



UNITED NATIONS INDUSTRIAL
DEVELOPMENT ORGANIZATION



UNITED NATIONS DEVELOPMENT
GROUP

SIX-MONTH PROJECT PROGRESS REPORT (JULY –DECEMBER 2007):

TECHNICAL ASSESSMENT FOR THE DEVELOPMENT OF AGRO-INDUSTRIES SECTOR IN IRAQ

Project Summary

<p>Participating UN Organisation:</p> <p>United Nations Industrial Development Organization (UNIDO)</p>	<p>Cluster: E</p> <p>Infrastructure Rehabilitation</p>
<p>Project No. and Project Title:</p> <p>E4-17 Technical assessment for the development of agro-industries sector in Iraq</p>	<p>Report no:</p> <p>01</p>
<p>Reporting Period:</p> <p>1 July to 31 December 2007</p>	<p>Project Budget [and revision if applicable]:</p> <p>UNDG-ITF: US\$ 586,880 Govt. Contribution: US \$ 50,000 (in kind)</p>
<p>List Implementing Partners:</p> <ul style="list-style-type: none">• Ministry of Planning and Development Cooperation• Ministry of Industry	<p>Geographic Coverage/Scope:</p> <p>Agro-industrial pilot survey covering the 13 governorates of Iraq</p>
<p>Abbreviations and acronyms:</p> <p>COSIT -Central Organization for Statistical & Information Technology KRG - Kurdistan Regional Government MOPDC - Ministry of Planning and Development Cooperation MOI - Ministry of Industry TOT - Training of trainers</p>	<p>Project Status: Duration/Closed Project/Timeline Extension:</p> <p>The project duration is 12 months. The project was approved in May 2007 and implementation started in July 2007.</p>

I. Purpose

1.1 Main objectives, outcomes and outputs of the project

Development Objectives:

Create an enabling environment for the development of the industrial sector.

Immediate Objectives

1. Assist the Government of Iraq to launch a programme for the development of agro-industries.
2. Enhance local capacity and capabilities to carry out industrial surveys and formulate appropriate policies and strategies for industrial development.

Outputs

1. A comprehensive agro-industrial sector survey carried out focusing on assessing the processing technologies, competitiveness, growth potentials and investment opportunities.
2. Industrial statistics operations in the Central Organization for Statistical & Information Technology (COSIT) upgraded and capabilities strengthened for collection, analysis and dissemination of industrial statistics.
3. National capacity and capabilities for industrial strategy formulation, implementation and monitoring upgraded.

1.2 Explain how the programme/project is relevant to the following benchmarks: UN Assistance Strategy for Iraq, UN Millennium Development Goals, Joint Needs Assessment, Iraqi National Development Strategy

The proposed project is designed as an integral part of the framework of the Joint UN-Iraq Assistance Strategy, with a special focus on programmes targeting the development of agro-industries as well as the industrial sector as a whole which boost the economy, create employment and contribute to sustainability of the peace process.

The project is in line with the strategy for assistance to Iraq under cluster E (Infrastructure rehabilitation) as stated in the cluster matrix E 4.3.7 - Policies, strategies and capacity for modernizing the industrial sector at national level enhanced.

The project will contribute to achieve the following MDGs and the specific contributions are listed below:

MDG 1 (Poverty/hunger eradication)

- Increased value addition to raw products through industries will contribute to uplift the economy and provide better financial resources to the grassroots level communities.

MDG 8 (Develop global partnership for development)

- In cooperation with the developing countries, develop decent and productive work for youth and in cooperation with the private sector, make available the benefits of new technologies.

1.3 Indicate the main implementing partners, their roles and responsibilities, and their interaction with the Agency:

The main partners from the Government of Iraq for this project are the Ministry of Planning and Development Cooperation (MOPDC) and the Ministry of Industry.

The Central Organization for Statistics and Information Technology (COSIT) of the MOPDC is the main collaborating partner for project implementation. In addition to a close collaboration during the implementation, COSIT is contributing to the project through the provision of training facilities and conducting the survey. The project trains selected staff members of COSIT and Statistical Bureau of the KRG and upgrade their capacity and capabilities in conducting industrial surveys. The trained staff is assigned to conduct training programmes to train local staff in different aspects that are needed to carry out industrial surveys and implement the pilot industrial survey.

The Ministry of Industry is participating in the implementation of the policy component and all activities related to the policy component are planned and coordinated in collaboration with the Ministry of Industry.

II. Human Resources

2.1 National Staff & Consultants:

A National Project Coordinator has been recruited for the project and he is based in Baghdad. National professional staff members have been trained through the project as trainers (TOT) and these trainers are conducting training programmes for the local staff to train them in different aspects which require to conduct industrial surveys.

2.1.1 Training programme in industrial statistics

A 10-day training programme in Industrial Statistics was conducted in Amman for 12 participants from Iraq, selected from the Central Organization for Statistics and Information Technology (COSIT) of the MOPDC, Ministry of Industry and the private sector. An Industrial Statistician/ UNIDO Consultant conducted the training.

2.1.2 Training programme to Train 43 Enumerators

A training programme was conducted in Baghdad to train 43 Enumerators to conduct the first survey, to update the industrial register. The staff of the Central Organization for Statistics and Information Technology who participated in the above (TOT) training programme conducted the training.

2.1.3 Conducting the 1st survey

The survey was conducted starting from the 1 October 2007 and completed on the 15 November 2007. During the period of 1.5 months, following activities were carried out:

- Field implementation of the survey
- Coding and editing
- Data entry
- Data processing
- Final reporting

2.1.4 Training programme on the use of Personal Digital Assistant (PDA) for industrial surveys

A training programme was held in Amman, from 2 to 13 December 2007, on the use on PDAs for industrial surveys. Five participants from COSIT, one participant from KRG and the UNIDO NPC participated in this training. A Systems Analyst/UNIDO Consultant conducted the training.

2.2 International Staff:

2.2.1 UNIDO Project Manager

UNIDO Project Manager undertook a mission to Amman and had meetings with the representatives of MOPDC, MOI and representatives from the KRG, prior to starting project implementation and prepared a tentative work plan to initiate project implementation.

2.2.2 Industrial Statistician

An Industrial Statistician / UNIDO Consultant undertook two missions to Amman to conduct training programmes for the participants representing COSIT, statistical bureau of KRG and the private sector.

2.2.2 Systems Analyst

A Systems Analyst / UNIDO Consultant conducted a training programme in Amman for the participants representing COSIT and the statistical bureau of KRG, on the use of PDAs for industrial surveys.

2.2.3 Industrial Economist

An Industrial Economist / UNIDO Consultant undertook two missions to Amman, first to have meetings with the representatives of the MOPDC and MOI, to gain knowledge about the overall industrial sector, and the second mission to conduct a workshop on industrial policy formulation.

All the international experts had to travel to Amman to conduct the training programmes and the training participants also had to travel to Amman to participate in the training programme. If the security situation had permitted, the consultants would have travelled to Baghdad to conduct the training programmes. There had been no significant improvement in the security situation during the first six months of project implementation.

III. Methods of Operating

3.1 Summary of the implementation mechanisms primarily utilized and how they are adapted to achieve maximum impact given the challenging operating context.

The main objective of the project is to enhance local capacity and capabilities to carry out industrial surveys and assist the Government of Iraq to launch a programme for the development of agro-industries. The organization responsible for industrial statistics in Iraq is the Central Organization for Statistics and Information Technology (COSIT) of the MOPDC has been selected as the main implementing partner of the project. Training programmes were conducted to upgrade the capacity and capabilities of the local staff.

Conducting the survey is also a training exercise. The initial survey to upgrade the register of industries was conducted and this exercise was coordinated by the NPC in collaboration with the COSIT. The second survey (pilot survey of agro-industries) will also be coordinated by the NPC in collaboration with the COSIT. Through this exercise, the staff of COSIT will be able to upgrade their capacity and capabilities to conduct industrial surveys and also utilize PDAs for data collection.

3.2 Procurement procedures

The standard UNIDO procurement procedures that consist of tendering for procurement of all goods and services has been followed for this project. However, prior to initiation of any procurement, the endorsement from the Ministry of Planning and Development Cooperation should be obtained.

3.3 Project monitoring system

Monthly reports submitted by the NPC in relation to detailed work plan agreed upon at the start of the project are used as an indicator of delivery achieved under the project. Project implementation is also based on the existing working experience of UNIDO in project implementation in Iraq and hence learning mechanisms and incorporation of lessons learned from other projects are taking place.

3.4 Assessments, evaluations or studies undertaken

Evaluation will be carried out after the completion of the project, following the standard procedures of UNIDO.

IV Results

4.1 Summary of programme/project progress

The introduction of PDAs was not foreseen when the project was formulated. However, at the project-monitoring meeting held on 19 September 2007, in Amman, the Director of the Central Organization for Statistics and Information Technology (COSIT) of the MOPDC emphasized the need to introduce an improved method for data collection and made a special request to introduce Personal Digital Assistants (PDAs) for the collection of statistical data through the project. The representatives of the MOPDC, Ministry of industry and the representatives from the statistical bureau of the KRG acknowledged it.

As a result of the introduction of PDAs, two additional training programmes had to be organized and first training was held in December 2007. The second training will be held in March 2008. The PDAs will be used to conduct the agro-industrial pilot survey. The pilot survey will start after the completion of the second PDA training programme.

As a result of the additional training programmes required for the introduction of the PDA, a request will be submitted to the UNDG-ITF for a three months extension of the project duration (no-cost extension).

4.2 Medium-term outcomes

As a result of the training programmes in industrial statistics and in the use of PDAs, the staff of COSIT has gained knowledge to design questionnaires for statistical data collection and also to install such questionnaires in PDAs for data entry. In general, COSIT staff has mastered an improved method of carrying out industrial surveys.

4.3 Outputs achieved		
Output	Activities	Current status
1. A comprehensive agro-industrial sector survey carried out focusing on assessing the processing technologies, competitiveness, growth potentials and investment opportunities.	1.1 Collect, review, analyse information on business environment, policy matters and legal/regulatory framework.	This activity is in progress under the guidance of an Industrial Economist and coordinated by the NPC.
	1.2 Assess the processing technologies applied by the agro-industries, analyse quality management practices.	Will be implemented when the pilot agro-industry survey start in April 2008.
	1.3 Conduct analytical surveys at enterprise level, identify constraints, weaknesses and deficiencies as perceived by Agro-industries.	Will be implemented when the pilot agro-industry survey start in April 2008.
	1.4 Training of core staff in local institutions in carrying out industry surveys and competitiveness analysis.	Two training programmes have already been conducted to train the staff of COSIT.
	1.5 Prepare draft comprehensive Agro-industrial sector survey and organize a national consultative workshop to review survey.	Will be implemented after the pilot survey is completed.
	1.6 Review/assess raw material availability in the agro-industries sector, identify products to be produced, carry out in-depth analysis of sub-sectors.	Will be implemented after the pilot survey is completed.
	1.7 Finalize survey for submission to the government.	Will be implemented after the pilot survey is completed.
2. Industrial statistics operations in the Central Organization for Statistical & Information Technology (COSIT) upgraded and capabilities strengthened for collection, analysis and dissemination of industrial statistics.	2.1 Assess current industrial statistics operations, prepare work plan and establish Industrial Statistics Steering Committee (ISSC). Provide materials on industrial survey methods.	Completed
	2.2 Construct register of industrial establishments. Install computer and software and provide training in industrial statistics and computer operations.	Completed
	2.3 Prepare questionnaire, formulate and implement enumeration/register-updating strategy.	Completed
	2.4 Tabulate questionnaires and prepare and implement dissemination strategy. Formulate and implement test survey for quarterly index of industrial production.	The pilot agro-industrial survey will start in April 2008, and COSIT staff will be trained on carrying out quarterly surveys.
	2.5 Calibrate and implement quarterly survey. Publish annual survey results. Prepare contributions for international workshop.	COSIT staff will be trained after the pilot survey.

	2.6 Prepare final reports and documentation and conduct training review to ensure sustainability.	Will be carried out after the pilot survey.
3. National capacity and capabilities for industrial strategy formulation, implementation and monitoring upgraded.	3.1 Awareness creation workshop on the Industrial Governance and best international practices in strategies formulation and implementation.	Workshop conducted.
	3.2 Setting up/strengthening industrial policy unit in the ministry of industry.	Ongoing
	3.3 Setting up/strengthening unit for economic analysis and monitoring in the chamber of Industry.	Ongoing
	3.4 Training of Ministry staff in the development of agro- and non-agro SMEs and promoting investments in the sub-sectors.	Will start in May 2008.
	3.5 Study tour to selected countries to review international experience in competitive development in agro-industries.	Will be organized in May 2008, for two participants, one from the private sector and another from the MOI.
	3.6 Improve capacities of the ministry to produce, use and document industrial statistics and industrial indicators for the development of agro related and other enterprises.	Training will be organized in June 2008, in collaboration with COSIT.
	3.7 Design and set up industrial policy monitoring system.	Ongoing

4.4 Delays in project implementation and the nature of the constraints and lessons learned

Due to the prevailing security situation in Iraq, project activities could not be carried out as planned. All the training programmes and workshops had to be organized in Amman and the international experts had to travel to Amman to conduct these training programmes. The local staff had to travel to Amman to participate in these training programmes and workshops. There had been delays due to logistical problems.

The main activity of the project is conducting a pilot agro-industrial survey and the whole country has to be covered by the survey. The influence of the security situation is very high in carrying out this survey. It can delay the data collection process if certain region is not accessible due to security risks.

4.5 Key partnerships and collaborations

The main focus of the project is conducting the Agro-industrial survey while developing the local capacity and capabilities. The collaboration with COSIT, which is the main institution responsible for industrial statistics in Iraq, will contribute to further development of industrial statistics in Iraq, in order to satisfy the need for up-to-date industrial statistics.

4.6 Summary of achievements against planned results for cross cutting issues

Access to reliable industrial statistics will contribute to the development of the industrial sector, which in turn will create employment opportunities, new markets, etc.

V Future Work Plan

The main activities planned from January 2008 are as follows:

1. Second training programme for the staff of COSIT on programming the PDA, installation of the programme, data entry and data transfer to the main computer for analysis.
2. Training of enumerators and other local staff in different aspects to conduct the pilot agro-industrial survey.
3. Conducting the pilot agro-industrial survey.
4. Finalizing the policy formulation manual and organize training programme.

The detailed work plan is indicated in the table below.

WORK PLAN FOR PROJECT IMPLEMENTATION STARTING FROM JANUARY 2008

Activity	2008												Remarks	
	1	2	3	4	5	6	7	8	9	10	11	12		
1. Procurement of PDAs	■	■	■											
2. Training of trainers on PDA			■											
3. Agro-Industry Survey														
3.1 Finalizing the survey format														Done
3.2 Identifying and training local staff				■	■									
3.3 Conducting the survey					■	■	■							
3.4 Analyzing the data							■	■						
3.5 First draft of the final report									■					
3.6 Finalizing the report									■					
4. Formulation of polices and strategies for Agro-Industries														
4.1 Identification of information and data to be collected		■												
4.2 Information and data collection			■	■										
4.3 Overall policy formulation for increased production and employment in Agro-industries					■	■								
5. Industrial policy unit in MOI														
5.1 Elaborate plan for setup/strengthen industrial policy unit in MOI							■							
6. Economic and monitoring units in federation of industries														
6.1 Elaborate plan for setup/strengthen economic analysis and monitoring unit in federation of industries							■							
7. Instruction manual on policy formulation														
7.1 Methodology for policy formulation discussed and agree upon							■							
7.2 Manual prepared and finalized							■	■						