



COMPLETION REPORT FOR PROJECT: STRENGTHENING URBAN SECTOR THROUGH BUILDING CAPACITIES IN MUNICIPAL PLANNING AND MANAGEMENT – E4-11

Summary

Participating UN Organisation:
UN-HABITAT

Cluster:
Cluster E - Infrastructure Rehabilitation

Project No. and Project Title:
E4-11 Strengthening Urban Sector through Building Capacities in Municipal Planning and Management

Project Location/Region/Province:
Ministry of Municipalities and Public Works Headquarters in Baghdad and Erbil and Basra Governorates.

Reporting Period:
November 2004 to December 2006

Report Number:

Counterpart organisations / implementing partners:
Ministry of Municipalities and Public Works
UN Economic and Social Commission for Western Asia (UN ESCWA)

Project cost:
Project cost at approval --- \$2,550,216.
Project cost at completion --- \$2,550,216.

Abbreviations and acronyms:
MMPW: Ministry of Municipalities and Public Works

Project Duration:
The project was formally approved in September of 2004. The original project completion date was November 2005. An extension was approved to December 2006.

I. Purpose

Main objectives and outcomes expected as per approved Project/Programme/project document:

The key immediate objectives of the project were to:

1. Strengthen capacities at municipal and national level for good urban governance and municipal management.
2. Strengthen municipal management and finance.
3. Introduce modern concepts of Urban Planning and City Development Strategies at municipal level, including land management.
4. Promote new and more efficient approaches in urban infrastructure management by encouraging Public-Private Partnerships (PPP's) for urban infrastructure and service delivery, operation and maintenance.
5. Lay the groundwork for the reform of Iraqi urban and land management and municipal finance laws, policies and programmes.

The expected outcomes of the project were:

1. Improved understanding among ministry and municipal officials of modern municipal management and urban planning practices and procedures and the potential role of public private partnerships to deliver local services.
2. Government approval and support for the implementation of action plans for the reform of urban and land management and municipal finance related laws, policies and programmes.
3. Central and local government officials with improved management, urban planning and policy development skills.

Reference to how the programme/project related to the UN Assistance Strategy to Iraq and how it aimed to support Iraq national development goals and the Millennium Development Goals:

The project contributed to the UN Assistance Strategy for Iraq in the following way:

The project was linked to UN Assistance Strategy's third objective which is to strengthen institutional and governance capacities and human security within the country through the creation of an improved policy, legal and institutional capacity across all actors (state, private sector and community groups) for urban planning, management and governance.

The Project contributed to the following UN Millennium Development Goals (MDG):

Goal 2. The promotion of gender equality and the empowerment of women.

Goal 7. Ensure environmental sustainability

The Project contributed to the following Iraq National Development Goals:

The goals of implementing fiscal decentralization and the devolution of planning responsibility to local and regional governments; of improving the quality of life through institutional strengthening for the provision of basic services; and the promotion of private sector led implementation of community projects.

Project Management Arrangements

An international expert and a project assistant were engaged to implement and manage the project. They were based in the Amman office and were assisted by four UN-HABITAT Iraqi staff based in Baghdad and Erbil. Financial management and administrative support were made available by staff from the Amman office and UN-HABITAT's headquarters in Nairobi.

All project activities were designed and carried out in close collaboration with senior officials from the Ministry of Municipalities and Public Works and the Governorates and Municipalities of Basra and Erbil. ESCWA delivered some customised Management Skills Training through its offices in Beirut. The University of Jordan also delivered customised Urban Planning Training while a private company, Infograph, delivered GIS training to ministry and municipal officials.

UN-HABITAT partnered with an International NGO (Architects for People in Need) to:

- Carry out a feasibility study regarding Public Private Partnerships in Erbil;
- Raise general awareness on PPPs for the delivery of municipal services; and
- Identify appropriate approaches for PPPs for the delivery of local services.

UN-HABITAT also partnered with the University of Newcastle in the U.K. to guide the research work of a number of Iraqi consultants and to complete the preparation of the State of Iraq Cities Report.

The implementation of the project's technical assistance and capacity building activities was guided by the following principles:

- Full understanding and support of GoI partners regarding the contents and structure of courses, scope of advisory services, and organizational arrangements;
- Use of Iraqi professionals and institutions whenever available with sufficient technical expertise and consulting experience;
- Use of Arabic speaking international consultants;
- Emphasis on exposure to good practices in the Middle East region, which were more contextually relevant for Iraq;
- Seeking opportunities to create or strengthen 'in country' capability for capacity building and technical advisory services in the medium and longer term; and
- Overall cost effectiveness

The project's training activities used the following approaches:

- Making use of 'off the shelf' training packages from reputable institutions which met the Iraqi needs.
- Outsourcing training on turnkey basis to reputable training service providers on a competitive basis.
- Outsourcing training to institutions or other UN agencies that deliver specialized courses, and are open to customizing them in line with Iraqi and UN-HABITAT requirements (e.g. ESCWA for Management Skills Training). Organization and logistics were the responsibility of the training service provider.

Technical assistance was mostly provided through engaging Arabic speaking international consultants to work with a team of over 20 local Iraqi consultants. Frequent orientation and review meetings were organized between the two groups in Amman, Jordan to ensure that the project activities were completed on time and to an acceptable technical standard.

UN-HABITAT's standard administrative, financial management and procurement systems and procedures were used throughout the project and regular six month progress reports were submitted to the UNDG ITF.

II. Resources

Total approved budget and summary of resources used for the programme/project from the UNDG Iraq Trust Fund (and non-Trust Fund resources where applicable):

UNDG ITF funds received.

UN-HABITAT received \$2,550,216 to implement the project. Detailed project expenditures and budget revisions are contained in Annex 2 to this report. Proposed revisions to the project budget were approved on May 21, 2007. The revisions concerned changes in proposed expenditure lines. The budget total remained unchanged.

Several deviations from the original proposed budget expenditures were necessary. These were as follows:

- The number of national staff needed in Baghdad, Erbil and Amman were greater than originally estimated.
- Additional Iraqi consultants had to be engaged because the MMPW was unable to follow through on its commitments to assist with data collection and survey work.
- More time than originally estimated was required by international consultants to guide the work of the Iraqi consultants.
- More training events were provided than originally proposed at the request of the MMPW. Training expenses were also higher because of the increased number of participants.
- Close to \$100,000 in data processing equipment was considered by the Ministry to be unnecessary after the project got underway.
- The cost of office supplies and furniture was greatly over estimated.
- New vehicles were not purchased for use by the project. Older vehicles purchased under the Oil for Food programme were repaired and used instead.

The Ministry of Municipalities and Public Works contributed \$385,000 toward the preparation of the State of Iraqi Cities Report which was one of the main project activities.

Human Resources

The project employed 1 international planning/local government expert (L5 level), one project assistant in Amman and 4 Iraqi project officers in Baghdad and Erbil. Various UN-HABITAT administrative, financial management and logistical staff from offices in Amman and Nairobi were also charged against the project on a part time basis.

Project Assets

Close to \$250,000 in personal computers, GIS software and map plotters were purchased through a competitive tender process and given to the Ministry of Municipalities and Public Works in Baghdad. They are now being used by Ministry staff in Baghdad, Basra and Erbil.

III. Results

An assessment of the extent to which the programme/project component / programme /project has achieved the outcomes and outputs expected

Ten major project reports were completed in collaboration with Ministry officials. These included:

1. A State of Iraqi Cities Report
2. An Action Plan for the Reform of Urban and Land Management
3. An Action Plan for the Reform of Municipal Finance Related Laws, Policies and Programmes
4. Review of Existing Laws, Policies and Programmes in Urban and Land Management
5. International Best Practices in Urban and Land Management Reform
6. Local Government Organization in Basra & Erbil
7. Planning and Development Control in Basra & Erbil
8. A City Development Strategy for Basra & Erbil
9. Improving Municipal Financial Management in Basra & Erbil
10. Establishing Public Private Partnerships for the Delivery of Municipal Services in Erbil

These reports and the consultative process that was used to prepare them together with various related training and study tour initiatives enabled well over 100 Ministry officials to develop a good understanding of the fundamental changes that are necessary in the way in which Iraqi cities are planned and managed.

Complete log frame results matrix comparing results foreseen and those achieved and attach as annex 1.

Main activities undertaken and achievements/ impacts:

The project was completed with the publication of 10 final project reports. These had all been reviewed and approved by central and local government project stakeholders at consultation meetings that were held in May of 2006.

The completed activities included 5 main national level initiatives involving the MMPW and 7 initiatives in the municipalities of Basra and Erbil. The national level initiatives included:

- Training to over 40 MMPW staff in urban planning methods, GIS and a local government and study tour to Egypt.
- Purchase of \$250,000 in computer hardware and GIS software for ministry planners and mapping specialists.
- A review of best practices in urban and land management from other countries, a critical review of the Government of Iraq's urban and land management policies and programs and the preparation of an action plan for their updating and reform.
- A review of best practices in municipal financial management and budgeting from other countries, a critical review of Iraq's municipal finance related policies and programmes and the preparation of an action plan for their updating and reform.
- The preparation of a 'State of Iraqi Cities Report' involving an analysis of development conditions in 6 cities and the completion of more general urban profile reports for an additional 12 cities.

The municipal level initiatives included

- Providing training to over 50 selected staff from Erbil and Basra in municipal management and urban planning.
- Purchasing computer hardware and GIS software for 10 municipal planners and mapping specialists.
- Documenting existing municipal conditions and developing recommendations for strengthening the municipal governments in Erbil and Basra and the training of municipal staff.

- Documenting existing municipal financial management and budgeting systems in Erbil and Basra and developing recommendations for their improvement.
- Documenting existing municipal planning and development control procedures and developing recommendations for their improvement.
- Developing terms of reference for the preparation of city development strategies in Erbil and Basra to be prepared during Phase 2 of the Project.
- Determining the feasibility of establishing demonstration projects in Erbil to illustrate the benefits of using public private partnerships to deliver municipal services.

The completion of these activities led to the achievement of the planned project outcomes which as mentioned in Section 1 included:

- Improved understanding among ministry and municipal officials of modern municipal management and urban planning practices and procedures and the potential role of public private partnerships to deliver local services.
- Government approval and support for the implementation of action plans for the reform of urban and land management and municipal finance related laws, policies and programmes.
- Central and local government officials with improved management, urban planning and policy development skills.

All of the project outputs were completed with the publication of the 10 final project reports and delivery of the urban planning, GIS and municipal management training activities that were contained in the original work plan.

Implementation constraints, lessons learned from addressing these and knowledge gained from assessments, evaluations and studies that have taken place during the project:

The performance of Iraqi consultants was generally found to be below standard. This was because of their limited professional experience and lack of relevant educational qualifications. It was very difficult to find suitably qualified and available Iraqi consultants in municipal finance, urban management and city planning.

The stakeholder consultation meetings had to be conducted in Amman because of security concerns, resulting in higher than originally estimated costs.

The research conducted by the project consultants' revealed deep-seated conflicts and problems of coordination between municipalities and governorates in the delivery of local government services. These can only be resolved through a clear allocation of powers and responsibilities between the two levels of government.

Local government staff and elected officials are ill equipped to carry out their responsibilities. They need extensive management and technical training in all areas.

Planning and financial management and budgeting functions are highly centralized. Municipal responsibilities in these areas are minimal.

Municipalities are usually defined as the local level of government with mandated powers and responsibilities, headed by an elected council and served by municipal staff. Under this definition there are no municipalities in Iraq. Municipal administrations are units of the central government much like in the former Soviet republics. They are not autonomous, transparent or accountable. Municipal councils were first elected in most areas in 2001. They have no executive powers. They cannot hire or fire staff. They have no role in the budget process. They act like advisory bodies and are largely ineffectual.

Key partnerships and inter-agency collaboration, impact on results:

A number of partnerships and contracting arrangements were organized to carry out the project. These included:

1. Arranging a cooperation agreement with ESCWA to design and deliver the management skills training in Beirut.
2. Contracting an International NGO (Architects for People in Need APN) to carry out feasibility studies on Public Private Partnerships, raise general awareness on PPP for the delivery of municipal services, and identify contextually appropriate approaches for PPP for Municipal Services
3. Contracting the University of Newcastle as the Lead Author for the State of Iraq Cities Report.
4. Contracting the University of Jordan to deliver the urban planning training in Amman.
5. Contracting a Jordanian private sector training company, Infograph, to provide the GIS training in Amman.

The partnerships and contracting arrangements worked effectively. All training events were highly rated by the Iraqi participants.

Highlights and cross cutting issues pertinent to the results e.g. gender disaggregation, policy engagement and participation of the public:

Gender: There were no planned project results for gender but efforts were made to ensure the collection of disaggregated gender data and that both women as well as men were selected to participate in the training and consultation events.

Human Rights: There were no planned project results for human rights.

Employment: There were no planned project results for employment. The project had a capacity development and policy development focus.

Environment: There were no planned project results for environment.

Capacity Building: The project made a major contribution to capacity building among senior and professional staff working in the Ministry of Municipalities and Public Works' head office and Erbil and Basra offices.

IV. Follow up actions and sustainability

Priority actions that should be supported/implemented following completion of project to build on achievements and partnerships rectify shortcomings encountered and use the lessons learned during the project with strong emphasis on achieving sustainability of the outcomes:

A project proposal for a second phase of the urban strengthening project was approved by Cluster E. It has a budget of \$6 million and is waiting for future funding. A second project (with a budget of \$2 million) that includes assistance with the establishment of a national municipal association and technical training for MMPW planners has been recently approved by the ISRB. Funding is available for this project through the UNDG ITF.

Indication of major adjustments in the strategies, targets or key outcomes and outputs:

Explain here any significant adjustments that had to be made and compare final outcomes and outputs with those originally foreseen

The outcomes and outputs proposed by the original project document were based on a budget of over \$8 million. At the very final stage of approval, the project budget was arbitrarily reduced to \$2,550,216 on the understanding that the outputs and project activities would have to be revised and scaled down. The understanding at the time was that the \$2.5M budget would allow for the completion of a Phase 1 of the Project with a Phase 2 to follow in subsequent years when additional funding became available.

Based on the above, the outputs were revised as follows:

- Training plan for staff from 6 municipalities and MMPW scaled down to staff from MMPW and 2 municipalities – Erbil and Basra
- New and improved planning systems in 6 municipalities scaled down to new planning systems and procedures designed for 2 municipalities
- Municipal capacities and management systems improved in 6 municipalities scaled down to improved municipal management capacities and systems for 2 municipalities
- The preparation of urban sector profiles for six cities changed to the preparation of a more comprehensive State of Iraqi Cities Report based on detailed surveys in six cities and more general profiles in another 12 cities.
- Preparation of strategic planning frameworks for 6 municipalities changed to frameworks for the preparation of city development strategies in 2 municipalities

Estimated Budget required:

No additional funding beyond the finally approved budget was required to complete the project

Annex 1 Key Performance Indicators – Log Frame Matrix

Objectives	Measurable indicators	Means of verification	Outcomes
<p>Development Objective:</p> <p>The Iraq Ministry of Municipalities and Public Works better able to develop and implement new urban sector policies and programmes</p>	<p>Number and scope of changes to existing policies and programmes.</p>	<p>Annual ministry reports and stakeholder surveys.</p>	<p>It will take a few more years before the expected project outcomes become apparent.</p>
<p>Immediate Objectives:</p> <p>1. Strengthen capacities at municipal and national level for good urban governance and municipal management.</p> <p>2. Strengthen municipal management and finance.</p> <p>3. Introduce modern concepts of Urban Planning and City Development Strategies at municipal level.</p> <p>4. Promote new and more efficient approaches in urban infrastructure management by encouraging Public-Private Partnerships (PPP's).</p> <p>5. Lay the groundwork for the reform of Iraqi urban and land management and municipal finance laws, policies and programmes.</p>	<p>Number of officials participating in training events and project consultations.</p> <p>Number of project reports approved by the MMPW</p>	<p>Comments made at stakeholder consultation sessions.</p> <p>Evaluation reports of training events.</p> <p>MMPW approval of project reports.</p>	<p>1, 2, 3 Improved understanding among ministry and municipal officials of modern municipal management and urban planning practices and procedures and the potential role of public private partnerships to deliver local services.</p> <p>Central and local government officials with improved management, urban planning and policy development skills.</p> <p>4 Municipal officials in the MMPW and Erbil supportive of plans to establish public private partnerships for the delivery of local services.</p> <p>5 Government approval and support for the implementation of action plans for the reform of urban and land management and municipal finance related laws, policies and programmes.</p>
<p>Outputs:</p> <p>Ten major project reports.</p> <p>Training courses in urban planning, municipal management and finance and GIS designed and delivered to over 75 Ministry officials.</p> <p>Action plans for the</p>	<p>Published final reports.</p> <p>Training course materials and participant evaluation surveys.</p>	<p>Six month project progress reports.</p> <p>Conclusions and minutes of stakeholder consultation meetings.</p>	<p>Project reports and action plans approved by Ministry officials.</p> <p>Positive evaluations of training courses received from course participants.</p>

reform of urban and land management and municipal finance.			
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Annex 2
PROJECT COSTS

CATEGORY	UNDG ITF approved budget	Actual COST	Percentage of Approved	Budget Revision approved (give date)	Percentage of revision
1. Personnel · including staff and consultants	603,166	839,243.32	39.14	821,811	2.12
2. Contracts · including companies, professional services, grants	810,000	772,625.50	-4.61	798,048	-3.19
3. Training	425,000	564,141.07	32.74	544,751	3.56
4. Transport	70,000	0	-100.00	5,478	0.00
5. Supplies and commodities	43,190	12,104.47	-71.97	12,605	-3.97
6. Equipment	137,051	12,938.89	-90.56	13,378	-3.28
7. Travel	212,870	86,074.48	-59.56	85,527	0.64
8. Security	72,000	71,999.98	0.00	72,000	0.00
9. Miscellaneous	74,000	69,649.37	-5.88	75,179	-7.36
10. Agency Management Support	121,439	121,438.90	0.00	121,439	0.00
Total Expenditure	2,550,216	2,550,215.98		2,550,216	

**** Budget Revision approved on May 21, 2007.**

Annex 3 List of contract awards by procurement method

All international and Iraqi consultants were engaged through Special Service Agreements.

Agreements of Cooperation were entered into with four non-profit organizations:

- APN (Architects for People in Need. A German NGO.) to determine the feasibility of public private partnerships for the delivery of services in Erbil.
- ESCWA. To provide general management training to MMPW officials from Erbil and Basra.
- The University of Newcastle. To prepare the State of Iraqi Cities Report.
- The University of Jordan. To provide urban planning training to MMPW officials.

Infograph, a Jordanian private sector company was awarded a contract without going to a competitive tender to provide GIS training to Iraqi officials. The reason for not going through a competitive tender process was that Infograph was the only company in the Middle East that offered the training based on the required ESRI software.

A competitive tender was advertised for the provision of personal computers, GIS software and map plotters to the MMPW. The tender was awarded to an American company that submitted the lowest price and met all the required technical qualifications.



Urban Planning Workshop, Amman – Jordan, 1 – 5 May 2005



Field Consultations with Iraqi Partners for Preparation of Rapid Urban Sector Profile Study for Iraqi Cities (RUSPS)

