



SECURITY UPDATE / MIDDLE EAST & IRAQ

Iraq: U.S. Military Withdrawal, Militia Disarmament and Security Outlook

30 September deadlines create a contested transition for Baghdad, Iran-backed militias and foreign business

Assessing the U.S. military drawdown, PMF and militia disarmament, IRGC adaptation, regional escalation risk and the operational implications for foreign companies.

FOCUS

U.S. withdrawal | PMF disarmament | Iran-backed militias

Baghdad | Kurdistan | Basra & southern Iraq

EXECUTIVE ASSESSMENT

Executive Summary

The United States remains on track to complete the departure of its remaining military forces from Iraq by 30 September 2026, according to U.S. and Iraqi officials. Prime Minister Ali al-Zaidi reiterated the deadline following his 12 August meeting with U.S. Central Command commander Admiral Brad Cooper, describing it as the fixed and final date for ending the military mission of the Global Coalition to Defeat ISIS and completing the departure of coalition forces. Most coalition personnel had already left federal Iraqi bases during 2025; the remaining U.S. presence has been concentrated in the Kurdistan Region, and the physical drawdown of equipment from Erbil reportedly began in late July. U.S. officials have not disclosed the current number or intended destination of the remaining personnel. (apnews.com)

The withdrawal is particularly significant because Baghdad has deliberately linked it to a second deadline: 30 September for armed factions operating outside effective state control to surrender or place their weapons under state authority. The distinction is important. The Iraqi government is not proposing to abolish the entire Popular Mobilization Forces (PMF), which forms part of Iraq's official security architecture. Rather, it is attempting to dismantle or regularise the independent military structures, arsenals and command relationships maintained by factions that are nominally associated with the PMF but retain autonomous capabilities and, in several cases, close relationships with Iran's Islamic Revolutionary Guard Corps (IRGC). (thenationalnews.com)

There has been tangible progress. Asaib Ahl al-Haq and the Imam Ali Brigades announced in June that they would begin transferring their weapons and personnel arrangements to state authority, while Muqtada al-Sadr's Saraya al-Salam, which is not an Iranian proxy organisation, has also taken steps toward integration. However, some of the most capable and ideologically committed factions—notably Kataib Hezbollah and Harakat Hezbollah al-Nujaba—have rejected full disarmament. Kataib Hezbollah possesses drones, rockets and short-range ballistic missiles and has previously challenged government instructions to halt attacks on foreign interests. The wider Islamic Resistance in Iraq (IRI) umbrella reportedly comprises around ten hardline factions with approximately 50,000 personnel collectively, although the extent to which these fighters operate under a unified command is limited. (reuters.com)

The immediate security concern has been reinforced by events since late July. On 28 July, U.S. Central Command and Saudi forces conducted joint precision strikes against Iran-aligned targets in Iraq. CENTCOM said those targeted had been directed by the IRGC to attack U.S. forces and Saudi energy infrastructure. The PMF reported at least 20 personnel killed and 32 wounded. Washington and Riyadh attributed preceding drone attacks on Saudi oil targets to forces operating from Iraq, although Iraqi factions have disputed aspects of this attribution. (reuters.com)

The Islamic Resistance in Iraq subsequently threatened retaliation. On 7 August, however, it announced that it was postponing its planned response following intervention by Badr Organization leader Hadi al-Amiri, one of the most influential intermediaries between Baghdad and Iran-aligned armed factions. Reuters independently confirmed the postponement but reported that the IRI did not disclose either the proposed target or type of attack. Saudi intelligence assessments issued immediately beforehand warned that Iraqi militias and the Houthis were preparing potentially coordinated attacks against Saudi civilian, energy, port and airport infrastructure under IRGC supervision. These assessments were attributed to Saudi, U.S. and other regional intelligence but

remain intelligence assessments rather than independently established evidence of a specific attack plan. (reuters.com)

The postponement should therefore be interpreted as de-escalation rather than cancellation. It demonstrates that senior Iraqi political and militia figures retain some ability to control the timing of escalation, but it does not demonstrate that the militias have abandoned either their weapons or their capability to conduct cross-border attacks.

The most likely outcome over the next two months is consequently an incomplete and negotiated disarmament rather than the physical elimination of Iraq's Iran-aligned militia system by 30 September. Baghdad is likely to achieve additional weapons handovers, registration of fighters, closure or redesignation of some faction facilities, integration or retirement of personnel and greater formal state oversight. The harder problem will be proving that missile, drone and heavy-weapons inventories have genuinely been transferred and, more importantly, that militias no longer maintain parallel command structures capable of responding to Iranian direction.

A further complication is evidence that the IRGC has already adapted. Reuters reported in June, citing eight Iraqi sources, that the IRGC established several small covert cells around Basra and Samawa, some involving experienced members drawn from established factions but operating separately and reporting more directly to Iran. Iraqi sources attributed at least seven drone attacks against Kuwait, Saudi Arabia and the UAE between 20 April and 17 May to these cells. Reuters could not independently verify the individual attacks, but the reporting is significant because it suggests that Tehran may be moving away from reliance exclusively on large, identifiable militia organisations toward smaller clandestine networks. (reuters.com)

For foreign companies, therefore, the principal risk is not a nationwide collapse of security following the U.S. departure. Iraq's state institutions and security forces remain substantially stronger than during previous withdrawal periods, and CENTCOM assesses ISIS as marginalised within Iraq. The more credible near-term threat is a geographically uneven period of militia-government confrontation, retaliatory strikes, drone activity, heightened checkpoints and security operations, particularly in Baghdad, the Kurdistan Region, parts of central and northern Iraq, and the southern oil and border belt. (centcom.mil)

BACKGROUND

1. Background to the U.S. Withdrawal

The present withdrawal represents the conclusion of the coalition configuration established after the Iraqi government requested international assistance against ISIS in 2014. It should not be confused with an uninterrupted American military presence beginning in 2003: U.S. combat forces left Iraq in December 2011 before returning in 2014 following the ISIS offensive.

The September 2024 U.S.-Iraqi agreement established a two-phase transition. Phase One ended the coalition military mission in federal Iraq by September 2025. Phase Two permitted coalition forces to continue supporting operations against ISIS in Syria from Iraqi territory—principally through the Kurdistan Region—until at least September 2026, subject to conditions and consultations between Washington and Baghdad. The original U.S. position specifically envisaged the possibility of subsequent bilateral security cooperation outside the coalition structure. (defense.gov)

Operationally, most of that transition has therefore already occurred. What remains between August and September 2026 is primarily the departure of the residual force in the Kurdistan Region and associated equipment. AP reported on 12 August that equipment had already been moving out of Erbil for approximately three weeks. (apnews.com)

This reduces the likelihood of a disorderly military evacuation. Unless there is a major deterioration in the regional conflict, the withdrawal itself is highly likely to be completed. The more important question is what happens immediately before and after it.



Photo: Global Look Press/Capt. Robyn Haake/Piantrapix

STRATEGIC CONTEXT

2. Why the Withdrawal Matters to the Militia Issue

For years, Iran-aligned factions have justified maintaining independent weapons partly through their claim that U.S. forces represented an occupying presence. That argument was politically useful even though the post-2014 coalition operated at the invitation of the Iraqi government.

Baghdad has now deliberately turned that argument against the militias. Its position is essentially that once coalition forces leave, the principal publicly stated justification for independent "resistance" weapons disappears. Government spokesman Haider al-Abودي stated in June that the end of September represented the point at which the rationale for uncontrolled weapons would end and indicated that legal measures could subsequently be taken against factions refusing to comply. (thenationalnews.com)

This creates a political test that is arguably more important than the physical U.S. withdrawal itself. If hardline factions retain independent heavy weapons after 30 September, they will have to justify doing so on grounds other than opposition to the foreign military presence. Possible alternative narratives include defence against Israel, protection of Iraq's Shia community, deterrence against Saudi Arabia or other Gulf states, continued threats from ISIS, and defence of the wider Iranian-led "resistance" axis.

The withdrawal therefore removes a justification for militia armament but does not remove the militias' reasons for wanting armed power. Their weapons also provide political influence, protection for commercial interests, control of territory and border routes, leverage against rivals and, for the most Iran-aligned organisations, a means of participating in Iran's regional deterrence structure.

MILITIA DISARMAMENT

3. The PMF and the Disarmament Problem

The PMF requires careful differentiation from the Islamic Resistance in Iraq. The PMF is a legally recognised Iraqi security institution formed during the struggle against ISIS and containing numerous factions with different ideological and political loyalties. Not every PMF unit is controlled by Iran.

The difficulty is that several Iran-aligned organisations simultaneously possess a formal or semi-formal position within the PMF while retaining independent political organisations, armed structures and command relationships. Consequently, simply transferring personnel onto an Iraqi government payroll or redesignating a militia brigade as a PMF formation does not necessarily amount to genuine disarmament.

Reuters assesses that Iran-backed armed organisations have become deeply embedded within Iraq's military, political and economic structures. Kataib Hezbollah is regarded as the strongest hardline component of the IRI and may have as many as 10,000 members, with access to drones, rockets and short-range ballistic missiles. (reuters.com)



Mourners attend a funeral for members of Iraq's Hashed al-Shaabi, or the Popular Mobilisation Forces (PMF) – an alliance of factions now integrated into the regular army that also includes powerful Iran-backed groups – who were killed in reported strikes on Kirkuk, Iraq, March 10, 2026. (AFP Photo)

The important measure of successful disarmament will therefore not be how many rifles are ceremonially surrendered. The meaningful indicators will be whether:

- heavy missiles, rockets and attack drones are inventoried and transferred to accountable state custody;
- independent ammunition and weapons storage sites are closed;
- militia units cease operating their own intelligence and command networks;
- government commanders can genuinely issue and enforce orders;
- cross-border attacks cease;
- militia-controlled logistics and smuggling corridors are dismantled;
- unauthorised armed checkpoints disappear; and
- personnel responsible for attacks are subject to normal Iraqi criminal jurisdiction.

Without these changes, an organisation can formally "integrate" while retaining most of the strategic attributes of a militia.

RECENT ESCALATION

4. Recent Saudi-Iraqi Militia Escalation

The events of late July and early August demonstrate why Baghdad is accelerating this process.

U.S. and Saudi forces carried out joint strikes inside Iraq on 28 July, with CENTCOM stating that the targeted Iran-aligned militants had been directed by the IRGC to attack American forces and Saudi energy infrastructure. The Iraqi PMF subsequently reported at least 20 personnel killed. Iraq's presidency condemned the foreign strikes as a violation of sovereignty while simultaneously calling on armed groups to stop attacking neighbouring countries—illustrating Baghdad's uncomfortable position between opposing sides. (reuters.com)

The IRI initially indicated that it would respond. Saudi authorities then warned on 7 August that intelligence pointed to coordinated attacks by Iraqi factions from the north and the Houthis from Yemen, potentially directed or coordinated by the IRGC. Saudi officials identified civilian infrastructure, energy facilities, airports and ports as possible targets. (reuters.com)

CTP-ISW further reported that Iraqi security forces increased readiness and that reinforcements were reportedly moved toward Baghdad as intelligence indicated an imminent militia operation. CTP-ISW cautioned that it could independently corroborate only some of the reported deployments. Iraqi authorities also reportedly increased checkpoint inspections for illegal weapons and explosives. (criticalthreats.org)

The planned militia response was then postponed on 7 August following intervention by Hadi al-Amiri and other political actors. Reuters separately confirmed that the IRI announced the postponement but gave no details of the attack it had been preparing. (reuters.com)

Assessment

This episode is important for three reasons.

First, it demonstrates that Baghdad possesses sufficient intelligence and coercive capability to disrupt or complicate major militia operations, particularly when neighbouring governments provide intelligence and diplomatic pressure.

Second, Hadi al-Amiri's ability to help defer retaliation demonstrates that intra-Shia political mediation remains an effective stabilising mechanism. This substantially reduces the probability of an immediate government-versus-militia civil confrontation.

Third, however, the incident demonstrates that hardline factions apparently retained the personnel, weapons and freedom of movement necessary to contemplate significant cross-border operations only weeks before their official disarmament deadline.

The postponement is therefore evidence of political control over escalation, not evidence that the underlying capability has been dismantled.

IRGC ADAPTATION

5. IRGC Adaptation and the Covert-Cell Problem

Possibly the most important development for assessing the post-September environment is the reported formation of smaller IRGC-controlled cells.

Reuters reported on 19 June that three or four cells, each consisting of approximately ten experienced Iraqi Shia fighters, had been created to conduct attacks from Iraqi territory against Gulf states. Sources said some personnel had previously belonged to established IRI factions but that the cells operated outside normal militia structures and communicated more directly with the IRGC. Launch areas reportedly included desert locations around Basra and Samawa. (reuters.com)



A Fateh-110 missile during an annual military parade on September 22, 2010. The Fateh-110 was one of two missile types Iran recently transferred to Iraqi militias. Photo: Atta Kenare/AFP via Getty Images

If accurate, this is a logical Iranian adaptation to Baghdad's disarmament programme. Large militia formations are increasingly politically expensive for Tehran because they are easy to identify,

sanction and attack and because their actions expose friendly Iraqi political parties to domestic criticism.

A small drone team requires comparatively little manpower or infrastructure but can nevertheless launch weapons hundreds of kilometres and create significant economic and diplomatic consequences.

Consequently, Baghdad could theoretically make substantial progress against the recognised militias while still failing to eliminate Iran's ability to conduct deniable operations from Iraqi territory.

This makes verification more important than declarations of compliance.

RISK GEOGRAPHY

6. Areas Most Likely to Experience Security Problems

Baghdad – HIGH

Baghdad is likely to remain the principal centre of political and security friction surrounding disarmament. Militia political headquarters, weapons networks and logistical infrastructure are embedded across parts of the capital. Government enforcement activity could include raids, checkpoints, arrests and restrictions on militia movement.

The immediate risk to foreign personnel is less likely to arise from sustained fighting across Baghdad than from localised security operations, demonstrations, militia funerals, checkpoint confrontations or retaliation against foreign-linked locations.

The Sadr City area remains specifically identified by the UK Foreign, Commonwealth and Development Office (FCDO) as an area where it advises against all travel. (gov.uk)

Babil – Jurf al-Sakr/Jurf al-Nasr – VERY HIGH

Jurf al-Sakr/Jurf al-Nasr remains closely associated with Kataib Hezbollah and other militia infrastructure and has repeatedly been affected by military strikes. It should be considered unsuitable for routine foreign-company movement during the transition.

Anbar and the Western Border Corridor – HIGH

Western Anbar remains strategically important because of the Syrian border, PMF logistics routes and residual ISIS activity. PMF positions around al-Qaim were among sites affected during earlier 2026 strikes on Iran-backed formations. (longwarjournal.org)

The risk here combines militia activity, counter-militia strikes, ISIS remnants and long-distance road-movement exposure. The FCDO advises against all travel west of Ramadi. (gov.uk)

Ninewa, Kirkuk, Salah al-Din and Diyala – HIGH

These governorates present an unusual overlap of militia presence, disputed security responsibilities and residual ISIS operating areas. Earlier 2026 strikes against militia facilities occurred across several of these governorates. Iraqi forces continue counter-ISIS activity in the Hamrin belt, while CENTCOM assesses ISIS as substantially marginalised rather than eliminated. (longwarjournal.org)

These areas could therefore experience increased checkpoints and security deployments as Iraqi forces simultaneously attempt to contain militia activity and prevent ISIS from exploiting the transition.

The FCDO currently advises against all travel to Kirkuk, Ninewa and Salah al-Din and most of Diyala. (gov.uk)

Erbil, Duhok and the Kurdistan Region – HIGH, WITH PARTICULAR UAV RISK

The Kurdistan Region is directly affected by the U.S. withdrawal because it contains the remaining coalition footprint. Bases in the region have experienced repeated attacks during the 2026 Iran conflict, and the residual U.S. drawdown from Erbil is already under way. (apnews.com)

Foreign commercial infrastructure has also been targeted. On 5 March, two drones struck the U.S.-operated Sarsang oilfield, causing a fire and temporarily stopping production. Kurdish authorities accused Iran-aligned Iraqi militias, although responsibility was not independently established. (reuters.com)

Consequently, the removal of U.S. troops may ultimately reduce one major target category in Kurdistan, but it will not immediately remove the UAV threat to Western commercial, energy or politically sensitive assets.

Basra – HIGH FOR ENERGY AND FOREIGN COMMERCIAL OPERATIONS

Basra requires particular attention because it combines Iraq's most economically important energy infrastructure with proximity to Iran, Kuwait and the northern Gulf.

On 4 April 2026, two drones struck the BP-operated North Rumaila oilfield, injuring three Iraqi workers. Another drone struck storage facilities belonging to foreign oil companies west of Basra. Iraqi authorities subsequently strengthened protection around oil installations, including additional surveillance and security deployments. (reuters.com)

Reuters later reported that security forces were also deploying into previously lightly controlled desert and rural areas around Basra because such locations could be used as missile or drone launch sites. (reutersconnect.com)

Basra therefore presents a different risk from Baghdad. The primary concern is not urban militia confrontation but drone operations, attacks on energy infrastructure, foreign-company exposure and security operations against clandestine launch teams.

Samawa / Muthanna and Southern Desert Areas – ELEVATED

Samawa and surrounding desert areas are notable because Reuters' June investigation identified the area, together with Basra, as a reported operating zone for IRGC-linked covert drone cells. (reuters.com)

The limited population and extensive desert road network make detection difficult and provide potential launch areas against Saudi Arabia and other Gulf states.

Saudi and Kuwaiti Border Zones – VERY HIGH FOR NON-ESSENTIAL MOVEMENT

The Iraqi government's concern regarding cross-border launches and the possibility of retaliatory action makes the Saudi and Kuwaiti frontier particularly sensitive. The FCDO currently advises against all travel within five kilometres of Iraq's borders with Saudi Arabia and Kuwait. (gov.uk)

COUNTER-TERRORISM

7. Impact on ISIS and Counter-Terrorism

A secondary concern is whether ISIS could exploit the departure of coalition forces.

The risk exists, particularly in sparsely governed rural areas of Diyala, Kirkuk, Salah al-Din, Ninewa and Anbar, but it should not be exaggerated. Iraqi forces have developed substantially greater independent counter-terrorism capacity since 2014. CENTCOM's 2026 posture assessment describes ISIS as marginalised in Iraq due to Iraqi Security Forces and Kurdish Peshmerga operations. (centcom.mil)

The principal danger is therefore not a rapid return to the conditions of 2014. A more plausible scenario is a gradual increase in ISIS freedom of movement if Iraqi security resources become distracted by militia confrontation or if intelligence, surveillance and air-support capabilities decline following the coalition departure.

This gives Baghdad another strong incentive not to launch a nationwide military campaign against the PMF simultaneously. A major intra-Shia security confrontation would divert forces away from the residual ISIS problem.

FUTURE OUTLOOK

8. Likely Future Outlook

Through 30 September 2026

The withdrawal itself is likely to remain on schedule. Further movement of coalition personnel and equipment from Erbil should be expected, accompanied by heightened protection of withdrawal routes and facilities.

Militia disarmament will simultaneously intensify through negotiation, inventories, personnel registration, administrative restructuring and selective weapons transfer.

Hardline factions are likely to avoid a direct conventional confrontation with the Iraqi government if possible. They have little to gain from appearing responsible for destabilising Iraq immediately after achieving their longstanding objective of removing U.S. forces.

Nevertheless, isolated attacks, coercive demonstrations, threats, weapons movements and attempts to conceal strategic weapons are credible.

Immediately After 30 September

The deadline will change the political environment more than the physical security situation overnight.

Baghdad will be able to declare that armed groups remaining outside state control are operating without legal justification. This may facilitate arrests, financial restrictions, removal from government positions and selective security operations.

At the same time, the government is likely to prefer incremental coercion over a large-scale assault on organisations such as Kataib Hezbollah. The degree to which militia networks penetrate Iraqi institutions makes a comprehensive military confrontation potentially destabilising.

Most Likely Outcome

The most likely outcome is therefore a hybrid settlement.

Some factions will genuinely relinquish significant weapons and transition into politics or formal security structures.

Others will nominally integrate while attempting to preserve influence, loyal personnel and concealed weapons.

A smaller number of hardline organisations or clandestine cells will probably retain independent strike capabilities.

Iran will consequently lose some freedom to operate openly through large Iraqi formations but is unlikely to lose all ability to project power through Iraq.

Risk of Major Internal Conflict

A nationwide government-versus-PMF conflict remains unlikely in the near term.

Baghdad, the Shia political establishment and most militia leaders share an interest in preventing such an outcome. Hadi al-Amiri's intervention in the August escalation illustrates the continued effectiveness of negotiation inside Iraq's Shia political-security establishment.

Localised clashes during raids, weapons seizures or arrests are considerably more plausible.

Risk of Renewed Attacks on Saudi Arabia or Gulf States

The risk remains significant.

The 7 August decision postponed rather than formally abandoned retaliation for the U.S.-Saudi strikes. Further Saudi military action inside Iraq, new attacks on Iraqi militia leadership, renewed U.S.-Iran escalation or aggressive Iraqi government action against hardline factions could reactivate those plans.

Smaller covert cells present an additional problem because they allow Tehran or hardline Iraqi actors to conduct attacks while limiting the political exposure of major militia organisations.

OVERALL ASSESSMENT

9. Overall Assessment

The 30 September U.S. withdrawal should reduce one important driver of militia attacks inside Iraq, because the disappearance of American military bases removes both a physical target and a central element of militia propaganda.

It will not, however, automatically neutralise Iran-backed armed groups.

The real struggle beginning after September will concern who controls Iraqi coercive power.

The al-Zaidi government has a stronger political opportunity to impose state authority than previous governments because Washington is withdrawing, several factions have already accepted the principle of weapons under state control, and regional governments are increasingly intolerant of Iraqi territory being used to launch attacks against them.

Against this, the hardest-line factions possess significant weapons, deeply embedded political and economic interests and decades of organisational experience. The reported emergence of small

IRGC-controlled cells further means that conventional militia disarmament may only partially address the threat.

For foreign companies, this means the transition should not be interpreted as either a security collapse or an immediate security improvement. Instead, the threat is likely to migrate. Direct attacks against U.S. bases should eventually decline as those bases disappear, while diplomatic facilities, foreign commercial sites, energy installations and infrastructure associated with the United States, Saudi Arabia or other Gulf states may become more attractive alternative pressure points during periods of escalation.

The attacks against Sarsang and North Rumaila in 2026 already demonstrate that foreign-operated commercial energy infrastructure can become part of the confrontation. (reuters.com)

BUSINESS ADVISORY

FOREIGN COMPANY BUSINESS ADVISORY

Foreign companies operating in Iraq should treat the period from mid-August through at least October 2026 as an elevated transition period, with contingency measures remaining in place beyond the 30 September deadlines.

The overall threat varies substantially by location. International government advice remains restrictive: the U.S. Department of State currently classifies Iraq at Level 4 – Do Not Travel, while Australia's Smarttraveller advises against travel anywhere in Iraq, including the Kurdistan Region. UK advice differentiates between locations but advises against all travel to significant parts of Anbar, Diyala, Kirkuk, Ninewa, Salah al-Din, Jurf al-Sakr, Sadr City and specified border areas. (travel.state.gov)

Companies with an established requirement to remain in Iraq should therefore maintain enhanced protective measures rather than automatically suspending operations.

Personnel and movement. Non-essential journeys close to militia headquarters, PMF facilities, military bases, foreign diplomatic locations, coalition withdrawal sites and political demonstrations should be avoided. Movement around Erbil airport and remaining coalition-associated facilities should be reviewed particularly carefully during the drawdown. Road movement through western Anbar, Jurf al-Sakr and sensitive parts of Ninewa, Kirkuk, Salah al-Din and Diyala should require specific journey risk assessment rather than routine approval.

Southern and energy-sector operations. Companies operating around Basra, Rumaila and associated oil infrastructure should retain elevated UAV precautions. Accommodation and critical workplaces should identify the safest available internal shelter locations away from windows and lightweight roofing. Drone or missile alerts should trigger immediate cessation of exposed outdoor activity rather than personnel attempting to observe or photograph interceptions.

Foreign-company profile. U.S., Saudi and other Gulf-linked companies, and contractors visibly supporting those organisations, should recognise that their political symbolism may produce a different threat profile from that faced by Iraqi companies. Unnecessary external branding, publicity concerning sensitive government relationships and public political commentary should be minimised while maintaining normal legal corporate identification requirements.

Security providers and local partners. Companies should conduct enhanced due diligence on local guard forces, transportation contractors, subcontractors and intermediaries to identify militia

affiliations or conflicts of interest. This is particularly important when operations cross provincial boundaries or require interaction with multiple security organisations.

Checkpoint preparedness. Government efforts to control militia weapons are likely to produce additional checkpoints, searches and temporary road restrictions. Vehicles should carry complete registration and movement documentation, while companies transporting communications equipment, drones, satellite equipment or other controlled technologies should verify that permits are current.

Crisis-management posture. Companies should maintain redundant communications, current personnel accountability systems, at least one alternative evacuation or relocation route and a defined shelter-in-place capability. Sites should be able to function temporarily during airport closures, road restrictions or short-duration telecommunications disruption.

Evacuation planning. Erbil, Baghdad and Basra should not be treated as interchangeable evacuation gateways. The regional conflict has demonstrated that airspace and airport availability can change rapidly. Companies should identify a primary and secondary departure method and establish decision thresholds before a crisis rather than waiting for commercial flights to cease.

Immediate escalation indicators requiring management review should include: a renewed IRI declaration of retaliation against Saudi Arabia or the United States; an Iraqi government operation against Kataib Hezbollah or Harakat Hezbollah al-Nujaba; confirmed militia attacks launched from Iraq against Saudi Arabia, Kuwait or another neighbouring state; additional U.S., Saudi or other foreign strikes against militia positions inside Iraq; attacks on foreign-operated oil or gas infrastructure; significant fighting between Iraqi Security Forces and militia formations; or disruption of Baghdad, Erbil or Basra airports.

Business Outlook

Foreign business activity can continue in many established operating environments in Iraq provided that companies retain robust security management. The withdrawal of U.S. troops does not presently justify an expectation of a nationwide deterioration comparable with earlier periods of conflict.

The principal commercial danger is instead a period of short-notice, geographically concentrated disruption caused by the unresolved militia question and the continuing Iran-Gulf confrontation.

The Baghdad militia environment, Kurdistan's foreign and energy infrastructure, the Basra-Rumaila energy corridor, southern desert launch areas, Jurf al-Sakr and the Anbar/Ninewa/Kirkuk/Salah al-Din/Diyala security belt require the closest monitoring.

The most consequential date is therefore not necessarily 30 September itself. The critical period will be the weeks immediately following the deadline, when it will become clear whether Baghdad intends to enforce disarmament against non-compliant factions, whether those factions accept the loss of their U.S.-occupation justification, and whether Tehran chooses to preserve its Iraqi leverage primarily through political integration or increasingly through smaller clandestine armed networks.

SOURCE NOTE**Sources and Confidence**

This assessment draws principally on reporting from Reuters and Associated Press, statements and historical transition information from the U.S. Department of Defense/CENTCOM, Iraqi government statements reported by international media, CTP-ISW reporting, and current U.S., UK and Australian government travel advice. Reports concerning specific covert IRGC cells and planned future militia attacks are intelligence-based reporting and should be treated with appropriate caution where independent verification is unavailable.

Overall assessment confidence: HIGH regarding the U.S. withdrawal timetable and the broad militia-disarmament challenge; MODERATE regarding the timing and scale of future militia enforcement operations and specific reported plans for cross-border attacks.