



DEPUTY SECRETARY OF DEFENSE
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WASHINGTON, DC 20301-1010

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June 22, 2006

MEMORANDUM FOR: DISTRIBUTION

Subject: Accelerating Reconstruction and Stability Operations in Iraq

With the recent completion of Cabinet appointments for the elected government of Iraq, there is now a short window of opportunity to accelerate stabilization and reconstruction operations. Economic development and job creation in Iraq are critical success factors to build a stable country. It is vitally important that this occur rapidly.

Fundamental to the Department's success to stimulate economic growth within Iraq is the contracting process and associated systems. Every contract, executed by the DoD in Iraq for reconstruction or acquisition of goods and services, is an opportunity to stimulate and direct economic activity into and among Iraqi businesses and thereby create jobs. To ensure that our contracted demand for goods and services is available as appropriate to Iraqi industry and US Government organizations assisting in provincial reconstruction, I am tasking the Business Transformation Agency (BTA) to streamline and transform the DoD contracting process and systems in Iraq.

Accordingly, I have tasked Paul Brinkley, the Deputy Under Secretary of Defense for Business Transformation, to lead the Task Force to Support Improved DoD Contracting and Stability Operations in Iraq ("the Task Force"), reporting to me and drawing on resources from within the BTA. The Task Force will evaluate DoD business enterprise processes and associated systems in Iraq affecting contracting, logistics, fund distribution and financial management, and will ensure alignment to theater commanders' goals for reconstruction and economic development. The Task Force will not be responsible for contracting, but will advise existing DoD contracting offices on improved contracting processes and associated systems solutions consistent with applicable statutory and regulatory requirements as a means to create economic opportunity.

Toward these ends, the Task Force will provide recommendations and implementation plans for the following specific areas for my final approval:

- a) The deployment of a common system and business process for (most) contingency contract management in Iraq.



- b) The establishment of appropriate contracting authority to meet the requirements of the Commander, United States Central Command.
- c) Policy, process, and as required, systems support to ensure effective and rapid command utilization of Commander's Emergency Response Program funds.
- d) Potential changes to the Federal Acquisition Regulations and DoD Federal Acquisition Regulations Supplement to address future contingency operations.
- e) Appropriate legislative strategies to address statutory issues impacting contingency contracting capability.
- f) Acceleration of contingency operations doctrine definition in the business mission area.

Kindly provide your full support to Paul Brinkley and his team and also to Tom Modly, the Deputy Under Secretary of Defense for Financial Management. Paul and Tom are both co-directors of BTA, and Paul's new assignment will place additional responsibilities on Tom.



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