



**UNITED NATIONS DEVELOPMENT GROUP IRAQ TRUST FUND  
PROJECT # 66901:D2-21**

**ANNUAL PROGRAMME<sup>1</sup> NARRATIVE PROGRESS REPORT**

**REPORTING PERIOD: 1 JANUARY – 31 DECEMBER 2011**

<b>Programme Title &amp; Number</b>
<ul style="list-style-type: none"> <li>Programme Title: Support for Construction of Basrah Children's Hospital</li> <li>Programme Number ) :D2-21</li> <li>MDTF Office Atlas Number: <i>UNDG66901</i></li> </ul>

<b>Country, Locality(s), Thematic Area(s)<sup>2</sup></b>
<i>Iraq, Basrah and Marshlands (South)</i>  <i>Child Health</i>

<b>Participating Organization(s)</b>
United Nations Development Programme (UNDP)  World Health Organization (WHO) through Letter of Agreement

<b>Implementing Partners</b>
<ul style="list-style-type: none"> <li>International Organizations, including NGOs: Project Hope and local NGO Love and Peace Society</li> <li>National (Government, NGO) Iraqi Government, Ministry of Health Baghdad and Health Directorate Basrah</li> </ul>

<b>Programme/Project Cost (US\$)</b>
MDTF Fund Contribution: 21,750,000 <ul style="list-style-type: none"> <li>by Agency (if applicable)</li> </ul>
Agency Contribution <ul style="list-style-type: none"> <li>by Agency (if applicable)</li> </ul>
Government Contribution (if applicable)
Other Contribution (donor) (if applicable)

<b>Programme Duration (months)</b>	
Overall Duration	22 February 2007 till 31 December 2012
Start Date <sup>3</sup>	22 February 2007
End Date or Revised End Date, (if applicable)	<ul style="list-style-type: none"> <li>Original end date: 31 December 2009</li> <li>Revised end date: 31 December 2012</li> </ul>
Operational Closure Date <sup>4</sup>	30 June 2012

<sup>1</sup> The term "programme" is used for programmes, joint programmes and projects.

<sup>2</sup> Priority Area for the Peacebuilding Fund; Sector for the UNDG ITF.

<sup>3</sup> The start date is the date of the first transfer of the funds from the MDTF Office as Administrative Agent. Transfer date is available on the [MDTF Office GATEWAY](http://mdtf.undp.org) (<http://mdtf.undp.org>).

<sup>4</sup> All activities for which a Participating Organization is responsible under an approved MDTF programme have been completed. Agencies to advise the MDTF Office.



**TOTAL: US\$21,750,000.00**

Expected Financial  
Closure Date

31 December 2012

**Programme Assessments/Mid-Term Evaluation**

Assessment Completed - if applicable *please attach*

Yes  No Date: \_\_\_\_\_

Mega Outcome Evaluation Report 2009 –

Yes  No Date: 2009

Each component building package has a series of assessment and evaluations to meet for quality control as well as a 12 month liability period.

**Submitted By**

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The Basrah Children’s Hospital opened to provide health services on 22 October 2010 as the majority of the components of the project are completed. Two actions remain outstanding at the end of 2011. All of the UNDP components were completed but the Roads and Parking contract had defects appear during the defects liability period which require corrective action. The remaining outstanding component is WHO Capacity Building which is through a Letter Of Agreement with cash advanced to WHO in the amount of USD 2.1M.

**I. Purpose**

- The main outputs and outcomes of the programme.  
The main outputs of the programme are listed above and the related outputs and activities in the boxes below which directly relate. This is further reflected in the Log frame.
- 1. The development goal for this project is aligned with the targets of Iraq’s National Development Strategy (2005) including health strategy and will contribute towards reducing child mortality rates.
- 2. Improve access to quality tertiary specialized paediatric healthcare services in Basrah and the southern region of Iraq in partnership with all stakeholders including the community.
- 3. Create employment opportunities for poor and vulnerable segments of the population.

<b>Outputs</b>	<p>1.1 Improved tertiary child healthcare services and increase in the number of referred sick children to the hospital in partnership with all stakeholders, including the community.</p> <p>1.2 Extension of the construction of the 94 bed hospital is completed.</p> <p>1.3 Medical equipment delivered and installed, and functioning catering the 94 bed hospital.</p> <p>1.4 Two hundred (200) hospital health professionals and managers (physicians, nurses, technicians, administrators, facility engineers, and biomedical engineers) have completed short-term and long-term trainings.</p> <p>2.1 Temporary short-term employment opportunities for unskilled and semi-skilled vulnerable and unemployed people created during the project construction phase.</p> <p>2.2 Permanent long-term employment to professionals including medical professionals, management, technicians will be created during project operation.</p>
<b>Activities</b>	<p>1.1.1 Contribute to the construction of Basrah Children Hospital;</p> <p>1.1.2 Contribute to the equipping of Basrah Children Hospital;</p> <p>1.1.3 Conduct community awareness campaigns and enhance partnership;</p> <p>1.2.1 Technically assist MoH in the process of procurement of spare parts and consumables;</p> <p>1.2.2 Technically assist MOH in the process of contracting Operation and Maintenance Services;</p>

	<p>1.3.1 Assess training needs, knowledge and skills of physicians, nurses, technicians and administrators;</p> <p>1.3.2 Conduct training programmes, support fellowships for 200 staff, including physicians, nurses, technicians and administrators;</p> <p>1.3.3 Support the establishment of a functioning continued Health Professional Education Unit at Basrah Hospital;</p> <p>1.4.1 Capacity building and training programme delivered to 200 hospital health professionals and managers including physicians, nurses, technicians and administrators;</p> <p>2.1.1 Recruit skilled and semi-skilled labour to assist in the construction of the building: which will result in some 480,000 man days of short term employment opportunities;</p> <p>2.2.1 Recruit skilled personnel to operate the hospital, which will create approximately 510 long-term employment opportunities for hospital staff and approximately 90 long-term employment opportunities of subsidiary staff for the site, facility plants, kitchen, and laundry.</p>
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- This programme directly relates to multiple UN strategic frameworks as well as to the Iraqi strategic frameworks. In addition this project directly relates to the Millennium Development Goals.

### **UN Assistance Strategy for Iraq**

#### UN Cluster (2) Health

Point 1 within Cluster 2 mentions the delivery of an integrated primary health care package related to women and child health, nutrition, water, sanitation, sexual and reproductive health, health and hygiene promotion.

Point 2 within Cluster 2 states that provision of primary health initiatives, especially those related to communicable disease control and those that respond to acute maternal and child health and reproductive health needs.

The Results Matrix for Cluster (2) defines as one of the programme outcomes: “Increase access to quality health care services especially for vulnerable groups and the unreached.”

### **UN Millennium Development Goals**

The primary Millennium Development Goal addressed within this project is MDG 4 to Reduce Child Mortality, which has a goal to reduce by 2/3 the under five years of age mortality rate with indicators identified as mortality of under five; mortality of infants and proportion of one-year-old children immunized against measles. Additionally, this project addresses MDG 6 to Combat HIV/AIDS, Malaria and other diseases, and MDG 7 on environment with a focus on medical waste treatment.

### **Iraqi National Development Strategy (NDS)**

This project specifically responded to the NDS 2007-2010 core pillar Three: Improving the Quality of Life, with point 2 which identified *improving quality and access to medical care*. This pillar



further discussed Target (4): Reduce children deaths, discussing death among children below five years of age and deaths among infants, and reducing those deaths by two thirds. Goal (6): full access to water and health services.

The NDS further suggested that within Improving the Quality of Life Pillar that a top priority was to design government policies to address basic needs and direct annual public spending towards MDG as a key government priority in the coming years.

### **The International Compact with Iraq**

The International Compact (ICI) within section 4.4.1 Delivering Basic Services: Working towards the Millennium Development Goals states: “Increase spending on health from 2.5% to minimum 4% of GDP and secure access to basic health care to all”. The Ministry of Health has further elaborated that they do not have budgets for building facilities.

- During 2010 the UN Country Team made a transition in the documents in which it used. Three key new documents were developed which have a direct affect on this project and UNDP-Iraq. These documents are described below.

### **Development Assistance Framework for Iraq 2011-2014 (UNDAF)**

The United Nations Development Assistance Framework (UNDAF) was prepared by the United Nations Country Team in Iraq in consultation with the Government of Iraq and other partners, with the aim of improving the lives of the people of Iraq, and particularly the most vulnerable, in alignment with the national priorities and Millennium Development Goals. The United Nations Development Assistance Framework (UNDAF) 2011-2014 is the first for Iraq, marking a significant milestone in the nation’s recovery and transition towards longer term development. Based upon and prepared in parallel with the Iraq Five Year National Development Plan (NDP) 2010-2014, the UNDAF provides a coherent and coordinated strategy for the delivery of UN assistance that embodies the Paris Principles, and supports the newly elected Iraqi administration in meeting its various obligations. The focus of the UNDAF implementation is 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. Five UNDAF priorities have been identified, providing the scope and strategic direction of the UN system’s support to Iraq in the next four years, namely:

1. Improved governance, including the protection of human rights.
2. Inclusive, more equitable and sustainable economic growth.
3. Environmental management and compliance with ratified international environmental treaties and obligations.
4. Increased access to quality essential services.



5. Investment in human capital and empowerment of women, youth and children.

### **UNDP Country Programme Document (CPD)**

The first Country Programme was endorsed by GoI and approved by the Executive Board of UNDP on 3 September 2010. The Country Programme is aligned with the National Development Plan and is nested within the UNDAF. UNDP has identified four priority areas of synergy with National Development Plan and UNDAF, namely: a) fostering inclusive participation, b) strengthening accountable and responsive governing institutions; c) promoting inclusive growth, gender equality, climate change mitigation and adaptation and MDG achievement; and d) restoring the foundations for development. The Country Programme takes into account that UNDP operates under the overall mandate of the United Nations Assistance Mission in Iraq (UNAMI) focussing on the role of supporting the Government of Iraq (GoI) in the transition towards national reconciliation, peace and stability through work on governance, poverty alleviation, economic recovery and environment guided by conflict prevention and recovery approaches identified in five outcomes and respective outputs. Five Country Programme priorities have been identified, providing the scope and strategic direction of UNDP to Iraq in the next four years, namely:

- 1) GoI and civil society have strengthened participatory mechanisms in place for electoral processes, national dialogue and reconciliation.
- 2) Enhanced rule of law, protection and respect for human rights in line with international standards.
- 3) Strengthened regulatory frameworks, institutions and processes in place for accountable, transparent and participatory governance at national and local levels.
- 4) GoI has the institutional framework to develop and implement MDG-based pro-poor, equitable and inclusive socio-economic and environmental policies and strategies.
- 5) Enabling policy and frameworks for rapid economic recovery, inclusive and diversified growth and private sector development.

### **UNDP Country Programme Action Plan (CPAP)**

The CPAP was signed on 14 March 2011. The CPAP is a signed legal agreement between the Government and UNDP based upon the Country Programme Document. The 2011-2014 CPAP is a four-year living document defining the mutual cooperation and programme of work shared between the Government and UNDP. It is a response to the specific challenges identified in the UN Common Country Assessment 2009 and the UN response as outlined in the UN Development Assistance Framework 2011-2014. These, in turn, take account of the Millennium Development Goals, the Iraq



National Development Plan as well as the lessons learned from past UNDP programming in Iraq. The CPAP, has been prepared in close consultation with key stakeholders, defines the goals, and broad outline of strategies and activities that the Government and UNDP jointly subscribe to, with agreed financial parameters. The CPAP further elaborates the five CPD outcomes and respective outputs of UNDP which has incorporated this ITF project.

## II. Resources

### *Financial Resources:*

#### *Project Extensions:*

- First extension approved on 25<sup>th</sup> September 2008 till 31<sup>st</sup> March 2009.
  - Second extension approved on 19<sup>th</sup> January 2009 till 30<sup>th</sup> June 2009.
  - Third extension approved on 5<sup>th</sup> March 2009 till 31<sup>st</sup> December 2009.
  - Fourth extension approved on 1<sup>st</sup> December 2009 till 30<sup>th</sup> June 2010.
  - Fifth extension approved on 21<sup>st</sup> June 2010 till 31<sup>st</sup> December 2011.
  - Last extension approved till 31<sup>st</sup> December 2012.
- Provide information on good practices and constraints related to the management of the financial aspects of implementing the programme, including receipt of transfers, administrative bottlenecks and/or other issues affecting the financial management of the programme.

UNDP has an established policy which requires a performance bond is made available to meet criteria for a contract award. Additionally, UNDP has an established policy of upon the certificate of partial completion the contractor enters into a 12 month defects liability period within infrastructure projects. It states in the contract if problems arise during the defects liability period the contractor is to correct this issue. At the end of this 12 month defects period a certificate of final completion is released and the performance bond or retention money is returned to the contractor. This supports that our partners gets value for money and within the contract specifications. This has proved to be good practice.

### *Human Resources:*

- National Staff & Consultants: (2) UNDP National consultants have been employed:
  - One (1) Civil Engineer
  - One (1) Electrical Engineer
  - Partial cost share with support staff
- International Staff: (1) UNDP international staff and (1) international consultant have been employed:
  - One (1) Project Manager
  - One (1) Team Leader





Partial cost share with support staff

## II. Implementation and Monitoring Arrangements

- Implementation mechanisms primarily utilized and how they are adapted to achieve maximum impact given the operating context.

Due to the prevailing security situation and restrictions placed on the movement of UN staff over the majority of Iraq, in addition to the unique security conditions in Basrah City, local contractors and consultant team of engineers were chosen to implement the rehabilitation component of the project. The training and capacity development component is being developed with the Ministry of Health, and WHO is underway. The local NGO Love and Peace successfully completed Phase One and Phase Two of the community awareness campaign.

- Procurement procedures utilized and explain variances in standard procedures.

UNDP Iraq follows the Financial Regulation and Rules (FRR) and the Procurement Manual posted under the Programme and Operations Policies and Procedures (POPP) which provides the framework to carry out procurement processes. The following bullets serve as guiding principles within the procurement process at UNDP Iraq. These principles are:

- Best Value for Money
- Fairness, Integrity, Transparency
- Effective International Competition

UNDP defines procurement as the overall process of acquiring goods, civil works and services which includes all functions from the identification of needs, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration through the end of a services' contract or the useful life of an asset. UNDP has two primary documents, the Financial Regulations and Rules and Procurement Manual, which specify solicitation procedures for supply of goods, services, or works, including appropriate methods for evaluating and selecting awardees and possible contracts. The Regulations and Rules and Procurement Manual also indicate which conditions justify waiving the competitive tendering process in favor of direct contracting.

Further, in order to ensure compliance with UNDP regulations, rules, policies and procedures, all procurement activities at UNDP-Iraq are subject to a review and approval process prior to an award of a procurement contract.

In summary UNDP-Iraq Procurement Unit follows the rules, regulation and there is no variance in standard procedures.





The UNDP-Iraq Office has demonstrated performance over the last few years and is a major asset, on which this project has capitalized and benefited. In some cases competitors were not responding due to the security situation in Basrah.

- Monitoring system(s) that are being used and how you identify and incorporate lessons learned.

The Basrah Children's Hospital opened 22 October 2010.

Implementation was ongoing during 2011 and works were monitored regularly during the 12 month defects liability period. Two of the UNDP 19 work packages developed defects during this monitoring in which one contractor corrected the work and is now successfully completed with the performance bond released and the other has written that they will not repair the defects.

At time of submission of the report, seventeen (17) of the UNDP components are complete with final certificates of completion and retention monies/performance bonds released. One (1) component remains within the 12 month defects liability periods. One (1) component had defects appear during the twelve month liability period which continues to require further interventions and remediation.

This monitoring supports that our partners gets value for money and what was within the contract specifications.

- Assessments, evaluations or studies undertaken.

Assessment and evaluation of the ongoing projects is continuously monitored against the original project designs and Bill of Quantities. Any slight change of scope or problems are reported by the independent monitoring consultant, solutions urgently sought and promptly agreed by all parties to bring the works back on track.

At the end of the building project a twelve month liability period is established to ensure the quality of design and the products. This is relevant to 19 of the 20 work packages.



### III. Results

The UNDP work-packages of the Basrah Children's Hospital were completed and the hospital opened on 22 October 2010 by the Ministry of Health.

- By the end of 2<sup>nd</sup> Quarter 2011, seventeen (17) UNDP packages/contracts had been completed and the majority of the performance guarantees and/or retention money released. The Medical Waste Treatment is still within the liability period. The outstanding package is the Roads and Parking contract due to defects appearing during the defects liability period of twelve months.
- The remaining outstanding package for initial completion of this project is the WHO Capacity Building component which is through two Letters Of Agreement signed in 2009 and 2010 with cash advanced in the amount of USD 2.1M. During 2011, WHO initiated the Hospital Assessment through the American University of Beirut.
- The one-year extension request was approved by the ITF Steering Committee for operational completion of the final hospital package on capacity development until June 2012 and the financial closure of the project by December 2012.

- Report on the key outputs achieved in the reporting period including # and nature of the activities (inputs), % of completion and beneficiaries.

<b>Quantitative Achievements against Objectives and Results</b>				
1	Stone Cladding.	Work completed and Certificate of Final Completion issued.	<b>% of planned</b>	100
2	Residential Building.	Works completed and Certificate of Final Completion issued.	<b>% of planned</b>	100
3	Roads and Parking.	<p>Works completed and presently within the defects liability period which has been extended.</p> <p>The contractor during 2011 refused to repair the defects which appeared during the twelve months defects liability period as per the agreement. Thus the UNDP Procurement Unit has been notified to cash the performance bond in liaison with the UNDP Legal Support Office.</p>	<b>% of planned</b>	<p>100</p> <p>Though works were completed they did not clear quality control and were found to have defects.</p>
4	Closed Circuit Security System.	Works completed and Certificate of Final Completion issued.	<b>% of planned</b>	100

5	Steam autoclave and oxygen generation plant, fire fighting facility and perimeter wall.	Works completed and Certificate of Final Completion issued.	<b>% of planned</b>	100
6	Perimeter Drainage, Site Irrigation, Well and Soft Landscaping.	Irrigation: Works completed and Certificate of Final Completion issued.  Soft Landscaping: Works completed and Certificate of Final Completion issued.	<b>% of planned</b>	100
7	Provision of back-up diesel generators and auxiliary equipment for firm supply of electricity.	Works completed and Certificate of Final Completion issued.	<b>% of planned</b>	100
8	Medical Waste Treatment Equipment.	Works completed and presently within the defects liability period.	<b>% of planned</b>	100
9	Oxygen Generation Plant Equipment.	Works completed and Certificate of Final Completion issued.	<b>% of planned</b>	100
10	Gap Items.	Works completed and Certificate of Final Completion issued.	<b>% of planned</b>	100
11	Warehouse.	Works completed and Certificate of Final Completion issued.	<b>% of planned</b>	100
12	General Furniture.	Installation completed.	<b>% of planned</b>	100
13	Domestic Furniture.	Installation completed.	<b>% of</b>	100

			<b>planned</b>	
14	Offsite Internet Connection.	Works completed and Certificate of Final Completion issued.	<b>% of planned</b>	100
15	IT Equipment.	Equipment handed over to Ministry of Health.	<b>% of planned</b>	100
16	Warehouse Shelving.	Works completed. and Certificate of Final Completion issued.	<b>% of planned</b>	100
17	Off Site Telephone.	Work completed and Certificate of Final Completion issued.	<b>% of planned</b>	100
18	ASSET Management.	Equipment delivered.	<b>% of planned</b>	100
19	Community Awareness.	School campaign completed. Exhibition in schools completed. Broadcasting of media spots completed.	<b>% of planned</b>	100
20	Capacity Building.	A Letter of Agreement was signed with World Health Organization on January 2009 and a second on December 2010.  WHO is responsible for this package and the extension requested to complete the capacity development component.  Advanced payment of \$2.1M was provided to	<b>% of planned</b>	30  Work is ongoing by WHO.  The latest extension was approved by Steering Committee for

		WHO for the capacity building deliverables in accordance to the LOA between WHO and UNDP.		completing the WHO capacity building activities in 2012
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This specialist Ministry of Health hospital will serve children in the southern section of Iraq from multiple Governorates.

Direct Beneficiaries	Number of Beneficiaries <sup>5</sup>
Children	938,605 (potential)
IDPs	Unknown at this time
Indirect beneficiaries	200 hospital staff
Employment generation (men/women)	480,000 work days 510 long-term opportunities for hospital staff 90 for subsidiary staff

- Explain, if relevant, delays in programme implementation, the nature of the constraints, actions taken to mitigate future delays and lessons learned in the process.

Through the project cycle several issues caused constraint or delay. These have been remediated as follows.

The US Army Corps of Engineer (USACE) informed UNDP on 11 May 2009 that USACE will no longer be involved in any activities on the site connected to UNDP’s contract. Of note is the Project Document signed stipulating that Department of State will provide the Owner’s Engineer US Army Corps of Engineers (USACE) services as an in-kind contribution. The MoU between UNDP and Department of State was signed in November 2007. As a remedial action, UNDP has signed a contract to the amount of approximately 160,000 USD with an Iraqi Company to provide the site engineering supervision. This arrangement does not adequately fill the gap, which included nine international engineers and seven national site supervisors. Therefore, UNDP has been forced to increase allocation of its existing staff to Basrah Children’s Hospital, which has been raised to include four part-time and one full-time staff.

<sup>5</sup> The number of potential beneficiaries is based on the population statistics in the 2004 COSIT report issued by the Ministry of Planning and Development Cooperation of Iraq. Male and female children age distributions 0-19 have been computed and a relative ratio based on the latest recorded population census for Basrah Governorate, with a total population of approx. 1,797,821, of which approx. 52.21 are below 19 years of age, has thereby been established.



It was identified during 2009 that the supply of electricity of 11 KV by other partners will not be an adequate load for the hospital requirements. Therefore, there was a need to identify additional funds for another project to bring in 33 KV. This had impact on the UNDP component of the project and was a separate project. A project concept note was prepared and approved within the UNDP Peer Review Process. UNDP took this issue to the Local Government and established the importance of the case, which has now been approved by the Local Government. During 2010 this was completed.

There was a problem to find a match for the specifications of the stone for the building. This took some time to identify, multiple waivers within procurement and modifications in contracts to proceed. This issue was resolved in 2009.

The sewage system/perimeter drainage/ditch became a serious issue due to the unauthorized impingement of the neighborhood sewer into the external perimeter drainage ditch. This caused backflow into the hospital yard. UNDP assessed the problem with the decision that additional works needed to be implemented to stop the backflow to the hospital area. Additional works completed at the end of 2<sup>nd</sup> Quarter 2010.

The Basrah Children's Hospital was planned to be opened in July 2010 but delayed till October 2010 until the lack of power was resolved.

The Basrah Children's Hospital continues to be a red zone movement. The drawdown of the American troops in 3<sup>rd</sup> Quarter 2010 affected movements and accommodation for both UNDP international and national staff.

UNDP has an established policy that upon the certificate of partial completion the contractor enters into a 12 month defects liability period within infrastructure projects. It states in the contract if problems arise during the defects liability period the contractor is to correct this issue. At the end of this 12 month defects period a certificate of final completion is released and the performance bond or retention money is returned to the contractor. After the completion of the works two packages developed a problem in the quality of work during the defects liability period. One contractor corrected the work and is successfully completed with the certificate of final completion and return of the performance bond. The other has written that they will not repair the defects in roads and parking.

The contractor for the Roads and Parking package has failed to satisfactorily finish the work due to major defects which appeared after heavy rainfall during the liability period. Monitoring by UNDP within the quality control identified issues and an assessment of the physical damage to the roads surface was conducted. The assessment highlighted the following: imperfections, shrinkages or other faults and recommended repairs for the contractor to attend to, under the supervision of a UNDP third party consultant. This has resulted in multiple interventions.





- Several meetings were held in 2011 to agree on the methodology of repairing the defects which appeared in the Roads and Parking package during the twelve months defects liability period.
  - The performance guarantee and defects period for the roads and parking package was extended in order to repair the defects.
  - UNDP Iraq together with MoH has made every effort to work this Roads and Parking Contractor on a methodology and a procedure for the repair. The final date to start the works was set up for November 13, 2011 which was not fulfilled.
  - UNDP received a letter from the Contractor mentioning the inability to do the repairs.
  - Advice has been sought with the UNDP Legal Section.
  - Thus the contractor is in breach of contract.
  - Therefore, the Requesting Unit has notified the relevant sections of the Office to cash the Performance Bond as the Contractor did not comply with contract obligations.
  - This matter is presently with the UNDP Legal Section.
- 
- List the key partnerships and collaborations, and explain how such relationships impact on the achievement of results.

This project addresses the decline of health services for over two decades in Basrah and the lower south. The Basrah Children's Hospital is designed as a specialized child referral care centre which focusses on paediatric oncology to significantly ameliorate the deteriorated child health conditions and the after effects of conflict. The BCH complex has been designed to provide services for 360 pediatric cancer patients, 468 intensive care pediatric patients, 354 neonatal intensive care patients, and serving 2,230 acute care pediatric patients annually.

The Hospital's construction started in 2005 with US Government funding, but faced difficulties resulting in the construction contract being terminated in June 2006. New project arrangements were made with the Iraq Reconstruction Management Office (IRMO) and the US Army Corps of Engineers (USACE) who presently hold responsibility for site and contract management. UNDP was requested to join forces for complimenting ongoing project construction efforts. As such, the UNDP contribution resulted in the identification of twenty work packages.

UNDP received ITF funds in March 2007 and worked closely with the partners. This included the rehabilitation of the building both interior and exterior, landscaping, treatment plants and warehouse. Please refer to Section IV: for a breakdown of work packages.

Direct Partners with UNDP include:

Project HOPE: was the partner for the supply of medical equipment and capacity building. Project Hope serves as a member of Project Steering Committee.



WHO: is accountable to implement the package on capacity development for Health Workers in 2012. World Health Organization serves as a member on the Project Steering Committee.

Ministry of Health Iraq: is the beneficiary of the project and partner. The Ministry serves as a member of Project Steering Committee.

Love and Peace Society is a local NGO that developed and completed the community awareness campaign component of the project.

- Other highlights and cross-cutting issues pertinent to the results being reported on.

Access to health services is part of human rights within the Convention on the Rights of the Child and also within the Millennium Development Goals. These are specialized services designed to provide services for 360 pediatric cancer patients, 468 pediatric intensive care patients, 354 intensive care neonates, and serving 2,230 acute care pediatric patients annually.

Created employment opportunities: 144,000 workdays.

Training to 200 staff at the hospital.

Direct Beneficiaries: 600 labourers.

- Provide an assessment of the programme/ project based on performance indicators as per approved project document in Section VI.

Please kindly refer to Section VI at the back of the document.

#### **IV. Future Work Plan**

- Summarize the projected activities and expenditures for the following reporting period (1 January-31 December 2012), using the lessons learned during the previous reporting period.
  - Preparing for operational and financial closure.
  - Additional spare parts for the medical waste treatment plant to be provided.
  - UNDP to conduct additional trainings for both asset management system and medical waste treatment plant due to the following reasons:
    - Staff Movement – the contingent of staff initially assigned to operate the systems are no longer with the Hospital: some staff resigned, or have been reassigned to other hospitals or areas.
    - New staff, in particular engineers and technicians were hired just before the hospital opening;



At this juncture there are 43 engineers and technicians at BCH, of which 60% are new and have no knowledge of the systems.

- WHO capacity training to initiate and complete by the end of 2<sup>nd</sup> Quarter 2012 to fulfill the component on capacity development. This is to involve four groups and a total of 96 staff.
- Indicate any major adjustments in strategies, targets or key outcomes and outputs planned.

No major adjustments in strategies, targets or key outcomes or outputs are planned or anticipated during 2012. If a need or issue is identified these will be highlighted in the respective quarterly reports.



## VI. INDICATOR BASED PERFORMANCE ASSESSMENT

	Performance Indicators	Indicator Baselines	Planned Indicator Targets	Achieved Indicator Targets	Reasons for Variance (if any)	Source of Verification	Comments (if any)
<b>Outcome 1:</b> Improve access to quality tertiary specialized pediatric healthcare services in Basrah and the southern region of Iraq in partnership with all stakeholders including the community.							
<b>Output 1.1</b> Improved tertiary child healthcare services and increase in the number of referred sick children to the hospital in partnership with all stakeholders including the community.	Indicator 1.1.1 Contribute to the construction of Basrah Children Hospital;	Building partially constructed but could not be completed with funds available by contractor	UNDP to complete 19 work-packages  Basrah Children's Hospital opened for services in 2010.	Twenty (20) work packages identified  All 19 UNDP packages have been initially completed with certificates of partial completion.  Seventeen (17) packages have certificates of final completion. One (1) remains within the twelve	The specifications on the dark stone in the original design caused variance  The roads and parking contract has not passed quality assurance and requires intervention.	Ongoing monitoring.  Established a 12 month liability period for quality assurance.  Issuance of certificates of final completion upon the end of Defects Liability periods and final quality assurance/control.	The Hospital was opened for services to children in the area in October 2010.  The remaining outstanding package to be implemented is the WHO Capacity Building which is to be complete during 2012.



				<p>month defects liability period.</p> <p>The Roads &amp; Parking contract remains open as defects appeared during the liability period which the contractor is accountable to correct within the contractual arrangement.</p> <p>Hospital opened for services October 2010.</p>			
Indicator 1.1.2 Contribute to the equipping of Basrah Children Hospital;	Equipment not available as this is a new construction	Equipment available at Basrah Children's Hospital	Equipment needs identified and procured Equipment handed over and in use in		Visual verification Handover documentation of assets to Ministry of Health Asset	Asset management training to take place during 2012	



				the Hospital on a daily basis.		management within UNDP	
	Indicator 1.1.3 Conduct community awareness campaigns and enhance partnership	No community awareness campaign informing about Basrah Children's Hospital	Community aware of services at BCH	Community Awareness activities completed in two phases		Reports and documentation from Iraqi NGO, Love and Peace Society  Media spots  Drawings painted by Basrah Children during the campaign	UNDP framed the drawings painted by Basrah Children during the campaign and handed them over to BCH
<b>Output 1.2</b> Extension of the construction of the 94 bed hospital completed.	Indicator 1.2.1 Technically assist MoH in the process of procurement of spare parts and consumables	Spare parts and consumables not available	Spare parts and consumables made available for initial period  Hospital extension and outbuildings completed on the complex.	Spare parts and consumable requirements identified, procured and handed over to the Ministry of Health	Spare parts included in contracts  Additional training needs identified by capacity needs assessment in 2011.  Additional Spare Parts for the Medical Waste Treatment Plant	Asset and procurement records  Hand over records to Ministry of Health	



					will be provided in 2012		
	Indicator 1.2.2 Technically assist MOH in the process of contracting Operation and Maintenance Services		Operation, maintenance and training activities on site finalized  Operation and Maintenance Manuals delivered to MoH	Training delivered on operations and maintenance of services.  Manuals delivered	Additional training needs identified by capacity needs assessment in 2011.  UNDP to conduct additional trainings in Asset Management System and Medical Waste Treatment Plant due to the following reasons: ○ Staff Movement – the contingent of staff initially assigned to operate the systems are no longer with the Hospital: some staff resigned, or	Training  Manuals delivered  Established a 12 month liability period for quality assurance.	





					<p>reassigned to other hospitals or areas.</p> <ul style="list-style-type: none"> <li>○ New staff which were hired just before opening including 43 engineers and technicians.</li> </ul>		
<p>IP Output 1.3 Medical equipment delivered and installed, and functioning catering the 94 bed hospital.</p>	<p>Indicator 1.3.1 Assess training needs, knowledge and skill gaps of physicians, nurses, technicians and administrators</p>	<p>Capacity gaps with technical staff to operate BCH</p>	<p>Capacity Building Assessment conducted by WHO identified training needs, knowledge and skill gaps.</p> <p>Assessment and Capacity Development / and operator training final work package</p>	<p>Hospital Capacity Building Assessment Needs Assessment conducted in 2011.</p>	<p>LoA signed in 2009 and 2010 and cash advanced to WHO for assessment and capacity building package to expedite work package</p> <p>According to the Capacity Building Assessment training required on administration and maintenance engineering.</p>	<p>Responsibilities in Letter of Agreement between WHO and UNDP</p>	<p>Work to complete in 2012.</p>



					<p>Training for administration and maintenance engineering to be conducted in 2012 through WHO Capacity Building package</p> <p>Assessment identified additional training required for asset management system and medical waste treatment plant due to high turn-over of staff. Training for asset management system and asset management to be conducted during 2012 by UNDP.</p>		
Indicator 1.3.2 Conduct training programmes, support	Capacity gaps within medical staff training to operate BCH	200 Basrah Children Hospital Staff to be trained by WHO			Numbers reduced to 96 staff at Basrah Children's Hospital.	Letter of Agreement signed between UNDP and WHO and deliverables	WHO experiencing significant delay in the implementation



	fellowships for 200 staff including physicians, nurses, technicians and administrators				This work-package the responsibility of WHO	identified.	
	Indicator 1.3.3 Support the establishment of a functioning continued Health Professional Education Unit at Basrah Children's Hospital	A change of scope approved by the ITF Steering Committee removed this indicator from the project	No longer applicable	No longer applicable	A change of scope approved by the ITF Steering Committee removed this indicator from the project	A change of scope approved by the ITF Steering Committee removed this indicator from the project	
IP Output 1.4 Two hundred (200) hospital health professionals and managers (physicians, nurses, technicians,	Indicator 1.4.1 Capacity building and training programme delivered to 200 hospital health professionals	Capacity gaps within medical staff skill set to operate equipment and provide the specialized pediatric	WHO to deliver and satisfactorily complete all capacity development components as identified in the LoA.		WHO to complete all capacity development components in 2012.  WHO to finalize the Capacity Building for	. Deliverables identified in the Letter of Agreement  Number of persons trained	WHO is delayed the implementation  A Letter of Agreement with sister agency WHO signed



administrators, facility engineers, and biomedical engineers) have completed short-term and long-term trainings.	and managers including physicians, nurses, technicians and administrators	services at BCH			medical, engineering and administration staff at BCH in 2012.  Training for asset management system and asset management to be conducted during 2012 by UNDP to accommodate a large change over in staff.	Length and title of training  Exam marks	UNDP transferred 2.1M to WHO as an advanced payment for the Capacity Building package.
<b>Outcome 2</b> Create employment opportunities for poor and vulnerable segments of the population							
IP Output 2.1 Temporary short-term employment opportunities for unskilled and semi-skilled vulnerable and unemployed people created during the project	Indicator 2.1.1 Recruit skilled and semi skilled labour to assist in the construction of the building which will result in some 480,000 man	High unemployment rate in South of Iraq	Short term job creation during implementation of the packages were created	144,000 workdays completed  600 paid laborers	Contractor records of staff	Output has been achieved through job creation opportunities during the implementation of the Civil Works and other packages.	20 contracts and presently 17 fully completed.



construction phase.	days of short term employment opportunities						
IP Output 2.2 Permanent long-term employment to professionals including medical professionals, management, technicians will be created during project operation.	Indicator 2.2.1 Recruit skilled personnel to operate the hospital which will create approximately 510 long term employment opportunities for hospital staff and approximately 90 long term employment opportunities for subsidiary staff for the site, facility plants, kitchen, and laundry.	For sustainability the responsibility of indicator handed over to the Ministry of Health	For sustainability the responsibility of indicator handed over to the Ministry of Health	For sustainability the responsibility of indicator handed over to the Ministry of Health	For sustainability the responsibility of indicator handed over to the Ministry of Health	Output will be fully achieved with the full operation of the hospital by Ministry of Health.	Handed over to the Ministry of Health for sustainability, and assurance that their recruitment procedures followed.