

United Nations Development Group Iraq Trust Fund
Project # 74976: C9-29
Date and Quarter Updated: 1 April-30 June 2011 - Q2 2011

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

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

| | | | | | |
|----------------------------|---|---------------|---------------|-----------------|------------------------------------|
| Title | Iraq Public Sector Modernization Programme- Phase1 | | | | |
| Geo. Location | Iraq- National Coverage | | | | |
| Project Cost | USD 13,600, 000 for phase1as follows: USD 5,000,000 – UNDP/ IAA UNFPA, UNIFEM and ESCWA USD 2,000,000- WHO USD 2,600,000- UNICEF USD 2,000,000- UNESCO USD 2,000,000- UNHABITAT | | | | |
| Duration | 12 Months Phase one - 48 months | | | | |
| Approval Date | 11 April, 2010 | Starting Date | 28 April 2010 | Completion Date | 28 Apr 2011 extended to 31.12.2011 |
| Project Description | The Iraq-Public Sector Modernisation Programme is a US\$55 million joint programme of the UN established to support the GoI in modernizing its public sector by adopting a public sector reform strategy for all of government and launching its implementation in three key sectors. The programme will address existing public sector governance constraints through a government-led, centrally administered and coordinated approach that (i) rationalises the architecture and machinery of government (ii) improves human resource management and culture (iii) enhances administrative functionality and generalised management systems (iv) develops clearly defined and costed service delivery models in target sectors (v) approaches decentralisation through a service delivery lens on a sector-by-sector basis, (vi) increases the devolution of service delivery to local government to secure effectiveness, efficiency, transparency and sustainability, with enhanced participation, and (vii) improves the capacity of local government institutions for decentralised service delivery. The programme will establish synergies with existing UN programmes aimed at addressing corruption, will involve the active participation of civil society, and will fully integrate cross-cutting issues in relation to poverty, gender, social exclusion and environment. | | | | |

Development Goal and Immediate Objectives

In line with the UN Assistance Strategy for Iraq 2008-2011, the purpose of the proposed Joint I-PSM Programme is to strengthen the regulatory and institutional framework and processes of national and local governance to enhance service delivery, as outlined in detail in Section 4.

In May 2011 there was a change of scope within the project to harmonize and build synergy with other development partners in Iraq. The five Outputs were adjusted to four as Output 3 was dropped and will be done by another development partner. Output 2 was elaborated.

Reports from this 2nd Quarter reporting period forward will utilize this change of scope adjustment. With the Joint I-PSM Programme working on the following four Outputs:

1. GOI is better equipped to undertake Public Sector Modernization at national and sub-national levels;
2. 1. GOI has capacities for improved public administration systems;
 2.MOPDC has improved capacities for planning and monitoring
 3.Target Ministries have improved capacities for planning and monitoring
3. GOI has reform and modernization plans in place for targeted sectors; and,
4. Decentralized service delivery improved in target sectors with local governance and enhanced participation.

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

Outputs, Key activities and Procurement

Reports from this 2nd Quarter reporting period forward will utilize the change of scope adjustment in which the Joint I-PSM Programme works on four Outputs which are further defined into the following activities.

1. GoI is better able undertake Public Sector Modernization at national, regional and governorate levels
 - 1.1 National PSM Task Force Established;
 - 1.2 Parliamentary sub-committee on PSM in place;
 - 1.3 National I-PSM Strategy in place;
 - 1.4 Enhanced understanding by all levels of government of local planning and local service delivery and the perceptions of local population, especially women, for health, education and WATSAN local services. A focus will be placed on providing space to women's voices to help shape and improve local service delivery. Piloted local e-Governance services rolled out and position papers drafted on private-public partnerships in local service delivery;
 - 1.5 Ministry Advisory Committees in Place to Lead Sectoral Reforms;
 - 1.6 External evaluation of Phase 1 and formulation of detailed Work Plan for Phase 2.
2. GOI has enhanced capacities to review and implement public administration systems
 - 2.1 Standard systems for general management functions supported for their creation and implementation in target sectors;
 - 2.2 Tailor made capacity development initiatives and training packages developed and implemented for general management functions;
 - 2.3 An SES framework for the GOI presented and incorporated into PSM strategy;
 - 2.4 National e-Governance Strategy reviewed in line with improved public administration systems;
 - 2.5 MOPDC has improved capacities for planning and monitoring;
 - 2.6 Standard systems for collection of data for performance and results monitoring and evaluation supported for their creation and implementation in target sectors;
 - 2.7 Target ministries have improved capacities for planning and monitoring;
 - 2.8 Sectoral Reform opportunities identified and sector expenditure management plans in place;
 - 2.9 Gender responsive budgeting understood by GoI and KRG, and mainstreamed in national and provincial budget preparation processes, including sectoral budgets.
3. GoI has reform and modernizations plans in place for targeted sectors.
 - 3.1 Health Sector has reform and modernization plans in place;
 - 3.2 GOI Education, TVET and Higher Education Sectors have reform and modernization plans in place;
 - 3.3 GOI Domestic Water Supply and Sanitation Sectors have reform and modernization plans in place;
 - 3.4 GOI is provided with review of aggregate, cross-cutting structural issues to enable fiscal and administrative decentralized service delivery;
 - 3.5 GOI is provided with options for citizen participation and public-private partnerships for enhanced service delivery.
4. Decentralized service delivery improved in target sectors with local governance and enhanced participation.
 - 4.1 Ministry of Health is able to implement decentralized service delivery with enhanced citizen participation.
 - 4.2 Ministries of Education and Higher Education are able to implement decentralized service delivery with enhanced citizen participation.
 - 4.3 Ministry of Municipalities and Public Works is able to implement decentralized service delivery with enhanced citizen participation.
 - 4.4 Local Government organizational structures and mechanisms strengthened to support decentralized service delivery supported.
 - 4.5 Vertical and horizontal inter-government relations formalised with discussion forums in place and partnerships with international/regional municipalities created.

Select governorates have mechanisms for improved citizen participation in decentralized service delivery.

Procurement Recruitment of International Programme Manager/ Coordinator, Consultants in UNDP, UNESCO and UNFPA in order to provide the technical assistance for the IPSM implementation process.

| | | | |
|-------------------------|--|----------------------|--------|
| Funds Committed – UNDP | USD 3,026,798 IAA (ESCWA, UNFPA & UNWOMEN) | % of approved | 60% |
| Funds Committed- WHO | USD 1,306,094 | | 65% |
| Funds Committed-UNESCO | USD 1,160,376 | | 58% |
| Funds Committed- UNICEF | USD 2,388,871 | | 91.88% |
| Funds Committed-HABITAT | USD 576,097 | | 29% |

| | | | |
|--------------------------|--|----------------------|--------|
| Funds Disbursed- UNDP | USD 1,634,392 | % of approved | 32% |
| Funds Disbursed- WHO | USD 1,075,748 | | 54% |
| Funds Disbursed- UNESCO | USD 839,623 | | 42% |
| Funds Disbursed- UNICEF | USD 1,269,019 | | 48.80% |
| Funds Disbursed- HABITAT | USD 307,298 | | 15% |
| Forecast final date | Time extension approved till 31December 2011 from 28 April 2011. | Delay (months) 9 | |

| Direct Beneficiaries | Number of Beneficiaries | % of planned |
|-----------------------------------|---|-----------------|
| Men | UNDP/ Estimated 150,000 WHO/ Estimated 70,000 UNESCO/ 70 UNHABITAT/ UNICEF/323.614 teachers (M&F) | 2% 2% 17% |
| Women | UNDP/ WHO/ 20% out of the above UNESCO 30 UNHABITAT/ UNICEF/ TBD 30 | 0% 0% 0% |
| Children | UNDP/ WHO/ Indirect Beneficiaries UNESCO 0 UNHABITAT/ UNICEF/ Children enrolled in Primary Education (4.8 million) | 0% 0% |
| IDPs | UNDP/ WHO/ Indirect Beneficiaries UNESCO 0 UNHABITAT/ UNICEF / TBD | 0% 0% |
| Others (in direct beneficiaries) | UNDP/ COMSEC, MoP, MMPW, Civil servants WHO/ MoH and other line ministries staff UNESCO/ MoE and MoHESR personnel UNHABITAT/ UNICEF / Children enrolled in Primary Education (4.8 million) UNFPA/ CSO/KRSO and Statistical Units of the line ministries | 0% 0% |
| Employment generation(Men/ Women) | N/A | 0 |

| Quantitative achievements against objectives and results | | % of planned |
|--|--|--------------|
| Output 1 1.2, 1.6 | UNDP <ul style="list-style-type: none"> PMAC and COMSEC have been briefed on PSM and formation of PSM task force has been discussed in detail Consolidated donor workplan finalised using Gol PSM Framework. A request for public sector reforms in KRG was received and UNDP has started working on the modalities of assessments and approaches. | 10% |
| Output2 2.3. | <ul style="list-style-type: none"> A background paper on Senior Executive Services (SES) under development. Planning initiated for study tour to Canada for members of SES . | 50% |
| Output2 2.4 | <ul style="list-style-type: none"> National e-governance strategy approved and updated. E-Governance Study Tour to India conducted. E-governance meetings conducted E-Governance Website ready for Launch. | 80% |
| Output 2 : | UNFPA (under Interagency Agreement with UNDP) <ul style="list-style-type: none"> Civil registration functional review mission conducted both in Baghdad and Erbil 6-16 April 2011 through a contract with Arab Institute for Training and Research in Statistics (AITRS). | 11% |

| | | |
|---|---|-------------------------------------|
| <p><u>Output 3</u> <u>3.5</u></p> | <ul style="list-style-type: none"> The ICON Institute was contracted and an International Project Coordinator for the National Statistical System (NSS) Modernization Project joined UNFPA in May 2011 based in Amman. ICON inception report finalized with its business plan and time frame of delivery specified. A two-day workshop was held in Erbil with the national counterparts of the Statistical Units from the line ministries on 13-14 June to discuss the outcomes of the Civil Registration Functional Review Report and to discuss the next functional review missions of the NSS facilitated by ICON. International experts and UN agencies participated in the workshop. UNFPA and the International Project Coordinator conducted meetings with partner UN agencies (UNDP, UNESCO, WHO and UN Women). These meetings discussed the NSS cross-cutting nature with the respective agencies' work on the I-PSM. <p>UNESCWA(under Interagency Agreement with UNDP)</p> <ul style="list-style-type: none"> Contracted the national implementing partner, the National Centre for Management Development and Information Technology (NCMDIT), part of the Ministry of Planning, to perform the assessments; | <p>10%</p> |
| <p><u>Output 4</u> <u>4.3</u></p> | <ul style="list-style-type: none"> Finalized the design of surveying tools and forecasted methodology, in addition to preparing a detailed research and assessment plan, expected to guide the field research; and preliminary contacts established with entities to be surveyed. Technical experts to support national experts on statistical systems hired and jobs assigned. | <p>60%</p> |
| <p><u>Output:3</u> <u>3.2</u></p> | <p>UNESCO</p> <ul style="list-style-type: none"> Functional Review Workshop, Erbil 7-10 April: structure of the functional review report completed; National Expert groups meetings held in Erbil during April and May to finalize the functional review start the service delivery assessment; | <p>80%</p> <p>40%</p> |
| <p><u>Outputs 3 and 4</u> <u>3.3, 3.2 and 4.2</u></p> | <p>UNICEF</p> <ul style="list-style-type: none"> Inception Report completed, service delivery review completed, costing review completed. The functional review presently underway which is expected to be completed by mid-August 2011. First meeting of the E-MAC has been held in Erbil with full participation of MoE Baghdad and MoE Erbil during which Terms of Reference for the E-MAC were reviewed and agreed. All the E-MAC members were given a comprehensive overview of the service delivery model and the sector costing. Further as per the meeting outcome, both reports have been shared with the E-MAC members who agreed to give their comments if any and endorse the reports by end of July 2011. | <p>0%</p> |
| <p><u>Output 4</u></p> | <p>UNHABITAT/ UNICEF</p> <ul style="list-style-type: none"> Meeting on WATSAN in KRG was held in Erbil on 13-14 April, and MAC meeting No 7 was held in Erbil on 7-8 June. Information requirements from MAC; forthcoming EU water policy and programmes and the attendance of the Global Water Operators Partnership Alliance were discussed in the meetings. MAC reviewed project and the content of the Functional Review Report. The Gol team leaders presented the Problem Statement in relation to service delivery, policy and financial issues. The Committee were informed of the studies envisaged by ESWCA on PPP and Citizen Participation. MoE made a presentation on environmental issues | <p>80%</p> |

| | | |
|------------------------|--|-----------|
| <p>Output 4</p> | <p>associated with WatSan.</p> <ul style="list-style-type: none"> • Inception Report and the Functional Review Report finalised and approved. <p>UNHABITAT</p> <ul style="list-style-type: none"> • Discussions held with Iraq Local Government Association (ILGA) on joint programme on Local Governance Capacity Development. • UNHABITAT organised a 3-day International Conference on Decentralisation, Local Governance and Service Delivery May 8-10 in Amman. Members of the ILGA, Gol, KRG and I-PSM project team attended the Conference and shared experiences. Conference proceedings documented for future use and practice. | <p>0%</p> |
| <p>Output 3</p> | <p>WHO</p> <ul style="list-style-type: none"> • The National Study Team comprising of public health and statistics experts from Iraq, with technical support from WHO completed Health System Performance Assessment (HSPA) as part of the diagnostic component of the I-PSM. The HSPA was conducted in selected health facilities including Hospitals and Primary Health Care Centres in the KRG and major Governorates of Iraq. As part of the HSPA, focus group discussions and exit interviews were conducted with members of the communities covered by the health facilities. In each of the selected Governorates five PHC Centres and one Hospital were selected for the survey and assessment. Fifty interviews with community members and patients in each selected Governorate were conducted. The results have been compiled and will be used for finalizing the Functional Review for the I-PSM as well as in finalizing the roadmap for the sector modernization. | |
| <p>Output4</p> | <ul style="list-style-type: none"> • During June 2011, a WHO consultant visited Baghdad and the Kurdistan Region to support the MoH in the analysis of the budget of Government of Iraq for; financing health, assessment of the Public Financial Management in the Ministry of Health and costing of the initiatives for the reform of the health sector in Iraq in support of finalizing the key assessments and reviews of phase I of the project. • Workshop to review progress made and planning for next steps was held on 15-17 May 2011. 26 participants from I-PSM national study teams, I-PSM working groups and I-PSM MAC members from the KRG and Governorates representing the whole of Iraq participated in the workshop which was facilitated by 10 professionals from WHO and UNFPA.. • During May and June 2011, WHO consultants carried out missions to various regions and governorates of Iraq to assess health administration and systems through meetings with Ministry of Health, Directorates of Health, service users (patients) and hospital staff both in the public and private sectors. • During June 2011 a meeting was conducted in Baghdad with the Minister of Health and members of MAC regarding progress of Health Sector modernisation. | |

Qualitative achievements against objectives and results

UNDP/UNFPA

1. UNDP worked closely with Government of Iraq and donor partners, including the EU, to establish a Steering Committee on Public Sector Modernisation. This reflects the commitment of Gol to modernisation of the public sector.
2. UNDP finalised the processes of an E-Governance Website that will launch during July 2011.
3. UNDP recruited an International Programme Coordinator/Programme Manager who reported for duty on 13 June 2011.
4. The implementation of the Civil Registration Functional Review mission during April was an important achievement as the report was discussed and drafted with the national counterparts. The final draft delivery is anticipated in 3rd Quarter 2011.
5. The ICON Institute partnership mobilized technical expertise which supported the professional implementation of the needed NSS functional review.
6. The arrival of the recruited International Project Coordinator to the NSS project facilitated planning and implementation

the 6 needed functional review missions to the NSS in Iraq.

7. The business plan proposed by ICON has provided a clear guidance to the team working on the project. This plan proposes to have the first 3 functional review missions (i) data dissemination, (ii) coding and classification and (iii) legal framework done in 3rd Quarter in both Baghdad and Erbil. The other 3 missions will be conducted in late 3rd or 4th Quarter with consideration to include the Engendering Statistics functional review as a 7th mission to be done during the same timeline.

UNDP/ UNESCWA

1. The National Centre for Management Development and Information Technology (NCMDIT) has been contracted to partner with ESCWA to conduct the Participation and Perception Surveys as well as undertake the Private-Public Partnerships Functional Review. The NCMDIT, with direct support from ESCWA, succeeded in devising survey questionnaires and guiding questionnaires for focus groups, and finalized a detailed methodology intended to guide the field assessment endeavours. The questionnaires relate to the participation and the PPP assessments which were developed to provide data and statistics from the three sectors in Public Sector Modernisation, namely: health, education and WATSAN. This exercise complements the sectoral functional reviews and the developing roadmaps by the partner specialized agencies. The questionnaires have been piloted and presented to the UN Working Group for feedback and finalization at a workshop 18-19 June 2011 in Amman.
2. ESCWA contracted an international statistical expert to provide advisory functions and engage in backstopping all phases of the ESCWA assessments. She is directly working with the national implementing partners and is striving to complement the existing national expertise and know-how with international perspectives and methodologies.
3. ESCWA and the NCMDIT took part in the Ministerial Advisory Committee (MAC) meetings for WATSAN and Education held in Erbil respectively on 8-9 and 13-14 June 2011. At that time presentations were given to roll-out the proposed assessments on participation, perception and private-public partnerships. The NCMDIT presented the detailed questionnaires and an overview of the adopted methodology. Feedback and guidance from the MAC members will be reviewed and integrated, prior to performing the assessments. The participation in the MAC meetings facilitated better synergy between the ESCWA led assessments and the sectoral functional reviews, which is expected to promote cohesive complementarities from the substantive future viewpoint in Phase II.

UNESCO

1. 15 Iraqi experts from the two Ministries of Education as well as the two Ministries of Higher Education and Scientific Research in Baghdad and KRG met 7-10 April resulting in a developed structure of the functional review report of the education sector in Iraq. This was technically supported by UNESCO
2. Following the workshop the Iraqi group of experts met fortnightly during April and May to finalise the draft Functional Review Report to present at a 3rd Quarter workshop from 2-6 July. At the July Workshop they will present the final results of their work and continue work on the service delivery assessment.
3. During May-June 2011 the UNESCO I-PSM team met with the Ministers of Education in Baghdad and Erbil, as well as the KRG Minister of Higher Education and the Director of the Minister's Office at the Ministry of Higher Education in Baghdad. These meetings offered an opportunity to provide an update about the progress on I-PSM and ensure full ownership and Government's leadership in the education sector component of the programme.

UNICEF:

1. Obtained full endorsement of and cooperation from key Iraqi partners including government officials, educational professionals and donor partners on the approaches and reform within the education sector in Iraq.
2. A contractual process was put in place to facilitate a high-quality, and timely report that will enable UNICEF to complete its obligation under Phase I. This process has involved government functionaries and acquired proper ownership by Gol which is streamlined through E-MAC.
3. The E-MAC agreed to form a drafting committee for the Roadmap, which is to be initiated mid-August.

WHO:

1. Data covering six major areas within the health system in Iraq have been collected and analysed. The results are being compiled to feed into both the functional review and health system performance assessment. WHO has provided regular technical support through the fielding of consultants with a wide range of expertise to support the work of the I-PSM National Study Team.
2. During the reporting period, an inception report was finalised which provided details of the methodology used as well as highlighting some preliminary results which was shared with various partners.

Main implementation constraints & challenges

- A major challenge is the coordination of this large programme including different partner's deployment of technical experts with reporting lines perhaps not defined as much as required and the pace of delivery.
- The delays encountered in the start-up phase were mainly due to the 2010 political situation in Iraq during 2010. This fluid situation affected the responsiveness of national partners. Thus, a no cost extension of Phase I of the programme was obtained to produce desired results.
- Inclusion of KRG in the Ministerial Advisory Process has been a challenge but now is fully integrated with meetings being held in Erbil as well as Baghdad.
- The collection, synthesis, and interpretation of data have taken longer than anticipated and has slowed down the functional review process.
- Non availability of logistics and time constraints of main counterparts is pushing the MAC meetings to an interval of 6-8 weeks instead of the originally planned monthly schedules.
- The fragile security situation in the country is a challenge to every agency. Moreover, the relationships between Baghdad and Erbil in the context of I-PSM are not clear, particularly the roles of governing bodies like steering committees, task force, etc.
- The identification of a national implementing partner with relevant capacity and proven track record to undertake the functional surveys and most importantly the perception assessments was particularly challenging.
- Coordination has been limited within the various directorates of MOH regarding data collection, especially at the governorate level.