



**United Nations Development Group, International Trust Fund
FINAL PROGRAMME¹ NARRATIVE PROGRESS REPORT**

<p>Submitted by: Erik Ladefoged Chief Technical Advisor, UNIDO Email: e.ladefoged@unido.org Tel (office): +964 77 1441 2197</p>	<p>Country and Thematic Area² Iraq Agriculture and Food Security sector</p>
<p>Programme No: A5-28 MDTF Office Atlas No: 66928 Programme Title: Technology Acquisition to Re-start and Generate Economic Transformation (TARGET)</p>	<p>Participating Organization(s): UNIDO</p>
<p>Implementing Partners:</p> <ul style="list-style-type: none">• Ministry of Industry and Minerals• Ministry of Planning	<p>Programme Budget (from the Fund): \$2,979,000</p>
<p>Programme Duration (in months): 24 months Start date³: 8 December 2008 End date: 31 December 2011 On 7th November 2010 the SC granted a one-year extension. The project was completed on 31 December 2011.</p>	

¹ The term “programme” is used for programmes, joint programmes and projects.

² E.g. Priority Area for the Peace Building Fund; Thematic Window for the Millennium Development Goals Fund (MDG-F); etc.

³ The start date is the date of the first transfer of funds from the MDTF Office as Administrative Agent.

I. Purpose

In Anbar, conflict and insecurity has had a profound impact on most of the socio-economic activities of the Governorate. Among others, the conflict has severely affected the agricultural input supply networks, the agro-industrial capacity, the local agro-commodity markets, the financing mechanisms, and the livelihoods of communities involved in these sectors.

“TARGET” has been designed to empower conflict-affected communities through the revitalization of productive capacities in selected areas of the Anbar Governorate. The project activities will strengthen the livelihood recovery process by rehabilitating/revitalizing selected agro-processing enterprises and other assets in the governorate. To accomplish this, the project identifies a number of agro-processing enterprises (SME) and agro-infrastructure facilities that will be revitalized, and support other auxiliary income-generating opportunities that will help to mutually reinforce agro-economic empowerment and community reconstruction and development in project targeted areas.

Project outcomes:

1. Enhanced capacity of the Ministry of Planning and the Ministry of Industry to implement and monitor programmes for the rehabilitation/revitalization of the agro-industrial sector.
2. 50 to 75 rehabilitated/revitalized agro-enterprises (SME's), generating estimated 500 - 750 jobs.
3. Strengthened livelihood recovery for approximately 750 households in rural areas through appropriate technology transfers and promotion of non-farm income-generating activities.

The project relates to the following Strategic (UN) Planning Framework guiding the operations of the Fund:

National Development Strategy:

- Pillar Two: Private Sector Revitalization
- Pillar Three: Improving the Quality of Life

International Compact for Iraq:

Goal 4.6: To support the development of the agriculture sector to achieve food security, generate employment, diversify the economy and preserve the countryside. Create an enabling environment for a market oriented agricultural sector.

- Benchmark 4.6.4: To improve institutional and regulatory underpinnings of public agriculture.
- Indicative action: Strengthen the technical and management capacity of agricultural organizations.
- Benchmark 4.6.5: Carry out investment plans.
- Indicative actions: (i) Rehabilitate damaged agricultural infrastructure; and (ii) Improve the delivery of public agricultural services.

Sector Team Outcome(s):

- Outcome 1: Enhanced Production and Productivity in the Agricultural Sector to achieve food security.
- Outcome 2: Poverty Reduction and Sustainable Employment for vulnerable groups created.

II. Resources

Financial Resources:

- The project was solely financed through the Fund: \$2,979,000
- No budget revisions were made
- Funds were received timely and the transfer mechanisms to the project area as well as the procurement procedures were appropriate

Human Resources:

- National Staff:
 - 1 National Project Coordinator, based in Baghdad
 - 1 Field Project assistant, based in Fallujah
- International Staff:
 - 1 Chief Technical Advisor, based in Amman

III. Implementation and Monitoring Arrangements

UNIDO had overall responsibility for implementation of the project and the appropriate use of the funds allocated. Four entities are involved in the project's implementation: (1) UNIDO headquarters, (2) the UNIDO Iraq Office in Jordan, (3) Ministry of Industry and Ministry of Planning and Development Cooperation and (4) the recipient enterprises and beneficiaries. A system of close collaboration has been built between the entities with frequent exchange of information about the project's aims and objectives, i.e. outcomes of enterprise assessments, the recommended equipment to be purchased, building renovation works to be done and capacity building to be organized.

Selection of which enterprises to support involved a dual system. First, a general assessment of each enterprise was made by the Project Management Unit (PMU). This assessment was based on a comprehensive questionnaire combined with visits to each enterprise by staff from the PMU. On the basis of this assessment a scoring and ranking system was developed.

Second, an international expert was engaged to identify equipment for enterprises within the different sectors, i.e. metal work, automotive repair, woodwork etc.

With regard to the building rehabilitation works for the enterprises local experts were engaged to assess these needs and to provide the required drawings and specifications.

The project supports selected SME's with a mixture of equipment, minor building renovations and capacity building initiatives. Household beneficiaries are supported through the provision of

basic skills training and tool kits for upstart of home-business or collaborative forms of employment, i.e. cooperative form. Procurement of these goods and services follows UNIDO's procedures and guidelines for international and local procurement.

Monitoring of the activities was done through regular Programme Steering Committee meetings, regular reporting by the national field staff and frequent interaction with the two leading ministries, Ministry of Industry and Minerals and Ministry of Planning. In addition meetings are held regularly with the national field staff. A comprehensive database carry data related to the projects main activities, i.e. supply of equipment and toolkits, building renovations, capacity building initiatives and various social data linked to the beneficiaries' business operations.

Procurement

Procurement of goods and services was done according to UNIDO's rules and regulations. Both local and international procurement sources were considered taking into account specifications, quality and price. The following categories of goods and services were procured:

- Equipment:
 - Workshop equipment (machine tools, welding equipment, etc.)
 - Toolkits for beneficiaries training within Woodwork, Welding/metal work, Agro/auto Mechanics and textiles/sewing

- Services:
 - Collaboration with Women's Training Centre, Fallujah, for training in textiles/sewing. The services included provision of qualified trainers, management and implementation of the training for 100 participants
 - Collaboration with Lebanese entrepreneurs for visits to their enterprises by members of Project Steering Committee and 40 entrepreneurs from Fallujah
 - Collaboration with local Authorities in Fallujah, i.e. the Governor's Office, the Mayor's Office, and religious and other community leaders for implementation of the project

The following courses were conducted:

- Welding/metal work
- Agro/Auto Mechanics
- Woodwork/Carpentry
- Textiles/Sewing
- Air conditioning/Cooling

Objectives

- Enhanced capacity of the MOP and MOIM to implement and monitor programs
 - 50 to 75 rehabilitated/revitalized agro-SME's
 - Strengthened livelihood recovery for 750 households through appropriate technology transfers and promotion of non-farm income-generating activities.
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- Duration: 24 months extended to 36 months
December 2008 till 31/12/2011
 - Budget: 2,979,000 USD
 - Donor: UNDG-ITF / Korean Government

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Results in brief

- **97 enterprises supported**
- **870 beneficiaries trained**
 - Woodwork
 - Welding
 - Air conditioning/cooling
 - Sewing
 - Generator maintenance
 - Computer
 - Food processing/hygiene
 - Auto mechanics
 - Project evaluation
 - Business management
- **Study tours to Italy + Lebanon (47 participants)**
 - Agricultural machinery (Italy – government officials)
 - Agro-processing (Italy – government officials)
 - Entrepreneurship (Lebanon – entrepreneurs)
 - Business management (Lebanon – entrepreneurs)
 - Project implementation (Lebanon – PSC/gvt. officials)

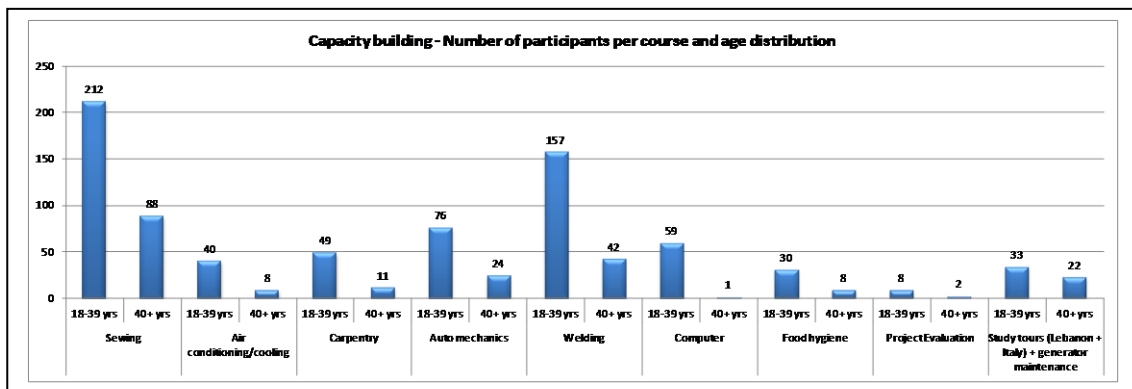
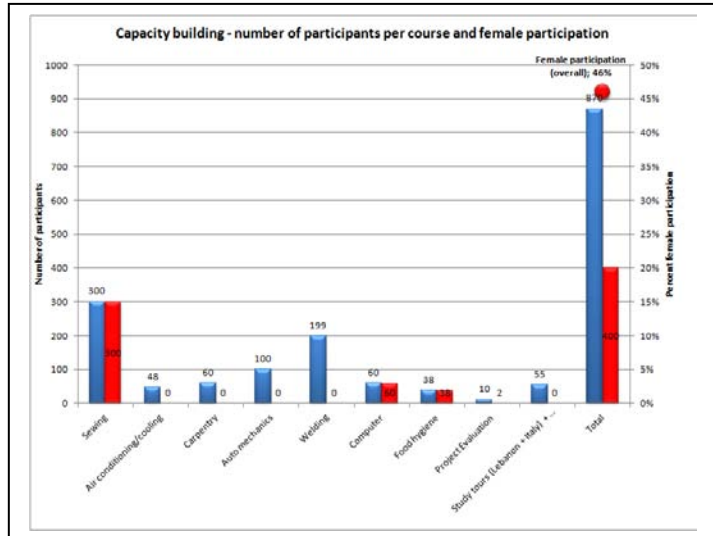
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a) Capacity building

In all 870 people received training in 8 different disciplines. This was 16% more than the target of 750 persons.

The graphs below provide pictures of the distribution on trades, gender and age of the participants.

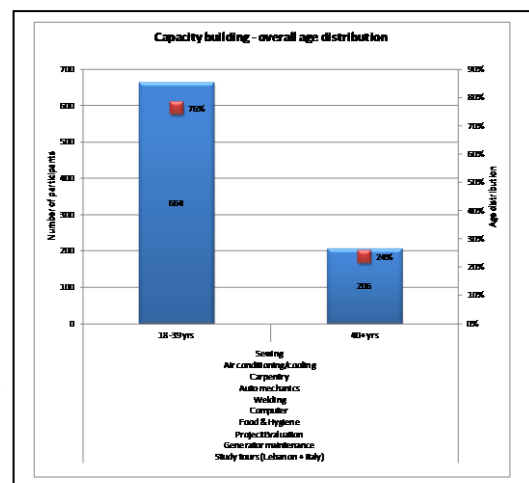
In terms of gender distribution it is noticeable how female participants are spread among 4 trades only: Sewing, computer studies, food hygiene and Project Evaluation. In three of these skills women make up



100% of the participants. This points to the difficulties in developing strategies for female skill development as well as the cultural barriers that exist for which skills and trades women may engage in.

Among the participants 76% were youth and young adults aged between 18 and 39 years.

In terms of attracting participants the project used the following combination of approaches, sources and means: (i) Radio announcements; (ii) placement of Banners at strategic locations in the city; (iii) collaboration with MOLSA and their lists of vulnerable persons and families; (iv) local NGO's and their knowledge of vulnerable persons and families; and (v) local leaders and authorities.



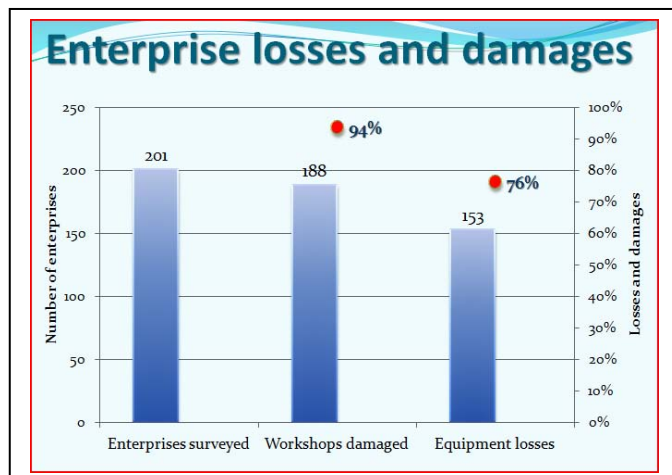
The training was conducted by local trainers and took place in borrowed facilities, such as the MOLSA VTC, the Industrial School and local leaders' training centres. These centres were equipped as required by the project.

A multi-tiered application form was used, and selection of participants was based on criteria that considered poverty, vulnerability, work experience and skill level.

b) SME development

Between 50-75 SME's were targeted for support. In order to select these enterprises a survey was done among 250 enterprises.

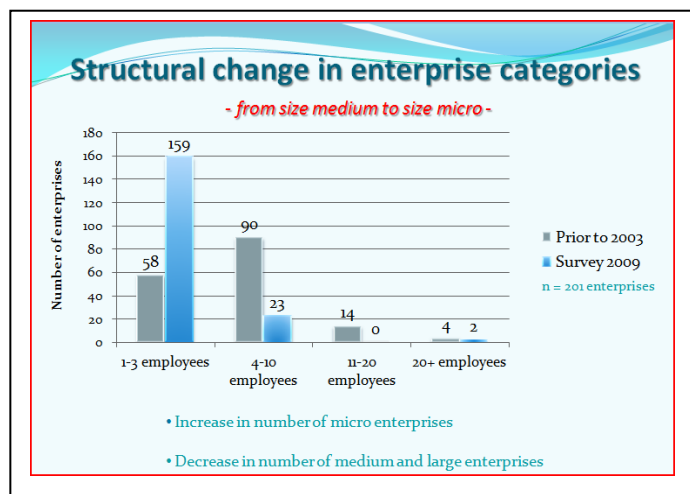
The recent external evaluation of the project found that prior to the war in 2003 there were at least 1000 enterprises operational in the Industrial Zone in Fallujah, the area selected by the project.



However, by the time the project started in 2009 this figure is estimated to have shrunk to about 300 due to a combination of war, insecurity, economic hardship, and the closing off of the Industrial Zone which severely hampered business operations⁴; Hence, the survey of 250 enterprises constituted well over 80% of the active enterprises.

The survey showed that almost all enterprises had suffered war damages either through damages to their workshops (94% reported this) or losses of equipment etc. (76%). This combined with the rather old equipment and production techniques found in the enterprises, profoundly indicated the needs for assistance.

A structural change in the combination of enterprises also emerged during the survey. Large enterprises, i.e. those with 11 employees and above had largely been wiped out. Instead the number of micro and small enterprises, i.e. those with either 1-3 or 4-10 employees, had tripled compared to the situation before the war in 2003.



This shrinking in enterprise sizes in terms of employment led to a 57% drop in the number of people employed.

It also meant that, broadly viewed, the average number of employees per enterprise got more than halved – from 5 employees before 2003 to 2 in 2009. Not surprisingly the war and insecurity following 2003 had significant negative impact on the social and economic life in Fallujah as it did in the rest of the country.

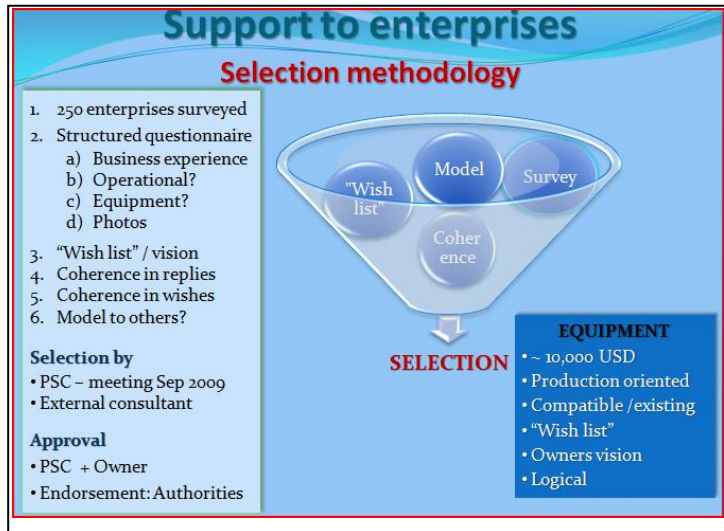
In all 97 enterprises were supported – almost 30% more than planned. These enterprises were selected from a survey using the model shown below.

⁴ The Industrial Zone was the major scene of war in Fallujah for about 4 years.

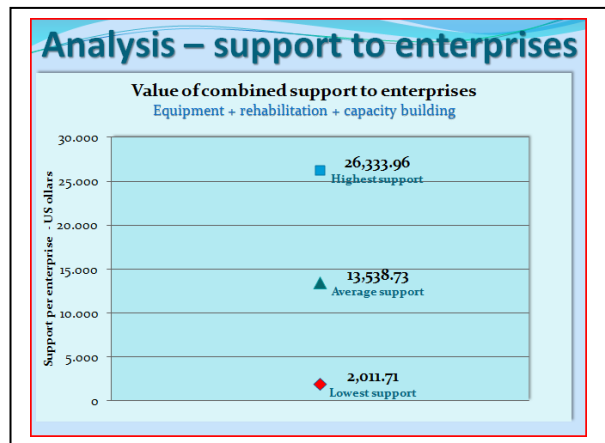
A structured questionnaire was employed and interviews with enterprise owners were done by five teams of surveyors. In addition to the questionnaire the surveyors used photographic evidence and general observation methodologies.

Selection of which enterprises to support was based on criteria that reviewed the following element:

- (i) Owners business experience;
- (ii) Whether the business was operational at the time of the interview;
- (iii) The equipment available at the business;
- (iv) The owners vision or plans for his enterprise;
- (v) Coherence in replies, including wishes for additional equipment, and finally;
- (vi) If the enterprise could become a model to other entrepreneurs, in other words be inspirational to others in the way the owner conducted his business and had developed his products and niche market.

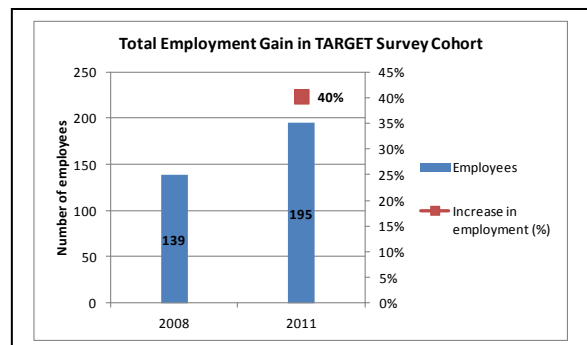


Support to the enterprises was provided on the basis of the owner’s own material support. The goal was to enhance ownership. In that sense what was aimed for was less the financial value of the owners support, but more the intent, cooperation, and initiative shown.



Such owner-led support was in the form of adding funds to rehabilitate his workshop; e.g. to provide lighting or labour and money to increase the floor area to be concreted, or to pay for transport or hiring of lifting gear (crane, forklift) etc. for moving equipment to site, or pay for own accommodation while on study tour.

Support to enterprises has been rendered in the following forms: (a) Provision of equipment; (b) minor rehabilitation of workshops; and (c) skills development in the form of either teaching of a new skill, such as MIG or TIG welding, or participation in business development course.



In terms of results the external evaluation mentioned above cites a minimum of 40% increase in fulltime employment among 41 surveyed enterprises in less than a year. The section below presents additional results in graphic form, depicting the social impact of the support in the form of extended family benefits etc.

IV a) Results - Independent evaluation findings⁵

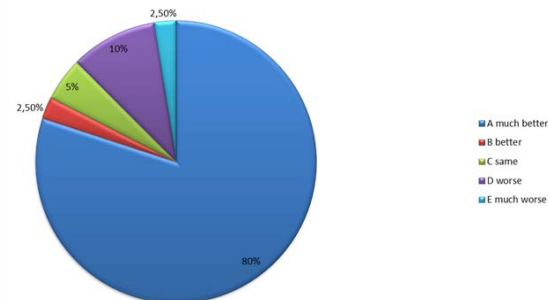
Target Evaluation Debriefing

Summary of Main Findings:

- Robust investment in initial planning and survey, with Government
- Positive impact on capacity of Government (Outcome 1 deliverables of good quality)
- 40+ percent increase in employment, among survey cohort (conservative estimate).
- 62 percent of SMEs created new positions

Businesses are Doing Better

How is your business doing compared to 2008?

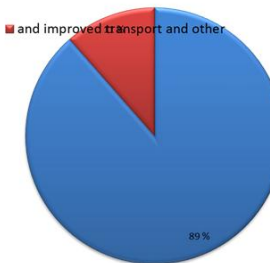


Improved Sales and Market Access

If your business has improved since 2009, in what ways has it improved?

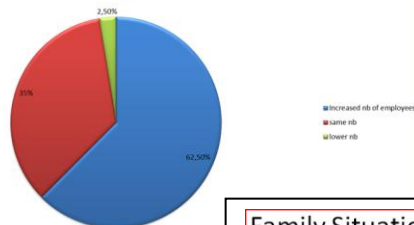
■ Increased sales revenue and market demand

■ and improved transport and other



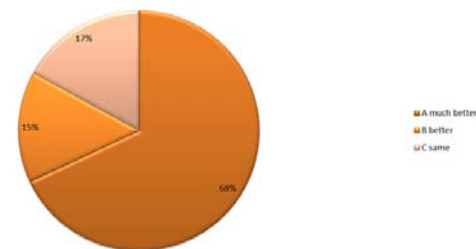
Majority of SMEs have New Employees since 2009

Businesses that had a change in employment situation



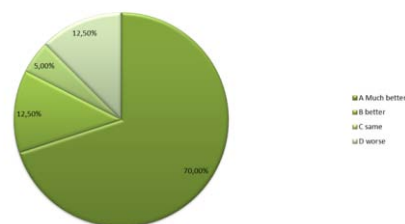
Extended Family Situation has Improved

Does this project help you to improve the life of other relative's families that suffered from the war activities in Falluja?



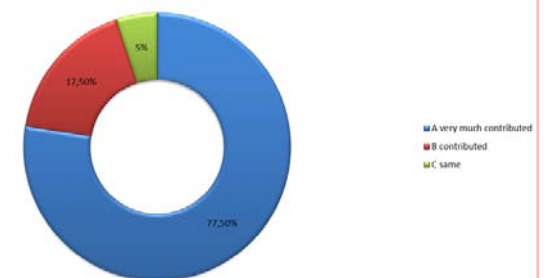
Family Situation has Improved

Has your family's situation improved or declined since 2008?



SMEs Attribute Improvement to Target

Has the support contributed to an improvement in your business?



⁵ The Evaluation was carried out by ScanTeam of Norway in December 2011-January 2012. The findings shown are those presented during the evaluation debriefing. The Final Report is expected in May 2012.

IV b) Results matrix

Indicator(s)	Activity	Results	Status
Output 1:			
A Comprehensive Action Plan for the Rehabilitation of Directly Affected Agro-Industries is Prepared and Agreed Upon by All Stakeholders			
Agency Specific Output:			
MoPDC and MoI staff provided with technical assistance and training to co-lead the techno-economic needs assessments aimed at rebuilding the support mechanisms required for the planning and implementation of the agro-rehabilitation programme.			
<ul style="list-style-type: none"> • A number of MoPDC and MoI staff participate in project sponsored training sessions • Multi-faceted agro-industrial action plan prepared and agreed upon by PSC and project stakeholders. • Number of trained MoI and MoPDC staff actively engaged in the implementation of project activities 	<ul style="list-style-type: none"> • Provide Required Training for Nationals to Supervise and Advise on Rehabilitation /Revitalization Interventions. 	<ul style="list-style-type: none"> • Continuous; through meetings, discussions etc. • The project is modeled on a similar type of project in Lebanon, implemented by UNIDO. A study tour was made in order to enlighten the Iraqi Team about the aims and objectives of the project, the outcomes and implementation modalities vis-à-vis the provision of equipment, building renovation and capacity building activities. 	Done
	<ul style="list-style-type: none"> • Prepare Comprehensive Proposals for the Rehabilitation of Conflict Affected Enterprises: Interventions, Workshop Layouts, Technical Specif., and Budgetary Details. • Prepare a Workplan for Rehabilitation and Revitalization Activities. 	<p>A detailed work plan was developed and data on the rehabilitation was collected, including:</p> <ul style="list-style-type: none"> • Technical specifications for equipment and potential suppliers. • Technical specifications for toolkits (Welding/fabrication, Air conditioning/cooling, Sewing/ tailoring, Automotive mechanics, Woodwork/furniture making). • Building renovation needs, i.e. description of works to be done, bill of quantities and drawings for enterprises selected for rehabilitation. <p>All equipment and toolkits was procured and delivered.</p> <p>The rehabilitation works were done.</p>	Done
	<ul style="list-style-type: none"> • Finalize the technical assessment of the Agro- 	<ul style="list-style-type: none"> • 250 enterprises were assessed using a structured 	Done

	Industrial Sector in Conflict Affected Project Areas.	questionnaire. Based on a scorecard system combined with review of photographic evidence obtained as part of the survey, 76 enterprises were selected for support.	
	<ul style="list-style-type: none"> Needs Assessment to Strengthen Institutional Support Mechanisms. 	<ul style="list-style-type: none"> Staff from the two counterpart ministries participated in various project activities, including a study tour to Lebanon. 	Done
	<ul style="list-style-type: none"> Assist the MoI and the MoPDC to Implement Policy Decisions Leading Towards Effective Post-conflict Rehabilitation/ Revitalization of the Agro-Industrial Sector. 	<ul style="list-style-type: none"> A technical assessment of enterprises was made. Capacity building within the two ministries was carried out. Recommended selection of factories for support done. Monitoring of commitment by owners, challenges faced, initial performance, capacity levels reached, actual employment generated and recommend policies on any other assistance was done. “TARGET” is modeled on a similar type of project in Lebanon, implemented by UNIDO. A study tour was conducted to enlighten the Iraqi Team about the aims and objectives of the project, the outcomes and implementation modalities vis-à-vis the provision of equipment, building renovation and capacity building activities. 	Done
<ul style="list-style-type: none"> A series of Technical and Participatory Workshops organized with stakeholders 	<ul style="list-style-type: none"> Conduct Technical and Participatory Workshops with Stakeholders to Present the Proposals and Strategic and Priority Enterprises to be Rehabilitated 	<ul style="list-style-type: none"> Meetings were held with industrialists to confirm which equipment to procure prior to launching the tenders. 	Done
<ul style="list-style-type: none"> PSC established with participation of UNIDO, MoI, MoPDC, local authorities and private sector 	<ul style="list-style-type: none"> Establish a PSC Involving the Main Counterparts to Provide Strategic Direction and Oversight on the Unfolding of Project Activities 	<ul style="list-style-type: none"> The PSC was established in 2009 and meetings have been held in September 2009, March 2010, July 2010, and November 2011. The members of PSC were: <ul style="list-style-type: none"> Ministry of Industry and Minerals Ministry of Planning (chair of the committee) Office of the Governor, Anbar Governorate United Nations Industrial Development Organization 	Done

Indicator(s)	Activity	Results	Status
Output 2:			
A number of agro-SME's rehabilitated in the communities of Fallujah, Anbar Governorate			
Agency Specific Output:			
50 to 75 rehabilitated/revitalized agro-enterprises (SME's), generating an estimated 500 - 750 jobs.			
Engineering Designs, Technical Specifications, and the Procurement of Equipments and Tools completed	<ul style="list-style-type: none"> Confirm Planned Interventions with Project Selected Agro-Enterprises. 	<ul style="list-style-type: none"> Meetings were held with industrialists to confirm which equipment to procure prior to launching the tenders. For rehabilitation work, the beneficiaries have been closely involved in quantifying the rehabilitation needs in relation to the available budget. 	Done
	<ul style="list-style-type: none"> Finalize Engineering Designs, Technical Specifications, and Procure Equipments and Tools 	<ul style="list-style-type: none"> Technical specifications for the equipment support were agreed with owners of the enterprises to receive support. 	Done
	<ul style="list-style-type: none"> Initiate Rehabilitation and Remedial Construction at Project Targeted Sites 	<ul style="list-style-type: none"> Surveys at the enterprises was conducted. 	Done
Legal and Financial contracting negotiations for rehabilitation work and equipment installation/commissioning prepared.	<ul style="list-style-type: none"> Finalize Contract Negotiations and Legal/Financial Arrangements for the Work to be Conducted and the Equipment to be Installed 	<ul style="list-style-type: none"> The Procurement Section of UNIDO held contract negotiations with suppliers. 	Done
Training of employees on project procured equipment, tools, and the establishment of various production lines conducted	<ul style="list-style-type: none"> Plan and Conduct Employee Training on Newly Procured and Serviced Equipment, Tools, and Production Line. 	<ul style="list-style-type: none"> Training on safe and correct operation and maintenance of the new equipment was carried out. 	Done
	<ul style="list-style-type: none"> Repair Damaged Equipment and Install and Commission New Machines and Product Lines 	<ul style="list-style-type: none"> Equipment in the form of specialized machinery for each sector plus power generators was procured and delivered to 97 enterprises. 	Done
Assistance programmes for the Development of Business Plans and Enterprise Development and Management undertaken	<ul style="list-style-type: none"> Provide Assistance for the Development of Business Plans and Enterprise Development and Management Trainings 	<ul style="list-style-type: none"> Business management course and study tours for industrialists and other partner ministries and organizations was done. 	Done
	<ul style="list-style-type: none"> Provide Technical Assistance to Agro-Enterprises, Linkages to Markets, Research and 		

	Financial Institutions, etc.		
	<ul style="list-style-type: none"> • Monitoring, Evaluation, and Corrective Measures and Adjustments 	<ul style="list-style-type: none"> • Follow-up and monitoring of the project's implementation was done by the UNIDO-Iraq Office in Jordan in close collaboration with Ministry of Industry and Minerals and Ministry of Planning. • Monitoring was done through site visits, telephone conferences, meetings and reporting to the projects' Program Steering Committee (2-3times per year), the two ministries (regularly), the UNDG ITF (quarterly) and UNIDO's headquarters (continuously). 	Done

Indicator(s)	Activity	Results	Status
Output 3:			
Sources of Income and Employment for Men and Women in Conflict-Affected Communities is Increased Through the Promotion of Sustainable Micro and Small Agro-Industries			
Agency Specific Output:			
Strengthened livelihood recovery for approximately 750 households in rural areas through appropriate technology transfers and promotion of non-farm income-generating activities.			
Livelihoods recovery interventions are identified and confirmed.	<ul style="list-style-type: none"> Confirm the needs in conflict-affected rural areas and develop livelihoods recovery interventions 	<ul style="list-style-type: none"> Meetings were held with industrialists, Ministry officials, the Mayor's office and the counterpart ministries to confirm prevalent trades in the project area. 	Done
Identification and Selection of Project Beneficiaries implemented	<ul style="list-style-type: none"> Plan and Conduct Project Sensitization Workshops in Project Targeted Communities 	<ul style="list-style-type: none"> Radio announcements were made over a 15-day period calling for interested persons to apply for participation in the courses. In addition, banners were hung at strategic locations advertising the project and calling for people to apply for training. 	Done
	<ul style="list-style-type: none"> Finalize the Identification and Selection of Project Beneficiaries 	<ul style="list-style-type: none"> Applications were received from 1463 persons using a structured questionnaire. Based on a scorecard system, selection of 870 participants was done. 	Done
Technical, entrepreneurial, and vocational training prog. is conducted.	<ul style="list-style-type: none"> Identify the Required Inputs/Technologies 	<ul style="list-style-type: none"> Review of the applications received confirmed the interest in the courses offered. 	Done
	<ul style="list-style-type: none"> Plan and Organize the Training Programmes Associated with Identified Inputs/Technologies, Basic Entrepreneurship-training, etc. 	<ul style="list-style-type: none"> Meetings were held with industrialists to confirm which equipment to procure prior to launching the tenders. 	Done
Start-up Capital in-terms of Equipment and Linkages to Financing Facilities established.	<ul style="list-style-type: none"> Finalize Specifications, Tender Documentation, Evaluation, and Purchase of Project Inputs 	<ul style="list-style-type: none"> Technical specifications for the equipment support have been discussed with owners and staff of the enterprises to receive support. 	Done
	<ul style="list-style-type: none"> Distribute/provide start-up Capital in-terms of Equipment and Linkages to Financing Facilities for Beneficiaries to assist in the sustainability and growth of a viable micro and small agro- 	<ul style="list-style-type: none"> Appropriate start-up toolkits for the five selected trades were procured. Venues for conducting the skills training courses were identified, and the skills training courses are being 	Done

	industries/agro-enterprises	delivered.	
Newly Established and Revitalized Enterprises are registered	<ul style="list-style-type: none"> • Encourage the Start-up and Registration of Newly Established and Revitalized Enterprises 	<ul style="list-style-type: none"> • The start-up of own income generation and/or become part of the formation of cooperative groups is part of the training courses. 	Done
	<ul style="list-style-type: none"> • Provide Mentoring Support to Project Targeted Agro-Enterprises 	<ul style="list-style-type: none"> • Mentoring support is ongoing for beneficiaries who have completed skills training courses. 	Done
Project impact on Productivity, Income, Employment Opportunities is monitored	<ul style="list-style-type: none"> • Monitor Equipment/Technology Utilization Rates, Processing/Production Practices, Product Quality and Hygiene Control Measures, etc. 	<ul style="list-style-type: none"> • Organized in connection with equipment delivery and commissioning 	Done

Outcome 2	50 to 75 rehabilitated/revitalized agro-enterprises (SME's), generating an estimated 500 - 750 jobs.				NDS / ICI Priorities: Private Sector Revitalization		
Outputs	UN Agency Specific Output	UN Agency	Partner	Indicators	Source of Data	Baseline Data	Indicator Target
<u>Output 2:</u> A Number of agro-SME's Rehabilitated in the communities of Falluja, Anbar Governorate	2.1 Engineering Designs, Technical Specifications, and the Procurement of Equipments and Tools completed	UNIDO	MoPDC MoI	Equipment procured, delivered and installed	Technical Specifications Purchase Orders Tender Documents	PMU has database of technical specs for a number of technologies	50 to 75 rehabilitated/revitalized
	2.2 Legal and Financial contracting negotiations for rehabilitation work and equipment installation/commissioning prepared.	UNIDO	MoPDC MoI Private sector	Legal and Financial documents required for equipment installation and commissioning completed	Signed Contracts Progress Reports	To Be Assessed	50 to 75 rehabilitated/revitalized
	2.3 Training of employees on project procured equipment, tools, and the establishment of various production lines conducted	UNIDO	MoPDC MoI Private sector	No. of enterprises' employees/staff enrolled in relevant training sessions	End of Training Reports ToB Reports	To Be Determined	At least 2 to 4 employees/staff trained from each selected enterprise
	2.4 Assistance programmes for the Development of Business Plans and Enterprise Development and Management undertaken	UNIDO	MoPDC MoI	No. of agro-enterprise business plan developed No. of staff trained in enterprise management.	Submitted Business Plans Project M&E Reports Activity Reports	To Be Determined	Each supported agro-enterprise has a clear business plan 50 staff members trained in enterprise management

Outcome 3	Strengthened livelihood recovery for approximately 750 households in rural areas through appropriate technology transfers and promotion of non-farm income-generating activities.				NDS / ICI Priorities: Improving the Quality of Life		
Outputs	UN Agency Specific Output	UN Agency	Partner	Indicators	Source of Data	Baseline Data	Indicator Target
Output 3: Sources of Income and Employment for Men and Women in Conflict-Affected Communities is Increased Through the Promotion of Sustainable Micro and Small Agro-Industries	3.1 Livelihoods recovery interventions are identified and confirmed.	UNIDO	Local authorities	Techno-economic needs assessment report is prepared and submitted to the PSC	Technical and Economic Assessment Reports	20-25% unemployed	Project planning aims at improving employment levels and income flows to approximately 750 beneficiaries.
	3.2 Identification and Selection of Project Beneficiaries implemented	UNIDO	Local authorities	PMU reviews and finalizes the project beneficiary list	Project Beneficiary Forms Evaluation Assessment Tables	Experience and lesson-learned from projects in Iraq and other part of the world will be applied	Target beneficiaries identified – 750 HH
	3.3 Technical, entrepreneurial, and vocational training prog. is conducted.	UNIDO	Specialized institutes	No. of trained beneficiaries (segregated by sex and type of training)	End of Activity Reports Project M&E Reports	Training programmes and tools already in place by UNIDO	200 beneficiaries enrolled in the TOB programme
	3.4 Start-up Capital in-terms of Equipment and Linkages to Financing Facilities established.	UNIDO	Local authorities	No. of toolkits distributed to the project targeted communities No. of beneficiaries who had access to additional credits	Equipment Distribution Forms Progress Reports Field Reports	To Be Determined by survey	350 to 400 toolkits distributed. 200 microenterprises established
	3.5 Newly Established and Revitalized Enterprises are registered	UNIDO	Local authorities MoI	No. of enterprises newly registered with the support of the project	Progress Reports Business Registration Documents	Current situation of registered enterprises is unknown	30% of project supported enterprises are registered

	3.6 Project impact on Productivity, Income, Employment Opportunities is monitored	UNIDO	MoPDC MoI	Practical and results oriented monitoring plans prepared and utilized for the effective tracking of changes in income, employment, and other impact measures	Project M&E Reports Site Visits Surveys Independent Evaluations	Monitoring plan to be designed and developed by Project Steering Committee	Report of lesson learned
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Part Two: Summary of the Fallujah Survey Findings⁶

Business activity in the Fallujah Industrial Zone declined significantly between 2003 and 2007/8. There was a structural change in SME sector as the zone was closed for several years, companies were cut off from traditional supply chains and markets and the average size of companies contracted. In turn, the economic situation of SME families also deteriorated, including as SME families carried the financial burden for larger extended families.

1. Fallujah avoided heavy damage during the initial 2003 occupation. However, there was intense fighting between late 2003 and early 2005, between MNF-I forces and armed groups. An estimated 70 percent of the Fallujah's 300,000 inhabitants evacuated at the peak of fighting in mid-2004, with the United Nations Emergency Working Group (UNEWG) estimating that up to 210,000 persons had been displaced by November 2004.⁷ The UNEWG's January 2005 assessment reported a humanitarian crisis and extensive damage to public infrastructure, private homes and business. Access to Fallujah was closed during the fighting, and some of the restrictions on movement are still in place.⁸
2. Much of the fighting took place in and around the Fallujah Industrial Zone, previously one of the largest such zones in Iraq.⁹ The zone was effectively closed for much of the period 2003 to 2006, showing signs of recovery only in 2007/8. The 2009 UNIDO baseline survey provides some insight into the extent of the damage and its impact on the local economy:¹⁰
 - a. From interviews, there were approximately 1000 companies operating in the FIZ prior to 2003. Less than 300 were thought to be operating by 2009, although there was evidence of increased activity.¹¹
 - b. *Ninety percent of businesses in the FIZ suffered some form of damage*, to buildings and/or equipment. Damage to most businesses was extensive, with only six percent of the companies surveyed reporting no damage (13 of 201 SMEs).

⁶ This section presents a summary and interpretation of the survey results from the draft report.

⁷ UNEWG, *Emergency Working Group-Falluja Crisis Update Note*, 13 November 2004. Also see *UN - Iraq Humanitarian Update April 2005* and UNEWG, *Fallujah Bulletin Update*, 18 January 2005.

⁸ An estimated 36000 homes and 210 schools were damaged, many of them extensively. Damage to other public infrastructure, such as healthcare facilities, water and sewage and the electrical grid was extensive. Although up to 80 percent of displaced persons returned by mid-2005, large-scale humanitarian assistance was required through into 2006. See UNEWG, *Fallujah Bulletin Update*, 18 January 2005.

⁹ Media reporting noted the industrial zone was a key staging site for armed groups and estimated that "the U.S. all but razed [the industrial zone] in Operation Al Fajr. At least 900 shops and factories were destroyed or seriously damaged in a district that employed about 70% of Fallujah's workforce".

<http://www.time.com/time/world/article/0,8599,1677146,00.html#ixzz1pNsiDrFF>

¹⁰ Of the estimated 900 business in the zone prior to 2003, only 200 to 300 very estimated to be operating again in 2008, of which 201 were included in the UNIDO survey.

¹¹ No official statistics on the number of active companies were available. Estimates were based on interviews with Iraqi officials and UNIDO, and were consistent with other UN and media reports.

- c. *Traditional economic patterns were disrupted.*¹² First the violence and then security measures placed restrictions on the movement of people and goods in and out of Fallujah. There were also restrictions on movement, within both the city and the industrial zone. SMEs were cut off from long-established supply chains and markets and became more dependent on the local market. Even with post-2009 improvements in the situation, access to regional and national markets has not recovered.
 - d. *There was some revitalisation of the zone after 2007/8.* However, SME owners reported they had insufficient resources to rehabilitate their workshops and return to pre-2003 levels of operation. By 2009 employment among the surveyed SMEs contracted by approximately 57 percent compared to 2003, and the average size of surveyed SMEs went from five to two employees.¹³
 - e. *The result was a structural change in the SME sector itself.* Only about 30 percent of the pre-2003 number of companies had re-opened by 2008/9, companies with over 11 employee almost disappeared, employment in SMEs with 4- 10 employees declined 75 percent and employment in companies with one to three employees increased almost 300 percent.
 - f. *Violence and displacement also resulted in a change to social structure.* Families were broken up by the violence and displacement, particularly in 2004 and 2005. Along with many in the community, SME owners carried responsibility for much larger extended families. It placed an additional economic burden on SME households, at a time when the economy was poor.
3. By 2009, therefore, a smaller number of companies employed significantly fewer persons. Structural changes also reduced the capacity to SMEs to generate employment. In turn, the situation of SME families also deteriorated, affected by both the violence and economic downturn. Only two percent of families surveyed in the 2009 baseline study described their economic situation as “good” when compared to 2003. The remaining families reported their situation had deteriorated, to “medium” or “poor”. Conditions were aggravated by the large number of deaths in their extended families and the influx of displaced persons from other parts of Iraq. Almost 50 percent of the families surveyed had some economic responsibility for extended family members, with the majority reporting they had difficulty providing.

Significant investments were required for rehabilitation or replacement of buildings and equipment in the FIZ. However, sources of capital available to SME owners were limited to personal savings and loans from family and community networks.

4. Activity in the industrial zone started-up again during 2007/8. Revitalisation of the zone was supported by an overall improvement in security and economic conditions. Regardless, SMEs were constrained by at least three factors in the business environment:
- a. *Support from Government to revitalise the zone was limited.* Problems with insecurity continued, as did restrictions on access to supply chains and markets. The FIZ had limited public service delivery (public security, water and sanitation and electricity) to support operations.
 - b. *Production technics and business practices tended to be dated,* given Iraq’s long isolation from international markets during the sanctions period. The lifting of sanctions did not result

¹² See Annex C: Table Two to Table Six.

¹³ Supporting data is provided in Annex C. The contraction was less dramatic among supported SMEs, with the average size shrinking from six to four employees.

in access to innovation, given the prolonged fighting and the isolation of Fallujah under security measures.

- c. *SME owners had limited resources to finance rehabilitation of their workshops.* Information on compensation for damages (MNF-I or Iraqi State) and public sources of financing for rehabilitation was limited. However, both appeared to either not have reached SME owners, or be insufficient to meet requirements.

The exposure trip to the visit UNIDO's LAISER project in Lebanon resulted in new business standards and innovation being introduced to TARGET-assisted SMEs. The trip was also an important first step building confidence between the project Stakeholders and the SME owners. There were also synergies achieved between the TARGET SME and training components.

5. The group of 39 beneficiaries and government officials¹⁴ made an exposure trip to UNIDO's Lebanese Agro-Industry Support and Economic Recovery Project (LAISER).¹⁵ The exposure trip made an important contribution to the TARGET project's start-up. The trip was appreciated and highly evaluated by Government and beneficiaries. It generated trust and commitment to the project, and strengthened the legitimacy of the Ministry of Planning and UNIDO. There was also evidence from site inspection that beneficiaries were using the information, ideas and standards learned during the trip, in addition to an intangible "inspiration" that was noted by many stakeholders. From the 2011 field survey:
 - a. *The Lebanon trip introduced SME owners to improved business and production methods ideas.* Most of the beneficiaries had not travelled outside of Iraq before.
 - b. *Some SMEs are using organizing techniques and standards on cleanliness,* to improve the efficiency of operation and for attracting customers to their workshops.
 - c. *Owners were innovating with operating techniques and the use of equipment,* to adapt or expand, to develop their businesses. There were some new products and ideas, which also influenced the kind of equipment requested from TARGET and how it was used.
 - d. *Bringing a new image and standards to the FIZ,* which also influences how non-beneficiary businesses behave.
6. There was synergy between the training and SME components of the TARGET project. In addition to the Lebanon study tour, an estimated 57 SME owners and employees received training, most of them in the Generator Maintenance course.¹⁶ The field survey did not gather

¹⁴ There was a discrepancy in UNIDO's reporting on the total number of participants. UNIDO's internal evaluation of the study tour states 39 persons participated on the tour, including four Government officials (2010). UNIDO's final beneficiary data from 2011 reported the total number of participants as 55 persons.

¹⁵ The LAISER project was implemented in Lebanon after the Israeli invasion in July-August 2006. The objective of the LAISER project was to "support economic recovery and restore of industrial units in war-affected areas of Lebanon thereby generating employment and alleviate poverty in the country"

<http://www.unido.org/index.php?id=6384>. Thirty-nine stakeholders from the TARGET project visited Lebanon in October 2010, including four from Government (Fallujah Mayor's office and the Ministry of Planning) and 35 Fallujah SME owners. The objective of the exposure trip was to "enhance the entrepreneurial spirit, i.e. the skills and knowhow needed to successfully run a business, among owners of SME's in the Industrial Zone of Fallujah." Stakeholders spent one week in Lebanon visiting SME that participated in the LAISER project. The trip was highly evaluated by stakeholders, in UNIDO's internal assessment (UNIDO 2010).

¹⁶ Data on Generator training was taken from the final training statistics provided by UNIDO.

data on how the training was used by SME beneficiaries and owners, or whether it improved their effectiveness. Regardless, the project made a significant investment in the delivery of generators to Fallujah SMEs, and provided complementary support through training in their use and maintenance.

TARGET-supported projects show a marked improvement in business operations by the end of 2011. Non-assisted SMEs showed no improvements in their operations, or were in relative decline.

7. Of the TARGET-assisted SMEs, 87.5 percent stated they are doing the same, or much better”, with 80 percent replied their business was “much better”. Rehabilitation placed assisted-SMEs in a better position to take advantage of the gradual improvement in the economy, including demand in local and regional markets. Owners reported increased demand and sales for their products, with growing demand in the local market, and regionally as far as Baghdad. They also reported increased customer movement into the industrial zone, better market access outside of the FIZ and improved services, such as transport for supplies and goods to market.
8. Site inspection found that TARGET-supported civil works brought workshops to a new level of functionality and cleanliness, compared to other SMEs in the zone. Works were generally found to be of good quality; built according to specifications, using appropriate materials with good quality workmanship, and costed within acceptable values for Iraq. The inspection did not find a case where civil works were completed to an unacceptable standard, or where resources had been diverted to unacceptable use, either outside of the original specifications and/or inappropriate to the objective of the rehabilitation.¹⁷
9. Of the non-assisted SMEs, no owner reported an improvement in business performance. The entire cohort responded that business was “medium” to “poor”, with little improvement between 2009 and 2011. Non-assisted SMEs were slower to start-up and were not being rehabilitated to the same standard. Site visits found workshops to generally be in poor condition, with more limited rehabilitation of equipment. The main reason cited by owners was insufficient resources, especially for equipment. In this regard, investment patterns differed between assisted and non-assisted SMEs; the former showed up-front investments supplemented TARGET support, with investment levels declining on the completion of rehabilitation. In contrast, the non-assisted SMEs showed personal investment and borrowing extending over a longer period of time, with SMEs unable to start up as quickly.¹⁸
10. There was some evidence that the presence of 76 rehabilitated SMEs resulted in other companies opening, by creating a critical mass of companies operating, or “business ecology”.¹⁹ The TARGET investments appeared to be contributing to a virtuous circle; rehabilitated SMEs responding to improved economic conditions and, bringing more customers into the industrial zone and introducing new ideas and standards. In turn, site inspection noted new SMEs opening around the beneficiary SMEs and investing in their businesses to a new standard, to be competitive. Inspection observed a new standard of cleanliness and organisation, such as

¹⁷ As an observation, civil works done by contractors rather than the owners were generally of a higher quality. In part, contractors may have been better qualified to do the rehabilitation. However, at several SMEs it appeared owners may have cut costs by completing work to a lower standard.

¹⁸ Data is taken from Annex C: Table Nine to Table 12 inclusive.

¹⁹ There was some contradiction between improvements to the overall business environment in the zone and the poor performance of non-assisted SMEs in the control group. This is explained, in part, the location of some in other parts of the zone and away from the rehabilitated workshops. These SMEs, therefore, may not have been in a position to benefit from increased customer movement.

painting of businesses and improved hygiene standards, to attract customers. Also, other SMEs appeared to benefit from increased customer movement.

There was a 40 percent employment increase among the TARGET-assisted SMEs. In contrast, employment among the non-assisted SMEs has not recovered. Rather, the majority of companies reported that they have fewer positions in 2011 than in 2009.²⁰

11. The number of full time jobs increased 40 percent among TARGET-assisted SMEs, between 2009 and 2011. Companies, therefore, made good progress recovering from the 57 percent net employment loss they experienced between 2003 and 2009. Fifty-six new full time jobs were created among the SMEs surveyed, in addition to an almost 40 part time jobs. A total of 100 new positions may have been created, if the survey results are projected to the total number of 76 SMEs that received support.²¹ Jobs were created mainly in low-tech manufacturing, with a smaller number in services.
12. The recovery was broadly spread over the TARGET-assisted companies. 62.5 percent of SMEs increased the number of persons they employ, while 35 percent had the same number of employees as they did in 2009. Only one company among the 41 SMEs surveyed employed fewer people in 2011 than in 2009. The broad spread encouraged a structural change, moving SMEs back towards their average pre-2003 sizes. Gains notwithstanding, the general labour force did not benefit from new positions. SMEs recruited almost exclusively within extended family or close community networks. Family obligations and trust were the main reasons cited. General recruitment appears to occur only after companies reach a certain size (5 to 7 employees), after which there are may not be sufficient numbers of qualified family members to fill positions.
13. There was no job growth among the non-assisted SMEs.²² Eighty-six percent of these companies experienced a net loss of employees between 2003 and 2009, and their situation had not recovered.²³ Forty percent of the non-assisted SMEs had the same number of employees in 2011 as they did in 2009, while 60 percent had fewer employees. None reported a net increase in the number of people they employ. The situation for non-assisted, therefore, has not stabilised. Consistent with poor overall business performance, they continue to experience a net loss of employment, albeit at a slower rate than between 2003 and 2009.

SME families from TARGET assisted SMEs show on overall improvement in their economic situation, including within extended families. The situation of non-assisted SME families has no improved, with evidence of some further decline. This extends to external families.

²⁰ Data on employment for TARGET-assisted SMEs is taken from Annex C, Table 15 to Table 21 inclusive.

²¹ The figure of 40 percent appeared to under-estimate the actual direct and indirect employment created. There is evidence from the surveys that some SMEs could not afford to pay family members that were reported in the 2009 surveys as "employed". The reason was insufficient income to pay salaries. The 2011 survey interviews indicate that companies are earning enough to pay a salary, arguably creating or at least consolidating a position. This would be a gain in the quality of employment, even if not registered as a net gain in the number of positions.

²² The 2003-2009 job loss estimates of 57 percent applied to both assisted and non-assisted SMEs. The survey did not have comparable job loss figures for non-assisted SMEs between 2009 and 2011. Instead, it used the number of companies reporting further losses.

²³ See Annex C, Table 22. The higher employment decline among the non-assisted SMEs reveals a bias in the survey sample. The SMEs approved for assistance tended to be better established, and showing more progress with rehabilitation.

14. Improved business performance has resulted in a better economic situation for the families of SME owners. Families noted a marked deterioration in their situation between 2003 and 2009. Only two percent of families described their situation as “good”, while the situation of the remaining 98 percent was “medium” (85%) to “poor” (13%). By 2011, 70 of TARGET assisted SME families described their situation “Much Better” compared to 2009, and a combined 87.5 percent reported that their situation the “Same” to “Much Better”. Only 12.5 said their situation was worse than in 2009.
15. The situation also improved for extended family member. In 2009, slightly more than 50 percent of the 201 SMEs owners were supporting members of their extended family. In 2011, 82 percent said they were better able to support members of their extended family (combined responses “Better” and “Much Better”). No families reported their situation was worse. The survey did not collect data on the situation of extended families for non-assisted SMEs.
16. In contrast, the family situation of non-assisted SMEs did not improve. In 2009 59 percent reported their situation was “medium” and 41 percent described their situation as poor. Overall, families perceived their situation had also gotten worse since 2003. By 2011, the families of non-assisted SMEs reported that their situation was the same or worse. No family reported an improvement in their situation, and 89 percent said their situation was “Worse” or “Much Worse” than in 2009. The data, therefore, shows a deterioration of the situation of non-assisted families, in contrast to the improvement in the situation of TARGET-assisted families.

TARGET-assisted SMEs make a direct attribution between their participation in the project, and improvements to their situation.

17. Many variables account for the improvements in the situation of TARGET-assisted SMEs and their families and extended families. Principal among these would be reduced insecurity and economic recovery. Regardless, SME owners made a direct and strong attribution between improvements to their situation and participation in the TARGET project. Nine-five percent of the 41 SMEs said that the project either contributed (17.5%), or contributed “very much” (77.5) to the improvements. Only five percent said their situation was the same after receiving the assistance.²⁴ The main reason cited was increased income, and ability to meet basic family expenditures. In turn, these were attributed to the improved performance of their businesses.

TARGET achievements were realised in spite of significant obstacles in the project environment. This limited both Stakeholder (UNIDO and Government) and SME operations, with the effect of limiting outcomes. Addressing these concerns will be a challenge to sustaining TARGET results, and expanding activity in the zone.

18. Significant obstacles to SME development remain the Fallujah area, and were likely to have limited TARGET outcomes. These relate mainly to continuing insecurity, and poor infrastructure and public service delivery. Some obstacles affecting Counterpart implementation efforts are noted in UNIDO’s monthly reporting during 2011: on-going security problems, sudden erection of roadblocks or closure of movement to or from particular areas of Fallujah in connection with security incidents, and; widespread protests during February and March 2011 that results in the burning of official building, a curfew and restricted movement.

²⁴ See Annex C, Table 30.

19. For SMEs, obstacles had the effect of limit production capacity, working hours, market access and undermine the confidence owners need to make expand future investments. As the key points from the interviews:
- a. There is no electricity in the zone (no power days at a time, then highly restricted hours). Work that needs power is stopped, unless generators are available.
 - b. Insecurity remains and affects daily SME operations. Examples include violent events in Fallujah and Baghdad, and road blocks and security barriers that limit the flow of people and goods to and from the zone. In particular, T-Walls (concrete security barriers) created difficulties for customers entering the zone, and restrict access to some areas within the zone itself that isolates SMEs.
 - c. Security restrictions also limit the hours of operation. The industrial zone opens at 900 and closes at 1400. Business hours are short, which limits production and access to clients.
 - d. Theft and robberies take place at night within the zone. For this reason most of workshop owners still keep the heavy equipment at their home to avoid robbery. There are no guards at the FIZ, and the SMEs are vulnerable at night. Some owners take equipment home at night, when it is not too heavy. As a result, not all the equipment is being properly used, given some of it cannot be installed securely.
 - e. Owners are still waiting for the security situation to improve, before invest further own resources in their businesses. Also, there is uncertainty on the renewal of long term property leases in the zone, which are pending.

Annex

**FB/IRQ/08/006 TARGET
PROJECT**

Technology Acquisition to
Restart and Generate Economic
Transformation

Amman Field Office 14th August 2011



Project in Fallujah

This report presents an overview of rehabilitation work at small enterprises in Fallujah Industrial Zone.

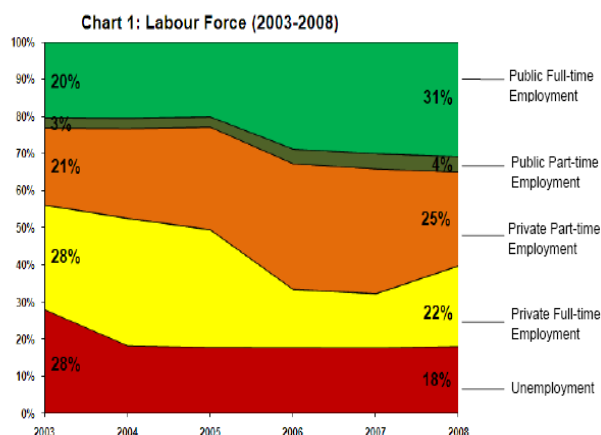
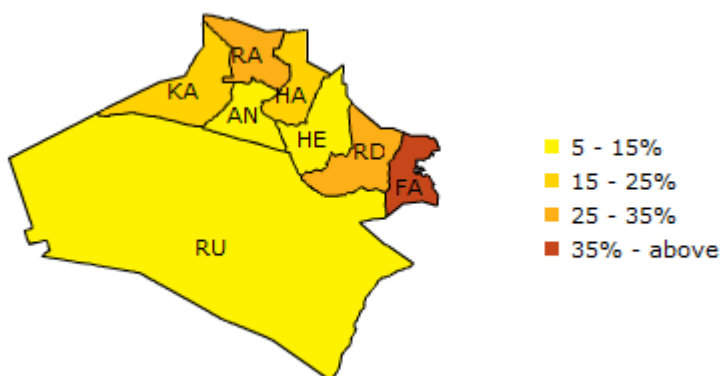
The overall aim of the TARGET project is to help alleviate poverty through employment generation and productive capacity improvements in the agro-industrial and micro-enterprise sector. The development objective is economic recovery and the restoration of livelihoods in the District of Fallujah supported through rehabilitation of micro and small enterprises and the provision of basic skills training for groups of vulnerable inhabitants.

Fallujah has had a significant role in the war and is considered as one of the cities with most military-actions and battles. According to IRIN (humanitarian news and analysis, a service of the UN Office for the Coordination of Humanitarian Affairs) approximately 70 per cent of the houses and shops were destroyed in the city and those still standing are riddled with bullets²⁵.

As one of the consequences, Fallujah is in a bad condition in terms of job and business opportunities. This had lead the citizens of Fallujah into large poverty. The poverty in Al Anbar Governorate is shown in Figure 4.

Fallujah areas is the only area in all Al Anbar Governorate where 35% or above of the households are placed in the lowest per capita expenditure quintile.

According to ILO, Iraq's unemployment rate in 2008 was 18% with private full-time employment rate decreasing significantly from 28% in 2003 to 22% in 2008.



In terms of the significant touch the war left behind in Fallujah described above, one of the TARGET project's outcome is to rehabilitate/revitalize 50-75 agro-enterprises (SME's) and to generate 500 – 750 jobs in Fallujah to help to economic recovery and restoration of the livelihoods in the District of Fallujah.

²⁵ <http://www.irinnews.org/AdvancedSearchResults.aspx?KW=fallujah>

Beneficiaries and procurement

The selection of beneficiaries is as follows:

Sixty-three (63) enterprises were found to be in need of rehabilitation work. The rehabilitation work was organized such that thirty-two (32) enterprises were given the responsibility themselves to organize rehabilitation of their workshops in accordance with the engineers' specifications. For the remaining thirty-one (31) SMEs' rehabilitation was done through centralized procurement at UNIDO headquarters. To ease the procurement and speed up the implementation process, the thirty-one (31) SMEs were divided into 4 batches consisting seven to eight (7-8) SMEs in each batch. Below tables are selected enterprises for the decentralized procurement and the centralized.

Table 1 is a list of the workshops that got rehabilitated and shows what kind of procurement that was used for each rehabilitation.



Table 1 Rehabilitated Workshops in Fallujah

Rehabilitated workshops and the sort of procurement						
No.	Name of enterprise	Batch 1	Batch 2	Batch 3	Batch 4	D-Cent.
01-001	haj yahya nafia WORKSHOP	x				
02-007	Abo Nabeel Alesawi WORKSHOP	x				
03-008	Aleklas WORKSHOP	x				
04-012	Abo Raaed WORKSHOP	x				
05-022	Hatem WORKSHOP	x				
06-026	abo saad WORKSHOP	x				
07-027	majeed WORKSHOP	x				
08-030	hakam SERVICES WORKSHOP	x				
09-033	abo gazy WORKSHOP		x			
10-042	alfarok WORKSHOP		x			
11-044	alrahma WORKSHOP		x			
12-051	KHALID WORKSHOP		x			
13-057	ABO ABDULLA WORKSHOP		x			
14-058	ALWALEED WORKSHOP		x			
15-071	ABO SATTAR WORKSHOP		x			
16-239	ALKEMMA WORKSHOP		x			
17-105	ALBARAKA WORKSHOP			x		
18-106	NOSAIF WORKSHOP			x		
19-107	YASEEN JASIM WORKSHOP			x		
20-133	ALMOSTEFA WORKSHOP			x		
21-142	ESA WORKSHOP			x		
22-149	AL SALAM WORKSHOP			x		
23-154	PRESS WORKSHOP			x		
24-161	ALFAROOK WORKSHOP				x	
25-167	ALAKHAWEN WORKSHOP				x	
26-174	ALEHSAN WORKSHOP				x	
27-177	ALEMAN WORKSHOP				x	
28-183	HAJ HASAN WORKSHOP				x	
29-202	ALHUDA WORKSHOP				x	
30-204	OM ALRABEAIN WORKSHOP				x	
31-206	ALASAFI WORKSHOP				x	
32-004	Modern World pumps workshop					x
33-025	Almohandes WORKSHOP					x
34-029	Almohamedi WORKSHOP					x
35-038	junaid alrawi WORKSHOP					x
36-043	almothana WORKSHOP					x
37-045	Alamer WORKSHOP					x
38-056	ALRAWI WORKSHOP					x
39-067	Alakaween Workshop					x
40-070	Tiba Workshop					x
41-077	ALEKLAS WORKSHOP					x
42-078	ALNIAME WORKSHOP					x
43-101	ALBARAKA WORKSHOP					x
44-102	ALBARAKA WORKSHOP					x
45-103	ABO ANAS WORKSHOP					x
46-135	ABO BAKER WORKSHOP					x
47-155	Alkelafawi Services Workshop					x
48-156	AHMED ALALWANEI WORKSHOP					x
49-163	ALAKHAWEEN WORKSHOP					x
50-165	ALAKAWEEN WORKSHOP					x
51-166	ALAKHAWEN WORKSHOP					x
52-173	AL JANABI WORKSHOP					x
53-181	BAGHDAD WORKSHOP					x
54-182	ALFALLOJAH WORKSHOP					x
55-186	ALSHARQ WORKSHOP					x
56-199	ALEKLAS WORKSHOP					x
57-217	ALBARAKA WORKSHOP					x
58-222	ALEKLAS WORKSHOP					x
59-227	ALAKASH WORKSHOP					x
60-236	YASEEN ALJUMAILY WORKSHOP					x
61-237	MOHAMMED MOSA WORKSHOP					x
62-238	ALMOSTAFA WORKSHOP					x
63-245	ALAKAWEEN WORKSHOP					x

The Rehabilitation in Fallujah

07-027 Majeed Workshop

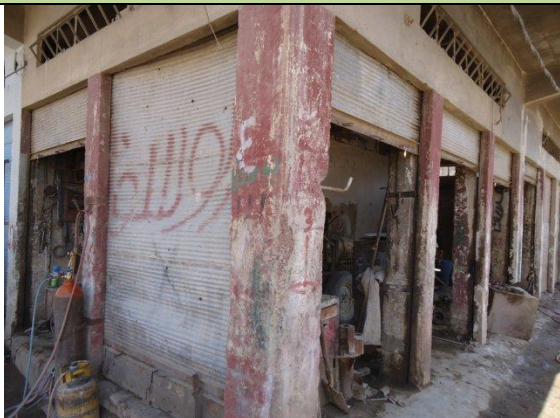


The stairs, walls and floors at Majeed Workshop are in very bad condition.



The surfaces such as the walls and stairs have been renovated and painted in two different colors.

34-103 Abo Anas Workshop



Before



After

05-022 Hatem Workshop






MOP, Hatem (the owner) and UNIDO staff inspecting the new floor and the process of the



A new shelter was placed above the workshop. 165 m² metal shed.

renovation.	
<i>06-025 Abo Saad</i>	
	
Before	After

<i>04-012 Abo Raaed</i>	
	
Before: The ceiling and walls need to be renovated. The unique handmade metal decorations on the wall are the workshop's main products.	After: Metal sticks holder arrangement after painting and renovation of the workshop.

<i>20-056 Alrawi Workshop</i>	
	
National project assistant (NPA) is inspecting the renovation.	The water tank on the top of the roof also got painted to match the new restored workshop.

UNIDO and The Arabic International Company



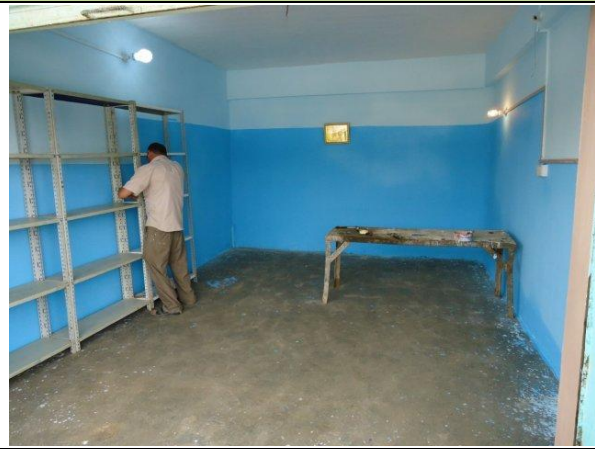
One of the contractors had a sign in front of each workshop that got renovated.

Sign : “The Arabic International Company for Contracting implementation of the rehabilitation of industrial workshops in the industrial area of Fallujah and the full support of the United Nations Industrial Development Organization”

28-078 Alniame Workshop



Before



After

23-063 Almohamedi Factory



Before



After

60-186 Alsharq Workshop



Before



After

41-135 Abo Baker Workshop



The facade before



The facade after

73-236 Yaseen Aljumaily Workshop



Before



After

60-186 Alsharq Workshop



Many resources were used to renovate the workshop.



The idea behind the pink façade is to attract more customers 😊

V. Abbreviations and Acronyms

HH	Household
M&E	Monitoring and evaluation
MOI	Ministry of Industry and Minerals
MOP	Ministry of Planning
PSC	Programme Steering Committee
SME	Small and medium sized enterprises
TOB	Training of beneficiaries
UNDG ITF	United Nations Development Group International Fund
UNIDO	United Nations Industrial Development Organization

Annex 1 – photos

Radio announcement times

- 1- 08:55 AM-09:00 AM.
- 2- 10:10AM-10:15 AM.
- 3- 07:15 PM-07:30 PM.

Banner placement in Fallujah



Al Tharthar St. – Al Hadra Al Mohamadia



Ladies' sewing training



**Entrepreneurs' Study Tour to Lebanon
October 2010**

Sharing business experiences with Lebanese colleagues at Hassan Awada's wood workshop, Khyam, Lebanon



**Arrival of Toolkits container in Fallujah
29th October 2010**



Generators inside container



Nsaiif's workshop – producing wagons and other metal products



Two 20-tonne cranes offloading container laden with generators, 28th December 2010



Shukur Abas Haraj's metal workshop