## United Nations Development Group Iraq Trust Fund Project #: E4-16

Date and Quarter Updated: 31 December 2010 (4th Quarter)

**OPERATIONALY CLOSED** 

Participating UN Organisation: UN HABITAT

Sector: Shelter Sector Outcome team

Government of Iraq – Responsible Line Ministry: Ministry of Construction and Housing

Title	Strengthening the Capacity of the Housing Sector in Iraq – Phase 2					
Geographic	National level and in 3 select governorates: Erbil, Babil and Najaf					
Location						
<b>Project Cost</b>	\$2,385,917	\$2,385,917				
Duration	18 months + 30	18 months + 30 months delay				
Approval Date	13 Dec 2006	<b>Starting Date</b>	21 Dec 2006	<b>Completion Date</b>	21 Jun 2008 extended	
					to 31 Dec 2010	
Project		The proposed project is a second phase of a completed technical assistance and capacity				
Description	capacity buildin lessons learnt f effectively parti towards improv laws and regula strategies. It w finance/microfin System and a k subsequent phase	The proposed project is a second phase of a completed technical assistance and capacity building project in the housing and housing finance sectors. It aims to continue the process of capacity building, policy and legal reform, building on the achievements so far realized and the lessons learnt from the first phase and will be a mechanism for supporting the MoCH to effectively participate in the International Compact process. The project will continue efforts towards improving housing sector institutions, facilitate introduction of investment supportive laws and regulations, and equip the Ministry cadre to be able to prepare enabling sub-sector strategies. It will also promote wider stakeholder involvement in the housing and housing finance/microfinance sectors. It will support establishment of a robust Housing Information System and a Knowledge and Training Centre. The project will also lay the ground for work in subsequent phases which will include pilot projects to demonstrate enabling approaches and in turn inform further pro poor policy reforms and strategy development.				

### **Development Goal and Immediate Objectives**

To improve the living conditions of Iraqis by strengthening the role of the Housing sector in ensuring adequate shelter for all, providing security of tenure, contributing to: the modernization of the construction, building materials and housing finance sectors; employment generation; and poverty reduction.

Immediate Objectives: 1) To assist the MoCH with the design and implementation of a comprehensive housing information system that will provide data and information for future policy and programme development and Ministry operations; 2) To assist the MoCH with the design of a new institutional and legal framework for the housing sector which would include a new Ministry organizational structure as well as proposals for new legislation, policies and programmes in various areas including (Building Materials & Construction, Housing Finance/ Microfinance; Subsidy Mechanisms, Land & Housing Delivery Systems, and Housing Market Information Systems); and 3) To support the establishment of a Knowledge and Training Centre at the MoCH to provide training, advisory services, and information services to a wide set of stakeholders including staff from MoCH, MMPW, and MoF, local authorities, private sector and voluntary organizations.

<b>Outputs, Key activi</b>	ties and Procurement					
Outputs	1) National Housing Information System;					
	2) Review and reformulation of laws, policies and programmes;					
	3) Sector reform and MoCH institutional development plan;					
	4) Functioning Knowledge and Training Centre; and					
	5) National Housing Policy and Decentralized Housing Strategies.					
Activities	Consultations, workshops and regional conference, advisory services, training and exposure,					
	design and content development, and procurement of equipment, software and publications.					
Procurement	Modernization and fit-out of the MoCH training facilities					

# Situation as of 31/12/2010

Funds Committed	\$2,347,752.63	% of approved	98% <sup>1</sup>
Funds Disbursed	\$2,198,041.58	% of approved	92% 2
Forecast final date	31 December 2010	Delay (months)	30

Direct Beneficiaries	Number of Beneficiaries	% of planned (current status)
Men	The project is helping to strengthen	
Women	institutional capacity within the housing	
Children	sector through the development of policies,	
IDPs	strategies and programmes for accelerated	
Others	supply of housing. This will if effectively	
Indirect beneficiaries	achieved, benefit the entire Iraqi population	
Employment generation (men/women)	either directly or indirectly.	

Quantitative achievements against objectives and results			
Assist the MoCH with the design and implementation of a comprehensive housing information system that will provide data and information for future policy and programme development and Ministry operations	MoCH has recently requested UN-HABITAT International Technical Assistance for rationalization of housing norms and standards, especially in keeping with environmental, socio-economic and cultural requirements as well as adapting from good practices in the Middle East region.  The study is under way having discussed the approach and methodology with the international consultant. Pending submission of final report in mid January 2011.  Computer equipment delivered to the Ministry of Construction and Housing.  Ministry personnel trained on using information in urban studies and staff trained on GIS for Urban Studies in November 08.  A focused plan has been prepared to set up a Housing Observatory in MoCH. This plan is replacing the earlier intention which was to set up an Urban observatory of which cost was too high and MoCH was unable to cost share the training budget. The plan was shared with MoCH during a meeting with the deputy minister MoCH and staff late February 2010 with the presence of regional and international urban observatory experts. UN-HABITAT and MoCH agreed to go forth with a detailed plan, and to send to MoCH within the coming month.  The first phase of training for setting up the Housing Observatory within MoCH took place from 11-14 July attended by selected members from the ministry, and MoP / COSIT. 11 participants attended (8 males and 3 females) representing the core staff that will operate this unit. The training was delivered successfully by	98%	
Assist the MoCH with the design of a new institutional and legal framework for the housing	two international consultants.  The second phase of the training was completed in Amman during the period 21-23 December 2010, and it was attended by the same core group of the housing observatory from MoCH - 9 attendants (8 males 1 female). The training went on successfully and the trainers/experts praised the efforts of the team during the past months. UN-HABITAT is reviewing the final report from the consultants.  An international consultancy firm has provided technical advisory inputs for the formulation of a National Housing Policy and related legislation. Three working groups guided by the ministry consultants and including representatives across	100%	
sector which would include a	relevant ministries assisted in policy formulation. The draft policy is now ready		

<sup>1</sup> End of year accounts are not closed yet, therefore figures do not reflect the actual commitment. Final figures will be available before 31 March 2011 <sup>2</sup> End of year accounts are not closed yet therefore figures do not reflect the actual disbursement. Final

figures will be available before 31 March 2011

new Ministry organizational structure as well as proposals for new legislation, policies and programmes in various areas including (Building Materials & Construction, Housing Finance/ Microfinance; Subsidy Mechanisms, Land & Housing Delivery Systems, and Housing Market Information Systems), and National Housing Policy and Decentralized Housing Strategies and has received several rounds of inputs.

The final round of discussions took place in Baghdad in early October. The study is being finalized after MoCH provided their final comments.

A one day workshop took place in Amman following the Regional Housing Conference of late February 2010. The workshop was attended by representative of working groups from related Iraqi ministries with the presence of the international consultant's group of experts. The meeting concluded in formulating the final draft for the implementation plan of the H. Policy, this will undergo further discussions back in Iraq by the full group for comments.

The international consultancy firm responsible for delivering the "Housing Policy and Related Institutional Reform Study" has submitted their reports (100% completed); MoCH approved the deliverables.

The housing policy report was printed upon the Ministry's request (MoCH) and copies were delivered to Baghdad end of September. The Ministry planned an official launch of the study in Baghdad attended by high officials from the government. The celebration took place on the occasion of World HABITAT Day on the 4<sup>th</sup> of October 2010. The launch was attended by UNHABITAT staff as well as UNDP staff.

The policy document was presented to the council of ministers and approved in early November 2010.

Four media televised debates along with specially made documentaries on different housing issues were broadcast on an Iraqi T.V. channel.

A regional Media Workshop on Housing Issues took place in June 2008.

A meeting with stakeholders on governorate level housing strategies (Erbil, Babil and Najaf) took place in April 2008.

The draft housing strategies for 3 pilot governorates – Erbil, Babil and Najaf have been completed. They were presented, discussed and endorsed at a meeting in Baghdad, comprising sub-sector experts in November 2008; and further presented to a wider range of national stakeholders and international entities in a conference in Baghdad January 09. During the reporting period, work has also commenced in supporting the Erbil Governorate in the implementation of its housing strategy, through another ITF funded project.

The Regional Housing Policy Conference took place during the period 22-24 February 2010 attended by Arab governmental representatives from Housing ministries; Iraqi Ministries; International experts; International NGOs; UN organizations; private sector; Donors & embassies in addition to UN-HABITAT. Total no. of participants 112 (29 females, 83 males). The conference reviewed and discussed Housing Policy practices and elements worldwide focusing on selected Arab countries' practices and Iraq's recently developed housing policy.

Support the establishment of a Knowledge and Training Centre at the MoCH to provide training, advisory services, and information services to a wide set of stakeholders including staff from MoCH, MMPW, and MoF, local authorities, private sector and voluntary organizations

Training of trainers is complete for the MoCH Training and Knowledge Centre.

Eight National training courses on housing policies and strategies, building materials and construction, and GIS were carried out by the MoCH trained under the project.

100%

### Qualitative achievements against objectives and results

The Ministry organized the first ever National Housing Conference in Baghdad in January 2009. The conference attracted senior policy makers from multiple ministries, Iraqi parliament, Central Bank and representatives of the Baghdad based international community. The resolution adopted by the end of this conference included a clear vision of the ministry regarding the meaning of sectoral reforms and the involvement of the private sector to accelerate housing supply. The conference has helped to guide the formulation of the National Housing Policy and the vision for the future being developed as part of the National Development Plan. Facilitated by international consultants, inter-ministerial working groups have contributed to the National Housing Policy. The regional housing conference which took place end of February 2010 discussed different trends in implementing housing policies in selected Arab countries. The conference provided a platform for learning, exchange of experiences and networking. The Iraq National Housing Policy document was presented and discussed during the conference. Findings and conclusions will be incorporated in the final document due within the next reporting period.

The "Housing Policy and Related Institutional Reform Study" has been submitted by the international consultancy firm and is 100% complete. Same report has been printed and sent to the ministry where it was officially launched in Baghdad on the 4<sup>th</sup> October-World HABITAT.

Early November 2010, the Policy was presented to the council of ministers and approved making it an official document that governs future strategic planning in the housing sector.

#### **Main implementation constraints & challenges (2-3 sentences)**

- The MoCH which is the primary partner for the project has an important but extremely limited role within the housing sector.

A centralized system of decision making still persists in the Ministry of Construction and Housing which risks delaying project implementation.

The Ministry has a relatively weak and under resourced cadre of middle level professionals and staff are either too old or too young.

A number of other ministries and authorities involved in the development of land, provision of services, regulating the building materials and construction sectors, etc need to be brought in to the reforms dialogue and their related activities coordinated – this has been a significant challenge encountered by the project, and a cause for delays due to the difficulty in bringing people together.

- UN-HABITAT/UNON's procurement procedures are unable to keep pace with the project work-plan.
- Prevalence of a centralized system at the ministry of Construction and Housing;
- Lack of human resources within the Ministry;
- Delays in finalizing the housing Policy study from both ends (the ministry's and the international consultant) are one of the problems of working remotely.
- Another reason for delays in the project is that the timing of the National elections has changed twice from January to March 2010 which caused rescheduling of the regional housing conference.
- After elections during the month of March government bodies were engaged in the outcome of the elections, and it was very difficult to achieve much during that period.
- An additional request from MoCH to undertake a study on building norms and standards in Iraq was submitted recently, and time was needed to prepare for that.
- The ministry requested printing the Housing Policy report to be ready for the official national launch on 4<sup>th</sup> October.
- The political situation during the last months of 2010 in Iraq (ministerial changes) resulted in slow response to project requirements.