have followed these accusations, and I have to say I have never personally found that they have held a lot of water on the ground in Kurdistan, even though they are very noticeable as complaints in the US. It seems to me that in Erbil in particular and across

Kurdistan in Dohuk, there is a very significant Christian community. They are there; they have always been there. I think Kurdish society accepts them as being there going forward. I don't see it as the big issue that perhaps some websites have presented it as.

Q29 Ann Clwyd: And minority religions. I keep reminding people that it is not just Christians we are concerned for, but the other minorities in Iraq.

Professor Stansfield: There are in particular the pre-Islamic, pre-Christian religions—the Yazidis and the Zoroastrian-based faiths that exist. The Yazidis are especially in the Badinan area and also in Jabal Sinjar, which falls outside KRG control. Kaka'is tend to be more towards Suleimaniah.

These are quite small populations, but still very noticeable. There has been an embracing of these different religious communities, certainly since 1991. There is an academic line that says that these are perhaps the evidence of an original Kurdish religion, so Kurdish nationalism is sort of bringing these minority religions into its own fold and trying to identify these pre-Islamic groups as being perhaps originally Kurds as well. It's a very political sort of game. But Yazidis and Kaka'is, Ahl-e Haqq—these sorts of minority groups—I think have a very good position in Kurdistan.

There is perhaps some concern about the Shabak community that exists between Mosul and Erbil. They have a very different position within this setting and traditionally have been marginalised, perhaps outsiders, not just in Kurdistan but across Iraq as a whole. Perhaps their lot in life is not terribly good at this moment, but on the whole the other religious minority communities seem to be okay.

Q30 Mike Gapes: May I ask you about the genocide issue and the decision by our Parliament, in February last year, to vote that the British Government should recognise the genocide—the al-Anfal campaign? The Government's response at the time was quite cautious, and since then we have had a written submission that seems to be even more cautious. What is your assessment? Is this issue harming the bilateral relationship between the UK and the Kurdistan region because the British Government are not taking the issue more seriously?

Professor Stansfield: Very simply, yes. It would be damaging the UK's position in Kurdistan with the leading parties, with the KRG and with the people of Kurdistan itself. They suffered such a set of atrocities. It was not simply one atrocity, but a whole range of atrocities throughout the 1980s, culminating with the final stages of al-Anfal, which was not only state-sponsored genocide, but state-engineered and implemented genocide on a scale that has only been seen on a few occasions throughout history. To deny to the Kurds that it was genocide is not only insulting, but deeply upsetting to them at a very emotional level. It is not something that could be ignored in Kurdistan.

Professor Tripp: It is curious in some ways, because it is not tantamount to, say, recognising the genocide committed against the Armenians by an Ottoman Government, because in Iraq, one could argue that the post-Saddam Governments have been perfectly willing to recognise the atrocities that were committed by the Iraqi forces in Kurdistan.

What is interesting, though—this comes back to what we were saying at the beginning—is perhaps a caution about using the term “genocide”. It is not about

acknowledging that, yes, there were hundreds of thousands of deaths and that they were committed by state agencies. Labelling it “genocide” makes it something that many people in the south of Iraq felt they suffered as much, but it was not recognised as genocide, although I do not know absolute numbers, because nobody can tell this grisly account. However, the numbers of Iraqis who died as a result of the 1991 uprising must have been over 100,000 in the south, and again, there is a feeling in the rest of Iraq: “Why should this be recognised as something exceptional from that?”

When you look at the trial of Saddam Hussein, it was very carefully organised so that he would be indicted not only for killing Kurds, but for killing Shi’a and others in Iraq itself. It may, therefore, be perceived in the Kurdish region as being caution by the British Government, because they do not want to use the term “genocide” when referring to one part of Iraq, but not to another, where it would be difficult to use. Yet clearly, people were being killed in equal numbers with horrendous brutality of the same kind by the same regime.

Q31 Chair: That completes our questions. Is there anything you want to say by way of a closing statement? Do you think we have covered all the right points?

Professor Stansfield: I think so.

Chair: Fine. I was just checking. Can I thank you both very much indeed? You are the first witnesses we have had in this inquiry, and you are helping us get into the subject. It has been very interesting. Thank you very much; it is much appreciated.

Examination of Witness

Witness: John Roberts, Energy Security Specialist and Senior Partner, Methinks Ltd, gave evidence.

Q32 Chair: I welcome our next witness, who will talk about the energy side of matters. John Roberts is the energy security specialist and senior partner of Methinks Ltd. Mr Roberts, thank you for coming, and welcome back, having given evidence to us in our Turkey inquiry a year or two ago.

Would you describe the Kurdistan region as a good place to do business for British companies?

John Roberts: Yes, but I think it needs to be put into context. May I make a couple of comments first?

Chair: Please. I should have asked you if you wanted to make an opening statement.

John Roberts: First, I want to say thank you to the Committee for inviting me. Then, on a personal note, I want to thank the dedicated, compassionate and overstretched staff of the NHS, because, without them, I would not be here today. Lastly, I want to say a few words about context.

Kurdish energy is important for several reasons. It constitutes a set of stranded assets. These are substantial investments that have already been made, so companies actually want a return on their investment. That is the first thing. The second element is that it poses major international problems. Agreements on cross-border sales effectively go to the heart of the question of what is sovereignty in Iraq. If such sales take place without Baghdad's specific approval, in effect that implies the loss of federal authority over northern Iraq, and we are in the next few days at one of those points at which we will find out whether current Kurdish gas oil sales are indeed to take place with or without Baghdad's permission.

Thirdly, there is the question, to what extent can gas from northern Iraq play a role in what might be termed medium-term European energy security? In other words, in the post-Ukraine context, is northern Iraqi gas one of those elements, along with the east Mediterranean gas—Turkmen gas, extra gas from Azerbaijan—that we need to take into account for our own broad-based energy security? And, of course, how does this stack up with the easiest technical solution, but the toughest political solution—gas from Iran? So that is the context within which I think I see oil and gas development as issues in northern Iraq.

Q33 Chair: Can we dig into those points? Do you see any instability ahead that may give British companies pause for thought before investing too much in the oil sector?

John Roberts: There has to be a prospect of instability if there are, as we would expect, actual sales of oil from northern Iraq without Baghdad's specific or indeed de facto approval, if only because it means in practice that Baghdad's writ on a major element no longer runs. Whether—at a time when the Iraqi Government is, if not in limbo, because I take it that Mr Maliki is in fact continuing in government, but in which Government formation puts a lot of things in the air—this is also a possibility for immediate crisis and possible military action I think unlikely but, in the long run, I think there has to be a possibility of increased security strains between Erbil and Baghdad as a result of energy issues. That being said, any energy sales that are achieved will be achieved in practice with the official approval of Turkey. That official approval, in practice, is likely to mean a degree of protection of northern Iraq by Turkey as a result of these agreements.

Q34 Chair: I suppose the answer to my first question—is Kurdistan a good place to do business?—is that it depends on the business and it depends on how this plays out.

John Roberts: It does depend on how it plays out, but I suspect that even if it plays out in the way we expect it to, i.e. with Baghdad losing authority over oil sales, it will remain a good place to do business because, in practice, the world has managed to do business with—I do not know how one describes this—a semi-state entity quite successfully for the last five or six years and will continue to do so even if that semi-state entity's constitutional position is even more complex than it was previously.

Q35 Mike Gapes: How do you assess the strategy of the Kurdistan Regional Government over the next four or five years, with regard to hydrocarbons? Where does it want to be with regard to its relations both with Turkey and with the rest of the world?

John Roberts: Short and immediate term: continue with export of products. They actually get more money from selling product than they do from selling oil, and much of that

goes to Iran—naphtha. Longer term: get as much oil out through the Kirkuk-Ceyhan system, or at least the Turkish element of that, as possible. They are limited in that to around 300,000 or 400,000 barrels a day. The capacity of the pipeline is poor. Beyond that, two things: they need a new dedicated system to get the heavy oil from a giant field, Shaikan, out. That is simply too highly sulphurous and too poor quality to have more than a touch of it blended to go into the existing export systems. It needs a dedicated pipeline for heavy oil. I think that we will see as their first priority, once this current oil sale issue is resolved, the creation of a dedicated pipeline for heavy oil; but in four or five years' time I think they will be looking to export more than 1 million barrels a day. In practice—this is 2014 now—they might not achieve that until 2018 or 2019, but they will be on a trajectory towards doing that.

More interesting, I think, is the pressure on Turkey's Genel Energy—whether you call it Turkey, or British, or whatever—to develop a gas pipeline, a connection to Turkey for the Turkish market; because they have got a considerable investment already made in Kurdistan and what they have is gas.

Q36 Mike Gapes: Given that there would then be a big increase in gas coming out of the Kurdistan region, has that got potential as a game changer to help the European Union diversify its gas away from Russia and Gazprom?

John Roberts: Yes, but be limited about all of these things. The first thing is, the easiest way in which it could help everybody would simply be by supplying the Turkish market. Turkey is the fastest-growing gas market in Europe—indeed, one might almost say the only really growing gas market in Europe; so therefore any gas that can come into Turkey, particularly into southern or western Turkey, which is what you could have with gas from northern Iraq or gas from the eastern Mediterranean, substitutes potentially for Turkish gas imports from the Caspian region and Azerbaijan. Whether or not Kurdish gas goes directly to Europe is less important than if there is a balancing element in Turkey that frees up other gas to go to Europe, but I think it has a role to play. Not a very big one, but if we are looking at the forced, the accidental or the policy-driven diminution of Russian gas supplies, every bit of gas that is available becomes extremely important.

Q37 Mike Gapes: Following on from that, given that you have referred to at least one company, Genel, which is a UK-Turkish joint venture, is it in our interests as a country for the KRG to have complete control over its own oil rather than it being subservient in some way to Iraq as a whole?

John Roberts: We could live happily with either system, so long as KRG oil and gas was available for export. The bottom line is if exports are not, in effect, permitted by Baghdad from the north at a time when the existing Iraqi section of the Kirkuk-Ceyhan line is out of action, that damages our energy security interests. If Baghdad is amenable to Kurdish exports within a federal framework, that is obviously the best solution all round. The problem we have to deal with is what happens if that solution is not available.

Q38 Mike Gapes: Perversely, it will be in Russia's interests to have the worst possible relations going on with the west and at the same time Iraq, for whatever reason, stopping the export of gas from the Kurdistan region?

John Roberts: Yes, but then you have got to think: what are Baghdad's interests in this? It is important that as and when there are northern Iraqi exports of oil and gas, they contribute to overall Iraqi oil funds. So it is not simply a question for Baghdad of lose-lose; there is a gain for Baghdad in resolving this issue amicably.

Q39 Sandra Osborne: We have heard suggestions that the UK could have a role to play as a mediator in the dispute between Erbil and Baghdad on the hydrocarbon issue. Do you think we should do that?

John Roberts: With anything to do with the UK and Iraq, we are damned if we do and damned if we do not. We have too much of a history in Iraq to be regarded either as a neutral arbiter in any way or as a disinterested absentee. Whatever we do, it will be judged politically. I would have thought that the best form of assistance we could give would be assistance in some broader-based international context. I doubt that any specific British initiative would be particularly useful, but support for any international initiative—absolutely.

Q40 Sandra Osborne: You referred earlier to the question of what is sovereignty in Iraq. Do you have a view on which side—Baghdad or Erbil—is actually right on the constitutional issue about who controls new oilfields in the Kurdistan region, or is it essentially irrelevant what the constitution says?

John Roberts: You could argue both of them perfectly reasonably. You could argue that since Kurdistan was effectively a neglected province, in oil terms, throughout the Ba'athist and pre-Ba'athist eras—I think I am right in saying that there was only one field found apart from the Khurmala Dome—just about everything that has been found in Kurdistan constitutes new oil fields. Therefore, on the constitutional side, the Kurds would appear to be on fairly good ground. How relevant is that in practice? That is the real question about whether or not we argue the point of the constitutional issue. I doubt that it is terribly relevant now.

I think the relevant issues are far more the question of control of revenues, sharing, the dispute as to whether or not the Kurds are actually getting what they are supposed to be getting in terms of the 17% share of the federal budget, the delays in payments to the Kurds and the question of whether or not the Kurds are meeting the obligations due to Baghdad. All of those disputes are hard, practical disputes, and I think that the constitution is very often simply used as a sort of disguise, sometimes because they do not want to address the hard nuts and bolts in public of what is being discussed in terms of what kind of financial agreements might be reached.

Q41 Chair: What is the extent of the reserves in Kurdistan at the moment? The advice that I have says that it has an estimated 45 billion barrels of oil reserves, and around 110 trillion cubic feet of gas. Is that accurate?

John Roberts: No.

Q42 Chair: What do you think the correct figure would be?

John Roberts: It is not accurate for the simple reason that it was a hypothetical claim that derives from the US Geological Survey comment in 2008, as far as I can tell. It is not that it is necessarily inaccurate; we don't know.

Chair: It's just too high, is it?

John Roberts: We don't know. If I were to ask what are Britain's reserves, you could come up with a fairly good set of figures, because we have had generations of work going into that. In effect, we have had about seven years solid of work on northern Iraq. What we know is that there is at least enough oil in place, and under development, to support a couple of million—maybe much more—barrels a day of oil exports. Over what time frame is a very questionable matter. We know that there are substantial gas reserves, so when Genel Energy talks about 10 bcm of gas exports from the north by 2020, I would say that that was technically doable, but that is not the same as saying that it will be done. There is enough oil and gas to be getting on with, without having to worry about what is the scale of the ultimate resource. There is new stuff still being found, and there will be further amplifications of existing discoveries. We will have a much better idea in two or three years, which will be much more realistic. I would not use the 45 billion barrel figure. As to what a reasonable reserve figure is, to be honest, I don't even want to make a guess.

Chair: A couple of million a day is a lot of oil.

John Roberts: A couple of million barrels of oil would be, shall we say, the equivalent of 4% of the world's cross-border oil trade. Not bad.

Chair: Not bad for a relatively small region.

John Roberts: Yes. Enough to be getting on with.

Q43 Chair: They are a pretty serious player, then.

John Roberts: They are a genuinely serious player for two reasons: first, because they actually have reasonably extensive reserves—we do not know how much exactly, but there is a lot there—and secondly, precisely because they are one of the few areas in the world that operate new fields on the basis of production-sharing contracts. That means that if a company goes in, it is on a risk and reward basis. There is a lot more oil theoretically available for development in, for example, OPEC countries, not least of all in federal Iraq, but your access to it will be on service terms, which means that you will make a profit, but not an enormous profit, and if you happen, in the course of your work on a field, to make a major new discovery, you are not really going to reap the rewards of making that discovery in anything like the terms that you would on a production-sharing contract.

Q44 Ann Clwyd: Could you outline why there seems to have been a radical change in relationships between Turkey and the KRG over the last few years?

John Roberts: If you go back to the last years of the Saddam era, there was extensive Turkish interest in cross-border trade with Iraq at all levels, despite sanctions. When northern Iraq gained some sort of loose autonomy with the no-fly zone, it existed in a very curious state of de facto smuggled goods services coming across the border from Turkey—enormous small-scale, broad-based connections. Once you had the emergence of an effective

Government in the north, in the wake of the 2003 invasion and particularly the 2006 political settlement in Iraq, you had the basis for that small-scale trade to be scaled up organically. Here was a market and here was a supply system next door. So you had a trading connection and, of course, if you look at Turkey and its very poor record in domestic hydrocarbons development, Turkish companies looked and saw that there were chances to invest. They were among the early investors in northern Iraq. Genel Energy came in and bought rights all over northern Iraq. It sold some of them off, developed others and went into partnership. So Turkey became organically—it just grew into being—the biggest single hydrocarbon investor in northern Iraq.

Take as a parallel track the whole question of Erdogan's change of approach to handling the Kurdish problem internally in Turkey, and the increasing international acceptance of the Kurdish PUK and the KDP authorities, and I would not like to say how, but it does fairly naturally come together. That does not mean that Turkish authorities love Erbil. It does not mean that there is necessarily co-ordination between Erbil and the PKK. You are still dealing with a whole set of very different actors with different policy agendas, but to a certain extent, they have to work with each other and they all now have to make sure that they do not unnecessarily antagonise one other element in that equation. So you have an ability now for the Turkish Government to develop energy relations with northern Iraq and pursue the peace process with the PKK, without regarding those as being part of the same process. At the same time, you still have very substantial attempts by the Turkish authorities to continue an energy relationship with Baghdad itself. It is proving tough for them, and they may have to choose, but they have never said that it is the Kurds or Baghdad. They have always tried to make sure it is both.

Q45 Ann Clwyd: Could you conceive of pressure inside the Turkish Government which would mean that Erdogan would have to cool off a bit and change his approach?

John Roberts: Not automatically. In a purely theoretical context, if conditions deteriorated between Erdogan and the civil—for want of a better word—Kurdish elements within Turkey itself, then I can imagine that strained relations with Erbil would probably follow. But that might be putting the cart before the horse. I am not anticipating that. At the moment, I would have thought we are going to see a continuation of what we had before: namely, continued efforts by Erdogan—if he can—to find some kind of practical solution to the Kurdish problem. I have no idea whether he will be successful or not. At the same time, I think there will be an increasing acceptance that Turkey will have to take the plunge and be responsible for handling what are in practice Kurdish oil exports, in defiance of Baghdad, which is why I think they are trying to do it slightly at arm's length.

Q46 Chair: On that last point, you said in your opening remarks that Turkey may have to assume a security presence in northern Iraq. That is entirely linked to what you have just said, is it?

John Roberts: Exactly. If, as may well happen in the next several days, we finally have the physical sale of Kurdish crude out of Ceyhan on the international market without Baghdad's official approval and without any intimation of Baghdad's acceptance of it, formal or otherwise, then do we then go back to Maliki's threats in the past that he would sanction—if he could find a way of putting sanctions on them—companies who have supplied that oil?

Does he move to take any physical action? An enormous amount depends on what kind of response he takes. Does he move to try to get financial sanctions involved? Presumably, the money will in fact go to a Turkish bank account, so does he wish to upset Ankara? An enormous amount depends on Maliki's reaction, and we have no way of knowing what that reaction will be. But if that reaction were to take a military form, then at that point, I think in practice you will see the question posed to Turkey as to whether it finally understands the diplomatic consequences of this kind of commercial agreement.

Q47 Chair: And that would be negotiated between Erbil and Ankara?

John Roberts: And that would mean providing some kind of a security guarantee to Erbil.

Q48 Chair: Can the Kurds trust the Turks on this? They are very much putting all their eggs in one basket here. If the Turks wanted to stop crude oil being exported out through Turkey, there is not much the Kurds could do about it, is there?

John Roberts: I would have thought the Kurds would not want a security guarantee, on the grounds that they would not want to be faced with a security threat from Maliki. The point is, what happens if they are faced with a security threat from Baghdad? Particularly given the point that was made earlier—that federal Baghdad has a monopoly of air power.

Q49 Chair: We heard earlier that Baghdad has a million troops in uniform at the moment, one way or another.

John Roberts: Yes. I do take the point, though, that a million troops is a million people on the Government payroll. Numbers of troops are not necessarily consonant with the ability to put them into the field in an effective operation.

Chair: As we also heard earlier, Maliki may not be there much longer, but that remains to be seen. That completes the questions—*[Interruption.]* Sorry, Mike.

Q50 Mike Gapes: This is just a little question, but it has implications. If there is an agreement with Iran and therefore a change of relations between the international community and Iran, presumably the Kurdish region-Iran relationship could also become a player in this process.

John Roberts: Yes, the Kurdish region seems to have established reasonable relations with Iran. They are supposed to have concluded an agreement. It's not much more at this stage than a memorandum of understanding, under which there will be a limited amount of Iranian gas exports to fuel a power station—gas coming into the KRG to fuel a short-term gap in power supplies. In return for that, they are prepared to build an oil export pipeline out through Iran. I don't know how seriously to take this, on the grounds that, if you were the Kurds right now, in delicate negotiations with Baghdad and with everybody else, you would be wanting to make the point that you have as many irons in the fire as possible. What can be said about good relations is that their trucking of naphtha earns the KRG an awful lot of money, and that goes out to Iran and through Iran.

On the longer relationship, I don't see them as competitive with each other. You don't compete in that context with Iran, if we are talking about an Iran freed from sanctions as a

result of political agreement. Iran becomes *sui generis*, because, unlike any other gas producer, if—it's a very big if indeed—there were to be an agreement this summer concerning the Iranian nuclear programme, the lifting of sanctions and the ability of Iran to export gas wherever it wanted, Iran might have, within a year, as much as 10 or 15 bcm of gas available for export. Where it would go would depend on infrastructure. Although the Iranians only the other day mentioned that they would like to sell it to Europe, we are stuck again with the wonderful problem of Turkey, which is a bottleneck, and although bottlenecks can be resolved, there is the problem that in Turkey it always takes longer to ease a bottleneck than it does almost anywhere else.

Q51 Chair: That concludes the questions that we had for you. Are there any other points that you would like to make about the energy situation, or have we covered most of the ground?

John Roberts: I think the only other point that I would make is that we have heard the federal Iraqi authorities saying to the KRG, “You are not honouring your side of the agreement, because you are producing too little. We want you to produce in excess of 400,000 barrels a day.” What I think this kind of language and talk does is highlight the emphasis that outsiders put on specific volumes of production in northern Iraq. I do have to say that as and when northern Iraq starts to produce about 1 million barrels a day, which they would like to do within a couple of years—it might take three years; it might take four—that is the kind of level that would support the budget of an independent Kurdistan. So as levels ratchet up, one is going to have to study very carefully the relationship between Baghdad and Erbil and whether the federation of Iraq is going to survive.

Chair: That is a very pertinent point to end on. Thank you very much indeed. That has been very helpful and much appreciated.