Technical Assistance to the Iraqi Offices of the Inspectors General

Fourth Quarter - 2013
Progress Report # 8
S-NEAIR-11-GR-138

Implemented by the United Nations Development Programme (UNDP)

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1. Activities during the Reporting Period

During the period under review, training on the codes of conduct was launched for Heads of Human Resources and Legal Departments from the Offices of Inspectors General (OIGs) and their respective ministries. Furthermore, preparations were underway to initiate the General Training for the OIGs in the areas of Audit, Administrative Investigation, and Performance Evaluation. A Letter of Agreement has been signed with the University of Baghdad, Faculty of Economics, Consultancy Office to conduct the respective General Training for the OIGs with start anticipated January 2014 in the areas of Audit and Inspection.

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

A meeting was held with the Inspectors General to discuss the timing of the planned visits between the Inspectors General (IGs) and their respective Ministers. Multiple IGs indicated that visits should be postponed till after the elections, anticipated during April 2014. To take a final decision on this issue, a meeting was held with Mr Ali Al-Alaak, Chairman of the Joint Anti-Corruption Council on 28 November 2013 to convey the IGs point of view and reach a decision regarding this issue. Mr Al-Alaak endorsed the view of the IGs to postpone the visits until the new government is elected.

Activity 1.2   Develop performance evaluation protocol and tools

During the reporting period, an assessment study and performance evaluation protocol and tools were developed. The assessment focused on international best practice, organizational performance measurement and inspection practice in Iraq.

Performance evaluation protocol and tools were developed during the quarter to build performance measurement and inspection systems. Recommendations and ways forward were identified which that took into account international trends and practices which had the ability to interface into the existing institutional context and capacities of the OIGs. Training is anticipated during 1st Quarter 2014 on the developed 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)

Training on the implementation of the Codes of Conduct was launched 17 December 2013 and will continue till the end of January 2014. Training participants are heads of Human Resources and Legal Departments in the OIGs and their respective ministries with the nominated participants divided into six (6) groups. Anticipated results of the training will include the development of a Codes of Conduct implementation plan. To maximize the benefit of codes of conduct training and to reach out to the majority of OIGs staff, a code of conduct course will become a component within the upcoming General Training.

Activity 1.4   Develop governance and performance indicators

An Assessment Study on Governance and Performance Indicators has been developed. The purpose of the study was to define and clarify concepts of "Governance" and "Good Governance" based on international standards and in Iraq. This study elaborated on the managerial aspects of governance and potential impact and effectiveness of performance indicators within diversified types of organizational structures in the government machinery and the public sector.

Furthermore, during the quarter, performance indicators were developed which relate to identified governance principles with relevance to measure performance of the public sector in Iraq. The majority of identified indicators are indispensable conditions which can be applied and monitored directly by the OIGs within their performance measurement function vis-à-vis ministries and public institutions with a significantly smaller portion related to policy making and institutional frameworks.

Activity 1.5   Provide technical support for institutionalizing the IG Association

Under development during 4th Quarter 2013.

Activity 1.6   Assess the need for provincial OIGs

Under development during 4th Quarter 2013.

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

Activity 2.1   Develop Standard Operating Procedures (SOPs)

Under discussion with launch anticipated during 1st Quarter 2014.

Activity 2.2   Provide training on strategic planning and performance management

Completed.

The following activities of Output 2 are under development during 4th Quarter 2013:

   Activity 2.3   Conduct technical training sessions for technical staff
   Activity 2.4   Develop a training manual for new staff
   Activity 2.5   Address gender differential issues, responsive programming and budgeting
   Activity 2.6   Conduct training sessions on public asset management
   Activity 2.7   Conduct workshops for investigators on advanced investigative skills
   Activity 2.8   Develop study visit for investigators
   Activity 2.9   Conduct needs assessment on IT Forensic Audits
   Activity 2.10   Develop ToT and Certification

The main focus of activities during this reporting period was:

General Training:

During 4th Quarter preparations to launch the General Training for the 1,229 OIG staff was prioritized. This initiated immediately after the completion of the training of trainers for the 231 OIGs staff during 3rd Quarter. The IGs are to have involvement in the content of the General Training to facilitate relevance as identified within the feedback of the training-of-trainers course.

To further relevance and sustainability, the University of Baghdad has been engaged to deliver the upcoming General Training. A workshop was held with the IGs and the University of Baghdad to harmonize the OIGs on the upcoming General Training and to identify and explain next steps. The IGs expressed their satisfaction regarding the involvement of the University of Baghdad in this endeavour. It was agreed that IGs will conduct a portion of relevant lectures to utilize IG expertise and experience. Additionally, selected trained trainers will take on an assistant trainer role to further refine skills, access practical exposure to training and facilitate the IG context in Iraq.

Audit and inspection are the first two disciplines offered within the General Training through multiple courses, each with duration of 20 days. To train the relevant OIG staff 15 audit courses and 11 inspection courses will be offered over a period of ten (10) months. The OIGs nominated staff to participate in the first general training scheduled to initiate on 5th of January 2014 during the quarter.

Study Tour:

Discussions matured with the Council of the Inspectors General on Integrity and Efficiency (CIGIE) based in Washington D.C. USA regarding a study tour for the Iraqi IGs with support of the US Department of State. This resulted in the dates for the study programme identified as 27-31 January 2014 and extended to include additional meetings with particular mention with their US equivalents. During 4th Quarter the programme, logistics and monitoring of visa issuance were prioritized.

Output 3: Enhancing the IT Infrastructure and Skills of the OIGs

Activity 3.1   Carry out a need assessment for the development of IT based reporting tools based on existing software
Activity 3.2   Provide technical support to develop standard IT requirements for IG Offices

This output launched July 2013. An IT needs assessment was conducted on 3-23 September 2013 through site visits to 15 of the OIGs in the respective ministries. The IT Assessment Report was delivered on 23 October 2013. During 4th Quarter a Study regarding IT Design for the OIGs was developed based on the 3rd Quarter IT Assessment Report.

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 plans 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 was approved no activities may begin. UNDP provided these plans and received approval from Department of State on 14th March 2012.

3. Progress Achieved in the 4th 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 2012 – Q2 2014

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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:	Status
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 1.4. Develop governance and performance indicators. 1.5. Provide technical support for institutionalizing the IG Association 1.6. Assess the need for provincial OIGs	1.1. Postponed till Q2 2014 1.2. Partially implemented 1.3. On-going 1.4. Partially implemented 1.5. On-going anticipated Q1 2014 1.6. On-going anticipated Q1 2014
Planned Activities: a) Workshop to endorse Performance Evaluation tools; b) Workshop to endorse developed Governance and Performance Indicators; c) Training workshop on developed Governance and Performance Indicators; d) Develop a study on the institutionalization of the IG Association; e) Develop a study on the need for provincial OIGs..	Q1 2014 Q1 2014 Q1 2014 Q1 2014 Q1 2014

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* *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*	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 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	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, 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	i Technical training has not been offered. ii None. iii None. iv None specific.	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 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.	Q1 2012 – Q3 2014

	monitoring.				

Progress/activities during the period:	**Status**
• 2.1.: Develop Standard Operating Procedures • 2.2.: Training conducted on strategic planning and performance management, June 6-8 and 9-11, 2013. • 2.3.: A concept paper developed on the design of the ToT Workshops. • 2.4.: The general Training Manuals in the areas of Audit, Inspection, Administrative Investigation, and Performance Evaluation are developed and endorsed. • 2.8.: Preparations are underway for the conduct of a study tour for the IGs: 　○ A draft study programme developed. • 2.9: An IT Forensics capacity needs assessment study completed. • 2.10: The ToT training has been conducted for 231 trainees from OIGs.	2.1. Start anticipated Q1 2014 2.2.Fully implemented 2.3. Fully implemented 2.4. Delivered 2.8. On-going 2.9. Fully implemented 2.10. Fully implemented
Planned Activities: 　a)　Preparations for the second phase of training targeting 1,229 OIG staff. 　b)　Finalization of the study tour programme and organization of related logistics.	

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	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	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	Q1 2012 – Q2 2014

	benchmarks and good practices on anti-corruption legislations electronically disseminated within the ministries and more widely	circulated in 26 ministries by OIGs.		for internet /OIGs website, collection of good practice and consultation with OIGs to identify which are most relevant to their work.	

Progress/activities during the period:	Status
• Held launch meeting for the IGs.	Completed
• Developed IT questionnaires.	Completed
• Held meeting with the nominated IT Focal Points to complete the questionnaires.	Completed
• Conducted IT assessment site visits to 15 OIGs.	Completed
• Developed an IT assessment report.	Completed
• Organized a meeting with the IT Focal Points to discuss the results of the assessment report.	Completed

4. Expenditures

During 2013 the new financial structure IPSAS went into place which has affected the expenditure previously reported. This new standard of financial reporting is in line with international reporting standards. IPSAS has required that adjustments be made which are reflected within each of the quarters in this report for 2013. These adjustments override the previous quarterly reporting for 2013 and the present figures will continue through the lifecycle of project. This adjusted figures used as the expenditure for 2013.

No.	Category	Expenditure Amount 2012	Expenditure Amount Q1, 2013	Expenditure Amount Q2 , 2013	Expenditure Amount Q3 , 2013	Expenditure Amount Q4 , 2013
1	Programme Oversight & Management	0.00	0.00	0.00	0.00	0.00
2	Project Manager	154,214.43	68,897.46	62,405.98	63,340.00	69,746.59
3	Service Contract s Individuals (National Project Officer + National Project Associate)	44,170.84	22,498.20	24,390.14	24,495.97	21,554.52
4	Technical Support - International Consultant	0.00	0.00	0.00	43,191.00	9,578.90
5	Training - Contracting Services	32,259.00	8,400.00	41,962.49	95,551.65	525,399.46
6	Travelling	21,464.38	11,727.04	47,157.40	54,560.37	69,498.44
7	Communication	20,831.75	450.00	0.00	1,400.00	300.00
8	Monitoring & Evaluation	0.00	0.00	0.00	0.00	0.00
9	Security	6,067.44	4,465.68	4,500.36	4,572.11	3,740.77
10	Common Premises	0.00	0.00	16,598.50	200.00	0.00

11	Other Running Operational Expenses	33,402.61	37,374.20	36,716.75	50,386.64	12,677.97
		532,046.03	**153,812.58**	**233,731.62**	**337,697.74**	**712,496.65**

ANNEXES

ANNEX I   -   *Assessment Study on Governance and Performance Indicators –*
Output 1
ANNEX II   -   *Performance Evaluation Protocol and Tools – Output 1*
ANNEX III   -   *Assessment Study on Governance and Performance Indicators –*
Output 1
ANNEX IV   -   *Governance and Performance Indicators – Output 1*
ANNEX V   -   *IT Needs Assessment (already sent) – Output 3*
ANNEX VI   -   *IT Design Study (already sent) – Output 3*