TECHNICAL ASSISTANCE TO THE IRAQI OFFICES OF THE INSPECTORS GENERAL

FIRST QUARTER - 2013
PROGRESS REPORT # 5
S-NEAIR-11-GR-138

IMPLEMENTED BY THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)

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ANNEXES

1. Activities during the Reporting Period

On 10 March a training of trainers course was launched to 320 identified Office of Inspectors General staff. Dr. Adel Mohsen from the Prime Minister's Coordination Office, UNDP, and ACCO provided opening statements to representatives from the Supervisory Committee on Training Materials, Inspector Generals, ACCO US Embassy, UNDP, trainers and participants.

The training focus over the 21 week duration is on audit, administrative investigation, inspection and performance evaluation. This training will further Iraq as a States Party to the United Nations Convention against Corruption through the Offices of Inspectors General who are an independent oversight anti-corruption institution located within each of the Ministries.

Upon completion, the trainers will assist to deliver training to the remaining 1,460 Offices of Inspectors General staff to further the institutional mandate to prevent waste of public funds and increase transparency and accountability over 18 months.

Output 1: The role of IGs is strengthened within their ministries

Activity 1.1 *Share knowledge among IGs and the decision making level to ensure common understanding of their respective mandates as stipulated by relevant laws, policies and regulations*
Activity 1.2 *Develop performance evaluation protocol and tools*
Activity 1.3 *Provide technical support for the implementation of Codes of Conduct for Public Officials (in line with Civil service laws and codes)*
Activity 1.4   *Develop governance and performance indicators*
Activity 1.5 *Provide technical support for institutionalizing the IG Association*
Activity 1.6 *Assess the need for provincial OIGs*

Work initiated on Output 1 with preparations underway to develop a workplan including a schedule to conduct red zone visits to the different ministries to meet the respective Inspector Generals and the Ministers and/or deputies to embrace constructive dialogue on ways forward to improve the working relationships and identify what tools are needed to serve this purpose.

Output 2: IGs and their staff demonstrate improved technical skills and capacity

Activity 2.1 *Develop Standard Operating Procedures (SOPs)*

A concept paper has been developed outlining areas of work.

Activity 2.2 *Provide training on strategic planning and performance management*

The training materials are under development with training envisaged during 2nd Quarter. Tentatively training is planned for 29 May- 4 June 2013, though the schedule remains flexible due to the election schedules.

The following services related to Output 2 are under development:

Activity 2.3   Conduct technical training sessions for technical staff
Activity 2.6   Conduct training sessions on public asset management
Activity 2.7   Conduct workshops for investigators on advanced investigative skills

Activity 2.5   Address gender differential issues, responsive programming and budgeting

During the meeting of the Training Committee held in Amman, 4-7 February 2013 rejected the inclusion of the gender topic in the training manuals as being irrelevant to the training. To this effect, a letter has been signed by the Training Committee on this issue accordingly. (Attached)

Activity 2.8   Develop study visit for investigators
This activity is underway.

The main focus of activities during this reporting period were:

Activity 2.4   Develop a training manual for new staff
Activity 2.10   Develop ToT and Certification
The finalization and endorsement of training manuals:
During the reporting period, the draft training manuals were reviewed and endorsed. A meeting was held 4-7 February 2013 between the Training Committee, the contracted experts, and UNDP to review and endorse the training materials. The meeting concluded in endorsement by the Training Committee. The Committee includes the following members:
-   Dr. Nawar Al-Zubaidi, Inspector General, Authority of Property Estate Resolution
-   Dr. Jasem Al-Atwani, Inspector General, Ministry of Environment
-   Dr. Jaffar Hamoudi, Inspector General, Shiite Diwan
The minutes and overview of training materials are within the attachments accompanying this report.

Training of Trainers (ToT):
During the period under review, extensive meetings took place with the Prime Minister Coordinator's Office for Oversight Affairs (PMCO) for preparations to hold the training in their premises. The meetings included but were not limited to the preparation for the launch of training with discussions of availability of the training venue, circulation of nominee lists to the OIGs and the preparation for the access of trainees to the International Zone.

The training of trainers (ToT) was launched 10 March 2013 at PMCO. The first week of training started with two groups focusing on Audit and Administrative Investigation. A third group on Audit came on line in the second week. All participants were given a pre-test to evaluate their substantive knowledge on the subject area at the start of the training, which will assist in measuring change. Moreover, weekly tests will be conducted in addition to weekly evaluations of the trainers and the training course.

At the initiation of each course, trainees were briefed regarding the purpose of the training, their role and expectations and introduced to the Web Management System which is used as a monitoring and transparency tool for quality assurance. Each trainee has access to his/her own page where all the relevant materials and information are available. A forum and discussion board is in place to facilitate discussion on topics or questions and trainees access to trainers or other trainees.

The ToT is planned for a 21 week duration and is envisaged to train 75 trainees on a daily basis to result in a total of 320 staff completing the ToT. Successful trainees will receive a diploma from a

credited institution and will assist the contracted experts in providing training to the rest of staff in the Offices of Inspectors General. This methodology will contribute to providing the trained ToT staff with both the know-how and the practical experience to enhance sustainability of efforts, continuous transfer of skills and knowledge and promote continuation after the completion of the project.

A Memorandum of Understanding has been developed between UNDP Iraq and the Prime Minister Coordinator's Office for the purpose of identifying the roles and responsibilities of each party during the training period.

Activity 2.9   Conduct needs assessment on IT Forensic Audits

IT Forensic Audit Assessments:
IT forensic audit assessments have been conducted for fourteen Offices of Inspectors General. The assessment questionnaires were completed by the fourteen Offices of Inspectors General that were visited and distributed to the remaining OIGs for completion. The IT Forensic Needs Assessment Report was finalized the second week of March 2013 (attached) and immediately rolled into a participatory workshop held on 26 March 2013 in Baghdad in which 23 IGs/or their deputies were present. The Inspectors General presented the results of their assessment and provided recommendations (Workshop Minutes attached). There was consensus among those represented to ensure that all Offices are using operating systems compatible with each other. It was agreed to extend the timeline for further comments on the report until 18 April 2013 which was identified as a deadline to receive additional comments from the IGs.

Challenges
A number of difficulties have been encountered during this period:

- The issuance of Iraqi visas to the trainees. UNDP contacted higher Iraqi Authorities in Baghdad to address this issue that resulted in the postponement of training for one week. The visa issue was resolved after intervention by Mr. Ali Al-Alaak's Office, Secretary General for the Council of Ministers, and Chairman of the Joint Anti-Corruption Council.
- The participation level of trainees did not meet the planned number. A record of attendance was prepared at the end of each week and submitted to Mr. Al-Alaak's Office indicating the Offices of Inspectors General where their participation was either lacking or did not meet the number of trainees nominated for the scheduled sessions. PMCO also contacted the relevant OIGs directly to highlight this issue and request their participation.

2. Background to the Project

The Offices of the Inspectors General (OIGs) were established on 5 February 2004 through CPA Order 57. The Inspectors General (IG) represent a new concept to the Iraqi institutional framework. Placed within each of the Iraqi Ministries, the IGs function as internal, yet independent, oversight bodies. Order 57 establishes "independent Offices of Inspectors General to conduct investigations, audits, evaluations, inspections and other reviews in accordance with generally accepted professional standards" (Section 1) and provides that "each Iraqi ministry" should have one Office of Inspectors General (Section 2). IGs were also appointed to carry out the same functions in government institutions not linked to a ministry (e.g. Central Bank the Commission of Media and Communication, Christian and other religion Endowment).

While the scope of work is considerably wide, IGs face a multitude of challenges at the policy and technical levels. These include, but are not limited to, the following:

(i)   In many ministries and government institutions which are not directly attached to a ministry, there remains a lack of clarity about the role of the IGs, their powers and functions, as well as the practical work arrangements between the IG and the Minister or public official/head of government institution. The lack of clarity in Order 57 regarding appointment and dismissal of IGs combined with the obvious interest that Ministers have in controlling the process, has sometimes led to the appointment of unqualified IGs on the basis of their relationships with the concerned Minister.

(ii)   In view of the hostile environment and the related risks that many IGs are exposed to, difficulties in attracting qualified candidates are often faced. Many of the current staff members do not possess the necessary professional skills and qualifications to carry out their functions and tasks expeditiously and effectively.

(iii)   IGs are often limited to acting in a passive manner, and/or only act on the basis of specific allegations. There is a view that IGs are not adequately empowered to refer suspicions or evidence to the highest degrees of administration of enforcement agencies.

(iv)   The IGs are not represented in the provinces, thus a number of OIGs will need to extend their presence to the provinces in order to adequately review certain government projects that are currently under implementation and accompany the new federal dispensation in governorates and municipalities.

The exclusive reporting line of the IGs to their line Minister blocks further action and transparency within the limit of their duty and mandate. It is viewed that the Prime Minister's Office should be controlling the overarching steering of all IGs, and the devolution of powers to their line ministry be clarified by administrative or ministerial orders. The current legal framework fails to provide for coordination between the IGs, which has also quickly contributed to disparities in working methods. Efforts have been made to address these differences through the formation of an IG Coordination Committee that meets once a month which is headed by the Head of the Commission of Integrity. However, presently the Committee does not have official status and any decision it takes is non-binding.

In addition, the IGs lack several basic technical and policy tools to accomplish program reviews, including;
   (a) Methodology to conduct management performance evaluation, including measuring the efficiency, effectiveness, integrity and governance of the Ministries;
   (b) Up-to-date IT infrastructure and skills;
   (c) A clear reporting format with devolution of powers within their respective line ministry as well as a collaborative approach to other integrity institutions;
   (d) An institutional strategy and work-plan that includes the establishment of governance/provincial offices;
   (e) Performance indicators for IG staff;
   (f) IG staff do not possess the specific technical know-how required to enable them to evaluate the specialized work of the Ministries in a sound fashion, and there are several limitations (cost, security risks) in terms of securing such technical know-how: and
   (g) The limited possibility to recommend corrective action for their line Ministry according to the ad-hoc regulations and legal system, or the further possibility to follow up on recommendations.

Since 2008, UNDP has been working with the Iraqi anti-corruption entities including the Inspectors General. UNDP has collaboratively assessed the needs of Inspectors General and their offices. UNDP has also organized trainings seminars on anti-corruption and fraud detection awareness for the purpose of assisting the Inspectors General in improving internal auditing and enhancing institutional performance.

UNDP has involved the IGs in the UNDP anti-corruption, particularly with regard to Iraq's compliance with the United Nations Convention against Corruption (UNCAC). Training of Trainers was conducted from 14-18 February 2010 for representatives of all three oversight institutions including IGs on self-assessment analysis of legal, institutional and operational requirements to identify and minimize institutional corruption. Self-assessments were completed with the technical assistance of UNODC and the information was used in the development of the National Anti-Corruption Strategy. The role of the IGs on monitoring and evaluating the outcomes of the National Strategy has been clearly identified.

This project is designed to strengthen the capacity of Iraqi Inspectors General and their staff on managerial, operative, legal, administrative and technical levels. It will strengthen the administrative capacity within their respective ministries and in collaboration with other integrity institutions. This will subsequently improve the ability of IGs to satisfy their legal obligations, thereby contributing to a reduction in corruption and other wasteful and criminal practices in Iraq.

The systemic approach to enhance levels of integrity, accountability and transparency in the Executive Branch of Government is intimately related to addressing public trust and restoring the rule of law, administrative and legal existing systems, as well as reforming the civil service for the general interest. The preventive, normative and corrective role of Inspectors General in preventing or investigating corrupt acts within the civil service and beyond in the public sphere, obviously constitutes the only channel to restore the credibility of the State. This action will assist to rebuild the societal pact of integrity and citizenship that has severely deteriorated and assist to reinforce the capacity of the State to deliver public services by increasing delivery on public expenses.

The duration of the project was agreed to be a three year period with an additional three months at the beginning for the necessary preparation required at the outset.

The contract was signed at the end of July 2011, when UNDP started the recruitment procedures for the project personnel. Short listed candidates were interviewed for the position of the Project Manager but unfortunately, they were not of the calibre needed for this project. Another recruitment cycle was initiated in November 2011.

Meanwhile, ACCO requested revised annual work plan for the entire project. This is a requirement in line with the Grant Award documentation.

UNDP received instructions from Department of State on 30th Dec 2011 that until the revised work plan is approved no activities may begin. UNDP provided these plans and received approval from Department of State on 14th March 2012.

3. Progress Achieved in 1st Quarter 2013 as per the Project Work Plan

Objectives/Activities	Indicators	Target	Baseline	Data Source	Timeline
1. The role of IGs is strengthened within their ministries *1.1 Organize a workshop to bring together all Inspectors-General as well as senior ministry staff from all ministries and major independent agencies* *1.2 Develop performance evaluation protocol and tools.* *1.3 Provide technical support for the implementation of Codes of Conduct for Public Officials (in line with civil service laws and codes).* *1.4 Developing governance and performance indicators.* *1.5 Provide technical support for institutionalizing the IG Association* *1.6 Assess the need for provincial OIGs*	i. Number and types of mechanisms in place within ministries for provision of ad-hoc and long term advice and expertise to strengthen the institutional framework required by the National Anti-Corruption Strategy, specifically in the area of prevention, improving the performance of the ministry and minimizing waste in public funds. ii. Number and types of policies, strategies and action plans in place in ministries reflecting internationally based codes of conduct and corruption indicators for accountability, integrity, transparency, and oversight of criminal justice, public, and private sector institutions. iii. Number of new partnerships structure between ministries, OIGs and other relevant	i. A minimum of five mechanisms established, including protocol for reporting mechanisms for inspection, administrative investigation, audition, and performance review, and protocol for communication. ii. A minimum of 10 policies, strategies and action plans established including Code of Conduct and corruption indicators for accountability, integrity, transparency, and oversight of criminal justice, public, and private sector institutions. iii. Two partnership structures established through a White Paper between the 34 OIGs and	i. No performance protocol is in place ii. Generic summary of Code of Conduct read by staff during recruitment to the government post. A law is in existence but has not been enacted; None. iii. No partnership structure in place.	i. Interviews with ministries to determine establishment of mechanism and written protocols provided. ii. Interviews with ministries to determine establishment of policies, strategies and action plans that support the use of internationally based standards. ii. Consultations with ministries, OIGs and relevant anti-corruption	Q1 – Q4 2012

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	organizations on anti-corruption policy, technical enforcement and advocacy.	their respective ministries on one hand and with other oversight authorities on the other.		organization ensuring established White Paper covering their two partnership structures on anti-corruption policy, technical enforcement and advocacy.	
	iv. Number and quality of new corruption risk assessments undertaken within the ministries.	iv. Two surveys undertaken within ministries result in OIGs are using indicators developed for accountability, transparency and integrity.	iv. No indicators in place.	v. Published annual reports by OIGs indicating corruption risk assessment through surveys conducted in their respective ministries.	

Progress/activities during the period:

- 1.1.-1.6.: Output 1 initiated during 1st Quarter 2013.

Status
Ongoing

Planned Activities:

a) Organizing and conducting meetings between the IGs and their respective ministers.

Objectives/Activities	Indicators	Target	Baseline	Data Source	Timeline
2. IGs and their staff demonstrate improved technical skills and capacity *2.1 Develop Standard Operating Procedures* *2.2 Provide training on strategic planning and performance management* *2.3 Conduct technical training sessions for technical staff*	i. Number and percentage of OIGs staff who have received training indicating enhanced knowledge / competence through pre and post training assessment questionnaire. ii. Number and type of new	i. 1465 technical staff (100%) received technical training in their area of expertise on inspection, administrative investigation, auditing and performance evaluation. ii. Three tools kits introduced on Integrity,	i Technical training has not been offered. ii None.	i. Pre and Post training evaluation will be conducted on the technical staff to measure change from before and after the training. ii Consultations to determine use of	Q1 2012 – Q3 2014

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2.4 Develop a training manual for new staff 2.5 Address gender differential issues, responsive programming and budgeting. 2.6 Training sessions on public asset management of public officials 2.7 Workshops for investigators on advanced investigative skills 2.8 Study visits for investigators 2.9 Forensics capacity needs assessment study 2.10 ToT and Certification	methodological tools developed by OIGs to generate quantitative data and statistical indicators on corruption, focusing on different forms of corruption. iii. Number and quality of statistical and analytical methodologies to profile corruption consolidated at the national level (standardized survey tools and core set of indicators on corruption). iv. Number of new surveys and financial reports on corruption, at national and regional level available in order to provide evidence and analyses for policy implementation and monitoring.	Accountability and transparency iii. Two statistical and analytical methodologies taught with specific use on corruption quantifying level and type of corruption issues. iv. Integrity survey in the public sector and improved reporting procedures are adopted by the OIGs	 iii None. iv None specific.	developed tool kit. iii. Training and system established for statistical analysis. iv. Consultations are held with OIGs to ensure surveys are conducted and publically available through OIGs websites and annual reports.	

Progress/activities during the period:	Status
• 2.2.: Training materials are being developed with training on strategic planning planned during 2nd Quarter 2013. • 2.3.: A concept paper developed on the design of the ToT Workshops. • 2.4.: The Training Manuals in the areas of Audit, Inspection, Administrative Investigation, and Performance Evaluation are developed and endorsed. • 2.9: An IT Forensics capacity needs assessment study completed and delivered. o A workshop to present the results of the study to the IGs was held on 26 March. A set of recommendations has been proposed by the IGs as a follow-up on the study with the comment timeframe extended until 18 April.	2.2.Ongoing 2.3. Draft Concept Paper on the Design of the ToT – Completed – Q3 2012 2.4. Training Manuals – Delivered – Q1 2013 2.9. IT Forensic Needs Assessment Study – Completed and Delivered – Q3 2013

					Workshop to present the Study results– Completed – Q3 2013
• *2.10 The ToT training has been launched for 320 trainees from OIGs.*					2.10. ToT Training – Ongoing - Q3 2013

Planned Activities:

a) Initiate the second round of ToT training in the areas of audit and inspection.

b) Develop training materials related to Output 2.2. and implement the training on strategic planning.

c) Develop a ToR related to the area of IT Forensic Audit based on the results of the conducted assessment and feedback by the IGs.

Objectives/Activities	Indicators	Target	Baseline	Data Source	Timeline
3. **IT infrastructure and skills enhanced** 3.1 *Carry out a need assessment for the development of IT based reporting tools based on existing software.* 3.2 *Provide technical support to develop standard IT requirements for the OIGs* 3.3 *Provide a secure communication /networking/information technology infrastructure, administrative support applications, and knowledge transfer*	i. Number and types of automated processes and reports generated using a single portal for easy reference to activities, initiatives, documents and tools on anti-corruption initiatives. **ii.** Number of new software-based comprehensive performance assessment tools developed to assist IGs and other parties in reporting on their implementation of NACS and in identifying challenges in implementation and technical assistance needs. iii. Number and quality of new benchmarks and good practices on anti-corruption legislations electronically	i Five automated reporting processes are used, these are: a. inspection, b. administrative investigation, c. audition d. performance review e. management ii Three software assessment tools are used including electronic tracking, electronic content management and archiving in 26 of the OIGs. iii Anti-corruption issues and legislations electronically circulated in 26 ministries by OIGs.	i None. ii None iii None.	i.Meetings are held to determine periodic reports are issued on time. ii Interviews with OIG – IT personnel to determine establishment of mechanism and accurate tracking system iii Training and system in place for internet /OIGs website, collection of	Q1 2012 – Q2 2014

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	disseminated within the ministries and more widely			good practice and consultation with OIGs to identify which are most relevant to their work.	
Progress/activities during the period: • 3: Activities 3.1., 3.2., and 3.3 related to this output are coming on line					**Status** Ongoing
Planned Activities: a) Initiate the needs assessment related to this output.					

4. Expenditures

Total approved budget in the Annual Work Plan based on planned activities for the year 2013 is US$2,472,398. The table below reflects the expenditures incurred during the reporting period, please note that despite affected expenditures, the respected amounts do not appear in due time of the reporting period in UNDP's detailed budget report. The total amount does not include General Management Services (GMS 7%).

No.	Category	Amount USD
1	Programme Oversight & Management	0.00
2	Project Manager	47,029.62
3	Service Contract s Individuals (National Project Officer + National Project Associate)	0.00*
4	Technical Support - International Consultant	0.00
5	Training - Contracting Services	8,400.00
6	Travelling	11,727.04
7	Communication	0.00*
8	Monitoring & Evaluation	0.00
9	Security	2,969.92
10	Common Premises	11,050.00
11	Other Running Operational Expenses	2,140.96
	TOTAL	83,317.54

*Some expenditures are not reflected at the time of reporting.

ANNEXES (attached separately)

ANNEX I - *Minutes of the Training Committee Meeting, Amman*
ANNEX II - *Overview of Training Materials - General*
ANNEX III - *Overview of Training Materials – Audit*
ANNEX IV - *Overview of Training Materials – Inspection*
ANNEX V - *Overview of Training Materials – Administrative Investigation*
ANNEX VI - *Overview of Training Materials – Performance Evaluation*
ANNEX VII - *IT Forensic Audit Assessment Needs Assessment Study*
ANNEX VIII - *Minutes of the Workshop to present the results of the IT Forensic Audit Needs Assessment Study*
ANNEX IX - *Letter from the Training Committee regarding the Gender Topic*