

United Nations Development Group Iraq Trust Fund
Project # 66995: C10-11
Date and Quarter Updated: 01 April – 30 June 2011 - 2nd Quarter 2011

Participating UN Organisations: UNDP (Lead), ILO, UNIDO, FAO, UNOPS, UN-HABITAT, 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 and 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				
Geo. 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	36 months				
Approval Date	04.12.2008	Starting Date	18.12.2008	Completion Date	18.12.2011 extended to 31.12.2012
Project Description	<p>This Programme is conceived and designed with Iraqi stakeholders (public and private), various UN organizations and other international stakeholders in an effort to create and enable an effective, coherent, and comprehensive framework for private sector development in Iraq at both the national and governorate levels in three priority Governorates. It is a means of achieving: i) sustainable and increased employment opportunities; ii) poverty reduction; iii) the enhancement of the legal and regulatory framework which will allow an increase in sustained domestic and international investment; iv) the development of a legal and regulatory framework designed to perpetuate an overall rational, coherent, and economic environment; and v) the diversification the basis of future economic growth in Iraq in a gender inclusive and environmentally sustainable manner.</p> <p>The programme addresses these challenges through two pillars of activities. The first pillar is a national level policy support intervention aimed at shaping a more conducive private sector environment. The second pillar addresses the governorate-level challenges of private sector growth through planning and implementation activities within three selected governorates.</p>				

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

² Federation of Chambers of Commerce and Industries, Iraqi Federation of Industries (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:	
<ul style="list-style-type: none"> Contributes to the 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:	
<ul style="list-style-type: none"> 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. • 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:

	<ul style="list-style-type: none"> ○ 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.
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Total Funds Committed and Disbursed as of 30 June 2011				
During 2nd Quarter the third and final Tranche was received by PSDP-I. This additional amount of funding affects the figures of total committed and disbursed as the third Tranche is reflected.				
Agency	Total Approved Amount [in USD]	All Three Tranches Received [in USD]	Rate of Funds Committed (against all 3 Tranches)	Rate of Funds Disbursed (against all 3 Tranches)
(a) UNDP	9,750,000	9,750,000	60%	48%
(b) ILO	3,002,966	3,002,966	43%	37%
(c) UNOPS	5,897,034	5,897,034	78%	37%
(d) UNIDO	7,700,000	7,700,000	50%	36%
(e) FAO	3,300,000	3,300,000	50%	49%
(f) UN-HABITAT	2,000,000	2,000,000	72%	40%
(g) UNIFEM	1,220,000	1,220,000	50%	47%
Total	32,870,000	32,870,000	42%	59%

A. UNDP

Funds Committed	USD 5,833,055	% of received	60%
Funds Disbursed	USD 4,655,216	% of received	48%
Forecast final date	On Schedule	Delay (months)	0

Direct Beneficiaries	Number of Beneficiaries ⁷	% of planned (current status) ⁸
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	85%
Output 1.2: Improved efficiency of the Public Micro Lending Programme and access to business loans	45%

⁷ 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.

⁸ The project document does not define concrete numbers of beneficiaries to be targeted.

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	65%
Output 2.2: Economic and social regeneration pilot projects implemented in three selected governorates	39%

Qualitative achievements against objectives⁹ 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 96%]</i></p> <ul style="list-style-type: none"> • 3 April 2011: First meeting of the Budget Strategy Planning Committee 2012-2014 convened under the chairmanship of the Minister of Finance and was attended by Deputy Ministers, Deputy Governors and representatives of the World Bank. Issues discussed: <ul style="list-style-type: none"> - Strategy and Budget Planning Process; - Economic Strategy Priorities; - Financial Reform; - Financial Management Reform; - Economic Reform. • 2 May 2011: Revised concept note submitted to IFAD; • 5 April 2011: Meeting of Public Finance Management Action Group with Minister of Finance, Ministry's management team and the Public Finance Management Group (PFM): <ul style="list-style-type: none"> - Status of the Federal Budget Strategy for 2012-2014; - Inclusion of deferred payment, as a financing tool for large investment projects; - Co-financing mechanism to be developed and reflected in multi annual budget strategy; - Capacity building policy for human capital development. • 10 April 2011: The Programme Director met with the agriculture advisors of the Prime Minister; • 14 April 2011: Meeting with the Council of Ministers (COM) Secretary General to review progress on the two major UNDP-led multi-agency projects: PSDP-I and Public Sector Modernization. The meeting was joined by PMAC Advisor on Aid Management and by the Polish Ambassador in Baghdad; • 27 April 2011: Financial request from the Ministry of Finance to IFAD finalized; • 11 May 2011: As a result of meetings with the Ministry of Finance, a Project Management Team for monitoring direct and indirect subsidies for SOEs from the Federal Budget was set up by Ministerial Order #1465. This is to ensure Federal Budget allocations are made conditional upon the implementation of the Roadmap for SOE Restructuring approved by Cabinet Decision #314/2011; • 15 May 2011: Proposal received from the Romanian Government to partner with Iraq on Insurance Reform; • 24-26 May 2011: National Conference held on Economic Reforms (ILO lead), the World Bank and the Council of Representatives (COR) in Baghdad. The conference led to a tripartite agreement based on the principles of social dialogue, supporting the adoption of economic reform laws, women's and youth's empowerment, social justice, SOE restructuring, National Employment Policy, and reform of the Public Distribution System (PDS). This agreement was signed by representatives of Unions, Employers, Government and Parliament. Consensus achieved around PSDP-I work for economic recovery and development in Iraq; • The request for the third and final tranche for PSDP-I was approved by the ITF Steering Committee (US\$ 10,078,908) during the quarter; • 3 June 2011: Project proposal on implementation of the Technical Service Contract Article 26.3 referring to the obligation of the International Oil Companies (OIC) to deposit US\$ 5,000,000 for the Training, Technology and Scholarship Fund submitted to the Deputy Minister of Oil; • 5 June 2011: The Romanian Government along with the National Bank of Romania, Ministry of Finance, and Supervisory Commission for Insurance communicated their interest to the Iraqi Ministry of Foreign Affairs in supporting Iraq's financial reforms

Comment [vjb1]: We are trying to put in roles not specific names. Do you have his title??? No I don't

⁹ Terminology in line with this reporting format (page 2): IP Outputs as 'immediate objectives'.

	<p>including: tax and customs, banking, and insurance. The National Bank of Romania extended an invitation to the Central Bank of Iraq, Ministry of Finance and other relevant institutions to meet in Bucharest for high-level consultations on potential cooperation;</p> <ul style="list-style-type: none"> • Agreement with Deputy Minister of Oil to begin negotiations on supporting implementation of Vocational Training Funds under Technical Service Contracts; • 8 June 2011: Meeting with IFC delegation on Corporate Governance and SME Development to discuss opportunities for partnering; • 11 June 2011: A proposal, as requested by the Erbil GSC, to address social and economic development in the region was communicated to KRG.
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 UNDP]</i></p> <ul style="list-style-type: none"> • 18 April 2011: Tax Regime Legislative Assessment finalized; • 20 April 2011: Banking regime Legislative Assessment finalized; • 27 April 2011: SME Law final draft submitted.
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 88%]</i></p> <ul style="list-style-type: none"> • 19 April 2011: Conception framework proposed to the Government in undertaking training activities related to Technical Services Contracts; • 5 May 2011: Meeting on Restructuring State Owned Enterprises (SOE) in Baghdad, with TFER and international partners (World Bank, USAID, Polish Government). Achievements and plans for implementation discussed; • 11 May 2011: A request was addressed to the Ministry of Finance's team, responsible for monitoring both direct and indirect federal budget subsidies SOEs and set up by Order 1465/11.05.2011. The team, includes representatives of the Federal Budget Department, the Accounting Department and the Advisor of Deputy Minister is tasked to ensure budget allocations are made conditional upon implementation of the SOE Roadmap, Decision #314/2011. • 14 May 2011: Concept Note submitted to the Ministry of Oil on the vocational training component of the Technical Service Contracts. • 18 June 2011: Agreement reached with TFER and UNIDO to proceed with the expansion of the programme's support, under the SOE Restructuring, to the Ministry of Construction and Housing and its SOEs.
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"> • 26 April 2011: Agreement reached with Jordan's Companies Registrar Office to support the GOI in streamlining business registration. • 23 May 2011: Technological Solution for the Company Registrar Department of the Ministry of Trade of Iraq defined.
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"> • 6 April 2011: Collaboration scheme agreed upon with the Iraqi Institute for Economic Reforms (IIER). • 28 April 2011: A letter was addressed to the Council of Ministers Secretariat's (COMSEC) Secretary General on the possible launch of the UN Global Compact (UNGC) in Iraq and nomination of focal points from the Government. • 28 April 2011: COMSEC nominated two focal points for the UNGC, from the COMSEC, to work with PSDP-I on the establishment of the Local Network of the UNGC. It is noted that both focal points are women. • April 2011: Attendance confirmed of the UNGC focal points at the annual meeting of the UNGC Annual Local Networks Forum in Copenhagen so as to build their capacity, equip them with the tools required and familiarize them with regional and global best practices. • 16-20 May 2011: UNGC Forum in Denmark. A number of side meetings held with regional and global counterparts in UNGC networks, international companies and NGOs, regarding partnerships opportunities.

	<ul style="list-style-type: none"> • 20–30 May 2011: As a follow up to the UNGC Forum, meetings were held in Baghdad by a UNGC focal point to present the mission outcomes and a report on the UNGC launch in Iraq to counterparts e.g. Iraqi companies, business organizations, government officials, Embassies, and foreign companies. As a result, three new companies in Iraq registered as UNGC members in May and a further five are in process. • 26 May 2011: UNCT Corporate Social Responsibility (CSR) group meeting held in Amman-Baghdad under the chairmanship of the Resident Coordinator. PSDP-I work on UNGC was discussed and recognized as the PSDP-I assigned the lead within the UN Country Team. • 22 June 2011: UNGC Forum Mission report and plans presented at the meeting of the Ministry of Governorates to promote outreach. • 18 June 2011: Agreement reached with TFER and UNIDO to proceed with the expansion of PSDP-I's support in SOE Restructuring to the Ministry of Construction and Housing and its SOEs. • 20-24 June 2011: Meetings in Erbil with local counterparts in the Governorate Steering Committees (GSC), Ministry of Planning, Ministry of Labour and Social Affairs, the Kurdish Chamber of Commerce and a number of private companies (foreign and local) to discuss the adoption of CSR practices in KRG and follow-up on the CSR workshop held in February. The participation of KRG in the launch of the UNGC Local Network in Iraq was agreed and roles for the GSC and Ministry of Planning discussed, including specifically for Kurdish companies.
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"> • January 2011: Input provided to ILO for the submission of a Policy Framework for SME development to TFER; • Outline drafted for the Private Sector Development Policy Document; • 13 Mar 2011: Meetings with Iraqi Think Tanks to engage civil society in the development of Private Sector Development (PSD) policy recommendations; • 22 Mar 2011: Outline of the PSD Policy Recommendations shared with partners.
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"> • 6 April 2011: Revised IFAD concept note focusing on microlending and capacity building to MFIs, including support to NGO-MFI's seeking to transform into NBFIs drafted and circulated; • 3 May 2011: Microfinance Policy Forum Agenda drafted and shared with USAID-Tijara; • May 2011: Draft of the joint UNDP/USAID-Tijara microfinance policy circulated; • 9 May 2011: Governorate Steering Committees (GSC), Ministry of Labour and Social Affairs, Ministry of Planning, and the Central Bank of Iraq invited to the 7-9 June Arab Region Microfinance Conference in Amman; • 5-11 June 2011: Governorate Steering Committees (GSC) and Ministry of Labor and Social Affairs attended a series of meetings on microfinance and a Regional Microfinance Conference in Amman. • 9 June 2011: Meeting with USAID-Tijara. Agreement reached on the need for a dedicated Policy Forum, timeline to be identified i.e. to be held in connection with the Annual Microfinance Stakeholder Conference or at a different time all together as Tijara needs to obtain clearance for all policy related events from USAID.
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 52% (2.1.3), 30% (2.2.1a) and 48% (2.2.1e)]</i></p> <ul style="list-style-type: none"> • Regular meetings with the Governorate Steering Committees (GSC) in the three pilot Governorates continued; • GSCs continued the identification of trainees for the Business Packages; • Electricity Distribution Network data collection for preparation of Master Plans in Anbar and Basra reached overall progress of 70%; • 12 April 2011: Basrah and Anbar GSC's confirmed the selection of CHF and Relief International as implementing partners for the microlending component of the PSDP-I;
2.2.1 Technical support provided to identify priorities and program implementation in the sectors of Key Economic Infrastructure and Micro-lending	

	<ul style="list-style-type: none"> • 12 April 2011: The presentation of the pre-qualification of MFI implementation partners was presented to the CAP and endorsed. The implementing partners for the micro-lending component for PSDP-I are: <ol style="list-style-type: none"> 1. Al Thiqa 2. CHF 3. Relief International 4. Al Takadum • 13 April 2011: GSC Anbar provided a "no objection letter" for the selection of Al-Takadum as an implementing partner on micro-lending in Anbar. • 3 May 2011: GSC Erbil confirmed, with reservations, the selection of Al-Thiqa and Relief International as implementing partners for the micro-lending component of the PSDP-I. The expressed reservations i.e. interest rate, GSC supervision of the micro capital grant agreements and funds ownership by the GSC post project, are in contradiction with UNDP Policy, and have put on hold the implementation of the lending in Erbil and will need to be addressed. • 17 May 2011: GSC Erbil provided clarifications on their condition over micro-capital ownership which did not essentially affect their position and is insufficient in order to re-launch micro-lending in Erbil. Issue pending. • 17 May 2011: GSC Basrah met with the MFI representatives, CHF and Relief International, and approved the geographic targets and the role of the GSC in micro-lending. • April 2011: The MFI's selected as implementing partners for Basrah and Anbar where requested to attend a tripartite meetings with UNDP, the respective GSC so as to facilitate the priority GSC's areas for lending. • 18 May 2011: Finalized price survey for labour market assessment in Basrah. • 7-11 June 2011: Meetings took place in Amman with Relief International, CHF, and Al-Takadum to review and finalize Grant Agreements, discuss financial arrangements and the importance of maximizing linkages between loan beneficiaries and graduates of vocational trainings of PSDP-I Agencies i.e. Business Packages. • 22 June 2011: CHF signed the Micro-Capital Grant Agreement for Basrah. • 28-29 June 2011: Anbar GEDU workshop took place in Habbaniyah and was attended by Anbar GSC Members, Mayors, DGs, Private Sectors Representatives, Anbar Chamber of Commerce and Anbar Investment Commission. • Meetings between GSC's and pre-selected implementing partners for micro-lending were organized and facilitated so as to establish a mutually beneficial dialogue. • Area Coordinators provided continued support to FAO and UN-HABITAT in identifying trainees in close cooperation with GSC's, identifying venues and all relevant preparatory work.
Procurement	<ul style="list-style-type: none"> • NTR

Main Implementation Constraints and Challenges

Substantive Challenges

- 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) well coordinated with UN and TFER programme.

Management / Logistic Challenges

- Continued restrictions in terms of Baghdad slot availability and office space.
- Difficulties of travel to field locations and to interact with project stakeholders on the ground.

**B. ILO and
C. UNOPS**

Funds Committed¹⁰ ILO	USD 1,304,293	% of received	43%
Funds Disbursed ILO	USD 1,124,716	% of received	37%
Funds Committed UNOPS	USD 4,625,599	% of received	78%
Funds Disbursed UNOPS	USD 2,175,061	% of received	37%
Forecast final date	On Schedule	Delay (months)	0

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%

Qualitative achievements against objectives and results	
Major results achieved during the previous period provided the platform for conducting activities, including:	
<ul style="list-style-type: none"> - 24-26 May 2011: ILO and UNOPS organized a National Economic Conference in Baghdad, under the auspices of the Speaker of the Parliament and in collaboration with the World Bank at the Council of Representatives. Key socio-economic issues facing Iraq were discussed, including the business and regulatory environment, status of the proposed labor law, introduction of the economic reform law, corporatization of state-owned enterprises, implementation status of investment, reform of the public distribution system and freedom of association. The participants included the Speaker and members of the Parliament, international organizations, representatives of private sector and labor unions, local Government, UN Agencies and the Prime Ministers Advisory Board. 	
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> <ul style="list-style-type: none"> • NTR

¹⁰ All expenditure figures are estimates only. For accurate financial reporting please refer to Agency-individual certified financial reports.

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>[Activities supported by ILO/UNOPS: achievement rate at 80%]</i></p> <ul style="list-style-type: none"> • 24-26 May 2011: ILO and UNOPS organized a National Economic Conference in Baghdad, under the auspices of the Speaker of the Parliament and in collaboration with the World Bank at the Council of Representatives. Key socio-economic issues facing Iraq were discussed, including the business and regulatory environment, status of the proposed labor law, introduction of the economic reform law, corporatization of state-owned enterprises, implementation status of investment, reform of the public distribution system and freedom of association. The participants included the Speaker and members of the Parliament, international organizations, representatives of private sector and labor unions, local Government, UN Agencies and the Prime Ministers Advisory Board. The Conference created a national-level tripartite body (business, labour, government) designed to establish itself as a body capable of consulting, developing and generating solutions for policy-makers regarding social and economic legislation/regulations.
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 ILO/UNOPS]</i></p> <ul style="list-style-type: none"> • NTR
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><i>[Activity supported by ILO/UNOPS]</i></p> <ul style="list-style-type: none"> • 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	<p><i>[Activity led by ILO/UNOPS: achievement rate at 80%]</i></p> <ul style="list-style-type: none"> • NTR
1.1.7 A comprehensive Private Sector Development Strategy for Iraq is available.	<p><i>[Activity supported by ILO/UNOPS]</i></p> <ul style="list-style-type: none"> • NTR
1.3.1 A survey of SMEs (including formal and informal sector) is available	<p><i>[Activity led by ILO/UNOPS: achievement rate at 70%]</i></p> <ul style="list-style-type: none"> • Background for the SME survey, to be completed by end of 2011, finalized.
1.3.2 GoI High Economic Committee and concerned ministries are supported to formulate legislative strategies for SMEs-friendly regulatory framework	<p><i>[Activity led by ILO/UNOPS: achievement rate at 80%]</i></p> <ul style="list-style-type: none"> • NTR
1.3.3 Strengthened national capacities of business development services and Non-Bank Financial Institutions.	<p><i>[Activity led by ILO/UNOPS: achievement rate at 60%]</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	
2.1.1 Identify, in a participatory, evidence-based framework, local economic comparative advantage of the target areas	<p><i>[Activity led by ILO/UNOPS: achievement rate at 80%]</i></p> <ul style="list-style-type: none"> • June 2011: Key issues and strategies for the Anbar and Erbil Economic Development Compacts were identified during training workshops. This is marked a key step toward finalization of the Compacts and identification of priorities for economic development in these Governorates areas.
2.1.2 Local economic recovery (LER) strategies are in harmony with Provincial Development Strategies (PDS)	<p><i>[Activity led by ILO/UNOPS: achievement rate at 60%]</i></p> <ul style="list-style-type: none"> • Three Economic Development Compact 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 through the three days participatory workshop conducted during the second quarter of this year.
2.2.1 Technical support provided to	<p><i>[Activity 2.2.1d (Business Development Services) led by ILO/UNOPS:</i></p>

<p>identify priorities and program implementation in the sector of Business Development Services. Specific area identified in the ProDoc.</p>	<p><i>achievement rate at 80%</i></p> <ul style="list-style-type: none"> • 15 June 2011: Construction of the Anbar Business Information Center (BIC) completed and the BIC handed over to the Anbar Chamber of Commerce. • 12 June 2011: The International Trade Fair of Anbar took place in the Habbaniyah Tourism Village with the participation of the local Government, Governor's Office, ILO-UNOPS focal point and representatives of international organisations. • The International Organization for Migration (IOM) finalized a mapping study for Basrah containing baseline information on Business Development Services (BDS) providers. The exercise, based on a survey of entrepreneurs, was conducted to measure entrepreneurs' knowledge and attitudes towards BDS, existing BDS providers, and the key needs of entrepreneurs. • The 37 trainees from BIC staff and Business Service providers from local and national Iraqi NGO and private sector who attended Start Your Business (SYB) training of trainers programme during March were able to conduct 90 training courses to entrepreneurs and business owners on generating your business idea, simplifying your business and start your business. those training courses are one of the most important requirements of ILO standards to get the certification during the refresher course that will be conducted during October 2011 as trainees will be evaluated according to the reports they sent, videos of the training courses conducted and a written exam on business management. The 37 trainees were selected after applying for ILO/UNOPS RFP and meeting the criteria of selection identified along with ILO consultants. • The adaptation of Start and Improve Your Business (SIYB) manuals to the Iraqi culture and context were finalized during June 2011 in coordination with Iraqi experts representing different segments of the society. The exercise also included revision of the illustrations to fit the Iraqi society. • 8-12 May 2011: 25 participants from Business Information Centres (BIC) including Counsellors and other business service providers, graduated from a technical training for Counsellors for micro and small entrepreneurs. During the workshop, five counselling guidelines for the five BICs (Erbil, Anbar, Basrah, Sulaymaniyeh and Hillah) were produced along with a set of action plans for each BIC. This training also supported and strengthened the local networks of business development services providers.
<p>Procurement</p>	<ul style="list-style-type: none"> • NTR
<p>Main implementation constraints & challenges</p>	
<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. <p>Management/Logistic challenges:</p> <ul style="list-style-type: none"> • 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 3,883,639	% of received	50%
Funds Disbursed	USD 2,739,219	% of received	36%
Forecast final date	On Schedule	Delay (months)	0

Direct Beneficiaries	Number of Beneficiaries¹¹	% of planned (current status)¹²
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.	85%
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.	20% ¹³

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 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. In particular and following internal meetings with the Programme Director and the World Bank, it was agreed with the Head of the WG on SOEs Restructuring to deploy on a part time basis an Iraqi senior expert of UNIDO (Mr. Al Jawahiri) to assist over coordination, follow up with line Ministries and overall Roadmap implementation monitoring, while waiting for the strongly suggested appointment of a Project Manager by the TFER to act also as head of the SOEs Restructuring Secretariat. Discussion continued on the extension of the PSDP-I; UNIDO extension request was drafted and submitted to UNDP for final review and finalization in July/August.
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 1.1.2 led by UNIDO: achievement rate at 85%; activity 1.1.3 supported by UNIDO]</i></p> <ul style="list-style-type: none"> Translation of the legislative assessment reports completed: <ul style="list-style-type: none"> - Basic Legal Framework: Constitutes the Constitution and Civil codes. - Public Procurement regime - Tax and Customs regime (UNDP) - Banking sector regime (UNDP)
1.1.3 Draft legislations related to SoE corporatisation	<ul style="list-style-type: none"> A comprehensive framework Public Private Partnership law was finalized and submitted to the Working Group for review (English and Arabic)

¹¹ 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.

¹² The project document does not define concrete numbers of beneficiaries to be targeted.

¹³ Achievement rate for the planning component of the rehabilitation programme 60%; the implementation phase is expected to start in September 2011.

<p>(amendment of Law 22), privatisation, investment law rules and regulations, land title reform, competition, PPPs, mitigation package, agricultural and trade policies are available.</p>	<ul style="list-style-type: none"> • Coordination with other UN agencies continued for updating preliminary legislative assessments in their core areas of competence and in view of possible publications by UNIDO: <ul style="list-style-type: none"> - UN-HABITAT: a final report on land reform and land property rights legislation was completed in English, Arabic translation is underway. • FAO: a final report was completed covering agricultural law, seeds legislation and policy, fisheries legislation, phytosanitary protection legislation and analysis of legal options for plant variety protection, along with recommendations next steps. Arabic translation is underway.
<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 80%]</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, industrial governance system, priority sectors analysis, and identification of members of the Strategy Working Group; regular meetings took place in Baghdad with the Adviser to the Minister of Industry (Dr. Munqith) and members of his Unit. - Additional SWG members were identified, in particular one from the private sector (a prominent lawyer as representative of the newly established PSD Council with substantial experience with the private sector) and Head of the office of the Minister of Industry & Minerals - The first training event took place in Bratislava (Slovakia) on 16-20 May, focusing on experiences and approaches to policy strategies and on industrial diagnosis and monitoring systems; main outcomes were final draft outlines of the strategic diagnosis and of the overall strategy report, based on initial work conducted by the SWG and MIM's Industrial Planning and Restructuring Unit. Presentations were given on industrialization processes and relevant strategies in selected countries (Egypt, Brazil, Slovakia, Vietnam, Kosovo) and an initial structured SWOT analysis was conducted on three initial themes (SOEs sector, construction sector and private sector development), to be revised, integrated and presented at the second workshop. - UNIDO team was further strengthened with the recruitment of a senior international and three national experts (the team comprises at present four international and six national experts) - The second workshop will take place early August in Istanbul and will focus on final diagnosis, vision, strategic paths and policy frameworks: the main expected outputs include: a refined and agreed strategic diagnosis, context scenarios, industrial system scenarios, a shared vision and associated strategic path for the sustainable industrialisation by 2030, a first version of a policy framework for sustainable industrialisation, a revised outline of the strategy report and an outline of a briefing note to the Minister of Industry and Minerals. - The ToR for a study tour to Ireland, combined with the third training event and planned to take place in October, to Ireland were finalized, with the following objectives: (i) to provide an effective contribution to the definition of specific strategies and policies to be addressed by MIM Strategy Working Group (SWG) (ii) to analyze and familiarize with the Irish industrial governance system especially in term of institutional spin-off and support tools for enhancement of industrial competitiveness through innovation, promotion of strategic partnerships and clusters and (iii) to coach the Iraqi members of the SWG on the elaboration of relevant outlines and chapters of the strategy report. • <u>SOEs Restructuring Roadmap</u> <ul style="list-style-type: none"> - Various meetings took place at the TFER and with the World Bank focusing also on the need for the TFER to appoint a permanent Project Manager for systematic follow up of the Roadmap with UNIDO and World Bank coaching; in the meantime a senior national expert of UNIDO started to provide direct organizational and coordination assistance. - Understandings were reached with the World Bank to coordinate the assistance

	<p>to the Ministry of Industry & Minerals on both upstream and downstream related activities.</p> <ul style="list-style-type: none"> - The preparation of the guidelines on asset valuation and corporatization continued, for finalization (with Arabic translation) and circulation in July/early August. <ul style="list-style-type: none"> • <u>IT based platform to sustain activities in the legislative area:</u> <ul style="list-style-type: none"> - The Team Leader (due to serious health reasons) as well as the System Analyst of the sub-contractor had to be replaced; this did not affect the overall roll out of the project. - The inception report was finalized, - 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 trainers were initiated. - In particular, the contractor's development server is publicly available and is now regularly used to host project's documents (http://alfrescounido.info) - Upon suggestion of the sub-contractor, the decision was taken to hold the entire training programme directly in Baghdad instead of Amman (first part); UNIDO and the WGL of the TFER welcomed the decision. - A decision still needs to be taken by July on where hosting the system server.
1.1.5 A national investment map is available (including sector and geographic-specific).	<p>[Activity led by UNIDO: achievement rate at 100%]</p> <ul style="list-style-type: none"> • The final Investment Map was drafted and submitted and comments for its finalization were provided • No indications received from the National Investment Commission on the dissemination event expected now to take place after summer; the matter will be addressed once more in July. • Synergies established with another UNIDO (funded by Italy) on Investment Promotion.
1.1.7 A comprehensive Private Sector Development Strategy for Iraq is available.	<p>[Activity supported by UNIDO]</p> <ul style="list-style-type: none"> • The Programme Director indicated that a new expert would be recruited for the follow up of the initial preparatory work so as to finalize an outline for all agencies. • The ToR 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 were finalized and the RFP procedure launched at end of June.
1.3.2 GoI Prime Minister's Advisory Board and other concerned ministries supported for an SME-friendly regulatory framework.	<p>[Activity supported by UNIDO]</p> <ul style="list-style-type: none"> • Following the official submission to the TFER (and from here to the Cabinet) of a comprehensive policy and legislative framework and the finalization of the assessments of other laws, UNIDO will conduct in Q2/Q3 a harmonization analysis for possible and final recommendations.
1.3.3 Strengthened national capacities of business development services and Non-Bank Financial Institutions.	<p>[Activity supported by UNIDO]</p> <ul style="list-style-type: none"> •
IP Outcome 2: Strengthened Economic recovery in three governorates in the South, Central and Northern areas of Iraq	
2.2.1. Technical support provided to identify priorities and program implementation in the sector "Industries"	<p>[Activity 2.2.1c (Industries) led by UNIDO: achievement rate at 20%¹⁴]</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: extensive data pertaining to the functioning of the SOEs on technical, personnel, financial and marketing issues are being collected; - Guidance and monitoring progress: this was done through regular

¹⁴ Achievement rate for the planning component of the rehabilitation programme 60%; the implementation phase is expected to start in September 2011.

	<p>discussions with UNIDO contractors; the need for finding alternative channels to locate data instead of depending solely on the SOEs was emphasized.</p> <ul style="list-style-type: none"> - Follow up Meetings at Baghdad 4-7 April and 20-23 June: Two meetings were called at Baghdad with the SOEs and the National Experts to expedite the process of data collection, preparation of rehabilitation plans and to provide clarifications to the SOEs. - Project Schedule Finalized: The schedule of the first part of the SOE Rehabilitation programme was finalized envisaging: <ul style="list-style-type: none"> • Presentation/conference: September 8-12 • Final rehabilitation reports: October 2011. - A Workshop aimed at finalizing the Rehabilitation Proposals for the SOEs has been planned in October, addressing in particular : <ul style="list-style-type: none"> • Key Issues for competitiveness in terms of product design, quality, scale, technology, cost of raw materials, availability, cost of energy, cost of labour and others • International benchmarks and their significance • Steps required to become competitive • Vision and strategic issues • Rehabilitation priorities. • <u>Social Mitigation programme with ILO complementing the assistance to the three SOEs¹⁵:</u> <ul style="list-style-type: none"> - The proposal for a Preparatory Assistance (PA) phase was worked out and approved. - At present, personnel are being recruited to implement the PA programme. • <u>c) Business Development Services (ILO led activity):</u> <ul style="list-style-type: none"> - This activity has been definitively dropped.
Procurement (major items)	Procurement procedures were initiated 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).

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.

A mission of the CTA to the Ministry of Industry & Minerals in the red zone took place on 17 February 2011 but the meeting could unfortunately last only one hour. The closure of Al Rasheed Hotel in the Amber Zone makes meetings with Iraqi counterparts difficult as invitations to UN office compound require one week for clearance of access for Iraqis not holding IZ badge.

E. FAO

Funds Committed	USD 1,640,346	% of received	50%
Funds Disbursed	USD 1,607,244	% of received	49%
Forecast final date	On Schedule	Delay (months)	0

Direct Beneficiaries	Number of Beneficiaries¹⁶	% of planned (current status)¹⁷
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¹⁵ This programme is not funded by PSDP-I resources.

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	% 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.	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	40%

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"> Food Safety and Protection; Extension Services; Agricultural Marketing; and 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 are available	<i>[Activity supported by FAO]</i> <ul style="list-style-type: none"> NTR
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.	<i>[Activity supported by FAO]</i> <ul style="list-style-type: none"> Four Trainings of Trainers (ToT) were conducted for 31 participants on <ol style="list-style-type: none"> Food Safety and Protection; Extension Services; Agricultural Marketing; and Water Policy. At The Jordanian National Centre for Agriculture Research and Extension (NCARE).

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

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

1.1.7 Private Sector Development Strategy including investment, private farming, trade for the agriculture sector is created.	[Activity supported by FAO] <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	[Activity 2.2.1b (agricultural sector) led by FAO: achievement rate at 45%] <ul style="list-style-type: none"> Training of Trainers for the Agriculture Information Centres (AIC) 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.
Procurement	<ul style="list-style-type: none"> AIC hardware procurement is under process.

Main Implementation Constraints and Challenges

The main constraint during the reporting period consisted of delays in communication with the Ministry of Agriculture, which led to a delay in implementation.

F. UN-HABITAT

Funds Committed	USD 1,441,246	% of received	72%
Funds Disbursed	USD 796,344	% of received	40%
Forecast final date	On Schedule	Delay (months)	0

Direct Beneficiaries	Number of Beneficiaries ¹⁸	% of planned (current status) ¹⁹
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	% of planned
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	55%
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	²⁰⁾
Output 2.2: Economic and social regeneration pilot projects implemented in three selected governorates	60%

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.	[Activity supported by UN-HABITAT] <ul style="list-style-type: none"> Legislative and Institutional Assessment approved by UNIDO and translated. Preparations in place for workshop on land policy process (delays experienced by working group request to postpone activity to July).

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.

²⁰ UN-HABITAT ready to respond to further direction from lead agency.

	<ul style="list-style-type: none"> • TOR developed for consultancy in relation to study on land management, legal amendments to the Civil Code.
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>[Activity supported by UN-HABITAT]</p> <ul style="list-style-type: none"> • NTR
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>[Activity supported by UN-HABITAT]</p> <ul style="list-style-type: none"> • NTR
1.1.7 A comprehensive Private Sector Development Strategy for Iraq is available	<p>[Activity supported by UN-HABITAT]</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	
2.1.3 Strengthen governorate-level construction and development institutions to implement and sustain local planning capacities	<p>[Activity supported by UN-HABITAT]</p> <ul style="list-style-type: none"> • NTR
2.2.1 Technical support provided to identify priorities and program implementation in sector of Construction and Development Companies	<p>[Activity 2.2.If (Construction and development companies) led by UN-HABITAT: achievement rate at 60%]</p> <ul style="list-style-type: none"> • Contracts signed with MoHE Foundation for technical education, briefing of technical institutes complete, beneficiaries selected, training underway • 22% women beneficiaries identified – special course prepared in AutoCad for women.
Procurement (major items)	<ul style="list-style-type: none"> • NTR

Main Implementation Constrains and Challenges

Substantive challenges:

- The working group on land reform postponed the planned workshop on a land policy process twice during the reporting period, due to ministerial commitments. This is causing delays on the land reform component.

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 Beneficiaries ²¹	% of planned (current status) ²²
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

²¹ 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.

²² 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		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		20%

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>[Activity supported by UN WOMEN]</p> <ul style="list-style-type: none"> • NTR
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>[Activity supported by UN WOMEN]</p> <ul style="list-style-type: none"> • NTR
1.1.7 A comprehensive Private Sector Development Strategy for Iraq is available	<p>[Activity supported by UN WOMEN]</p> <p>On progress</p>
1.1.8 Gender is mainstreamed in the program ensuring women`s full participation in policy and strategy design	<p>[Activity led by UN WOMEN: achievement rate at 45%]</p> <ul style="list-style-type: none"> • During this reporting period, UN Women conducted three consultative round table meetings for 30 business women in partnership with the SMOWA and other national NGOs. The meetings were also attended by representatives of businessmen organizations, representative of the chamber of commerce and other government representatives in addition to women organizations. • These meetings aimed at exploring the existing environment for business women and the efforts for unified efforts among business women in Iraq. The consultative meetings also aimed at finding means to support a business women entity at the national level. The meetings in addition to preliminary investigations conducted by UN WOMEN staff and partner NGOs, confirmed the initial assumptions regarding the challenges facing Iraq business women. These included cultural, societal challenges in addition to other challenges facing the business community in general. UN WOMEN was able to identify three local efforts to establish business women entities (Businesswomen Association, Businesswomen Without Borders Organization, and Businesswomen Council). The three entities are mainly initiated by individuals, relevantly newly established, under resourced and have limited membership. The three meetings resulted in recommendations on the way forward. The recommendations included the following: <ul style="list-style-type: none"> - The need to unify efforts towards the establishment of a unified entity for business women on the national level to include business women in the governorates in addition to Baghdad. - The need to build the capacities of the founding members of the unified entity of businesswomen and providing

	opportunities and sharing knowledge and experiences. - The need to draft bylaws and strategy for the unified entity.
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 WOMEN]</i> • NTR
2.1.4 Promote gender mainstreaming and women participation in local strategies and plans	<i>[Activity led by UN WOMEN: achievement rate at 20%]</i> • UNWomen is planning to organize round table meetings and awareness campaigns in the three selected governorates to increase women participation in decision making, such as in the Governorate Economic Development Unit and for contributing to the LER strategies.
Procurement	• NTR

Main Implementation Constraints and Challenges	
<ul style="list-style-type: none"> At the governorate level, UN WOMEN requests its technical role to be revised. According to the design of the project our role is minimum. It was agreed in the management team meeting that UN WOMEN's role within the governorate level should be enhanced. UN WOMEN will request a budget revision to make sure that there are sufficient funds under outcome 2. 	