

**Meeting of the Local Project Appraisal Committee (LPAC)  
Iraq Public Sector Modernization Programme Phase II  
Sunday, 18 March, UNDP Iraq**

**Participants:**

Sudipto Mukerjee, Chair  
Simona Marinescu, Member, ERPAP  
Anou Borrey, Senior Gender Advisor  
Richard Cox, Presenter, Governance  
Thair Shraideh, Member, ERPAP  
Michael Schaadt, Member, PMSU  
Natsuko Yukawa, Member, ERPAP  
Farooq Al-Wakil, Member, PMSU  
Sharad Singh, Consultant

**Ex-Officio:**

Khaled Ehsan, Head, PMSU

**Presentation: Iraq Public Sector Modernization Programme Phase II**

The Iraq Public Sector Modernisation Programme (IPSM) is a multi-agency UN joint programme (UNDP, UNICEF, UNFPA, UNWOMEN, UNHABITAT, WHO, UNESCO and UNESCWA) supporting the Government of Iraq (GoI) to develop an effective, efficient, and responsive public sector through (i) an administration-wide reform strategy and pilot implementation; (ii) supporting system-wide reform in gender, e-governance, national statistics, development management and (iii) local governance initiatives. IPSM Phase II is a logical progression of the completion of Phase I, informed by the GoI's Strategic Government Program 2011-14, and developed in line with the findings and recommendations of the diagnostic studies and reviews conducted in Phase I.

The joint programme envisages a holistic approach to structural and systems reforms, capacity development and sector modernisation. The sector reforms focus on three key sectors, health, education and water and sanitation. These sectors are likely to have the most direct impact on the achievement of the Millennium Development Goals (MDGs) in Iraq, in response to the UN's mandate to support governments to achieve these globally-agreed development goals. System-wide reform in gender, e-governance, national statistics and development management will help GoI function as a corporate entity whereby information can be shared across the system and with the public. Finally, support to local governance initiatives will pilot service delivery models that can be scaled up later across the entire GoI.

In alignment with the GoI National Development Plan (NDP) 2010-2014, the GoI Strategic Government Program 2011-14 and the UN Development Assistance Framework (UNDAF) 2011-2014, the proposed outcome of the joint I-PSM programme is to strengthen the regulatory and institutional framework and processes of national and local governance to enhance service delivery. Four additional outcomes for IPSM are:

- i. GoI is better able to undertake public sector modernisation at the national, regional and governorate levels;
- ii. GoI has improved public administration systems at national and sub-national levels;
- iii. GoI has implemented reform and modernisation plans in Education, Health, Water and Sanitation sectors; and
- iv. Sub-national governance and service delivery systems are strengthened through enhanced participatory processes.

The joint programme will be led and managed by the GoI through the Public Sector Modernisation Steering Committee (PSMSC) which will be responsible for overall PSM policy and coordination with particular attention to





development of the Gol's PSM vision and strategy. Three sector Ministerial Advisory Committees will assist the PSMSC, guiding programme implementation in the relevant sectors and concerned ministries and agencies. The UN agencies, through a Programme Director, will provide support to the PSMSC and to a Gol secretariat, including preparation of meetings, donor coordination and technical support on a case-by-case basis. A Project Management Team (PMT), consisting of Chief Technical Advisors and/or Project Managers of each participating agency will meet regularly to review progress in the achievement of targets, ensure effective coordination among agency work and make recommendations to enhance program impact and to resolve operational bottlenecks and conflicts.

The monitoring and reporting framework has been designed to ensure timely collection of information regarding progress, achievements and challenges in the implementation at each stage throughout the next three years. Each agency will prepare and submit quarterly status reports to the Programme Director, which will be reviewed by the PMT for completeness and consistency and then compiled into an overview report of the Joint Programme by the Programme Director before submission to the ITF and PSMSC on quarterly and semi-annual basis respectively. There will be an external evaluation towards the end of the programme implementation. The budget information, submitted late last week, will be reviewed by the Finance Unit and inputs will be provided within the week.

### Issues:

#### **Lessons Learned**

- The analysis does not reflect current cutting edge thinking within the field public administration and local governance in post-conflict situations. UNDP has a substantive knowledge within this field, which does not seem to be reflected sufficiently, from amongst other the Oslo Governance Centre. As the issues addressed in the programme are related to state-building, more on this should be reflected and how this is centrally linked to peace-building and security. OECD-DAC has conducted significant research on this issue that should be reflected. It is strongly recommended to seek comments from BCP/BCPR/Oslo Governance Centre.
- The situation analysis is weak and appears to be marketing solutions rather than identifying problems, for instance, lack of e-connectivity to increase efficiency and decrease risks of corruption. The problem statement in this case should read 'inefficiency and corruption'.
- The strategic lessons learned provided are mostly from other international initiatives in Iraq and not from IPSM Phase I. For instance, item vii indicates continuing situation of multiple donors when Donor assistance is reducing.
- An independent evaluation of IPSM I was carried out last year that provided interesting analyses and several key recommendations – yet none of these are properly reflected or evoked in the current design/proposal.

#### **Design, structure and presentation**

- Although the LPAC panel members were advised to only focus on the UNDP components, this is a joint programme under UNDP leadership where UNDP's responsibility extends to ensuring an overall coherent design. Therefore, UNDP's leadership role should be more clearly spelled out in the proposal.
- I-PSM was originally meant to focus on Public Administration Reforms and not on Sector Reforms, which have taken on a life of their own. There are significant overlaps (Outcome 4) with LADP II which potentially compromises its resource mobilization prospects. Further, if both are allowed to proceed, it would be tantamount to 'taking money twice' for the same thing. Therefore, the focus on sector reforms and relationships and synergies with LADP II and PSDPI need to be clarified.
- In general, there is weak correlation between the proposed programme and the issues identified in the situation analysis. The latter also lacks appreciation of national level programmes currently being implemented. Additional mapping exercise could be undertaken to ensure stronger synergies with other partners operating in similar field in Iraq, in particular the WB has several large programmes in Iraq.



- With regard to Employment Generation (p.13), this is meant to be undertaken by PSDPI; also with alternate models of service delivery, service quality might improve, and efficiencies might increase including needing fewer human resources that can potentially increase unemployment.
- Environment Sustainability – there seems to be a missed opportunity in promoting a Green Public Sector as part of a modernization process.
- Risk Assessment. Weak Capacities cannot be mentioned as a Risk. Strengthening capacities is UNDP's mandate. Programme management risks are entirely missing in the proposal.
- What does geographical Fiscal Decentralization mean in terms of piloting? (p.54).
- Establishment of new institutes/organizations (p.12): More analysis needed to determine whether the best way forward is to establish a new centre of excellence for implementation of reforms. While it may have been successful in certain contexts, there are also examples of the opposite – both when it comes to establishments of Civil Service Commission and Civil Service Institutes.
- Presentation and structure. The way the programme is currently structured can be improved. For instance, there is a need to avoid using bullet points and ensure a logical sequence – e.g. have cross-cutting issues in the end. The reference to 'Cross Cutting Support' is an odd title. ERPA, for instance, already has experience in coordinating with the WB PFM (for KRG BES) and the experience is not good. The project document would significantly benefit from another edit to enhance the clarity and readability.
- The linkages between the national and the local developments are not clear.
- The management structure of the project would benefit from further clarification – in particular on who will have the executive role (as per UNDP project board).
- To be more inclusive, the document should emphasize a general programmatic framework that would allow for greater synergies with other joint-programmes and UNDP projects currently underway.

#### **National Ownership/leadership**

- While the management structure of the project reflects the overall Iraqi leadership of the project, this should be further strengthened throughout the document.
- Personnel hired for the programme need to be eventually absorbed by the GoI for sustainability, and this is aligned with the strategy for local labour force.
- No references are made to central documents such as Paris Declaration and Accra Agenda for Action; how will the programme utilize national systems to enhance the overall ownership of the results achieved?
- Following the 4th HLF on Aid Effectiveness in Busan UNDG signed up to a new global direction for engagement with fragile states – The New Deal. The **New Deal for Engagement in Fragile States** sets out five goals – legitimate politics, justice, security, economic foundations and revenues and services – to give clarity on the priorities in fragile states. It would be appropriate to reflect how UNDP is addressing these goals in the programme document.
- Social Mitigation: there needs to be reference to integrating the Civil Service Council; they need to be empowered as they are key Public Administration stakeholders.

#### **The Results Framework & M&E**

- Poor Results Framework – mostly process indicators NOT results indicators. Many of the indicators are very weak (pp25, 26)
- Further work should be undertaken to strengthen the formulation of outcome statements. For instance, Outcome 3 reads more like an output than an outcome; on page 16 outcomes are called outputs.
- Outcome and output indicators are extremely weak, lacking proper baselines and target; the current Results Framework makes M&E and verification of results difficult.



- The document does not specify minimum monitoring standard and activities to be undertaken. It is recommendation to have a monitoring plan in place for the Programme Director to have the responsibility to implement.
- A programme of this size has to set aside at least 0.5% of total funds for evaluation, which is mandatory for UNDP.

#### Work Plan & Budget


- The Workplan is unclear as to which agency is doing what; tThe structure of the Workplan could be improved – e.g. under 2.1 (page 38) it is very difficult to determine when various activities will be completed.
- The indicative budget for the various targets should be reviewed again – there are UNDP activities which have not been costed, e.g. 1.2 and 1.3.
- On page 30, the staff positions indicated in the management structure diagram are not properly reflected in the budget summary.
- Evaluation budget is missing.

#### Gender

- It is necessary to refer to the SG's seven point action plan, the UN commitment to allocate 15% of all funding to gender, assessment the UN gender marker.
- The gender mainstreaming is ad hoc and not strategic – the main government agencies responsible for this work are not referred to. They should have a representation within the steering committee.
- UNW and UNDP are teaming up to enhance the capacity of the women machineries and their respective ministerial gender units – this is not reflected in the RRF; UNDP and UN could focus on relevant ministries as a priority.
- Even though UNW is responsible for the monitoring of the application of GM throughout the project, all agencies should factor in for their respective gender mainstreaming specialist and assigned activities. These components should be reflected within the RRF and further elaborated during the inception phase.
- The entities that are referred to as centres of excellence are not linked to gender which is a must for sustainability.
- We have to be mindful of the lessons learned through LADP. UNW can not do all the gender mainstreaming work but should be mandated to monitor to ensure that different agencies are mainstreaming the work. Wherever the relevant UN agencies are lacking the required expertise to ensure gender mainstreaming within their work, they should then provide funding to UNW to bring on board a specialist.
- UNW should take the lead on GRB as this will have an impact on the overall project; they should follow-up this work through ongoing mentoring of the relevant stakeholders. The TOT work needs be linked to a specific institute (of excellence for public administrators?) and the institution should have funding to downstream their knowledge and enhance the capacity at all levels of governance. UNHABITAT's TOT may have to be linked in with this particular mechanism. There is already a TOT that covers leadership skills, with a focus on gender, and they should be used for the UNHABITAT component.
- A link needs to be created with the work of the sub-national gender structure already being piloted within the LADP; Gender responsive planning and budgeting is already integrated within the LADP. They have a pool of TOT on this issue (with a focus on health, education, employment and GRB).
- The National Strategy for the Advancement of Iraqi Women should be put on par with the National Development Plan. Even though it is in a draft form, it should be highlighted through a footnote (when mentioning the NDP).
- The management structure does not refer to a gender specialist; this would be necessary to ensure high level gender marker.

**Decisions:**

1. Send further individual inputs and/or track change in the draft document to Khaled Ehsan, who will consolidate and circulate the minutes asap.
2. Recommendation for a half-day workshop or at least a task force to strengthen the results framework and the overall quality of the document prior to submission to UNDG TF for approval.
3. The significant overlaps with existing UNDP initiatives need to be addressed for accountability.
4. PMSU to work closely with the relevant PM to support the recalibration of the document based on the issues and recommendations identified above.
5. As Outcome 4 reflects a significant area of potential synergy/complementarity with other joint-programmes/projects led by ERPAP, this component should be jointly reviewed by the two programme pillars to revise the outcome for complementarity and synergy before the document is finalized and submitted to UNDG TF for approval.
6. The Finance Unit will review and provide inputs to the budget summary within the week.
7. Subject to the above conditions being adequately met, the LPAC committee recommends that the project be approved.

  
Decisions approved:

Sudipto Mukerjee

LPAC Chair

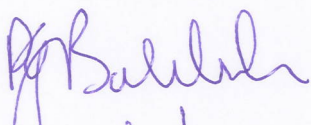
Date: 26/03/12

Decisions endorsed:

Peter Batchelor

Country Director

Date:

  
26/3/12