



Empowered lives.
Resilient nations.

UNDGITF
FINAL PROGRAMME NARRATIVE REPORT
REPORTING PERIOD: FROM May 2007 to August 2009

Programme Title & Project Number
<ul style="list-style-type: none"> Programme Title: Technical assessment for the development of agro – Industries sector in Iraq Programme Number : E4-17 MPTF Office Project Reference Number:

Country, Locality(s), Priority Area(s) / Strategic Results
Country/Region: Iraq
Priority area/ strategic results: E – Infrastructure Rehabilitation

Participating Organization(s)
UNIDO

Implementing Partners
Ministry of Planning and development Cooperation. Baghdad

Programme/Project Cost (US\$)
Total approved budget as per project document: MPTF /JP Contribution: US \$ 586, 880
<ul style="list-style-type: none"> by Agency
Agency Contribution
<ul style="list-style-type: none"> by Agency
Government Contribution : US \$ 50, 000
Other Contributions (donors)
TOTAL: US \$ 636,880

Programme Duration
Overall Duration (months) 27 months
Start Date (dd.mm.yyyy): 04/05/2007
Original End Date (dd.mm.yyyy): 04/05/2008
Actual End date (dd.mm.yyyy): 31/08/2009
Have agency(ies) operationally closed the Programme in its(their) system? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Expected Financial Closure date:31/08/2010

Programme Assessment/Review/Mid-Term Eval.
Evaluation Completed
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Date: dd.mm.yyyy
Evaluation Report - Attached
<input type="checkbox"/> Yes <input type="checkbox"/> No Date: dd.mm.yyyy

Report Submitted By
<input type="checkbox"/> Name: N.Samarakoon
<input type="checkbox"/> Title: Industrial Development Officer
<input type="checkbox"/> Participating Organization (Lead): UNIDO
<input type="checkbox"/> Email address: unido@unido.org

EXECUTIVE SUMMARY

Over the past two decades, the industrial sector in Iraq has changed significantly, driven by rapid growth in the manufacturing sector. Yet a substantial body of up-to-date industrial statistics and other industry related information is lacking. Data collection is still carried out according to outdated methods. The current government encourages the private sector to invest in business. It has promulgated new investment legislation, such as Law No.13 of 2006, which contains many attractive incentives, privileges and tax exemptions. Measures are also being taken to encourage the development of the Central Organization for Statistics and Information Technology (COSIT) and the Kurdistan Region Statistics Office (KRSO), and to provide credit facilities and grants in order to enable the private sector to play a leading role in the Iraqi economy.

The need to ensure the availability of reliable and up-to-date industrial statistics requires training of COSIT and KRSO technical staff, upgrading of data collection techniques, training in Java programming, supplying COSIT and KRSO with up-to-date PDAs (personal digital assistants) for data collection, and training in technical report writing.

As an initial step toward meeting that need, this pilot project was designed by the United Nations Industrial Development Organization (UNIDO) in collaboration with the Ministry of Planning and Development Cooperation in order to carry out, with the assistance of COSIT, a survey of the Iraqi agro-industrial sector. Local capabilities have been upgraded through training as well as by providing the necessary tools. The project has also provided technical assistance to enhance local capacity to formulate policies and strategies for the development of the industrial sector.

I. Purpose

This project carries out an in-depth assessment of the agro-industries sub –sector in Iraq and assists to develop and update the industrial data information system to provide up to date information required by the existing industries for strategic planning to maintain its sustainability and enhance new investments in the industrial sector. National capacities will be developed for collection, analysis of industrial data and formulation of industrial policies and strategies. The ultimate aim of the whole project is to assist the Government and stakeholders to develop a consensus on the country's industrial strategy by utilizing up-to-date industrial statistics

II. Assessment of Programme Results

i) Narrative reporting on results:

Outcomes:

- 1 Assist the Government of Iraq to launch a programme for the development of agro-industries.**
- 2 Enhance local capacity and capabilities to carry out industrial surveys and formulate appropriate policies and strategies for industrial development.**

Help consolidate the peace process and economic recovery of the country through the development of local industries. This will be achieved through developing the local capabilities to carryout industrial surveys and formulate appropriate policies and strategies to develop the industrial sector.

- **Outputs:**

Following three outputs were expected to achieve through this project:

1. A comprehensive agro-industrial sector survey carried out focusing on assessing the processing technologies, competitiveness, growth potentials and investment opportunities.
2. Industrial statistics operations in the Central Organization for Statistical & Information Technology (COSIT) upgraded and capabilities strengthened for collection, analysis and dissemination of industrial statistics.
3. National capacity and capabilities for industrial strategy formulation, implementation and monitoring upgraded.

All the project activities to achieve these outputs have been implemented and the expected outputs have been achieved and it has contributed for the achievement of expected outcome of the project. The staff of the Central organization for Statistics and information technology has contributed to carry out the Agro-industrial Survey, applying the improved technologies and upgraded knowledge gained through the project.

- **Qualitative assessment:**

Training of Statistical Officers

UNIDO Industrial Statistics Expert conducted three training programmes on industrial survey techniques, which were held in Amman. Twelve officers representing the Central Organization for Statistics and Information Technology (COSIT) of the Ministry of Planning and Development Cooperation (MOPDC), and Statistical Bureau of the Kurdistan Regional Government participated in these training programmes.

Introduction of Personal Digital Assistants (PDAs) for data collection

- UNIDO Expert/ Systems Analyst developed a programme to be used in the Personal Digital Assistants (PDAs). This programme was introduced to the staff of COSIT and it was utilized to conduct the pilot agro-industrial survey.
- UNIDO Expert/ Systems Analyst conducted a training programme in Amman for programmers and technicians of COSIT on the configuration and installation PDAs for statistical surveys.

Implementation of the survey

The officials trained in Amman conducted training for 41 enumerators to implement the pilot survey to construct the register of medium and large-scale agro-industries. The small-scale establishments were covered on sample basis.

The survey was carried out and it was aimed at generating basic statistics on the operating characteristics and structure of agro-industrial establishments in the Republic of Iraq. It was a benchmark exercise and as such was also intended to:

1. Assess the contribution of the agro-industrial sector to the overall economy;
2. Obtain benchmark data for computing national accounts estimates;
3. Obtain benchmark data for the construction of input-output.

Comprehensive report on the survey is attached to this report which will provide detailed information of the survey and major findings.

Assessment of Industrial policies and strategies

- UNIDO Industrial Economist held the first fact-finding meeting to assess the current situation, with the officials from the Ministry of Industry. The meeting was held in Amman. According to information gathered in the meeting, it was decided to organize a workshop with the participation of the officials of the MOI, MOPDC and the private sector.
- Collection of data required for the workshop in collaboration with the National Project Coordinator (NPC) based in Amman, Ministry of Industry and the Ministry of Planning and Development Cooperation. These activities were coordinated by the UNIDO expert/ Industrial Economist.
- Workshop conducted by the UNIDO Consultant/Industrial Economist in Amman with representatives from the Ministry of Planning and Development Cooperation, Ministry of Industries and the Chamber of Industries.
- Instruction Manual on Policy Formulation for Development of Agro Industries in Iraq was formulated through the project and formally submitted to the Ministry of Industry for follow up and necessary actions to be taken for the development of Agro-industries in Iraq.

ii) Indicator Based Performance Assessment:

Using the **Programme Results Framework from the Project Document / AWP**s - provide details of the achievement of indicators at both the output and outcome level in the table below. Where it has not been possible to collect data on indicators, clear explanation should be given explaining why.

	<u>Achieved</u> Indicator Targets	Reasons for Variance with Planned Target (if any)	Source of Verification
3 Outcome 1¹ Assist the Government of Iraq to launch a programme for the development of agro-industries. 4 Enhance local capacity and capabilities to carry out industrial surveys and formulate appropriate policies and strategies for industrial development.			
Output 1.1 Industrial survey carried out Indicator 1.1.1 - Survey report Baseline: Planned Target: Indicator 1.1.2 Baseline: Planned Target:	Comprehensive survey carried out	N/A	Comprehensive technical report (attached)
Output 1.2 Statistical operations of COSIT upgraded Indicator 1.2.1 – Number of trained staff Baseline: Planned Target: Indicator 1.2.2 - Baseline: Planned Target:	41 enumerators trained, 12 statistical officers of the central statistics organization trained	N/A	Training reports of international experts, statistical survey report
Output 1.3 National capacity developed Indicator 1.3.1 - Number of trained staff Baseline: Planned Target: Indicator 1.3.2 Baseline: Planned Target:	Introduction of PDAs for data collection and training 7 officials trained in industrial strategy formulation	N/A	Training reports by international experts, practical application of the new technology by COSIT staff

¹ Note: Outcomes, outputs, indicators and targets should be **as outlines in the Project Document** so that you report on your **actual achievements against planned targets**. Add rows as required for Outcome 2, 3 etc.

iii) Evaluation, Best Practices and Lessons Learned

This survey was the first of its kind to be conducted in the Republic of Iraq. Thanks to the efforts of the Central Organization for Statistics and Information Technology, an institution that now has the necessary technical capabilities to perform such a task, the survey was a successful exercise. The survey results are a comprehensive data set which COSIT and others can use as benchmark information.

At the same time, it should be noted that the census had its limitations which are listed below:

1. Although the field staff was trained extensively, it was found that the data still had certain inconsistencies which stemmed from an insufficient understanding of the terms and concepts applied. Moreover, there is a tendency among establishments to hide information relating mainly to output and to over-report on inputs. There is a belief that the supplied information would be transmitted to the fiscal authorities. Carrying out such an exercise on a regular basis would help dissipate this fear and at the same time improve the quality and reliability of the supplied information.
2. Due to the security situation in Iraq, the training of national staff was conducted in Amman, Jordan. Fieldwork and data editing, coding and checks were entirely the responsibility of COSIT. The international experts had no direct or total control over the quality of data collected and submitted.
3. A number of establishments were engaged in several equally important but dissimilar activities. Since separate records were not available, these establishments were classified according to the activity with the highest output. Figures relating to a particular ISIC group might therefore include data for other activities.
4. Given the absence of a proper and updated list of small establishments and the limited resources available, the sampling of establishments was done on a non-scientific basis by using the existing COSIT list. Data for these establishments should therefore be used with caution.

Many establishments could not provide detailed information for certain items such as:

- Consumption of electricity, water and fuels separately;
- Purchase of raw materials and sales from own production by main product;
- Value of stocks as well as value of fixed assets by type.

Others did not provide information on the level of stocks and assets. These and other missing data had to be estimated. Consequently, caution is recommended when using more detailed data such as components of gross output, detailed intermediate consumption, consumption of electricity, water and fuels, etc. It should also be noted that, due to the absence of adequate detailed data on products, it was not possible to generate reliable tables by product group.

The most significant output of this project is carrying out the Agro-industries survey and preparation of the comprehensive survey report which has been formulated with the contribution of the human resources trained in industrial statistics, data collection using PDA's and data analysis.