



[UNDG Iraq Trust Fund]

ANNUAL PROGRAMME¹ NARRATIVE PROGRESS REPORT

REPORTING PERIOD: 1 JANUARY – 31 DECEMBER 2009

Submitted by:

UNOPS

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Country and Thematic Area²

(when applicable)

Iraq- Baghdad

Governance Sector Outcome Team

Programme No: C9-22

MDTF Office Atlas No: 66952

Programme Title:

Assistance for the Establishment of the Secretariat for the International Compact with Iraq (Compact Secretariat)

Participating Organization(s):

UNOPS

UNAMI

Implementing Partners:

- Secretariat of the International Compact with Iraq
- International development partners - World Bank

Programme Budget (from the Fund):

USD 3,414,816

¹ The term “programme” is used for programmes, joint programmes and projects.

² E.g. Priority Area for the Peacebuilding Fund; Thematic Window for the Millennium Development Goals Fund (MDG-F); etc.

Programme Duration (in months): 12 months

Start date³: 10th October 2007

End date: June 2010

- *Original end date* 9th October 2008
- *Revised end date, if applicable* 30th June 2010
- *Operational Closure Date*⁴, if applicable:

Budget Revisions/Extensions:

- First Extension: 15 April 2009
- Second Extension: 31 December 2009
- Third Extension: 30 June 2010

List budget revisions and extensions, with approval dates, if applicable

³ The start date is the date of the first transfer of funds from the MDTF Office as Administrative Agent.

⁴ All activities for which a Participating Organization is responsible under an approved MDTF programme have been completed. Agencies to advise the MDTF Office.

Introduction:

The Narrative Progress Report template is in line with the UNDG Standard Progress Report.

Building on continued efforts made in the UN system to produce results-based reports, the progress report should describe how the activities (inputs) contributed to the achievement of specific short-term outputs during the twelve month reporting period, and to demonstrate how the short-term outputs achieved in the reporting period collectively contributed to the achievement of the agreed upon outcomes of the Strategic (UN) Planning Framework guiding the operations of the Fund⁵.

In support of the individual programme reports, please attach any additional relevant information and photographs, assessments, evaluations and studies undertaken or published.

The information contained in the Programme Summaries and Quarterly Updates prepared by the Participating Organizations may be useful in the preparation of the Annual Narrative Progress Report. These Summaries and Updates, where applicable, are available in the respective Fund sections of the MDTF Office GATEWAY (<http://mdtf.undp.org/>).

Formatting Instructions:

- The report should not exceed 10-15 pages.
- The report should be submitted in one single Word or PDF file.
- Annexes can be added to the report but need to be clearly referenced, using footnotes or endnotes within the body of the narrative.
- Do not change the Names and Numbers of the Sections below.

NARRATIVE REPORT FORMAT

I. Purpose

- Provide the main outputs and outcomes/objectives of the programme.

Main Objectives:

1. Provide policy, program, technical and administrative support for the implementation of the International Compact with Iraq (ICI) by the identification and contracting of an external management company. The company will

⁵ E.g. in the case of the MDG-F, it is important to show how the programme relates to the UNDAF and how it aims to support national development goals, including the Millennium Development Goals. The causal links and rationale between the joint programme, the thematic window of the MDG-F and the MDGs should be clearly stated. In the case of the Peacebuilding Fund's Peacebuilding and Recovery Facility (PRF), show how the programme relates to the PBF Priority Plan's objectives. For the UNDG Iraq Trust Fund, explain how the programme relates to the UN Assistance Strategy for Iraq, UN MDGs, ICI, NDS, etc.

- I. Establish and manage the Administrative and Technical Support Unit
 - II. Provide procurement support to the Unit in terms of identifying and contracting consultants (4) in the relevant fields to shadow/ mentor the government staff seconded
 - III. Select consultants to support the Secretariat administratively and technically on a short term basis as requested by the Secretariat Director
 - IV. Work with the Compact Steering Committee to develop a programme/ project pipeline
2. Support the selected service provider by acting as a liaison with other UN agencies, development partners and any other relevant stakeholders.

Outcome:

Effective, accountable and sustainable Iraqi mechanism for policy planning, program design, monitoring and evaluation to support the implementation of the International Compact with Iraq

Outputs:

- Definition of Management Company ToR by UN and development partners and agreement to these by the Secretariat Director and Compact Steering Committee
- Successfully implemented Management Company procurement process in line with UN procurement procedures
- Engagement of selected company, according to UN and UNOPS procedures, by UNOPS to provide the required consultancy services as defined in the approved ToR
- Support to the Administrative and Technical Support Unit from one full time management consultant and activities as defined in the ToR for the Secretariat
- Recruitment of Management Consultants (pool of experts) with the specific skill sets as defined in ToRs to be responsible for “shadowing” the Programme Officers seconded from the GoI (Deputy Minister/ DG) sit in PPU
- Necessary skills have been put in place to ensure Iraqi management of the Secretariat in line with the pre-defined transition arrangements through the work of the Management Consultants together with the GoI Secretariat Organisation
- Assigned UNOPS project manager to act as liaison with other stakeholders and facilitate coordination between this project and complementary projects managed by other agencies.
- Explain how the Programme relates to the Strategic (UN) Planning Framework guiding the operations of the Fund.

The International Compact with Iraq (ICI) is an initiative led by the GoI towards partnership with the international community. The goal is to move Iraq in the direction of peace and prosperity through a medium term action program which encompasses socio-economic, political and security areas. Through the Compact, the government, in collaboration with the international community, is expected to achieve a range of policy objectives in support of a National Vision, as outlined in the ICI documentation and Joint Monitoring Matrix (JMM).

This project relates to the UN governance sector strategy in the strengthening of public institutions and other entities to operate effectively and efficiently and in accordance to the

principles of sustainable development. In this manner the project's objectives, outputs and activities will be guided by the following conceptual documents:

- International Compact with Iraq;
- Draft National Development Strategy 2007-2010;
- Joint Programming Action Plan (JPAP) 2007-2010.

The interim 2011 MDGs are at the heart of the Compact and constitute not only benchmarks for measuring progress but key criteria for measuring success of the entire endeavour.

II. Resources

Financial Resources:

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

n/a

- Provide details on any budget revisions approved by the appropriate decision-making body, if applicable.
 - First Extension: 15 April 2009
 - Second Extension: 31 December 2009
 - Third Extension: 30 June 2010 (Extension of project duration and movement of funds between project budget components).

The rationale for the extension of this project is to continue to provide support to the National Development Plan for the GoI. The project extension will provide an extended timeline and a reallocation of funds to ensure that consultants continue supporting the development of the NDP as requested by the Ministry of Planning and the Resident Coordinator's office; the mechanism has been recognised as superseding the function of the ICI Secretariat.

- Provide information 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.

In general, the financial process with the UNDG-ITF is very well managed as funds for newly approved projects are transferred in a few days after the official signature of the Project Document. There are no real bottlenecks and currently budget revisions are processed quickly. Moreover, the financial reporting on an annual basis facilitated the process compared to the previous practice of semiannual financial reporting. The on line reporting portal used for financial reporting of all the Multi Donor Trust Fund projects also helped improve the quality of reporting.

Human Resources:

- National Staff: Provide details on the number and type (operation/programme).
- International Staff: Provide details on the number and type (operation/programme)
Project Manager 1 (charged at 50%)

III. Implementation and Monitoring Arrangements

- Summarize the implementation mechanisms primarily utilized and how they are adapted to achieve maximum impact given the operating context.
 - UNAMI proposed the engagement of an external management consultancy to overcome the limitations of the UN Baghdad “ceiling” and to increase flexibility of movement for the consultants.
 - UNOPS coordinated with the Secretariat, UNAMI and WB in drafting the project proposal and in developing the Terms of Reference for the procurement process.
 - UNOPS liaises closely with the UNAMI focal point and with the Secretariat team.
 - UN ceiling for Baghdad precludes the continued presence of the Project Manager, back stopping is provided by UNAMI and UNOPS Deputy Director in Baghdad.
- Provide details on the procurement procedures utilized and explain variances in standard procedures.
 - UNOPS standard procurement practices were employed in the selection and contracting of an international management consultancy (Request for Proposals), no variances took place.
 - Terms of Reference within the RFP were reviewed by the GoI and by International Development Partners.
 - The RFP was published on the UNOPS website, and companies known to have the relevant expertise and operational capacity inside Iraq were alerted.
 - Evaluation was observed by a representative from UNAMI.
 - Future recruitment and procurement is incorporated in the contract – with all final selections requiring approval of both UNAMI and UNOPS in addition to the contractor (CTG Global) and with the tacit consent of the ICI Secretariat.
- Provide details on the monitoring system(s) that are being used and how you identify and incorporate lessons learned into the ongoing project.
 - The consultants selected had a defined reporting schedule.
 - Reports and all substantive documentation will be provided to UNOPS and to UNAMI.
 - UNAMI will assess progress and provide quality assurance.
 - Input of technical experts into ICI products (annual review, midyear review, achievement of benchmarks), is documented.
 - Lessons learned fed back into the project as new consultants were deployed. E.g. cost for flights would not be included in a daily fee but at price, as numbers of days in country could vary.
- Report on any assessments, evaluations or studies undertaken.
 - An informal three month review took place in March 2008 by UNAMI and UNOPS
 - ICI annual review was used to gauge project progress.

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.

Output 1

- Further to the agreed restructuring on this project to provide expertise to specific Prime Minister's Advisory Council (PMAC) Advisors, the GoI identified a number of focused areas of support for which they requested that the resources of the project be used. These areas of support were identified through a consultative process led by the Director of the ICI Secretariat as the shape and direction of the ICI changed during the year,. Through these interventions, the UN was able to provide technical support to key national processes. This included:
 - *Support to the ICI Secretariat:* Two consultants continued to be deployed to support the Prime Minister's Advisory Board / ICI Secretariat on Agriculture and Water.
 - Support to the National Development Plan (NDP): Two senior national specialists were engaged to support the development of the NDP. Upon request by the GoI, the project also provided targeted logistics support to the organization of the major NDP Conference in Erbil in November 2009.
 - Support to the Common Country Assessment/United Nations Development Assistance Framework (CCA/UNDAF) : The UN, taking its cue from the GoI and its production of the first ever medium term national development plan, undertook a complementary process to produce the Common Country Assessment. The was followed by the development of the first ever UNDAF for Iraq. The data and analysis developed for the CCA were linked to the sectoral analyses undertaken for the NDP, thereby ensuring alignment and harmonisation of evidence based planning between the NDP and the UNDAF. To ensure consistent GoI engagement and ownership of both processes, the project provided two consultants (a senior specialist and an editor) as well as transportation /logistics support for Iraqi participation in the various workshops and consultations comprising the process.

Output 2

- The project manager liaised with the stakeholders as required. This included meetings with the ICI Secretariat, MoPDC, PMAC, PMAB, WB, NDP planning committee and UNAMI. Meetings were held in Baghdad with the GoI or in Amman, Jordan with UNAMI.
- Report on the key outputs achieved in the reporting period including # and nature of the activities (inputs), % of completion and beneficiaries.

Output 1 Provide policy, program, technical and administrative support for the implementation of the International Compact with Iraq (ICI) by the identification and contracting of an external management company.	
1.1 Definition of Management Company ToR by UN and development partners and agreement to these by the Secretariat Director and Compact Steering Committee	Completed 100%
1.2 Successfully implemented Management Company procurement process in line with UN procurement procedures	Completed 100%
1.3 Engagement of selected company, according to UN and UNOPS procedures, by UNOPS to provide the required	Completed 100%

consultancy services as defined in the approved ToR	
1.4 Support to the Administrative and Technical Support Unit from one full time management consultant and activities as defined in the ToR for the Secretariat	Completed 90% On-going
1.5 Recruitment of Management Consultants (pool of experts) with the specific skill sets as defined in ToRs to be responsible for “shadowing” the Programme Officers seconded from the GoI (Deputy Minister/ DG) sit in PPU	Completed 80% On-going
1.6 Necessary skills have been put in place to ensure Iraqi management of the Secretariat in line with the pre-defined transition arrangements through the work of the Management Consultants together with the GoI Secretariat Organisation	Completed 80% On-going
<u>Output 2</u> Support the selected service provider by acting as a liaison with other UN agencies, development partners and any other relevant stakeholders	
2.1 Assigned UNOPS project manager to act as liaison with other stakeholders and facilitate coordination between this project and complementary projects managed by other agencies.	Completed 95% On-going

Activities:

UNOPS, together with other relevant stakeholders, defines ToRs for the external management company. These TORs were approved and agreed upon by the ICI Secretariat General. UNOPS then followed best practice procurement rules and procedures by publishing an Expression of Interest (EoI) on UN/ UNOPS website. Companies with proven and current Iraq experience and relevant expertise to EoI were alerted and a Request for Proposals was issued to potential contracting companies based on positive responses to the EoI.

The RFP evaluation was conducted by UNOPS with the participation of the ICI Secretariat and UNAMI. A management consultancy was selected based on the evaluation.

The engaged management consultancy company identified one consultant to work with the Administrative and Technical Assistance Unit to establish Secretariat activities, as defined in the Compact Secretariat ToR. The management consultancy company then waited for notification from UNAMI, UNOPS and the ICI to engage the expected pool of consultants to “shadow” the Programme Officers seconded from the relevant GoI ministries to the PPU on a part time basis. This notification took nearly 12 months and saw an agreed change in scope to support the ATU and PPU as well as the PMAB/C. Two consultants were specifically identified to support Agriculture and Water policy development. This selection was undertaken in consultation with other stakeholders (UNDP/ WB/ Danish Government) who also contracted to provide expert advisors to the PPU. The advisors provided the PMAC with an overview of current GoI strategies and recommendations for areas which required improvement. The Agriculture Advisor presented his findings in a meeting attended by his counterparts and UNOPS, where information on required accession to the World Trade Organisation (a key

economic goal for the GoI) was provided relating to agriculture specifically.

The GoI and UNAMI also selected Public Sector Modernisation Experts to develop the framework for a public sector modernisation programme. While the PMAB consultants mentored the GoI officials to try to ensure that activities developed were in line with the overall Compact Secretariat objectives and principles, the Public Sector Modernisation consultants co-developed a strategy with the GoI for a broader framework required for the review of the public sector. This strategy focuses primarily on the de-centralization of the GoI structures and the requirement for developing new and best practice policies.

UNOPS assigned a part-time Project Manager to follow and monitor the implementation of the project, and initiate corrective action when required. The Project Manager established links with other stakeholders (UN, development partners) through regular meetings in Baghdad and followed up on specific project activities / outcomes to ensure quality of service and timely delivery. This included (amongst other activities) ensuring correct invoicing of the management consultancy, time sheets for consultants, and review of costs of charges to ensure competitive pricing.

- 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 objectives as per the original proposal were not fully achieved because the ICI Secretariat structure initially envisaged in the Secretariat TORs was not realized by the GoI counterparts. Subsequently, the Compact Secretariat was restructured with the Policy Planning Unit being relocated to the Prime Minister's Advisory Council/ Board (PMAC/B) and the Administrative and Technical Unit remaining with the Deputy Prime Minister until August 2009. The lead for the ICI Secretariat was then transferred to the Ministry of Finance, but with physical locations remaining the same.

Subject to the approved change of provision of expertise within the project (output 1.5) in line with the changed GoI structure, the project is successfully deploying consultants. Due to the changes in security management of the International Zone, obtaining visas and identification badge issuing for consultants has been problematic and very time consuming.

A key lessons learned in this process is that it is critical to have GoI take greater ownership of the establishment of development benchmarks with both the provision of an empowered representative capable of having the authority to make decisions as well as one physical space from where to operate.

- List the key partnerships and collaborations, and explain how such relationships impact on the achievement of results.
 - UNOPS was guided by UNAMI and other international development partners such as the World Bank and EC in the development and implementation of this project.
 - UNOPS' contractor, CTG Global, has established links with the relevant partners including the ICI Secretariat, as well as international development partners such as the World Bank and EC. Activities undertaken by the consultants are in line with the ICI Secretariat/ NDP work plan.

- The Secretariat of the ICI, as the GoI counterpart in this project, has been a key partner in this project. The Secretariat team were involved in the planning and implementation at all stages relevant to the PMAC, PPU, ATU, PMAB and ICI. However, as the ICI was no longer seen as the main mechanism for benchmarking GoI targets, their engagement was less relevant.
 - UNAMI, as co-chair of the Executive Committee of the Secretariat, are actively involved in the activities of the Secretariat and will continue to provide quality assurance on project activities. In addition, UNAMI acted as a focal point with the MoPDC and NDP.
 - The World Bank, as co-chair of the Technical Committee, are consulted by the project as an advisory agency on a regular basis.
 - UNOPS liaised closely with the UNAMI focal point and with the Secretariat team on the provision of consultants and the development of the Secretariat benchmarks. The UN ceiling for Baghdad precludes the continued presence of the Project Manager in country, and backstopping is provided by UNAMI. This backstopping support helps to improve coordination as well as information flow on project activities.
- Other highlights and cross-cutting issues pertinent to the results being reported on.

Due to the internal GoI debate over how and where the ICI Secretariat should be managed (housed), there has been no direct employment creation as GoI representatives were seconded by other ministries. As the ICI itself refers to the improvement of security, gender, human rights and employment and its successful benchmarking provides a measure for improvement in these areas, the Secretariat is a valuable tool in approving all cross cutting issues without having a direct impact.

V. Future Work Plan (if applicable)

- 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 work plan consists of the deployment of two experts until the end of the project and the beginning of the next phase of support to the Government of Iraq and the National Development Plan structure. Specifically it continues to support to the Public Distribution System in relation to the NDP and a transition and stabilization advisor for the NDP and the likely changes in Government following the March 2010 Elections.

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

As the ICI Secretariat was no longer offered the support by the GoI as envisioned at the beginning of this project, the focus changed to the GoI bodies that agreed to provide the same or similar function but with different title (i.e. PMAC/PMAC/ ATU/ NDP/ MoPDC.)

VI. Performance Indicators (optional)⁶

- Fill the table in this section to report on the indicators set at the output level as per the approved results framework in the programme document.

VII. Abbreviations and Acronyms

- List the main abbreviations and acronyms that are used in the report.
 - ATU - Administration and Technical Unit.
 - CCA – Common Country Assessment
 - D/PM - Deputy Prime Minister.
 - EC - European Commission.
 - ICI – International Compact with Iraq.
 - IZ - International Zone, Baghdad, Iraq.
 - MoPDC – Ministry of Planning Cooperation and Development.
 - NDP – National Development Plan
 - PPU- Policy and Planning Unit.
 - PMAC – Prime Minister’s Advisory Council
 - PMAB – Prime Minister’s Advisory Board
 - UNDAF – United Nations Development Assistance Framework
 - WB – World Bank.

I. Performance Indicators assessment

	Performance Indicators	Indicator Baselines	Planned Indicator Targets	Achieved Indicator Targets	Means of Verification	Comments (if any)
IP Outcome 1 Provide policy, program, technical and administrative support for the implementation of the International Compact with Iraq (ICI) by the identification and contracting of an external management company.						
IP Output 1.1	Indicator 1.1 Definition of Management Company ToR by UN and development partners and agreement to these by the Secretariat	No management company ToRs.	Confirmation of company ToRs.	ToRs agreed.	ToRs issued publicly.	

⁶ E.g. for the UNDG Iraq Trust Fund and the MDG-F.

	Director and Compact Steering Committee					
	Indicator 1. 2 Successfully implemented Management Company procurement process in line with UN procurement procedures	No management company recruited.	Management company selected & contracted.	Management company selected & contracted .	Signing of contract.	
	Indicator 1. 3 Engagement of selected company, according to UN and UNOPS procedures, by UNOPS to provide the required consultancy services as defined in the approved ToR	No management company engaged	Management company engaged according to all of ToRs	Management company engaged according to part of ToRs	Successful deployment of all proposed consultants.	
	Indicator 1.4 Support to the Administrative and Technical Support Unit from one full time management consultant and activities as defined in the ToR for the Secretariat	No consultant deployed	Consultant deployed	Consultant deployed	Physical deployment of one consultant	
	Indicator 1.5 Recruitment of Management Consultants (pool of experts) with the specific	No pool of experts	Recruitment of pool of experts	Recruitment of specific experts in Public Policy, Agriculture		

	skill sets as defined in ToRs to be responsible for “shadowing” the Programme Officers seconded from the GoI (Deputy Minister/ DG) Sit in PPU			e, PDS and Water		
	Indicator 1.6 Necessary skills have been put in place to ensure Iraqi management of the Secretariat in line with the pre-defined transition arrangements through the work of the Management Consultants together with the GoI Secretariat Organisation	No skills in place for successful management of ICI Secretariat	Skills in place for successful management of ICI Secretariat	Skills for successful management challenging to transfer as no specific ICI Secretariat exists.		
IP Outcome 2 Support the selected service provider by acting as a liaison with other UN agencies, development partners and any other relevant stakeholders						
IP Output 2.1	Indicator 2.1 Assigned UNOPS project manager to act as liaison with other stakeholders and facilitate coordination between this project and complementa	No PM assigned	PM assigned	PM assigned	Physical presence of PM	As references above the PM has facilitated meetings and dialogue between UNAMI, ICI, NDP, and UNCT

	ry projects managed by other agencies.					
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