

**United Nations Development Group Iraq Trust Fund**  
**Project #: E4-16**  
**Date and Quarter Updated: 30 June 2010 (2<sup>nd</sup> Quarter)**

**Participating UN Organisation:** UN HABITAT (+ ESCWA)      **Sector:** Shelter Sector Outcome team  
**Government of Iraq – Responsible Line Ministry:** Ministry of Construction and Housing

<b>Title</b>	Strengthening the Capacity of the Housing Sector in Iraq – Phase 2				
<b>Geographic Location</b>	National level and in 3 select governorates: Erbil, Babil and Najaf				
<b>Project Cost</b>	\$2,385,917				
<b>Duration</b>	18 months + 30 months delay				
<b>Approval Date (SC)</b>	13 Dec 2006	<b>Starting Date</b>	21 December 2006	<b>Completion Date</b>	21 June 2008, 1 <sup>st</sup> extension till 31 March 2009, 2 <sup>nd</sup> extension till 31 December 2009, 3 <sup>rd</sup> extension till 30 June 2010, 4 <sup>th</sup> extension till 31 December 2010
<b>Project Description</b>	The proposed project is a second phase of a completed technical assistance and capacity building project in the housing and housing finance sectors. It aims to continue the process of capacity building, policy and legal reform, building on the achievements so far realized and the lessons learnt from the first phase and will be a mechanism for supporting the MoCH to effectively participate in the International Compact process. The project will continue efforts towards improving housing sector institutions, facilitate introduction of investment supportive laws and regulations, and equip the Ministry cadre to be able to prepare enabling sub-sector strategies. It will also promote wider stakeholder involvement in the housing and housing finance/microfinance sectors. It will support establishment of a robust Housing Information System and a Knowledge and Training Centre. The project will also lay the ground for work in subsequent phases which will include pilot projects to demonstrate enabling approaches and in turn inform further pro poor policy reforms and strategy development.				

**Development Goal and Immediate Objectives**

To improve the living conditions of Iraqis by strengthening the role of the Housing sector in ensuring adequate shelter for all, providing security of tenure, contributing to: the modernization of the construction, building materials and housing finance sectors; employment generation; and poverty reduction.

Immediate Objectives: 1) To assist the MoCH with the design and implementation of a comprehensive housing information system that will provide data and information for future policy and programme development and Ministry operations; 2) To assist the MoCH with the design of a new institutional and legal framework for the housing sector which would include a new Ministry organizational structure as well as proposals for new legislation, policies and programmes in various areas including (Building Materials & Construction, Housing Finance/ Microfinance; Subsidy Mechanisms, Land & Housing Delivery Systems, and Housing Market Information Systems); and 3) To support the establishment of a Knowledge and Training Centre at the MoCH to provide training, advisory services, and information services to a wide set of stakeholders including staff from MoCH, MMPW, and MoF, local authorities, private sector and voluntary organizations.

**Outputs, Key activities and Procurement**

<b>Outputs</b>	1) National Housing Information System; 2) Review and reformulation of laws, policies and programmes; 3) Sector reform and MoCH institutional development plan; 4) Functioning Knowledge and Training Centre; and 5) National Housing Policy and Decentralized Housing Strategies.
<b>Activities</b>	Consultations, workshops and regional conference, advisory services, training and exposure, design and content development, and procurement of equipment, software and publications.
<b>Procurement (major items)</b>	Modernization and fit-out of the MoCH training facilities

Situation as of 30/6/2010

<b>Funds Committed</b>	\$2,298,816.79	<b>% of approved</b>	96%
<b>Funds Disbursed</b>	\$2,024,918.31	<b>% of approved</b>	85%

Forecast final date	End of December 2010	Delay (months)	30
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Direct Beneficiaries	Number of Beneficiaries	% of planned (current status)
Men	The project is helping to strengthen institutional capacity within the housing sector through the development of policies, strategies and programmes for accelerated supply of housing. This will if effectively achieved, benefit the entire Iraqi population either directly or indirectly.	
Women		
Children		
IDPs		
Others		
Indirect beneficiaries		
Employment generation (men/women)		

### Quantitative achievements against objectives and results

Assist the MoCH with the design and implementation of a comprehensive housing information system that will provide data and information for future policy and programme development and Ministry operations	<p>MoCH has recently requested UN-HABITAT International Technical Assistance for rationalization of housing norms and standards, especially in keeping with environmental, socio-economic and cultural requirements as well as adapting from good practices in the Middle East region.</p> <p>Computer equipment delivered to the Ministry of Construction and Housing. Ministry personnel trained on using information in urban studies and staff trained on GIS for Urban Studies in November 08.</p> <p>A focused plan has been prepared to set up a Housing Observatory in MoCH. This plan is replacing the earlier intention which was to set up an Urban observatory of which cost was too high and MoCH was unable to cost share the training budget.</p> <p>The plan was shared with MoCH during a meeting with the deputy minister MoCH and staff late February 2010 with the presence of regional and international urban observatory experts. UN-HABITAT and MoCH agreed to go forth with a detailed plan, and to send to MoCH within the coming month. <i>The first phase of training for setting up the Housing Observatory that was scheduled to take place 10 June is postponed till 11 July due to the request of MoCH, as the ministry was unable to secure adequate participants who will represent the core staff operating this unit. The training material is prepared and preparations are under way in the Ministry. The second phase of the training is due in October 2010.</i></p>	% of planned	87%
Assist the MoCH with the design of a new institutional and legal framework for the housing sector which would include a new Ministry organizational structure as well as proposals for new legislation, policies and programmes in various areas including (Building Materials & Construction, Housing Finance/ Microfinance; Subsidy Mechanisms, Land & Housing Delivery Systems, and Housing Market Information Systems), and National Housing Policy and Decentralized Housing Strategies	<p>An international consultancy firm has provided technical advisory inputs for the formulation of a National Housing Policy and related legislation. Three working groups guided by the ministry consultants and including representatives across relevant ministries assisted in policy formulation. The draft policy is now ready and has received several rounds of inputs. The final round of discussions took place in Baghdad in early October. The study is being finalized after MoCH provided their final comments.</p> <p>A one day workshop took place in Amman following the Regional Housing Conference of late February 2010. The workshop was attended by representative of working groups from related Iraqi ministries with the presence of the international consultant's group of experts. The meeting concluded in formulating the final draft for the implementation plan of the H. Policy, this will undergo further discussions back in Iraq by the full group for comments. <i>The international consultancy firm responsible for delivering the "Housing Policy and Related Institutional Reform Study" has submitted their reports (99% completed); awaiting the Ministry's final approval/ endorsement of their submissions.</i></p> <p>Four media televised debates along with specially made documentaries on different housing issues were broadcast on an Iraqi T.V. channel.</p> <p>A regional Media Workshop on Housing Issues took place in June 2008.</p> <p>A meeting with stakeholders on governorate level housing strategies (Erbil, Babil and Najaf) took place in April 2008.</p>	% of planned	98%

	<p>The draft housing strategies for 3 pilot governorates – Erbil, Babil and Najaf have been completed. They were presented, discussed and endorsed at a meeting in Baghdad, comprising sub-sector experts in November 2008; and further presented to a wider range of national stakeholders and international entities in a conference in Baghdad January 09. During the reporting period, work has also commenced in supporting the Erbil Governorate in the implementation of its housing strategy, through another ITF funded project.</p> <p>The Regional Housing Policy Conference took place during the period 22-24 February 2010 attended by Arab governmental representatives from Housing ministries; Iraqi Ministries; International experts; International NGOs; UN organizations; private sector; Donors &amp; embassies in addition to UN-HABITAT. Total no. of participants 112 (29 females, 83 males). The conference reviewed and discussed Housing Policy practices and elements worldwide focusing on selected Arab countries' practices and Iraq's recently developed housing policy.</p>		
<p>Support the establishment of a Knowledge and Training Centre at the MoCH to provide training, advisory services, and information services to a wide set of stakeholders including staff from MoCH, MMPW, and MoF, local authorities, private sector and voluntary organizations</p>	<p>Training of trainers is complete for the MoCH Training and Knowledge Centre.</p> <p>Eight National training courses on housing policies and strategies, building materials and construction, and GIS were carried out by the MoCH trained under the project.</p>	<p><b>% of planned</b></p>	<p>100%</p>

#### Qualitative achievements against objectives and results

The Ministry organized the first ever National Housing Conference in Baghdad in January 2009. The conference attracted senior policy makers from multiple ministries, Iraqi parliament, Central Bank and representatives of the Baghdad based international community. The resolution adopted by the end of this conference included a clear vision of the ministry regarding the meaning of sectoral reforms and the involvement of the private sector to accelerate housing supply. The conference has helped to guide the formulation of the National Housing Policy and the vision for the future being developed as part of the National Development Plan. Facilitated by international consultants, inter-ministerial working groups have contributed to the National Housing Policy. The regional housing conference which took place end of February 2010 discussed different trends in implementing housing policies in selected Arab countries. The conference provided a platform for learning, exchange of experiences and networking. The Iraq National Housing Policy document was presented and discussed during the conference. Findings and conclusions will be incorporated in the final document due within the next reporting period

*The "Housing Policy and Related Institutional Reform Study" has been submitted by the international consultancy firm and is 99% complete awaiting the Ministry's final approval/ endorsement.*

#### Main implementation constraints & challenges (2-3 sentences)

- The MoCH which is the primary partner for the project has an important but extremely limited role within the housing sector. A centralized system of decision making still persists in the Ministry of Construction and Housing which risks delaying project implementation. The Ministry has a relatively weak and under resourced cadre of middle level professionals and staff are either too old or too young. A number of other ministries and authorities involved in the development of land, provision of services, regulating the building materials and construction sectors, etc need to be brought in to the reforms dialogue and their related activities coordinated – this has been a significant challenge encountered by the project, and a cause for delays due to the difficulty in bringing people together.
- UN-HABITAT/UNON's procurement procedures are unable to keep pace with the project work-plan.
- Prevalence of a centralized system at the ministry of Construction and Housing;
- Lack of human resources within the Ministry;
- Delays in finalizing the housing Policy study from both ends (the ministry's and the international consultant) are one of the problems of working remotely.
- Another reason for delays in the project is that the timing of the National elections has changed twice from January to March 2010 which caused rescheduling of the regional housing conference.
- After elections during the month of March government bodies were engaged in the outcome of the elections, and it was very difficult to achieve much during that period.