



IRFFI/UNDG IRAQ TRUST FUND (UNDG ITF)
ANNUAL PROGRAMME NARRATIVE PROGRESS REPORT
REPORTING PERIOD: 1 JANUARY – 31 DECEMBER 2009

Submitted by:

FAO – Food and Agriculture Organization of the United Nations
Daniele Donati, Chief
Special Emergency Programmes Service (TCES) -
Via Delle Terme di Caracalla
00153, Rome, Italy
Telephone: +3906 - 57055251
E-mail: Daniele.Donati@fao.org

Country and Thematic Area:

Iraq

Old Cluster: Agriculture, Food Security, Environment and Natural Resources Management (AFSSOT)

New Sector: Agriculture and Food Security

Programme No: A5-26

MDTF Office Atlas No:

Programme Title: Improvement of Water Supply and Irrigation Provisions through the Rehabilitation of Abu Sabkha Pumping Station

Participating Organization(s):

FAO – Food and Agriculture Organization of the United Nations

Implementing Partners:

- Ministry of Water Resources (MoWR)

Programme Budget (from the Fund):

UNDG Fund US\$ 3,004,979 plus \$ 1,000,000 (MoWR) in kind

Programme Duration (in months):18 months

Start date: 09/12/2008

End date: 09/07/2010

I. Purpose

Provide the main outputs and outcome/objectives, of the programme.

Outcomes:

1. Damaged pump station infrastructure rehabilitated/replaced.
2. 36,550 donums of land brought back into production with assistance to 8,000 families
3. Technical capacity of MoWR staff enhanced including technology transfer.
4. Water Users' Associations (WUA) establishment feasibility study completed.

Outputs:

- 1.1 A detailed assessment of Abu Sabkha pumping station completed and technical requirements determined.
- 1.2 Tender approved and completion of contract awards for manufacturing and supply of mechanical and electrical equipment
- 1.3 Factory inspection of equipment completed
- 1.4 Delivery completed and installation of equipment in place, and training completed to restore Abu Sabkha pumping station to operate within efficiency norms which relates to capacity requirements for 4 spiral pumps each with a capacity of 1.47 m³/sec

- 2.1 Supply of water re-established to the irrigation command area

- 3.1 MoWR staff trained on pumping station operations by supplier and contractor
- 3.2 MoWR staff capacity building on procurement and technical specifications

- 4.1 Tasks and TOR for WUA
- 4.2 Budget Feasibility study completed
- 4.3 Security Feasibility study completed
- 4.4 Feasibility results shared with stakeholders

Explain how the Programme relates to the Strategic (UN) Planning Framework guiding the operations of the Fund

- Joint UN Assistance Strategy for Iraq

The project addresses the following issues in the Joint UN Assistance Strategy for Iraq:

- Improved utilization of the water for increased production and productivity;
- Increased crop and livestock production;
- Short term and long term employment opportunities created by the infrastructure rehabilitation component;
- Rural technical institutions strengthened;
- Local communities play an active role in the identification of plans for rehabilitation of economic and productive rural infrastructure;

- Capacity built at rural and local levels.

-The MDG's

The MDG I "Eradication extreme hunger and poverty (halve, between 1990 and 2015, the proportion of people who suffer from hungry)" will be addressed by increasing the cropping area and yield within the irrigation scheme which will be supplied water under the project.

- International Compact with Iraq (ICI) bench marks/indicators:

Section 4.6 Agriculture and Water Management Strategy:

Goals: 4.6 To support the development of the agriculture sector to achieve food security, generate Employment, diversify the economy and preserve the countryside. Create an enabling environment

For a market oriented agriculture sector.

Benchmark #3: Undertake specific measures to develop an integrated land and water development Policy

- Over 2008-2010, produce Regional Land and Water Usage Plans indicating options for Increasing efficiency of water use in agriculture and closing the demand-supply gap.

Benchmark #4: Improve institutional and regularity underpinnings of public agriculture.

- Over 2008-2010, strengthen the technical and management capacities of agricultural organizations.

Benchmark #5: Carry out investment plans:

- By 2008-2010, develop financing plans and mechanisms including public and private resources.
- Rehabilitate damaged physical infrastructure
- Improve delivery of public agricultural services.

II. Resources

Financial Resources

Provide information on other funding resources available to this project, if applicable.

The implementing partner, MoWR, have committed USD 1 million for the installation, testing and commissioning of the pumping station, plus provision of operator training.

Provide details on any budget revision approved by the appropriate decision-making body, if applicable

No budget revisions have been requested.

Provide details on good practices and constraints in the mechanics of the financial process, times to get transfers, identification of potential bottlenecks, need for better coordination, etc.

The project commenced 9th December 2008 with a first tranche payment of USD 365,437, and the balance of the project funds, USD 2,648,542 was not received until 22 October 2009. This late payment of the second tranche of the project funds (88% of project funds) curtailed FAO's ability to commit to purchase orders for the PS equipment before this date, 10 months into the project.

Human Resources

National Staff: One National Project Coordinator

International staff: One Project Manager and other management and administrative staff are co-shared with other UNDG ITF projects

III. Implementation and Monitoring Arrangements

Summarize the implementation mechanisms primarily utilized and how they are adapted to achieve maximum impact given the challenging operating context.

The project is being implemented by FAO in close collaboration with the MoWR. An ad hoc meetings with the representative of the MoWR were conducted on as needed basis to solve problems, discuss important issues such as specifications of equipments etc. Project Steering Committee has been set up and the MoWR chair person has been nominated. The committee composed of Ministry, Directorate of Operation and Maintenance of Irrigation Projects/ MoWR, FAO Program Manager, FAO OIC Baghdad, and the National Project Coordinator (NPC).

In terms of management arrangements, the following is in place:

1. FAO has technically assessed the pumping station requirements and arranged for procurement of the needed equipment.
2. Prior to delivery of equipment at site FAO will arrange the LoE from the custom authorities and follow the delivery of the equipment to the site.
3. FAO will arrange for the final handover to the MoWR
4. MoWR will arrange and supervise the installation of delivered equipment.
5. The supplier will conduct training activities at the manufacturing workshop for MoWR site engineers.

FAO has recruit all needed full time project staff, that includes the NPC (National project coordinator in Iraq) and the FAO Program Manager, both of whom are the same experienced engineers who coordinated the previous pumping station rehabilitations for FAO under project No UNDG/IRQ/403. The Program Manager in coordination with the NPC will: (i) prepare work plans and monitor their implementation; (ii) identify potential partners; (iii) prepare technical specifications for goods and items to be procured, and; (iv) fully cooperate with the MoWR so as to ensure integration of the project within MoWR programmes. The NPC in coordination with the farming community representative will ensure that representatives from project beneficiaries are informed and consulted on all project matters having a direct impact on their livelihood., as agreed upon with the MoWR representatives. Generally as a principle, international project staff are based in Amman while national project staff are located in Iraq. FAO is looking into the possibility of movement of international staff to Baghdad dependent on the security situation.

As FAO's previous programmes in water resources development and irrigation in Iraq have allowed local technicians to update their technical know-how and to obtain considerable experience in project execution, the implementation of the present project will, as much as possible, be delegated to locally contracted technical staff.

FAO will have overall responsibility for the implementation of the project and the appropriate use of funds provided by the Donor. The Special Emergency Programme Services (TCES in FAO/Rome)

will operationally backstopping the project and coordinate on technical matters needed for the project with AGST, the engineering technical division, FAO/Rome.

In consultation with MoWR, FAO will determine all decisions regarding project activities, recruitment of staff, contracts with suppliers and contractors, will provide technical assistance to the Steering Committee, supervise the project and ensure smooth liaison with the donor. This also includes project reporting and Monitoring and Evaluation (M&E). There will be regular co-ordination meetings with MoWR, TCES, NPC and the Program Manager to discuss the project implementation and solve any problems faced.

Provide details on the procurement procedures utilized and explain variances in standard procedures.

FAO standard procurement procedures will apply. In August 2004 FAO in a written agreement with its key counterpart ministries, opted for strong involvement of the ministries in the procurement process. This involvement includes the following elements which are being applied to date:

- identification of inputs or services required undertaken jointly by FAO and the relevant Iraqi Line Ministry;
- preparation of detailed specifications, BoQ, drawings, delivery time and destination under taken by FAO and the Iraqi Line Ministry and endorsed by the latter;
- list of local potential suppliers/contractors provided and endorsed by the Iraqi Line Ministry to be included by FAO in its invitations to bid;
- tenders launched by FAO inviting local and international potential suppliers;
- technical review of the offers received and preparation of recommendation carried out jointly by FAO/Iraqi Line Ministry and endorsed by the latter; and
- purchase orders or Contracts issued by FAO.

Provide details on the monitoring system(s) that are being used and how you identify and incorporate lessons learned into the ongoing project.

In line with FAO policies and procedures, monitoring will be done at all crucial stages of implementation of the project based on measurable indicators and means of verification identified in the project document logical framework. Periodic project progress reports, at least once every six months as well as on annual basis, will be sent to FAO and the Government by project management. These reports will be transmitted to the Sector as required. The progress reports will assess in a concise manner, the extent to which the Project's scheduled activities have been carried out, its outputs produced, the progress towards achievement of the Immediate Objectives and related Development Objective.

More specifically the monitoring by FAO will include:

1. Initial feasibility study that includes the baseline collection of the current cropping area and practices, plus pumping station survey.
2. Detail the Bills Of Quantity from the technical survey to determine equipment requirements
3. Monitoring of the ongoing project will be through the compilation of weekly reports from the Resident Engineer (RE) and contractor which will include photographic evidence.

4. After the pumping station has been rehabilitated, the evaluation will include the updating of the baseline data to accurately determine the impact of the project, including the number of beneficiaries from irrigation water delivery.
5. As needed meeting of the Project Steering Committee to review the progress of the project

Reporting will be done as per the standard requirements as below:

- a) Annual narrative progress reports, to be provided no later than one month after the end of the applicable reporting period;
- b) Semi-annual financial reports as of 30 June and 31 December each year with respect to the funds disbursed to it from the UNDG ITF Account, will be provided no later than four months after the end of the applicable reporting period;
- (c) A final narrative report and financial report, after the completion of the Project and including the final year of the Project, will be provided no later than 30 April of the year following the financial closing of the Project;
- (d) A final certified financial statement will be provided no later than 30 June of the year following the financial closing of the Project.

Further to the above, FAO Iraq Office is hiring a CTA/Project manager for the project. He is being assisted by the FAO OIC Baghdad, National Project Coordinator and other national staff during the implementation of the project. The FAO staff in Iraq will be monitoring daily activities / problems, while the CTA/Project manager is involved in solving issues of technical, administrative and a financial nature.

Report on any assessments, evaluations or studies undertaken

This project is considered as a continuation of the project Improvement of Water Supply and Drainage Provisions Through the Rehabilitation of Pumping Stations, C5 – 02 (USD 25 million), under which eight pumping stations were completely or partially rehabilitated to restore them to full capacity from 2004 to 2008. FAO together with the MoWR gained valuable experience during the course of the implementation of this project in terms of identifying the needs, design, installation, operation and maintenance of pumping stations.

Further experience was also gained by FAO through the execution of another Irrigation Scheme rehabilitation project in Babylon Governorate. In this project (404) for Drain 22 and the surrounding irrigation project in Mussaiab, the pumping station was completely replaced, including all the civil construction of the pump house and intake/base structure, including the installation of the pumps and electrical, testing and commissioning.(Rehabilitation of pumping stations C5-02)

FAO also gained extensive experience in Iraq in assisting the water resources sector during the period of economic sanctions, under the “Oil for Food Programme” (UNSCR 986). Out of the total pumping stations existing in Iraq, approximately 181 pumping stations under the control of the MoWR, were served in a customized menu driven database programme.

1. A detailed survey of actions required for the rehabilitation of the approximately 125 pumping stations earmarked as priorities on the basis of their importance for the supply of water for human consumption, as well as for irrigation to strategically important agricultural areas.
2. Rehabilitation of pumping stations earmarked as priorities, through the local or international procurement of mechanical and electrical equipment and spare parts and their installation.
3. MoWR technical staffs, including governorate staff in charge of pumping stations, were trained in condition assessment and repair of pumping stations, and technical and administrative staff trained on contractual matters for major international procurement / service contracts.
4. Training of senior engineers and administrative staff
5. Key technical staff trained on GIS-linked database-management.

FAO can effectively utilize its experience not only in rehabilitating the selected irrigation infrastructure but also, applying lessons from previous assistance, by building beneficiary-user and institutional capacity for sustaining the maintenance of rehabilitated infrastructure and efficient utilization of water resources through user training and formation of Water User Associations (WUA) through the use of trained trainers that have undergone WUA training overseas

IV. Results

Provide a summary of Programme progress in relation to planned outcomes and outputs; explain any variance in achieved versus planned outputs during the reporting period.

There was no significant variance in relation to planned outcomes and outputs during the reporting period. However, there was a delay of about 12 months in the implementation because of the various parties involved in clearing the specifications of the pumps. This delay does not impact the outcomes and outputs of the project.

Report on the key outputs achieved in the reporting period including # and nature of the activities (inputs), % of completion and beneficiaries.

As the project's first two outcomes as listed below are dependent on the successful rehabilitation of the Abu Sabkha pumping station and restoration to full capacity, and as the project has another 6 months of operation, then the first two outcomes below will not be realized until the completion of the project. At the time of completion, FAO will conduct a full assessment and impact study, and during the next 6 months will address all capacity development issues as in the last two outcomes listed below:

1. Damaged pump station infrastructure rehabilitated/replaced 50%
2. 36,550 donoms of land brought back into production with assistance to 8,000 families 0%
3. Technical capacity of MoWR staff enhanced including technology transfer. 50%
4. Water Users' Associations (WUA) establishment feasibility study completed. 10%

The programme progress during the reporting period is as follows:

1.1 Procurement activities for the PS mechanical and electrical equipment (90% complete)

- The bid results for the PS mechanical and electrical equipment was received. 100%

- The bids were reviewed by MoWR and the independent AGST evaluation team. 100%
- Comments and clarification requests were received from both teams and sent to the supplier. 100%
- Clarifications were received from the supplier. 100%
- Both the MoWR and the independent AGST evaluation team issued their technical clearances. 100%

1.2 Procurement actions for the 1000 KVA generator (100% complete)

- Technical clearance of the 1000KVA generator specifications. 100%
- Tender issued. 100%
- AGST clearance of tender bids. 100%
- MoWR clearance of tender bids. 100%
- Purchase order issued. 100%

The other project outputs listed for the project concerning the inspections, installation and capacity building are dependent on the manufacture of the mechanical and electrical pumping equipment and will be undertaken in the next phase of the project and reported on in the subsequent 6 monthly reports.

Explain, if relevant, delays in programme implementation, the nature of the constraints, actions taken to mitigate future delays and lessons learned in the process.

The project implementation faced some delay from delay in transferring the committed funds (approximately 10 months) on one part and resulting in obtaining approval of the three related parties on the specifications of the equipments namely MoWR, CC and independent consultant and FAO.

List the key partnerships and collaborations, and explain how such relationships impact on the achievement of results

For this project FAO cooperated closely with the Iraqi Ministry of Water Resource (MoWR).

The MoWR's initial role was to select the project sites for rehabilitation and provide, where possible, the basic survey reports and technical dossiers for the works to be done. Later on, in collaboration with the MoWR, FAO ensured timely recruitment of project personnel including the Project National Coordinator (NPC) to coordinate project activities from Baghdad in collaboration with the MoWR counterparts.

Furthermore, the MoWR, through its line ministers in the concerned governorate, has been fully involved in FAO's procurement process, and will be responsible for the supervision of the installation of the mechanical and electrical equipment at the pumping stations, hence, responsibilities of the project implementation are in a certain sense co-shared with the MoWR.

As explained elsewhere in this document, the other international partner involved in this project is the original manufacturing company (OEM) from whom the equipment will be ordered and who will also contributed to the project by providing important technical trainings for the MoWR staff engineers and operators.

Other highlights and cross-cutting issues pertinent to the results being reported on.

- Security

As with previous pumping station rehabilitation works FAO has undertaken, full insurance to FAO standards up to the point of delivery and handover is the responsibility of the supplier, and is fully researched by FAO. Site security is the responsibility of GOI and to date they have been very effective with no serious incidents.

- gender equality

Women will receive irrigation infrastructure rehabilitation when the project will be completed. While transforming traditional farmer organizations into Water User Associations, women's participation will be ensured and women will be encouraged to be active members of the management team.

- human rights,

The project will ensure water security to all people within the irrigation project area. FAO does not discriminate within the beneficiary group as all will be addressed equally. This project is an infrastructure development project, and it addresses agriculture services.

- employment generation

Short term job opportunities will be created through employing the unskilled and skilled labour in irrigation infrastructure rehabilitation, and the increased delivery of water will lead to the cultivation of abandoned lands resulting in the creation of long term employment job opportunities in the rural sector, improving their income and livelihood. Regular access to water may also encourage schools and medical facilities to be established in the area.

- key environmental issues

In addition to other benefits expected by the rural labourers and working farmers, the project will improve the environment by enabling the recuperation of abandoned lands due to water logging and salinity. The emphasis will be given to improving the efficiency of water use to help avoid problems of salinity and water logging associated with excessive water use and inadequate provision for drainage. Provision of water to the irrigation area by rehabilitating the pumping station will help combat desertification and minimize the dust storms that occur almost daily due to the drought. The pumping stations are electrical, therefore no fuel or lubricants are used, and noise is limited.

V. Future Work Plan

Summarize the projected activities and expenditures for the following reporting period (1 January-31 December 2010), using the lessons learned during the previous reporting period.

The technical and commercial evaluations have been satisfactorily completed for the supply of the designated mechanical and electrical equipment for the PS and once the single source procurement formalities have been finalized, a purchase order will be issued to the OEM for manufacture of the

equipment and FAO will monitor the manufacturing process to ensure the manufacturing schedule is on time. (expected date of issuing PO is 31/3/2010)

After the main mechanical and electrical components have been manufactured, they will be witness tested at the OEM's factory by independent engineers to ensure all the major components conform to the specifications detailed in the tender document.

At approximately the same time as the witness testing, the training for the MoWR operators and maintenance personnel will be carried out at the supplier's factory.

A final pre export inspection will be made to ensure the correct quantities and that the packaging is to standard for large bulky equipment to be freighted without damage occurring to the vital components

Track the supply and delivery of the 1000 KVA generator, plus organize the training of the mechanical and electrical engineers.

Establish ToR for conducting feasibility study for a Water Users Association in consultation with MoWR and rural farming communities

Indicate any major adjustments in strategies, targets or key outcomes and outputs planned.

There are no major adjustments in strategies, targets or key outcomes and outputs as per the original project document and the project is progressing as planned.

VI. Performance Indicators

	Performance Indicators	Indicator Baselines	Planned Indicator Targets	Achieved Indicator Targets	Means of Verification	Comments (if any)
IP Outcome 1: Damaged pump station infrastructure rehabilitated/replaced						
IP Output 1.1: A detailed assessment of Abu Sabkha pumping station completed and technical requirements determined.	Technical specifications	Technical specification data drawn	Technical specifications in approved and in place	100%	MoWR and field survey	
IP Output 1.2: Tender approved and completion of contract awards for manufacturing and supply of mechanical and electrical equipment	P/O/ contract for equipment supply	BOQ from Detailed Pumping station survey	P/O/ contract for equipment supply in place	90%	Detailed survey as above	
IP Output 1.3: Factory inspection of equipment completed	Inspection Result	Factory inspection report	Inspection Result Completed	0%	Inspection Report	
IP Output 1.4: Delivery, training, and installation of equipment to restore Abu Sabkha pumping station to operate within efficiency norms which relates to capacity requirements for 4 spiral pumps each with a capacity of 1.47 m ³ /sec	Coordinate manufacture, inspection, delivery, installation and commissioning to confirm pumping operations are within a capacity of 1.47 m ³ /sec for the 4 pumps	Enhance food security and rural incomes, plus generate rural employment	Supply irrigation water to 36,550 donums of agricultural areas farmed by approximately 8000 families	0%	Completion and Handover reports, plus final evaluation	After pumping station equipment installation
IP Outcome 2: 36,550 donums of land will be brought back into production assisting 8,000 families to increase their livelihoods						

IP Output 2.1 Supply of water re-established to the irrigation command area.	Rehabilitate the pumping station to supply 1.47 m ³ /sec for the 4 pumps to the irrigation area and make water available for the total command area.	MoWR Pumping station data base indicates that the pumping station is currently non-functional.	Supply irrigation water to 36,550 donums of agricultural areas farmed by approximately 8,000 families	0%	Water available for the total command area.	After pumping station equipment installation
IP Outcome 3: Technical capacity of MoWR staff enhanced including technology transfer						
IP Output 3.1: MoWR staff trained on pumping station operations by supplier and contractor	Arrange contractual obligations of the supplier and organize the trainees travel and accommodation	Training Program and Results	MoWR engineers, operators and maintenance staff trained	30%	Pumping stations operational to full capacity	After pumping station equipment installation
IP Output 3.2: MoWR staff capacity building on procurement and technical specifications.	Arrange pumping station inspection with MoWR engineers to identify the mechanical and electrical equipment that requires replacement.	No previous training on screw type pumps.	Complete tender specifications and BoQ.	100%	Tender issued and evaluation completed	
IP Outcome 4: Water Users' Associations (WUA) establishment feasibility study completed.						
IP Output 4.1:	Establish ToR for conducting feasibility	Number of TOR and staff	TOR of WUA staff	10%	Acceptance of roles and	Will be conducted

Tasks and TOR for WUA	study in consultation with MoWR and rural farming communities.	established for WUA			responsibilities as outlined in TOR	during the next 3 months to September 2010
IP Output 4.2: Budget Feasibility study completed	Budget feasibility framework established	Budget feasibility study organized	Budget Feasibility Report	7%	Acceptance Report of budget requirements for WUA establishment	Will be conducted during the next 6 months to Dec 2010
IP Output 4.3: Security Feasibility study completed	Security feasibility framework established	Security feasibility study organized	Security Feasibility Report	5%	Acceptance Report of security requirements for WUA establishment	Will be conducted during the next 6 months to Dec 2010
IP Output 4.4: Feasibility results shared with stakeholders	FAO will hold a conference to share the results from the feasibility study.	Conference organized	The number of participants from MoWR, MoA, private sector, civil society organizations.	0%	Successful conference	Will be conducted during the next 6 months to June 2010

VII. Abbreviations and Acronyms

FAO	Food and Agriculture Organization of the United Nations
MoWR	Ministry of Water Resources
P.S.	Pumping Station
WUA	Water Users' Associations
CIF	Cost Insurance and Freight
MoA	Ministry of Agriculture
RE:	Resident Engineer
BoQ	Bill of quantities
CTA	Chief technical Advisor
OEM	Original equipment manufacturer
NPC	National Project Coordinator
PSC	Project Steering Committee