



**ANNUAL PROGRAMME<sup>1</sup> NARRATIVE PROGRESS REPORT**  
**REPORTING PERIOD: 1 JANUARY – 31 DECEMBER 2011**

**Programme Title & Number**

- Programme Title: Support to the GOI in Implementing the Paris Declaration on Aid Effectiveness
- Programme Number C9-28
- MDTF Office Atlas Number: 73026

**Country, Locality(s), Thematic Area(s)<sup>2</sup>**

All of Iraq

**Participating Organization(s)**

UNDP

**Implementing Partners**

- Government of Iraq
- Primary National Counterpart is the Ministry of Planning and Development Cooperation, Ministry of Finance and Prime Minister's Office

**Programme/Project Cost (US\$)**

- MDTF Fund Contribution: **1,000, 000 USD**
- Agency Contribution N/A
- Government Contribution N/A
- Other Contribution (donor) N/A
- TOTAL: 1,000, 000 USD**

**Programme Duration (months)**

Overall Duration 27 months

Start Date 19 Nov 2009

End Date or Revised 31 March 2012

End Date (if applicable)

Operational Closure 31 March 2012

Date<sup>3</sup>

Expected Financial 31 March 2013

Closure Date

**Programme Assessments/Mid-Term Evaluation**

Assessment Completed - if applicable *please attach*  
 Yes  No Date: \_\_\_\_\_  
Mid-Evaluation Report - if applicable *please attach*  
 Yes  No Date: \_\_\_\_\_

**Submitted By**

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

## I. Purpose

- The “Support to the GoI in Implementing the Paris Declaration on Aid Effectiveness” project (hereafter “The Project”) has been developed at the request of the Government of Iraq (GoI) in order to adapt and localize the Paris Declaration for Iraq following its endorsement by the GoI on 29 May 2008. The Paris Declaration is an international agreement, initially signed on 2 March 2005 by 90 countries and 26 multilateral organisations, to take far-reaching and measurable actions to reform the delivery and management of aid.
- The Project will seek to maximise the potential of aid in achieving development results in Iraq through the generation of a mutually reinforcing partnership between the GoI, donors and other actors. The Project will predominantly provide upstream policy advice and capacity development support to the GoI to enhance the delivery and effectiveness of aid to Iraq structured around each of the five principles of the Paris Declaration. The main project counterparts will be the Prime Minister’s Office (PMO), the Ministry of Planning and Development Cooperation (MoPDC) and the Ministry of Finance (MoF).
- The main outputs and outcomes/ of the project are as follows:

### Development Goal and Immediate Objectives

<p><b>Development Goal:</b> Outcome 1: GoI has institutionalized mechanisms for managing international assistance in line with Paris principles on aid effectiveness.</p>
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### Outputs and Key Activities

Outputs	
Output 1.1: Ownership of the aid effectiveness agenda in Iraq strengthened through support to core mechanisms and policies activities	<p>Activities:</p> <p>1.1.1 Provide support and facilitate regular meetings and technical assistance, including an initial Paris Declaration overview workshop.</p> <p>1.1.2 Support the drafting of an Aid Policy for Iraq and a National Action Plan for its implementation at the national and regional levels through provision of expertise.</p> <p>1.1.3 Deliver and support sustainable, national-led capacity development activities in aid effectiveness and related areas through needs assessments and training.</p> <p>1.1.4 Support knowledge management and exchange of best practices.</p>
Output 1.2 Alignment of donors improved with GoI's development policies	<p>Activities:</p> <p>1.2.1 Identify opportunities to enhance the use of aid flows through review mechanisms</p> <p>1.2.2 Review information gathering systems</p> <p>1.2.3 Encourage donors (through lobbying measures) to provide regular information on their rolling three to five year forward expenditure and implementation plans,</p> <p>1.2.4 Provide upstream policy advice on aid effectiveness</p>
Output 1.3.:	Activities:

Enhanced donor harmonisation, transparency and collective effectiveness	<p>1.3.1 Encourage the exchange of best practices</p> <p>1.3.2 Support GoI-International partners common initiatives in aid effectiveness.</p> <p>1.3.3 Engage with donors through meetings and roundtables, and other mechanisms (i.e. such as the Iraq Partners Forum), to encourage simplification of aid delivery, reduction of tied aid and further compliance with GoI systems and processes.</p>
Output 1.4 Results based management systems strengthened	<p>1.4.1 Support results based management initiatives.</p> <p>1.4.2 Enhance the MoPDC's ability to manage aid within a results based framework by establishing a cross-ministerial aid management capability - under the leadership of the PD Task Force - to collate information and provide analysis on the impact of aid in collaboration with the ICI Secretariat, COSIT and other relevant actors.</p>
Output 1.5. Mutual accountability mechanisms improved	<p>1.5.1 Promote accountability by supporting the establishment of planning and monitoring functions at the central and regional levels</p> <p>1.5.2 Support the establishment of a co-financing mechanism</p> <p>1.5.3 Establish a survey to monitor the Paris Declaration in Iraq through baseline indicators</p> <p>1.5.4 Enable the Paris Declaration Task Force to lead regular mutual assessment reviews.</p>

- *Explain how the Programme relates to the Strategic (UN) Planning Framework guiding the operations of the Fund/JP.*

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.

### **Country Programme Document 2011-2014 (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.

### **Country Programme Action Plan 2011-2014 (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:*

- The project has been funded through Iraq Trust Fund USD 1,000,000 for Support to GOI in implementing the Paris Declaration on Aid Effectiveness. The expenditure of the project at the end of 2011 is USD \$952,067 (95%).
- No budget revisions were made in 2011. A no cost time extension as approved from 2<sup>nd</sup> June 2011 till 31<sup>st</sup> March 2012.

### *Human Resources:*

- One national project associate (SC 8) from January 2010 to June 2011, duty station Amman.
- One international project manager (P4) from January 2010 to June 2011, duty station Amman.

## III. Implementation and Monitoring Arrangements

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

The IT system behind the Iraq Development Management System (IDMS) was implemented by Synergy international Systems which provided the technological platform for the previous Donors Assistance Database. Synergy has a Long Term Agreement (LTA) with UNDP on a global basis which facilitated direct contracting;

The expertise for the institutional capacity building was contracted out after an open and competitive process. The expert worked closely with PMAC, the Partnership Committee and UNAMI; The work behind the attempted submission to the OECD Paris Declaration Survey was entirely orchestrated by UNDP and supported by UNAMI;

The HLF4 Busan website inclusion of Iraq was written by UNDP Iraq and facilitated by the Cairo Regional Centre.

- 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,



transparency and collective effectiveness	respective obligations.		
Outcome 1.2. Alignment of donors improved with GoI's development policies	Completed the identification and finalisation of indicators for the Governance Chapter of the National Development Plan through a special Government Committee.	<b>% of planned</b>	100%

#### Outcome 1.5 Mutual accountability mechanisms improved to assess development results.

A consultant was contracted to provide advice and guidance to the International Cooperation Directorate (ICD) in the Ministry of Planning in upgrading its operational effectiveness and its interaction with other relevant parts of Government and the donor community. The work was meant to also feed into a high-level international conference on implementing the Paris Declaration in Iraq provisionally set for March 2011. This equates to 10% of planned result. In April 2011, the Prime Minister's Office created a new partnership Committee that would act as the primary interface with the donor community. This led to confusion with the roles and responsibilities of the Ministry of Planning and tension between the two entities ensued. This led to all institutional building activities having to be halted to avoid UNDP being caught up in this issue. Therefore, the consultant's preliminary recommendations for a rational repartition of roles and responsibilities were never circulated to Government upon the advice of the DSRSG.

Four modules were developed for the Iraq Development Management System (IDMS). These include the field-level permission; off-line data entry and audit trail modules and the business process management module of the IDMS (done through UNOPS), thus automating the entire fund request-allocation procedure of Government. The IDMS was officially launched on the 16<sup>th</sup> June 2011 and is now fully operational and being used by the Ministry of Planning and other line Ministries. This equates to 100% of planned result.

The GoI, co-hosted the Regional Workshop on implementing the Paris Declaration Survey. Despite UNDP playing an instrumental role in gathering all the data required for the Paris Declaration Survey, from the UN Country Team, from the donor community and from the Government itself, the Partnership Committee was unable to submit the survey information within the OECD deadline of end April 2011. As such, Iraq was not part of the 2011 global survey but the Iraq aid coordination situation was highlighted as a case study on the Paris Declaration High Level Forum IV website. This equates to 75% of planned result.

#### Outcome 1.2 Alignment of donors proved with GoI's priorities

The creation of a National Development Plan Monitoring Framework, including the identification of indicators for the Governance Chapter of the National Development Plan was completed through the finalisation the indicator list as approved by a special Government Committee. This equates to 100% of planned result.

Delays were incurred from project inception due to the 9 month delay in the formation of a new Government after the March 10, 2010 elections resulting in delays within the project until January 2011. Major strategic decisions on this initiative could not be made by the senior technical staff of the MoP until this time and to exacerbate matters, the new Minister of Planning was one of the last to take up his post in April 2011 delaying matters yet further. At this juncture, the PM's Office created the Partnership Committee leading to institutional tensions between the MoP and PM's Office. The departure of the Director General of the ICD in the MoP leaving her post in June 2011 further compounded matters as this project lost its main counterpart.

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These significant changes within the MoP resulted in that despite the no cost time extension of the project from June 2011 to March 2012, no meaningful work at an institutional level was able to take place.

- List the key partnerships and collaborations, and explain how such relationships impact on the achievement of results.

The main partnerships created under the project are mainly with the Ministries of Planning in Baghdad and KRG as well as with the Prime Minister's Office through the Prime Minister's Advisory Committee/ new Partnership Committee. A critical partnership has been established with USAID and its Tatweer programme especially concerning the IDMS and the National Development Planning monitoring framework. Additionally, partnerships have also been created with the Oslo Governance Centre, UNDP BDP and OECD.

## **V. Future Work Plan**

- None as the project is due to finish in March 2012 and is largely spent out.

## 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> GoI has institutionalized mechanisms for managing international assistance in line with Paris principles on aid effectiveness							
<b>Output 1.1</b>  GoI is better able to demonstrate ownership of the aid effectiveness agenda	1.5 Indicator	0	50 of participants (GoI and donors) who attended the Paris Declaration Overview workshop	50		Workshop report	
	Indicator 1.1.2	2 PDTF meetings held	2 of Paris Declaration Task Force quarterly meetings held	4 ( 2 already held and 2 additional meetings)		Minutes of meetings	
	Indicator 1.1.3	30%	Percentage of women in the Paris Declaration Task Force	30%		PDTF formulation note	
	Indicator 1.1.4	No	Aid policy for Iraq drafted	No	Political/institutional deadlock	Iraq Aid Policy	
	Indicator 1.1.5	No	National Action Plan with aid effectiveness targets drafted	No	Political/institutional deadlock	National Action plan	
	Indicator 1.1.6	0	A capacity assessment on aid management completed with recommendations	Yes-a capacity assessment on aid management completed with recommendations		Assessment report	

	Indicator 1.1.7	0	# of national partners trained on managing aid effectiveness	10	Political/institutional deadlock	Training Report	
	Indicator 1.1.8		Percentage of trainees satisfied with the usefulness and relevance of the training	80%		Training assessment report	
	Indicator 1.1.9	0	3 Paris Declaration Task Force meetings with international experts	3		Minutes of meeting	
	Indicator 1.1.10	0	# of partnerships established between GoI and regional/ global initiatives	5 Partnership created 1) OECD 2) USAID 3) Tatweer 4) Oslo Centre 5) UNDP BDP		Project progress report	
<b>Output 1.2</b> GoI s is able to achieve greater alignment with donors on national development strategies – particularly the National Development Plan- institutions and procedures	Indicator 1.2.1	0	At least 1 GAP/ Reviews of ISRB, PFMS and PAC completed with recommendations on effective usage of country led mechanisms	1		Review reports	
	Indicator 1.2.2	No	A contract for technical assistance on Development System Database is available	Yes		Contract	

	Indicator 1.2.3	0	Comprehensive review of the utility of available data ( <i>DAD Iraq &amp; DAD Kuridstan</i> ) for monitoring the Paris Declaration implementation completed with recommendations	5		Review report	
	Indicator 1.2.4	0	# of donor 3-5yrs plans, strategies with indicative budgetary allocations shared with GoI	3		Donor plans	
	Indicator 1.2.5	0	Number of GoI-donor meetings organized to ensure strategic programmatic alignment	3		Minutes of meetings	
	Indicator 1.2.6	No	Technical brief on integrating aid into national budgetary framework developed	Yes		Technical brief	
	Indicator 1.2.7	0	Number of GoI staff trained on integrating aid flows and national capital investments within national budgetary mechanism	15		Training report	

<b>Output 1.3:</b> GoI is able to establish mechanisms for enhanced donor harmonisation, transparency and collective effectiveness	Indicator 1.3.1	0	# of presentations on “good practices” prepared for the Task Force	1		Taskforce report	
	Indicator 1.3.2	0	Number of annual targets for harmonized donor activities identified	1		Annual target plan	
	Indicator 1.3.3	No	Technical brief on aid harmonization in Iraq drafted	No	Political/institutional deadlock	Technical brief on Aid harmonization	
	Indicator 1.3.4	0	Number of annualized targets of aid harmonization agreed	None	Political/institutional deadlock	Annual target plan	
<b>Output 1.4:</b> GoI is better able to plan, manage, monitor and evaluate development results	Indicator 1.4.1	0	# of Paris Declaration Task Force members and national counterparts trained on use of Iraq Info and DAD to monitor development effectiveness	10		Training report	
	Indicator 1.4.2	No	An indicative needs assessment of in-country M&E capacity provided with recommendations	Yes			

	Indicator 1.4.3	0	Number of GoI staff trained on results based management	10		Training Report	
	Indicator 1.4.4		Percentage of trainees satisfied with usefulness and relevance of training	80%			
	Indicator 1.4.5	No	Cross ministerial aid management mechanism established	No		Project progress report	
	Indicator 1.4.6	0	# of analytical reports on aid effectiveness produced on annual basis	0		Analytical	
<b>Output 1.5:</b> GoI is able to institutionalize improved mechanisms for mutual accountability of development results	Indicator 1.5.1		An indicative planning and monitoring capacity assessment of selected government institutions including KRG provided	Yes			
	Indicator 1.5.2	No	Planning, monitoring and reporting systems developed and piloted in select government institutions including KRG	Yes		Project progress report	

	Indicator 1.5.3	No	Systematic co-financing mechanism to promote usage of aid modality developed and piloted	Yes		Project progress report	
	Indicator 1.5.4	No	Number of Baseline survey on Iraq's compliance to Paris Declaration conducted in 2009	1 survey report		survey reports	
	Indicator 1.5.5	0	Follow up survey on Iraq's compliance to Paris Declaration conducted in 2011	0		Follow up report	
	Indicator 1.5.6	0	# of regular joint assessments and reviews on compliance with Paris Declaration produced	1		Joint assessment report	

## Annex1 Acronyms

AWPs	Annual Work Plans
CCA	Common Country Assessment
CHF	An International NGO
CoR	Council of Representatives
COS	Central Office of Statistics
CP	Country Programme
CPAP	Country Programme Action Plan
CPAP MTR	Country Programme Action Plan-Mid-Term Review
CPD	Country Programme Document
CPR	Conflict Prevention and Reconciliation
CSR	Corporate Social Responsibility
CSOs	Civil society organizations
DFID	UK Department for International Development
DRM	Disaster Risk Management
EAD	Electoral Assistance Division (UNAMI)
ERP	Enterprise Resource Planning
ERW	Explosive Remnants of War
ESCWA	Economic and Social Commission for Western Asia
FACE	Fund Authorization and Certificate of Expenditure
FAO	Food and Agriculture Organization
GBV	Gender Based Violence
GFATM	Global Fund to Fight AIDS, TB and Malaria
GHG	Green House Gas
GMS	General Management Support
GoI	Government of Iraq
HACT	Harmonized Approach for Cash Transfers
HIV	Human Immunodeficiency Virus
HJC	High Judicial Council
ICAO	International Civil Aviation Organization
ICSC	International Civil Service Commission
IGO	Intergovernmental Organisations
IHEC	Independent High Electoral Commission
ILO	International Labour Organization
INGO	International Non-Governmental Organisation
IMF	International Monetary Fund
IOM	International Organization for Migration
IRFFI	Iraq Reconstruction Fund Facility for Iraq
ITF	Iraq Trust Fund
JICA	Japan International Cooperation Agency
KRG	Kurdistan Region

KRSO	Kurdistan Regional Statistics Office
LADP	Local Area Development Programme
M&E	Monitoring and Evaluation
MDGs	Millennium Development Goals
MMPW	
MNFI	Multi-National Forces in Iraq
MoA	Ministry of Agriculture
MoCH	Ministry of Children
MOD	Ministry of Defence
MOE	Ministry of Electricity
MoEnv	Ministry of Environment
MoEn	Ministry of Energy
MOF	Ministry of Finance
MOFA	Ministry of Foreign Affairs
MOH	Ministry of Health
MOHE	Ministry of Higher Education
MoHR	Ministry of Human Rights
MoI	Ministry of the Interior
MoIM	Ministry of Industry and Minerals
MOJ	Ministry of Justice
MOLSA	Ministry of Labour and Social Affairs
MoMPW	Ministry of Municipalities and Public Works
MOP	Ministry of Planning
MOP-KRG	Ministry of Planning-Kurdistan Region
MOT	Ministry of Trade
MOWA	Ministry of Women's Affairs
MOWR	Ministry of Water Resources
MoYS	Ministry of Youth and Sports
MTR	Mid-Term Review
NDP	National Development Plan
NDS	National Development Strategy
NIM	National Implementation Modality
NGOs	Non-governmental organization
NHDR	National Human Development Report
Non-UN	Non United Nations
OCHA	Office for the Coordination of Humanitarian Affairs
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
PM	
Advisory Council	Prime Minister's Advisory Council
PM's Office	Prime Minister's Office
PSM	Public Sector Modernisation
PWGs	Programme Working Groups
RRF	Results and Resources Framework
SBAA	Standard Basic Assistance Agreement

SIDA	Swedish International Development Cooperation Agency
SME	Small and Medium Enterprises
SOTs	Sector Outcome Teams
Sq Km	Square Kilometres
TB	Tuberculosis
UN	United Nations
UNAMI	United Nations Assistance Mission in Iraq
UNAMI-EAD	United Nations Assistance Mission in Iraq-Electoral Assistance Division
UNAMI-HRO	United Nations Assistance Mission in Iraq- Human Rights Office
UNAMI-Pol	United Nations Assistance Mission in Iraq - Political Section
UNCAC	United Nations Convention against Corruption
UNCT	United Nations Country Team
UNCTAD	United Nations Conference on Trade and Development
UNDAF	United Nation Development Assistant Framework
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNESCWA	Economic and Social Commission for Western Asia
UNFCC	United Nations Framework Convention on Climate Change
UNFPA	United Nations Population Fund
UNHABITAT	United Nations Agency for Human Settlements Providing Adequate Shelter For All
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNIFEM	United Nations Fund for Women
UNOPS	United Nations Office for Project Services
UNSCR	United Nation Security Council Resolution
US	United States
USAID	United States Agency for International Development
WFP	World Food Programme
WHO	World Health Organization

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