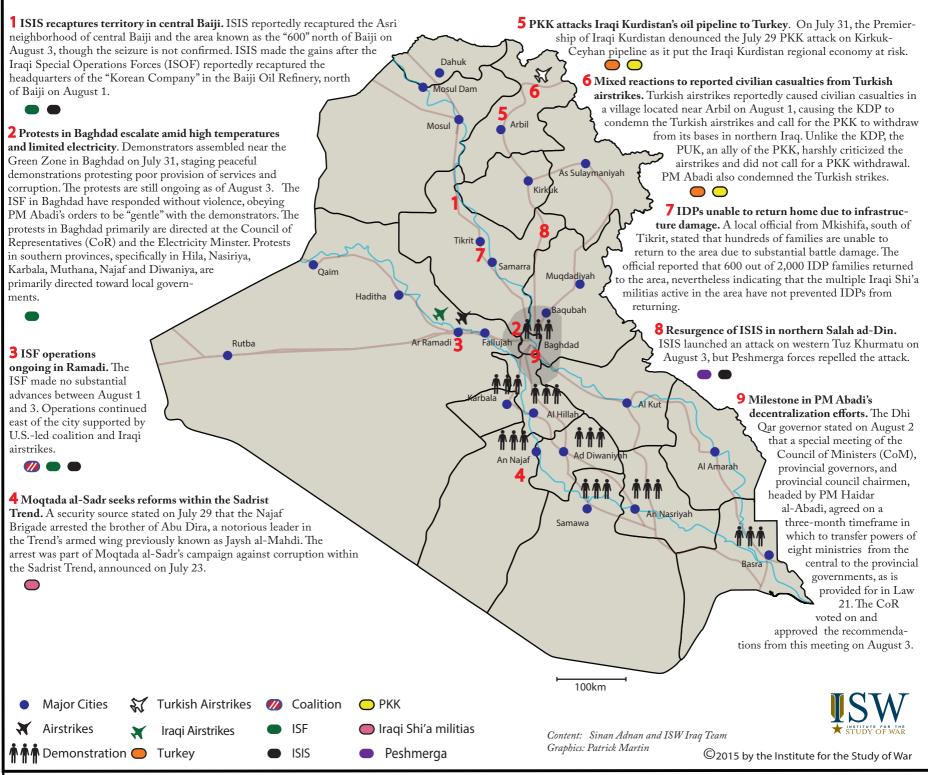
Iraq Situation Report: July 31-August 3, 2015



The government of Prime Minister (PM) Haidar al-Abadi is taking active steps toward decentralization by allowing approval of the Provincial Powers Act, also known as Law 21, which transfers powers from the central to the provincial governments. Although not immediate, this step will most likely decrease tension between the central government and the provinces and contribute to an improved political climate overall. PM Abadi voiced his desire to devolve powers to the provinces at the time of his appointment as the PM in August 2014 and reiterated them again in April 2015 during a speech in Washington D.C. where he said "if we don't decentralize, the country will disintegrate." He also took active steps in December 2014 to repeal measures by former PM Nouri al-Maliki to block the law through the Supreme Court. The decentralization of authority to provincial governments is a long standing political debate, and it is unconnected to the weekend protests against the Council of Representatives, Ministry of Energy, and local governments in southern Iraq. The southern provinces, where security is much more stable, will most likely capitalize on the decentralization readily; however, the majority Sunni provinces in western and northern Iraq where ISIS retains significant urban control have less of an opportunity to capitalize on decentralization, let alone to prioritize it over security and reconstruction. In the long-term, however, this process will likely decrease calls for the division of Iraq into regions. In Iraqi Kurdistan, reports about civilians casualties caused by Turkish airstrikes near Arbil likely created pressure on KDP leader and Kurdish President Masoud Barzani to adopt a more assertive tone in public statements, calling for the PKK to withdraw its bases from northern Iraq. Ahead of elections for his possible replacement, President Barzani is in a position where he must tread carefully. However, the same reports of civilian deaths from Turkish airstrikes garnered an opposite reaction from the KDP's rival party in Iraq, the Patriotic Union of Kurdistan (PUK), which is a PKK ally. The PUK condemned Turkish airstrikes, along with Iraqi PM Abadi, indicating heightened political tension within Iraqi Kurdistan as the major parties reach a critical political juncture with the expiration of President Barzani's term on August 20, 2015. As these intra-Kurdish dynamics and popular demonstrations against poor services unfold, ISIS remains a serious enemy. The reported recapture by ISIS of areas in Baiji, if true, along with fresh attacks by ISIS in Tuz Khurmatu, shed light on ISIS' ability to adapt and regenerate combat power on multiple fronts while it continues to defend Ramadi.