

**United Nations Development Group Iraq Trust Fund**  
**Project #74976: C9-29**  
**Date and Quarter Updated: 1 July – 30 September**  
**Q3 2011**

**Participating UN Organisation: UNDP (Lead), Sector: Governance**  
**UNESCO, UN-HABITAT, UNICEF, WHO, UNFPA,**  
**UNESCWA, UNIFEM**

**Government of Iraq – Responsible Line Ministry: Public Services Council, COMSEC, PMAC, MoPDC, MoPDC-COSIT, MoH, MoE, MoHESR, MMPW**

<b>Title</b>	Iraq Public Sector Modernization Programme- Phase1				
<b>Geographic Location</b>	Iraq- National Coverage				
<b>Project Cost</b>	USD 13,600, 000 for Phase1as follows: USD 5,000,000 – UNDP/ IAA UNFPA, UNIFEM and ESCWA USD 2,000,000- WHO USD 2,600,000- UNICEF USD 2,000,000- UNESCO USD 2,000,000- UNHABITAT				
<b>Duration</b>	48 months				
<b>Approval Date (SC)</b>	11 April, 2010	Starting Date	28 April 2010	Completion Date	28 April 2011 , extended to 31 Dec 2011
<b>Project Description</b>	The Iraq-Public Sector Modernisation Programme is a US\$55 million joint programme of the UN established to support the GoI in modernizing its public sector by adopting a public sector reform strategy for all of government and launching its implementation in three key sectors. The programme will address existing public sector governance constraints through a government-led, centrally administered and coordinated approach that (i) rationalises the architecture and machinery of government (ii) improves human resource management and culture (iii) enhances administrative functionality and generalised management systems (iv) develops clearly defined and costed service delivery models in target sectors (v) approaches decentralisation through a service delivery lens on a sector-by-sector basis, (vii) increases the devolution of service delivery to local government to secure effectiveness, efficiency, transparency and sustainability, with enhanced participation, and (viii) improves the capacity of local government institutions for decentralised service delivery. The programme will establish synergies with existing UN programmes aimed at addressing corruption, will involve the active participation of civil society, and will fully integrate cross-cutting issues in relation to poverty, gender, social exclusion and environment.				

<b>Development Goal and Immediate Objectives:</b>
<p>In line with the UN Assistance Strategy for Iraq 2008-2011, the purpose of the proposed Joint I-PSM Programme is to strengthen the regulatory and institutional framework and processes of national and local governance to enhance service delivery, as outlined in detail in Section 4.</p> <p>In May 2011 there was a change of scope within the project to harmonize and build synergy with other development partners in Iraq. The five Outputs were adjusted to four as Output 3 was dropped and will be done by another development partner. Output 2 was elaborated.</p> <p>Reports from this 2<sup>nd</sup> Quarter reporting period forward will utilize this change of scope adjustment. With the Joint I-PSM Programme working on the following four Outputs:</p> <ol style="list-style-type: none"> <li>1. GOI is better equipped to undertake Public Sector Modernization at national and sub-national levels;</li> <li>2. 1. GOI has capacities for improved public administration systems;</li> </ol>

2. MOPDC has improved capacities for planning and monitoring
3. Target Ministries have improved capacities for planning and monitoring
3. GOI has reform and modernization plans in place for targeted sectors; and,
4. Decentralized service delivery improved in target sectors with local governance and enhanced participation.

The Iraq Public Sector Modernisation Programme (I-PSM) is in Phase-I which is purely a diagnostic phase. As USAID has come forward to take up and lead Civil Service Reforms (Output 3), the programme requested and received approval to be re-formulated with adjustments and a scope change to four key outputs above. A no-cost extension has been agreed and approved by the participating agencies and the ITF Steering Committee which considered the time-frame to launch the programme, the security situation in Iraq, the commitment of the Government of Iraq with the 100 days Government cleanup regarding initial systemic incapacities in the Government, and time taken within the recruitment process. Thus Phase-I of the Programme will continue till 31 December 2011. It is anticipated that a decision will be made in 4<sup>th</sup> Quarter if Phase-II will be functional as of 01 January 2012.

### Outputs, Key activities and Procurement

Outputs & Activities	
	<p>Reports from 2<sup>nd</sup> Quarter 2011 reporting period forward utilize the change of scope adjustment in which the Joint I-PSM Programme works on four Outputs which are further defined into the following activities.</p> <ol style="list-style-type: none"> <li>1. GOI is better able undertake Public Sector Modernization at national, regional and governorate levels               <ol style="list-style-type: none"> <li>1.1 National PSM Task Force Established;</li> <li>1.2 Parliamentary sub-committee on PSM in place;</li> <li>1.3 National I-PSM Strategy in place;</li> <li>1.4 Enhanced understanding by all levels of government of local planning and local service delivery and the perceptions of local population, especially women, for health, education and WATSAN local services. A focus will be placed on providing space to women's voices to help shape and improve local service delivery. Piloted local e-Governance services rolled out and position papers drafted on private-public partnerships in local service delivery;</li> <li>1.5 Ministry Advisory Committees in Place to Lead Sectoral Reforms;</li> <li>1.6 External evaluation of Phase 1 and formulation of detailed Work Plan for Phase 2.</li> </ol> </li> <li>2. GOI has enhanced capacities to review and implement public administration systems               <ol style="list-style-type: none"> <li>2.1 Standard systems for general management functions supported for their creation and implementation in target sectors;</li> <li>2.2 Tailor made capacity development initiatives and training packages developed and implemented for general management functions;</li> <li>2.3 An SES framework for the GOI presented and incorporated into PSM strategy;</li> <li>2.4 National e-Governance Strategy reviewed in line with improved public administration systems;</li> <li>2.5 MOPDC has improved capacities for planning and monitoring;</li> <li>2.6 Standard systems for collection of data for performance and results monitoring and evaluation supported for their creation and implementation in target sectors;</li> <li>2.7 Target ministries have improved capacities for planning and monitoring;</li> <li>2.8 Sectoral Reform opportunities identified and sector expenditure management plans in place;</li> <li>2.9 Gender responsive budgeting understood by GOI and KRG, and mainstreamed in national and provincial budget preparation processes, including sectoral budgets.</li> </ol> </li> <li>3. GOI has reform and modernizations plans in place for targeted sectors.               <ol style="list-style-type: none"> <li>3.1 Health Sector has reform and modernization plans in place;</li> <li>3.2 GOI Education, TVET and Higher Education Sectors have reform and modernization plans in place;</li> <li>3.3 GOI Domestic Water Supply and Sanitation Sectors have reform and modernization plans in place;</li> <li>3.4 GOI is provided with review of aggregate, cross-cutting structural issues to enable fiscal and administrative decentralized service delivery;</li> <li>3.5 GOI is provided with options for citizen participation and public-private partnerships for enhanced service delivery.</li> </ol> </li> </ol>

	<p>4. Decentralized service delivery improved in target sectors with local governance and enhanced participation.</p> <p>4.1 Ministry of Health is able to implement decentralized service delivery with enhanced citizen participation.</p> <p>4.2 Ministries of Education and Higher Education are able to implement decentralized service delivery with enhanced citizen participation.</p> <p>4.3 Ministry of Municipalities and Public Works is able to implement decentralized service delivery with enhanced citizen participation.</p> <p>4.4 Local Government organizational structures and mechanisms strengthened to support decentralized service delivery supported.</p> <p>4.5 Vertical and horizontal inter-government relations formalised with discussion forums in place and partnerships with international/regional municipalities created.</p> <p>Select governorates have mechanisms for improved citizen participation in decentralized service delivery.</p>
<b>Procurement (major items)</b>	Recruitment of International Programme Manager/ Coordinator, Consultants in UNDP, UNESCO and UNFPA in order to provide the technical assistance for the IPSM implementation process. Engagement of external agency for KRG review; recruitment of consultant for external evaluation of Phase-I

Funds Committed – UNDP	USD 3,026,798 IAA (ESCWA, UNFPA & UNWOMEN)	% of approved	
Funds Committed - WHO	USD 1,625,800	60%	
Funds Committed -UNESCO	USD 1,285,849	79%	
Funds Committed - UNICEF	USD 2,544,192	64.3%	
Funds Committed -HABITAT	USD 1,155,010	97.8%	
		57.7%	
Funds Disbursed- UNDP	USD 1,634,392	% of approved	
Funds Disbursed- WHO	USD 1,454,801	32%	
Funds Disbursed- UNESCO	USD 854,053	71%	
Funds Disbursed- UNICEF	USD 2,164,584	42.7%	
Funds Disbursed- HABITAT	USD 756,129	83.2%	
		37.8%	
Forecast final date	Time extension approved till 31December 2011 from 28 April 2011	Delay (months)	9

Direct Beneficiaries	Number of Beneficiaries	% of planned
Men	UNDP/ Estimated 150,000 WHO/ Estimated 70,000 UNESCO/ 70 UNHABITAT/ UNICEF/323.614 teachers (M&F)	2% 2% 17%
Women	UNDP/ WHO/ 20% out of the above UNESCO 30 UNHABITAT/ UNICEF/ TBD 30	0% 0% 0%
Children	UNDP/ WHO/ Indirect Beneficiaries UNESCO 0 UNHABITAT/ UNICEF/ Children enrolled in Primary Education (4.8 million)	0% 0%
IDPs	UNDP/	0%

	WHO/ Indirect Beneficiaries UNESCO 0 UNHABITAT/ UNICEF / TBD	0%
Others (in direct beneficiaries)	UNDP/ COMSEC, MoP, MMPW, Civil servants WHO/ MoH and other line ministries staff UNESCO/ MoE and MoHESR personnel UNHABITAT/ Residents of towns and cities in Iraq receiving urban services. UNICEF / Children enrolled in Primary Education (4.8 million) UNFPA/ CSO/KRSO and Statistical Units of the line ministries	0% 0%
Employment generation(Men/ Women)	N/A	0

Quantitative achievements against objectives and results			
Output 1 1.1, 1.3 and 1.5	<p><b>UNDP</b></p> <ul style="list-style-type: none"> <li>A National PSM Steering Committee has been established in the Government and UNDP has provided technical assistance;</li> <li>A National I-PSM strategy developed and GoI is reviewing it for publishing and adopting;</li> <li>Ministry advisory committees have been established for all the lead sectoral reforms;</li> <li>The Government has been supported to develop the vision and roadmap for public administration reforms;</li> <li>Requisite handouts and plan documents prepared and submitted. Public Administration systems requirements for Government wide reforms have been discussed with GoI;</li> <li>National E-Governance Strategy developed and adopted by the Government;</li> <li>SES Canada study tour has been conducted. 8 senior GoI officers participated and studied the Canadian Systems of federalism, SES systems, and public services.</li> </ul>	% of planned	90% of the planned activities of the phase-I have been taken up and completed.
Output 2 2.4 , 2.5 and 2.6	<p><b>UNFPA (under Interagency agreement with UNDP)</b></p> <ul style="list-style-type: none"> <li>A field consultancy mission implemented to assess and propose modifications and developmental steps to the current legal framework of dataflow, 16-26 July 2011;</li> <li>A field consultancy mission implemented to study classifications and coding system used in CSO/KRSO as well as in the pilot ministries in both Baghdad and KRG, 16-26 July 2011;</li> <li>A field consultancy mission implemented to study Dissemination and E-dissemination system in CSO/KRSO as well as in the pilot ministries in both</li> </ul>	% of planned	90% of Phase I achieved  At output level: 30% related to the phase I activities and interventions as prerequisites issues to start

<p>Output 3: 3.5</p> <p>Output 4 4.6</p>	<p>Baghdad and KRG, 16-26 July 2011;</p> <ul style="list-style-type: none"> <li>• A workshop organized at the end of the 3 consultancy missions in Erbil 28 July 2011 to discuss the outcomes and main findings of the missions with all related national partners and counterparts. Additionally discussed the next field consultancy missions in September 2011 and the conceptual framework for the task force, code of practice and the business plan;</li> <li>• The UNFPA Deputy met UNDP, UNICEF and UNESCO to discuss the I-PSM crosscutting issues between all UN Team partners in Baghdad;</li> <li>• UNFPA agreed with CSO and MoP to have a technical meeting in October 2011 related to the development of the statistical law in Iraq;</li> <li>• A consultancy mission to study and assess the information and statistical system including the Hardware and Software issues and the infrastructure of this system, undertaken 10-19 September 2011;</li> <li>• A consultancy mission implemented to study the code of conduct and practice related to NSS project and the statistical work principles in the Iraqi Statistical System was undertaken 10-19 September 2011;</li> <li>• A consultancy mission implemented to study the human resources management and the competency profiles was undertaken 10-19 September 2011;</li> <li>• A consultancy mission to study Engendering Statistics in the NSS with a focus on the prioritized and required interventions to develop such a component in the modernization process of the NSS project was undertaken 10-19 Sep 2011;</li> <li>• A workshop was organised and conducted on 20 September 2011 to discuss the outcomes and main findings of the four September missions with all related national partners and counterparts.</li> </ul> <p><b>UNESCWA (under Interagency agreement with UNDP)</b></p> <ul style="list-style-type: none"> <li>• Completed all planned field surveying endeavours pertaining to citizen's participation and public-private partnerships (PPP). The surveys utilised several steps and techniques including: the administration of questionnaires, one-to-one interviews and focus group discussions which targeted a wide variety of stakeholders involved in the provision of services both at the federal and local levels including public and private sector institutions, local level authorities and governments, local level sectoral departments, civil society and citizens;</li> <li>• Desk reviews initiated regarding the legal and procedural frameworks related and governing Participation and PPP;</li> <li>• Preliminary data from the field surveys related to</li> </ul>	<p><b>% of planned</b></p>	<p>the implementation phase)</p> <p>55%</p>
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<p>Output 3 3.2</p> <p>Output 4 4.2</p>	<p>Participation and PPP has been tabulated and will be made available to the relevant UN sister agencies leading the sector work in order to incorporate the results within their sectoral assessments;</p> <ul style="list-style-type: none"> <li>• Data analysis initiated and the final assessment report is anticipated to be completed by end October 2011.</li> <li>• A Study Mission on SES implemented on 27-30 September 2011 to Ottawa, Canada. The Study Mission delegation consisted of eight (8) very senior level public officials who were exposed to the adopted Canadian SES model as well as to the federalist structure and mechanisms in place. The Mission yielded very positive results as the Iraqi delegation highlighted several lessons learned and are planning to induce change within their PSM Strategy as mentioned during the closing session;</li> <li>• The planning of the Second Study Mission on Participation and Local Governance has been completed. The Study Mission will take place in the regions of Piedmonte and Trento in North-East Italy from 18-21 October 2011. The participation of major figures in Local Governance has been secured, among which the Minister of State for Provincial Affairs, several Governors as well as senior representatives of relevant federal and regional government institutions and local level governments.</li> <li>• Contact initiated with relevant public and private institutions in Turkey in preparation of the PPP Study Mission scheduled to take place during the second half of November 2011.</li> </ul>	<p>44%</p>	
<p>Output 3 3.2 and 3.3</p>	<p><b>UNESCO: Higher Education</b></p> <ul style="list-style-type: none"> <li>• Draft Functional Review completed;</li> <li>• Draft Service Delivery Assessment and Costing almost completed, scheduled to be finalized in October;</li> <li>• Draft joint Road Map for Education Sector reform under development in partnership with UNICEF;</li> <li>• Capacity building activities scheduled to start once the Road Map for Education Sector Reform is completed in October 2011.</li> </ul>	<p>55%</p>	
<p>Output 4 4.2</p> <p>Output 4 4.3</p>	<p><b>UNICEF: Primary Education</b></p> <ul style="list-style-type: none"> <li>• Functional review completed,</li> <li>• Development of the Roadmap under process and anticipated to be completed by end December.</li> </ul>	<p>80%</p>	

<p>Output: 3 3.1</p> <p>Output 4 4.1</p>	<ul style="list-style-type: none"> <li>• Outcome of the Functional Review have been shared with the Minister of Education. A joint 4-day workshop involving MoE, together with UNESCO facilitated to share the findings of the functional review, and costing reports in order to agree upon a common framework for the Joint Roadmap for education.</li> </ul> <p><b>UNHABITAT/ UNICEF: WATSAN</b></p> <ul style="list-style-type: none"> <li>• Joint working group to guide the technical experts.</li> <li>• During 3rd Quarter 2011, two consecutive meetings were held with the WATSAN Ministerial Advisory Committee (MAC) including KRG. A meeting was held in Erbil 18-19 July and the second meeting was held in Amman 14-15 September. An upcoming one-day MAC-meeting is planned to be held in Erbil on 26 October, 2011, i.e. first meeting for 4<sup>th</sup> Q2011.</li> <li>• The Consultant SGI/Engicon submitted the Inception Report and the Functional Review Report. Both reports were approved.</li> <li>• UN HABITAT signed a contract with Geopolicity Co. on the scoping study for Preparation of Strategy for Integrated Solid Waste Management - ISWM).</li> </ul> <p><b>WHO</b></p> <ul style="list-style-type: none"> <li>• Extensive field work and data analysis as well as consultative meetings continued through the work of the NST with the support of the 8 international experts mentioned under the section on procurement during the reporting period.</li> <li>• The studies to assess the performance of the different building block of the health system were reviewed and completed. This assisted in the development and finalisation of the Functional Review and Health Performance Appraisal during and inclusive three day meeting 26-28 July 2011. Over 30 Iraqi specialists from the MOH and other line ministries participated in the review including MAC and NST members both from Baghdad and KRG. This was led by the Health Deputy Minister for Reconstruction and Donor's Affairs who is also the Chair of the I-PSM-MAC.</li> <li>• WHO consultants continued to hold consultative meetings with MOH senior management, including His Excellency the Minister of Health, his Deputies and the Director Generals of all key departments. In addition to the technical work related to data collection and analysis, the experts conducted a series of capacity building activities including workshops, brainstorming sessions, different forms of discussions and exchange of views on how the proposed health reforms and roadmaps will be implemented, during the period under review,</li> </ul>	<p>50%</p> <p>90%</p> <p>80%</p> <p>95%</p>	
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	<ul style="list-style-type: none"> <li>• WHO consultants visited several health facilities including different types of hospitals and took the opportunity to discuss with health facility managers and users to seek their opinions, views and perceptions regarding the performance of the Iraq health system and how best it could be improved. This is part of the continued process of strengthening the capacity of MOH officials to undertake programmes related to the decentralisation of health services and to foster the participation of health care service users and community members in the management of health services at local level.</li> <li>• During all visits and discussions in a variety of forums held by WHO Consultants and during the meeting to review the Functional and Health System Performance Appraisal, different options of service delivery models and their cost implications have been discussed. This process is assisting the MOH and other Iraq partners in ensuring sustainability and ownership of suggested health reforms.</li> </ul>	80%	
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**Qualitative achievements against objectives and results**

**UNDP**  
 UNDP has been able to effectively coordinate with different agencies, donors, and the Government during 3rd Quarter. Interaction with the agencies has remarkably improved during this reporting period. UNDP in association with donors like EU and other UN agencies supported the Government in the establishment of a IPSM Steering Committee under the Chairmanship of the Prime Minister’s Advisory Commission. UNDP has also actively participated and represented the UN in two of the IPSM Steering Committee meetings during the period under report. UNDP has supported the establishment of Thematic Working Groups by the Government that guide the reform process in the different sectors. Technical assistance to the Government has actively increased during the quarter with the support of the new programme coordinator and presence in Baghdad. The Country Director and the Programme Coordinator initiated working full time from Baghdad as slots were made available. This has given an opportunity to regularly interact and coordinate with Baghdad based UN agencies and with the Government. The Vision, Roadmap, and PAR Guidelines have been drafted and submitted to the Government. UNDP has been able to fully engage the Government on discussions regarding Public Administration Reforms and Public Sector Modernisation.

**UNDP/UNFPA**  
 The implementation of the main 7 Functional Review Assessment missions is considered a significant achievement considering the capacity of Government in this area of activity. The results of assessment during the phase-I are nearing completion which will serve as the foundation for implementation in Phase-II. National ownership has been created with continuous engagement with Government of Iraq officials at every stage of assessment and validation of data collected during the period under review. Addressing the engendering statistics issues has been considered a good step to build at both national and sectoral level. This included the required databases and securing the requested information about gender equity and women’s empowerment that all are based on the human rights based approach. UNFPA has been able to build a very clear picture that identifies the main interventions to be implemented which would modernize the Iraqi NSS.

**UNDP/ UNESCWA**



Performing the Field Assessment on Participation, Perception and Private-Public Partnerships: Further to finalizing the assessment and surveying tools during the last reporting cycle, ESCWA and its national implementing partner, the National Center for Management Development and Information Technology (NCMDIT), activated all field activities and initiated the Participation and Perception Surveys as well as the undertaking of the Private-Public Partnerships reviews.

Dedicated and adapted questionnaires and tools were designed to service and address the specificities of each target beneficiary and sector covered by the assessment. Four sets of tools had been devised: (1) the questionnaire on participation addressed to public sector officials at the federal and local levels and aiming at identifying existing mechanisms of participation in service ministries; (2) the PPP questionnaire addressed to both the public and private sector stakeholders; (3) the participation and perception questionnaire addressed specifically to local level authorities' representatives and finally the focus group guiding questionnaires that were designed according to the three covered sectors. It is to note in this regard that the assessment was performed in the four targeted governorates and required the involvement of more than 300 surveyors for a period of one month.

The preliminary assessment data has been gathered from the surveying teams and a dedicated IT team has devised a programme for data gathering and entry. This system has allowed a swifter tabulation of the data, which was performed as planned at the end of September 2011. The preliminary aggregated data per sector has been made available and will be circulated early October to all sectoral leads.

The data analysis, which will be a collaborative effort between the NCMDIT and regional statistical experts, is anticipated to start October 1 and yield a preliminary assessment report by end October.

Legal and procedural frameworks:

Prominent experts and academics from Iraqi universities and think tanks had been selected and contracted to perform the relevant and required desk reviews on the legal and procedural frameworks governing Participation and PPP in parallel to the field surveys.

A Study Mission on the Canadian Senior Executive Service; Ottawa-Canada; 27-30 September 2011:

A Study Mission on SES implemented on 27-30 September 2011 in Ottawa-Canada with the aim of exposing senior Iraqi decision makers to the Canadian success model in SES, and allowing better networking with relevant parts of the Government of Canada's machinery that deals with Canada's Executive (EX) and Deputy Minister (DM) cadres.

The Study Mission delegation consisted of eight (8) very senior level public officials and introduced them to the adopted Canadian SES model as well as to the federalist structure and mechanisms in place. The study tour included presentations on the system of Government in Canada and the autonomy of the provincial governments in a highly decentralized system and stressed upon a very peculiar characteristic which is the segregation between the political and administrative competencies within State machinery. The Iraqi delegates were exposed to all entities involved in the SES which includes the Privy Council, the Treasure Board, the Public Service Commission and the Canada School of the Public Service. Additionally, the Iraqi delegates had the opportunity to interact with Canadian officials on issues related to their adopted federal system.

The Mission yielded very positive results as the Iraqi delegation highlighted several lessons learned and is planning to induce change within their PSM strategy, as mentioned during the closing session. The SES model was clearly very well received and several components were highlighted as been potentially "transposable" to the Iraqi administration within the PSM endeavour by the participating high level delegates.

#### **UNESCO**

The functional review discussion and service delivery assessment methodology workshop, took place 2-6 July

2011 which gathered thirteen Iraqi experts from the Ministries of Education and Higher Education and Scientific Research in Baghdad and Erbil to review the main findings of the functional review of the Iraqi Education Sector. During the five-day workshop the Iraqi participants assessed the educational services offered in the country with the assistance and coordination by the UNESCO team of international experts. The findings of the report, together with the assessment of the service delivery model and costing of education in Iraq are expected to ensure that the future roadmap for reform of education appropriately addresses any existing gaps that hinder access to quality education for every Iraqi.

Following the workshop, fortnightly meetings gathered the Iraqi group of experts to finalise the draft Service Delivery Assessment Report throughout July and August. The reports are being reviewed by a group of international experts ahead of final validation by the Iraqi Government. A series of meetings with UNICEF were held in September to complete the Roadmap for MoE and MOHESR Reform based on the findings of the respective functional reviews, service delivery assessments and costing reports.

**UNICEF:**

Obtained full endorsement of and cooperation from key Iraqi partners – government officials, educational professionals, donor partners on the approaches and reform of education sector in Iraq. A contractual process in place which will ensure a high-quality, and timely report which will enable UNICEF to complete its obligation under Phase I, in a very timely way. The process to involve government functionaries and acquire proper ownership of Gol is streamlined through E-MAC. The E-MAC also agreed to form a drafting committee for the Roadmap, the process already initiated.

**UNHABITAT:**

In the above mentioned 3 MAC meetings, discussions and dialogues among all participants including representatives from MMPW / Water and Sewerage Department, KRG / MMT / GDW&S, the Mayoralty of Baghdad, MOEnv., ESCWA, NCCMD, UNHABITAT, UNICEF and the Consultant concerning Policies, Legislations, Decentralization, Capacity Building, Public Awareness, Revenue Collection, and approval of List of Key Performance Indicators for Service Delivery of WATSAN were very fruitful and positive. The service delivery model was discussed at length taking into consideration all issues mentioned here above as input to the proposed model and the strategic roadmap.

**WHO:**

All the studies related to the Functional Review and Health System Performance Assessment were completed during the period under review. In addition to the consolidated report, monographs on National Health Account (NHA) and on Health Information System (HIS) have been completed and approved by the Minister of Health.

These monograph reports as well as the Functional Review and Health System Performance report are being translated from English into Arabic at the request of MOH with the aim of ensuring wide dissemination of these reports among all levels of health professionals and institutions.

Also, substantive work on Public Finance management applied to the health sector has been completed with gaps identified. Detailed information on the budget categories and allocation of annual budget for health between 2006 and 2010 have been compiled and analysed. The recommendations for financing options have been made with further details available in the consolidated report.

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

- The delays encountered in the start-up phase were mainly due to the political situation Iraq was facing in 2010. This affected the responsiveness of national partners. Due to this fluid situation and delivery to produce desired

results a no cost extension has been obtained for the Programme;

- Delays in accepting advice by Government, slow pace of taking decisions, non clarity on public sector reforms by the Government have been major challenges;
- Inclusion of KRG in the Ministerial Advisory Process has been a challenge but now is fully integrated with meetings being held in Erbil as well as Baghdad.
- The collection, synthesis, and interpretation of data by the sectors have taken longer than anticipated and slowed down the functional review process.
- Non availability of logistics and time constraints of main counterparts is pushing the MAC meetings to an interval of 6-8 weeks instead of originally planned monthly schedules.
- The fragile security situation in the country is another challenge to every agency. Moreover, the relationships in the context of I-PSM are not clear between Baghdad and Erbil, particularly the roles of governing bodies like steering committees, task force, etc.
- The identification of national implementing partners with relevant capacity and proven track record to undertake the functional surveys and most importantly the perception assessments was particularly challenging. Coordination has been limited within the various directorates of MOH regarding data collection especially at the governorate level.
- Finding a Gender Responsive Budget expert has been a challenge for UNWomen.