

United Nations Development Group Iraq Trust Fund

Project #74976: C9-29

Date and Quarter Updated: 1 July – 30 September 2012 - Q3 2012

Participating UN Organisation: UNDP (Lead), UNESCO, UN-HABITAT, UNICEF, WHO, UNFPA, UNESCWA, UNIFEM, UNWOMEN **Priority Area: Governance and Human Rights /Sector: Governance**

Government of Iraq – Responsible Line Ministry: Public Service Council, COMSEC, PMAC, MoPDC, MoPDC-COSIT, MoH, MoE, MoHESR, MMPW

Title	Iraq Public Sector Modernization Programme- Phase1			
Geo. Location	Iraq- National Coverage			
Project Cost	USD 19,951,063 (13,600,000 + 6,351,063) for Phase I as follows: USD 8,630,996 (5,000,000 + 3,630,996) – UNDP/ IAA UNFPA, UNIFEM, UNWOMEN and ESCWA USD 2,620,207 (2,000,000 + 620,207) - UNESCO USD 3,142,194 (2,600,000 + 542,194) - UNICEF USD 2,579,613 (2,000,000 + 579,613) - UNHABITAT USD 2,978,053 (2,000,000 + 978,053) – WHO			
Duration	12 months + 20 months extension			
Approval Date (SC)	11.04.2010	Starting Date	28.04.2010	Completion Date 28.04.2010 extended to 31.12.2012
Project Description	<p>The Iraq-Public Sector Modernisation (I-PSM) Programme is a US\$55 million joint programme of the UN established to support the GoI in modernizing its public sector by adopting a public sector reform strategy for all of government and launching its implementation in three key sectors.</p> <p>The programme will address existing public sector governance constraints through a government-led, centrally administered and coordinated approach that (i) rationalises the architecture and machinery of government (ii) improves human resource management and culture (iii) enhances administrative functionality and generalised management systems (iv) develops clearly defined and costed service delivery models in target sectors (v) approaches decentralisation through a service delivery lens on a sector-by-sector basis, (vi) increases the devolution of service delivery to local government to secure effectiveness, efficiency, transparency and sustainability, with enhanced participation, and (viii) improves the capacity of local government institutions for decentralised service delivery.</p> <p>The programme will establish synergies with existing UN programmes aimed at addressing corruption, will involve the active participation of civil society, and will fully integrate cross-cutting issues in relation to poverty, gender, social exclusion and environment.</p>			

Development Goal and Immediate Objectives:

In line with the UN Assistance Strategy for Iraq 2008-2011, the purpose of the proposed Joint I-PSM Programme is to strengthen the regulatory and institutional framework and processes of national and local governance to enhance service delivery, as outlined in detail in Section 4.

In May 2011, the programme requested and received approval to be re-formulated with adjustments and a change of its scope to enhance harmonization and synergy with other development partners in Iraq. The five Outputs were revisited and reduced to four as Output 3 was dropped and allocated for implementation to another development partner, namely USAID since it had been assigned to lead on Civil Service Reform, and Output 2 was further elaborated.

The Joint I-PSM Programme is working on achieving the following four Outputs:

1. GOI is better equipped to undertake Public Sector Modernization at national and sub-national levels;
2. GOI has capacities for improved public administration systems;
3. GOI has reform and modernization plans in place for targeted sectors; and,
4. Decentralized service delivery improved in target sectors with local governance and enhanced participation.

Reports from the 2nd Quarter 2011 reporting period onward have reflected this change of scope adjustment.

The extension and change of scope of Phase I have been approved by the ITF Steering Committee on 10 July 2012 to allow the completion of an inception period prior to the launching of Phase II. This inception period will define the activities that UN Agencies will implement during the three years of Public Sector Modernization Phase II to assist the GoI in developing and putting in place plans, policies and medium term strategies to carry on the reform. More importantly, the extension would also support UN Agencies to keep momentum with Iraqi partners thus preventing any possible disengagement from their side.

During the inception period, UN Agencies will also be able to set in motion the necessary recruitment procedures, which would enable them to start immediate implementation of I-PSM Phase II in January 2013 without any further delays. The endorsed budget for this scope expansion was USD 6,351,063.

Outputs, Key activities and Procurement

Outputs & Activities	<p>From June 2011, reports have reflected the change of scope adjustment in which the Joint I-PSM Programme works on four Outputs which are further defined into the following activities.</p> <ol style="list-style-type: none"> 1. GoI is better able undertake Public Sector Modernization at national, regional and governorate levels: <ol style="list-style-type: none"> 1.1 National PSM Task Force Established; 1.2 Parliamentary sub-committee on PSM in place; 1.3 National I-PSM Strategy in place; 1.4 Enhanced understanding by all levels of government of local planning and local service delivery and the perceptions of local population, especially women, for health, education and WATSAN local services. A focus will be placed on providing space to women's voices to help shape and improve local service delivery. Piloted local e-Governance services rolled out and position papers drafted on private-public partnerships in local service delivery; 1.5 Ministry Advisory Committees in Place to Lead Sectoral Reforms; 1.6 External evaluation of Phase 1 and formulation of detailed Work Plan for Phase 2. 2. GOI has enhanced capacities to review and implement public administration
---------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

	<p>systems:</p> <ul style="list-style-type: none"> 2.1 Standard systems for general management functions supported for their creation and implementation in target sectors; 2.2 Tailor made capacity development initiatives and training packages developed and implemented for general management functions; 2.3 An SES framework for the GOI presented and incorporated into PSM strategy; 2.4 National e-Governance Strategy reviewed in line with improved public administration systems; 2.5 MOPDC has improved capacities for planning and monitoring; 2.6 Standard systems for collection of data for performance and results monitoring and evaluation supported for their creation and implementation in target sectors; 2.7 Target ministries have improved capacities for planning and monitoring; 2.8 Sectoral Reform opportunities identified and sector expenditure management plans in place; 2.9 Gender responsive budgeting understood by GoI and KRG, and mainstreamed in national and provincial budget preparation processes, including sectoral budgets. <p>3. GoI has reform and modernization plans in place for targeted sectors:</p> <ul style="list-style-type: none"> 3.1 Health Sector has reform and modernization plans in place; 3.2 GOI Education, TVET and Higher Education Sectors have reform and modernization plans in place; 3.3 GOI Domestic Water Supply and Sanitation Sectors have reform and modernization plans in place; 3.4 GOI is provided with review of aggregate, cross-cutting structural issues to enable fiscal and administrative decentralized service delivery; 3.5 GOI is provided with options for citizen participation and public-private partnerships for enhanced service delivery. <p>4. Decentralized service delivery improved in target sectors with local governance and enhanced participation:</p> <ul style="list-style-type: none"> 4.1 Ministry of Health is able to implement decentralized service delivery with enhanced citizen participation. 4.2 Ministries of Education and Higher Education are able to implement decentralized service delivery with enhanced citizen participation. 4.3 Ministry of Municipalities and Public Works is able to implement decentralized service delivery with enhanced citizen participation. 4.4 Local Government organizational structures and mechanisms strengthened to support decentralized service delivery supported. 4.5 Vertical and horizontal inter-government relations formalised with discussion forums in place and partnerships with international/regional municipalities created. 4.6 Select governorates have mechanisms for improved citizen participation in decentralized service delivery.
Procurement	

Funds Committed – UNDP	USD 5,444,481.58	% of approved 63.08	
Funds Committed-UNESCO	USD 2,211,156.00	84.39	
Funds Committed- UNICEF	USD 3,023,468.62	96.22	
Funds Committed-HABITAT	USD 2,111,214.00	81.84	
Funds Committed- WHO	USD 2,251,472.00	75.60	
Funds Disbursed – UNDP	USD 3,655,039.00	% of approved 42.34	
Funds Disbursed -UNESCO	USD 2,035,001.00	77.67	
Funds Disbursed - UNICEF	USD 2,977,231.80	94.75	
Funds Disbursed -HABITAT	USD 1,987,991.23	77.07	
Funds Disbursed - WHO	USD 2,099,374.00	70.49	
Forecast final date	31 December2012	Delay (months)	20

Direct Beneficiaries	Number of Beneficiaries	% of planned
Men	UNDP/ Not a Direct Impact Intervention WHO/ Estimated 70,000 UNESCO/ 70 UNHABITAT/ UNICEF/323.614 teachers (M&F)	0% 50% 91%
Women	UNDP/ Not a Direct Impact Intervention WHO/ 20% out of the 70,000 of beneficiary men UNESCO/30 UNHABITAT/ UNICEF/ TBD 30	0% 10% 16%
Children	UNDP/ Not a Direct Impact Intervention WHO/ Indirect Beneficiaries UNESCO UNHABITAT/ UNICEF/ Children enrolled in Primary Education (4.8 million)	0% 0% 0%
IDPs	UNDP/ Not a Direct Impact Intervention WHO/ Indirect Beneficiaries UNESCO 0 UNHABITAT/ UNICEF / TBD	0% 0%
Others (in direct beneficiaries)	UNDP/ Council of Ministers Secretariat (COMSEC), Prime Minister Advisory Committee (PMAC), Ministry of Planning (MoP), Ministry of Municipalities and Public Works (MMPW), Civil servants WHO/ Ministry of Health and other line ministries staff UNESCO/ Ministry of Education and Ministry of Higher Education and Scientific Research personnel	0% 100%

	<p>UNHABITAT/ Residents of towns and cities in Iraq receiving urban services.</p> <p>UNICEF / Children enrolled in Primary Education (4.8 million)</p> <p>UNFPA/ Central Statistical Office (CSO)/Kurdistan Region Statistical Office (KRSO) and Statistical Units of the line ministries</p>	
Employment generation(Men/Women)	N/A	Not a component of the project

Quantitative achievements against objectives and results			
Output 1,2,3 and 4	<p>UNDP</p> <p>I. As lead agency, UNDP continued working in coordination and close consultation with the IPSM Steering Committee and the UN Country Team on finalizing the Iraq Public Sector Modernisation (IPSM) II Project Document in preparation for its endorsement by the UNDAF Steering Committee.</p> <p>II. UNDP led the presentation and defense of the Project Document at the UNDAF Steering Committee meeting on 7 October 2012, during which endorsement and approval of Phase II was received unanimously by all committee members.</p> <p>III. This reporting period witnessed the completion of preparations for the Study Mission on Fiscal and Financial Decentralization and Federalism to Ottawa/Edmonton in Canada. Close coordination was performed with the Canadian implementing partners, namely the Institute on Governance, as well as with Iraqi counterparts in order to develop an adapted work programme. The focus of the latter has been put on practical financial and fiscal management of a federal-provincial system, including the functioning of the municipal level in relation to provincial and federal jurisdictions.</p> <p>IV. The ToR for the inception report was finalized as well as the related work plan. Procurement exercise was initiated to identify international and national consultants to support UNDP in the finalization of the inception report.</p>	All output: % of planned	97%

Quantitative achievements against objectives and results			
	<p>V. UNDP continued the planning and coordination with the E-Governance Steering Committee and the Ministry of Science and Technology (MoST) for the e-Gov Conference to be held in Dec 2012 in Baghdad.</p> <p>VI. UNDP provided inputs to the Governance Chapter of National Development Plan (NDP).</p> <p>VII. UNDP provided continued consultancy and advisory support for Public Sector Modernisation to all sister agencies upon request.</p>		
Output 2	<p>UN-ESCWA under Interagency Agreement with UNDP</p> <p>I. ESCWA cooperated with UNDP in the planning and organizing of the Study Mission on Fiscal Federalism and Decentralization in Ottawa-Canada. Indeed, this activity had been initiated as a joint activity between both organizations.</p>	% of planned	90%
Output 1 & 4	<p>II. Through its national counterpart, the National Center for Management Development and Information Technology (NCMDIT), ESCWA advocated for the inclusion of the public participation and perception assessment outcomes into the development of the National Development Plan (NDP) for Iraq.</p>	% of planned	100%
EDUCATION:			
Output 3 3.2	<p>UNICEF:</p> <p>I. Final draft for the terms of references on the change management working group completed and approved by the deputy minister of municipalities and public works (MMPW) so will be submitted next week to the head of the consultancy mission at PMAC.</p> <p>II. Terms of references on the water demand management plan for Iraq completed and approved by the chair of PMAC (Deputy Minister at MMPW).</p> <p>III. Five different Iraqi universities invited to</p>	% of planned	98%

Quantitative achievements against objectives and results			
Output 3: 3.2	submit their bids on conducting the water demand management plan for Iraq and to be completed within one calendar year.	% of planned	100%
	UNICEF/UNESCO:		
	<p>I. UNESCO and UNICEF have been working closely with government partners building on the close working relationship established with the ministries of education in Baghdad and Erbil to outline the main interventions of Phase II of the programme under the umbrella of government-wide public sector reform agenda. Coordination meetings have been organized with USAID during the inception phase to prevent overlapping in public sector reform within Ministry of Education and Ministry of Higher Education and Sciences.</p> <p>II. UNICEF Education has finalised the Terms of Reference for a consultancy to develop an Inception Report for IPSM Phase 2. The approved ToR has been widely advertised to attract suitable service providers. The competitive selection of candidates will take place as soon as possible and consultant will be engaged for 45-60 days to complete work on the Inception report.</p>		
HEALTH:			
Output 3: 3.1	WHO	% of planned	100%
	<p>I. A meeting was held to agree on the next steps and shape the endorsed roadmap to activities, with the presence of H.E. Dr. Majid Hamad Ameen, Iraqi Minister of Health and other senior staff of MOH. The priority activities were put into a schedule of implementation. In this context the Country Corporative Strategy (2012-2017) was endorsed and signed to enhance partnership and coordination in the health sector to strategically support the Iraq National Development Plan.</p> <p>II. Agreement of the Ministry of Health was achieved for approach to development of National Health Policy. The Final draft is planned to be ready by 31st December</p>		

Quantitative achievements against objectives and results			
Output 3: 3.1	<p>2012. An international expert has been identified and contract is under process.</p> <p>III. An international expert identified to carry out options analysis for alternate financing for health in the context of Social Health Protection.</p> <p>IV. International Health expert identified and recruited for developing a model for Family Medicine. Report expected in third week of November.</p>	% of planned	52%
	UNICEF		
	<p>I. Capacity for Development in the GoI structure. Five counterpart ministries from the federal government and five counterpart ministries from Kurdistan regional government, in addition to Baghdad Mayoralty (32 participants-17 female and 15 male) were invited to this workshop.</p> <p>II. Recommendations were submitted by the participants in the above mentioned workshop to activate the departments inside their ministries, which are related to C4D work, and identify the skills and knowledge of the staff working in these departments.</p> <p>III. It is planned to hold another workshop to continue the work in mid-December 2012.</p>		
WATSAN:			
Output 4: 4.3	UN-Habitat <p>I. As part of the process to develop and implement a programme of support on local government and decentralisation with GoI, preparations are under way to conduct a workshop on “Urban Planning Governance” during the period 18-20 December in Erbil.</p> <p>II. UN-Habitat has commissioned a consultant to prepare communication materials on State of Iraqi Cities based on 2006 study.</p> <p>III. UN-Habitat has initiated the process of hiring a “Local Government and Decentralisation Specialist” to provide strategy advice to UN-Habitat on the design and implementation of a programme of support on local government and decentralisation with the GoI and to manage</p>	% of planned	80%

Quantitative achievements against objectives and results			
	and implement the delivery of this programme of support with project partners.		
	IV. UN-Habitat has started the recruitment process of 2 national WATSAN and Local Governance officers to assist in the technical management of all project components and ensure that project objectives are fulfilled and delivered in a timely fashion.		

Qualitative achievements against objectives and results			
UNDP			
<p>As lead agency, UNDP pursued its coordinative role among UN agencies and sustained representational functions vis-a-vis the GoI and the KRG in matters related to the IPSM Programme. Indeed, this reporting period was characterized by an intensive efforts deployed by UNDP within the UN family to finalize the programme document for Phase II. Moreover, UNDP Iraq performed the presentation of the programme at the UNDAF Steering Committee meeting that was held on 7 October 2012, during which the programme received unanimous endorsement and approval from all Steering Committee members.</p> <p>During this reporting period, UNDP was also engaged in National Development Plan development process. IPSM insights and prospected interventions were highlighted and included in the governance chapter.</p>			
UNDP/UNFPA			
<p>UNFPA under its IAA with UNDP worked on the National Statistical System (NSS) component of the IPSM. The following are the qualitative achievements of UNFPA:</p> <ol style="list-style-type: none"> 1. After conducting series of experts' missions to Baghdad and Erbil during 2011-2012, NSS Function Review was finalized. 2. A launching of the phase was done successfully with a Functional Review Report produced and disseminated. 3. Beneficiaries represented by Central Statistical Organization (CSO) and Kurdistan Regional Statistical Office (KRSO) with line ministries statistical units, became more aware about the project, its scope and objectives. 4. UNFPA in working closely with CSO and KRSO was able to draft the NSS modernization Plan of Action (PoA) for Phase II of the project. 5. A procurement process was followed and concluded in July 2012 with contract signed with an international consultancy organization to provide technical support for the PoA for Phase II of the project 6. A kick-off retreat was organized on 2-3 September 2012. The retreat discussed the outcomes of the NSS Functional Review with partners/beneficiaries and explained the PoA for the next phase. 7. CSO and KRSO are very interested in the project and are following up closely on its second phase implementation with UNFPA experts and all concerned national bodies. 			

UNDP/UN-ESCWA

UNDP and ESCWA focused the 3rd quarter of 2012 on preparing the Study Mission on Fiscal Federalism and Decentralization in Ottawa-Canada in partnership with the Institute on Governance in Canada.

The purpose of this mission is to support the senior civil service leadership of the GoI in implementing civil service modernization in the context of federal-provincial relations and fiscal decentralization. This entailed substantive design of the programme, as well a close liaison with relevant Iraqi ministries to ensure participation of key decision makers for the success of the study mission. This study mission was implemented in October 2012, and hence will be reported in Q4 2012.

Finally, during the reporting period, ESCWA started the process of selection of its partner for the implementation of the technical assistance on strategy development to be provided to the National Center for Management Development and Information Technology (NCMDIT) and the Kurdistan Institute for Public Administration (KIPA). The implementation of this output will also be reported in Q4 2012.

Education: UNESCO/UNICEF

Final project document for IPSM Phase II project document including planned interventions in the field of education was approved during ITF steering committee meeting on 09 July 2012.

I-PSM Phase I time extension, change of scope and additional funding were approved on 09 July, 2012 where Phase I would end on December 31st, 2012 with total UNESCO Budget of USD 2,227,228 and Phase II under UNDG Trust Fund would start by January 2013.

Following a series of meeting with counter parts in GoI, the final committee for IPMS Phase was formed, and focal points within each Ministry were nominated.

Project manager and lead expert for phase II have been identified and recruited. Identification process for all experts, who shall put together the final draft of inception report, was finalized and recruitment process is initiated.

Health: WHO/UNICEF

UNICEF has completed a three-day workshop on institutionalizing C4D in the MOH and the other counterpart ministries and a final report was submitted including recommendations and suggestions for the structure of C4D units, the skills and knowledge of the staff working in these units and the mechanisms of coordination in future work.

UNICEF is planning to hold another workshop in mid-December 2012 to enhance the institutionalization of C4D, which had started with the counterpart ministries in the above mentioned workshop.

Water and Sanitation: UN-HABITAT/UNICEF

UNICEF has completed the terms of reference on water demand management plan and submitted for bidding to five different Iraqi universities including Baghdad, Kuffa, and the University of Technology.

UNICEF has completed the terms of reference on the change management working group and the deputy minister at MMPW reviewed and amended as required so WASH team will submit this final draft to the head of the PMAC this week to start implementation. The Change Management Working Group is to manage and oversee the WATSAN reform process. Its role will be to manage the complex relationships and transformations required to bring about the fundamental changes outlined in the Road Map.

UN-Habitat continued to circulate the approved WatSan Roadmap for Reform to government representatives, donors and other agencies working in the WatSan sector as well as the Scoping Study on Integrated Solid Waste Management.

The UN-Habitat Project Team for I-PSM Phase II is under recruitment.

Main implementation constraints and challenges

- Time and efforts allocated in the substantive preparation of the pro-doc for the second phase of the Public Sector Modernization project in Iraq (IPSM Phase II) and subsequently its administrative processing delayed the implementation of other components of the programme;
- To sustain government's engagement after a protracted period of uncertainty about the approval process and budget of Phase II;
- A main challenge faced within the educational sector has been the identification of education and public reform experts willing to travel to Baghdad to work closely with MoE and MoHES in the development of the inception report;
- Time constraints of main counterparts are pushing the required PMAC meetings to long intervals;
- Staffing changes within some UN agencies and the need to comply with security measures for projects in Iraq (mainly SAIT training) meant additional staff time devoted to preparatory activities rather to actual implementation.