# UNITED NATIONS DEVELOPMENT GROUP
## IRAQ TRUST FUND

### Programme/Project Cover Page

| **Participating UN Organisation(s):** | **Sector Outcome Team(s):** |
|---|---|
| UNDP with UN-HABITAT, UNICEF, WHO, UNESCO, FAO, UNFPA, UNIFEM, UNESCWA | Governance |

| **Programme/Project Manager(s):** | **Sector Outcome Team Leader(s):** |
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| **Programme/Project Title:** | **Programme/Project Number:** |
|---|---|
| Support to Decentralisation and Local Governance for Service Delivery – Preparatory Phase | C9-24 |

### Programme/Project Description:

The Support to Decentralisation and Local Governance for Service Delivery Project entails a UN and Government of Iraq effort to begin to realise decentralised governance in Iraq, as envisioned in the Constitution, NDS 2007-2010 and the ICI.

The project proposed is over 1.5 years and structured around four pillars: (i) legal, policy and institutional frameworks for decentralised governance, (ii) local government systems and capacities, (iii) civic education and participation strategies in three governorates, and (iv) inter-governmental relations and local government networks.

Through these four pillars with their respective outputs and inputs, the project aims to: prepare the groundwork on institutional structures, policy dialogue and development and possibly further legislation that will clarify and enable decentralisation and local governance; revise systems and processes for local authorities to make them more modern and efficient; put in place and initiate a comprehensive capacity development strategy; develop civic education and participation and e-government strategies; pilot improved business processes for increasing service delivery in selected municipalities; and support structured dialogue on governorate and municipal affairs.
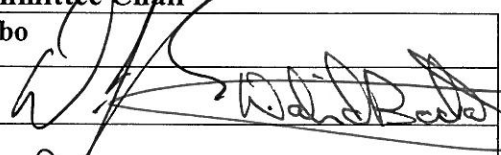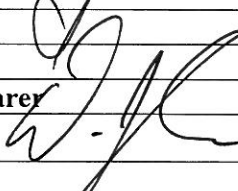
| Programme/Project Costs: | | Programme/Project Location: | |
|---|---|---|---|
| UNDG ITF: | $6,118,704 | Governorate(s): | All for policy work; 3 governorates for pilot implementation, North, Center and South of Iraq |
| Govt. Contribution: | $1,000,000 (in kind) | District(s): | (TBD) |
| Agency Core: (UNDP) | | | |
| Other: | | Town(s) | (TBD) |
| TOTAL: | $7,118,704 | | |

| Govt of Iraq Line Ministry Responsible: | Programme/Project Duration: | |
|---|---|---|
| Ministry of Planning and Development Co-ordination (MoPDC) and Ministry of Municipalities and Public Works (MMPW) | Total # of months: | 18 |
| | Expected Start date: | 01 December 2008 |
| | Expected End date: | 30 June 2010 |

| Review & Approval Dates | |
|---|---|
| Line Ministry Endorsement Date: | 23 August 2007 |
| Concept Note Approval Date: | 10 June 2008 |
| SOT Approval Date: | 10 October 2008 |
| Peer Group Review Date: | 27 November 2008 |
| ISRB Approval Date: | 03 December 2008 |
| Steering Committee Approval Date: | 04 December 2008 |

### Signatures of Agencies and Steering Committee Chair

| I. | Name of Representative | Paolo Lembo |
|---|---|---|
| | Signature | |
| | Name of Agency | UNDP |
| | Date | |
| | | |
| II. | Name of Steering Committee Chair | David Shearer |
| | Signature | |
| | Date | |

**National priority or goals (NDS 2007- 2010 and ICI):**

**NDS:** Goal 6.1: Improving the quality of life: Human development
Goal 7.2: Regions and governorates development: Annual allocations and distributions to governorates;
Goal 7.3: Development management in regions and governorates

**ICI:** 4.1.2-D: Develop framework for inter-governmental fiscal relations to ensure efficiency, transparency and equity while maintaining national fiscal integrity

4.2.1 Engaging with civil society – adopt and carry out policies to stipulate civil society engagement in reforms

4.4.1: Delivering basic services

**Sector Team Outcome(s):**

#4. Strengthened regulatory frameworks, institutions and processes of national and local governance

**Integrated Programme/Project Outcome(s):**

1. GOI and relevant decentralisation partners have relevant institutional mechanisms in place to implement decentralised policies and programmes

### Detailed Breakdown of Budget by Source of Funds and Distribution of Programme Budget by Participating UN Organisation

| Participating UN Organisation | Portion from ITF Budget (US $) |
|---|---|
| UNDP | $6,118,704 |
| | |
| **Total ITF Budget (US $)** | $6,118,704 |

| | |
|---|---|
| **Total budget (in US $):** | **$7,118,704** |
| **Sources:** | |
| • Government | $ 1,000,000 (in kind) |
| • ITF (earmarked) Spain | $ $6,118,704 |
| • ITF (unearmarked) | $_____ |
| **UN Core/non-core sources** | |
| • UN Org | $ |

# 1. Executive Summary

## Introduction

The Support to Decentralisation and Local Governance for Service Delivery Project entails a UN and Government of Iraq effort to begin to realise decentralised governance in Iraq, as envisioned in the Constitution, National Development Strategy (NDS) 2007-2010 and the International Compact with Iraq (ICI). Devolution to Iraq's region and governorates is a primary objective and means for achieving sustainable development in the country. However, given the prevailing centralisation, policy and legislative gaps, lack of co-ordination mechanisms and relatively weak planning and execution capacities across all government levels, the decentralisation process requires planning with participation of all stakeholders and needs to be gradual. This is a preparatory phase for a comprehensive joint programme to support decentralisation and local governance for service delivery in Iraq. The output areas will be the same for the preparatory project and the comprehensive programme, and the preparatory phase will provide early policy development, immediate capacity building for the newly elected Governorate Councils and pilot activities in select governorates.

## Significance and relevance of the Project

By addressing the policy-making, planning and delivery capacity of decentralised stakeholders in Iraq, the project is significant for various reasons: (i) the GoI passed in March 2008 the Provincial Powers Law which grants 15 sub-national governments planning and financial authority and greater financial resources, (ii) some governorates are setting up their own structures and administrative systems but not in a cohesive manner, (iii) governorates have received financial allocations over the last two years but some are facing capacity constraints in disbursing, (iv) government is not the primary service developer and provider in Iraq, (v) little progress has been made in defining an overarching decentralisation framework, and (vi) the forthcoming governorate council elections create an opportune time for launching a comprehensive project on decentralisation and local governance.

In addition, the project is aligned to the UN Governance Sector Outcome of 'strengthened regulatory frameworks, institutions and processes of national and local governance', and is structured around four pillars:

  (i)   Legal, policy and institutional frameworks for decentralised governance.
  (ii)  Strengthening local government systems and capacities.
  (iii) Local Government civic education and participation strategies
  (iv)  Inter-governmental relations and local government networks.

## Contribution to national priorities and international commitments

The project will contribute directly towards MDG 3 – Promote gender equality and empower women and indirectly to the achievement of all the MDGs, through support to improved social service delivery at the Governorate level. The project will also contribute directly to national priorities detailed in the NDS related to the development of regions and governorates and improving quality of life, and the ICI related to delivering basic services. Moreover, it will address the different dimensions of fiscal, functional and political decentralisation as mandated in the Constitution.

## Results expected to be achieved

The project will focus on policy reform/development and setting the foundations for implementing decentralisation, through pilot activities in three governorates. In line with the 4 pillars of the project, the outputs expected are:

*Output 1*: Framework, legislation and policies for decentralisation and local governance developed through multi-stakeholder process.
*Output 2*: Generic systems in policy-making, participatory planning and budgeting, data collection, human resources management and organisational management developed and core competencies of decentralised governance stakeholders improved in select governorates.
*Output 3*: Civic education and participation strategies in three governorates produced with evidence of participation of all sectors of communities.

*Output 4*: Vertical and horizontal inter-government relations formalised with discussion forums in place and partnerships with international/regional municipalities created in select governorates.

Implementing partners

UNDP will execute the project in partnership with UN-HABITAT, UNICEF, WHO, FAO, UNESCO, UNFPA, UNIFEM and UNESCWA. The Ministry of Planning and Development Co-operation and the Ministry of Municipalities and Public Works will be the main government counterparts. Subcontracts will be arranged with training institutes, Iraqi NGOs/CSOs, and universities for certain project activities. UNDP will ensure close co-ordination and co-operation with other international partners working in the sector, such as the USAID/RTI local governance programme and the World Bank's public sector reform activities.

## 2. Situation Analysis

### 2.1 Development challenges to be addressed

Framework for decentralisation and local governance

The Republic of Iraq has been embarking upon structural reforms since 2003 when it adopted a federal system made up of federal-level authority, a federal region (Kurdistan) comprising three governorates, and 15 governorates outside of a region structure, which comprise the capital Baghdad and 251 municipalities[1]. The experience of decentralised governance in Iraq is minimal, with the exception of the Kurdistan Regional Government. The Constitution of the Republic of Iraq, endorsed by a nation-wide referendum in October 2005, takes the reform further and provides for a model of decentralised political and administrative government through devolution of authority to the governorates (or provinces). The GoI issued the 'Law of Governorates Not Organised into a Region' (Provincial Powers Law) in March 2008. This law on its own will not suffice to solve all issues associated with decentralisation. For instance, there is no delineation of the scope or limits of each tier of government authority in terms of revenue sources or level of services, gender considerations are weak, and reference to inclusion and participatory mechanisms is lacking, which are critical for increasing people's voice in decision-making and public services and improving public perception of the authorities.

Capacity constraints for local governance and service provision

The sub-national level continues to face capacity constraints in planning, administration, executing, monitoring and follow-up. According to the August 2007 report of the 'Nation-wide Needs Assessment of the Capacity of the 18 Iraqi Governorates in Local Governance' (conducted by the Iraqi Engineers Union in close collaboration with the MMPW, municipalities in the 18 governorates and UNDP), the deterioration and inefficiency in providing basic services to the population are attributed to: (i) deficiency in the capacity of the staff at all levels in terms of service delivery within the context of decentralisation; (ii) outdated management techniques and methodologies used; and (iii) lack of co-ordination mechanisms among and within the central and local levels. The vast majority of Iraqi civil servants still have not been exposed to many of the more modern advances in governance, municipal service provision and decentralised decision-making.

For about two decades until 2004, infrastructure and services received little ongoing investment, and conflicts, which still continue in parts of the country, have resulted in further damage to public infrastructure. Governorates have had funds (capital budget) allocated to them over the last two years but due to capacity constraints the bulk of these funds have not been spent.

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[1] Municipalities comprise districts (qada'a) and sub-districts (nahiya) outside of the capital Baghdad. The term 'municipality' refers then to the government unit below governorate. The term 'local government' refers to governorate, district and sub-district levels.

## 2.2 Current development data

> o The Iraqi civil service has 2.4 million staff and will need to undergo a reform and re-profiling process.
> o Allocated amounts from the federal budget for development of governorates and regions are expected to increase from $2.5bn in 2007 and 2008 to $3bn in 2009 and 2010. Basra Governorate reportedly has unspent public funds amounting to $800 million.
> o 70% of the population of the KRG, just under 4 million people, live in major urban areas.
> o . Iraq is ranked 151 out of 182 countries in the UN e-Government Index 2008.
> o Safe potable water is available in only 48% of rural areas.
> o Sewage collection and treatment services in Baghdad are provided to 80% of the population and only 9% of urban populations outside of Baghdad.
> o Around 39% of the rural population is illiterate; 47% of women are illiterate or partly literate.
> o Estimated 25% all Iraqi women participate in the formal labour force but only 1 in 10 is in a senior position.
> o Proportion of births attended by skilled health personnel is around 82%.
> o Around 4 million widows are highly marginalised.

(Sources: National Development Strategy 2007-2010; UNDP, UN-HABITAT, UN e-Government Survey 2008)

For baseline information on local government (governorate, district and sub-district) premises, assets, staffing, structures, e-readiness, resources, revenues and challenges and training facilities, this project expects to support an early in-depth assessment, and to rely on existing data collected by Provincial Reconstruction Teams (PRTs).

## 2.3 Key causal factors

For decades, Iraq's system of government and governance has been highly centralised. Ministries located in Baghdad controlled decision-making, regulatory powers, programme priorities and funds, and channelled work for local development through directorates-general in the governorates. Local administrators thereby implemented decisions handed down from the capital with very little contribution or decision-making authority. Similarly, citizens had almost no role in planning, funding or monitoring decision-making or services being delivered to them. With strategic and sector planning, and revenue and expenditure management, being conducted by the centre, local governments consequently lacked the power and capacity to plan.

## 2.4 Necessary interventions

The NDS 2007-2010 highlights a number of interventions to address preparations for decentralisation and improve local service delivery and development. Many interventions concerning public services aim at restoring the pre-1991 conditions, when development indicators were much higher, as well as the development of more integrated systems to meet long-term goals. Some reforms and interventions to develop capacity need to be initiated in preparation for decentralisation. These include:

> o Form specialised organisational structures in planning and implementation within the administrative structure, building capacity, coordination mechanism between governorates and concerned ministries.
> o Data gathering and analysis systems: decentralised monitoring, evaluation and reporting systems; information sharing and management and coordination with other governmental and international institutions.
> o Develop fundamental management skills (supervision, team building, financial management, budgeting and costing, strategic planning, etc.), as well as those needed to implement new policies.
> o Enable bottom-up participation of provinces in the planning and monitoring process, as well as providing participatory assessments, and essential feedback on progress towards national development goals.

The ICI outlines a transition to devolution which should include the following components:
> o Developing a roadmap for transition from national to area based, regional and governorate planning within an integrated NDS.

     o  Building up capacity at the sub-national level to plan, execute and monitor the implementation of investment plans and projects.

     o  Transitioning the role of the ministries and other national institutions to policy development, data co-ordination/analysis, quality assurance and co-ordination..

In addition, a recommendation of the first Anti-Corruption Conference held in January 2008 in Baghdad emphasised the need to develop adequate e-government systems to strengthen information management capacity of public institutions in general and financial management in particular, as means to increase transparency and reduce corruption.

## 3.    Lessons Learned, NDS and ICI Relevance, Cross-Cutting Issues, and Agency Experience in Iraq/in the Sector

### 3.1 Background/context

The Support to Decentralisation Reform and Local Governance in Iraq Project will contribute to higher level goals and envisaged results described as follows.

- MDGS: The project will contribute indirectly to the achievement of all the MDGs, by supporting more and better social service delivery to the population, and directly to Goal 3 – Promote gender equality and empower women.
- NDS: the project will contribute to the NDS goals related to Regions and governorates development, including fiscal distribution and development management.
- ICI: the project will contribute to developing a framework for inter-governmental fiscal relations to ensure efficiency, transparency and equity while maintaining national fiscal integrity; and to delivering basic services.
- The project will contribute to achieving Governance SOT # 4 Strengthened regulatory frameworks, institutions and processes of national and local governance.

The UN agencies that will contribute towards the achievement of the project's outcomes are: UNDP, UN-HABITAT, UNICEF, WHO, FAO, UNESCO, UNFPA, UNIFEM, and UNESCWA. The key government institutions are: (i) Federal - Ministry of Municipalities and Public Works (MMPW), Ministry of Planning and Development Co-operation (MoPDC), Ministry of Finance (MoF), Ministry of Labor and Social Affairs (MOLSA), Ministry of Health (MOH), Ministry of Education (MOE), Ministry of Trade and Industry, Ministry of Higher Education, Ministry of Housing, Ministry of Information, Supreme Audit Board, Commission on Integrity, Center on Statistical organization (COSIT) and the National Centre for Consultancy and Management Development (NCCMD), (ii) Ministry of Municipalities and Ministry of Planning of the Kurdistan Regional Government (KRG), and (iii) Local: Governorate Councils, District Councils and Sub-district Councils. The key non-government institutions are the Universities of Baghdad, Basra and Mosul, women's network organisations, and public administration training institutes outside of Iraq. International actors who are currently working in the project's areas of focus and with whom the project will co-ordinate and collaborate are: World Bank, OECD, USAID/RTI International, MSI/Tatweer, Adam Smith Institute, and Forum of Federations.

### 3.2 Lessons learned

Some lessons from past and current UN activities in Iraq and other transition contexts related to decentralisation, local governance and service delivery include:

- International co-operation actors need to better understand the administrative and institutional frameworks of Iraq in order to encourage partnerships and identify fields of co-operation.

- Since the roles and responsibilities among the various institutional actors working on service delivery at the central and local levels are not well established or understood, and until a legal framework is in place, engagement should be incremental.

- It is vital that civil society and private sector become key partners of national and sub-national governments in the transition towards decentralised governance.

- Develop pilot approaches to decentralisation and participatory development where there is a clear commitment on the part of the government to take these initiatives to nation-wide or system-wide scale.

- The project should promote national/local ownership to the fullest extent.

## 3.3 Assessment of Cross-cutting Issues
Human rights

Present-day Iraq bears a legacy of human rights abuses and ongoing conflict, but civil society groups and government commitment, through a dedicated Ministry of Human Rights and current intentions to create a Human Rights Commission, are trying to bring about change. The capacity gap is largely a lack of knowledge and therefore ability to apply human rights principles: for example, human rights-based approach to planning, since most capacity building efforts to date have focused on civil and political rights. The primary duty bearers in this project are federal and regional level institutions co-ordinating decentralisation, local government and rural and urban development according to their jurisdictions, and governorate, district and sub-district councils. It is recognised that to enable these duty bearers to develop their capacity to meet their human rights obligations and to empower rights-holders - Iraqi citizens - to claim and exercise their rights is a gradual and lengthy process. The project will pursue the following in a progressive fashion as the environment and capacities allow:

- Ensure that relevant policies and laws promote equality and are non-discriminatory, but contain positive measures (e.g. affirmative action) where considered critical.

- Ensure that human rights are incorporated in local governance curricula and training materials and civic education initiatives.

- Advocate voluntary, meaningful and effective participation, inclusion of and outreach to minority and marginalised groups in local government processes, especially planning and recruitment.

- Develop capacity of rights-holders in certain rights related to local governance, particularly associated with access to information and participation, receiving feedback on decisions and use of public funds, and representation in decision-making.

- Advocate and monitor that public services are available, affordable, accessible and acceptable.

Participation and rights of youth will be considered and incorporated as relevant for the service delivery of local governance, as beneficiaries of government services and as participants in development processes.

Gender equality

Women's representation and the role of women in Iraqi political and public institutional life need to be strengthened. There are still serious barriers against promoting equality in the context of political participation and citizenship. Iraqi women continue to be underrepresented at the legislative, ministerial, and sub-ministerial levels, as well as in economic and social institutions. Women today hold 25% of the seats in the Parliament, however, a very small percentage of the women from local councils who were interested in running for election were elected. According to recent reports, one-quarter of all women participate in the formal labour force but only one in ten are in senior positions, which indicates that women have limited access to high level positions.

The project will progressively pursue the following:
- Advocate that gender issues be incorporated into local government policies and laws, and ensure gender dimensions are addressed in training curricula and materials, assessments and surveys.

- Advocate that revised/new local government systems and processes related to revenue collection, budgeting and planning are equal and fair.

- Encourage local government practices to be consultative, participatory and involve women, young people and marginalised or vulnerable groups to the fullest extent possible. Promote participation of women to at least the 30% minimum as specified in applicable legal/policy frameworks in council staffing and committees and other decision-making bodies. Implementers of the project should strive for equal level of representation in meetings or consultations they conduct.

- Develop capacities of local governments and community leaders in analysing gender from disaggregated data so that they understand the gender-based causes of discrimination and monitor investments to determine if funds are spent on services that women require.

- Support civic education initiatives that reflect the diversity of the Iraqi social structure and reach out to all strata of citizens as far as possible. Conduct sensitisation on gender and women's rights and public role, especially aimed at local government officials, community leaders and women leaders.

- Collaborate with other gender-related programmes, such as UNDP's Rule of Law and programmes of UNIFEM, UNFPA, UNICEF and others.

Key environmental issues
The project will not directly address environmental issues or support institutions with an environmental mandate. Indirectly, however, environment issues will be addressed through support to improving municipal service delivery, which may include infrastructure, and also through district and governorate-level planning exercises where environmental issues may be discussed and actions planned.

Employment generation,
The project is not directly concerned with employment generation but with the human resources of local councils and the gradual decentralising of the public service which would entail re-profiling in line with overall civil service reform.

3.4 Agency Experience in Iraq/in the Sector:
UNDP has been actively engaged in Iraq since 1976, managing projects ranging from community development and micro-finance initiatives to rehabilitation of the northern regions' electricity network.

From 2004-2007, UNDP delivered $88m in governance-related assistance, mostly technical assistance and capacity building for public institutions and civil society, in partnership with UN Agencies, public institutions, international and national NGOs and Iraqi Universities. One notable achievement was UNDP's support to constitutional development and the process in 2005. UNDP's current governance portfolio isaddressing anti-corruption and public accountability, electoral processes, media, national dialogue, human rights, civil society, aid co-ordination and management, rule of law, government development planning and local governance UNDP is also supporting budget execution in Basra Governorate and working directly with the Governor's Office. UNDP heads the UNCT Governance Sector Outcome Team and is leading on policy co-ordination related to governance. UNDP presently operates from offices in Amman, Jordan, and Baghdad, Erbil and Basra in Iraq. Offices in Anbar and Najaf will open soon.

4.     The Proposed Project

4.1 Project strategy
This project is the preparatory phase of a $30+ million proposed UN joint programme, currently under development by the UN Country Team, to provide comprehensive and integrated support for decentralized service delivery and local governance, with emphasis on achievement of the MDGs. The preparatory phase project will begin to address the different dimensions of fiscal, functional and political decentralisation as mandated in the Constitution, will pursue both 'top down' and 'bottom up' approaches, and will be structured around four pillars, which correspond to the four outputs of the project:

(i)     Legal, policy and institutional frameworks for decentralised governance.
(ii)    Strengthening local government systems and capacities.
(iii)   Civic education and participation strategies.
(iv)    Inter-governmental relations and local government networks.

The proposed project will prepare the groundwork for developing policies and frameworks for clarifying and enabling decentralisation and local government reform in Iraq by improving knowledge of and wider support for decentralisation and local government reform concepts among national, regional and local government officials, civil society groups and other project stakeholders. The project will also put in place the institutional frameworks and structures for leading and co-ordinating decentralisation and local government affairs, and preparing plans for initiating implementation of decentralisation policies. As far as possible, this preparatory phase will support the improvement of generic local administration policies, systems and standard operating procedures, with emphasis on e-government in order to render them more modern and efficient and to improve accountability; a capacity development strategy that involves ongoing Iraqi technical assistance, permanent local government training services and city-to-city co-operation; remodelling of business processes for improving service delivery in three municipalities; and design of a civic education programme on decentralisation and local governance.

The geographical coverage for policy-related activities will be nationwide, while some activities will be limited to 3 governorates, as a pilot phase. The pilot activities will be closely coordinated with the USAID RTI activities in other governorates, to ensure a common methodological and developmental approach.

**Pillar 1: Legal, policy and institutional frameworks for decentralised governance**
(i) Situation analysis
This pillar will support a common understanding of existing structures, capacities, assets, processes, service delivery mechanisms and constraints of all governorate councils and a sample of district and sub-district councils, as well as government training facilities for local government, through a thorough situation analysis, or baseline assessment. UNDP will take the lead role in coordinating the situation analysis, in close partnership with UN-Habitat and UNESCWA. The analysis will present a profile of each governorate and is expected to inform policy dialogue and formulation, means to expedite budget execution, redefinition of the civil service in governorates, and capacity development strategies. The activity will be subcontracted and the contractor will work with the MoPDC (COSIT) to devise the methodology, collect the information, analyse the findings, produce a report and present the findings and recommendations to key GoI stakeholders. The project also will undertake e-readiness assessments of all governorates at the same time, focusing on political willingness, organisational processes, ICT infrastructure, regulatory framework, human resources and e-government activities in service sectors. Attention will also be given to strengthening of e-government opportunities in areas important for regional/governorates' integration with national e-government.

(ii) Decentralisation framework
For defining a framework for decentralisation for Iraq, UNDP and UN-HABITAT will support policy dialogue and provide technical assistance (Decentralisation and Urban Governance experts). The framework will serve to clarify roles, responsibilities and inter-government relations and also address gender and participation. UNDP will support federal-level and regional-level institutions that will have a role in co-ordinating decentralisation, including the MMPW, and the establishment of a High Commission on Local Administration (HCLA), (which will report to the Office of the Prime Minister) as provided for in the Constitution and the Provincial Powers Law 2008, and the Ministry of Municipalities in the KRG. UNDP will provide technical and financial support to enable the HCLA to stimulate a wide public debate and make recommendations on decentralisation and local government reform.

To inform policy dialogue, UNDP Iraq with the UNDP Programme on Governance in the Arab Region (UNDP-POGAR) and UN-HABITAT will prepare a 'Decentralisation Framework Toolkit' consisting of a review of

relevant existing laws and policies, a series of topical discussion papers[2] produced by qualified Iraqi and international experts, the findings of the governorate and local council situation analysis, and other relevant documents. In addition, scoping studies on services such as health, education, public works and cultural heritage in a decentralisation context and with e-government considerations will be conducted by partner UN Agencies according to their mandates with teams from the designated ministries. These teams will be guided by Terms of Reference and facilitated by UNDP with respect to decentralisation and e-government, UN-HABITAT with respect to urban governance and UNIFEM with respect to gender. An analysis of gender and women in local governance will also be produced by UNIFEM.

In order to elevate the importance of decentralisation and to generate greater understanding of how the processes of reforming a civil service and transitioning to a devolution inter-relate and proceed, the project will support, jointly with the UNDP-led public sector reform project, UNDP-POGAR, RBAS and UNESCWA, an international two-week conference on civil service reform, decentralisation and local governance. Areas of focus are expected to include: (i) reforming the civil service, (ii) strengthening and empowering local governance, (iii) e-government as a core strategy and transitioning to e-government, and (iv) mainstreaming gender, human rights and accountability. Specific topics will be determined during the course of preparations.

To ensure a multi-stakeholder process, UNDP will support federal and regional government-led decentralisation and local governance task forces (or equivalent) to lead workshops and meetings for policy-makers, organise expert roundtables and regional forums for government officials and civil society/community representatives in each governorate. The role of the Municipal Association in conducting reviews and roundtables and providing substantive inputs will be encouraged and supported by UN-HABITAT. Also, the project will initiate preparations for a 4-day national visioning exercise that produces a platform for a programme on decentralisation and local government reform, which is expected to be one of the first activities for the project's second phase.

(iii) Institutional preparations for implementing decentralisation

To demonstrate a model case and learn from some experiences of implementing decentralisation, the project will identify at least one service-oriented federal ministry and support the setting of priorities and preparation of a transformation plan for the ministry to gradually transfer its administrative and some service functions to the governorate and move to a co-ordination, central policy and monitoring role, whilst the governorate and district levels scale up administrative and technical staffing, departments/offices, procedures and processes for developing and delivering the services related to the given mandate (implementation foreseen during the preparatory project). To take advantage of this opportunity, the project will prepare the transformation plan with the prospect of introducing automated processes based on the e-readiness assessments to all administrative levels. UNDP and the relevant UN Agency according to the ministry identified will provide technical assistance. This initiative will be co-ordinated with the UNDP-led public sector reform project.

Depending on the pace of developments with decentralisation and local government frameworks and legislations, and also broader public sector reform, the project will aim to initiate support, largely through technical/facilitation assistance, to the drafting of transformation and re-profiling plans for all regions and governorates. Introducing e-government and respecting gender and affirmative action policies or standards will, among others, be important elements of the plans. These plans will guide governors and governorate councils, in particular, in preparing for change and redefining the structure and civil service staffing in their respective governorate and districts/sub-districts.

(iv) Local government policies

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[2] Discussion papers could include (i) international best practices, (ii) the history of local government in Iraq, (iii) the politics of reform in Iraq, (iv) inter-governmental relations, (v) local government revenue generation, budgeting and financial management, (vi) local government structural and staffing issues, (vii) local service delivery standards and performance indicators, and (viii) legal framework requirements.

In a similar manner, and in the context of broader public sector developments, the project will support, to the extent possible within its timeframe, the development and/or improvement of policies for local government in key areas, such as planning, human resources and general office administration. UNIFEM will be involved to advocate that gender dimensions are adequately incorporated and will also prepare draft separate policies on gender and women in local governance.

**Pillar 2: Strengthening local government systems and capacities**
(i) Orientation for new governorate councillors    •
As soon as possible after the governorate council elections in early 2009, the project will conduct a 3-day orientation for new councillors, senior executive officials, together with community representatives, in each governorate on roles and responsibilities, good governance principles and conflict management. Doing this early is important for credibility and for setting priorities. Community representatives will be included in the same sessions in order to increase their understanding and eventually their participation in local governance.

(ii) Regional and local government systems and standard operating procedures
To improve management and efficiency in regional and local governments, and to address the issue that some governorates are beginning to introduce their own new administration systems, UNDP will lead in supporting the development of generic administration and management systems and standard operating procedures (SOPs) for regional and local governments, with UNIFEM providing guidance on gender considerations and UNFPA supporting upstream data collection. The systems and SOPs are expected to include: upstream planning, budgeting, reporting, data collection and information management, human resources management, office management and administration, asset management, and project design, management and monitoring. For finance, accounts and procurement, the project will co-ordinate with the World Bank, IMF, OECD and USAID. However, recognising that a central budget for Iraq and significant financial transfers to governorates are expected to continue for some years, the project will work within this structure but will strive to make financial management more efficient so that the funds allocated are allocated onwards to the districts for local development. One means for achieving this will be the development of a one-stop-shop portal.

UNDP will develop a performance measuring system for local governments, which can be used as an incentive system for local governments to perform better and attain greater resources for development. These endeavours will be guided by broader developments in public administration and the national e-government strategy.

(iii) Capacity building strategy and support
The situation analysis of local governments and training facilities/services across Iraq will help inform a capacity development strategy for improving skills and competencies of civil service staff and permanent training services. Part of this analysis will report on the status of human resources in each governorate, with a gender lens, and e-readiness. Based on these findings, UNDP will work with the MoPDC, MMPW and the MoM and MoP in the KRG to prepare a comprehensive capacity development strategy that responds to short-term and longer-term needs at different levels. UN-HABITAT will provide inputs for ensuring the strategy adequately addresses urban governance matters, and UNIFEM will provide inputs on gender aspects. The strategy will have a longer-term view of re-profiling in the governorates in the context of eventual decentralisation, as well as 'right-sizing' so as to ultimately render the civil service lean, technical and service-oriented.

The project will pursue a number of initiatives that are considered vital to strengthening capacities of local government staff and accelerating performance:
- Based on the situation analysis and in co-ordination with USAID/RTI International and MSI/Tatweer, UNDP will analyse further the skills gaps for senior and middle management in exercising core functions of local government (e.g. planning, capital expenditure, procurement and asset management, investment and management of services, and internal controls) and also change management and e-government awareness. The findings will feed into the capacity development strategy and implementation will begin during this preparatory project for up to 100 senior and middle-level

managers, in partnership with the NCCMD. UNDP will also provide orientation to NCCMD in e-government and business process management so as to diversify its training topics for civil servants, and will work alongside NCCMD to deliver the courses in these areas.

- Also based on the situation analysis, UNDP will support the High Commission on Local Administration (once established) in examining the feasibility of establishing a dedicated local government training institute and will prepare a report outlining the scope of such an institute in terms of services, administrative and technical staffing, funding and training curriculum for all levels of local government civil servants. The study would also include an e-governance training centre and online distance learning within such an institute.

o To strengthen planning at the governorate and district levels, UNDP will provide technical assistance to the MoPDC and its offices established in 3 governorates, and MoP in the KRG for overseeing development planning and budgeting, and preparing to introduce an upstream data collection and planning system for local government so that each government unit begins to have more ownership over its data and that plans translate into projects.

In order to nurture institutional learning and skills growth over the longer-term, and to facilitate transition and change, the project will design and begin preparations for introducing a model of technical assistance that is 'home grown' by creating a cadre of Iraqi local government facilitators across all governorate and local councils. These facilitators would be government staff assigned to a governorate council or cover a number of district councils, and would have a responsibility for assisting, guiding and supporting the efforts of councils to interpret policies and to effectively organise and manage local administration, planning and service delivery.

(v) Human resources management
In line with civil service reform developments, UNDP will provide a team of international and national human resources advisors to support a committee or board for decision-making, redefining civil service staffing and other matters related to human resources in each governorate. This body would also serve as an interface between the central/regional and governorate levels. The same advisors will support the design of a generic a gender-sensitive and merit-based recruitment and human resources management system in co-ordination with the World Bank and USAID-led development of the FMIS system, which will automate payroll procedures, and the UNDP-led public sector reform project.

(VI) Improved district business processes for service delivery
To demonstrate implementation activities for the reform of existing local government structures and service delivery systems, UNHABITAT will lead in the piloting of improved business processes for service delivery in 3 urban areas in 3 governorates. These efforts are also expected to support expediting of the governorates' budget execution on local development in accordance with its strategic plan.

Informed by the local government situation analysis, e-readiness assessments and existing strategic plans, UN-HABITAT will support the design and implementation of improved service delivery systems in 3 urban areas of varying size – in 3 governorates. This will be done in collaboration with community stakeholders. Support will include redesigning business processes (in co-ordination with other similar initiatives), including the introduction of e-services (in compliance with broader e-strategy), providing technical training in key municipal services (e.g. local road maintenance and repair, street cleaning, garbage collection and disposal, facilities management, parks maintenance and improvements), promoting public information and engagement, promoting partnerships for local governments with private business and/or local NGOs/CSOs to deliver services identified, and providing ongoing technical support. In the process, UN-HABITAT will engage and support the training centres of the MMPW if they are active in the governorate. A report of the experiences will be produced to feed into wider learning and to inform the formulation and implementation of the comprehensive joint programme.

**Pillar 3: Civic education and participation strategy developed in three governorates**
<u>(i) Public information and civic education</u>
Building on multi-stakeholder consultations on the decentralisation framework under Pillar 1, the project aims to increase general public awareness and understanding of decentralisation, local governance, and gender and women in local governance. To achieve this, UNDP will support the High Commission on Local Administration in devising and implementing a communications strategy on developments with the decentralisation and local government reforms. For more comprehensive civic education, UNDP will partner with the Ministry of Information and an international NGO to design an Iraqi-wide civic education programme and also to develop civic education and participation strategies in at least 3 governorates (including those where UN-HABITAT will be active – see point (ii)), based on the findings of the public perception survey (see below). The civic education programme and strategies will include the government's responsibility to bring policies, planning, services and resource management within the purview of the people, public access to information, introduction of e-information for citizens, and detail how participation of people in local governance will be encouraged so they, especially women, the poor and marginalised, can exercise their voice and ultimately derive greater benefit from their own government institutions and services. Co-ordination with UNOPS' civil society project will be sought.

In order to demonstrate a 'live' approach to e-participation, the project will ensure the development of the decentralisation framework and any ensuing policy/legislation is made public and participatory through pillar 2, section (ii). This portal will enable the GoI to dialogue with its citizens; the GoI will be able to request, receive and incorporate feedback from constituents, thereby allowing the GoI to tailor the policy/ies to reflect and meet the needs and priorities of citizens. Citizen's will be provided with information on how to access and use the facility, and training will be given to designated staff for managing the portal.

Recognising that the ongoing UN's Local Area Development Plan (LADP) is supporting local authorities in 6 districts in planning and implementation, local economic development and employment generation and improving service delivery capabilities, and that UN-HABTAT has an ongoing project supporting the MoPDC in urban planning and local economic planning, the project will keep abreast of these experiences and incorporate learning into relevant policy and strategy support and the design of the project's second phase.

<u>(ii) Measuring public perception</u>
At the end of the first year of the project, UNDP will subcontract the design and conducting of a public perception survey to measure the public's attitudes towards local governments and their interaction with the government unit closest to them. The findings will also inform policy priorities on decentralisation and civic education and participation strategies.

**Pillar 4: Inter-governmental relations and local government networks**
<u>(i) Inter-government relations and structured dialogue</u>
To clarify and strengthen inter-governmental relations, both vertical and horizontal, and introduce structured and continued dialogue on governorate and municipal affairs, UNDP will direct its support at the federal level through the establishment of the High Commission on Local Administration, under the Office of the Prime Minister, and fulfilment of its mandate and at the regional level through the Ministry of Municipalities, At the federal and regional levels, the project will put in place and support a formal mechanism for discussion on political and technical matters concerning governorates. Support to the Association of Governorates is being provided by RTI International; the project will therefore co-ordinate and ensure the Association is included. UN-HABITAT will support the municipal level through the Municipal Association (soon to be established), including support to roundtable discussions on policies and a study tour to review local government modernisation and reform efforts in two countries in the region. UNDP will support e-government network and working groups in KRG and Basra and will also use the opportunity of all these network mechanisms to raise awareness on e-government.

(ii) Local government knowledge-sharing and networks
To support knowledge sharing and learning and to establish or strengthen membership of knowledge networks UNESCWA will facilitate co-operation and partnership agreements between 1 or 2 municipalities in Iraq with municipalities in the neighbouring region or beyond that share some degree of commonality, and also support at least 1 exchange visit to give local officials in this first instance an opportunity to exchange experiences and broaden their networks. UNESCWA will collaborate with UN-HABITAT and the MMPW. UN-HABITAT will support Iraq's membership of the United Cities and Local Governments Association (UCLGA) and facilitate participation of 10 Iraqi officials in the UCLGA World Congress and the Middle Eastern and Western Asia Region Congress in 2009.

## 4.2 Implementation strategy

Ensuring national ownership
To ensure national ownership, the UN partners involved in the project will support government-led task forces or working groups (or equivalent) that relate to decentralisation, local governance and local development. One of the first steps in the project will be a visioning exercise on decentralisation and the roles of local governance which will involve government and Iraqi citizens and be led by Iraqi policy-makers and facilitated with support from UNDP. The different tiers of government, as appropriate, would also assume a leadership role in the formulation and improvement of policies, systems and mechanisms, whilst the project would provide technical assistance and facilitation upon the behest of the Iraqi authorities.

Synergy with public administration reform
In order to decentralise a public administration, it will be of paramount importance for the project to synergise with developments in public administration and civil service reforms. UNDP with UN Agencies is currently formulating a project in public sector reform and will need to ensure tight linkages and coherence between the two projects, particularly with respect to federal-level policies, administrative systems and processes and e-government strategy, mapping and scoping studies of ministries, and civil service developments. Government actions, including through the Federal Civil Service Commission and Federal Public Service Council once established, will also need to be co-ordinated in their actions.

E-government and e-services
Information communications technology provides increasingly important tools for increasing efficiency and accountability, accelerating learning, standardising work processes and therefore the accelerating progress towards social and economic development. When made available, it also gives greater access to information by the public that can help dispel ignorance and empower people to have a voice in public affairs and therefore decisions that affect their lives. The project will integrate: (i) *e-government* (i.e. the processes and structures that define the relationships between central, regional and local government and between different departments) through e-readiness, e-government strategies, local government administrative systems and procedures, and co-ordination mechanisms, and (ii) *e-governance* (i.e. processes and structures that define the relationship between government and citizens whereby citizens, civil society and the private sector are brought the centre stage of the governance process) through a one-stop portal, civic education and participation strategies, e-services in selected municipalities and demonstrating an e-participation initiative in developing policies on decentralisation and local governance. Access to information is expected to be an increasingly important element of the comprehensive joint programme, to be developed.

Building on existing institutional structures
The project will build on existing institutional structures and strategic plans so as to keep the level of change to the minimum necessary, to respect development targets already established, and so that government staff's day-to-day work continues. Rather than overloading staff with training during this preparatory phase, emphasis will be more on continuous technical assistance in order to guide and facilitate productivity and improvements. Where training is provided, it will be through existing trained staff and facilities as far as possible, or where an outside contractor is contracted, partnerships with existing Iraqi training service providers will be sought. For example, for building core competencies of senior and middle managers in governorates and districts, UNDP

will build on the team of 20 senior civil servants (including Director Generals) who have been trained as trainers in public accountability and management in 2007/8.

Activities in Iraq as far as possible
Where security allows, the project will strive to conduct trainings and project-related events in Iraq rather than outside the country.

### 4.3 Project beneficiaries
The beneficiaries of the project will be:

- o  <u>National</u>: High Commission on Local Administration, policy-makers and professional staff of the MMPW and MoPDC, training centres of the MMPW, one service-oriented ministry (to be identified)

- o  <u>Regional</u>: Ministry of Municipalities and Ministry of Planning

- o  <u>Governorate</u>: all 18 Governorate Councils for policy, senior executives and middle managers, especially those involved in planning, human resources, organisational development, procurement and IT; 3 governorates for pilot activities

- o  <u>District</u>: Municipal Association, district councils and elected local officials and the public where service delivery will be piloted

- o  <u>Non-governmental</u>: Iraqi NGOs/CSOs in districts where service delivery will be piloted and civic education and participation strategies will be developed

### 4.4 Partners
With respect to the mandates of the UN agencies involved in the project, the project will draw from specific technical expertise, namely UNDP's and UN-HABITAT's global experiences in local governance policies and systems, UNICEF's, WHO's, FAO's and UNESCO's mandates for core social services, UNFPA's expertise in data and statistics, and UNIFEM's particular mandate on gender and women's empowerment. UNESCWA and UNDP-POGAR will provide expertise and linkages within the region.

The government counterparts shall be the Ministry of Planning and Development Cooperation, Ministry of Municipalities and Public Works, and the relevant line ministries for the selected pilot activities, expected to include sectors of health and higher education. The Ministry of Finance will be a counterpart on fiscal policies and relevant aspects of public financial management. The integrity institutions, especially the Commission on Integrity and Board of Supreme Audit will be engaged in coordinating on-going integrity and anti-corruption policies and programmes of the Government of Iraq, supported by UNDP and UNODC.

# 5. Results Framework

## Table 1: Results Framework and Indicators

| Programme Title: | Support to Decentralisation Reform and Local Governance for Development in Iraq – Phase I | | | | | | |
|---|---|---|---|---|---|---|---|
| NDS/ICI priority/ goal(s): | **NDS:** Regions and governorates development: <br> - Annual allocations and distributions to governorates; <br> - Development management in regions and governorates <br> Improving the quality of life: <br> - Human development <br><br> **ICI:** 4.1.2: Develop framework for inter-governmental fiscal relations to ensure efficiency, transparency and equity while maintaining national fiscal integrity <br><br> 4.4.1: Delivering basic services: <br> - Review legislative and regulatory framework to delineate the role of national and sub-national units for basic service provision <br> - Enable effective and efficient co-ordination between national and sub-national governance units on service delivery with specific regard to the function of planning and service management <br> - Build sub-national information management capacity to improve quality and efficiency of execution | | | | | | |
| UNCT Outcome | Strengthened regulatory frameworks, institutions and processes of national and local governance | | | | | | |
| Sector Outcome | Strengthened regulatory frameworks, institutions and processes of national and local governance | | | | | | |
| IP Outcome 1 | GOI and relevant decentralisation partners have relevant institutional mechanisms in place to implement decentralised policies and programmes | | | | NDS/ICI Priorities: As above | | |

| IP Outputs | UN Agency Specific Output | UN Agency | Partner | Indicators | Source of Data | Baseline Data | Indicator Target |
|---|---|---|---|---|---|---|---|
| IP Output 1.1: | GoI able to draft and formulate decentralization and local governance policies and legislative frameworks in a participatory manner | UNDP | Office of the Prime Minister, MMPW, MoPDC, Min Finance, MOH, MOLSA, MOE, Min Higher Ed, Min Trade & Ind, Min of Information, Supreme Audit | a)In-depth situation analysis of local governments available with data and analysis disaggregated by gender | Situation analysis report <br><br> Progress reports of subcontractors | City profile reports of 2006; no comprehensive analysis of all local governments | At least 3 profiles, 3 e-readiness assessments and overall report for informing policy dialogue and capacity development strategies with gender issues clearly presented and analysed |

| IP Outputs | UN Agency Specific Output | UN Agency | Partner | Indicators | Source of Data | Baseline Data | Indicator Target |
|---|---|---|---|---|---|---|---|
| | | | Board, COI, NCCMD, KRG MoM, Iraq Municipal Association, Governorate Councils, UNDP-POGAR, UNESCO, UNESCWA, UNFPA, UN-HABITAT, UNICEF, UNIFEM, WHO, Universities of Baghdad, Mosul and Basra | b) Number of participating ministry staff (gender disaggregated) trained in planning and policy development<br><br>Percentage of trainees who express satisfaction with the quality and relevance of trainings | Project progress reports<br>Training evaluation reports | None available | To be determined according to training plans<br><br>85% respondents satisfied with training |
| | | | | c) Number of technical and analytical documents to inform policy dialogue produced | Report on review of existing relevant laws and policies<br>Discussion papers drafted<br>Report of situation analysis (1.1.1)<br>Scoping reports produced | Strategic direction outlined in the NDS and ICI but no toolkit available for informed discussion | Decentralisation toolkit, including analysis of gender and women in local governance, to inform policy dialogue produced by joint UN and government teams and disseminated to key government and non-government stakeholders, as well as made public on the GoI website |
| | | | | d) Number of government and non-government stakeholders engaged in multi-stakeholder process, including the task forces | Project progress reports<br>Minutes or notes of task force meetings<br>Reports and photographs on workshops and events held<br>Public information materials produced<br>Media reports | A decentralisation task force was active under the leadership of the MMPW in 2005 but is no longer active | Number to be determined during activity planning |
| | | | | e) Number of e-government strategies and action plans for governorates drafted | Reports of e-government specialists | E-government strategy at federal level but limited or no implementation | E-government strategies and action plans drafted or improved for KRG and Basra Governorate |

| IP Outputs | UN Agency Specific Output | UN Agency | Partner | Indicators | Source of Data | Baseline Data | Indicator Target |
|---|---|---|---|---|---|---|---|
| | | | | | Reports of e-government working groups | | |
| IP Output 1.2: | Generic systems in policy-making, participatory planning and budgeting, data collection, human resources management and organisational management developed and core competencies of decentralised governance stakeholders improved | UNDP | Office of the Prime Minister, MMPW, MoPDC, Min Finance, MOH, MOLSA, MOE, Min Higher Ed, Min Trade & Ind, Min of Information, Supreme Audit Board, COI, NCCMD, KRG MoM, Iraq Municipal Association, Governorate Councils, UNDP-POGAR, UNESCO, UNESCWA, UNFPA, UN-HABITAT, UNICEF, UNIFEM, WHO, Universities of Baghdad, Mosul and Basra | a) Number of newly elected governorate councillors trained on their new roles, responsibilities and good governance principles<br><br>Percentage of trained elected councillors fully satisfied with the quality of the training in terms of relevance and usefulness | Training reports and evaluations Project progress reports | Current governors were not democratically elected, therefore first governorate council elections due | Orientation sessions conducted in all governorates for councillors, senior executive officials and community representatives soon after the elections |
| | | | | b) Number of generic administration systems and corresponding standard operating procedures for regional and local governments drafted | Reports of project technical advisors Evidence of working draft systems and procedures | Rudimentary and paper-based administration systems | Improved and e-government systems, at least in planning, budgeting, procurement and human resources being developed that adequately address gender equality |
| | | | | c) Comprehensive capacity development strategy addressing short- and longer-term requirements and gender aspects drafted | Project progress reports Draft of strategy Reports of MoPDC and MMPW | Baseline to be determined by the in-depth analysis | Comprehensive capacity development strategy endorsed by government stakeholders that factors in gender considerations throughout and addresses short-term needs, including immediate skills gaps of senior and middle managers and MoPDC offices in 4 governorates, and longer-term needs including a model of Iraqi technical assistance for local government |
| | | | | d) Number of governorates trained in human resources and decision-making | Project progress reports Reports of human resources advisors | Baseline to be determined by the in-depth analysis | Human resources committees or equivalent established in at least 9 governorates; where committees established, they are active in |

| IP Outputs | UN Agency Specific Output | UN Agency | Partner | Indicators | Source of Data | Baseline Data | Indicator Target |
|---|---|---|---|---|---|---|---|
| | | | | | | | examining and redefining in civil service staffing, and advocating merit-based recruitment |
| IP Output 1.3: | Capacity of local governments in target locations developed to develop local development action plans and city master plans in 3 locations in a participatory manner | UNDP | UN-HABITAT, Ministry of Information, Ministry of Housing, other ministries as relevant, Governorate Councils, Iraqi NGOs/CSOs, International NGO, Universities of Baghdad, Mosul and Basra | a) Number of governorates trained in civic education and participation strategies | Project progress reports Reports of NGO/CSO partners | Baseline to be determined by the in-depth analysis | Civic education and participation strategies drafted by governorate councils and Iraqi NGOs/CSOs in at least 9 governorates (based on public perception survey) |
| | | | | b) Number of governorates with city master plans | Reports of UN-HABITAT | Baseline to be determined by the in-depth analysis | Three cities in three governates have city master plans Business processes remodelled, e-services and partnerships with private sector and/or civil society being introduced in 23 municipalities in 3 governorates, and training role of MMPW training centres strengthened |
| | | | | c) Report of (national/ sub-national) survey on public perceptions towards local government produced | Report of implementing agent Publication of survey findings | Data available through polls carried out by news agencies but no systematic surveys on public attitudes towards government conducted | One public perception survey conducted across all governorates and findings published |
| IP Output 1.4: | Improved national capacity to formalize intergovernmental dialogue as well as regional/ international partnerships around decentralization | UNDP | Office of the Prime Minister, MMPW, KRG MoM, Association of Governorates, Municipal Association, UNESCWA, UN-HABITAT | a) Frequency of government-led co-ordination meetings or forums convened on governorate and municipal affairs | Project progress reports Reports on forum discussions | Central level to be established; Municipal Association established – regularity of meetings; Association of Governorates supported | High Commission on Local Administration established mechanism for structured dialogue and conducting at least 2 meetings or forums per year for all governorates Association of Governorates established |
| | | | | b) Number of partnerships established with regional and international municipalities c)Number of partnerships established with regional and international networks | Reports of UN-HABITAT and UNESCWA Reports of international LG networks Reports of partner cities/municipalities | No existing twinning arrangements or membership of international LG networks | City-to-city co-operation for 1-2 cities/towns Membership of two international local government networks |

## 6. Management and Coordination Arrangements

### 6.1 Project implementation and supervision arrangements

The UNDP Iraq office will be the Executing Agency as agreed by the UN Agencies involved in the project. UNDP will execute the project through its Direct Execution (DEX) modality.

Project Steering Committee (PSC)

The project will be guided by a Project Steering Committee (PSC), which will be the body that sets the policy and direction for the project, monitors the overall project's performance, progress and appropriateness, exchanges pertinent information related to the processes of decentralisation and strengthening local authority across Iraq, analyses issues and risks affecting the project, and makes recommendations on prioritising the focus and provision of the project's services. The PSC will be co-chaired by UNDP and the MoPDC, and will convene every six months or at designated points that are strategic to the project's implementation. Additional meetings may also be requested by the Project Manager to address important issues or when higher management decisions are required. Committee members will include representatives of key federal and regional government ministries and institutions, including at least one service-oriented ministry and the project's donor. Participation of governorate level counterparts will be encouraged. The Project Manager will serve as the secretariat to the Steering Committee.

The day-to-day management and decision-making of the project will be the responsibility of a Project Manager (PM), who will be based in the UNDP Iraq Office, Amman, Jordan, but will travel to Iraq as security permits. The PM effectively steers implementation of the project, ensuring that it produces the results specified in the Project Document within the project's work plans and budgets. The PM will be Secretary to the PSC and will report on the project's status, issues and challenges. For management issues and performance related matters, the PM will report to UNDP's Governance Team Leader. The PM also supervises the Project Implementation Team and Project Support staff.

The PM is responsible for advising, guiding and co-ordinating all partners to ensure that they collaborate and work well together, and guiding the key government counterparts on strategic options. The PM will monitor and log issues and risks, and will guide necessary responses of the project to changes in the political and security situation. The PM will also meet regularly with partners through the co-ordination mechanisms established to consult, discuss options and review the progress of the project.

Project Implementation Team (UNDP)

The Project Implementation Team (PIT) will consist of staff based in UNDP's offices in Amman, Jordan, and Baghdad, Erbil, and other offices, as relevant, in Iraq. All staff based in Jordan will travel regularly to Iraq as security permits, just as some posts may be transferred to Baghdad if security permits. Staff based in Iraq may have some reporting requirements to heads of UNDP sub-offices in Iraq. Recruitment of the PIT may be phased according to the readiness of government institutions to receive advisory services. The PIT will comprise:

- *Capacity Development Specialist* (international), based in Amman, Jordan; responsible for drafting the capacity development strategy for local governments, supporting governorates in preparing for implementation of decentralisation, guiding capacity building of existing GoI training and advisory services, and guidance preparing for local government facilitative assistance model.

- *Project Co-ordinator* (national) based in Baghdad; will be the project focal point in Iraq with central government counterparts and other project partners, guiding project implementation and issues in Iraq.

- *Human Resources Advisor* (international) based in Amman; will provide technical guidance in drafting/revising human resources policies for local government, human resources management and development system, merit-based recruitment, re-profiling in governorates and certified human resources training curriculum. The Advisor will also guide the technical work of the 3 national Human

Resources Specialists. The Advisor will work 50% on this project and 50% on the UNDP-led public sector reform project so as to ensure co-ordination with broader human resources-related efforts associated with civil service and public administration reform.

- *Three Human Resources Specialists* (national) based in Baghdad, Erbil and Basra; will support a number of governorates in evaluating human resources, human resources policy and systems developments, preparations for re-profiling in governorates, orientation and training initiatives and other human resources-related matters. The HR Specialists will also support the feasibility study of the local government training institute.

- *E-government Specialist* (national) based in Amman; will support e-readiness assessments, e-government strategies and planning for transition to automated processes.

- *Two Project Officers* (national) based in Erbil and Basra or a governorate to be determined; responsible for day-to-day matters and representing and steering the project in their respective areas of assignment.

Technical Advisors/Consultants
*Decentralisation Advisor* (international) based in Amman; will provide technical guidance and support process of drafting decentralisation framework, promote inter-government relations, guide the development of transition plans for implementing decentralisation, and guide the decentralisation test case.

*Planning Advisor* (international) based in Amman; will provide technical guidance in drafting and implementing a generic planning framework, system and processes for governorates and districts that link to national budget formulation process, and provide technical assistance to the MoPDC and its four governorate offices.

*E-government Expert* (international) based in Amman; will guide the e-readiness assessments, drafting or improvement of e-government strategies and planning for transition to automated processes.

Project Support
There will be two Project Associates, one each based in Amman and in Baghdad, and two Project Assistants, one each in Erbil and Basra or a governorate to be determined. They will be responsible for general project-related administration, record-keeping, project-related logistics and procurement, and supporting and tracking contracts with implementing agents, consultants and other service providers.

Responsible Parties:
UNDP will enter into Letters of Agreement with government counterparts, (MMPW, MoPDC, High Commission on Local Administration when established, Ministry of Information, and possibly the KRG MoM and MoP) where activities will be implemented jointly and some costs will be shared. Contractual agreements may be entered into with other government institutions as project implementation and policy developments progress.

UNDP will enter into inter-agency agreements with each partner UN Agency for their respective component(s) of the project. Each Agency may recruit project personnel and contract services as per the agreement and according to its rules and procedures.

UNDP will subcontract services of Iraqi universities, public administration training institutes in the Middle East/Gulf region and Iraqi NGOs or CSOs according to its procurement rules, regulations and procedures.

Co-ordination Arrangements
For joint programming and review to be constant, a Project Implementation Working Group will be established in Amman, chaired by UNDP and represented by the project focal points of each UN agency. It will move to

Baghdad as security and logistical conditions allow. This co-ordination team will meet monthly to discuss issues of implementation, strategy, and human and financial resources mobilisation.

At the federal and regional government levels, a government-led decentralisation and local governance working group or task force will convene periodically (to be determined) to discuss and review related matters and developments. Participants will be identified by the GoI, but the group is expected to include members of the Project Implementation Working Group. World Bank, USAID, OECD and other relevant organisations will be encouraged to participate. The PM will ensure coordination between the PIWG and any other working groups.

At the governorate level, co-ordination arrangements will be guided by the respective governors where the project is implementing activities so as not to duplicate similar arrangements already established. It is expected that local governance working groups, or similar, led by the governors and made up of local institutions, local delegates of national institutions, representatives of civil society, private sector and the project's implementing agents, function not only to scrutinise project progress but also local governance matters within the respective governorate and feed upwards to the higher level working groups or task forces, the project management and the Project Steering Committee.

At the district/municipal level, where UN-HABITAT will be supporting urban service delivery, a local steering committee, or similar, will be established to be guide and monitor inputs and activities.

## 6.2 Delivery mechanism

With respect to the prevailing security conditions in Iraq, the project will continue to the monitor risks and apply a risk management strategy. Given the technical competencies required of some of the project staff, for example, Organisational Development Specialist, these staff members will be based in Amman but travel as regularly as possible to Iraq, until such a time they can, if at all, transfer to their counterpart government institutions to provide more continuous advisory services.

Being a governance-related project, it is in the interests of the project to work through and strengthen as much as possible existing government structures and facilities. For this reason, rather than UNDP or UN partner agencies recruiting large numbers of project staff, the project will instead focus on technical support coming from various sources (e.g. universities, public administration institutes, as well as resource persons and professionals within the civil service) to federal and local level government staff and offices, and will deliver some of its activities through government-run training centres and services. In addition, the project will be implemented through different offices in Iraq which means that if security poses a problem in one area, activities in another may still continue and the staff may be relocated as necessary.

## 6.3 Inter-Sector Outcome Team co-operation

Decentralisation and local governance cuts across all the essential services outcome teams, in particular water/sanitation, education, health and shelter. The Governance Sector Outcome Team will lead an inter-SOT working group on decentralisation and local governance.

## 7.     Feasibility, risk management and sustainability of results

### 7.1 Feasibility

The feasibility of the project may be affected by the Governorate elections, scheduled to be held on January 30, 2009. Planning for decentralisation can be carried out independently of this election event, however the detailed preparations for implementing a decentralisation process will be enhanced when the newly elected officials are in place.

## 7.2 Risk management

| Risk Factors | Risk Management Strategy |
|---|---|
| **A. Political and conflict factors** | |
| A.1 Potential escalation conflict in Iraq after a period of significant security improvements. Whilst the general situation is currently more optimistic, it is unpredictable. Any escalation could change or halt donor activity, restrict staff movements further and delay individual project activities in certain locations or the entire project work plan.<br>Probability: Medium. Impact: High | o Closely monitor the political and security situation and put in place contingency plans as necessary.<br>o Ensure strict compliance with UN-DSS security advice and procedures for all project staff.<br>o Adjust the project if possible so that activities can continue in locations that are still feasible. |
| A.2 Governorate council elections are uncertain and could be put on hold. This risks creating further tensions in some parts of Iraq. Once the elections have taken place, it will take time for new leadership/elected officials to assume their responsibilities. Also, delays to some project activities likely if viewpoints are different or some decisions are unlikely to be made until the elections have been held.<br>Probability: Medium. Impact: Medium | o Conduct training for elected officials and public on roles and responsibilities as early as possible after the elections.<br>o Proceed with central-level policies and institutional support, and other technical oriented activities (e.g. situation analysis and capacity development strategy).<br>o Monitor the impact of the elections and be aware of any flashpoints as well as opportunities. |
| A.3 Turnover of ministry staff can affect the pace of project implementation and decisions.<br>Probability: Medium/Low. Impact: Medium/Low | o Assess impact of change and produce action plan as necessary.<br>o Co-ordinate with the public sector reform project to design fast track promotion system in the civil service<br>o Introduce the project to new staff. |
| **B. Policy factors** | |
| B.1 There is lack of consensus across government institutions and the public in Iraq about decentralisation. Proposed decentralisation framework, planning, human resources and other modalities may therefore not be supported by GoI and/or sectors. The issue is the extent to which there will be a tendency to centrally control funds and decisions.<br>Probability: Medium. Impact: Medium/High | o Close collaboration with GoI task forces (or equivalent), donors and other influential stakeholders.<br>o Advocate respect of the Constitution of Iraq and other national strategy documents and targets.<br>o Continue policy dialogue and conduct public awareness on decentralisation and local governance to increase understanding, but apply a conflict-sensitive approach to new issues.<br>o Depending on degree of problem, project adjustments could be made without compromising its basic intent, e.g. continue capacity development. |
| B.2 Delays to broad public administration and civil service reform agenda will cause delays to restructuring in governorates and districts, development and introduction of new local government policies and systems. Added risk that restructuring of authorities will cause tensions and resistance if civil servants/staff risk losing their jobs.<br>Probability: Medium/High. Impact: Medium/High | o Close collaboration with GoI task forces (or equivalent), donors and other influential stakeholders to pursue a conflict-sensitive approach, such as to continue to invest in strengthening local authorities and participatory approaches.<br>o Ensure strong collaboration between this project and UNDP public administration and civil service reform project, in particular the risk factors and issues arising.<br>o Make sure project work plans are flexible. |
| B.3 Lack of inter-governmental coherency. The technical (as opposed to political) working relationships between and also across levels, formally, remain unclear, and the reality on the ground has yet to emerge.<br>Probability: Medium. Impact: Medium | o Focus on support to all tiers of government administration simultaneously<br>o Test-case a model ministry that demonstrates vertical linkages and communicate clearly and objectively on the experiences<br>o Support co-ordination body for local administrations, discussion forums and advocate on these matters |

| C. Systems and skills factors | |
|---|---|
| C.1 Challenges of staff competencies in key central and local government positions. Absorptive capacities might be lower than is planned for in the project. There is likely to be variation geographically and differences in rural/urban areas. It is important to address the challenges of getting support to "disadvantaged" areas.<br>Probability: Medium. Impact: Medium | o Apply care and sufficient resources to training, technical support and mentoring in the capacity development strategy.<br>o Use different sources (e.g. Iraqi and foreign institutes) and approaches (short- and long-term) for capacity development.<br>o Build on existing systems and structures, ensure revised systems are generic and emphasise practicality and follow-up with training appropriate to skills sets and needs.<br>o Careful co-ordination with High Commission on Local Administrations (once established). |
| C.2 Attracting and retaining sufficient numbers of qualified staff in the face of difficult living conditions, stress and limited amenities. Mixture of competencies being sought is also a challenge. This applies to UNDP project and government institutions.<br>Probability: Medium. Impact: Medium. | o Allocate sufficient resources to recruitment for all levels.<br>o Advocate that senior civil servants will need to focus significant attention on retention and performance of facilitators, including mentoring to extent possible for onward civil service career.<br>o Assess capacity development support (e.g. facilitative assistance model) once realities are tested. |
| C.3 Some resistance to change is expected where consultative processes have not been the norm for decades. Such resistance might manifest itself among government officials in adopting new participatory and merit-based processes and adapting to new responsibilities, and by communities in embracing new principles, particularly associated with the engagement and role of women in public life.<br>Probability: High. Impact: Medium. | o Ensure gender dimensions are incorporated into revised policies and systems for local administrations, e.g. budgeting, planning, so that they are eventually mainstreamed as standard practice.<br>o Contract Iraqi CSOs to conduct civic education on local governance, roles and responsibilities for duty bearers and rights holders, not as a stand-alone activity but repeated.<br>o Support Iraqi women already in public life to spread messages and to mobilise others. |
| D. Operational factors | |
| D.1 Government counterparts do not manage financial support in a transparent manner.<br>Probability: Medium. Impact: High | o Conduct capacity assessment of government counterparts to support risk and decision-making around partnership.<br>o Orient government counterparts in managing letters of agreement and other contract modalities.<br>o Include proper benchmarking in letters of agreement to ensure proper financial expenditure before next instalment is paid. |

## 7.2 Exit Strategy and Sustainability

The project proposed is the preparatory phase within a programme of at least 5 years. This preparatory phase focuses on fundamental policy and legal frameworks for decentralisation and local governance through Iraqi-driven and consensus-building processes, supporting a national co-ordination body for local administrations, assigning advisors to central and local government institutions, investing in core competencies of civil servants in governorates and districts, and raising public awareness and understanding about the role of local governance. It is expected that the second phase will be able to take hold quickly and demonstrate visible gains. In isolation of a projected second phase, the results of the first phase are not likely to be sustainable, despite these initiatives. However, as the second more comprehensive programme will be initiated during the lifetime of the preparatory phase, the likelihood of negative or lost impact is minimal.

## 8. Monitoring, Evaluation, and Reporting

The monitoring, evaluation and reporting of the programme will adhere to the regulations of UNDP, as well as the terms of the MoU between UNDP and the UNDG ITF. As this is a UNDP-led project, UNDP will be responsible for consolidated reporting to the MDTF Office of the UNDG ITF.

### 8.1 Monitoring, review and evaluation

The project will be monitored throughout its duration, reviewed substantively on an annual basis and evaluated in accordance with UNDP's programming policies and procedures. All component managers will provide information related to their respective activities to the UNDP Project Manager, for compilation, sharing within the implementation teams for learning purposes, and for onward reporting to the ITF and Steering Committee. To ascribe importance to these processes and to facilitate synthesis and interpretation of progress and performance, the project will allocate appropriate resources to ensure that monitoring and reviews are carried out, risks are analysed appropriately and lessons are captured throughout the project. The Project Steering Committee, working groups and project staff all have a role and responsibilities in monitoring and review of the project, which will be delineated in a separate M&E framework for the project. The M&E process is led by the PM.

To ensure objective and independent monitoring, track progress towards project's results, and monitor contractual arrangements, a Monitoring and Evaluation Officer, based in Amman, will be recruited. The M&E Officer will work 50% on this project and 50% on the second phase programme for complementarity and consolidating learning. The M&E Officer will be UNDP staff, but independent of the project management and implementation teams by reporting to the UNDP Governance Programme M&E Specialist, and will produce a separate status report to the Project Steering Committee.

All agencies with implementation roles will report on their components and activities to the PM.

At this stage it is not feasible to expect leadership roles in project steering from the decentralized stakeholders, however as the project progresses there would be increasing participation in project management mechanisms from the governorate level,

### 8.2 Monitoring and review milestones

Baseline survey: At the beginning of the preparatory phase, a situation analysis, will provide baseline data on the structures, staffing, processes and e-readiness of all governorates and a sample of districts in each governorate.

Bi-annual review meetings: The bi-annual meetings of the Project Steering Committee will serve to review project progress, issues arising and how to address challenges. These meetings will be informed by the quarterly progress reports of UNDP and implementing agents and the bi-annual progress report. The Project Steering Committee will be encouraged to undertake at least one field visit per year.

Annual project review: Based on the Annual Review Report, an annual project review will be conducted during the fourth quarter of the year or soon after, to assess the performance of the project and appraise the Annual Work Plan (AWP) for the following year. This review will be driven by the Project Steering Committee and may involve other stakeholders as required. It will focus on the extent to which progress is being made towards outputs, and that these remain aligned to appropriate outcomes.

Public perception survey: Towards the end of the project, a survey to gauge the public's perceptions and attitudes toward local governments (governorate councils, district councils and sub-district councils) will be conducted. The findings should provide both quantitative and qualitative information on which to base the direction of the second phase of the project.

Service delivery report: UN-HABITAT will produce a report on the pilot remodelling of service delivery in two governorates, which will inform the project review.

Final Project review: Similar to the Annual Project Review, this final review will be of all preparatory phase activities in order to provide strategic inputs and learning for the implementation of the comprehensive joint programme, and will be led by the UNDP Project Manager, and involve all components activities and agencies.

In addition to the above, the project staff and implementing agents will undertake ongoing monitoring according to the portfolio of activities, including evaluation of trainings and workshops conducted.

A final evaluation by an external evaluator will be done in accordance with UNDP regulations and normal practice in the UNDP Country Office.

### 8.3 Reporting
Financial: Financial reporting will be done in accordance with the MoU signed with the UNDG ITF Administrative Agent (AA) for the amount received and with UNDP financial rules and regulations. The project will be subject to a standard annual audit as per UNDP's rules, regulations and procedures.

Quarterly reporting: In accordance with UNDP procedures, the Project Manager will submit a quarterly progress report, lessons-learned log, risk log, issues log and a monitoring schedule plan. All implementing agents, including UN Agencies, will be required to submit quarterly progress reports to UNDP as per their respective contracts. These reports will be shared with the Project Steering Committee.

Bi-annual reporting: Narrative progress and financial reports in accordance with the MoU signed with the AA will be done by UNDP.

Annual Review Report: In the fourth quarter of the year, an Annual Review Report will be prepared by the Project Manager and shared with the Project Steering Committee, the Governance Sector Outcome Team and others as advised. This report will include a summary of results achieved against the pre-defined annual targets at the output level.

Project Report: At the end of the project, the Project Manager will be responsible for co-ordinating and preparing a report for the entire phase. This would be the same as a final narrative and financial report in respect of the MoU signed with the AA.

# 9. Work Plans and Budgets

**Work Plan for: Support to Decentralisation Reform**    Period Covered by the Work Plan 01 Dec 2008- 30 June 2010

| Sector Outcome (s): Strengthened regulatory frameworks, institutions and processes of national and local governance |
| IP Outcome(s): Improved policy-making, planning and delivery capacity of decentralised governance stakeholders |

| UN Organization-specific Annual targets | Major Activities | Time Frame (by activity) | | | | | | | | Implementing Partner | PLANNED BUDGET (by output) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Q1 | Q2 | Q3 | Q4 | Q5 | Q6 | Q7 | Q8 | | |
| **IP Output 1.1:** | | | | | | | | | | | |
| Framework, legislation and policies for decentralisation and local governance developed through multi-stakeholder process | 1.1.1 Prepare scope and conduct in-depth situation analysis for governorate and municipal councils and e-readiness assessments and produce reports with gender disaggregated | X | X | X | | | | | | MoPDC (COSIT), Subcontract | $2,481,948 |
| | 1.1.2 Support establishment and mandate of Federal High Commission on Local Administration with TA, 7-day study tour, and development of a 2-year strategic plan | | X | X | X | X | X | | | Office of the Prime Minister | |
| | 1.1.3 Produce 'decentralisation toolkit', including analysis of existing laws and policies and gender and women in local governance, findings of activity 1.1.1, and key discussion papers and disseminate to key government and non-government stakeholders | | | X | X | | | | | MMPW, KRG MoM, Municipal Association, UN-HABITAT, UNIFEM | |
| | 1.1.4 Conduct scoping studies and produce reports on decentralising key public services (health, education, cultural | | | | X | X | | | | MMPW, KRG MoM, UN-HABITAT, UNESCO, UNFPA, | |

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| UN Organization-specific Annual targets | Major Activities | Time Frame (by activity) | | | | | | | | Implementing Partner | PLANNED BUDGET (by output) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Q1 | Q2 | Q3 | Q4 | Q5 | Q6 | Q7 | Q8 | | |
| | heritage) and planning functions, with consideration of broader civil service reform and e-government strategy | | | | | | | | | UNICEF, WHO | |
| | 1.1.5 Support decentralisation and local governance task force and Municipal Association and meetings convened on decentralisation and local governance policies/issues; conduct roundtables and stakeholder consultations in at least 3 governorates involving fair representation of women and marginalised groups; initiate preparations for 4-day national visioning exercise | | X | X | X | X | X | | | Office of the Prime Minister, MMPW, Municipal Association, UNDP, UN-HABITAT | |
| | 1.1.6 Organise 2-week international conference on civil service reform, decentralisation and local governance with discussion papers, case studies, working sessions that culminates in platforms for action (with public sector reform project) | | | X | X | | | | | UNDP-POGAR, UNESCWA, Office of the Prime Minister | |
| | 1.1.7 Identify at least one service-oriented federal ministry to become a test-case model for decentralisation and introducing e-government and e-services, and provide TA to prepare transition | | | | | X | X | | | MMPW, Min of Information, selected Ministry and relevant UN Agency to be determined | |

| UN Organization-specific Annual targets | Major Activities | Time Frame (by activity) | | | | | | | | Implementing Partner | PLANNED BUDGET (by output) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Q1 | Q2 | Q3 | Q4 | Q5 | Q6 | Q7 | Q8 | | |
| | plan in consultation with government and non-government stakeholders | | | | | | | | | | |
| | 1.1.8 Provide TA to start preparing plans for redefining the civil service in governorates in the context of broader civil service reform (link with 1.3.1) and e-government strategy | | | | | X | X | | | High Commission on LA (when est.), MMPW, KRG MoM | |
| | 1.1.9 Provide TA to developing/improving key generic local administration polices and draft policy on gender and women in local governance | | | | X | X | X | | | MoPDC, MMPW, KRG MoP & MoM, UNIFEM | |
| | 1.1.10 Based on e-readiness assessments (1.1.1) Support drafting of e-government strategy and action plan for 3 governorates in context of national strategy | | X | X | X | X | X | | | Min of Information, KRG Min of Info, Basra Governorate Council | |
| **IP Output 1.2:** | | | | | | | | | | | $1,810,998 |
| Generic systems in policy-making, participatory planning and budgeting, data collection, human resources management and organisational management developed and core competencies of decentralised governance | 1.2.1 Conduct 3-day orientation sessions for newly elected councillors in 10 governorates, senior executives together with community representatives in new roles, responsibilities, conflict management, and good governance principles | X | X | | | | | | | TBD | |
| | 1.2.2. Based on situation analysis (1.1.1) begin to develop/ improve generic administration systems and | | | | | X | X | | | UNDP-POGAR, UNFPA, UNIFEM, | |

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| UN Organization-specific Annual targets | Major Activities | Time Frame (by activity) | | | | | | | | Implementing Partner | PLANNED BUDGET (by output) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Q1 | Q2 | Q3 | Q4 | Q5 | Q6 | Q7 | Q8 | | |
| stakeholders improved | corresponding standard operating procedures (e.g. data collection, planning, procurement, office administration, project management, reporting, asset management), for 3 governorates | | | | | | | | | Subcontract Public Administration Institute | |
| | 1.2.4 Based on findings of the situation analysis (1.1.1), develop and introduce comprehensive capacity development strategy that addresses short- and medium-term requirements | | | X | | | | | | UN-HABITAT, UNIFEM | |
| | 1.2.5 Based on situation analysis, conduct skills gap analysis of up to 100 senior and middle managers and provide training and/or TA to address core competencies, change management and e-government awareness | | | | X | X | X | | | Subcontract Public Admin Institute | |
| | 1.2.5 Provide TA to the MoPDC and its offices in 3 governorates in overseeing planning and preparing for upstream planning and data collection | | | X | X | X | X | | | UNFPA | |
| | 1.2.6 Conduct feasibility study and produce report and establishment plan for establishing a dedicated training institute for local government | | | | X | X | X | | | MMPW, UN-HABITAT, UNIFEM | |
| | 1.2.7 Support development of generic merit-based | | | | X | X | X | | | High Commission | |

| UN Organization-specific Annual targets | Major Activities | Time Frame (by activity) | | | | | | | | Implementing Partner | PLANNED BUDGET (by output) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Q1 | Q2 | Q3 | Q4 | Q5 | Q6 | Q7 | Q8 | | |
| | recruitment and HRM system and SOPs (co-ordinated with FMIS) for local government and establishment of human resources committees or equivalent in 3 governorates | | | | | | | | | **for Local Admin (when est.)** | |
| | 1.2.8 Initiate preparations for introducing a model of Iraqi technical assistance to local governments | | | | | X | X | | | **UNDP-POGAR** | |
| | 1.2.9 Draft performance measurement system for local government | | | | | | X | | | | |
| | 1.2.10 Pilot urban service delivery initiatives in 3 municipalities in 3 governorates involving review and remodelling of business processes, technical training in key urban services for up 160 personnel with support to the training centres of the MMPW, preparing to introduce e-services and promoting partnerships with private sector and/or civil society | | | X | X | X | X | | | **UN-HABITAT** | |
| **IP Output 1.3:** Civic Education and Participation Strategies in three Governorates | | | | | | | | | | | **$1,550,960** |
| | 1.3.1Design survey methodology to measure public perception of local government and engagement in government; conduct survey across all governorates and publish | | | | X | X | | | | **Subcontract Iraqi Universities or competent NGOs** | |

| UN Organization-specific Annual targets | Major Activities | Time Frame (by activity) | | | | | | | | Implementing Partner | PLANNED BUDGET (by output) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Q1 | Q2 | Q3 | Q4 | Q5 | Q6 | Q7 | Q8 | | |
| | findings | | | | | | | | | | |
| | 1.3.2 Support communications strategy and public awareness on decentralisation & local governance policy development, drafting of civic education and participation strategies in 3 governorates with governorate/NGO collaboration (based on public perception survey and participation in decentralisation framework), and design civic education programme | | | X | X | X | X | | | High Commission on Local Admin, Subcontract International NGO | |

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| IP Output 1.4: | | | | | | | |
|---|---|---|---|---|---|---|---|
| Vertical and horizontal inter-government relations formalised with discussion forums in place and partnerships with international/regional municipalities created | | | | | | | $1,004,024 |
| | 1.4.1 Provide TA and facilitation to supporting vertical and horizontal inter-government relations through discussion forums, roundtable meetings, and partnerships with international/regional municipalities, including study tour to review local government modernisation and reform efforts | X | X | X | X | | Office of the Prime Minister, MMPW, KRG MoM, Association of Governorates, Municipal Association, UN-HABITAT |
| | 1.4.2 Establish city-to-city co-operation for 1-2 cities/towns, including at least 1 exchange visit, and support Iraq's membership in 2 international networks for local governments | X | X | X | X | | UNESCWA, UN-HABITAT |
| Total UNDP Budget | | | | | | | 6,118,704 |
| Total GoI Contribution (in kind) | | | | | | | $1,000,000 |
| Total Planned Budget | | | | | | | $7,118,721 |

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Budget

## PROGRAMME BUDGET

| CATEGORY | ITEM DESCRIPTION | UNIT COST | NUMBER OF UNITS | AMOUNT |
|---|---|---|---|---|
| 1. Supplies, commodities, equipment and transport | | | | 170,100 |
| | Equipment | | | 43,000 |
| | Supplies and Commodities | | | 127,100 |
| 2. Personnel (staff, consultants and travel) | | | | 3,137,862 |
| | National Programme Personnel | | | 691,750 |
| | International Programme Personnel | | | 795,112 |
| | National Consultants | | | 43,000 |
| | International Consultants | | | 938,000 |
| | Travel | | | 670,000 |
| 3. Training of counterparts | | | | 1,064,600 |
| 4. Contracts | | | | 1,112,000 |
| 5. Other direct costs | | | | 274,228 |
| | Miscellaneous | | | 164,537 |
| | Security | | | 109,691 |
| Total Programme Costs | | | | 5,758,780 |
| Indirect Support costs | | | | 359,924 |
| GRAND TOTAL | | | | 6,118,704 |

Annex A:  Agency Project Status Profile

UNDP

| SI # | Project ID# | Project Title | Total Budget (US$) | Implementation Rate (% Completed) | Commitments (% as of 30 Sept 2008) | Disbursements (% as of 30 Sept 2008) | Remarks |
|---|---|---|---|---|---|---|---|
| 1 | C9-01 | Support to MoPI | 1,744,000 | 93.5% | 0.0% | 93.5% | |
| 2 | C9-05 | Capacity Building-MMPW | 3,018,710 | 94.4% | 40.3% (*) | 54.1% | US$ 1.2 million in expenditures not yet processed in UNDP GL |
| 3 | C9-10/a | Constitutional Drafting-Support | 14,648,252 | 98.2% | 0.0% | 98.2% | |
| 4 | C9-10/e | UNDP Media-Constitution | 118,803 | 99.8% | 0.0% | 99.8% | |
| 5 | C9-10/e | Reuters Media-Constitution | 874,949 | 100.0% | 0.0% | 100.0% | Not yet operationally closed |
| 6 | C9-10/f | UNDP-Public Debates | 494,852 | 93.6% | 0.0% | 93.6% | |
| 7 | C9-12 | Donor Assistance Database (DAD) II | 2,504,770 | 94.1% | 0.0% | 94.1% | |
| 8 | C9-18 | Supreme Audit Board (SAB) | 4,879,535 | 82.6% | 0.0% | 82.6% | |
| 9 | G11-14a | Institutional Building-IHEC | 3,735,426 | 33.1% | 2.3% | 30.8% | |
| 10 | C9-21a | Improve Capacity-NCCMD | 1,057,648 | 43.4% | 42.4% | 1.0% | US$ 448,408 in expenditures not yet processed in UNDP GL |

| # | Code | Name | Amount | | | | |
|---|---|---|---|---|---|---|---|
| 11 | C9-21a | Parliamentary Strengthening | 629,748 | 52.2% | 8.8% | 43.4% | US$ 310,780 in expenditures not yet processed in UNDP GL |
| 12 | C9-21a | Human Rights | 433,384 | 58.8% | 0.4% | 58.4% | |
| 13 | C9-21a | Civil Society | 678,810 | 59.0% | 35.5% | 23.5% | US$ 240,780 in expenditures not yet processed in UNDP GL |
| 14 | C9-21a | UNAMI Human Rights | 510,025 | 7.4% | 0.7% | 6.7% | |
| 15 | C9-21a | Rule of Law-Constitution II | 690,385 | 82.2% | 5.8% | 76.4% | |
| | | Totals | 36,019,297 | | | | |

Annex B: Budget (former template)

| Budget Category | Item Description | Unit | Unit Costs | Qty | Total Budget | Est Utilization of Resources 2008-2009 | Est Utilization of Resources 2009-2010 |
|---|---|---|---|---|---|---|---|
| **1. PERSONNEL** | | | | | | | |
| **1.1 National Programme Personnel** | | | | | | | |
| | NOB Baghdad – Direct programme support of all project activities. The calculation is based on NOB full monthly salary (100%) over the 18 month project period. | Month | $4,250 | 18 | $76,500 | $55,250 | $21,250 |
| | NOA Amman - Direct programme support of all project activities. The calculation is based on NOB full monthly salary (100%) over the 18 month project period. | Month | $3,750 | 18 | $67,500 | $48,750 | $18,750 |
| | NOA Baghdad - Direct programme support of all project activities. The calculation is based on NOA full monthly salary (100%) for two (2) staff over 14 months. (1 – UNDP & 1 UN-Habitat) | Month | $3,750 | 28 | $105,000 | $97,500 | $7,500 |
| | Project Associate (PA) (G6) Amman – Direct programme support in Amman to the PM, Project Board & Project Steering Committee. The calculation is based on G6 full monthly salary (100%) over the 18 month project period. | Month | $3,000 | 18 | $54,000 | $39,000 | $15,000 |
| | Project Assistant (PA) (G4) Amman – Direct programme support in to the PM and other project officers. The calculation is based on half of a G4 monthly salary (50%) over the 18 month project period. (UN-Habitat) | Month | $1,500 | 18 | $42,000 | $19,500 | $22,500 |
| | Project Associate (PA) (G6) Baghdad – Direct programme support in Baghdad to the PM, Project Board & Project Steering Committee. The calculation is based on G6 full monthly salary (100%) over the 18 month project period.. | Month | $3,000 | 18 | $54,000 | $39,000 | $15,000 |
| | Project Assistant (PA) (G4) Baghdad – Direct programme support in to the PM and | Month | $2,500 | 28 | $70,000 | $65,000 | $5,000 |

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| Description | Unit | Unit Cost | Quantity | Amount | Amount | Amount |
|---|---|---|---|---|---|---|
| other project officers. The calculation is based on half of a G4 monthly salary (100%) for two (2) staff over the 14 month project period.. (1 UNDP & 1 UN-Habitat) | | | | | | $0 |
| Human Resources Specialist (NOA) Iraq – support to the project. The calculation is based on quarter of a NOB monthly salary (25%) for three (3) staff over the 13 months of the project. | Month | $3750 | 39 | $146,250 | $146,250 | |
| E-governance Specialist (NOB) Amman – E-governance activities support. The calculation is based on G6 full monthly salary (100%) over the 18 month project period. | Month | $4,250 | 18 | $76,500 | $55,250 | $21,250 |
| **Total** | | | | **$691,750** | **$565,500** | **$126,250** |
| **1.2 International Programme Personnel** | | | | | | |
| Project Manager Amman – Direct programme support of all project activities. The calculation is based on 40% of an L5 monthly salary over the 18 month project period | Month | $5,834 | 18 | $105,012 | $75,842 | $29,170 |
| Project Manager Amman – Direct programme support of all project activities. The calculation is based on A3 full monthly salary (100%) over the 18 month project period | Month | $13,000 | 18 | $234,000 | $169,000 | $65,000 |
| Project Manager Amman – Direct programme support of all project activities. The calculation is based on 40% of an A3 monthly salary over the 18 month project period. (UN-Habitat) | Month | $5,200 | 18 | 93,600 | $67,600 | $26,000 |
| Project Manager Amman – Direct programme support of all project activities. The calculation is based on 7.7% of A3 monthly salary for two (2) staff over the 9 months of the project. (UN-Habitat) | Month | $2,000 | 18 | $36,000 | $36,000 | 0 |
| Capacity Development Specialist Amman – Direct programme support of CD project activities. The calculation is based on A3/4 full monthly salary (100%) over the 14 months of the project. | Month | $13,750 | 14 | $192,500 | $178,750 | $13,750 |

| Description | Unit | Rate | Quantity | Amount | | |
|---|---|---|---|---|---|---|
| Human Resources Advisor Amman – Direct programme support of HR project activities. The calculation is based on 50% of A3/4 full monthly salary over 14 months of the project. | Month | $7,000 | 14 | $98,000 | $91,000 | $7,000 |
| Human Resources Advisor Amman – Direct programme support of all project activities. The calculation is based on 50% of a UNV full monthly salary over the 18 months of the project. | Month | $2,000 | 18 | $36,000 | $26,000 | $10,000 |
| | | Total | | $795,112 | $644,192 | $150,920 |
| **1.3 National Consultants** | | | | | | |
| Experts to produce discussion and background papers for decentralisation toolkit. The calculation is based on 7 contracts for 20 days each at $200 a day. (UN-Habitat) | Day | $200 | 140 | $28,000 | $14,000 | $14,000 |
| Gender Specialist - The calculation is based on a contract for 60 days at $250 a day. (UNIFEM) | Day | $250 | 60 | $15,000 | $7,500 | $7,500 |
| | | Total | | $43,000 | $21,500 | $21,500 |
| **1.4 International Consultants** | | | | | | |
| Decentralisation Advisor - The calculation is based on a contract for 100 days at $700 a day | Day | $700 | 100 | $70,000 | $35,000 | $35,000 |
| Planning Advisor - The calculation is based on a contract for 70 days at $700 a day | Day | $700 | 70 | $49,000 | $49,000 | $0 |
| E-government Expert (1 x 700 x 90, 2 x 700 x 15) The calculation is based on a contract for 90 days at $700 a day and 2 contracts for 15 days each at $700 a day. | Day | $700 | 120 | $84,000 | $84,000 | $0 |
| Consultants for four (4) scoping studies @ $700 per day for 120 days each.(UNESCO, WHO, UNICEF | Day | $700 | 480 | $336,000 | 168,000 | 168,000 |
| Decentralization planning & Urban Governance Expert (3). The calculation is based on a 3 contract for 130 days each at $700 a day. (UN-Habitat) | Day | $700 | 390 | $273,000 | $136,500 | $136,500 |
| Gender Policy Expert The calculation is based on a contract for 90 days at $700 a day (UNIFEM) | Day | $700 | 90 | $63,000 | $63,000 | $0 |

| Description | Unit | Unit Cost | Qty | | | |
|---|---|---|---|---|---|---|
| Data Collection Expert The calculation is based on a contract for 45 days at $700 a day (UNFPA) | Day | $700 | 45 | | $31,500 | $0 |
| City-to-city Partnerships. The calculation is based on a contract for 45 days at $700 a day. (UNESCWA) | Day | $700 | 45 | $31,500 | $31,500 | $0 |
| | | | | $938,000 | $598,500 | $339,500 |
| **1. PERSONNEL TOTAL** | | | | **$2,467,862** | **$1,829,692** | **$638,170** |
| **2. CONTRACTS** | | | | | | |
| In-depth analysis of governorate & municipal councils, report and presentation - public administration institute | Contract | $250,000 | 1 | $250,000 | $250,000 | $0 |
| Reproduction of situation analysis report | Contract | $30 | 300 | $9,000 | $9,000 | $0 |
| Reproduction of decentralization toolkit | Review | $50 | 100 | $5,000 | $5,000 | $0 |
| Public information and materials on decentralisation/local governance | LS | $40,000 | 1 | $40,000 | $40,000 | $0 |
| 14-day International conference on decentralisation & local governance and civil service reform and reproduction of report (50% of total cost with public sector reform project) | Conference | $175,000 | 1 | $175,000 | $175,000 | $0 |
| One-stop-shop portal development | Survey | $100,000 | 1 | $300150 | $100,000 | $0 |
| Core competency training for up to 100 governorate/district officials in Iraq (20 pax @ $3000 per session) - NCCMD | Review | $3,000 | 15 | $45,000 | $45,000 | $0 |
| Public perception survey (design, conduct, report) - 3 Universities | LS | $35,000 | 3 | $105,000 | $105,000 | $0 |
| Civic education strategies and business process improvements in 3 governorates | Plan | $80,000 | 1 | $80,000 | $80,000 | $0 |
| Technical support services of Netherlands Municipal Association | LS | $95,000 | 1 | $95,000 | $95,000 | $0 |
| Audit | Audit | $8,000 | 1 | $8,000 | $8,000 | $0 |
| **2. CONTRACTS TOTAL** | | | | **$1,112,150** | **$912,000** | **$0** |
| **3. TRAINING** | | | | | | |
| Study tour for High Commission on Local Administration (12 pax x 7 days @ $4,000 pp) | Event | $48,000 | 1 | $48,000 | $48,000 | $0 |
| Workshops on decentralisation/local governance for decentralisation task force (3 x 1 day, 30 pax @ $10,000 per session) | Event | $10,000 | 3 | $30,000 | $30,000 | $0 |

| Description | Unit | Unit Cost | Qty | Total | Total | |
|---|---|---|---|---|---|---|
| Government-led public and stakeholder consultations on decentralisation & local governance (2 days x 50 pax x 10 governorates @ $7,000 per governorate) | Event | $7,000 | 10 | $100,000 | $100,000 | $0 |
| Training for decentralisation model ministry in e-government and identifying new ICT to improve internal processes for feeding into transformation plan (10 days, 30 pax) | Event | $40,000 | 1 | $40,000 | $40,000 | $0 |
| Training for developing business process improvement & e-government strategies in 3 Governorates (4 workshops, 5 days @ $25,000) | Event | $25,000 | 4 | $100,000 | $100,000 | $0 |
| Orientation for newly elected councillors (3 days x 10 governorates x 45 pax @ $10,000 per governorate) | Event | $10,000 | 10 | $100,000 | $100,000 | $0 |
| TA sessions and trainings for MoPDC offices in 4 governorates (3 x 7-day session per governorate @ $3,500 session) and 1 planning training (20 pax, 3 days, @ $3,000 pp in Amman) | LS | $102,000 | 1 | $102,000 | $102,000 | $0 |
| Training in management and maintenance of e-government portal | LS | $40,000 | 1 | $40,000 | $40,000 | $0 |
| Technical training for 160 civil servants and process improvements in 3 governorates (160 pax, 4 trainings @ $65,000 per governorate) | LS | $65,000 | 3 | $195,000 | $195,000 | $0 |
| Forum for governors' dialogue on quarterly basis (45 pax, 2 days per event) | LS | $18,640 | 4 | $74,560 | $74,560 | $0 |
| Study tour for Municipal Association (10 pax, 7 days @ 3,500 pp) | LS | $35,000 | 1 | $35,000 | $35,000 | $0 |
| Roundtable meetings - Municipal Association | LS | $12,000 | 3 | $36,000 | $36,000 | $0 |
| Facilitation of city-to-city partnership agreements and exchange visits for delegates of 2 cities that include training ($26,000 for preparations; $54,000 for exchange visits) | LS | $80,000 | 1 | $80,000 | $80,000 | $0 |
| Local government conference in Netherlands (10 pax, 7 days, $5,000 pp) | LS | $50,000 | 1 | $50,000 | $50,000 | $0 |
| **3. TRAINING TOTAL** | | | | **$1,030,560** | **$1,030,560** | **$0** |
| **4. EQUIPMENT** | | | | | | |
| Hardware for e-government portal by GOI | LS | $200,000 | 1 | $0 | $0 | $0 |

| Description | Unit | Unit cost | Quantity | Total | Total | |
|---|---|---|---|---|---|---|
| (paid for by UNDP) | | | | | | |
| IT equipment for project team (IT package x 3 @ $3,000, UPS x 9 @ $250) | LS | $11,250 | 1 | $11,250 | $11,250 | $0 |
| Office equipment & furniture for project team (package of desk, chair, phone, shelves, noticeboard @ $1,700) | LS | $1,700 | 18 | $30,600 | $30,600 | $0 |
| Projector | LS | $1,200 | 1 | $1,200 | $1,200 | $0 |
| **4. EQUIPMENT TOTAL** | | | | **$43,050** | **$43,050** | **$0** |
| **5. SUPPLIES & COMMODITIES** | | | | | | |
| Supplies for meetings of High Commission on Local Administration (15 meetings x 20 pax @ $65 pp) | Event | $1,300 | 15 | $19,500 | $19,500 | $0 |
| Supplies for meetings of decentralisation task force (16 meetings x 20 pax @ $65 pp) | Event | $1,300 | 16 | $20,800 | $20,800 | $0 |
| IT supplies for project team | LS | $3,000 | 9 | $27,000 | $27,000 | $0 |
| Supplies for Project Steering Committee meetings | LS | $2,000 | 2 | $4,000 | $4,000 | $0 |
| Office supplies for project team | LS | $3,100 | 18 | $55,800 | $55,800 | $0 |
| **5. SUPPLIES & COMMODITIES TOTAL** | | | | **$127,100** | **$127,100** | **$0** |
| **6. TRANSPORT (ONLY FOR WFP PROJECTS)** | | | | | | |
| **7. TRAVEL** | | | | | | |
| Travel - Jordan - Iraq (average trip $1,000 flight, 10 days DSA @ $170, TRM @ $38 * 4) | Trip | $2,852 | 38 | $108,376 | $108,376 | $0 |
| Travel - International (2 x study tours, est. $4,000 pp) | Trip | $4,000 | 2 | $8,000 | $8,000 | $0 |
| Travel - Iraq (average 2,852 per trip) X 20 person-trips | Trip | $2,852 | 20 | $57,040 | $57,040 | $0 |
| Travel - Jordan - Iraq (average trip $1,000 flight, 10 days DSA @ $170, TRM @ $38 * 4) | Trip | $2,852 | 38 | $108,376 | $108,376 | $0 |
| Travel - Iraq (average 2,852 per trip) X 20 person-trips | Trip | $2,852 | 20 | $57,040 | $57,040 | $0 |
| Travel - Jordan - Iraq (average trip $1,000 flight, 10 days DSA @ $170, TRM @ $38 * 4) | Trip | $2,852 | 38 | $108,376 | $108,376 | $0 |
| Travel - Iraq (average 2,852 per trip) X 20 person-trips | Trip | $2,852 | 20 | $57,040 | $57,040 | $0 |
| Travel - Jordan - Iraq (average trip $1,000 flight, 10 days DSA @ $170, TRM @ $38 * 4) | Trip | $2,852 | 27 | $77,004 | $77,004 | $0 |

| Description | Unit | Unit cost | Qty | | | |
|---|---|---|---|---|---|---|
| Travel - Iraq (average 2,852 per trip) X 20 person-trips | Trip | $2,852 | 20 | $57,040 | $57,040 | $0 |
| Travel - International (2 x study tours, est. $4,000 pp) | Trip | $4,000 | 6 | $24,000 | $24,000 | v |
| **7. TRAVEL TOTAL** | | | | **$662,292** | **$662,292** | **$0** |
| PROJECT SUB TOTAL | | | | $5,443,014 | $4,604,694 | $638,170 |
| 9. MISCELLANEOUS 2.2% | | | | $163,290 | $101,303 | $14,040 |
| 10. SECURITY 2% | | | | $112,126 | $94,120 | $13,044 |
| 11. AGENCY MANAGEMENT SUPPORT COST 7% | | | | $400,290 | $336,008 | $46,568 |
| PROJECT TOTAL | | | | $6,118,721 | $5,136,125 | $711,822 |