



**IRFFI/UNDG IRAQ TRUST FUND (UNDG ITF)
MPTF OFFICE GENERIC FINAL PROGRAMME NARRATIVE REPORT
REPORTING PERIOD: FROM 07.2010 TO 07.2013**

Programme Title & Project Number	Country, Locality(s), Priority Area(s) / Strategic Results
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Participating Organization(s)	Agriculture and Food Security
<ul style="list-style-type: none">• Food and Agriculture Organization of the United Nation (FAO)	Implementing Partners
Programme/Project Cost (US\$)	<ul style="list-style-type: none">• Ministry of Agriculture• Ministry of Planning and Development Cooperation• Ministry of Water Resources• Ministry of Trade, Industry, Labour and Social Affairs• UNESCO
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Agency Contribution	Start Date (<i>dd.mm.yyyy</i>) 02.07.2010
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TOTAL: USD 5,000,000	Have agency(ies) operationally closed the Programme in its(their) system? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Programme Assessment/Review/Mid-Term Eval.	Expected Financial Closure date: 30.06.2013
Evaluation Completed <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Date: <i>dd.mm.yyyy</i>	Report Submitted By
Evaluation Report – Attached <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Date: <i>dd.mm.yyyy</i>	<ul style="list-style-type: none">• Name: Fadel ElZubi• Title: Project Manager• Participating Organization (Lead): FAO• Email address: fadel.elzubi@fao.org

EXECUTIVE SUMMARY

The Iraq Agricultural Growth and Employment Generation Support (I-AGES) project has reached the end of Phase II. A National Agricultural Policy and National Agricultural Investment Strategy have been established with the Ministry of Agriculture (MoA) Policy and Strategy Support Unit (PSSU) though the future of these documents depends heavily on the leadership and management of senior Ministry staff, the Ministry of Water Resources (MoWR) and Prime Minister's Advisory Committee (PMAC). They also depend heavily on the allocation of resources through the national budget formulation process, which is complex, given the rather fragmented budgetary process.

The National Agricultural Policy (NAP) outlines a five-pillar policy framework, which substantially improves on current practice, which focuses on crop and livestock production and water resource management but does not focus on essential issues such as trade regime management, improving subsidy support arrangements, market development, electricity and infrastructure development or community development. The new policy framework is very comprehensive and responsive to the need to create a modern sector and is appreciated by the MoA staff though the mandates of core directorate generals will need to change in due course to accommodate this strategic shift in approach. These changes fall beyond the mandate and timeframe of the project.

General Reform Context

Establishing a new agricultural policy and strategy in Iraq has been challenging, though many substantive gains have been made, in line with the original project objectives. The five diagnostic studies have been completed and the insights from these have laid the foundation for establishing the new policy and investment strategy.

However, Iraq remains one of the most unfertile countries for policy development, given lack of political consensus over economic issues, and almost complete absence of an administrative and civil service reform agenda, which are essential for managing institutional change. In addition, as has been the case with the Ministry of Agriculture, there have been more than five Ministers in recent years and due to ongoing internal political problems, the current Minister has resigned on various occasions. Continuity has therefore been compromised and many senior staff within the ministry have been seconded to PMAC and the MoWR. The general reform context, which is critical for understanding the contribution of this project to stated objectives, and to future engagement of FAO, can best be characterized as follows:

- **Policy Ownership:** This is the first national agricultural policy. However, because agricultural policy is not solely determined by the MoA, but in particular by the Prime Minister's Office, Ministry of Planning, Ministry of Finance and fifteen Governorates, a whole-of-government approach is necessary. Achieving a whole-of-government approach has been complex given internal political fragmentation as evidenced by the worsening political and security situation. In addition, Iraq continues to have a planned approach to economic development as a whole, which champions planning over policy in almost every area.
- **Policy Experience:** While the PSSU has provided significant support to the policy making process, including drafting more than 50 pages of analytical notes, most members of the PSSU have no prior policy experience and it is not a formal requirement of their terms of reference. However, unless the civil service management arrangements change, alongside the administrative reform agenda, the members of the PSSU will continue to be seconded from existing positions. This situation is beyond the capacity or mandate of the project to resolve, and it has hampered all donor projects in the country since 2003.
- **Ministry of Agriculture Mandate:** Many of the areas critical to a successful agricultural policy are outside the formal mandate of the MoA. As a result, many of the activities critical to productivity

growth and employment are not actually addressed by the MoA. The ministry does not investment in value chain infrastructure, influence access to electricity, engage in trade regime issues, support community development, plan around rural road expansion for example. As a result, it will be necessary in due course to assess the mandate of the MoA in full, vis-à-vis these and other important mandate issues.

- **Investment Planning Framework:** Only 40% of all agricultural spending is channeled through the MoA, with the balance of the IQD 2.7 trillion being provided through the Prime Minister's Agricultural Initiative, Ministry of Planning capital financing to the provides and direct allocation to the state agricultural bank. As a result, the fragmented budget allocation framework undermines options for developing a cohesive investment planning framework. Moreover, though the NAP and NAIS propose a substantial increase in financing, to around 5% of national fiscal resources, under-spending by the MoA (71% only) in 2012 highlight the need to substantially build budget absorption capacities.
- **Policy and Strategy Support Unit Sustainability:** The PSSU continues to work on an ad hoc and part time basis. The Senior Deputy Minister however stated his commitment to making the PSSU a permanent and fully staff structure, though such a process will need now to wait until the new Administrative Law is drafted. This situation is rather unique to Iraq. To create a unit or department the administrative law needs to be amended, and only at that point can the Ministry formally allocate funds to sustainment. Until that point, it will continue to be staffed by staff with other assignments. Proposals have been made as to how best resolve this structural problem, building on existing capacities.
- **Worsening Security and Political Situation:** The worsening security situation is a manifestation of internal political problems, which have included the wholesale resignation of Sunni Ministers. Security, lack of leadership and uncertainty has therefore created challenges for the consultants, though operations continued as planned. Despite this situation, two workshops were held in the MoA as required under the contract and training was provided in the International Zone for 15 senior PSSU staff. Training focused on areas where staff experience was limited, including on World Trade Organization accession, credit markets, trade regimes and regulatory capacities for a market economy.

I. Purpose

Background

I-AGES was designed as a nationally led priority investment project, with Phase I aimed providing high-level analytical and diagnostic to provide important evidence to support the formulation of a National Agricultural Policy and National Agricultural Investment Strategy in Phase II. Management, coordination and implementation arrangements are under the Minister's Office within the MoA, supported by an Inter-Ministerial Task Force (with other core Ministries including Water Resources, Trade, Industry, Labour and Social Affairs, Planning and Development Cooperation, and Finance) and a Policy and Strategy Support Unit (PSSU) established within the MoA.

I-AGES addresses two primary Government of Iraq (GoI) national investment priorities: (i) the need for rapid economic diversification and (ii) sustained non-public sector employment generation. Economic diversification is essential to generate non-oil growth, as a means to a sustainable fiscal and employment future. The project, therefore, focuses on evidence-based policy development to remove the binding constraints to growth and employment generation, through the creation of a better enabling environment.

Main Objectives and Expected Outcomes

The purpose of the I-AGES project is to create an enabling environment that maximizes agricultural growth/diversification and employment generation in support of poverty reduction and food security. This is to be achieved by removing binding constraints to growth at the policy, institutional and agrarian systems level through the strengthening of public sector investment, and by providing greater space for the private sector in this most important economic area.

In addition, The I-AGES project pursues the attainment of three core millennium development goals (i) Goal (1): Eradicate extreme Poverty and Hunger, (ii) Goal (7): Ensure Environmental Sustainability, and (iii) Goal (8): Develop a global partnership for development through this project. Goal (1) is delivered through the development of a national agricultural policy aimed at broad-based growth, economic diversification and short and long term employment generation. Goal (7) is pursued through environmental conservation and improved watershed and irrigation management practices. Goal (8) is achieved through linking FAO and UN agency engagements within Iraq (including the PSD and I-PSM projects), to support global-national partnership.

Main outcome: Enhanced production and productivity in the agricultural sector

Main outputs:

- GoI and partners have improved knowledge and evidence base for the development of national agricultural policy and strategy
- GoI better able to formulate and implement the National Agriculture Policy
- GoI better able to develop and implement the agriculture sector investment strategy in line with national priorities

II. Assessment of Programme Results

i) Narrative reporting on results

Progress Made in Relation to Planned Outcomes

In the context of a difficult political and security situation, the overall outcome of the project – ‘***Enhanced production and productivity in the agricultural sector***’ - has been attained to a satisfactory degree, and the following key results have been achieved:

- A final National Agricultural Policy has been established around 5 key pillars, as outlined above. The final policy is submitted in English in line with the contract. It is also submitted in Arabic.
- A final National Agricultural Investment Strategy (NAIS) has been developed, again around the 5 investment pillars. This strategy will need to be financed through the 2014 national budget process, and expected results and pillar activity indicators established by the PSSU at that point. The final investment strategy is submitted in English in line with the contract. It is also submitted in Arabic.
- Extensive training has been provided to the core PSSU staff, and representative staff of all key ministries that are stakeholders, to include the MoWR, the MoT, MoL, MoPDC, PMAC and COSIT covering many core areas of the new policy framework. Training took place in the Ministry of Agriculture and the Prime Minister’s Advisory Commission.
- Besides a number of preparatory workshops in the course of the programme, two national workshops were held in Baghdad to deliberate over the final NAP and NAIS. Both were well attended by MoA

and MoWR staff, as well as staff on secondment from the Ministry of Planning and PMAC. FAO staff also provided full support, contributing to the success of these events.

Key Outputs Achieved

Outputs		<u>Achieved Indicator Targets</u>
GoI and partners have improved knowledge and evidence base for the development of national agricultural policy and strategy	MOA /COSIT/NAPWG/ University staff trained and completed growth diagnostic design.	100%
	MOA /COSIT/NAPWG/ University staff trained and complete identification and analysis of agriculture growth indicators.	100%
	MOA /COSIT/NAPWG/ University staff trained and complete investment climate survey.	100%
	MOA /COSIT/NAPWG/ University staff trained and complete labor market survey.	100%
	MOA /COSIT/NAPWG/ University staff trained and complete value chain study.	100%
	MOA /COSIT/NAPWG/ University staff trained and complete trade volume analysis.	100%
GOI better able to formulate and implement the National Agriculture Policy	MoA trained on developing a National Agriculture Policy and writing the final version.	100%
GoI better able to develop and implement the agriculture sector investment strategy in line with national priorities	MoA trained on developing a National Agriculture Sector Investment Strategy and writing the final version.	100%

Qualitative Assessment of the Level of Overall Achievement

The five diagnostic studies have been completed. The new NAP and NAIS have been established with the MoA PSSU. The NAP outlines a five-pillar policy framework, which substantially improves on current practice. Current practice focuses on crop and livestock production and water resource management. It does not focus on trade regime management, improving subsidy support arrangements, market development, electricity and infrastructure development or community development. The new policy framework is appreciated by the MoA staff though the mandates of core directorate generals will need to change in due course to accommodate this strategic shift in approach. These changes fall beyond the mandate and timeframe of the project.

While the majority of results expected under this project have been achieved with a high degree of satisfaction, the long-term sustainability of this work is predicated on (i) leadership and management continuity (ii) budgetary resources approved by the Council of Representatives and (iii) the formal establishment of the PSSU as a permanent function in the Ministry. There is political support for all three of these areas, though weak ministerial and sector governance cannot be fixed any time soon.

Administrative reforms, for example, which have yet to begin in earnest, are necessary for the PSSU to emerge as a formal structure. Civil service reforms have yet to commence in the Ministry, despite establishment of a Public Service Council in 2009. Public finance reforms as pursued by the World Bank, which are critical to improving sectoral allocations, are also many years behind schedule.

ii) Indicator Based Performance Assessment:

	<u>Achieved</u> Indicator Targets	Reasons for Variance with Planned Target	Source of Verification
Outcome 1: Enhanced production and productivity in the agricultural sector			
Output 1.1: GoI and partners have improved knowledge and evidence base for the development of national agricultural policy and strategy			
Indicator 1.1.1 Number of MOA /COSIT/NAPWG/ University staff trained on growth diagnostic design Baseline: 0 Planned Target: 8	100%	N/A	Training Report
Indicator 1.1.2 Percentage of trainees fully satisfied with the quality of the training in terms of relevance and usefulness Baseline: N/A Planned Target: 80%	100%	N/A	Training Evaluation Report post training
Indicator 1.1.3 Study on investment and policy produced Baseline: No Planned Target: Yes	100%	N/A	Study Report
Indicator 1.1.4 Number of MOA /COSIT/NAPWG/ University staff trained on identification and analysis of agriculture growth indicators Baseline: 0 Planned Target: 8	100%	N/A	Training Report
Indicator 1.1.5 Percentage of trainees fully satisfied with the quality of the training in terms of relevance and usefulness Baseline: N/A Planned Target: 80%	100%	N/A	Training Evaluation Report post training
Indicator 1.1.6 Study on Core Drivers of Agricultural and Employment Growth produced Baseline: No Planned Target: Yes	100%	N/A	Study Report
Indicator 1.1.7 Number of MoA /COSIT/PSSU/NAPWG staff trained on design and analysis of investment climate survey Baseline: 0 Planned Target: 4	100%	N/A	Training Report
Indicator 1.1.8 Percentage of trainees fully satisfied with the quality of the training in terms of relevance and usefulness Baseline: N/A	100%	N/A	Training Evaluation Report post training

Planned Target: 80%			
Indicator 1.1.9 Study on Core Binding Constraints to Investment Climate at the Sectoral and Sub-sectoral Levels completed Baseline: No Planned Target: Yes	100%	N/A	Study Report
Indicator 1.1.10 Number of MoA/COSIT/NAP-WG staff trained on labor market survey design and analysis Baseline: 0 Planned Target: 9-10	100%	N/A	Training Report
Indicator 1.1.11 Percentage of trainees fully satisfied with the quality of the training in terms of relevance and usefulness Baseline: N/A Planned Target: 80%	100%	N/A	Training Evaluation Report post training
Indicator 1.1.12 Report based on national labour and employment survey completed Baseline: No Planned Target: Yes	100%	N/A	Survey Report
Indicator 1.1.13 Number of MoA/PSSU/NAP-WG staff trained on analysis of value chain for key products Baseline: 0 Planned Target: 7	100%	N/A	Training Report
Indicator 1.1.14 Percentage of trainees fully satisfied with the quality of the training in terms of relevance and usefulness Baseline: N/A Planned Target: 80%	100%	N/A	Training Evaluation Report post training
Indicator 1.1.15 Report on targeted value chain for key products completed Baseline: No Planned Target: Yes	100%	N/A	Study Report
Indicator 1.1.16 Number of MoA/MoF/MoT staff trained on conducting trade volume analysis Baseline: 0 Planned Target: 7	100%	N/A	Training Report
Indicator 1.1.17 Percentage of trainees fully satisfied with the quality of the training in terms of relevance and usefulness Baseline: N/A Planned Target: 80%	100%	N/A	Training Evaluation Report post training
Indicator 1.1.18 Study on Trade volume and value analysis completed Baseline: No Planned Target: Yes	100%	N/A	Study Report

Output 1.2 GOI better able to formulate and implement the National Agriculture Policy			
Indicator 1.2.1 Number of MoA trained on developing a National Agriculture Policy Baseline: 0 Planned Target: 10	100%	N/A	Training Evaluation Report post training
Indicator 1.2.2 Percentage of trainees fully satisfied with the quality of the training in terms of relevance and usefulness Baseline: N/A Planned Target: 80%	100%	N/A	Training Evaluation Report post training
Indicator 1.2.3 New National Agricultural Policy drafted Baseline: No Planned Target: Yes	100%	N/A	Policy Document
Output 1.3: GoI better able to develop and implement the agriculture sector investment strategy in line with national priorities			
Indicator 1.3.1 Number of MoA staff trained on developing an agriculture sector investment strategy Baseline: 0 Planned Target: 15	100%	N/A	Training Evaluation Report post training
Indicator 1.3.2 Percentage of trainees fully satisfied with the quality of the training in terms of relevance and usefulness Baseline: N/A Planned Target: 80%	100%	N/A	Training Evaluation Report post training
Indicator 1.3.3 National Agricultural Investment Strategy drafted Baseline: No Planned Target: Yes	100%	N/A	Strategy Document
Indicator 1.3.4 Number of MoA, MoPDC, NAP-WG trained on developing budgeted and strategically aligned a. agricultural growth stimulant program b. economic diversifier program c. employment generation program Baseline: 0 Planned Target: 15	100%	N/A	Training Evaluation Report post training
Indicator 1.3.5 Percentage of trainees fully satisfied with the quality of the training in terms of relevance and usefulness Baseline: a. N/A b. N/A c. N/A	1. 100% 2. 100% 3. 100%	N/A	Training Evaluation Report post training

Planned Target: a. 80% b. 80% c. 80%			
Indicator 1.3.6 New National Priority Programmes identified Baseline: No Planned Target: Yes	100%	N/A	MoA

iii) Evaluation, Best Practices and Lessons Learned

Assessments, Evaluations and Studies Undertaken

Program Evaluations

Internal program evaluations were regularly undertaken by the I-AGES Program management **The program management put in place an internal M&E system to track project progress and efficiency, evaluate our effectiveness and report on results.** Specifically the purpose of the M&E system was to:

- Provide up-to-date information for management decision making and adaptive planning
- Ensure accountability and transparency for achieving project results
- Document project progress and promote organizational learning

Reporting

Regular reporting of the progress in project implementation was a key component of the M&E process. The Program Manager was in charge to ensuring that all necessary data is collected, analyzed and reported. The team members reported regularly to the PM and met, formally, on regular basis. The project produced regular quarterly, semi-annual and annual reports based on the guidelines provided in project reporting templates.

Monitoring and Evaluation and Corrective Measures

Performance evaluation is an integral component of overall implementation of this M&E process. Periodic assessment of the extent to which the program was realizing the expected results has been made throughout the IAGES to ensure accountability to stakeholders and supporting learning to improve effectiveness. The workplan was reviewed periodically, to make sure delays and other obstacles were accounted for, possibly in anticipation and corrective measures were taken accordingly.

The program management undertook several corrective measures to adapt to situations which, to a good extent, were outside its control. In particular, following delays in commitment, and ultimately, decline by ILO to conduct the fieldwork on the surveys, causing a serious risk of non-performance, the management decided to run the two survey (LS and ICS) simultaneously. This decision, which, was made sure to not affect the quality of work or cause any bias in any form, was essential to resolve the situation and ensure achievement of the program objectives.

Further, the program management decided to start Phase II before the end of Phase I, following the unforeseen decision of UN Headquarters to close the ITF fund and disallow extension of all related projects. The decision came at a time when the I-AGES stakeholders had already agreed to extend the program by another 6 months beyond the deadline, to make up for the initial delays. The decision proved to be the only possible solution to ensuring successful and timely completion of the whole program.

Diagnostic Work

The research and diagnostic work component was extended throughout Phase I and in part, during Phase II¹ with most of it being completed under Phase I. **This essential component of I-AGES was instrumental to informing the NAP and the NAIS, but also to provide the most complete and thorough understanding to date of the situation, challenges and drivers for potential growth and development in the agricultural sector. Each of the five studies was conceptualized in line with the objectives of the program and used**

¹ Due to delays resulting from early inaction by Iraqi counterparts and later delays by the same.

advanced methodologies in their approach. The research work and studies in question comprised the following:

- **Growth Diagnostic Study.** The first of this kind ever conducted for Iraq agriculture sector. This key study, Haussman, Rodrik and Velasco (HRV) framework, which identifies policy priorities and their desired sequence. The overall growth diagnostic framework is based on three core observations; that (i) whilst development entails advances to human capabilities in general, increasing rates of growth – and non-oil growth in Iraq in particular - remains a key priority for GoI (ii) that given the idiosyncrasies present in each country, a growth strategy must deal with often unique priorities and sequencing and (iii) that identifying the core binding constraints to growth, and ranking them in order of impact, makes the work readily available for improving the composition of public spending in its pursuit of growth. The study confirmed micro economic failures, especially property rights provisioning, as the most binding constraint, followed by infrastructure, especially energy supply. It focuses on identifying the binding constraints to economic growth post 2003. This timeframe is chosen due to data limitations and the volatile pattern of growth; the latter, resulting from wars experienced before 2003.
- **Value Chains Analysis** provides a very comprehensive and indicative analysis that can be applied in the future by the Iraqi experts, to products beyond the range of the products analysed. The products analysed include tomatoes barley, fish and poultry meat. The selection of the products was based on their potential to compete. The study provides important insights relevant to policy issues applying to the agricultural sector.
- **Trade Volume Study** relies mainly on ITC and FAO extensive databases, providing a very comprehensive overview of agricultural trade in Iraq, the structure of exports and imports, main partners and products, and respective trends. In addition, the study identifies the main factors affecting agro-trade in Iraqi context and the relative impact they have had to produce the observed trends. The data used (and available) extend from 2001 to 2011, a timeframe which enables the reader to understand the impact of the key factors affecting agro-trade in Iraq.
- The **Investment Climate Survey Study** was based on primary data collected through a nation-wide survey, comprising all 18 governorates of Iraq. It identifies and ranks the perceived factors in measuring the relative magnitude of constraints they represent in the investment and business climate in agriculture, thus providing and understanding of how they impact the quality and quantity of private sector investment. The ICS addressed basically 11 areas in the life cycle of a business: starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts, resolving insolvency and employing workers. The ICS identifies as key constraint to business energy supply, government performance, and also credit and also informs on an array of other important constraints. This will allow for the development of evidenced based investment climate reforms reflective of the economic sub-sectors and, or, the different agro-ecological zones.
- The Labour Survey Study was also based on primary data collected through a nation-wide survey, comprising all 18 governorates of Iraq. It provided data to describe agricultural employment structure, including: permanent and seasonal/itinerant labor, by economic classification, activity, location, age group, gender, wage rate, skilled, semi-skilled and unskilled labor, level of education and perception on needed skills/training. Among other, the results of this survey will allow a governorate-based approach to targeted investment programs.

In addition to the above, extensive desk work-based research, was carried out to complete the framework and knowledge on the sector. Numerous studies carried out by Iraqi MoA, COSIT, the World Bank, UN agencies, EU –funded research etc., were consulted and accounted for in the conclusions and final outputs produced.

These are listed in great part in the references of the diagnostic studies and the other outputs attached as Annexes to this report.

NAP and NAIS Drafting

The drafting of the NAP and NAIS was preceded by the completion of three diagnostic studies and the preliminary results of two studies (the LS and ICS) and fully supported and based on a significant amount of data and materials as well as the discussions and comments provided by the PSSU of MoA. **The collaborative process of the drafting, discussion and finalization of NAP and NAIS was conducted entirely out of Baghdad and extended over a period of 4 months.** The delays in starting Phase II, were in good part a reflection of delays in the responsiveness of the Iraqi MoA in the early stages of the project, but were successfully overcome by taking a pro-active managerial approach.

The NAP and NAIS were very well received by all the stakeholders involved and duly finalized following their input. The documents provide short and long-term guidance to the sector along the lines of the overarching objectives of the GoI and the MoA. In particular, the NAIS provides for a range of concrete projects to address of the most immediate needs emerging from the studies and in support of the policy objectives of the NAP. These, among other, provide a broad basis for the scope of PSSU and an initial roadmap for the budgeting of the NAP and NAIS.

The training component of I-AGES was modulated on the research and outputs of the overall program. One strong consideration in the design of the training program was the requirement that due to the nature of the policy work over the years to come, the diagnostic studies need to be repeated over certain time periods (1-3 years). With that consideration in mind, and following a quick assessment of the other training needs, the management and staff of I-AGES provided to detail the training component as it was designed in the project document.

Training

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The training program was quite comprehensive in nature, including the key themes of the diagnostic studies, and themes specific to policy formulation, but also cross-cutting themes such as Project Management and Statistical Research Methods. The focus of the training were the five working groups of PSSU, (each composed of experts in the fields of each study), selected for relevant training, as well as trainees coming from other stakeholders, including COSIT, MoWR, MoP, MoT, etc. The enumerators selected from the branch offices of all 18 governorates of Iraq and selected by the respective MoAs in Erbil and Baghdad went through extensive 4-day training and practicing before starting the data collection work. The participants were nominated by their respective ministries, in line with the rules and procedures of Iraqi administration.

The training program was extended throughout the life of the project, and was conducted between Amman, Baghdad and Erbil. The feedback from the participants was very good and in particular, there was more demand for trainings in specific topics. In response to the requests made by the Iraqi counterparts, FAO organized an additional training focused on Agriculture Policy Concepts and Issues to be conducted in Baghdad.

FAO engaged one qualified company, UNESCO, own staff and other individual, highly qualified trainers to develop and deliver the trainings. A thorough quality assurance and quality check of all training modules developed, prior to being delivered, was conducted by FAO TA in Amman office and training only started after approval granted by FAO. In addition, FAO provided, or made sure it was adequately provided for, the format of training materials.

The training Program was divided into four blocks, based on the time of implementation, focus groups and venue. Each block contained a number of themes, which were selected on the basis of the timing of the training (besides the needs). These blocks and details on the themes involved are, presented in chronological order in Table 1 below.

Training Blocks and Themes

TRAINING BLOCKS	Date, Venue	Focus Groups	Themes
BLOCK 1: Capacity Building for PSSU and other Stakeholders -	27-28 Feb 2012 Amman	PSSU, COSIT, MoP, MoWR, MoT	a. General overview of Rationale; Methodology and Purpose of Diagnostic Studies of I-AGES. b. Overview of Methods for Project and Program Management
BLOCK 2: Capacity Building for Stakeholders Groups	Sept-Oct 2012 Amman. Each module conducted btw 3- 4 days	PSSU, COSIT, MoP, MoWR, MoP, MoL, MoT	a. Training on Growth Diagnostic and Agricultural Indicators b. Training on Trade Volume c. Training on Value Chains d. Training on Investment Climate Assessments
BLOCK 3: Training for Enumerators	Jan 2013 Baghdad, Erbil, 4 days in each place	60 enumerators selected from 18 governorates	a. Training on LS and ICS Surveys and Data Collection Techniques
BLOCK 4: Capacity Building for PSSU	19-21 May 2013, Baghdad	PSSU	a. Training on Labour Surveys b. Training on Agricultural Policy

Overall, it is estimated that more than 130 participants attended the training modules listed above. All the detailed training programs, participants lists and participants feedback are attached to this report as Annex 10.

Issues and Challenges Faced

The situation in Iraq continues to place obstacles in the way of development. Political unrest, widespread insecurity and the lack of reform in public sector management have impacted the focus and capacities of the MoA. Of great significance to this project, which was conceived in 2009, was an assumption that the political and security situation would improve as the project progressed, allowing meaningful change to be generated. While the main deliverables under the project have been reached, the continued and deep absence of capacity in the Ministry continues to undermine long-term impact on agriculture. For example, even though considerable funds have been provided through the Prime Minister's Agricultural Initiative, since its inception, the contribution of agriculture to GDP has continued to decline year-on-year.

In completing of the I-AGES project, a number of key challenges were met, and overcome, as outlined below:

- **PSSU Leadership:** The leadership of the PSSU has not been consistent and though the PSSU staff look for solutions through FAO, the truth is that the structural constraints of the PSSU can only be addressed internally, by the Minister and Senior Deputy. There is a structural leadership problem within the Ministry which impacts the status of the PSSU, and the dedication of staff to the unit on a

full-time resourced basis. The consultancy worked around this issue, building on strengths, while covering for lack of technical capacities in certain areas.

- **Ministry Capacities:** In some ways the general technical skills in the PSSU are quite good, though they have had either very limited or no exposure to international agricultural policy and economic reform issues, which undermines their capacity to link policy, planning and budgeting. That said, targeted training and capacity building support has been provided and awareness of the importance of setting policy through evidence has much improved. Through the training provided, 95% of all trainees state that the training and support was more than appropriate given
- **Sector Resourcing Process:** Resourcing the sector strategy is made complicated because not all agricultural financing is under the responsibility of the Ministry of Agriculture. In fact, only 40% is. The Ministry has supported the establishment of a Parliamentary Sub-Committee on agriculture to try and increase sector funding, through the Senior Deputy Minister claims that this has not led to success. The best route to secure greater short-term funding is therefore through the Agricultural Initiative, though this only supports crop and livestock production and water resource management, not the other critical areas outlined in the NAP.

Lessons Learned and Recommendations for Future Programme Design and Implementation

It is proposed that future support be provided to the PSSU, solely through government own financing. The I-AGES has completed and all other FAO projects are focused largely on provincial-based projects. While some other donors such as Italian Cooperation and USAID have funding for the sector, discussion needs to be encouraged between the Ministry, FAO and a further donor to see if long-term support can be provided. The results of the functional review undertaken for the PSSU indicate the following:

- Include PSSU staff in UN training opportunities, in the following areas:
 - Agricultural credit;
 - Market Development;
 - Integrated Water Resource Management;
 - Regulatory development;
 - Market Information;
 - Technological transfers;
 - Results management training;
 - WTO and Trade regimes; and,
 - Other;
- Amend the current Administrative Law for the MoA to include the PSSU as a permanent structure, opening up a budget line to pay staff and research costs. This process will likely take 1-2 years, unless the nascent Public Service Commission is fully operational, which it is not.
- Support MoA in the selection of PSSU full time staff, as it appears to be difficult for the Ministry (which has a flat management structure) to prioritize.

Within a complex change-management environment, and given that continued political uncertainty in Iraq impedes consensus on key issues, it is recommended to try and maintain a working relationship with the PSSU through existing FAO projects. In addition, other recommendations include:

- Approach another donor to see if financing can be provided to support future capacity development of the PSSU. This would only focus on staff selection, training, study tours, research and organizational management skills, which are wholly lacking.
- Coordinate with other international donors in order to build synergies and whenever feasible, team up with joint proposals that support the NAP and the NAIS. With agriculture being a sector that cuts across many other sectors and disciplines, the NAP and NAIS leave broad scope for cooperation.
- Strengthen the relationship with the Iraqi governorates and promote project work that builds upon the knowledge obtained from the diagnostic studies on the specific needs of each governorate.
- Undertake a focused dissemination of results set of activities to present the achievements of IAGES within the broader FAO establishment as well as other donors and other national governments.

ACRONYMS AND ABBREVIATIONS

COSIT	Central Organization for Statistics and Information Technology
FAO	Food and Agriculture Organization of the UN
GoI	Government of Iraq
I-AGES	Iraq Agricultural Growth and Employment Generation Support Program
MoA	Ministry of Agriculture
MoF	Ministry of Finance
MoPDC	Ministry of Planning and Development Cooperation
MoL	Ministry of Labour
MoT	Ministry of Trade
MoWR	Ministry of Water Resources
NAP	National Agricultural Policy
NAIS	National Agricultural Investment Strategy
NAP-WG	National Agricultural Policy Working Group
PMAC	Prime Minister's Advisory Committee
PSSU	Policy and Strategy Support Unit

ANNEXES

(In the E-format of this report, all annexes are attached as separate e-files due to size limit permission)

- Annex 1 – Project Document
- Annex 2 – Growth Diagnostic Study
- Annex 3 – Value Chains Analysis
- Annex 4 – Trade Volume Study
- Annex 5 – Investment Climate Survey Study
- Annex 6 – Labour Survey Study
- Annex 7 – Summary of Diagnostic Studies Findings
- Annex 8 – National Agricultural Policy
- Annex 9 – National Agricultural Investment Strategy
- Annex 10 – Training Programs and Participants
- Annex 11 – Methodology for Labour Survey and Investment Climate Survey
- Annex 12 – Training Materials – Capacity Building PSSU-Amman-Feb 2012
- Annex 13 – Training Materials – Capacity Building Stakeholders-Amman-Sept-Oct 2012
- Annex 14 – Training Materials-Capacity Building on Policy PSSU-Baghdad-May 2013
- Annex 15 – Training Materials – Enumerators Training in Baghdad and Erbil-Jan 2013