

United Nations Development Group Iraq Trust Fund

Project #: E4-19

Date and Quarter Updated: **October-December 2011 (Quarter 4)**

Participating UN Organisation:
UNIDO

Sector:
Economic Reform & Diversification (ERDSOT)

Government of Iraq – Responsible Line Ministry:
Ministry of Industry, Specialized Institute for Industrial Engineering (SIEI)

Title	Rehabilitation of the Specialized Institute for Engineering Industries				
Geographic Location	Bagdad				
Project Cost	US\$ 4,237,722 (excluding US\$ 600,000 in kind contribution from the SIEI)				
Duration	24 months				
Approval Date (SC)	04 June 2009	Starting Date	14 July 2009	Completion Date	30 June 2012
Project Description	<p>The present project intends to assist Iraq in its endeavours for the reconstruction of its economic infrastructure. It will particularly provide support for the rehabilitation of the Specialized Institute for Engineering Industries (SIEI), which due to the war and subsequent sanctions has suffered extensive damage, including the total or partial destruction of its laboratories and production workshops. The successive conflicts have also hindered its technical capacities and access to new information on modern technologies, international standards and quality assurance systems.</p> <p>Under this project, assistance will be provided to rebuild the capacity of the SIEI to assist the Iraqi industries with the application of national standards and adaptation of international standards to their needs, to carry out proper quality assurance activities and testing of industrial products and to seek international recognition of its competence through accreditation. The project will particularly provide assistance in: (i) Training a substantial number of SIEI managerial and technical staff on standardisation, quality assurance, and conformity assessment (testing, inspection and certification) subjects; (ii) Acquiring appropriate instrumentation, equipment and reference materials for its testing/calibration laboratories and production workshop; and (iii) Initiating testing and other product quality assurance activities for the local manufacturing industry, service sector and consumers. The project will include significant emphasis on technology transfer related to operational techniques, procedures and policies issues.</p>				

Development Goal and Immediate Objectives

In line with the international, national and UN Country Team strategies for Iraq, this project is working towards the achievement of the following medium term outcomes:

1. Enhanced capacity of the SIEI/Ministry of Industry to respond to the needs of the manufacturing industry, service sector and consumers and facilitate industrial development in Iraq.
2. Industry has access to improved services that would enable precision manufacture and quality improvement of their products.

Outputs, Key Activities and Procurement

Outputs	<ul style="list-style-type: none"> • A comprehensive framework developed for the SIEI to support the development of the industries in Iraq through the provision of technical and information support, quality assurance and conformity assessment services (testing, inspection, certification, etc.). • The managerial and technical staff of the SIEI has acquired the knowledge and skills to meet the needs of the manufacturing industry, service sector and consumers. • The SIEI testing and calibration laboratories, production workshop and information facilities (library) are rehabilitated to adequately respond to the demands of the manufacturing industry, service sector and consumers.
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Activities	<p>Policy, legal and regulatory framework: Under this component, the project will:</p> <ul style="list-style-type: none"> • Evaluate, review and update the policies and procedures that address the operation of the SIEI and its related activities and services (testing & calibration, product certification, import/export inspection, product design, training, etc.). • Review and update the legal and regulatory framework covering the institutional setting and the mandate of SIEI, to fit the international best practice. • Carry out a sensitization/awareness programme for representatives of SIEI/MoI, the public and private sector, and structures cooperating with SIEI (Central Organization for Standardization and Quality Control - COSQC, etc.) on the role of standardization and conformity assessment in the compliance of local products with international standards and market requirements and protection of consumers from sub-standard products. • Conduct a specific training programme for the SIEI/MoI, representatives of the Central Organization for Standardization and Quality Control (COSQC), and the private sector, on the dev. of national and int. standards, adaptation of international standards to local needs, and inspection and certification of industrial products and systems. • Evaluate the internal and external communication policies of SIEI and develop: (i) recommendations to generate better understanding of the institute's objectives throughout the Iraqi industries; (ii) Publicity material (promotional brochures, web pages, etc.) aimed at increasing SIEI services visibility among consumers. <p>Capacity building – skills development: The project will allow for know-how transfer and training in quality (SMTQ), production and economy related areas to a substantial number of SIEI managerial and technical staff. The development of technical and managerial skills will focus on, but will not be limited to, the following areas:</p> <ul style="list-style-type: none"> • Knowledge and skills in the fields of standardization, quality assurance, and conformity assessment services (testing and material analysis, inspection, certification, etc.). • Knowledge and skills in the fields of heat treatment, modern welding technologies, general industrial maintenance, and production workshop management, etc. • Knowledge and skills in the fields of project management; preparing business plans and feasibility studies; network administration, etc. <p>Capacity building – SIEI facilities upgraded: The project will acquire appropriate equipment, instrumentation, and reference materials for the SIEI testing/calibration labs and production workshop, and assistance will be provided in preparing the laboratories towards international accreditation of their services. The project will further rehabilitate and provide the SIEI library with up-to-date facilities, engineering and technical periodicals, test reports, etc. to serve the industrial information needs of the local industries.</p>
Procurement (major items)	<p>Major items under procurement are the following:</p> <ul style="list-style-type: none"> • Laboratory testing equipment for various products; • Laboratory furniture equipments; • Production workshop equipments • Sub-contract for specialized training in selected fields (advanced welding technology; testing procedures; etc.).

Funds Committed as on 31/12/2011	US\$ 3,356,231	% of approved	79.20
Funds Disbursed as on 31/12/2011	US\$ 2,394,783	% of approved	56.51
Forecast final date	30 June 2012	Delay (months)	N/A

Beneficiaries	Number of Beneficiaries	% of planned (current status)
The primary beneficiary is the SIEI, which will benefit from enhanced capacity both in terms of skills development and in terms of equipment for testing and calibration laboratories, production workshop, information facilities, etc. The capacity of the SIEI would be strengthened to conform to accepted international practices.	35 staff from the SIEI and COSQC (management and engineers)	87%

The secondary beneficiaries of the project are the line Ministry for the SIEI (MoI) and the apex institutions dealing with Standards, Accreditation, Metrology and Testing in the country.	MoI and the Central Organization for Standardization and Quality Control – COSQC	85
The tertiary beneficiaries are the local manufacturing and service facilities that would benefit from having access to standards information, calibration and testing facilities, inspection and certification services that would enable precision manufacture and quality improvement of their products.	Industrial sector	-

Quantitative Achievements against Objectives and Results

1	A comprehensive framework developed for the SIEI to support the development of the industries in Iraq through the provision of technical and information support, quality assurance and conformity assessment services (testing, inspection, certification, etc.).	% of planned	85
2	The managerial and technical staff of the SIEI has acquired the knowledge and skills necessary to meet the needs of the manufacturing industry, service sector and consumers	% of planned	87
3	The SIEI laboratories, production workshop and library are rehabilitated to adequately respond to the demands of the manufacturing industry, service sector and consumers.	% of planned	85

Qualitative Achievements against Objectives and Results

Activity	Results	Status
Output 1: A comprehensive framework developed for the SIEI to support the development of the industries in Iraq through the provision of technical and information support, quality assurance and conformity assessment services (testing, inspection, certification, etc.).		
<ul style="list-style-type: none"> Evaluate, review and update the policies and procedures that address the operation of the SIEI and its related activities and services (testing & calibration, product certification, product design, etc.). 	<ul style="list-style-type: none"> Report completed and submitted for the SIEI management 	completed
<ul style="list-style-type: none"> Review and update the legal and regulatory framework covering the institutional setting and the mandate of SIEI, to fit the international best practice. 	<ul style="list-style-type: none"> Report completed and submitted for the SIEI management 	completed
<ul style="list-style-type: none"> Conduct a sensitization programme for representatives of SIEI/MoI, the public and private sector, and structures cooperating with SIEI (COSQC, etc.) on the role of standards and conformity assessment in the compliance of local products with international standards and market requirements and protection of consumers from sub-standard products. 	<ul style="list-style-type: none"> Training on ISO 17025 (Laboratory accreditation) took place in Beirut-Lebanon from 15-18 of October 2010, Training on Equipment calibration, Method Validation and Establishment of Quality Control took place in Beirut-Lebanon 20-21 of Oct. 2010. 	Ongoing

	<ul style="list-style-type: none"> • Environmental Management System – ISO 14001-EMS <ul style="list-style-type: none"> - Assignment of the Steering Committee members finalized - Action Plan developed and finalized - Identification of environmental aspects and evaluation of significance procedure, completed - First, second, third and fourth PSC meetings held in May, July, October and December 2011 - Planning procedures of EMS, completed - Procedures and components of the EMS is on-going - Documentation is on going - Implementation is on going - Final recommendation made - Final action plan accepted and agreed. <p>Summary:</p> <ul style="list-style-type: none"> - Number of Trainees: 8 (1-M, 7-F) - Beneficiary Department: Labs and QM 	
<p>Output 1: A comprehensive framework developed for the SIEI to support the development of the industries in Iraq through the provision of technical and information support, quality assurance and conformity assessment services (testing, inspection, certification, etc.).</p>		
<ul style="list-style-type: none"> • Conduct a specific training programme for the SIEI/MoI, representatives of COSQC, and the private sector, on the development of national and inter. standards, adaptation of inter. standards to local needs, and inspection and certification of industrial products and systems. 	<ul style="list-style-type: none"> • Completed the preparation for the programme. • Planned for the second quarter 2012 	Ongoing
<ul style="list-style-type: none"> • Evaluate the internal and external communication policies of SIEI and develop recommendations to generate better understanding of the institute’s objectives. 	<ul style="list-style-type: none"> • A survey aimed to identify the needs of Iraqi Enterprises in Baghdad for training and consultancy services for ISO 9001:2008, ISO 14001:2004 and OHS 18001:2007 was carried out and final report was submitted to SIEI for consideration (to be taken into account in planning). Both short-term and long-term recommendations were made. 	completed
<ul style="list-style-type: none"> • Develop publicity material (promotional brochures, web pages, etc.) aimed at increasing SIEI services visibility among industries and consumers. 	<ul style="list-style-type: none"> • Issued the SIEI technical brochure describing its services both in English and Arabic. • Issued the Laboratory services specific promotional technical brochures. English and Arabic versions developed. • Extra copies printed and distributed of the Laboratory services leaflets 	Ongoing
<ul style="list-style-type: none"> • Monitor the framework developed and take corrective measures. 	<ul style="list-style-type: none"> • Ongoing 	Ongoing

Output 2: The managerial and technical staff of the SIEI has the knowledge and skills necessary to meet the needs of the manufacturing industry, service sector and consumers.		
<ul style="list-style-type: none"> • Confirm the SIEI human resources skill gaps in the light of the project purpose, and plan the overall training program for the identified gaps. 	<ul style="list-style-type: none"> • SIEI human resources skills gap analyzed and overall training program identified for both management and technical subjects. 	completed
<ul style="list-style-type: none"> • Organize the training program for the SIEI Quality Department: <ul style="list-style-type: none"> - Development and implementation of QMS and EMS (ISO 9001 and ISO14001) and auditing procedures; - Water treatment and pollution control; - Materials testing and analysis - Modern measurement techniques; - Testing of electrical components and motors; - Calibration of measuring instruments/equipment; - Inspection and certification of selected prod./services. 	<ul style="list-style-type: none"> • Awareness Training on ISO 14000, ISO 18000 and ISO 9000 conducted in Amman, Jordan from 10-15 of April 2010. • Training on ISO 14001 (Environmental Management system internal Auditing training) conducted in Amman/Jordan, from 27 Feb to 2 March, 2011. • Training on Electrical Inspection and Testing FOR Cables and Circuit Breakers, took place in Baghdad, Iraq from 6-17 March, 2011. • Training and certification of 2 staff on NDT on the MT and PT methods , took place in Rabat, Morocco from 16 May to 2nd of June, 2011 • Training on Metrology training, took place in Amman, Jordan from 26 June to 7 July, 2011. • Training on Electrical XRD X-Ray Diffraction Operation - Analysis - Characterization, took place in Baghdad, Iraq from 24 April to 5 May, 2011. • Training and certification on NDT on the RT and UT methods , took place in Rabat, Morocco from 4 – 22 July, 2011 • Training and certification of 3 staff on NDT on the MT and PT methods , took place in Rabat, Morocco in October 2011 • Training on general IT knowledge took place in November 2011 in SIEI/Baghdad for 27 Staff • Training and certification of 4 staff on NDT on the RT and UT methods , took place in Rabat, Morocco in December 2011 <p>Summary:</p> <ul style="list-style-type: none"> - Number of Trainees: 77 (35-M, 42-F) - Beneficiary Department: Labs and QM and COSQC/Ministry of planning 	Ongoing
<ul style="list-style-type: none"> • Organize the training program for the SIEI Production Department: <ul style="list-style-type: none"> - Heat treatment; - Advanced welding technology; - General industrial maintenance; - Production workshop management. 	<ul style="list-style-type: none"> • Training programme on advanced welding technology and Pipe fitting completed in June 2010. • Training programme on TIG welding completed in Beirut-Lebanon in October 2010. 	Ongoing

	<ul style="list-style-type: none"> • Training on Production Workshop equipments/CNC's under preparation, Due to the delay of the UK visa for candidates, the training might take place either in Iraq or turkey. <p>Summary: - Number of Trainees: 10 (10-M) - Beneficiary Department: Production Workshop</p>	
Activity	Results	Status
Output 2: The managerial and technical staff of the SIEI has the knowledge and skills necessary to meet the needs of the manufacturing industry, service sector and consumers.		
<ul style="list-style-type: none"> • Organize the training program for the SIEI Economy Department: <ul style="list-style-type: none"> - Project management; - Preparing business plans; - Preparing feasibility studies; - Network administration. 	<ul style="list-style-type: none"> • 1st training program on “Management for success” organized with the participation of 6 SIEI Executive Managers. • 2nd Training on (Strategy and Strategic Marketing) took place in April with the participation of 5 SIEI Executive Managers. • 3rd Training on Organizing the Structure of SIEI and Staff posting completed in December 2010 with the participation of 5 SIEI Executive Managers. • Training on Leadership Management for: <ul style="list-style-type: none"> - DG from ministry of transportation - DG from ministry of rail ways - DG from ministry of education - Two Executive Manager of SIEI Completed in Nov. 2010, Vienna/Austria. • Training on business planning and negotiations skills for Heads of the administrative departments completed in September 2010, Beirut – Lebanon. • Training Leadership & Management Skills for the Heads Deputies of the administrative departments completed in September 2010, Beirut – Lebanon • Second Training Leadership & Management Skills for the Administrative staff members took place completed in 23-27 May 2011, Beirut – Lebanon • Third Training Leadership & Management Skills for the Administrative staff members took place completed in 4-8 June 2011, Beirut – Lebanon. <p>Summary: -Number of Trainees: 51 (30-M, 21-F) - Beneficiary Department: Labs, QM, Projects, Executive Managers</p>	Ongoing
Output 3:		

The SIEI laboratories, production workshop and information facilities are rehabilitated to adequately respond to the demands of the manufacturing industry, service sector and consumers.		
<ul style="list-style-type: none"> • Assess the SIEI existing laboratories/production workshop and identify equipment and training needs. 	<ul style="list-style-type: none"> • Assessment of the SIEI existing laboratories/production workshop finalized. 	Completed
<ul style="list-style-type: none"> • Design technical specifications for identified equipment gaps (together with reference materials/spare parts). 	<ul style="list-style-type: none"> • Technical specifications for identified equipment completed. • Final Recommendation for the Technical specification of the laboratories design has been finalized. 	Completed
<ul style="list-style-type: none"> • Order, purchase and install the equipment and train the users for operation and maintenance in the: <ul style="list-style-type: none"> - Laboratory for materials and metallurgical products testing; - Laboratory for electrical products testing; - Laboratory for engines testing; - Laboratory for plastics and rubber testing; - Production and maintenance workshop/Metrology laboratory - Network – IT - Production Workshop - Software 	<ul style="list-style-type: none"> • Tenders were launched for the purchase of laboratory testing equipments, offers were received and evaluated. Final selection of items to be purchased has been made based on SIEI needs in January 2011 (according to the allocated budget). Testing areas covered: chemicals testing, materials testing, mechanical testing, non-destructive testing, calibration and metrology. 26 testing Equipments were selected, several items under Delivery • IT equipment delivered. • Workshop equipments purchased and under delivery. • Laboratories furniture delivered and installed. • Tender were launched for the construction work adjacent to the laboratories building, offers were received and evaluated. A contractor was assigned to perform the construction work. Work expected to commence during September, 2011. • Construction works to accommodate the R&D and the metrology labs commenced on the 11 September 2011. • Construction work is ongoing and progress is satisfactory and as per working plan. <p>A slight Delay has been recorded in purchasing some of the testing equipments due to:</p> <ul style="list-style-type: none"> i- International embargo and sanctions of importing certain item. In respect of this the delay is caused by the need to obtain export licenses from UK and US governments, i.e. the supplier and manufacturer are from the UK and the US ii- the long leading process of obtaining certain technical clarification from the supplier regarding the offered equipments. iii- the security concerns in Iraq and the procedures involved in supplying the equipments. 	Ongoing

<ul style="list-style-type: none"> • Plan and organize study/fellowship training overseas for key laboratory staff. 	<ul style="list-style-type: none"> • 1st study tour to engineering and industrial products testing companies in Germany carried out in February 2010. • 2nd study tour on laboratory accreditation matters was conducted in cooperation with the Industrial Research Institute in Beirut, Lebanon in October 2010. • 3rd visit was arranged on ISO 14001 – EMS with the cooperation of Petra Engineering Industries Co. – Jordan in February 2011. 	Ongoing
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Activity	Results	Status
Output 3: The SIEI laboratories, production workshop and information facilities are rehabilitated to adequately respond to the demands of the manufacturing industry, service sector and consumers.		
<ul style="list-style-type: none"> • Assist in preparing for and obtaining international accreditation for the laboratories. 	<ul style="list-style-type: none"> • Continue work for lab accreditation: 2nd workshop for evaluation and completion of validation is pending due to lack of the implementation. • Discussion of assigning an international Expert to assist the progress in SIEI/Iraq • Assignment of the international expert finalized, and assessment of the implementation is ongoing. 	Ongoing
<ul style="list-style-type: none"> • Assess the SIEI library needs in terms of office equipment & software, periodic/books and management. 	<ul style="list-style-type: none"> • Upgrading needs of the SIEI library identified. • Proposal for upgrading the library presented to- and approved by the SIEI management. • Required Equipments specified. • IT equipments for the library delivered. • Books and periodic delivered • Furniture for Library to be delivered end of September 2011. 	Completed
<ul style="list-style-type: none"> • Assemble a library of current national and inter. periodicals and test reports to provide background information for the SIEI and their partners or consumers. 	<ul style="list-style-type: none"> • Training programme for national staff took place in Canada in February 2011 Summary: -Number of Trainees: 2 (2-F)	Completed
<ul style="list-style-type: none"> • Continuously supervise and advise on the use of supplied equipment/laboratories. 	<ul style="list-style-type: none"> • Several visits by the PMU 	Ongoing
<ul style="list-style-type: none"> • Monitor the operation of SIEI and adjust if necessary. 	<ul style="list-style-type: none"> • 3rd Project Committee Meeting took place in Amman-Jordan on the 5 of October, 2011. 	Ongoing

Main Implementation Constrains & Challenges

- Movement and activities in the project area are limited and security is a concern at all times.
- Delays in reply from the national counterparts due the security situation.
- Difficulties in getting travel visas for training organized aboard.

