

United Nations Development Group Iraq Trust Fund

Project # 66995: C10-11

Date and Quarter Updated: 01 July – 30 September 2011 - 3rd Quarter 2011

Participating UN Organisations: UNDP (Lead), ILO, UNIDO, FAO, UNOPS, UN-HABITAT, UNIFEM (changed to UNWOMEN)	Sector: Governance & Human Development (C) SOT: Economic Recovery and Development
Government of Iraq – Responsible Line Ministry: Over-all responsibility: Prime Minister’s Office Advisory Commission	
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. 	
The TFER and all WGs are established through COMSEC orders and comprise members from relevant Iraqi government entities ¹ , Central Bank, National Investment Commission. They also define membership for representatives of private sector and unions ² , and other relevant Iraqi stakeholders ³ .	
Downstream activities in Erbil, Anbar, and Basrah are coordinated through PSDP-I Governorate Steering Committees (GSC) with representation of relevant local Government of Iraq (GoI) counterparts ⁴ .	

Title	Private Sector Development Programme for Iraq				
Geographic Location	National upstream-level and three priority governorates: Basrah, Al’Anbar and Erbil.				
Project Cost	USD 32,870,000 ⁵ Cost sharing and co-funding under discussion with GoI and other partners.				
Duration	48 months				
Approval Date (SC)	4.12.2008	Starting Date	01.01.2009	Completion Date	A no-cost extension granted till 31 December 2012
Project Description	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. 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.				

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 (IFI), Iraqi Businessmen Union, Association of Iraqi Businessmen, Association of Iraqi Banks, Iraqi Contractors, Iraqi Federation of 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. During the reporting period, the first two tranches of the original budget were transferred to Participating Agencies (USD 22,889,894). In addition, UNIFEM received a PSDP-I budget increase of USD 20,000 to be used for activities unrelated to this Programme.

Development Goal and Immediate Objectives

Development Goal:

- Contributes to following Sector Outcomes:
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.
- Contributes to the UNDAF Priority Area 2 “Inclusive, more equitable and sustainable economic growth” and to foster national capacity and leadership of the development process, within governmental, non-governmental and social institutions, in order to transition the country from the impact of violence and repression characterizing recent decades.
- UNDP implements in line with Country Programme Outcome 4 “GoI has the institutional framework to develop and implement MDG-based pro-poor, equitable and inclusive socio-economic and environmental policies and strategies” and Outcome 5 “Enabling policy and frameworks for rapid economic recovery, inclusive and diversified growth and private sector development” which feed into the UNDAF and NDP.

Immediate Objectives:

- Reflected in Integrated Programme Outcomes:
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 for private sector development policies.</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>
IP Activities	<p>1.1.1 Assist technically a Task Force within the Prime Minister Office to support the formulation, implementation and monitoring of public PSD initiatives of the GoI, and conduct a final programme evaluation;</p> <p>1.1.2 Conduct a comprehensive assessment of legislative, institutional and sectoral needs to assist GoI to properly design policies for PSD;</p> <p>1.1.3 Support the drafting, parliamentary review, and implementation of legislation including SoE corporatisation (amendment of Law 22), privatisation, investment law rules and regulations, land title reform, competition, arbitration, PPPs, mitigation package, agricultural and trade policies;</p> <p>1.1.4 Build the capacity of officials regarding key policy issues for enterprise development, including PPPs, corporatisation and privatisation of SOEs, access to private finance, industrial policy, labour standards, land titling, agriculture, trade and allocation to support the design of relevant legislative and institutional frameworks;</p> <p>1.1.5 Implement investment potential mappings (including sector-specific);</p> <p>1.1.6 Promote social dialog, institutionalise and technically support the organisation of a tripartite consultation mechanism of the Government, Employers and Workers representatives in the Socio-Economic Council (SEC)of Iraq;</p> <p>1.1.7 Prepare in consultation with the Socio-Economic Council a Private Sector Development Strategy for Iraq, including a strategy for investment, private farming, trade and an economic regional reintegration program proposal;</p>

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

	<p>1.1.8 Provide continuous support to the Program to mainstream gender and ensure women's full participation in policy and strategy design.</p> <p>1.2.1 Improve the design and the management of the Governmental guaranteed Micro-Lending Programme of the GoI (implemented by MoLSA and MoIM);</p> <p>1.2.2 Assist with the design and implementation of other mechanisms to enhance access to credit by SMEs;</p> <p>1.2.3 Review of micro-lending legislation and draft of laws and by-laws.</p> <p>1.3.1 Provide assistance for a survey of SMEs (including formal and informal sector);</p> <p>1.3.2 Support GoI Prime Minister's Advisory Board and other concerned ministries for an SME-friendly regulatory framework;</p> <p>1.3.3 Strengthen capacities of business development services and Non-Bank Financial Institutions at the national level.</p> <p>2.1.1 Identify, in a participatory, evidence-based framework, local economic comparative advantage of the target areas;</p> <p>2.1.2. Support local institutions in the production of Local Economic Recovery (LER) strategies in harmony with Provincial Development Strategies (PDS);</p> <p>2.1.3 Strengthen governorate-level institutions to implement and sustain local development planning capacities;</p> <p>2.1.4 Promote gender mainstreaming and women participation in local strategies and plans.</p> <p>2.2.1 Direct implementation of pilot projects and support local governor's office and line ministries at the governorate-level to identify priorities and implementing their programs 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
Major Activities Undertaken from initiation till present reporting	<ul style="list-style-type: none"> • Cabinet-endorsed establishment of Task Force for Economic Reforms and seven Working Groups with membership of relevant Iraqi state entities and private sector <ul style="list-style-type: none"> ○ Legislative Assessment and Revision ○ SOE Restructuring ○ SME Development ○ Tax and Financial Policy ○ Investment Policy ○ Land Management Reform ○ Social Dialogue • Submission of Preliminary Legislative Assessment Report (covering investment, commercial, public procurement and privatization core areas as well as assessments in area of agriculture, labour, land regime, SMEs, and gender) and development Draft Law for Economic Reforms, Investment Law, Free Zone Law and general Private Public Partnership Law (and guidelines). • MoU signed between UNDP (on behalf of UN PSDP-I agencies) and World Bank on cooperation in support to development of Roadmap for SOE Restructuring. • MoU signed with Unioncamere (Italian Federation of Chambers) on cooperation in support of Iraqi Chambers of Commerce and business processes. • Agreement with GoI and other key Iraqi stakeholders on SME development activities (including on establishment of SME agency) and preparations MSME survey (including coordination with COSIT) as well as submission of paper "Reforming governmental micro-lending in Iraq for employment generation". • Completion of "Preliminary Institutional, Legal and Technical Assessment Administration and Management" report for land management reform and agreement with GoI and other key Iraqi stakeholders on development of Land Policy for Iraq. • Preparations undertaken for investment mapping. • Preliminary Tax Policy Design Framework developed. • Completion of generic structure for Agriculture Private Sector Strategy and approval by Iraqi counterparts.

- Establishment of GSCs at governorate level (Erbil, Basrah, Anbar) and initiation of various downstream activities.
- Completion of draft Policy Paper on COSIT Economic Analysis Unit and shared with COSIT.
- Completion White Paper on women's participation in employment and private sector development.
- Significant progress achieved in planning/development/coordination in following areas:
 - PSD strategy
 - Business development services (including successful training of local counterparts)
 - Coaching assistance to the Ministry of Industry and Minerals on the formulation of Iraq's Industrial Strategy and Policy.
- Approval of Roadmap for Restructuring of State-Owned Enterprises by the Iraqi Cabinet (31 August 2010, Cabinet Decision #314), including social mitigation measures and reference to the continued support role of United Nations and World Bank; assignment of SOE Restructuring Focal Points in ministries and commencement of establishment of Restructuring Units within ministries and preparation for formation of cross-ministerial Restructuring Support Teams.
- Approval of establishment of three Governorate Economic Development Units by Local Steering Committees.
- Completion of diagnostic report for national investment mapping.
- Endorsement Iraqi counterparts of detailed training concept notes for downstream capacity building by FAO.

Total Funds Committed and Disbursed as of 30 September 2011

Agency	Total Approved Amount [in USD]	All Three Tranches Received [in USD]	Rate of Funds Committed (against 1 st , 2 nd and 3 rd Tranche) ⁷	Rate of Funds Disbursed (against 1 st , 2 nd and 3 rd Tranche)
(a) UNDP	9,750,000	9,750,000	68%	59%
(b) ILO	3,002,966	3,002,966	49%	40%
(c) UNOPS	5,897,034	5,897,034	83%	68%
(d) UNIDO	7,700,000	7,700,000	55%	43%
(e) FAO	3,300,000	3,300,000	50%	49%
(f) UN-HABITAT	2,000,000	2,000,000	79%	60%
(g) UNWOMEN	1,220,000	1,220,000	50%	47%
Total	32,870,000	32,870,000	64%	54%

A. UNDP

Funds Committed	USD 6,588,019	% of received	68%
Funds Disbursed	USD 5,752,310	% of received	59%
Forecast final date	December 2012	Delay (months)	12

Direct Beneficiaries	Number of Beneficiaries ⁸	% 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

⁷ For some agencies (ILO and UNOPS), commitment rates have dropped from the previous reporting period. This is due to the year-end closure of larger unliquidated obligations in the financial systems of the respective organizations.

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.

Quantitative achievements against objectives and results	% of planned
IP Outcome 1: The policy and regulatory environment is more conducive to private sector development	
Output 1.1: National capacities for private sector development policies are strengthened	87%
Output 1.2: Improved efficiency of the Public Micro Lending Programme and access to business loans	48%
IP Outcome 2: Strengthened Economic recovery in three governorates in the South, Central and Northern areas of Iraq	
Output 2.1: Local economic strategies and plans developed in line with national and provincial frameworks in three governorates	68%
Output 2.2: Economic and social regeneration pilot projects implemented in three selected governorates	42%

Qualitative achievements against objectives ¹⁰ 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 Office to formulate, implement and monitor the public PSD initiatives of the GoI.	<p><i>[Activity led by UNDP: achievement rate at 98%]</i></p> <ul style="list-style-type: none"> • 5 July 2011: The High Economic Committee (HEC) requested two reports be developed. This included: (a) A full report to be produced by the Ministry of Finance and all relevant line ministries regarding the use of subsidies for SOEs, and (b) A progress report requested on the implementation of the SOE Restructuring Roadmap. The position taken by the HEC is expected to expedite the implementation of the SOE Roadmap; • 6 July 2011: Meeting with the Iraqi Partnership Committee, newly established by the Government to coordinate efforts with donors and multilateral organizations on a number of priority areas for Iraq, including private sector development; • 11 July 2011: Meeting with the Iraqi Institute for Economic Reform (IIER) to discuss partnership opportunities and engagement of the IIER as a local partner for PSDP-I – namely in the preparation of the private sector development recommendations and the launch of the UN Global Compact Local Network; • Preparatory work for the launch of the UN Global Compact and Iraq Global Compact Local Network: <ul style="list-style-type: none"> ○ 3-13 July 2011: Meetings with Iraqi companies to raise awareness on Corporate Social Responsibility (CSR) and UN Global Compact (UNGC). Business champions identified for the creation of the Iraq UN Global Compact Network. Meetings held with COMSEC focal points for the UN Global Compact (UNGC) to build capacity in view of the launch during 4th Quarter; ○ 20 July and 22 August 2011: Meetings with the Iraqi Business Council in Jordan to present the UNDP-PSDPI CSR project and planned launch of the UNGC in Iraq. The initiative was well received by the Iraqi Business Council in Jordan who proposed to join as a member and partner with UNDP in integrating the UNGC in its CSR activities including co-organizing awareness raising and training events with the Iraqi business community in Jordan; • 19 July 2011: A proposal for cooperation was presented to JICA/ODA on: (a) Installation of equipment and capacity building on electricity transportation and distribution, (b) Translation of the Electricity Master Plan endorsed by the Government in February 2011; • 24 August 2011: PSDP-I preparatory programme management meeting with the Resident Coordinator who is Co-chair of the Programme Steering Committee for the quarterly project review and review of the extension request ; • An Memorandum of Understanding and Cost Sharing Agreement formulated for cooperation with the Government of Poland; • 15 August 2011: Meeting with the Ministry of Oil, Department of Training and Development to advance preparations of the “cooperation framework on human capital development to support oil economy expansion and private sector development”. PSDP-I was requested to develop a strategic partnership to cover capacity development: • 22 August 2011: Land Management Working Group meeting held to review the “Iraq Land Policy Workshop Results and Actions”. This resulted in recommendations and

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

	<p>assessment of progress regarding the implementation of the Berlin Recommendation on Land Reform;</p> <ul style="list-style-type: none"> • 24 August 2011: PSDP-I Internal meeting, chaired by the Resident Coordinator to review and plan programme implementation; • 5-9 September 2011: A delegation, led by Deputy Prime Minister travelled to Romania to meet with counterparts and exchanged views and lessons learned. The visit resulted in the Government of Romania offering technical support. Cooperation priorities identified included: <ul style="list-style-type: none"> ○ Public finance management and asset administration; ○ Tax and Customs regime and administration; ○ Banking system reforms; ○ Insurance. <p>An agreement was reached to pursue the cooperation within the framework of a Memorandum of Understanding. To this effect, a meeting will be hosted by the UNDP PSDP-I in Baghdad during Q4 2011. To secure financial support for each of the projects formulated within the scope of this cooperation, parties will work together on ensuring access to national financial resources as well as to international funding.</p> <ul style="list-style-type: none"> • In a meeting with the Italian Government representatives during the Industrial Zone Conference in Baghdad, PSDP-I was asked to support the disbursement of the Italian loan; • PSDP-I arranged meetings for the UNDP Outcome Evaluation Team to undertake extensive consultations with senior Iraqi officials, civil society and a large number of international partners in connection with an outcome evaluation of a major portfolio including the joint UN Agency Private Sector Development Programme where UNDP is the lead agency. • Recruitment for a National Officer in charge of partnership coordination launched; • 13 September 2011: Meeting with local companies in Babylon to raise awareness on Corporate Social Responsibility and promoting the UNGC, organized by UNGC Iraq team (COMSEC and business champions) with UNDP PSDPI support. As a result, twenty (20) companies from Babylon initiated the process to become UNGC members; • 17 and 30 September 2011: Meetings were held in the United Arab Emirates (UAE) with the Iraqi Business Council in Dubai (17th September) and Abu Dhabi (30th September), to engage Iraqi companies based in UAE to support the Iraq Global Compact Network and attend the event launch in Baghdad planned during 4th Quarter. • 27-29 September 2011: Participated in a regional meeting of UNGC Local Networks MENA and Africa, aimed to: a) Develop coordination with the Global Compact Office Secretariat and other Local Meeting Networks in the region for knowledge sharing and guidance on the process of the Global Compact launch in Iraq and follow-up mechanisms; b) Exchange inputs for a common regional contribution of UN Global Compact Local networks to the Rio+20 Conference on sustainable development, in order to strengthen MENA and Africa business participation in global policy dialogue. <ul style="list-style-type: none"> ○ The regional meeting included training on implementation and management of the UN Global Compact with specific insights on the anti-corruption component. Relevant materials were collected in order to replicate the module for Iraqi companies. ○ This meeting served to collect inputs and share views with respective representatives from Egypt, Jordan, Morocco, South Africa, Kenya, Namibia, Nigeria, and Uganda. • Advanced preparation for the launch of the UNGC Iraq Network with COMSEC and business champions and a media campaign initiated. • A significant increase of members to the UN Global Compact Network which at the end of 3rd Quarter was 31 companies)
<p>1.1.2 A comprehensive assessment of legislative, institutional and sectoral needs to assist GoI to properly design policies</p>	<p><i>[Activity supported by UNDP]</i></p> <ul style="list-style-type: none"> • 15 May 2011: Legislative assessments of the Financial Sector and the Tax and Customs Regime were drafted and submitted for publication.

for PSD is in place.	
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><i>[Activity led by UNDP: achievement rate at 90%]</i></p> <ul style="list-style-type: none"> • 28 April 2011: SME Law drafted and endorsed by TFER; • 14 August 2011: Meeting with the Deputy Minister in charge of Federal Budget preparation and execution, discussed the implementation of CD #314/2010 that approved the Roadmap and related costs as follow-up on the SOE Restructuring request to the Ministry of Finance • 17 September 2011: At the request of the TFER, the Ministry of Finance allocated US\$ 275 million of the Federal Budget 2012 for the implementation of the SOE Restructuring Roadmap as approved by Cabinet Decision #314/2010, with further allocations expected in 2013 and 2014. • During a meeting between the Government, World Bank and PSDP-I frameworks and issues to prepare the methodology for Federal Budget Support for SOE Restructuring were agreed upon. The UN PSDP-I Team and the World Bank will map issues to be addressed regarding: <ul style="list-style-type: none"> ○ Institutional roles; ○ Work-Plan as an addendum to SOE Roadmap; ○ Specific roles of the UN-led PSDP-I, World Bank and other potential partners; ○ Selection of new members in the SOE Working Group and revised mandate to supervise the restructuring process; ○ Revised responsibilities of Restructuring Units to deliver according to the Work-Plan for 2012; ○ Reporting formats and procedures to ensure transparency of spending.
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><i>[Activity supported by UNDP]</i></p> <ul style="list-style-type: none"> • 17–23 July 2011: Capacity building activity conducted for thirty-one (31) senior Iraqi officials on SME best practice, technical and managerial issues and challenges. This activity took place in Warsaw, Poland in preparation to launch SME agencies and increase understanding of transition economies; • 22 September 2012: SME Working Group launched in Erbil;;
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><i>[Activity supported by UNDP]</i></p> <ul style="list-style-type: none"> • Nothing to report this quarter.
1.1.7 A comprehensive Private Sector Development Strategy for Iraq is available.	<p><i>[Activity led by UNDP: achievement rate at 42%]</i></p> <ul style="list-style-type: none"> • 28 September 2011: An advanced outline of the PSD Policy and Recommendations Paper was circulated among development partners participating in the International Partners Forum so that consensus can be reached regarding inputs for upcoming activities during 1st Quarter 2012.
1.2.1 Improved management of the Governmental guaranteed Micro-Lending Programme (implemented by MoLSA and MoIM)	<p><i>[All three activities led by UNDP: achievement rate at 50% (1.2.1), 15% (1.2.2) and 35% (1.2.3)]</i></p> <ul style="list-style-type: none"> • Work on the Iraq Microfinance Policy progressed; • Agreement reached with USAID-Tijara to organize a Microfinance Policy Forum for Iraq, tentatively scheduled during 4th Quarter 2011.
1.2.2 Enhanced mechanisms to access to credit by SMEs	
1.2.3 Draft laws and by-laws related to GoI micro lending programme are 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.	<p><i>[Activities 2.1.3 and 2.2.1a (Key Economic Infrastructure) and 2.2.1e (Micro-lending) led by UNDP: achievement rates at 65% (2.1.3), 40% (2.2.1a) and 50% (2.2.1e)]</i></p> <ul style="list-style-type: none"> • Regular meetings of the Governorate Steering Committees (GSC) in the three pilot Governorates continued; • Micro Capital Grant Agreement signed with Relief International for Basrah and with Al Takadum for Anbar; • 11 August 2011: Meeting with the KRG Ministry of Labor and Social Affairs, Loan Committee who requested support in capacity development for Loan Officers and to clients on start-up and management of their businesses; • 18 August 2011: Visit to Al Takadum in Anbar to further clarify the guidelines for loans, reach agreement on key processes, issues and reporting • PSDP-I made several visits to microfinance institutions (MFI) implementing partners of the micro-lending component, to ensure linkages between vocational trainings (FAO and UN-HABITAT) and micro-loans (UNDP). • Economic Infrastructure Assessment in KRG: <ul style="list-style-type: none"> ○ 13 September 2011: UNDP received an official request from the Ministry of Planning KRG for technical support to conduct a comprehensive Economic Infrastructure Assessment. This assessment is to be funded by the KRG and the Ministry of Planning KRG requested UNDP to provide technical assistance and provide the overall administration and supervision; ○ 20 September 2011: UNDP provided Ministry of Planning KRG with an official positive reply to support their request regarding the Economic Infrastructure Assessment of 13 September; ○ A draft Concept Note was submitted to Ministry of Planning KRG and subsequently endorsed. A Cost-sharing Agreement is under preparation which is anticipated to be finalized and counter-signed during 4th Quarter 2011; • Electricity Distribution Network data collection for preparation of Master Plans in Anbar and Basrah has been completed during 3rd Quarter 2011; • Training of System Planning Engineers at the software design company in Canada completed.
2.2.1 Technical support provided to identify priorities and program implementation in the sectors of Key Economic Infrastructure and Micro-lending	
Procurement	

Main Implementation Constraints and Challenges	
Substantive Challenges	
<ul style="list-style-type: none"> • Need for closer coordination of integrated programme with international development partners to ensure that various initiatives (including World Bank, USAID, US Embassy) and potential interventions (including Sweden, Poland, Unioncamere, GTZ) are well coordinated with UN and TFER programme 	
Management / Logistic Challenges	
<ul style="list-style-type: none"> • Continued restrictions in terms of Baghdad slot availability and office space. • Security restrictions make it difficult to travel to field locations and to interact with project stakeholders on the ground. • Equipment for the Electricity Master Planning continues to be held by the transporter in an attempt to claim additional charges from UNDP. 	

**B. ILO and
C. UNOPS**

Funds Committed¹¹ ILO	USD 1,459,087	% of received	49%
Funds Disbursed ILO	USD 1,215,524	% of received	40%
Funds Committed UNOPS	USD 4,895,088	% of received	83%
Funds Disbursed UNOPS	USD 4,029,158	% of received	68%
Forecast final date	On Schedule	Delay (months)	0

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

Direct Beneficiaries	Number of Beneficiaries	% of planned (current status)
Men	315	80%
Women	80	80%
Children	-	
IDPs	-	
Others	-	
Indirect beneficiaries	1700	80%
Employment generation (men/women)	60 (12 women , 48 men)	80%

Quantitative achievements against objectives and results	% of planned
IP Outcome 1: The policy and regulatory environment is more conducive to private sector development	
Output 1.1: National capacities for private sector development policies are strengthened.	80%
Output 1.3: Strengthened operational, regulatory and legislative environment for SMEs development	70%
IP Outcome 2: Strengthened Economic recovery in three governorates in the South, Central and Northern areas of Iraq	
Output 2.1: Local economic strategies and plans developed in line with national and provincial frameworks in three governorates.	80%
Output 2.2: Economic and social regeneration pilot projects implemented in three selected governorates.	80%

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.	<i>[Activity supported by ILO/UNOPS]</i> • NTR
1.1.2 A comprehensive assessment of legislative, institutional and sectoral needs to assist GoI to properly design policies for PSD is in place	<i>[Activities supported by ILO/UNOPS: achievement rate at 80%]</i> • ILO/UNOPS, in conjunction with Iraqi stakeholders and the World Bank began the process of following up the first National Economic Conference in Baghdad. The follow-up includes support to Iraqi tri-partite partners in the development of an agenda and data to support a second National Economic Conference in Baghdad regarding the topic of Improving the Environment for Small and Medium Sized Enterprises. This second Conference is scheduled to take place in Baghdad in Q4.
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	<i>[Activity supported by ILO/UNOPS]</i> • NTR
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	<i>[Activity led by ILO/UNOPS: achievement rate at 80%]</i> • NTR
1.1.7 A comprehensive Private Sector Development Strategy for Iraq is available.	<i>[Activity supported by ILO/UNOPS]</i> • NTR

1.3.1 A survey of SMEs (including formal and informal sector) is available	<p>[Activity led by ILO/UNOPS: achievement rate at 70%]</p> <ul style="list-style-type: none"> • Background for the SME survey was completed and analyses of the main will be completed by end if 2011.
1.3.2 GoI High Economic Committee and concerned ministries are supported to formulate legislative strategies for SMEs-friendly regulatory framework	<p>[Activity led by ILO/UNOPS: achievement rate at 80%]</p> <ul style="list-style-type: none"> • NTR
1.3.3 Strengthened national capacities of business development services and Non-Bank Financial Institutions.	<p>[Activity led by ILO/UNOPS: achievement rate at 60%]</p> <ul style="list-style-type: none"> • NTR
IP Outcome 2: Strengthened Economic recovery in three governorates in the South, Central and Northern areas of Iraq	
2.1.1 Identify, in a participatory, evidence-based framework, local economic comparative advantage of the target areas	<p>[Activity led by ILO/UNOPS: achievement rate at 80%]</p> <ul style="list-style-type: none"> • September 2011: Basra Economic Development Unite Members were selected and were briefed on how to develop the compact. Training them on the tools to identify the key issues and strategies of the compact will take place during the fourth quarter of this year.
2.1.2 Local economic recovery (LER) strategies are in harmony with Provincial Development Strategies (PDS)	<p>[Activity led by ILO/UNOPS: achievement rate at 80%]</p> <ul style="list-style-type: none"> • Three Economic Development Compacts are being developed within the established EDUs. The first stage of Erbil and Anbar compact has been finalized in harmony with the Provincial Development Plan. Basrah Economic Development Unit members were selected and the first stage of the compact will be developed during the fourth quarter of this year.
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.	<p>[Activity 2.2.1d (Business Development Services) led by ILO/UNOPS: achievement rate at 80%]</p> <ul style="list-style-type: none"> • July 2011, Erbil and Anbar Business Information Centre (BIC) started implementation. Preparation for establishing BICs websites and producing brochures and leaflets to promote the BICs has started. The two BICs also started working on producing yellow pages, purchasing economic books for the library and provided some counselling sessions. • The evaluation of 37 Start Your Business (SYB) trainers trained by ILO/UNOPS was finalized by ILO SYIB consultants. The trainers who passed the requirements will attend the SYB refresher course, which will take place in Erbil during the fourth quarter of this year. • As a main result of the SYB programme at the national level networking between the Iraqi Company for finance (ICF) and the Iraqi government on the SYB programme was successfully achieved. The main objective of it is to train the graduate from the Vocational Training Centers (VTCs) on SYB programme. • Establish networking between microfinance institutions and Chamber of Commerce/BIC is taking place in order to provide entrepreneurs with soft loans to start their own business. • The International Organization for Migration (IOM) has signed 15 agreements with local Iraqi NGOs to provide them, with grants to the selected Business Development Service (BDS) organizations as seed financing for sustainable BDS activities. The selection took place based on mapping profiling, management capacity, results at trainings, technical capacity, and the action plan submitted.
Procurement	<ul style="list-style-type: none"> • NTR
Main Implementation Constraints and Challenges	
<p>Substantive challenges:</p> <ul style="list-style-type: none"> • The new appointed Governor of Basrah is planning on replacing some of the EDU members including the director, this action will cause delay in EDU Work-plan especially the new members haven't participated in any formal EDU Workshops. 	

Management/Logistic challenges:

- Demonstrations continue all over Iraq and the government was given 100 days to respond to Protests' needs by making a significant change. Casualties were recorded in different parts of Iraq as a result of these demonstrations.
- Limited Slots available for International staff coming to Baghdad and this affects in a way holding events in Baghdad or for the International staff to attend meetings on time.
- Limited movement for International staff when meeting with Iraqi counterparts and government in the red zone.
- Complicated procedure for getting Iraqi counterparts in the International zone and limited number of SSI escorts available to handle visitors' requests.

D. UNIDO

Funds Committed	USD 4,207,468	% of received	55%
Funds Disbursed	USD 3,330,025	% of received	43%
Forecast final date	On Schedule ¹²	Delay (months)	0

Direct Beneficiaries	Number of Beneficiaries¹³	% of planned (current status)¹⁴
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	
Output 1.1: National capacities for private sector development policies are strengthened.	90%
IP Outcome 2: Strengthened Economic recovery in three governorates in the South, Central and Northern areas of Iraq	
Output 2.2: Economic and social regeneration pilot projects implemented in three selected governorates.	25% 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.	<p><i>[Activity supported by UNIDO]</i></p> <ul style="list-style-type: none"> • Regular meetings were held in Baghdad with the TFER, the Programme Director and UN Agencies. Advisory assistance to the TFER Working Groups in key policy areas continued with particular focus on industrial strategy and governance system (weekly meetings with the Adviser to the Minister of Industry & Mineral), legislation and economic reform, SME development and implementation of the SOEs Restructuring Roadmap. • The request for extension of the PSDP-I, along with all update of activities, was finalized and submitted to UNDP for final presentation to the Programme Steering Committee (held on 02 October 2011).

¹² In the framework of the PSDP-I extension

¹³ 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.

¹⁴ The project document does not define concrete numbers of beneficiaries to be targeted.

¹⁵ Achievement rate for the planning component of the rehabilitation programme 90%; the procurement procedures for the implementation phase is planned to start end November/December 2011.

<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><i>[Activity 1.1.2 led by UNIDO: achievement rate at 93%; activity 1.1.3 supported by UNIDO]</i></p> <ul style="list-style-type: none"> • The translation in Arabic of the assessments of the Constitution and Civil codes, Public Procurement regime, Tax and Customs regime (UNDP), Banking sector regime (UNDP) was completed. • The comments of the TFER Working Group on Legislation to the draft Public Private Partnership law were received for final joint review in a technical workshop under organization scheduled to take place in November in Istanbul, with the participation of UNIDO legal experts, members of the WGL, representatives of the Ministry of Finance, UNDP and the World Bank. • Translation in Arabic of UN-HABITAT final report on land reform and land property rights legislation and of FAO final report on agricultural law, seeds legislation and policy, fisheries legislation, phytosanitary protection legislation and analysis of legal options for plant variety protection, are underway. • Experts were mobilized for conducting in Q4 final assessments of the investment and company laws, finalizing the PPP law and regulations, assessing/drafting a new bankruptcy law, for conducting a final harmonization analysis of the different core areas. • The final roundtable on legislative assessment and drafting is expected to take place in January 2012 due to excessive overlapping of events (of all Agencies).
<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 and implementation of relevant legislative and institutional frameworks.</p>	<p><i>[Activity led by UNIDO: achievement rate at 85%]</i></p> <ul style="list-style-type: none"> • <u>Coaching assistance to the Ministry of Industry & Minerals (MIM) on the formulation of Iraq's Industrial Strategy & Policy (ISP):</u> <ul style="list-style-type: none"> - Coaching assistance to MIM continued throughout the reporting period on strategic diagnosis, vision, specific policy frameworks and industrial governance system, according to a revised strategy report outline. - The second training workshop took place in Istanbul (Turkey) on 8-12 August, focusing on review of progress to date, scenarios and vision development, development and stepwise refinement of a policy framework for sustainable industrialisation and synthesis and outlook on next work steps; the workshop succeeded in defining context scenarios, key drivers, key dimensions and relevant policy areas for subsequent analysis. Selected key dimensions include: the Role of the State and of the Private Sector, sectoral industrial structure, technical, innovation and education support institutions, industrial size structure and industrial dynamics, business-enabling environment, logistics and infrastructure, human resource development. - Planning of the third workshop, scheduled to take in place in Ireland in December 2011, was initiated in the reporting period; the workshop will focus in particular on review of progress in drafting the strategy report and strategic diagnosis report, refinement of vision and strategic path development, development and specification of a policy framework for sustainable industrialisation, synthesis and outlook on next work steps <p>Main expected outputs shall include: a final strategic diagnosis, a vision of the industrial system and of associated strategic path for the sustainable industrialisation of Iraq by 2030, a policy framework for sustainable industrialisation, with key policy proposals being specified, an advanced draft of the strategy report an outline of a briefing note to the Minister of Industry and Mining.</p> <p>Site visits to different Irish key organisations in industrial development will be also organized.</p> <ul style="list-style-type: none"> - Following the launch of the RFP procedure in August, a sub-contractor is under selection for organizing, managing and contributing to a study tour to Ireland, combined with the third training event that is expected to take place in December 2011. <ul style="list-style-type: none"> • <u>SOEs Restructuring Roadmap</u> <ul style="list-style-type: none"> - Meetings and discussions continued to take place in the period, with special

	<p>focus on GoI special allocation under 2012 Federal State Budget Law for implementation of the Roadmap; in particular, a series of documents were produced including draft breakdowns of possible TA and targeted financial support activities and of the budget (2012/2013/2014), notes and communications that ensured the USD 274 mill budget appropriation under 2012 State Budget.</p> <ul style="list-style-type: none"> - Subsequently, a review of the initial drafts was initiated, in consultation also with the World Bank, and a work plan for preparation of necessary support documents for submission to the Parliament is under definition (institutional arrangements and disbursement mechanisms, by laws, fund manual , criteria, etc.) - UN agencies and other international organizations are expected to benefit out of this budget for implementation of selected actions (under discussion) - UNIDO is expected to recruit a short term international expert for preparation of the new Fund Manual. <ul style="list-style-type: none"> • <u>IT based platform to sustain activities in the legislative area:</u> <ul style="list-style-type: none"> - A new UNIDO local Project supervisor was recruited to work closely at the premises of the sub-contractor, replacing the international expert who terminated in July. - The installation and customization of the software, the preparation of the testing plan and of the training programme as well as the identification of the trainer continued in the period; in particular, concepts presented were revisited, workflows were re-defined (and simplified) against the initial requirements. - A training plan was prepared and circulated in September 2011 to all stakeholders; the training has been scheduled to take place in November 2011 in Baghdad after the Eid festivities.
<p>1.1.5 A national investment map is available (including sector and geographic-specific).</p>	<p><i>[Activity led by UNIDO: achievement rate at 100%]</i></p> <ul style="list-style-type: none"> • The Investment Map was finalized and circulated to the National Investment Commission and other Iraqi stakeholders. • A meeting with the Chairman of NIC took place, with the participation also of the Programme Director; next steps were discussed for joint review of the MAP, including coverage of other governorates and necessary adaptations • The Chairman requested in particular further assistance by UNIDO local experts (remunerated by NIC) in the next months for further tailoring of the Map; the matter will be further discussed during the next deployment of the CTA in November following also the submission of the Arabic version (under finalization).
<p>1.1.7 A comprehensive Private Sector Development Strategy for Iraq is available.</p>	<p><i>[Activity supported by UNIDO]</i></p> <ul style="list-style-type: none"> • Three offers were received for UNIDO PSDP Consolidation project aimed at completing a series of surveys and assessments, at undertaking two selected industrial sub-sectors and at organizing UNIDO contributions to the PSD strategy roadmap; one company was pre-selected and negotiations are under way for review of the budget.
<p>1.3.2 GoI Prime Minister's Advisory Board and other concerned ministries supported for an SME-friendly regulatory framework.</p>	<p><i>[Activity supported by UNIDO]</i></p> <ul style="list-style-type: none"> • A comprehensive policy and legislative framework and the finalization of the assessments of other laws, will be conducted in Q4 a harmonization analysis with final recommendations.
<p>1.3.3 Strengthened national capacities of business development services and Non-Bank Financial Institutions.</p>	<p><i>[Activity supported by UNIDO]</i></p> <ul style="list-style-type: none"> • NTR

IP Outcome 2: Strengthened Economic recovery in three governorates in the South, Central and Northern areas of Iraq

<p>2.2.1. Technical support provided to identify priorities and program implementation in the sector “Industries”</p>	<p><i>[Activity 2.2.1c (Industries) led by UNIDO: achievement rate at 25%¹⁶]</i></p> <ul style="list-style-type: none"> • <u>Rehabilitation of three agro-industrial SOEs in Anbar and Basra governorates:</u> <ul style="list-style-type: none"> - Data collection and processing were finalized - A joint meeting with the DGs of three SOEs and representatives of the Ministry of Industry was organized and held in Istanbul on 8-11 August to discuss final strategic issues and obtain final clarifications; possible intervention areas for the implementation phase were also defined. - Feasibility studies with rehabilitation plans under completion - The final presentation meeting originally scheduled to take place in September was postponed waiting for final understandings to be reached with the SOEs on the actions for implementation phase - Actions in the implementation phase will consist of a mix of <i>soft</i> and <i>hard</i> measures (TA services & training and supplies, respectively) . • <u>Social Mitigation programme with ILO complementing the assistance to the three SOEs¹⁷ (preparatory phase):</u> <ul style="list-style-type: none"> - Under this initial preparatory phase, UNIDO will focus on the technical skill assessment, industrial and technical aspects of possible social mitigation measures for excess employees, such as training/re-training, possible service outsourcing through establishment of new businesses, associated technology upgrading etc. - The recruitment of one international and two national experts was initiated for possible start up in November.
<p>Procurement (major items)</p>	<p>Procurement procedures were completed in the reporting period for the launch in July of two tenders (Organization of the Study Tour to Ireland and of UNIDO PSDP-I Consolidation project for upstream activities). Selection of sub-contractors is under way.</p>

Main Implementation Constraints and Challenges

What already reported in the previous quarterly reports, in terms of general logistic and security constraints, is substantially re-confirmed.

The main implementation constraint from an operational point of view is constituted by the difficulty and impossibility to work side by side with beneficiaries located in the red zone.

¹⁶ Achievement rate for the planning component of the rehabilitation programme 60%; the implementation phase is expected to start in September 2011.

¹⁷ This programme is not funded by PSDP-I resources.

E. FAO

Funds Committed	USD 1,641,739	% of received	50%
Funds Disbursed	USD 1,608,638	% of received	49%
Forecast final date	On Schedule	Delay (months)	0

Direct Beneficiaries	Number of Beneficiaries¹⁸	% of planned (current status)¹⁹
Men	82	40%
Women	41	40%
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		
IP Outcome 1: The policy and regulatory environment is more conducive to private sector development		
Output 1.1: National capacities for private sector development policies are strengthened.	% of planned	95%
IP Outcome 2: Strengthened Economic recovery in three governorates in the South, Central and Northern areas of Iraq		
Output 2.2: Economic and social regeneration pilot projects implemented in three selected governorates	% of planned	50%

Qualitative achievements against objectives and results	
<ul style="list-style-type: none"> • Letters of Agreement were prepared based on the endorsed TORs and were communicated to the line ministries, Ministry of Agriculture and Ministry of Water Resources, for comments and signature. • The technical specifications of the AIC were determined according to the Regional Knowledge and Information Management Officer, and procurement procedures are under progress. • Eight training courses (ToB) were conducted in Erbil, as well in Basra and Anbar, where training preparations have been done to be conducted during September, 2011 for the four named fields: <ol style="list-style-type: none"> a) Food Safety and Protection; b) Extension Services; c) Agricultural Marketing; and d) Water Policy. 	
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.	<i>[Activity supported by FAO]</i> <ul style="list-style-type: none"> • Legal Officer has been contacted and the Legislations are now under the translation phase.
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	<i>[Activity supported by FAO]</i> <ul style="list-style-type: none"> • NTR

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.

are available	
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.	<p><i>[Activity supported by FAO]</i></p> <ul style="list-style-type: none"> • Four Trainings of Trainers (ToT) were conducted for 31 participants: <ul style="list-style-type: none"> a) Food Safety and Protection; b) Extension Services; c) Agricultural Marketing; and d) Water Policy. At The Jordanian National Centre for Agriculture Research and Extension (NCARE). • Eight training courses (ToB) were conducted in Erbil: <ul style="list-style-type: none"> a) Food Safety and Protection; b) Extension Services; c) Agricultural Marketing; and d) Water Policy.
1.1.7 Private Sector Development Strategy including investment, private farming, trade for the agriculture sector is created.	<p><i>[Activity supported by FAO]</i></p> <ul style="list-style-type: none"> • Letters of Agreement were prepared based on the endorsed TORs and were communicated to the line ministries, Ministry of Agriculture and Ministry of Water Resources, for comments and signature.
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	<p><i>[Activity 2.2.1b (agricultural sector) led by FAO: achievement rate at 50%]</i></p> <p>Training of Trainers for the Agriculture Information Centers delayed due to unavailability of software that meets the requirements and the need to design a tailor made software, which is now under the design phase, as well the case for the hardware procurement process, to meet the requirements of the three pilot governorates.</p>
Procurement (major items)	<ul style="list-style-type: none"> • NTR

Main Implementation Constraints and Challenges

The main constrain during the reporting period pertained to the late response of the Ministry in communications, and contracting the officials in the ministries to conduct the mentioned studies under the Up-Stream study, which led to a delay of achieving the activities according to the work plan under the Upstream component in sending the nominations for the 3 studies, as well, Training of Trainers for the Agriculture Information Centers delayed due to unavailability of software that meets the requirements and the need to design a tailor made software, meeting the requirements of the three pilot governorates.

F. UN-HABITAT

Funds Committed	USD 1,578,395	% of received	79%
Funds Disbursed	USD 1,190,691	% of received	60%
Forecast final date	On Schedule	Delay (months)	0

Direct Beneficiaries	Number of Beneficiaries²⁰	% of planned (current status)²¹
Men	480	n/a
Women	120	n/a
Children	n/a	n/a
IDPs	n/a	n/a
Others	150	n/a
Indirect beneficiaries	All citizens of Iraq.	n/a
Employment generation (men/women)	n/a	n/a

Quantitative achievements against objectives and results		
IP Outcome 1: The policy and regulatory environment is more conducive to private sector development		
Output 1.1: Strengthened national capacities and policies for private sector development	% of planned	60%
IP Outcome 2: Strengthened Economic recovery in three governorates in the South, Central and Northern areas of Iraq		
Output 2.1: Local economic strategies and development plans are in line with national and provincial frameworks in three governorates	% of planned	100%
Output 2.2: Economic and social regeneration pilot projects implemented in three selected governorates	% of planned	95%

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.	<p><i>[Activity supported by UN-HABITAT]</i></p> <ul style="list-style-type: none"> • Terms of Reference prepared for Land Governance Assessment Frameworks Study to be undertaken in partnership with World Bank.
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><i>[Activity supported by UN-HABITAT]</i></p> <ul style="list-style-type: none"> • Draft legislation on the establishment of a High Committee on Land Reform underway. • Order 80 on the expansion of the land working group issued. • Position paper on public land management that would lead to policies and legislation underway. • TORs prepared for additional studies on rural land management, per-urban land management, land information systems, education in the land sector – these will need to be funded through Government co-financing.
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	<p><i>[Activity supported by UN-HABITAT]</i></p> <ul style="list-style-type: none"> • Workshop undertaken in July and Land Policy Process, roadmap for reform process developed with land working group. • Follow up meetings took place in September.

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.

frameworks	
1.1.7 A comprehensive Private Sector Development Strategy for Iraq is available	<i>[Activity supported by UN-HABITAT]</i> <ul style="list-style-type: none"> • NTR
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	<i>[Activity supported by UN-HABITAT]</i> <ul style="list-style-type: none"> • UN-HABITAT under this output is expected to contribute to learning sessions on land and planning issues related to economic recovery within UNDP-PSDPI organised workshops. Other than the workshop organised in Oct 2010 in Istanbul, there have been no further UNDP organised workshops for UN-HABITAT contribution. Based on this, UN-HABITAT assumes this activity is 100% complete.
2.2.1 Technical support provided to identify priorities and program implementation in sector of Construction and Development Companies	<i>[Activity 2.2.If (Construction and development companies) led by UN-HABITAT: achievement rate at 100%]</i> <ul style="list-style-type: none"> • Training for unemployed youth for construction skills and IT skills in relation to the construction industry provided for 206 beneficiaries in Erbil, 200 in Anbar and 132 in Basrah. 42% women trained. • Training for improved operational and business skills for small scale contractors completed (44 Erbil, 50 Anbar, 11 Basra) 11% women trained • Beneficiaries awaiting business loans from UNDP. Follow up on success in achieving employment also required.
Procurement (major items)	<ul style="list-style-type: none"> • NTR

Main Implementation Constraints and Challenges

- | |
|---|
| <ul style="list-style-type: none"> • NTR |
|---|

G. UN WOMEN

Funds Committed	USD 611,970	% of received	50%
Funds Disbursed	USD 577,000	% of received	47%
Forecast final date	On Schedule	Delay (months)	0

Direct Beneficiaries	Number of Beneficiaries²²	% of planned (current status)²³
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		
IP Outcome 1: The policy and regulatory environment is more conducive to private sector development		
Output 1.1: National capacities for private sector development policies are strengthened	% of planned	45%
IP Outcome 2: Strengthened Economic recovery in three governorates in the South, Central and Northern areas of Iraq		
Output 2.1: Local economic strategies and plans developed in line with national and provincial frameworks in three governorates	% of planned	22%

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	<p><i>[Activity supported by UNWOMEN]</i></p> <ul style="list-style-type: none"> UNWomen hired an expert in law and gender to work closely with the Iraq programme and other UN agencies. Preliminary assessment report finalized and four core areas prioritized for review from a gender perspective: <ul style="list-style-type: none"> - Labor Law - Economic reform - The basic legal framework (Constitution and Civil Code) - Retirement law <p>These laws deeply influence women's economic empowerment and equal opportunities particularly in the private sector. The final version of the report will provide an in-depth analysis of the four core areas from a gender perspective.</p>
1.1.7 A comprehensive Private Sector Development Strategy for Iraq is available	<ul style="list-style-type: none"> UN Women reviewed the SME policy papers produced by ILO from a gender perspective. The Policy documents that were reviewed included the following: <ul style="list-style-type: none"> - Paper one: Iraq- Small and Medium – sized Enterprise agency (SME) - Terms of Reference. - Paper two: SME assessment synthesis report. - Paper three: Policy Framework for the Development of Micro, Small and Medium-sized Enterprises in Iraq. - Paper four: Briefing note 1 – Institutional Agreements for SME. - Paper five: Briefing note 2 – Strategies for the Creation of Productive

²² 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.

²³ The project document does not define concrete numbers of beneficiaries to be targeted.

	<p>and Decent Employment in SME Sector.</p> <ul style="list-style-type: none"> - Paper six: Briefing note 3 - Business Environment Reforms for Sustainable Enterprise Promotion. - Paper seven: Briefing note 4 - Building Sustainable Markets for Micro, Small and Medium Enterprise Development and Job Creation. <p>UN WOMEN shared the review with ILO. UNWomen in close coordination with the consultancy firm prepared a report that included guidelines and recommendations on the following topics:</p> <ul style="list-style-type: none"> - The 10 Steps for Integrating Gender into the Policy-Making Process - Recommendations for Mainstreaming Gender into Iraq's National Policies - Recommendations for Mainstreaming Gender into National Survey Tools <p>The guidance document will be shared with all Agencies for feedback and once they are finalized they will be translated into Arabic and printed.</p>
<p>1.1.8 Gender is mainstreamed in the program ensuring women`s full participation in policy and strategy design</p>	<p><i>[Activity led by UNWOMEN: achievement rate at 45%]</i></p> <ul style="list-style-type: none"> • UN Women in close coordination with the Prime Ministers Advisory Board and with SMOWA conducted a gender mainstreaming capacity building workshop with focus on the development of the private sector and strengthening women participation. This workshop was held during the period from 9-11 July 2011 and was attended by 25 participants from the TFER and the working groups of the programme, various ministries, and members of businesswomen entities. The main objectives of this workshop were to strengthen the national capacities on gender and women's human rights concepts and perspectives to enable them to mainstream gender into national policies, strategies and programmes, to better understand women's situation in the Iraqi economy, to realize the importance of gender as one of the development elements and to better understand how to empower women economically and to support and strengthen national capacities to formulate, advocate and implement gender sensitive legislation ,budgets, national plans and strategies to increase women access to entrepreneurship <p>At the end of this training workshop ,the participant were able to come up with the following recommendations:</p> <ul style="list-style-type: none"> - Increase women participation in international forums. - Increase the number of specialized women in the working groups of the PSDP. - Simplify loan procedures for women. - Set capacity building programmes that aims at creating women leaders. - Place a plan to protect Iraqi high quality products. - Legislate and activate laws that empower women. - Use media as a tool to support women and protect their rights. - Set a quota for women representation in all committees, councils and formulation in Iraq. <ul style="list-style-type: none"> • UN WOMEN in close coordination with the SMOWA conducted a roundtable meeting on the 24th of July 2011. The main objectives of the meeting were to identify challenges and gaps that business women are facing, to learn from the experiences of business men, to explore opportunities and to agree on how to move forward .The meeting was attended by 20 participants from Business Men Union, SMOWA, ILO, Business women and they were able at the end of the meeting to draw, among other, the following recommendations: <ul style="list-style-type: none"> - Assign a committee of 6 members (3 business women, and one

	<p>representative from each of UN Women, SMoWA, ILO) to follow up on the Business women initiative.</p> <ul style="list-style-type: none"> - Prepare a statistical study that shows the number of Iraqi business women, and the type of their business, including the women members of Iraqi business men union. - Define the realistic reasons behind the need to have a business women union and decide whether it's better to be a union, committee or a center
<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 gover-norate-level construction and development institutions to implement and sustain local planning capacities</p>	<p><i>[Activity supported by UNWOMEN]</i></p> <ul style="list-style-type: none"> • NTR
<p>2.1.4 Promote gender mainstreaming and women participation in local strategies and plans</p>	<p><i>[Activity led by UNWOMEN: achievement rate at 12%]</i></p> <ul style="list-style-type: none"> •
<p>Procurement (major items)</p>	<ul style="list-style-type: none"> • NTR

Main Implementation Contraints and Challenges

Coordination meetings with the SMOWA and the Prime Minister Office took more time than the planned timeframe and that made UNWomen to postpone the training workshop more than once .UNWomen will continue the close coordination with the Minister of SMOWA, prime minster office and other UN and Iraqi partners to ensure effective implementation and inclusion of women as decision makers and beneficiaries.