United Nations Development Programme

United Nations Development Programme
Country: Iraq
Project Document

Project Title	Support for Private Sector Development in Iraq
UNDAF Outcome(s):	Priority #2: Inclusive, more equitable and sustainable economic growth
Expected CP Outcome(s): *(Those linked to the project and extracted from the CPAP)*	5. Enabling policy and frameworks for rapid economic recovery, inclusive and diversified growth and private sector development
Expected Output(s): *(Those that will result from the project and extracted from the CPAP)*	Output 1: Establishment and Implementation of Private Sector Development Strategy of Iraq
Implementing Partner:	United Nations Development Programme Iraq
Responsible Parties:	United Nations Development Programme Iraq

Brief Description

This proposed project is built upon the successful implementation of the multi-agency programme of Private Sector Development Programme for Iraq (PSDP-I) in 2009 to 2012 (see attached PSDP-I Steering Committee presentation). The objectives of this project are 1) to support Government of Iraq (GoI) establishing the enabling, predictable, easy business environment for the Private Sector development of Iraq, through endorsement of the Private Sector Development Strategy of Iraq and its implementation, 2) to provide preparatory technical assistance to the Ministry of Oil (MoO) for the formulation of a manpower development plan develop skilled labors in the oil sector as well as 3) to continuously support the Private Sector in Iraq to be engaged in the development through corporate social responsibility through UN Global Compact Local network and establishment of CSR (Corporate Social Responsibility) Centre. The Concept Note of this project together with the final report of PSDP-I and the Steering Committee presentation are attached for the background information.

Programme Period:	24 months	**2014 AWP budget:**	US$ 150,000
		Total allocated resources for the project:	
Key Result Area (Strategic Plan): Restoring the foundations for development			US$
		• Regular	150,000 USD /TRAC
Atlas Award ID:		• Other:	
		○ Donor	
Start date: 1 January, 2014		Unfunded budget:	
End Date: 31 December, 2015		In-kind Contributions	
PAC Meeting Date			

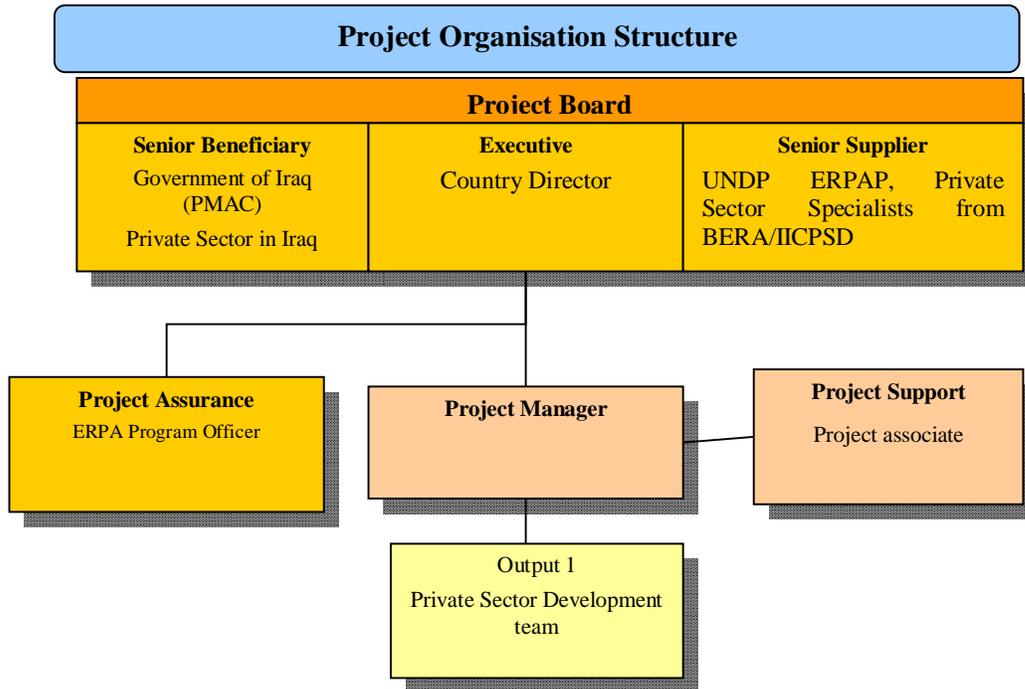Agreed by UNDP: *Adam MAbdch L*   24/6/2015

I. ANNUAL WORK PLAN

YEAR: 2014

EXPECTED OUTPUTS *And baseline, associated indicators and annual targets*	PLANNED ACTIVITIES *List activity results and associated actions*	TIMEFRAME Q1	Q2	Q3	Q4	TIMEFRAME 2015 Q1	Q2	Q3	Q4	RESPONSIBLE PARTY	PLANNED BUDGET Q3	Q4	Amount (USD)
Output 1 Private Sector Development Strategy of Iraq endorsed by both GoI and private sector through a participatory process Action plans for implementation in place Baseline: No PSDS endorsed by GOI (a draft is available but not endorsed) Indicators: Number of inclusive consultations to refine the PSDS; PSDS endorsed; Action Plan endorsed: Institutional arrangement in place for implementation of PSD Strategy Targets: PSDS endorsed through wide consultative mechanism ensuring inclusive and fair representation based on gender, geographic areas, sectors, typology of enterprises criteria Institutional arrangement in place with ToR Project Document developed to support implementation stage	Activity result: Private Sector Development Strategy of Iraq (PSDS) established and its associated action plans initiated with optimal institutional arrangement - Activity 1: Facilitate the consultation process among the GoI, the Private Sector and the international community including wide range of female stakeholders to endorse the PSDS. - Activity 2: Support the establishment of PSC based on gender inclusiveness criteria to implement the PSDS starting from priority areas and provide the monitoring function. - Activity 3: Develop a Project Document to identify the areas of UNDP's future support in implementation of PSDS	X 	X X X	X X X						UNDP Iraq	TRAC	International staff International consultant Travel Contractual Services Miscellaneous Management Cost (Security, Communication etc)	9,000 60,000 10,000 15,000 6,000

Increase access to information, training, network and support for young people in Iraq in the field of entrepreneurship to start-up their business and social initiatives.	Activity 1: Initial online application to register interested groups and individuals and establishing selection committee.						X				Travel	$4,948.00
	Activity 2: Capacity building provided directly to 140 youth in the field of entrepreneurship (Baghdad, Erbil and Basra).						X				Capacity Building activities	$18,000.00
	Activity 3: Iraq Innovation for Development Camp in Baghdad.							X			Iraq Innovation for Development Camp	$24,000.00
											Common Services-Communications	$1.174.00
											Contrib.To CO Common Security	$1,877.92
TOTAL												150,000

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II. MANAGEMENT ARRANGEMENTS

Project Organisation Structure

Project Board		
Senior Beneficiary Government of Iraq (PMAC) Private Sector in Iraq	**Executive** Country Director	**Senior Supplier** UNDP ERPAP, Private Sector Specialists from BERA/IICPSD

Project Assurance ERPA Program Officer	**Project Manager**	**Project Support** Project associate

Output 1
Private Sector Development team

The Project Board is the group responsible for making by consensus management decisions for the project when guidance is required by the Project Manager, including recommendations for approval of project plans and revisions. In order to ensure UNDP's ultimate accountability, Project Board decisions will be made in accordance to standards to ensure best value to money, fairness, integrity transparency and effective international competition. In case a consensus cannot be reached, final decision rests with the UNDP Project Manager.

Project reviews by this group will be made at designated decision points during the implementing the project, or as necessary when raised by the Project Manager. This group will be consulted by the Project Manager for decisions when PM tolerances (normally in terms of time and budget) have been exceeded.

Based on the approved annual work plan (AWP), the Project Board may review and approve specific activities when required and authorize any major deviation from the approved AWP. It will ensure that required resources are committed and will arbitrate on any conflicts within the project or negotiate a solution to any problems between the project and external bodies. In addition, it will approve the appointment and responsibilities of the Project Manager and any delegation of its Project Assurance responsibilities.

Composition and organization: This group contains the following roles, including:

1) **Executive**:

The Country Director is ultimately responsible for the project, supported by the Senior Beneficiary and Senior Supplier. The Executive's role will be to ensure that the project is focused throughout its life cycle on achieving the stated objectives and delivering outputs that will contribute to higher level outcomes. The Executive will ensure that the project gives value for money, ensuring a cost-conscious approach to the project, balancing the demands of Iraqi stakeholders and UNDP.

Specific Responsibilities
   ➢ Monitor and control the progress of the project at a strategic level

- ➢ Ensure that risks are being tracked and mitigated as effectively as possible
- ➢ Brief Outcome Board and relevant stakeholders about project progress
- ➢ Organise and chair Project Board meetings

2) **Senior Supplier**:

UNDP ERPAP is the Senior Supplier. The Senior Supplier's primary function within the Board will be to provide guidance regarding the technical feasibility of the project. The inputs from Private Sector Specialists from BERA and /or Istanbul International Center for Private Sector in Development will be sought when appropriate.

Specific Responsibilities (as part of the above responsibilities for the Project Board)
- ➢ Ensure progress towards the outputs remains consistent from the supplier perspective
- ➢ Promote and maintain focus on the expected project outputs from the point of view of supplier management
- ➢ Contribute supplier opinions on Project Board decisions on whether to implement recommendations on proposed changes
- ➢ Arbitrate on, and ensure resolution of, any supplier priority or resource conflicts

The supplier assurance role responsibilities will be to:
- ➢ Advise on the selection of strategy, design and methods to carry out project activities
- ➢ Ensure that any standards defined for the project are met and used to good effect
- ➢ Monitor potential changes and their impact on the quality of deliverables from a supplier perspective
- ➢ Monitor any risks in the implementation aspects of the project

3) **Senior Beneficiary**: Taskforce for Economic Reforms under Prime Minister's Advisory Commission, Ministry of Oil as well as the Iraqi Private Sector

Specific Responsibilities
- ➢ Ensure the expected outputs and related activities of the project are well defined
- ➢ Make sure that progress towards the outputs required by the beneficiaries remains consistent from the beneficiary perspective
- ➢ Promote and maintain focus on the expected project outputs
- ➢ Prioritise and contribute beneficiaries' opinions on Project Board decisions on whether to implement recommendations on proposed changes
- ➢ Resolve priority conflicts

The assurance responsibilities of the Senior Beneficiary will be to check that:
- ➢ Specification of the Beneficiary's needs is accurate, complete and unambiguous
- ➢ Implementation of activities at all stages is monitored to ensure that they will meet the beneficiary's needs and are progressing towards that target
- ➢ Impact of potential changes is evaluated from the beneficiary point of view
- ➢ Risks to the beneficiaries are frequently monitored

4) **Project Manager:** The Project Manager will have the authority to run the project on a day-to-day basis on behalf of the Project Board within the constraints laid down by the Board. The Project Manager will be responsible for day-to-day management and decision-making for the project. The Project Manager's prime responsibility will be to ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost.

Specific responsibilities:

Overall project management:

- • Manage the realization of project outputs through activities;

- Provide direction and guidance to project team(s)/ responsible parties;
- Liaise with the Project Board or its appointed Project Assurance roles to assure the overall direction and integrity of the project;
- Identify and obtain any support and advice required for the management, planning and control of the project;
- Responsible for project administration;
- May also perform Team Manager and Project Support roles;

5) **Project Assurance:** The designated ERPAP Programme Officer will support the Project Board by carrying out objective and independent project oversight and monitoring functions. The ERPAP Programme Officer is independent of the Project Manager; therefore the Project Board cannot delegate any of its assurance responsibilities to the Project Manager.

The following list includes the key aspects that will be checked by the ERPAP Programme Officer throughout the project as part of ensuring that it remains relevant, follows the approved plans and continues to meet the planned targets with quality.

- Maintenance of thorough liaison throughout the project between the members of the Project Board.
- Beneficiary needs and expectations are being met or managed
- Risks are being controlled
- Adherence to the Project Justification
- Projects fit with the overall Country Programme
- The right people are being involved
- An acceptable solution is being developed
- The project remains viable
- The scope of the project is not "creeping upwards" unnoticed
- Internal and external communications are working
- Applicable UNDP rules and regulations are being observed
- Any legislative constraints are being observed
- Adherence to RMG monitoring and reporting requirements and standards
- Quality management procedures are properly followed
- Project Board's decisions are followed and revisions are managed in line with the required procedures

Specific responsibilities will include:

Implementing the project:

- Ensure that funds are made available to the project;
- Ensure that risks and issues are properly managed, and that the logs in Atlas are regularly updated;
- Ensure that critical project information is monitored and updated in Atlas, using the Activity Quality log in particular;
- Ensure that CDRs are prepared and submitted to the Project Board and Outcome Board;
- Perform oversight activities, such as periodic monitoring visits and "spot checks".
- Ensure that the Project Data Quality Dashboard remains "green"

Closing a project

- Ensure that the project is operationally closed in Atlas;
- Ensure that all financial transactions are in Atlas based on final accounting of expenditures;
- Ensure that project accounts are closed and status set in Atlas accordingly.

MONITORING FRAMEWORK AND EVALUATION

In accordance with the programming policies and procedures outlined in the UNDP User Guide, the project will be monitored through the following:

1. Quarterly Reports
2. Regular updating of the issues and risk log
3. Enclosure of a project lesson-learned

<u>Within the annual cycle</u>

> On a quarterly basis, a quality assessment records progress towards the completion of key results, based on quality criteria and methods captured in the Quality Management table below.

> An Issue Log is activated in Atlas and updated by the Project Manager to facilitate tracking and resolution of potential problems or requests for change. ERPA monthly project progress reports capture the issues on a more frequent basis.

> Based on the initial risk analysis submitted, a risk log is activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation. ERPA monthly project progress reports capture the issues on a more frequent basis.

> A project Lesson-learned log is activated and regularly updated to ensure on-going learning and adaptation within the organization, which is captured within the ERPA monthly project progress reports, and to facilitate the preparation of the Lessons-learned Report at the end of the project

> a Monitoring Schedule Plan is activated in Atlas and updated to track key management actions/events, but the ERPA monthly project progress reports captures such actions on a more frequent basis.

<u>Annually</u>

> **Annual Review Report**. An Annual Review Report (Final Report), shall be prepared by the Project Manager and shared with the Project Board and the Outcome Board. As minimum requirement, the Annual Review Report shall consist of the Atlas standard format for the QPR covering the whole year with updated information for each above element of the QPR as well as a summary of results achieved against pre-defined annual targets at the output level.

Quality Management for Project Activity Results

Replicate the table for each activity result of the AWP to provide information on monitoring actions based on quality criteria. To be completed during the process "Defining a Project" if the information is available. This table shall be further refined during the process "Initiating a Project".

OUTPUT 1: Establishment and Implementation of Private Sector Development Strategy of Iraq		
Activity Result 1 **(Atlas Activity ID)**	Private Sector Development Strategy of Iraq established and its associated action plans initiated	Start Date: 1 January 2014 End Date: 30 Sep, 2014
Purpose	Establishment of the enabling, predictable, easy business environment for the Private Sector development of Iraq	
Description	Facilitate the consultation process among the GoI, the private sector to finalize the PSDS of Iraq and support the establishment of Private Sector Council (or the entity to be in charge) to implement the PSDS	
Quality Criteria *how/with what indicators the quality of the activity result will be measured?*	**Quality Method** *Means of verification. What method will be used to determine if quality criteria has been met?*	**Date of Assessment** *When will the assessment of quality be performed?*
PSD Strategy of Iraq available	PSD Strategy of Iraq endorsed by the Task Force for Economic Reform and the Private Sector PSD Strategy of Iraq endorsed by CoMs	30 June, 2014
PSC or any single entity assigned for implementing PSD Strategy	PSC or any single entity officially assigned	30 September, 2014
Project Document developed	Project Document developed with details action plan to support priority activities to be implemented	30 September, 2014
140 young people has been provided with training regarding entrepreneurship.	attendance sheets and reports generated after each event	30 September, 2015
20 – 30 innovative ideas will be competing to win the Iraq Innovation for Development Camp.	Proposals and applications of the ideas submitted.	1 December, 2015

III. LEGAL CONTEXT

This document together with the CPAP signed by the Government and UNDP which is incorporated by reference constitute together a Project Document as referred to in the SBAA and all CPAP provisions apply to this document.

Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the implementing partner and its personnel and property, and of UNDP's property in the implementing partner's custody, rests with the implementing partner.

The implementing partner shall:

a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;

b) assume all risks and liabilities related to the implementing partner's security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document".

ANNEXES

RISK LOG

Project Title:	Support for Private Sector Development in Iraq				Award ID:		Date: Dec 2013		

#	Description	Date Identified	Type	Impact and Probability	Countermeasures / Management response	Owner	Submitted, updated by	Last Update	Status
1	Endorsement of PSDS takes longer Possible prolonged legislative process within the GoI	Dec 2013	Political/ Operational	Could affect the delay of private sector development in Iraq as well as better business environment. P = 2 / I =2	Continuous follow up with the consultation meetings with GoI and the Private Sector with clear milestones	Project Manager	Project Manager	Dec 2013	
2	Due to complicated functions among relevant government authorities, establishment or assignment of a single entity in charge of PSDS implementation may create prolonged internal discussions	Dec 2013	Political/ Organizatio nal	Could affect the project implementation schedule as well as the overall PSDS implementation P=2 / I=2	Continuous engagement in the senior GoI officials during the strategy formulation process to keep them aware of the importance of implementation of the strategy	Project Manager	Project Manager	Dec 2013	
3	Security situation in Iraq preventing movements / meetings with the private sector	Dec 2013	Operational	Could affect the project implementation schedule P= 4 / I= 4	Increase virtual technological platforms usage for holding meetings.	Project Manager	Project Manager	Dec 2013	