

United Nations Development Group Iraq Trust Fund
Project | 66995 -C10-11
Date 1 January – 31 March 2010 1st Quarter 2010

Participating UN Organisations: UNDP (Lead), ILO, UNIDO, FAO, UNOPS, UN-HABITAT, UNIFEM	Sector: Governance & Human Development (C) SOT: Economic Recovery and Development
Government of Iraq – Responsible Line Ministry: Over-all responsibility: Prime Minister’s Office and Advisory Board.	
Upstream coordination through Task Force on Economic Reforms (TFER) and its Working Groups (WG): <ol style="list-style-type: none"> 1. Legislative Revision, 2. State-Owned Enterprise Restructuring, 3. SME Development, 4. Investment Policy, 5. Tax Policy, 6. Land Reform, 7. Social Dialog. <p>The TFER and all WGs are established through COMSEC orders and comprise members from relevant Iraqi government entities¹, Central Bank, National Investment Commission. They also define membership for representatives of private sector and unions², and other relevant Iraqi stakeholders³.</p> <p>Downstream coordination in Erbil, Anbar, and Basrah through PSDP-I Steering Committees with representation of relevant local Government of Iraq (GoI) counterparts⁴.</p>	

Title	Private Sector Development Programme for Iraq				
Geographic Location	National upstream-level and three priority governorates: Basrah, Al’Anbar and Erbil.				
Project Cost	USD 32,850,000 ⁵ - Cost sharing and co-funding under discussion with GoI and other partners.				
Duration	36 months				
Approval Date	4 Dec 2008	Starting Date	18 Dec 2008	Completion Date	18 Dec 2011
Project Description	<p>This Programme is conceived and designed with Iraqi stakeholders (public and private), various UN organizations and other international stakeholders in an effort to create and enable an effective, coherent, and comprehensive framework for private sector development in Iraq at both the national and governorate levels in three priority Governorates. It is a means of achieving: i) sustainable and increased employment opportunities; ii) poverty reduction; iii) the enhancement of the legal and regulatory framework which will allow an increase in sustained domestic and international investment; iv) the development of a legal and regulatory framework designed to perpetuate an overall rational, coherent, and economic environment; and v) the diversification the basis of future economic growth in Iraq in a gender inclusive and environmentally sustainable manner.</p> <p>The programme addresses these challenges through two pillars of activities. The first pillar is a national level policy support intervention aimed at shaping a more conducive private sector environment. The second pillar addresses the governorate-level challenges of private sector growth through planning and implementation activities within three selected governorates.</p>				

¹ Including Ministry of Planning and Development Cooperation, Ministry of Agriculture, Ministry of Water Resources, State Ministry of Women Affairs, Ministry of Labour and Social Affairs, Ministry of Industry and Minerals, Ministry of Finance.

² Federation of Chambers of Commerce and Industries, Iraqi Federation of Industries, Iraqi Businessmen Union, Association of Iraqi Businessmen, Association of Iraqi Banks, Iraqi Contractors Federation, Chambers of Commerce and Industries in Basrah, in Erbil, and in Ramadi, etc.

³ Including NGO partners, e.g. Women Leadership Institute, Women Empowerment Organisation, Iraqi Al-Amal Association

⁴ Includes representation provincial councils, Women Higher Commission in Kurdistan, etc.

⁵ The total budget is divided into components for each participating UN agency. Transfer of funds is subject to a three-instalment transfer schedule. At the time of this report, only first tranche (USD 12,000,000) transferred.

Development Goal and Immediate Objectives	
<p>Development Goal:</p> <ul style="list-style-type: none"> Contributes to following Sector Outcomes: <ul style="list-style-type: none"> Sector Outcome 1: Improved policies, strategies and related institutional developments that are sensitive to MDGs, social inclusiveness, gender equality and inclusive of those in poverty in terms of positive economic growth; Sector Outcome 2: Enhance key-sectors of local economies in the most deprived areas. <p>Immediate Objectives:</p> <ul style="list-style-type: none"> Reflected in Integrated Programme Outcomes: <ul style="list-style-type: none"> IP Outcome 1: The policy and regulatory environment is more conducive to private sector development; IP Outcome 2: Strengthened Economic recovery in three governorates in the South, Central and Northern areas of Iraq. 	

Outputs, Key activities and Procurement	
IP Outputs⁶	<p>IP Output 1.1: Strengthened national capacities and policies for private sector development are strengthened.</p> <p>IP Output 1.2: Improved efficiency of the Public Micro Lending Programme and access to business loans.</p> <p>IP Output 1.3: Strengthened operational, regulatory and legislative environment for SMEs development.</p> <p>IP Output 2.1: Local economic strategies and development plans are in line with national and provincial frameworks in three governorates.</p> <p>IP Output 2.2: Economic and social regeneration pilot projects implemented in three selected governorates.</p>
UN Agency Specific Outputs⁷	<p>1.1.1 Technical support is provided to the taskforce working within the Prime Minister’s Office to formulate, implement and monitor the public PSD initiatives of the GoI;</p> <p>1.1.2 A comprehensive assessment of legislative, institutional and sectoral needs to assist GoI to properly design policies for PSD is in place;</p> <p>1.1.3 Draft legislations related to SoE corporatisation (amendment of Law 22), privatisation, investment law rules and regulations, land title reform, competition, PPPs, mitigation package, agricultural and trade policies are available;</p> <p>1.1.4 Increased knowledge of officials on key policy issues for enterprise development, to support the design of relevant legislative and institutional frameworks;</p> <p>1.1.5 A national investment map is available (including sector and geographic-specific);</p> <p>1.1.6 A tripartite consultation mechanism of the Government, Employers and Workers representatives in the Socio- Economic Council of Iraq is available to promote social dialogue;</p> <p>1.1.7 A comprehensive Private Sector Development Strategy for Iraq is available;</p> <p>1.1.8 Gender is mainstreamed in the programme ensuring women’s full participation in policy and strategy design.</p> <p>1.2.1 Improved management of the Governmental guaranteed Micro-Lending Programme (implemented by MoLSA and MoIM);</p> <p>1.2.2 Enhanced Mechanisms to access to credit by SMEs;</p> <p>1.2.3 Draft laws and by-laws related to GoI micro lending programme are available.</p> <p>1.3.1 A survey of SMEs (including formal and informal sector) is available;</p> <p>1.3.2 GoI High Economic Committee and concerned ministries are supported to formulate legislative strategies for SMEs-friendly regulatory framework;</p> <p>1.3.3 Strengthened national capacities of business development services and Non-Bank Financial Institutions.</p> <p>2.1.1 Identified economic comparative advantages at governorate level;</p> <p>2.1.2 Local Economic Recovery (LER) strategies are in harmony with Provincial Development Strategies (PDS);</p> <p>2.1.3 Strengthen governorate-level construction and development institutions to implement and sustain local planning capacities;</p> <p>2.1.4 Gender is mainstreamed ensuring women participation in local strategies and plans.</p> <p>2.2.1 Technical support provided to identify priorities and program implementation in the following sectors: Key Economic Infrastructure (UNDP); Agriculture (FAO); Industries (UNIDO); Business Development Services (ILO/IOM); Micro-lending (UNDP); Construction and Development Companies (UN-HABITAT).</p>
Procurement	None

⁶ As per UNDG/ITF PSDP-I Project Document “5. Results Framework”.

⁷ As per UNDG/ITF PSDP-I Project Document “5. Results Framework”. UNDG/ITF reporting template requires reporting against ‘Activities’ but there are no ‘activities’ in the prodoc’s log frame. Instead, this report makes reference to “UN Agency Specific Outputs”.

Major Activities Undertaken from initiation till present reporting	<ul style="list-style-type: none"> • Establishment of the Task Force for Economic Reform (TFER) and seven TFER Working Groups (all based on specific COMSEC Orders), corresponding to the seven upstream UN PSDP-I programme pillars, securing Iraqi ownership and leadership in reforming the Iraqi economy. • Completion of draft Policy Paper on COSIT Economic Analysis Unit and shared with COSIT. • Completion of Memorandum of Economic Reform Policies and submission to representatives of COMSEC, relevant line ministries, Iraqi Bar Association and other members of TFER in support of the Economic Reform Law. • Preparations for Roadmap for Restructuring of Iraqi State-Owned Enterprises including: completion draft outline and development of two training modules on enterprise analysis and on restructuring methodologies, corporate governance and management improvements. • Preparations for establishment of three Governorate Steering Committees (GSC) in Al-Anbar, Erbil and Basrah (including consultations and completion TOR draft) and first two GSC meetings held in Erbil and Anbar. • Completion of first draft of Preliminary Legislative Assessment Report that covers investment, commercial, public procurement and privatization core areas as well as assessments in area of agriculture, labour, land regime, SMEs and gender. • Completion of draft regulations for Investment Law, Free Zone Law and general Private Public Partnership Law and guidelines. • Completion of “Preliminary Institutional, Legal and Technical Assessment Administration and Management” report for land management reform. • Preparations for investment mapping including selection of the implementing partner and completion of the preparatory work. • Development and endorsement of key areas for MSME sector development strategy, including outlines for SME sector contribution to economic reforms, Development of methodology and questionnaire and their endorsement by the COSIT and KROS, Assessment of legal environment with respect to SME needs, and Capacity assessment of the public sector involved into MSME development. • Completion of generic structure for Agriculture Private Sector Strategy and approval by Iraqi counterparts. • Completion White Paper on women’s participation in employment and private sector development.
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Total Funds Committed and Disbursed as of 31 March 2010				
Agency	Total Approved Amount [in USD]	1st Tranche Received [in USD]	Rate of Funds Committed (against 1st Tranche)	Rate of Funds Disbursed (against 1st Tranche)
(a) UNDP	9,750,000	3,561,644	37.2%	37.0%
(b) ILO	3,002,966	1,096,974	54.0%	16.0%
(c) UNOPS	5,897,034	2,154,167	30.5%	26.2%
(d) UNIDO	7,700,000	2,812,785	31.9%	25.5%
(e) FAO	3,300,000	1,205,479	83.0%	79.0%
(f) UN-HABITAT	2,000,000	730,594	63.0%	42.0%
(g) UNIFEM	1,200,000	438,357	44.5%	44.5%
Total	32,850,000	12,000,000	42.8%	35.3%

A. UNDP

Funds Committed	USD 1,327,062	% of received	37.26%
Funds Disbursed	USD 1,318,530	% of received	37.03%
Forecast final date	On Schedule	Delay (months)	0

Direct Beneficiaries	Number of Beneficiaries⁸	% of planned (current status)⁹
Men	n/a	n/a
Women	n/a	n/a
Children	n/a	n/a
IDPs	n/a	n/a
Others	n/a	n/a
Indirect beneficiaries	All citizens of Iraq.	n/a
Employment generation (men/women)	n/a	n/a

Quantitative achievements against objectives and results	% of planned
IP Outcome 1: The policy and regulatory environment is more conducive to private sector development	30%
Output 1.1: Strengthened national capacities for and policies for private sector development.	40%
Output 1.2: Improved efficiency of the Public Micro Lending Programme and access to business loans.	10%
IP Outcome 2: Strengthened Economic recovery in three governorates in the South, Central and Northern areas of Iraq	10%
Output 2.1: Local economic strategies and plans developed in line with national and provincial frameworks in three governorates.	10%
Output 2.2: Economic and social regeneration pilot projects implemented in three selected governorates	10%

Qualitative achievements against objectives¹⁰ and results	
IP Outcome 1: The policy and regulatory environment is more conducive to private sector development	
<p>1.1.1 Technical support is provided to the taskforce working within the Prime Minister Office to formulate, implement and monitor the public PSD initiatives of the GoI.</p>	<ul style="list-style-type: none"> • Contributed to enhanced management of the Task Force for Economic Reforms (TFER) and respective the four (4) Working Groups (WG), which were established in January 2009. This was followed by the establishment of an additional three Working Groups (WG) in early 2010 in order to strengthen capacity and sector inclusiveness. The seven Working Groups are: WG1: Legislative Revision, WG2: State-Owned Enterprise Restructuring, WG3: SME Development, WG4: Investment Policy, WG5: Tax Policy, WG6: Land Reform and WG7: Social Dialog. The TFER and its seven working groups include around 200 governmental and private sector representatives in charge of building a market economy. • The PSDP-I Programme Management Team continued work on the Joint Work Plan to embed lessons learnt and current country situation. On February 19 a meeting took place to this effect and by the end of Q1 the revision was finalized. In Q2 the Work Plan will be submitted to ERDSOT for official endorsement prior to submitting to the Programme Steering Committee on May 10, 2010. • To ensure direct access to one of the primary sources of information with respect to the legislative base currently in force or in the process of adoption, UNDP met on January 25 with the Minister of Council of Representatives Affairs' (MOCORA) Advisor Dr. Mutaz Faisal Al-Abassy. This meeting secured MOCORA's support in the collection of information required for implementation by UNIDO of the PSDPI activity 1.1.2 concerning the comprehensive assessment of the legislative needs. MOCORA oversees the legislative process of over 240 laws, most of them still under debate in the Council of Representatives (COR) committees as well as facilitates discussions and secures feedback from the Government and relevant ministries on draft laws initiated by the COR itself. • A draft policy paper on the economic analysis unit role and functions was finalized and shared with COSIT counterparts on February 17. • UNDP met and agreed with the Iraq Institute for Economic Reforms (IIER) to establish a cooperation framework between the Institute and the PSDPI that would result in jointly organizing a number of workshops and round table meetings with participation of a wide number of stakeholders and other parties interested in the PSD initiatives in Iraq. On February 27, a workshop was

⁸ Number of beneficiaries may not be quantified as the current interventions are on a policy, advisory and legislative level benefitting the Government of Iraq and designated governorates.

⁹ The project document does not define concrete numbers of beneficiaries to be targeted.

¹⁰ Terminology in line with this reporting format (page 2): IP Outputs as 'immediate objectives'.

	<p>organized by the IIER, dedicated to assessing performance and identifying challenges facing the country's economy. The workshop was attended by GOI and COR high ranking representatives and by private sector and civil society actors. The outcome of the workshop was opinions and recommendations for a way forward toward a functional economy in Iraq.</p> <ul style="list-style-type: none"> • On March 11 a new working group on Tax Policy was set up within the Task Force for Economic Reforms as agreed during the Programme Steering Committee which took place in Baghdad on October 7 2009, by Cabinet Order #32/2010. • The PSDP-I and the World Bank agreed to put together a common policy agenda and recommendations on the private sector development for the new government. By May 2010 the draft is to be produced reflecting the PSDP-I project and goals as a priority for the new government. • UNDP has continued the dialogue with the COMSEC Secretary General Dr. Allak to formulate the list of pending issues for the new Government to take over, including, among other priorities, the establishment of the Agency for SME.
<p>1.1.2 A comprehensive assessment of legislative, institutional and sectoral needs to assist GoI to properly design policies for PSD is in place.</p>	<ul style="list-style-type: none"> • The Working Group on Legislative Revision has conducted regular meetings to discuss status of the Law for Economic Reforms, resulting in a first draft which is to be discussed in April at a conference involving the top ranking officials of the COMSEC, line ministries, Iraqi Bar Association and other concerned parties. • UNDP has followed up on the streamlining of the legislative process which was discussed at the Vienna Roundtable by providing recommendations regarding aggregated amended legislation.
<p>1.1.3 Draft legislation related SoE corporatisation (amendment of Law 22), privatisation, investment law rules and regulations, land title reform, competition, PPPs, mitigation package, agricultural and trade policies are available.</p>	<ul style="list-style-type: none"> • To ensure that the necessary authority is duly conveyed upon the SOE Restructuring WG, and following discussions with the Prime Ministers Advisory Board (PMAB), UNDP has led the drafting of the mandate to empower the SOE Restructuring WG to collect information and to develop the SOE Restructuring Roadmap. The draft mandate for the WG has been submitted to the TFER for further submission for approval by the Council of Ministers. • The Programme Director and the PSDP-I team have worked extensively with the on SOE Restructuring WG on the institutional architecture required to elaborate a national programme for restructuring SOEs. The design reflects required institutional arrangements, and responsibilities for existing as well as new institutions. Also, UNDP has supported the WG in organizing sectoral meetings with key line ministries to complete the survey on the status of SOEs in Iraq. • The Government has acknowledged the vital importance of a social mitigation package to ensure that the restructuring process does not result in an undue increase in unemployment and that it will address the issue of creating new jobs for workers with specific skills within the restructured enterprises or elsewhere in the related sectors as a result of meetings with the Programme Director and PSDPI Team. • The PSDPI Team in Baghdad has managed to secure strong political commitment to the restructuring of SOEs. The approval of the Federal Budget Law, where for the first time this year the provision on SOE subsidies was rejected (Article 40), is one of the evidences that the Government is approaching the issue of SOE Restructuring in a planned way; consistent with the recommendations made by the PSDPI. • The Working Group prepared and submitted a draft outline of the SOE Restructuring Roadmap which is to be further discussed and endorsed by COMSEC in second quarter 2010. • Following-up on the decision by the Programme Steering Committee regarding inclusion of the telecom industry in the Task Force, UNDP has reached out to the players in the Information and Communications Technology (ICT) Sector including The World Bank Group (WB), USAID, the US Department of State, and other players. This has included discussions on ways forward including how to coordinate inputs and contributions that would best complement the ongoing process of reforms in the Sector. To that extent UNDP will continue to draw from and bring in the expertise and technical assistance from the International Telecommunication Unit (ITU) which is a UN Agency specialized for that sector. • A draft Memorandum on the development and implementation of the Law on Economic Reforms was elaborated and submitted to Prime Ministers Advisory Board in January so as to initiate dialogue and mobilization of resources by the GoI.

<p>1.1.4 Increased knowledge of officials regarding key policy issues for enterprise development to support the design of relevant legislative and institutional frameworks</p>	<ul style="list-style-type: none"> • The creation of an Economic Analysis Unit (EAU) has progressed during the quarter, including the preparation of the terms of reference for capacity building of the EAU, in consultation with the World Bank. The draft terms of reference was presented to COSIT in January 2010 and meetings were held to discuss further steps during February and March as a result of a decision at the Programme Steering Committee in October 2009. • On March 18 the UNDP PSDP-I Team in Baghdad participated in a meeting with Mr. Thamir Al Ghadhban and Dr. Abdul Hussein AlAnbaki on the problems the Government is facing joining the World Trade Organization which resulted in two training modules being prepared on SOE Restructuring: <ul style="list-style-type: none"> - Enterprise analysis; - Restructuring methodologies, corporate governance and management improvement. • Training was delayed and could not be initiated in Q1 as per the Work Plan due to prolonged discussions with the Government on SOE Restructuring and buildup to the Parliamentary elections.
<p>1.1.6 A tripartite consultation mechanism of the Government, Employers and Workers representatives in the Socio- Economic Council of Iraq is available to promote social dialogue;</p>	<ul style="list-style-type: none"> • Weekly activities were organized by the Programme Director and other PSDP-I Baghdad staff to meet with the TFER, line Ministries, CoR members and private sector organizations to enhance understanding regarding public and political support for economic reforms towards inclusive growth. • On March 4 a meeting was held with the Iraq Institute for Economic Reforms (IIER), a think-tank founded by Iraqi scholars. IIER has been guided to connect with the TFER to discuss situation analyses, surveys, economic forecasts and development strategies and its' ability to assist in conducting activities in these areas. Additional areas included fostering public debates and advocacy for private sector development. The main results of the meeting were as follows: <ul style="list-style-type: none"> - Possible means for formalizing cooperation are being explored; - Possible areas of cooperation include: policy design, public debate, surveys and economic analyses, training and organization of promotion events; - This offers a platform for inclusive discussions with stakeholders prior to the submission of policies and strategies to decision makers. • In January a meeting took place with the new representative of the Iraqi Federation of Industries (IFEDI) Dr. Nezar A. Mohsin Al Waeli. The IFEDI requested PSDP-I assistance in plugging the IFEDI into the social dialog building process and upgrading of the IT system they are currently using for company registration. • The COMSEC issued a decision on the establishment of a working group on Private Sector and Social Dialogue. The TFER requested the Ministry of Finance to nominate their members to expedite the efficiency within this Working Group as the nomination timeline was to be completed by end Q1 2010.
<p>1.1.7 A comprehensive Private Sector Development Strategy for Iraq is available.</p>	<ul style="list-style-type: none"> • A draft policy paper on SOEs restructuring (input to the Roadmap) has been prepared in consultation with GoI/TFER and other partner organizations as input to the Private Sector Development Strategy. <ul style="list-style-type: none"> - Preparatory work was initiated for the Private Sector Development Strategy, in consultation with GoI, UN implementing agencies and international partners, to discuss the components that the PSD Strategy, which should include, based on the key deliverables of the Programme: <ul style="list-style-type: none"> - Legislative assessment; - PSD Institutional and sectoral assessment; - SOEs restructuring paper; - Investment strategy; - Social dialogue paper; - Equal opportunities and gender paper; - Change Management in Lending paper; - SME survey and development policy paper. • Preliminary discussions and conference calls were conducted with relevant partners (WB, USAID, ITU, UNCT) on development of activities in the Information and Communication Technology (ICT) sector for the definition of a joint action plan for ICT sector reform. • Briefing Book for the GoI: section on SME development and social mitigation prepared.
<p>1.2.1 Improved management of the Governmental guaranteed Micro-Lending Programme (implemented by MoLSA and MoIM)</p>	<ul style="list-style-type: none"> • Several discussions took place with CHF over the received draft proposals for activities related to micro-lending have continued with the proposed implementing partner CHF. • Concerns were raised that the proposal submitted by CHF was substantially different from the PSDP-I Work Plan activities. The proposal was therefore not esteemed acceptable and CHF was requested to revise to ensure compliance with the programme's requirements; • CHF took part in the Joint Work-Plan Workshop on February 19; • A month of additional time was allocated to provide adequate time for agencies to explore ProDoc responsibilities and cost-cutting possibilities, as one of the partners faces budgetary constraints resulting largely from not having a compound and security support in Baghdad. As a result, to date,
<p>1.2.2 Enhanced mechanisms to access to credit by SMEs</p>	

<p>1.2.3 Draft laws and by-laws related to GoI micro lending programme are available</p>	<p>this agency has been unable to propose effective implementation of systems and mechanisms design – proposing to “effectively launch” such tools and systems;</p> <ul style="list-style-type: none"> • The PSDP-I was approached by the IFC about possibilities of cooperation in business development in Iraq, as per their plan to launch an integrated advisory service program under the Iraq Small Business Financing Facility (ISBFF); • Following above mentioned issues with CHF capacity and ability to effectively implement the programme, the appointment of CHF as opposed to a transparent selection of an implementing partner for the lending component was raised; • Cooperation with the USAID Tijara Provincial Economic Growth Program has been re-launched. Tijara has esteemed experts and has established good working relationships with counterparts in the Government at both national and governorate level. • Cooperation strengthened with partners including WB, OECD, EU, IFC, USAID, DFID through bilateral and multilateral meetings and support provided to partner’s activities in Iraq (meetings and conference calls in January-February 2010).
<p>IP Outcome 2: Strengthened Economic recovery in three governorates in the South, Central and Northern areas of Iraq</p>	
<p>2.1.3 Strengthen governorate-level construction and development institutions to implement and sustain local planning capacities.</p>	<ul style="list-style-type: none"> • The terms of reference for the establishment of Governorate Steering Committees and socio-economic profiles were prepared for consultation with local and national counterparts upon the selection of the three governorates Al Anbar, Basrah, and Erbil as endorsed by the TFER and PSC in December 2009,. To this aim a meeting with local counterparts from the three Governorates was held in Baghdad on 22 February 2010 to discuss the establishment of Governorate Steering Committees in each governorate, approve the TORs and receive input for a more defined Work Plan on downstream activities. • Following the PSDP-I TFER meeting in Baghdad on February 22 with the three Governor's and Provincial Council teams from Erbil, Al Anbar and Basrah, the first Governorate Steering Committee was set up in Erbil on March 2 the second in al Anbar on March 11 – and are now operating as the PSDP-I Management Team at the local level for downstream activities. The nomination of the Governorate Steering Committee of Basrah was still pending at the end of 1st Quarter (March 31). • Dr. Jamal Ameen, the Economic Advisor of Prime Minister Barham Salih in the Government of Kurdistan, was briefed on the PSDP-I and on the selection of Erbil Governorate as one of the pilot governorates for downstream activities. Dr Ameen, a member of TFER, in his capacity as the coordinator of the Economic Council in KRG, presented the PSDP-I Project Document at the Economic Council on January 17 in Erbil. The possibility of holding a TFER meeting in Erbil, coinciding with the establishment of the Governorate Steering Committee that will operate as the main counterpart for the project in the region, is being discussed. Selection and recruitment of the UNDP Area Coordinators for Basrah and Al Anbar progressed and final recruitment is expected to be finalized by 3rd Quarter 2010.
<p>2.2.1 Technical support provided to identify priorities and program implementation in the sectors of Key Economic Infrastructure and Micro-lending</p>	<ul style="list-style-type: none"> • UNDP is the responsible agency for micro-lending with another agency at the time of ProDoc development identified as a potential partner. • Currently CHF who is the identified potential partner in the Programme Document offers three types of individual loans in Iraq: business, home improvement, and start up. Loans are granted to qualifying applicants with adequate repayment capacity and collateral and/or guarantors. The requirement of such guarantees de facto eliminates most women from qualifying for these loans. In order to address this gap, CHF has been requested to establish a minimum quota of 30% female clientele and an equal share of loan portfolio as well as to ensure women’s equal representation in project personnel. The 5th proposal from CHF is currently under review.
<p>Procurement</p>	<ul style="list-style-type: none"> • NTR

Main Implementation Constraints and Challenges

Substantive Challenges

- A major challenge faced by Iraq is the transformation process from a centralised to a market-led economy, which requires the restructuring of current SOEs to enhance competitiveness. UNDP is supporting the GoI in considering possible solutions for a gradual process of corporatization. Initial constraints include lack of appropriate legislation and institutional frameworks.
- The preparation of the Executive Summary for the White Paper on SOEs, major deliverable of the PSDPI under UNDP leadership, presented challenges in terms of collection and coordination of input by all relevant agencies for formulation of common UN-PSDPI recommendations. As a remedial measure, consultation meetings were held resulting in a PSDPI consensus on successive steps to recommend to the GoI: a) corporatization, aiming firstly to make companies viable while still

owned by the State; b) privatization, with consequent public trading of shares envisaged in a later phase (when performance contract management and asset valuation mechanisms are put in place).

- Delay with the implementation of downstream activities was due to a late decision by the National Steering Committee on Target Governorates
- Non-bank financial institutions face a series of legal and administrative constraints, which causes problems and delays with registration of microfinance institutions and slows loan disbursement. This results in increased costs for doing microfinance.

Management / Logistic Challenges

- Due to Elections, from February 20th to March 7th the already insufficient and fluctuating slot allocation for staff presence in Baghdad worsened. Limited number of Red Zone movements and inability to organize workshops in the International Zone.
- Unavailability of common office space for the PSDPI-team in Amman as originally discussed.
- Internal project management and coordination with other partner agencies presented the need to develop/improve mechanisms to streamline interaction and activities. Several meetings with the other two lead agencies (UNIDO and ILO) were held to agree on remedial measures:
 - to hold regular Programme Management Team (PMT) meetings, as a major coordination mechanism for the implementation of the programme by PSDPI lead agencies, in accordance with the ProDoc;
 - to prepare a more specific work plan clearly defining the role and activities of each agency under each output; UNDP, as coordinator of the PSDPI, will aggregate input and on the basis of the joint work plan endorsed by the PSC in October draft a new template.
- Delays in recruitment of dedicated PSDPI staff in UNDP represented a constraint for the programme, adversely impacting the effective and timely completion of the deliverables.

B. ILO and C. UNOPS

Funds Committed¹¹ ILO	USD 592,366	% of received	54.0%
Funds Disbursed ILO	USD 175,516	% of received	16.0%
Funds Committed UNOPS	USD 657,021	% of received	30.5%
Funds Disbursed UNOPS	USD 564,392	% of received	26.2%
Forecast final date	On Schedule	Delay (months)	0

Direct Beneficiaries	Number of Beneficiaries¹²	% of planned (current status)¹³
Men	n/a	n/a
Women	n/a	n/a
Children	n/a	n/a
IDPs	n/a	n/a
Others	n/a	n/a
Indirect beneficiaries	All citizens of Iraq.	n/a
Employment generation (men/women)	n/a	n/a

Quantitative achievements against objectives and results	% of planned
IP Outcome 1: The policy and regulatory environment is more conducive to private sector development	16%
Output 1.1: Strengthened national capacities and policies for private sector development.	20%
Output 1.3: Draft legislations related to SMEs corporatisation (amendment of Law 22), privatisation, investment law rules and regulations, land title reform, completion, PPPs, mitigation package, agricultural and trade policies are available.	15%
IP Outcome 2: Strengthened Economic recovery in three governorates in the South, Central and Northern areas of Iraq	1%
Output 2.1: Local economic strategies and development plans are in line with national and provincial frameworks in three governorates.	1%
Output 2.2: Economic and social regeneration pilot projects implemented in three selected governorates.	1%

¹¹ All expenditure figures are estimates only. For accurate financial reporting please refer to Agency-individual certified financial reports.

¹² Number of beneficiaries may not be quantified as the current interventions are on a policy, advisory and legislative level benefitting the Government of Iraq and designated governorates.

¹³ The project document does not define concrete numbers of beneficiaries to be targeted.

Qualitative achievements against objectives and results	
IP Outcome 1: The policy and regulatory environment is more conducive to private sector development	
1.1.1 Technical support is provided to the taskforce working within the Prime Minister's Office to formulate, implement and monitor the public PSD initiatives of the GoI.	<ul style="list-style-type: none"> Briefing Book for the GoI: section on SME prepared and general comments provided.
1.1.2 A comprehensive assessment of legislative, institutional and sectoral needs to assist GoI to properly design policies for PSD is in place;	<ul style="list-style-type: none"> Outlines for SOE Roadmap: comments were shared and new version of the section on SMEs and social mitigation provided.
1.1.3 Draft legislations related to SOE corporatisation (amendment of Law 22), privatisation, investment law rules and regulations, land title reform, competition, PPPs, mitigation package, agricultural and trade policies are available;	
1.1.4 Increased knowledge of officials on key policy issues for enterprise development to support the design and implementation of relevant legislative and institutional frameworks;	<ul style="list-style-type: none"> TOR for study tour focused on SME agency, and its role in development and implementation of PSD Strategy was designed and shared with counterparts. Research was carried out, and the note on regional experience of industrial zones development (with focus on Egypt, Turkey and Jordan) was prepared and shared with UNIDO.
1.1.6 A tripartite consultation mechanism of the Government, Employers and Workers representatives in the Socio-Economic Council of Iraq is available to promote social dialogue;	<ul style="list-style-type: none"> No progress due to unresolved issue of representation in the Iraqi Federation of Industries (employers organization) and issues with the freedom of associations (workers organizations).
1.1.7 A comprehensive Private Sector Development Strategy for Iraq is available.	<ul style="list-style-type: none"> Briefing Book for the GoI: section on SME development and social mitigation prepared.
1.3.1 A survey of SMEs (including formal and informal sector) is available;	<ul style="list-style-type: none"> TOR and questionnaire for MSME survey were translated into Arabic and shared with Iraqi counterparts – COSIT and CROS; the approaches to frames needed for adequate representation were discussed with COSIT representatives in Baghdad in January 2010.
1.3.2 GoI High Economic Committee and concerned ministries are supported to formulate legislative strategies for SMEs-friendly regulatory framework;	<ul style="list-style-type: none"> Concept note on SME Agency: role, functions and modalities in international practice was developed and shared with TFER.
1.3.3 Strengthened national capacities of business development services and Non-Bank Financial Institutions.	<ul style="list-style-type: none"> BSD capacity building on the national level: as a result of two workshops carried out in Amman with representatives of business services providers from Iraq, Operational Manuel for Business Information Center was developed by an external consultant for further use in the country.
IP Outcome 2: Strengthened Economic recovery in three governorates in the South, Central and Northern areas of Iraq	
2.2.1 Technical support provided to identify priorities and program implementation in the sector of Business Development Services. Specific area identified in the ProDoc.	<ul style="list-style-type: none"> Recruitment of Personnel: 2 regional representatives – Project Officers were selected for Erbil and Basra.
Procurement	<ul style="list-style-type: none"> NTR

Main implementation constraints & challenges
<p>Substantive challenges:</p> <ul style="list-style-type: none"> The major challenge in the Q1 was related with the possible change in the key counterparts as a result of the national elections – this affects the capacity building implementation schedule. There is no progress in the solution of issues in relations of the GoI with trade unions which has negative impact on the development of tripartite consultation mechanism foreseen the Prodoc. <p>Management/Logistic challenges:</p> <ul style="list-style-type: none"> Logistics problems especially access to entry and visa issues were faced in the organization of events outside Iraq and the timely provision of contact details and attendance confirmation. Significant delays in recruitment of ILO CTA and field staff. Lack of slots in Baghdad specifically allocated to PSDP-I personnel.

D. UNIDO

Funds Committed	USD 897,252	% of received	31.90%
Funds Disbursed	USD 718,586	% of received	25.55%
Forecast final date	On Schedule	Delay (months)	0

Direct Beneficiaries	Number of Beneficiaries¹⁴	% of planned (current status)¹⁵
Men	n/a	n/a
Women	n/a	n/a
Children	n/a	n/a
IDPs	n/a	n/a
Others	n/a	n/a
Indirect beneficiaries	All citizens of Iraq.	n/a
Employment generation (men/women)	n/a	n/a

Quantitative achievements against objectives and results	% of planned
IP Outcome, 1 : The policy and regulatory environment is more conducive to enterprise development	30%
Output 1.1: National capacities for private sector development policies are strengthened	30%
Output 1.3: The operational, regulatory and legislative environment for SMEs development is strengthened	0%
IP Outcome 2: Economic recovery is stimulated in three governorates in the south, central and northern areas of Iraq	10%
Output 2.1: Local economic strategies and plans developed in line with national and provincial frameworks in three governorates	0%
Output 2.2: Economic and social regeneration pilot projects implemented in three selected governorates (partial rehabilitation of three industrial SOEs in Anbar and Basra governorates)	15%

Qualitative achievements against objectives and results	
IP Outcome 1: The policy and regulatory environment is more conducive to private sector development	
1.1.1 Technical support is provided to the taskforce working within the Prime Minister's Office to formulate, implement and monitor the public PSD initiatives of the GoI.	<ul style="list-style-type: none"> The CTA was deployed in Baghdad between January 18th and February 24th , 2010 UNIDO National Project Coordinator as of 11/01/2010 was recruited and mobilized Various meetings took place for reviewing the Work Plan, needing more precise definition of the actual results and associated indicators and to reflect better also the actual situation in Iraq and the definition of viable results Technical coordination meetings with other donors took place (Tijara project team, World Bank expert, PWC) for possible joint work agendas (SOEs restructuring, SME development, access to finance, private sector legislation etc). A meeting, organized by UNDP and the Task Force, took place and was attended by the CTA on February 22nd, 2010, with representatives of local governorates for presenting the PSDPI downstream activities and establishing Governorate Steering Committees. Regular project progress reviews and meetings took place with the Task Force and Working Groups in coordination with the Programme Director and other UN partner Agencies.
1.1.2 A comprehensive assessment of legislative, institutional and sectoral needs to assist GoI to properly design policies for PSD is in place	<ul style="list-style-type: none"> A first legislative assessments was finalized in the investment, commercial, public procurement and privatization core areas and assessments of other UN partner Agencies in other areas (agriculture, labour, land regime, SMEs, gender) were collected and incorporated in the report (final translation and editing under way). The draft of the regulations for Investment Law, of the Free Zone Law and of general PPP Law (and guidelines) was completed and submitted to the TF WGL (on its request) The institutional assessment template was reviewed with the TF and understandings reached for the follow up after the elections
1.1.3 Draft legislations related to SoE corporatisation (amendment of Law 22), privatisation, investment law rules and regulations, land title reform, competition, PPPs, mitigation package, agricultural and trade policies are available.	<ul style="list-style-type: none"> Sector needs assessment has been initiated (under Output 1.1.5 and through review of economic literature).

¹⁴ Number of beneficiaries may not be quantified as the current interventions are on a policy, advisory and legislative level benefitting the Government of Iraq and designated governorates.

¹⁵ The project document does not define concrete numbers of beneficiaries to be targeted.

<p>1.1.4 Increased knowledge of officials on key policy issues for enterprise development to support the design and implementation of relevant legislative and institutional frameworks.</p>	<ul style="list-style-type: none"> • Discussions continued regularly with the TFER on the new Economic Reform Law (under drafting by the TFER) for next assistance within Outputs 1.1.2 and 1.1.3. • A final draft of the SOEs Restructuring Roadmap Outline was finalized and text elaboration was initiated; several internal reviews and discussions took place also with the Adviser to the Minister of Industry; meetings took place at the Task Force with the Water Resources and Housing Ministries. • A joint meeting in Amman took place on March 26th and 27th, 2010, with the Adviser to the Ministry of Industry and Minerals and UNIDO National Coordinator for the final review of the Programme Outline of UNIDO coaching assistance to MIM for the formulation of Iraq's Industrial Strategy & Policy. • A review with ILO-UNOPS was conducted of possible joint training & study tours in the areas of SME Agency development, entrepreneurship skill development and industrial zones; preliminary formulation of programmes. • The general architecture and design of the IT interactive platform for management of legal texts and for capacity building assistance in legislative assessment and drafting was completed.
<p>1.1.5 A national investment map is available (including sector and geographic-specific).</p>	<ul style="list-style-type: none"> • Understanding were reached over a general investment mapping overview at national level and more in depth analysis in five governorates including the three selected for PSDP downstream activities (al Najaf, Baghdad, al Anbar, al Basra and Erbil) • Training programs on business planning and feasibility analysis were prepared. • Contacts and working relations were established by the Sub-contractor with central and local stakeholders (PICs, business associations, line Ministries, local investment commissions etc) • An important stakeholder meeting to be held on April 17th with the Babylon Provincial Investment Commission was prepared, with the participation of Investment Commissions of Baghdad, Wasit, Karbala, al Najaf, al Qadisiya, al Najaf and al Muthanna. • Surveys started at national and regional level, initial collection of numerous data and indications also on potential interests into investment in different sectors.
<p>1.1.7 A comprehensive Private Sector Development Strategy for Iraq is available.</p>	<ul style="list-style-type: none"> • UNIDO contributions to the formulation of Iraq's PSD Strategy are under initial preparation in the fields of investments and industry.
<p>1.3.3. Strengthened national capacities of business development services and Non-Bank Financial Institutions</p>	<ul style="list-style-type: none"> • Preliminary understandings were reached with ILO-UNOPS over UNIDO contribution in the areas of non-banking financial services and linked also to Output 2.2.1 (for Business Development Services), on entrepreneurship skill development, training and networking assistance.
<p>IP Outcome 2: Strengthened Economic recovery in three governorates in the South, Central and Northern areas of Iraq</p>	
<p>2.2.1. Technical support provided to identify priorities and program implementation in the sector "Industries"</p>	<ul style="list-style-type: none"> • Contacts with the five SOEs in Anbar and Basra were established immediately after the formal notification by the Ministry of Industry and Minerals. • UNIDO launched the collection of financial data, e.g. by circulation of financial questionnaire for the five pre-selected SOEs. • A workshop was conducted with representatives of the five pre-selected SOEs and the Iraqi Ministry of Industry and Minerals in March 2010 in Amman, Jordan, to 1) finalize the data collection for the financial opportunity studies, 2) discuss the transition from production to market orientation and 3) introduce UNIDO's methods and tools for industrial feasibility studies. In separate workshop sessions, the rehabilitation and expansion projects of the SOEs were reviewed and discussed extensively. • Financial opportunity studies were completed and were sent to the SOEs for their review and feedback • The ToR for rehabilitation feasibility studies for the selected SOEs were drafted.
<p>Procurement (major items)</p>	<ul style="list-style-type: none"> • Following a final review of the needs, the procurement procedures of equipment for Amman and Baghdad Offices are under completion; new office premises for Amman-based UNIDO PSDPI team identified (Hotel Meridien).

Main Implementation Constraints and Challenges

- Apart from a series of attacks in Baghdad and also in the green zone (these without major casualties) the main constraint that was faced in the reporting period was constituted by the fluid and unclear political situation that prevented the Task Force to regularly continue and further streamline joint activities. While UNIDO-led Outputs are fully in place, there is an urgent need to define the actual scope of several others led by other participating UN agencies.
- The Head of the Working group on Legislation, Dr. Kareem Alsaadi, was appointed Vice Minister of Communications; as the Ministry is located in the red zone, UNIDO Assistant project officer was mobilized for meeting and streamlining communications with him and coordinating the collection and review of various legal texts.
- Direct visit to the SOEs in their location in Anbar and Basra are still not possible.
- Other considerations developed in the Q4 2009 report are substantially confirmed.

E. FAO

Funds Committed	USD 1,000,000	% of received	83.0%
Funds Disbursed	USD 948,261	% of received	79.0%
Forecast final date	On Schedule	Delay (months)	0

Direct Beneficiaries	Number of Beneficiaries¹⁶	% of planned (current status)¹⁷
Men	n/a	n/a
Women	n/a	n/a
Children	n/a	n/a
IDPs	n/a	n/a
Others	n/a	n/a
Indirect beneficiaries	All citizens of Iraq.	n/a
Employment generation (men/women)	n/a	n/a

Quantitative achievements against objectives and results	% of planned
IP Outcome 1 : The policy and regulatory environment is more conducive to enterprise development	20%
Output 1.1: National capacities for private sector development policies are strengthened	20%
IP Outcome 2: Economic recovery is stimulated in three governorates in the south, central and northern areas of Iraq	25%
Output 2.2: Economic and social regeneration pilot projects implemented in three selected governorates (partial rehabilitation of three industrial SOEs in Anbar and Basra governorates)	25%

Qualitative achievements against objectives and results	
IP Outcome 1: The policy and regulatory environment is more conducive to private sector development	
1.1.3 Legislation relating to SOE corporatization (amendment of Law 22), privatization, investment law rules and regulations, land title reform, competition, PPPs, mitigation package, agricultural and trade policies are available	<ul style="list-style-type: none"> A comprehensive legislative review of agriculture-related legislation is still underway. A large number of legislations have been so far collected, carefully revised and assessed. The Legislative Assessment of the Agriculture-related pieces of legislations was compiled in to the Legislative Assessment template prepared by UNIDO and submitted to UNIDO (as lead agency for this component). Legislative Assessment focused on Animal, Plant and Food Safety and Protection; Plant variety protection; Agricultural Land Issues; and Water Issues.
1.1.4 Knowledge of officials on key policy issues for enterprise development to support the design and implementation of relevant legislative and institutional frameworks is increased.	<ul style="list-style-type: none"> The fields and layout of training modules were prepared in collaboration with the Iraqi counterparts. The modules were approved by the Iraqi officials and preparation for the commencement of the trainings will start soon.
1.1.7 Private Sector Development Strategy including investment, private farming, trade for the agriculture sector is created.	<ul style="list-style-type: none"> A generic structure for the Agriculture Private Sector strategy was put in place incorporating up-stream and down-stream activities. This structure was shared with the Iraqi counterparts and was approved in February 2010. Details of the policy papers and contracting national authors to draft the policy papers in collaboration with FAO will start soon.
IP Outcome 2: Strengthened Economic recovery in three governorates in the South, Central and Northern areas of Iraq	
2.2.1 Technical support provided to identify priorities and program implementation in the agricultural sector	<ul style="list-style-type: none"> Various planning and consultative meetings with the GOI have taken place. The identification of pilot projects for the downstream activities will be done in consultation with the Governorates Steering Committee with preparatory discussions with MOA and MOWR.
Procurement	<ul style="list-style-type: none"> NTR

Main Implementation Constraints and Challenges
<ul style="list-style-type: none"> A working session that was supposed to take place in early 2010 did not convene due to hardship in synchronizing the timing among the various stakeholders; TFER (Agriculture and Legal Offices), MOA (Planning and Legal Department), MOWR and FAO (and PSDP-I team). The purpose of the working session was to review progress to date, validate the identified prioritized areas for FAO's interventions under the PSDP-I, discuss and agree to the outline for the policy papers (as per the identified areas), discuss and agree to the training modules and outline and also discuss way forward and future tasks.

¹⁶ Number of beneficiaries may not be quantified as the current interventions are on a policy, advisory and legislative level benefitting the Government of Iraq and designated governorates.

¹⁷ The project document does not define concrete numbers of beneficiaries to be targeted.

- To overcome this constraint, various related meetings were conducted and the outcomes of each meeting were shared with all stakeholders to reach a point where all parties involved were on the same page. The meetings took place as follows:
 - On the 21st of January 2010, a technical meeting was conducted in Baghdad between the PM Legal Advisor, MOA Director of Studies (the focal point of MOA), FAO head of Baghdad sub-office and FAO Programme Officer. The MOA DG of Legal Department was unable to attend the meeting. The meeting reviewed progress of implementation to date, validated the prioritized areas of intervention for FAO under the PSDP-I (as mentioned above), endorsed the policy papers outlines (with minor comments) and endorsed the training modules. The minutes of the meeting were prepared, shared with all for comments and presented to the head of the TFER for endorsement.
 - Another internal FAO technical meeting was held between 8 to 11 February with participation of FAO Agro-Policy, Agro-Economists, Legal Officer, Programme Officer and related programme and support staff. The meeting reviewed the minutes of the above mentioned meeting and discussed future tasks. The meeting focused discussions on the policy direction of FAO at the upstream level in the light of the FAO approved “Iraq Agriculture Growth Employment Support Programme” (I-AGES). Linkages between PSDP-I and I-AGES were established (as explained above) and complementary work between the two was put into a clear comprehensive structure.
 - On the 21st of February, a meeting was held with the PM Agriculture Advisor and the above linkages and complementarities were explained. The PM Agriculture Advisor agreed to the established linkages and supported the suggested complementary work between both the PSDP-I and the I-AGES.
 - On March 10th, a meeting was held with the Head of the TFER who also endorsed the policy direction at the upstream level and the complementarities between PSDP-I and I-AGES.

F. UN-HABITAT

Funds Committed	USD 462,408	% of received	63.0%
Funds Disbursed	USD 306,596	% of received	42.0%
Forecast final date	On Schedule	Delay (months)	0

Direct Beneficiaries	Number of Beneficiaries¹⁸	% of planned (current status)¹⁹
Men	n/a	n/a
Women	n/a	n/a
Children	n/a	n/a
IDPs	n/a	n/a
Others	n/a	n/a
Indirect beneficiaries	All citizens of Iraq.	n/a
Employment generation (men/women)	n/a	n/a

Quantitative achievements against objectives and results	% of planned
Outcome 1: The policy and regulatory environment is more conducive to enterprise development	25%
Output 1.1: National Capacities for private sector development policies are strengthened.	25%
Outcome 2: Economic recovery is stimulated in three governorates in the south, central and northern areas of Iraq	0%
Output 2.1: Local economic strategies and plans developed in line with national and provincial frameworks in three governorates.	0%
Output 2.2: Economic and social regeneration pilot projects implemented in three selected governorates.	0%

Qualitative achievements against objectives and results	
IP Outcome 1: The policy and regulatory environment is more conducive to private sector development	
1.1.2 A comprehensive assessment of legislative, institutional and sectoral needs to assist GoI to properly design policies for PSD is in place.	<ul style="list-style-type: none"> • Extensive work by consultants on legal, institutional and management assessment of the land sector and issues related to private sector development has been prepared. reviewed. Submission of “Preliminary Institutional, Legal, and Technical Assessment Administration and Management in Iraq” by the UNHABITAT consultants was done in December. The content and recommendations of the report have been reviewed; additional work has been commissioned to address gaps in the information on the extent and nature of informal tenure. • A study of ‘informal land tenure practices’ has been commissioned to address this issue through UN-HABITAT national consultants. Training for the consultants on the methodology was held in Erbil March 12 – 15th.

¹⁸ Number of beneficiaries may not be quantified as the current interventions are on a policy, advisory and legislative level benefitting the Government of Iraq and designated governorates.

¹⁹ The project document does not define concrete numbers of beneficiaries to be targeted.

1.1.3 Draft legislations related to SOE corporatisation (amendment of Law 22), privatisation, investment law rules and regulations, land title reform, competition, PPPs, mitigation package, agricultural and trade policies are available.	<ul style="list-style-type: none"> • Preparatory and advocacy meetings have been held in Baghdad and Erbil to follow up on the proposed Terms of reference and the scope of work for Land Reform Working Group, and on the establishment of the Working Group have with members of the TFER WG for Legislative Revision. • Review of papers on acquisition and use of land by foreigners and the Valuation Act and Registration of Valuers Act. • Preparatory work and meetings have been held on the possibility of arranging a joint World Bank/UNHABITAT conference entitled ‘Towards a Land Policy for Iraq’ to be held in Beirut during the month of May
1.1.4 Increased knowledge of officials on key policy issues for enterprise development to support the design and implementation of relevant legislative and institutional frameworks	
1.1.7 A comprehensive Private Sector Development Strategy for Iraq is available	
IP Outcome 2: Strengthened Economic recovery in three governorates in the South, Central and Northern areas of Iraq	
2.1.3 Strengthen governorate-level construction and development institutions to implement and sustain local planning capacities	• NTR
2.2.1 Technical support provided to identify priorities and program implementation in sector of Construction and Development Companies	• NTR
Procurement	• NTR

Main Implementation Constrains and Challenges

Substantive challenges:

- Delays in the establishment of an inter ministerial stakeholder body regarding land:
 - Establishment of a Working Group on Land Reform: Following a request at the Legislative Round Table in Vienna in August 2009 and follow up proposals to the WG for Legislative Revision and to the Chairman of the Prime Minister’s Advisory Board to establish a Land Administration and Management Working Group progress notification was received on 22nd December that Diwani Decree No. 67 was passed recommending the establishment of this Working Group together with two other Working Groups. A recommendation to establish the Working Group was put to the General Secretariat of the Council of Ministers in the last week in March.
- The reports received from local consultants on land policy, land related laws and regulatory assessment fall short in reflecting practices on the ground inspite of the fact that the consultants were adequate in their review of the laws and administrative processes. This led to the need to commission an additional study of ‘informal land tenure practices’ to address this issue.

Management/Logistic challenges:

- Logistic and practical problems continue to present a challenge to programme delivery.
- Movement limitations of local consultants.
- Restrictions on slots in the pre-election period have limited UN-HABITAT staff and consultant visits to Baghdad.

G. UNIFEM

Funds Committed	USD 203,192	% of received	44.6%
Funds Disbursed	USD 203,192	% of received	44.6%
Forecast final date	On Schedule	Delay (months)	0

Direct Beneficiaries	Number of Beneficiaries ²⁰	% of planned (current status) ²¹
Men	n/a	n/a
Women	n/a	n/a
Children	n/a	n/a
IDPs	n/a	n/a
Others	n/a	n/a
Indirect beneficiaries	All citizens of Iraq.	n/a
Employment generation (men/women)	n/a	n/a

²⁰ Number of beneficiaries may not be quantified as the current interventions are on a policy, advisory and legislative level benefitting the Government of Iraq and designated governorates.

²¹ The project document does not define concrete numbers of beneficiaries to be targeted.

Quantitative achievements against objectives and results	% of planned
Outcome 1 : The policy and regulatory environment is more conducive to enterprise development	20%
Output 1.1: National capacities for private sector development policies are strengthened	20%
Outcome 2: Economic recovery is stimulated in three governorates in the south, central and northern areas of Iraq	6%
Output 2.1: Local economic strategies and plans developed in line with national and provincial frameworks in three governorates	6%

Qualitative achievements against objectives and results	
IP Outcome 1: The policy and regulatory environment is more conducive to private sector development	
1.1.2 A comprehensive assessment of legislative, institutional and sectoral needs to assist GoI to properly design policies for PSD is in place	<ul style="list-style-type: none"> • UNIFEM drafted legislative assessment preliminary report to cover selected legislative needs in Iraq from a gender perspective, identifying gaps and providing recommendations to the following eight core areas. <ul style="list-style-type: none"> - The Iraqi Constitution of 2005 - Civil Code No. (40) of 1951 - The Civil Procedure Code No. 83 of the year 1969 - Labor Code, Law No. 71 of 1987 - Retirement and social security law for workers no.39 for 1971 - unified retirement law no 27 for 2006 - public companies law no 22 for 1997 - Companies' law no 1997/21 amended for 2004
1.1.3 Draft legislations related to SoE corporatisation (amendment of Law 22), privatisation, investment law rules and regulations, land title reform, competition, PPPs, mitigation package, agricultural and trade policies are available.	<ul style="list-style-type: none"> • UNIFEM participated in Project Management Meeting which took place in Amman to discuss the SOE restructuring process and other managerial issues related to the project.
1.1.7 A comprehensive Private Sector Development Strategy for Iraq is available	<ul style="list-style-type: none"> • UNIFEM drafted a White Paper on women's participation in employment and private sector development. The report covered the following main topics: <ul style="list-style-type: none"> - Women from economic perspective; - The reality and the challenges of the Iraqi economy; - Women workers from an economic perspective (limitations and restrictions); - Recommendations to integrate women in the Iraqi economy.
1.1.8 Gender is mainstreamed in the program ensuring women's full participation in policy and strategy design	<ul style="list-style-type: none"> • UNIFEM conducted a training workshop on mainstreaming gender in the private sector and on enhancing women participation in the economic sector during the period from 12-14 January 2010 in Istanbul. This workshop was attended by 24 specialized participants from the taskforce and the working groups of the programme, various ministries, parliament, civil society organizations and business men Association.
IP Outcome 2: Strengthened Economic recovery in three governorates in the South, Central and Northern areas of Iraq	
2.1.3 Strengthen governorate-level construction and development institutions to implement and sustain local planning capacities	<ul style="list-style-type: none"> • UNIFEM started coordination with other UN agencies partners and Prime Minister Office to conduct high advocacy round table meetings in the three selected governorates to increase women participation in high level decision making.
Procurement	<ul style="list-style-type: none"> • NTR

Main Implementation Constraints and Challenges
<ul style="list-style-type: none"> • Iraq has been going through a challenging time during this period. In addition to the availing security situation, the national elections were held on March. Although the existing government is still functioning; major strategic processes are lingering awaiting the new administration. This has also affected the implementation of UNIFEM's planned activities on time.