

Independent Evaluation

IRAQ

Enhancing Investments to Iraq through Industrial Zone Development (IZ)

UNIDO project number: TE/IRQ/10/006



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION

UNIDO EVALUATION GROUP

Independent Evaluation

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The views and opinions of the team do not necessarily reflect the views of the Governments and of UNIDO.

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Evaluation Team

Ginger **Cruz**, Independent Evaluation Consultant (Team Leader)
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List of Acronyms

BIT	Business, Investment and Technology Services Branch, UNIDO
EDICT	Enterprise Development through Information and Communication Technologies
EDC	Enterprise Development Centre (formerly EDU)
GOI	Government of Iraq
INIC	Iraqi National Investment Commission
IPC	International Partnership Committee (GOI entity)
IPI	Investment Promotion in Iraq
ISRB	Iraqi Strategic Review Board (replaced by the IPC)
IT	Information Technology
ITU	Investment and Technology Promotion Branch, UNIDO
IZ	Industrial Zone
KRG	Kurdistan Regional Government
MDG	Millennium Development Goals
MIM	Ministry of Industry and Minerals
MoF	Ministry of Finance
MoP	Ministry of Planning
NDP	National Development Plan
OECD	Organization for Economic Cooperation and Development
PIC	Provincial Investment Council
PMAC	Prime Minister's Advisory Council
PMU	Project Management Unit (Amman)
PSC	Project Steering Committee
SME	Small- and Medium- Sized Enterprises
UN	United Nations
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNIDO	United Nations Industrial Development Organization
WB	World Bank

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I. Executive Summary

Project Under Evaluation

As part of the Independent Country Evaluation of its activities and involvement in Iraq, UNIDO commissioned a Phase I evaluation of *Enterprise development through information and communication technology* (EDICT), (FB/IRQ/09/007) *Investment promotion for Iraq* (IPI), (TE/IRQ/09/010), and *Enhancing investments to Iraq through industrial zone development* (TE/IRQ/10/006) (IZ) ¹. Given the complementary objectives and shared resources of the first two projects, EDICT and IPI were combined into a single evaluation which is being published separately. **The third project, Enhancing Investments to Iraq through Industrial Zone Development (TE/IRQ/10/006) is the sole subject of this report, which is a mid-term evaluation of the IZ project.** The aim of the IZ project is to support the development of industrial zones to enhance investment in Iraq.

The Evaluation

The evaluation was conducted by an international evaluation expert Ms. Ginger Cruz. Mr. David Gairdner, also an international evaluation expert, provided quality assurance. The evaluation was carried out in accordance with the Terms of Reference available as Appendix II. The evaluation took place from September 2012 to February 2013. Information was gathered through document reviews, and stakeholder interviews conducted in person and via telephone in Vienna, Amman, and Iraq.

Project Context and Objective

Iraq is emerging from decades of wars, sanctions and mismanagement. It is heavily dependent upon oil revenues and suffers from high unemployment and low levels of essential services. Sustainable economic growth is dependent upon multiple upstream and downstream factors. This project aims to support the development of industrial zones to enhance investment in the country and support SME development.

Project Planning

The project was initiated in response to a request from the Minister of Planning following a relook of UNIDO's strategic approach to Iraq. Shortly after UNIDO's publication of a Framework Strategy that refocused efforts from humanitarian post-conflict projects to longer-term development-type support especially in the area of private sector development, this project was viewed as an important element addressing the priorities of the new United Nations Development Assistance Framework (UNDAF). Project plans called for two complementary efforts – an upstream effort aimed at enhancing the Government of Iraq (GOI) capacity to plan, design and manage industrial zones and help design a more conducive policy, institutional and regulatory framework for industrial zone

¹ The third report, detailed more in the TOR at Appendix III, is *Enhancing investments to Iraq through industrial zone development* (IZ) (TE/IRQ/10/006).

development; and a downstream effort focused on establishing two industrial zones in pre-determined areas.

Project Implementation: Management

The key management element of this project is the Project Steering Committee (PSC), largely made up of GOI representatives, which unlike other UNIDO projects in Iraq, took on a prominent role in project execution. The PSC and its associated Working Groups are a key part of the project, providing the policy level coordination necessary to accomplish the upstream elements, and the decision-making necessary for activities in the downstream components.

The core UNIDO staff supporting the programme are located in Amman and coordinate with national staff located in Iraq. Project management emanates from UNIDO HQ in Vienna. An international consultant was sent to Baghdad in November 2011. However considering the restrictions placed on movement of U.N. personnel and the demonstrated efficiency of national staff, coordination and the involvement of counterpart institutions, a decision was made to change the composition of the advisory support and increase national and local expertise along with short-term missions from international advisors.

Project Implementation: Monitoring

Monitoring for the project has primarily been accomplished through reporting mechanisms such as annual progress reports, minutes from steering committee meetings, and read-outs from programme events such as a study tour to Amman. Stakeholder feedback is gathered through the PSC process. In addition, frequent communication between program management and stakeholders provides insight into progress.

Project Implementation: Financial Implementation

Financial resources are shared between UNIDO experts and support (50%) and subcontracted support (33%). 17% of the budget is planned for support of local staff and travel for GOI officials.

Outputs and Outcomes

At this mid-point of the project, one of the six identified project outputs has been achieved – the creation of the PSC. Two have been partly achieved (publication of one report and organization of one study tour). The remaining outputs (of which two were combined) are still ongoing. Of 10 outputs identified in the programme logframe, three have been met, and the remaining seven are ongoing. Several of the ongoing activities are part of sequenced elements that are interdependent including the Roadmap for Industrial Zones (IZ) and the Pre-Feasibility studies for two locations.

Among accomplishments achieved to date are the formation of a ministerially approved steering committee with broad representation from across the GOI, the completion of an IZ Mapping and Analysis report that surveyed 446 firms,

reviewed available Iraqi laws and regulations, and conducted a review of industrial zone policies for two neighboring countries.

Relevance

The project is of high relevance to the GOI, as evidenced by its origins in a written request from the Ministry of Planning (MOP). The project is also highly relevant to the National Development Plan which places a strong emphasis on efforts to support the expansion of the nascent private sector in Iraq. It is also highly relevant to UNDAF Priority 2 and aligns very well with the mandate and core competencies of UNIDO, in the area of industrial zone development.

Ownership

There is good ownership of this project by Iraqi stakeholders, particularly the MOP. Further, the project has taken significant steps to include UNDP, other UN partners, and the World Bank and OECD in its work.

The broad array of ministries required to coordinate efforts for this project, brings different approaches to the table. Iraqi stakeholders are also working with several external organizations on related projects. As a result, UNIDO finds coordination a critical element in ensuring the continued ownership commitment.

The heavy involvement required from multiple GOI ministries and entities, combined with the lack of an accredited permanent UNIDO office in Iraq and the security prohibitions on placing key staff in Baghdad has made the coordination of all the stakeholders challenging. Program management has compensated for these challenges by strengthening the role of national staff and maintaining frequent communication with Iraqi stakeholders.

Efficiency

Of nine key milestones set for the project, the four that have been met at this stage, have been, on average, 10 months late. The sequential design of the project relies on the completion of identified components before the ensuing set of components can be addressed. Long delays in reaching key milestones have resulted in reductions in overall efficiency. To make up for time, some elements of the project have been combined. Much of the delays are outside the control of UNIDO, and rest instead on the transitional status of the GOI.

As just 10 months remain of the project extensive coordination is required on the part of GOI, UNIDO and subcontractors to meet the December 2013 deadline. Iraq counterparts have been adamant in their desire to maintain project focus in Iraq with PSC meetings held in Baghdad and coordination of project components being carried out with national and local stakeholders in Basrah, Najaf and other locations. Project international staff undertake missions to Baghdad and frequent contacts between the Government and the national/international staff help bring things forward.

Effectiveness

The achievement of the upstream policy level objectives of this project has been affected by circumstances that are largely out of the control of project managers. Political decisions by the GOI on the methods of approval and the composition and authorization of the PSC were responsible for much of the delay. The delay resulted in additional time needed for the identification of the second candidate industrial zone site for downstream efforts, which was completed by January 2013.

The interdependence of the deliverables has resulted in consequences for the overall effectiveness in the project. Managers divided the feasibility studies into two to avoid having to wait for the designation of the second zone, and then certain studies were merged under the feasibility study because it was technically and logistically more feasible and relevant to conduct the two together. Effectiveness of the project was achieved in this case through mid-term corrections to initial plans.

GOI stakeholders have expressed a strong desire for specific training of GOI staff to plan for and manage industrial zones. The project has so far conducted two study tours which, while valuable for participants, are not viewed by PSC as sufficient. Still remaining is the training of identified staff and translation of major project deliverables into Arabic by an Iraqi professional translator and transmission to project partners for input and finalization. A full-fledged review of relevant Iraqi legislation was conducted and will further inform working group meetings and ensure that project outcomes fit into the Iraqi context.

Sustainability

Sustainability relies first upon the delivery of outputs, many of which are still underway. Given the active involvement of key stakeholders in this project and the high relevance of the development of Industrial Zones to the GOI, it is highly likely that this project will have a long-term development impact.

Conclusion

Transition issues with the Government of Iraq caused significant delays that have been accommodated in the course of this project. Critical adjustments have also been made to accommodate the desire for increased participation of local staff. Strong support from the various GOI entities involved in the programme are evidenced by their active participation in strategic management. Progress has been made toward achieving both upstream and downstream components, but much remains to be done in the 10 months remaining before project completion in order to ensure that the components of this project produce the expected development outcomes.

Recommendations

Recommendations to UNIDO

RECOMMENDATION 1: *You have to be present to play.* Increase the engagement of UNIDO's Arabic speaking industrial zone experts needed to see the program through to the end. Increased engagement can take the form of more sustained interactions from short-term experts, or identification of additional national staff to focus on this project.

RECOMMENDATION 2: *Deliver an IZ training module.* Ensure delivery of a detailed capacity development program. UNIDO should utilize its experience from IZ promotion in other parts of the world to deliver specific training in IZ development and management to the GOI officials and managers designated by the PSC.

Recommendations to UNIDO and the Government of Iraq

RECOMMENDATION 3: *Strengthen collaboration with the OECD.* In the spirit of the Paris Declaration, the UNIDO team should strengthen its coordination efforts with other ongoing efforts, specifically the project underway through OECD that involves many of the same Iraqi counterparts. The GOI, likewise, should strengthen efforts to keep UNIDO apprised of its work with other IZ projects to ensure that the UNIDO project is well coordinated.

Recommendations to UNIDO and the Donor

RECOMMENDATION 4: *The clock is your enemy.* UNIDO and the Donor should consider revisiting the December 2013 deadline to ensure that the efforts expended to date have the best chance to achieve real outcomes. Consideration may be given to reviewing the work plans and progress against project deadlines to ensure that adequate time is given for the successful completion of all critical activities envisioned in this programme.

II. Introduction

This reports presents the findings of a mid-term evaluation of a UNIDFO project; TE/IRQ/10/006 *Enhancing investments to Iraq through industrial zone development*. Initiated in January 2011, for a duration of two years, the project was funded at 3,000,000 Euro. The project has been extended by one year and now concludes in December 2013. Focused upstream at the policy level and downstream at implementation of two IZ feasibility studies, the project is carried out in close collaboration with the Ministry of Planning, the Prime Minister's Advisory Council and several other key GOI institutions.

An example of the maturation of UNIDO's approach to projects in Iraq through the UNDAF, this project aims to support the GOI in creating policies, infrastructure and management that will attract investment both inside and outside of Iraq, thus stimulating the private sector. At the same time, the downstream component supports the establishment of Industrial Zones in two locations in Iraq.

The team leader of the evaluation, Ms. Ginger Cruz, is an international evaluator who was responsible for the evaluation design, conducting the stakeholder interviews, analysis and reporting. Mr. David Gairdner, international evaluator, and the UNIDO Evaluation Group provided quality control of the evaluation. The evaluation was conducted from September 2012 to February 2013. The terms of reference are found in Appendix II. UNIDO project management in Amman and Vienna provided requested assistance to carry out the evaluation.

Scope and Methodology

The evaluation combined document review, field and telephone interviews, research, and a review of project reporting and monitoring data to reach its conclusions. To the extent possible, findings were triangulated using the widest available range of data. The evaluation worked under tight budget and security constraints.

The evaluation began with a desk review of project documents, monitoring and evaluation reports, steering committee minutes, progress reports, and other sources of information and analysis, relevant to the project and the context. A list of the main documents reviewed is available at Appendix III.

The lead evaluator met with project management in Vienna on 27 and 28 September 2012 and in Amman on 29 September – 4 October 2012. Stakeholder interviews were conducted in person and via phone. A list of persons interviewed is available at Appendix I. Due to UN security regulations, none of the project national nor international experts were interviewed in person during this evaluation exercise. Budget constraints further limited the number of stakeholders that the evaluation was able to interview.

A contextual evaluation model was employed for this mid-term review. A desk review of documents (project document, inception reports, progress reports) identified formal goals, objectives and procedures. Research then supplemented

available project monitoring data to provide an initial basis for an understanding of the environment and context in which the program was executed. A change of venue for the PSC meeting from Poland to Baghdad and the lack of funds and time required to complete UNIDO security requirements in order to comply with UNIDO policies prevented the evaluator from attending a PSC meeting as anticipated in the TOR.

Observations and detailed interviews with stakeholders helped focus analysis on the formal processes, informal understandings and external factors impeding or facilitating outputs and outcomes. Among the areas studied was the nature of policy changes possible and most beneficial to program beneficiaries. The IZ evaluation relied heavily on a broad range of key stakeholder interviews and data sources to gain a holistic perspective of program activities and looked for areas where lessons could be learnt and best practices could be identified or recommendations could be made to improve program execution and increase the effectiveness and efficiency of the program.

An approved Inception Report, for the evaluation was submitted in November 2012.

Limitations of the Evaluation

Monitoring and reporting documentation available for the project includes qualitative reporting of achievements and some quantitative reporting focused at the activity and output level. The level of detail is limited and discussions of challenges and bottlenecks are briefly summarized.

Security and budget limitations constrained the evaluator's ability to gather information from the primary program locations in Baghdad. The evaluation compensated for this through the increased use of telephone interviews with stakeholders to assess progress toward expected project outcomes.

III. Country and Project Overview

Project Factsheet

Project Title	Enhancing Investments to Iraq through Industrial Zone Development (IZ)
Project No.	TE/IRQ/10/006
Duration	January 2011 – December 2013 (one year extension)
Budget	3,000,000 Euro - Italian Development Cooperation)
Executing Agency	UNIDO
Programme Manager	UNIDO HQ Vienna
International Programme Coordinator	PMU Amman, Jordan
National Project Coordinator	Dr. Aysar Fahad
National Counterparts	Ministry of Planning
Implementing Partners/Counterparts	Prime Minister’s Advisory Committee Ministry of Planning Ministry of Industry and Minerals Iraqi National Investment Council Ministry of Transportation Ministry of Finance Kurdistan Regional Government
Project Location	Baghdad and Basrah Governorates (Al Faw) and additional location TBD
Development Objective	To support promotion of investment and development of the private sector in the country in order to create employment opportunities, generate income and contribute to poverty alleviation.
Key Immediate Objectives	Promote investments to Iraq through the development of industrial zones.
Outputs	<ol style="list-style-type: none"> 1. Technical support is provided to Iraqi government to formulate, implement and monitor the establishment of an institutional coordination mechanism for industrial zone development including 3 study tours for 12 officials from 4 institutions. 2. An assessment of institutional and private sector needs to assist GOI to properly design policies and strategies for industrial zones are in place. 3. Road Map for the development of industrial zones is developed and endorsed by the GOI with 3 promotional events organized. 4. Increased knowledge of officials for industrial zone planning, design, management and promotion is achieved through meetings, 2 training sessions and a follow-up workshop for 20 Iraqi officials involving 4 Iraqi institutions. 5. An analysis of industrial structure in the two selected areas to assist the preparation of detailed prefeasibility studies completed involving the interviews of 100 people/institutions/enterprises. 6. Prefeasibility studies carried out in two selected areas (one being Al Faw Port) for industrial zone creation to include 2 coaching workshops for Iraqi institution staff.

The Project

The IZ project is part of the \$33 million private sector development effort undertaken by UNIDO and other UN partners in Iraq.² It is distinct, however, in its scope and character. As described earlier, the IZ project compliments the efforts undertaken in the *Enterprise Development through Information and Communication Technology* project and the *Investment Promotion for Iraq* project.

The *IZ Project Document (2010)* lists the following intended outcomes:

- a. Outcome 1: The policy, institutional and regulatory environment is more conducive to industrial zone development.
 - i. Output 1.1: Technical support is provided to Iraqi Government to formulate implement and monitor the establishment of an institutional coordination mechanism for industrial zone development.
 - ii. Output 1.2: An assessment of institutional and private sector needs to assist GOI to properly design policies and strategies for industrial zones are [sic] in place.
 - iii. Output 1.3: A comprehensive *Road Map* for the development of industrial zones is available.
 - iv. Output 1.4: Increased knowledge of officials for industrial zone planning, design and management and promotion.
- b. Outcome 2: Strengthened basis for economic recovery in two selected areas of Iraq.
 - i. Output 2.1: An analysis of industrial structures in the two selected areas (including one of Al-Faw port) to assist the preparation of detailed prefeasibility studies completed.
 - ii. Output 2.2: Pre-feasibilities carried out in two selected areas for IZ creation (including the area of Al-Faw port).

Mid-Term Progress

As of the September 2012 Progress Report, the project had achieved the following:

- Document reviews and collection of information
- Analysis of World Bank report on Industrial Zones in Iraq
- Legal and regulatory analysis
- Establishment of PSC

² Other participating UN organizations in the “Private Sector Development Programme for Iraq” project are: UNDP, ILO, UNOPS, FAO, UN-HABITAT, UN Women. *Source: Annual Programme Narrative Progress Report 1 January – 31 December 2011.*

- Completion of a survey of industrial zones in four governorates
- Facilitation of a study tour to Jordan

Purpose of the Mid-Term Evaluation

UNIDO commissioned a mid-term evaluation to take place between October and February 2013. The purpose of the evaluation is to assess:

- Relevance* to the priorities and policies of the Government of Iraq, and UNIDO;
- Effectiveness* in terms of the outputs produced and the outcomes achieved;
- Efficiency* of implementation, focusing on the quantity, quality, cost and timeliness of UNIDO and counterpart inputs and activities;
- Prospects for development *impact*; and
- Prospects for long-term *sustainability* of the results and benefits.

The evaluation was also directed to provide the necessary analytical basis and make recommendations to the Government, to the donor and to UNIDO regarding recommendations to help guide the remaining duration of the project and to draw lessons of wider applicability for replication in other projects.

In accordance with the ToR, the evaluation systematically and objectively assessed:

Design

- How the project was identified, and the degree to which stakeholders were involved
- Relevance of the project design to beneficiary needs
- Appropriateness of the means selected for project delivery
- Adequacy of consideration of the broad environment in which the project is executed
- Identification of assumptions and risks
- Cost effectiveness of project design
- Selection and participation of beneficiaries

Management

- Roles and contributions of counterparts
- Effectiveness of management structure
- Effectiveness of monitoring and evaluation
- Adequacy of coordination with associated parties
- Degree to which previous and related recommendations were considered
- Analysis of budget effectiveness

Effectiveness

- Analysis of the metrics available to assess outputs
- Systematic assessment of the production of outputs to date

- xviii. Quality of outputs
- xix. Actual achievement or prospects for achieving sustainable outcomes

Iraq Country Context

Overview

Iraq in 2013 is gradually emerging from decades of war, sanctions and mismanagement. With the departure of U.S. military forces at the end of 2011, Iraq has begun to show the world its own personality, one that is beginning to reflect the economic, political and social aspirations of its people, and one that is taking on the challenge of redefining its governance, economic and political structures. The Government of Iraq is committed to regain its role as a regional and global leader,³ but it has a long road ahead.

Security in Iraq remains the toughest challenge, with terrorism, political violence and criminality still outpacing the nascent capabilities of a security and intelligence apparatus that were reformulated from scratch in 2004. Good progress has been made and many of the provinces in Iraq are experiencing a stability that is allowing for increased development activity. Notable exceptions to this are Anbar – where sectarian and political tensions have kept the situation uneasy. Mosul and Kirkuk in the north are also experiencing continued instability. On the other hand, the Kurdistan region (Erbil, Dohuk and Sulaymaniyah) is very safe, with few major security incidents reported throughout the period of 2003-present. However, continued significant incidents of violence in various parts of Iraq have resulted in the maintenance of high security threat levels by all international organizations and many international businesses operating in Iraq, resulting in reduced interaction between donors and Iraqis, and having a negative effect on economic development.

Rising oil prices have been the biggest friend for Iraq, underpinning an economic growth rate that is one of the highest in the world. According to the IMF, Iraq's GDP grew by over 10% in 2012, and that number is projected to rise above 14% in 2013.⁴ The proposed budget for 2013 stands at \$118 billion, an increase of 18% over 2012 and consistent with an average budget growth of 17% per year since 2009. Investment expenditures for 2013 are also planned at historic highs, representing 40% of government budgeted expenditures.⁵ Foreign investment has also been a big part of the story in Iraq, having helped to support big gains in energy, construction and retail. Inflation remains steady as well as the balance of trade. However, despite its macroeconomic stability, Iraq still faces a mountain of development challenges that will take many years to address. Among the key problems facing the country are rampant corruption, political instability and a dire need to rebuild a functional bureaucracy.

³ UNDAF, p.16

⁴ IMF, *World Economic Outlook 2012* p.81.

⁵ *Iraq Budget 2013, Background Paper* – Joint Analysis Policy Unit, Inter-Agency Information and Analysis Unit, United Nations.

The dependence on oil however makes Iraq very vulnerable to economic shocks, and thus diversification of the economy is a critical priority, not only in terms of stabilizing resources in order to provide essential public services, but also in terms of creating jobs. The oil sector accounts for 47% of the GDP, but less than 1% of all jobs.⁶ The industrial sector, historically strong in Iraq especially in the petro-chemical and military sectors⁷, was devastated by war, sanctions and mismanagement. It was also heavily dominated by State Owned Enterprises, with the private sector traditionally playing a very a very minor role. SMEs became more involved in Iraq's economy in the 1980's and by 1998, the Law for the Private and Mixed Sectors facilitated the creation of some 40,000 small- and medium- sized industrial businesses. However, by 2003, total contribution by SMEs to the GDP was pegged at just 3.9 percent.⁸ Further, many SMEs have not survived the unstable business environment, most of them finding it impossible to compete with cheap imports and heavily subsidized State Owned Enterprises.⁹

Poverty and poor human conditions remain prevalent in Iraq despite the recovery in the oil sector. The employment rate is officially reported at 15% although that number is widely understood to be on the low side. 32% of all employment is with the government, which is currently saturated with employees. High-level GOI officials recognize that the only way to address unemployment is to build the private sector.¹⁰

GOI Background

International Partnership Committee (IPC)

The International Partnership Committee was formed by the Government of Iraq in 2012 as a result of Iraq becoming a signatory to the Paris Declaration on Aid Effectiveness (2005).¹¹ The Committee replaces the International Compact and the Iraqi Strategic Review Board (ISRB) that was formerly maintained at the Ministry of Planning.

The Paris Declaration lays out five basic principles for delivery and management of aid that apply to both developed and developing countries:

1. Ownership – Partner countries exercise effective leadership over their development policies and strategies and coordinate development actions.
2. Alignment – Donors base their overall support on partner countries' national development strategies, institutions and procedures.
3. Harmonisation – Donors' actions are more harmonized, transparent and collectively effective.

⁶Special Inspector General for Iraq Reconstruction, July 2011, Economy Graphic.

⁷ In the 1990's, military industries in Iraq expanded, taking 50% of total investment allocations.

⁸ Iraq National Development Strategy 2010-2014, pp. 78-9.

⁹ UN Common Country Assessment, Iraq 2009, p.38.

¹⁰ Evaluator interview with the Secretary General of the Iraq Council of Ministers, September 12, 2012.

¹¹ UNDG and UNDP are actively engaged in supporting the goals of the Paris Declaration which was developed by the OECD.

4. Managing for Results – Managing resources and improving decision-making for results.
5. Mutual Accountability – Donors and partners are accountable for development results.

UNDG tracks overall achievements from UN entities against the Paris Declaration, and UNDP likewise prepares individual reports.¹²

The overall goal of the IPC, which is chaired by the Deputy Prime Minister, is to coordinate the efforts of development partners including international organisations, donor countries, and Iraqi institutions to select assistance projects that fall within the priorities of the GOI. The IPC also acts as a high level steering committee to follow-up on implementation of these projects and ensure effective and transparent utilization of funds for their intended purpose.

The IPC ensures that staff from various ministries and governorates interact with the development partners in the planning and design phases of projects before they are given approval, ensuring active engagement between UN organisations and Iraqi institutions.

Among the priorities set by the IPC for engagement with UN entities are the following:

1. Moving from direct execution modality by UN agencies to a national execution project implementation arrangement.¹³
2. Expediting the relocation from neighboring countries into Iraq (Baghdad and other cities and provinces) thus expanding the level and degree of engagement.
3. Strengthening the level of cooperation with the donor community to identify together with Iraqi counterparts, potential areas of engagement and agree on possible funding and implementation arrangements.
4. Benefitting more from Iraqi expertise by recruiting more qualified Iraqis in key positions.
5. Adapting more flexible movement/security regimes without unnecessarily jeopardizing staff safety and security.¹⁴

This committee was involved in the decisions to formally approve by Ministerial Decree, the Project Steering Committee for the IZ project.

¹² <http://www.undp.org/content/undp/en/home/librarypage/capacity-building/implementing-the-paris-declaration-on-aid-effectiveness/> accessed February 7, 2013

¹³ The GOI notes that the national execution modality is the one employed in “normal” engagement situations, versus post-conflict situations.

¹⁴ Information provided via email from Office of the Deputy Prime Minister on January 6, 2013 in response to query from lead evaluator.

The IPC is also the oversight body for “joint funding” available for projects implemented by international partners. Executive Order 33 of 2012 established the co-financing committee.

International Organizations and IZs

In addition to the efforts of UNIDO, several other international organizations have undertaken significant efforts in support of the development of industrial zones. A short summary of those efforts follows.

World Bank

The World Bank, as part of the Private Sector Development Project, undertook an 87 month project that ran from December 2004 to March 2012. The project included multiple measures aimed at the design and implementation of private sector development policies including facilitation of establishment of industrial zones in Iraq. That project was coordinated with the Ministry of Planning, among others. Overall project funding was \$65 million. \$14 million of that was dedicated to the IZ project and related components (support for the development of an Economic Development Fund that was later dissolved by the GOI).

This project was a precursor to the UNIDO IZ work, and has been coordinated at the strategic level. The World Bank work sound down as the UNIDO efforts started. The UNIDO project specifically included a role of the World Bank as observers to promote interagency coordination and cross-flow of policy approaches and lessons, recognizing the work that the WB had done in developing policy and legislation for Industrial Zones.

OECD

The Organisation for Economic Co-operation and Development received a request in 2007 from the GOI to provide support to private sector development. This led to the creation of the MENA-OECD Investment Programme Iraq Project. Efforts are focused on promoting private sector development and building government capacity to attract foreign investment through assistance in developing investor-friendly regulatory and institutional frameworks, streamlining and expanding transparency of administrative procedures, improving infrastructure and helping to design specialized platforms such as investment zones.

The OECD project includes stakeholder meetings, training sessions, and the development of frameworks. Working Groups are engaged in efforts including development of the Iraqi government’s technical skills in project finance and

training Iraq National Investment Commission (INIC) members on the development and management of investment zones.¹⁵

With MENA-OECD as an external supporter in this effort, INIC is moving to develop implementing regulations for the 2006 Investment Law of Iraq that would create a NIC unit responsible for investment zones. Incorporated into the effort is a study of tax and customs duty issues. Importantly, the Al Faw Port Project – the same location as that identified in the UNIDO project – was initially identified as a possible focus of initial implementation efforts. Later in the project, the OECD Working Group settled on Hatein and Baghdad International Airport as the two pilot sites for Investment Zones.

By November 2011, participants from the GOI in the OECD efforts had expanded beyond the INIC to include representatives of the Office of the Deputy Prime Minister, Ministry of Finance (Director of Free Zones), Ministry of Industry and Minerals, Ministry of Planning, Ministry of Communications, and Provincial investment commissions. International participation included various experts including a representative of the World Bank. UNIDO was represented in the last working group meeting and has been invited to technically contribute to the preparations for the next meeting.

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<http://www.oecd.org/mena/investment/fourthmeetingoftheworkinggrouponinvestmentzonesiniraq.htm> Accessed March 28, 2013.

IV. Project Planning

Project Identification

A former Minister of Planning first identified this project in 2009 at a time when UNIDO's assistance to Iraq was changing. Short-term early recovery focused projects were gradually being replaced by longer horizon projects that addressed long-term development. This project fit into that change in philosophy. Following an October 2008 meeting arranged by UNIDO at which the new Framework Strategy for UNIDO Assistance 2009-2012 was developed, the Planning Minister wrote a letter requesting assistance in industrial zone development. This was in line with an overall shift that brought the work of the Business, Investment and Technology Services Branch of UNIDO into stronger focus in Iraq.

At the same time, the project fits well into the UNDAF 2011-2014, which codified the step forward in the engagement between the U.N. and Iraq. The UNDAF provides a coordination strategy for delivery of UN assistance that embodied the Paris Principles including MDG goals for 2015. A key focus of the UNDAF is to foster national capacity and leadership of the development process to transition Iraq out of the post-conflict era towards longer-term development. This emphasis on national leadership impacted the approvals for the IZ PSC, as Iraq took time developing a new management model for engaging with the international community (International Partnership Committee). Priority area 2 of the UNDAF calls for inclusive, more equitable and sustainable economic growth for Iraq, which aligns well with this project.

Project Formulation

A project formulation workshop was held in Amman in July 2010 where the program was further refined with upstream and downstream components. This bidirectional approach distinguished the UNIDO approach from other projects that were more focused at the policy level, although in some cases there was also consideration given for downstream implementation (as in the World Bank case where feasibility studies for IZs were also requested). The downstream component is aligned to a core competency of UNIDO, and is viewed as a discriminator in this project plan given that most of the other internationally supported interventions focused solely on the upstream policy component.

Previous work done by the World Bank was factored into the project, with careful attention given to an analysis of the final WB reports which was to then feed into the UNIDO work. The project also included a broad review of Iraq legal and regulatory conditions.

The project took a phased approach¹⁶sequencing steps to that outputs were mutually reinforcing and interdependent. Further, preliminary activities contribute directly to subsequent ones, such as the review of the legal framework of IZs which contributes to the development of the Road Map. Given

¹⁶ IZ Progress Report, September 2012, p.13

the long delays in accomplishing key first steps, the overall project was impacted by the selection of this approach.

V. Project Implementation

Project Management

Management Structures

UNIDO

The project staff originally consisted of a programme coordinator and an economic development expert based in Amman, Jordan. As the project evolved, a Chief Technical Advisor was added along with additional project experts. Overall programme management is led out of UNIDO headquarters in Vienna.

In addition to the core staff, the project envisions national staff to be contracted in two governorates and be responsible for facilitating interaction with local authorities. The Basra liaison officer has been identified, and a local coordinator for the second area is pending a decision by the GOI.

One-third of the project funding is set-aside for subcontractors who will provide support for the various assessments and reports required under the project.

GOI

The Government of Iraq coordination is achieved through a Project Steering Committee which provides overall strategic direction for the project. Unlike PSCs in other UNIDO projects, this PSC was approved through a Ministerial Order under new regulations instituted by Iraq in 2012 that apply to engagements with international organizations. The core members of the steering committee are senior officials from:

- Ministry of Planning
- Prime Minister's Advisory Committee
- Ministry of Industry and Minerals
- Iraqi National Investment Commission
- Kurdistan Regional Government

In addition, the PSC includes a representative of the donor Government for the project (Italy) and UNIDO, as implementing agency. Representatives of other Iraqi ministries with an interest in Industrial Zones have also been invited to join including:

- Ministry of Finance
- Ministry of Transportation
- Private Sector Representatives

The PSC also includes two working groups:

- Working Group on Legal and Management Issues

- Working Group on the Road Map

Initial plans called for the PSC to meet every six months given its crucial role in moving the project forward. 2 meetings have been held to date due to the ministerial decree issuance process. PSC members have asked that the frequency of meetings be increased back to biannual levels, especially in light of aggressive timelines for project completion. Additionally, since the composition of the PSC has changed from its initial constitution, the second meeting, held in December 2012 was also a familiarization for new members on the status and objectives of the project, 12 months prior to its projected completion.

Initially intended as observer members, the World Bank and UNDP were present for the first meeting of the PSC. However their involvement in the project has waned. Rather project staff indicate that they are maintaining contact with WB and UNDP representatives. Additionally, pressures from the GOI to conduct the official PSC meetings in Baghdad have to be balanced against UN security procedures that limit free access for UNIDO staff.

Monitoring Structures

The project monitoring structure has been adapted to the project nature and scope which differs from similar UNIDO initiatives. All project activities and outputs (meetings, workshops, study tours, etc.) are properly reported on. Reports are systematically shared with project counterparts who are requested to provide input and comments. Capacity development activities are evaluated by beneficiaries themselves, through activity-specific self-evaluation form. Results are then analysed by the project management and results are used to help design further activities. Coordination with the GoI and private sector is carefully monitored. Subcontracted activities are closely supervised by UNIDO team. The completion of deliverables is monitored by UNIDO and submitted reports are assessed according to pre-identified criteria

GOI counterparts were also formally requested to designate focal points to assist with monitoring and evaluation of the project. Regular coordination/consultation meetings together with PSC meetings comprise the continuous monitoring of the project.

Financial Implementation

The financial resources budgeted for the program are primarily directed toward UNIDO international experts (50%) and subcontractors (33%). 17% of the budget is planned to support local staff and GOI travel as shown in Figure 1 below:

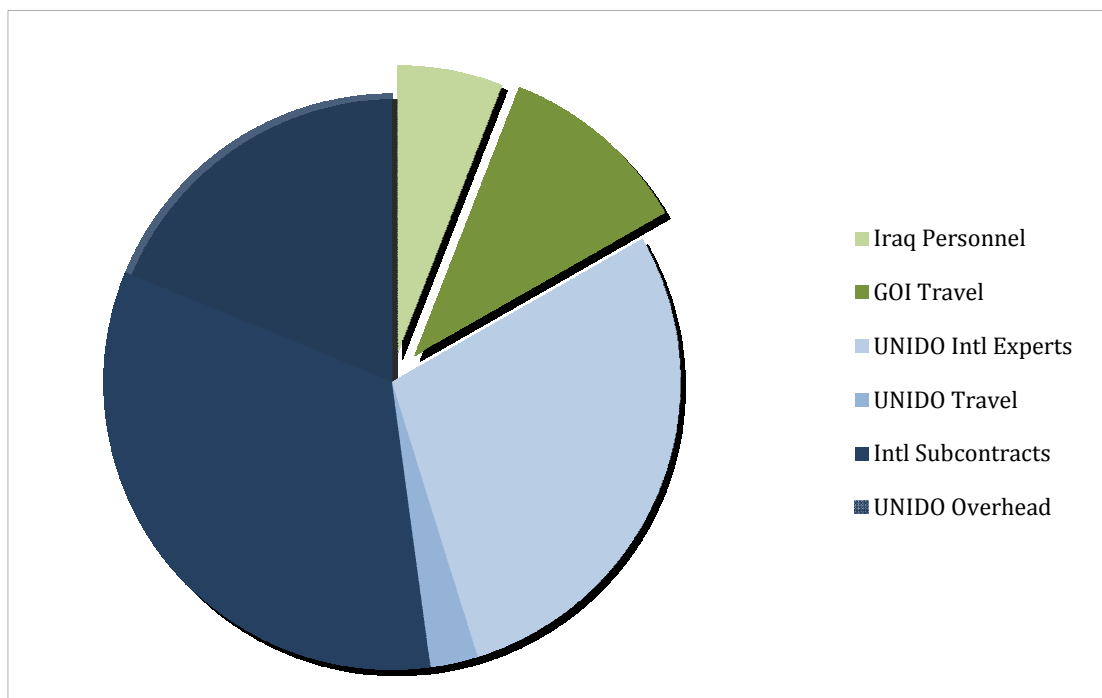


Figure 1

Budgets are influenced by several external factors including the requirements to cover security and U.N. Assistance Mission to Iraq (UNAMI) support costs that are mandated to be split among UN implementing agencies in Iraq, a factor that donors have suggested takes too much funding away from projects¹⁷. As a result, a low percentage of the budget was budgeted for Iraqi experts. This issue was discussed at a PSC meeting in December 2012. The PSC approved a change in the project management arrangements and as a result, local expertise has been increased. The UNIDO team now consists of four full-time national experts and three international experts, of which two are part-time.

Outputs and Outcomes

At the outset, the project document developed in January 2011, provided a list of 10 indicators and targets – which are indicated in grey in Figure 2 below. By September 2011, an inception report was published with an expanded list of 32 indicators and targets. The two lists have been combined and an analysis of progress against all indicators is presented below at Figure 2:

¹⁷ Evaluator interview in Rome in October 2012 with the Donor Representatives from the Italian Government expressed the view that given the overall size of the UN effort in Iraq, more HQ resources should be used to cover overhead costs rather than taxing project budgets.

Comparison/Analysis of Indicators and Targets from Prodoc January 2011 and Inception Report September 2011					
Output	Indicator	ProDoc Target Jan. 2011	Inception Target Sept. 2011	Status as of Sept. 2012	Measure
1.1.1 initial	PSC formation completed and adopted	PSC Formed		Activity Completed	MET
1.1.2 initial	Participation of key national stakeholders in the project steering committee	PSC Formed		Activity Completed	MET
1.1.1 revised	Number of Study Tours organized		3	1	ON-GOING
1.1.2 revised	Number of Institutions/Iraqi Officials exposed to foreign relevant experiences		4 institutions 12 officials	4 institutions 10 officials ¹⁸	ON-GOING
1.1.3 revised	Percentage of GOI officials having participated in all study tours		80%	One of three study tours complete. Next study tour Feb'13	ON-GOING
1.1.4 revised	Number of consultation meetings held with Iraqi stakeholders to design the coordination mechanism		10	Unknown	DATA N/A
1.1.5 revised	Number of Iraqi institutions involved		4	6	EXCEEDED
1.1.6 revised	Number of institutional arrangements presented to the GOI		2	Unknown	DATA N/A
1.2.1 initial	Number of assessments of institutional and private sector needs completed	Assessment reports completed		One of two reports completed	ON-GOING
1.2.2 initial	Industrial Zone mapping in selected areas completed	Yes		On-going. IZ mapping and analysis completed for 4 areas	ON-GOING
1.2.3 initial	Number of comprehensive analysis of selected cases of industrial zones completed	Analysis Completed		Of a target of 10, 5 have been completed.	ON-GOING
1.2.1 revised	Number of surveys collected from the GOI		3	Unknown	DATA N/A
1.2.2 revised	Number of industrial zones located		10	Unknown	DATA N/A
1.2.3 revised	Number of industrial zones evaluated		10	4	ON-GOING
1.2.4 revised	Number of meetings with the GOI to outline results		3	Unknown	DATA N/A
1.3 initial	Road map for industrial zone development is completed	Road Map Completed		Pending	ON-GOING
1.3.1 revised	Number of workshops organized		2	1	ON-GOING
1.3.2 revised	Number of Iraqi Institutions/Officials involved		3 institutions 10 officials	4 institutions 10 officials	MET

¹⁸ Analysis of Report of the First Project Study Tour appended to Annual Progress Report, January 2012

Comparison/Analysis of Indicators and Targets from Prodoc January 2011 and Inception Report September 2011					
Output	Indicator	ProDoc Target Jan. 2011	Inception Target Sept. 2011	Status as of Sept. 2012	Measure
1.3.3 revised	Number of drafts prepared and submitted to Iraqi counterparts for comments		3	Unknown	DATA N/A
1.3.4 revised	Number of consultation and coordination meetings held with the GOI		10	Unknown	DATA N/A
1.3.5 revised	Road map endorsed by the GOI		Yes	Pending	PENDING
1.3.6 revised	Number of road map promotional events organized		3	Pending	PENDING
1.4.1 *kept	Number of governmental officials trained ¹⁹	TBD number of trainees	20 (10male 10 female)	Of revised target (14 male 6 female) 8 men and 2 women have attended study tours.	TARGET REVISED ON-GOING
1.4.2 *kept	Percent of trained officials participating in development of industrial zones	80%	80%	80%	MET
1.4.3 revised	Number of meetings held with the GOI		10	Unknown	DATA N/A
1.4.4 revised	Number of training sessions organized		2	0	PENDING
1.4.5 revised	Number of follow-up workshops		1	0	PENDING
1.4.6 revised	Number of institutions involved		4	0	PENDING
2.1 .1 *kept	Analysis of Industrial Survey in two selected areas completed	Reports Completed	2	Contracting underway for one of two	ON-GOING
2.1.2 revised	Number of technical assessments performed		4	0	PENDING
2.1.3 revised	Number of people/ institutions/ enterprises interviewed		100	0	PENDING
2.1.4 revised	Number of presentation meetings with GOI		4	0	PENDING
2.2.1 *kept	Number of pre-feasibility studies completed	2 ²⁰	2	Contracting underway for one of two	ON-GOING
2.2.2 revised	Number of missions in selected areas		2	0	PENDING
2.2.3 revised	Number of coordination meetings with Iraqi institutions		10	0	PENDING

¹⁹ While the target is defined as “training” of officials, the Progress Report counts officials who attended study tours as trained. The PSC in December 2012 indicated that while study tours were beneficial, they were not sufficient to be considered as “training”.

²⁰ The Logframe lists a total target of 4 pre-feasibility studies with a baseline of 2 completed (under the World Bank project). For the purposes of this analysis, the target has been updated to reflect only the target intended for the UNIDO project.

Comparison/Analysis of Indicators and Targets from Prodoc January 2011 and Inception Report September 2011					
Output	Indicator	ProDoc Target Jan. 2011	Inception Target Sept. 2011	Status as of Sept. 2012	Measure
	including Provincial Councils				
2.2.4 revised	Number of coaching workshops for Iraqi institutions staff		2	0	PENDING
2.2.5 revised	Number of presentation meetings		3	0	PENDING
2.2.6 revised	Number of pre-feasibility studies endorsed by the GOI		2	0	PENDING

An analysis of this first set of 10 indicators and associated targets (again, highlighted in Figure 2 in grey) shows a heavy emphasis – 60% of all targets – on the production of written reports. Two of the indicators are based on the formation of and participation in a Project Steering Committee, an activity that is generally viewed as a routine and facilitating matter in most other UNIDO projects in Iraq and not an end in itself. Project managers explain that the PSC in the case of this project is not only the management body for the project, but also the first active coordination mechanism dealing with IZ issues involving all major stakeholders.

In the inception report, the indicators were further quantified, with sub-indicators added. As a result, the number of indicators more than tripled – to 32 – and all were quantitative. The new indicators included 12 that measured activities such as missions, training or workshop events, and evaluation or data collection. 7 indicators measured the number of meetings held. 5 covered written deliverables, 5 more focused on exposure or involvement of stakeholders, and three were outcome driven (one measuring the number of trainees engaged in IZ development and two tracking GOI endorsement of project deliverables). The addition of outcome measures is helpful as it sharpens the view of project staff on overall outcomes.

The new targets established in the Inception Report were included in the first Annual Progress Report published in January 2012. For the second draft progress report in September 2012, the main indicators were tracked, while the sub-indicators were updated and monitored internally.

Accompanying those indicators are the overall outputs and activities identified as key to accomplishing the two expected outcomes. An analysis of progress against outputs follows at Figure 3:

Assessment of Outputs and Outcomes to Date

Output	Assessment
<p>1.1. Technical support is provided to Iraqi Government to formulate, implement and monitor the establishment of an institutional coordination mechanism for industrial zone development</p> <p>ACHIEVED</p>	<p>The establishment of the PSC and its institutionalization through a Ministerial Decree, a first step in moving the entire programme forward, was delayed for approximately one year as the GOI instituted new approval procedures impacting all international organizations. Persistence paid off and a coordination mechanism is in place with broad representation from the GOI, the Donor and UNIDO. A review of the WB IZ report was also concluded identifying 4 issues:</p> <ol style="list-style-type: none"> 1. Private sector involvement 2. Economic feasibility (cost v. revenue) 3. Legal issues (land, infra.) 4. Balance between centralized and decentralized management of zones
<p>1.2. An assessment of institutional and private sector needs to assist GOI to properly design policies and strategies for industrial zones are in place.</p> <p>PARTLY ACHIEVED</p>	<p>The project envisioned two basic deliverables under this objective – an IZ Mapping and Analysis report of 4 locations; and a Private Sector Needs Assessment. The requirements for a second report have been combined with the pre-feasibility studies for the two target locations – pushing the deliverable to a date late in the project timeline and increasing the scope of the anticipated studies. The first report was completed in September 2012 and included a survey of roughly 450 businesses and research on IZ regulations in two neighboring countries. Translation of the report into Arabic will be combined with the legislative review and remains to be completed.</p>
<p>1.3. A comprehensive road map for the development of industrial zones is available</p> <p>PENDING</p>	<p>The road map is a key deliverable. It is highly dependent upon several precursor activities including comprehensive pre-feasibility studies in two locations, one of which had yet to be identified by January 2012. Given the current pace of the project and performance to date, this objective is at risk of not being completed by the current target deadline of December 2013.</p>
<p>1.4. Increased knowledge of officials for industrial zone planning, design, management and promotion.</p> <p>PARTLY ACHIEVED</p>	<p>As of the end of January 2012, only one study tour had been facilitated for 10 GOI officials. The three-day trip to Jordan provided valuable information on the operation of IZs. A second study tour will take place to Poland in February 2013. Capacity development training has been planned and is expected to take place in 2013.</p>

Assessment of Outputs and Outcomes to Date

Output	Assessment
<p>2.1. An analysis of industrial structure in the two selected areas to assist the preparation of detailed prefeasibility studies completed. COMBINED WITH 2.2 BELOW</p>	<p>**see 2.2 below</p>
<p>2.2. Pre-feasibility studies carried out in two selected areas for IZ creation PENDING</p>	<p>The contracting process is underway for one international subcontractor to produce a pre-feasibility study for the Al Faw Port location. The report will combine the industrial survey envisioned in objective 2.1 and the private sector needs assessment envisioned in objective 1.2. The comprehensive report on the second site remains pending selection of a site by the PSC.</p>

VI. Assessment of Evaluation Criteria

Relevance

GOI

Relevance to the GOI is demonstrated through its request for this project as memorialized in letters from the Minister of Planning in 2009, and through its active participation in meetings organized to move the project forward.

The project supports key elements of both the current and proposed updated National Development Plan (NDP) although there is no specific mention of industrial zones. The Strategic Objective from the current NDP talks about working to achieve growth by “working to establish a coherent series of economic activities, industrial zones, and economic free zones across the nation.”²¹

UNIDO

Relevance to UNIDO is high, given that this project is in line with UNIDO strategic priorities and supports the achievements outlined in the UN Development Assistance Framework, particularly the revitalization of the private sector by targeting SME development. Further, the project falls within UNIDO’s “sweet spot”, accentuating the organization’s experience in assisting the establishment and management of industrial zones in many other parts of the world.²²

Beneficiaries

The Iraqi private sector has been involved in several project activities and consulted on several occasions including PSC meetings, working groups and workshops. Possible investors and zone tenants are expected to be engaged at a later stage after the definition of management models and financing scenarios for the zones. To the extent that functioning industrial zones provide opportunities for some in the struggling private sector to succeed, project outcomes have the potential for high relevance.

Ownership

Ownership is a complicated issue with regard to this project. In some cases, ownership is enabling its progress, while in other cases, it is inhibiting.

At the core of the issue is the fact that there are several institutional entities with an ownership stake in industrial zones. To make matters more complicated, the roles and responsibilities of those entities are not entirely clear, given the reformative nature of the Government of Iraq post-2003. For example, the Ministry of Planning has historically held the primary coordinative role for policy issues, but this role is slowly being eroded as new components are being developed such as the International Partnership Committee and the Prime

²¹ National Development Plan 2010-2014, p.24.

²² IZ ProDoc p.8

Minister's Advisory Council that raise strategic planning to the level of the Three Presidencies (a collective term used in Iraq to describe the offices of the President, Prime Minister and Deputy Prime Ministers).

Another example is the Free Zone Commission within the Ministry of Finance that was created in 1998 during the Saddam Era. While sidelined in the early post-conflict period, the Commission has rediscovered its importance and has been very active in 2012. A third example is the INIC, which was newly created in 2006, and which has taken on the primary responsibility for all aspects of foreign and domestic investment, including an active role in advancing "investment zones." Recognizing these realities, the project focused on, and rightly so, establishing strong coordination mechanisms.

Additionally, the parliamentary system of government provides for various political parties to split management of the various ministries and bodies. The Prime Minister's State of Law Coalition is represented through the Prime Minister's Advisory Council, the IPC is run by a member of the KRG, the Ministry of Planning falls under the Sadrist Party, the Ministries of Finance and Industry are run by ministers from the opposition Iraqiya Bloc. The INIC, which is not a ministry, is run by an independent technocrat. The political dimension adds to the sometimes competitive nature between the entities. This factor has been generally anticipated in the project especially in the make-up of the Steering committee. The 2012 Progress report specifically states that it is ensuring "consultation with all Iraqi stakeholders and coordination among them, and mutually reinforcing (rather than competitive) effort in this aspect of industrial and economic development."²³

Several of these entities have enlisted external champions to support their drive to expand their sphere of influence over the development and management of industrial zones. Specifically:

MOP and UNIDO

The Ministry of Planning has overall responsibility for setting the plans for the entire GOI especially in the realm of private sector development and engagement with international organizations. Delays in establishing the PSC were cited in the September 2012 progress report as one of the primary reasons for overall shortfalls in outputs. The delays were encountered at first, due to the delays in government formation following the 2009 parliamentary elections. The Minister of Planning who was key to initiating this project and enlisting UNIDO support was replaced after parliamentary elections as part of the installation of the new Council of Ministers (a process that itself saw delays of almost a year for most cabinet positions.) The new minister took office in April 2011, at which time UNIDO had initial meetings. It was not until several months later that the Ministry actively began to move the project forward.²⁴ In addition, from 2011-2012, primary responsibility for overseeing projects implemented by international organizations shifted away from the MOP to two organizations – the PMAC and the new IPC. In some cases, GOI staff that had been working with UNIDO on this effort were moved from

²³ IZ Progress Report, September 2012, 6(b). Remarks.

²⁴ Interview with Maxmilien Pierotti, October 3, 2012.

MOP to PMAC.²⁵ As for the newly established IPC, it required time to review and approve aspects of the project, further adding to delays.

INIC and OECD

The Chairman of the National Investment Council asked the OECD in 2010 to convene the first meeting of an effort to develop “investment zones” (distinct from “industrial zones”) for Iraq. During the first PSC meeting, the representative of the INIC briefed UNIDO on ongoing efforts with OECD to develop investment zones in Iraq.²⁶ The OECD project includes stakeholder meetings, training for Iraqi officials on financial elements of investment zones as well as management and operation of investment zones.

Efficiency

The two-year project, extended now to three-years, is up against a tight timeline – 10 months remaining. Within these 10 months, the program must contract out and complete two feasibility studies that will then feed the creation of a road map that has to be endorsed by the GOI. Along with these deliverables, the project needs to complete two more study tours for GOI officials and execute a training component.

Efficiency for this project has been limited for several reasons:

1. Security – UN security requirements unique to Iraq have affected the geographic placement of the management structure for the program – putting the core team in Amman. This project is highly dependent upon constant interaction with GOI counterparts. To compensate for this, the project relies on international staff missions and national staff presence although the challenges with bringing international staff into Baghdad freely further impacts the efficiency of this project.
2. Bureaucracy – Bureaucratic developments within the Government of Iraq including the creation of a new structure for engagement with international organizations, delayed critical elements of the project including the formation of the PSC. The sequential design of the program resulted in this delay impacting overall efficiency.

Delays in formation of the PSC have necessarily impacted overall budget outlays, as project staff and overhead, which collectively account for 50% of the budget, are spent over time. A graphic comparison of planned outcomes against current outcomes follows at Figure 4.

²⁵ *ibid*

²⁶ Report of the First Meeting of the PSC, September 2011.

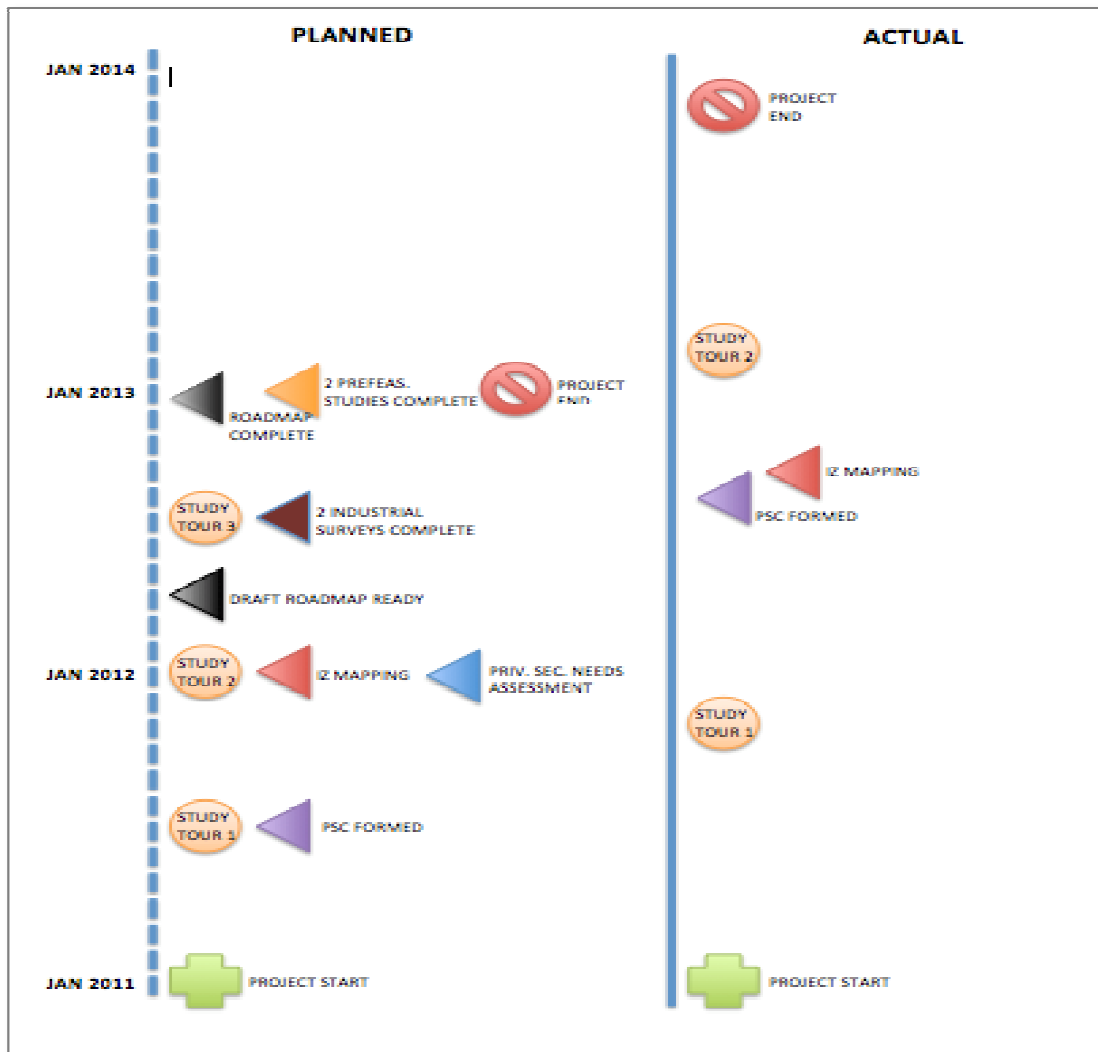


Figure 2

Effectiveness

Effectiveness of the project has been impacted primarily by the nature of the project, which is more focused at the policy level, and by timing delays.

With regard to the policy level nature of the program, UNIDO staff note that this is a different approach for UNIDO in Iraq, and things tend to take more time to develop the upstream outputs. Exacerbating the challenges in coordinating with multiple GOI institutions is the lack of a UNIDO Special Representative or permanent presence in country with delegated authority. The lack of a country office means that coordination is performed largely by programme coordinators who make visits to Baghdad to build the support necessary among multiple GOI counterparts.

Additionally, the project, now past the 70% mark in time, faces stiff challenges to produce all anticipated deliverables by December 2013 – a deadline that was emphasized by the donor representative on the PSC.²⁷

The individual reports outlined in initial project documents as outputs from this project have been combined and will be implemented through a single contract. Of the 7 reports first envisioned, the project now will produce 4 reports, of which one has been completed.

The roadmap work yet to commence, and pre-feasibility studies are also due within 10 months. While a first pre-feasibility study is about to start, the second study has yet to be put out for bid pending the selection of a site by the PSC. At the December PSC meeting, a goal of January was set for the identification of a second site, which program managers report was done by January 15. Internal deadlines are even more aggressive, with the PSC requesting that UNIDO present preliminary findings on capital expenditures required to develop Al Faw Industrial Zone by June of 2013 so that the figures could be included in the 2014 federal budget.²⁸

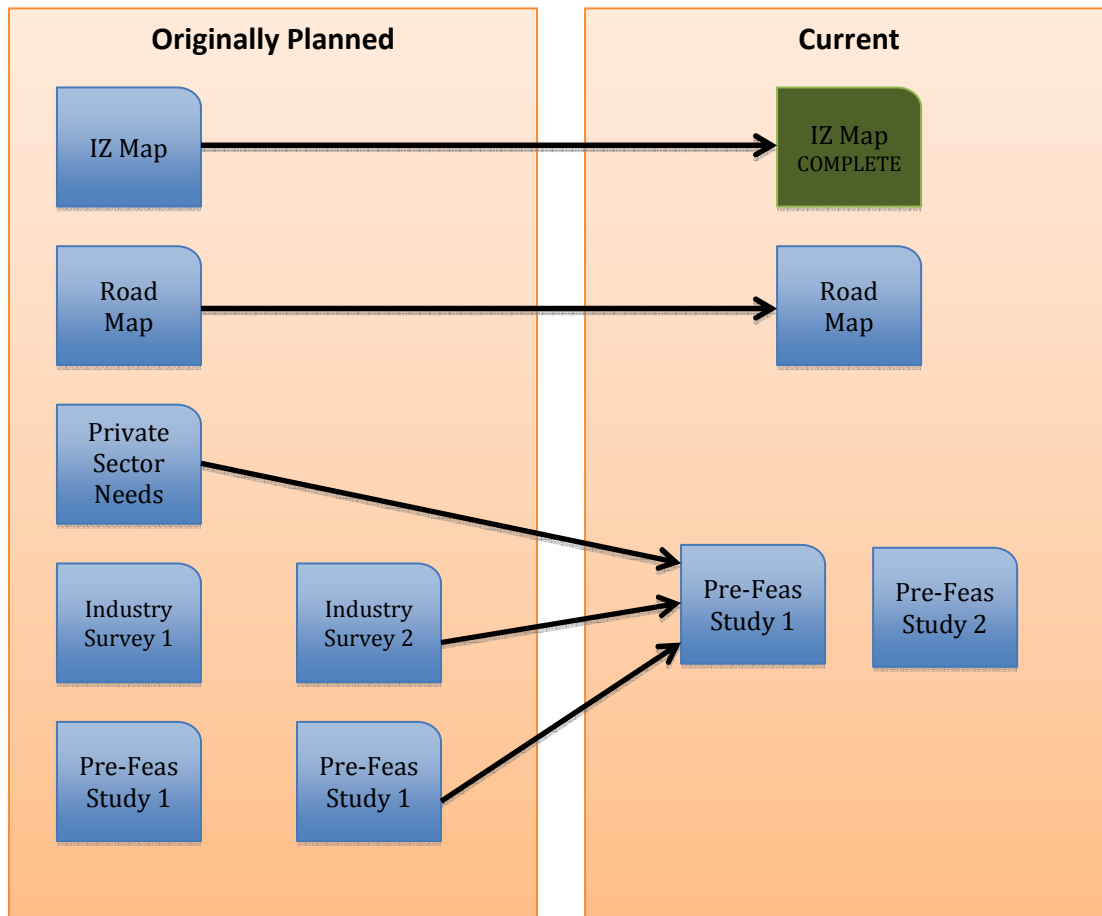
In an interview with evaluators, one of the PSC members suggested that utilizing a site already within the ambit of the Free Zone Commission would improve the chances for developing a workable plan, as the zone would already have dedicated land and would already fall under GOI laws and regulations allowing for the rapid stand-up of an industrial zone.²⁹ These decisions fall within the responsibility of the Government of Iraq and will likely be communicated through the PSC.

As for the completed report *IZ Mapping and Analysis*, the 99 page document provides summaries of surveys taken of 446 firms that operate in four regions (Basrah, Erbil, Baghdad and Anbar) and an analysis of industrial zone policy from two other neighboring countries. Surveys and interviews make up the core of the report which program managers describe as the first survey dedicated to industrial zones.

²⁷ Draft Report of Second Meeting of the PSC, December 2012, p.4

²⁸ Draft Report Second Meeting of the PSC, December 2012, p.2

²⁹ Interview with Mr. Sabah Salih Mahdi Al Qaysi, Director General for Iraqi Free Zone Commission



Sustainability / Prospects for Development Impact

Sustainability of this program is firstly dependent upon the delivery of tangible and useful outputs. Assuming that the aggressive timelines and complexity of the task at hand are successfully managed, the project should produce two outcomes. At the upstream level, there should be clear policy advice, contained in a written roadmap, along with an established coordination mechanism and trained staff to carry it through. At this mid-point of the project, the key elements of that first outcome hinge on the production of the roadmap and a training element that have yet to begin. At the downstream level, the implementation of two zones hinges on a detailed economic feasibility study. Ten months before project completion, the second zone has just been identified by the PSC. Further, the amount of funding to establish the first zone, Al Faw, will have to be determined in four months in order for it to be included in the draft proposed Iraqi federal budget for 2014.

From the perspective of the Iraqi beneficiaries, the prospects for development impact are to be realized through the resulting set of key recommendations on how to develop industrial zones.

From the perspective of UNIDO, information gathering and analysis has been ongoing, and much effort has been expended getting GOI approval for the PSC coordinating mechanism. Now that the mechanism is in place, it will need time to contribute to results. Some of the members attended their first meeting in December of 2012, and have just begun to engage in the project. The one study

tour to Jordan was also valuable, and a second tour to Poland is scheduled to take place in February. The two types of technical assistance are viewed as necessary and mutually reinforcing.

Cross-Cutting Issues

Gender – As in the case of other UNIDO projects in the Private Sector Development area, this project did not contain design elements that targeted women. Rather, women were to be included “equally” in the creation of opportunity. Further, goals for fifty percent of training and capacity building efforts to be reserved for women have since been changed to 30% because the GOI holds the decision for nominations to training/study tours.

Environment – Environmental issues are planned as part of the feasibility studies for industrial zones.

Employment Generation – The project does not strive to provide direct assistance to the private sector and therefore no specific targets were set for employment generation. However, there is a likelihood that this project will contribute to employment generation.

VIII. Conclusions

The creation of Industrial Zones is a priority for the Government of Iraq as set forth in the GOI’s National Development Strategy priority for growing the private sector. It is also an important element in improving the environment for small- and medium-sized enterprises to succeed and grow which will potentially generate medium-term employment.

Supporting the efforts of the Government of Iraq both in upstream policy and capacity development and downstream feasibility analysis is the aim of this project. Factoring in the inherent challenges of navigating a still maturing bureaucratic environment and the chilling effect of security constraints, this evaluation determined that the IZ has taken significant steps toward informing improved policies and setting the conditions for two new industrial zones, an important part of a new tranche of UNIDO projects focused on longer-term sustainable economic development initiatives.

Much now remains to be done. Significant time was expended working with the transitioning GOI to secure a ministerial decree establishing the Project Steering Committee which functions not only as a strategic program management structure, but also as a key body within Iraq which brings together the various ministries and stakeholders necessary to move forward this broad initiative.

With 10 months remaining on the extended lifespan of the project, increased focus has built up the national expertise supporting the program. Study tours to Jordan and Poland have provided participants with an understanding of IZs in other countries that is helping inform the PSC and its working groups’ work on new policies. Capacity development has been planned and is expected to be

carried out in 2013.

Accommodating the delays caused by the GOI's processes in forming the PSC, program managers have adjusted initial program plans to combine several planned reports and studies in order to meet the ambitious deadlines ahead.

At the mid-point of this project, recommendations are focused on strengthening existing measures – including more constant engagement with stakeholders in the PSC and the working groups, and ensuring the delivery of a robust capacity development program for identified managers. Likewise it is important for UNIDO to continue to coordinate with other international organizations providing advisory services in the area of industrial zone and investment zone development to ensure that ongoing efforts are complementary and build upon one another.

VII. Recommendations

Recommendations to UNIDO

RECOMMENDATION 1: *You have to be present to play.* Increase the engagement of UNIDO's Arabic speaking industrial zone experts needed to see the program through to the end. Increased engagement can take the form of more sustained interactions from short-term experts, or identification of additional national staff to focus on this project.

RECOMMENDATION 2: *Deliver an IZ training module.* Ensure delivery of a detailed capacity development program. UNIDO should utilize its experience from IZ promotion in other parts of the world to deliver specific training in IZ development and management to the GOI officials and managers designated by the PSC.

Recommendations to UNIDO and the Government of Iraq

RECOMMENDATION 3: *Strengthen collaboration with the OECD.* In the spirit of the Paris Declaration, the UNIDO team should strengthen its coordination efforts with other ongoing efforts, specifically the project underway through OECD that involves many of the same Iraqi counterparts. The GOI, likewise, should strengthen efforts to keep UNIDO apprised of its work with other IZ projects to ensure that the UNIDO project is well coordinated.

Recommendations to UNIDO and the Donor

RECOMMENDATION 4: *The clock is your enemy.* UNIDO and the Donor should consider revisiting the December 2013 deadline to ensure that the efforts expended to date have the best chance to achieve real outcomes. Consideration may be given to reviewing the work plans and progress against project deadlines to ensure that adequate time is given for the successful completion of all critical activities envisioned in this programme.

Appendix I: List of Individuals Interviewed

Maximilien Pierotti
International Project Coordinator, IZ Project, UNIDO, Amman

Cristiano Pasini
Country Programme Coordinator for Iraq, UNIDO Amman

Tidiane E. Boye
Industrial Development Officer, Investment and Technology Unit, UNIDO, Vienna

Hoger Shalli
Advisor to the Prime Minister, Kurdistan Regional Government (KRG) (steering committee member)

Guglielmo Giordano
Senior Officer, Italian Cooperation for Development (donor representative)

Dr. Thamer Ghadban
Senior Advisor to the Prime Minister of Iraq

Dr. Sami al-Araji
Chairman, Iraq National Investment Council

Alee Saleem Omer Alee
Director General, Department of Development and Industrial Regulations,
Ministry of Industry and Minerals

Dr. Khalid Aljuboory
Minister Plenipotentiary, Embassy of the Republic of Iraq, Vienna, Austria

Dyar M. Murad
Attache, Embassy of the Republic of Iraq, Vienna, Austria

Munkith al-Baker
Minister-Counselor, Ministry of Industry and Minerals

Sabah Salih Mahdi Al Qaysi
Director General for Iraqi Free Zone Commission, Ministry of Finance

Renato Fornacaldo
Former UNIDO Special Representative to Iraq

Shwan Azabani
Chief of Staff, Office of Deputy Prime Minister Roysch Shaways

Appendix II: Terms of Reference

Terms of Reference

Phase 1 of the Independent Evaluation of the UNIDO Projects

“Enterprise development through information and communication technology (EDICT)” (FB/IRQ/09/007),
“Investment Promotion for Iraq (IPI)”(TE/IRQ/09/010) and
“Enhancing investments to Iraq through industrial zone development”(TE/IRQ/10/006)

I. EVALUATION BACKGROUND

The evolving situation of the country

Since 1980, Iraq has been embroiled in long-running geo-political disputes and conflicts that have significantly reversed her earlier human development gains. Since then, Iraq’s human and economic development indicators have fallen from some of the highest in the region to some of the lowest. The conflicts have furthermore caused enormous social, cultural and economic harm. The country has suffered significantly from the neglect and degradation of its infrastructure, environment, and social services.

The present problems of Iraq originate also from past economic policies. During its various political regimes, Iraq concentrated on a centralized, state-owned economy, which discouraged the growth of a vibrant private sector. Coupled with this, Iraq is also a classic single sector economy – depending heavily on oil without giving much preeminence to the non-natural-resource-based economy. With the state owned enterprises in shambles after the war and a private sector not fully capable of taking its place, the economy of the country is in strong need of reform and diversification.

Despite relatively contained inflation due to strict credit policies and a positive fiscal balance, Iraq’s overall economy has not yet stimulated employment or alleviated widespread poverty. Unemployment rates are high. In order to contain the rapid deterioration of the economy, and the un-employment crisis, the Government of Iraq has focused on short term policies for creating more public-sector employment, and supporting the poorest citizens to help them overcome the economic crises. Naturally, these policies have increased the economic burden on the government.

The private sector, and in particular SMEs, have not seen much foreign or local investment owing to political and economic instability in Iraq. Also due to previous sanctions, the manufacturing sector could not import new and modern technologies to refurbish its machinery, leading to long period of stagnation and technological obsolescence. As such, the private sector and SMEs have grown out of personal entrepreneurship without much investment or managerial skills. The private sector in Iraq requires capacity building at all levels, from establishing a

sound regulatory environment to building the skills of private entrepreneurs, particularly for micro and small enterprises. Such businesses can act as a foundation for the manufacturing industry to enable future diversification away from total reliance on either the state-owned sector or oil-based economy. Revitalizing the country's economy is a crucial component of recovery for sustainable development and poverty alleviation.

UNIDO's evolving Technical Assistance in Iraq

Initial post-2003 UNIDO activity focused on early recovery interventions: livelihood recovery with a community-based approach; pilot enterprise rehabilitation project, promoting employment and introducing new technology and business practices, and capacity development within the Ministry of Planning and the Ministry Industry. Based on improvements in overall context, and priorities emerging from both Government (2007) and United Nations (2008) strategic planning, UNIDO outlined the agency's programme strategy in the discussion paper *Framework Strategy for UNIDO's Assistance to the Republic of Iraq* (October 2008).

UNIDO committed to a two-track strategy, focusing on continuation of *humanitarian and early recovery activities* while at the same time moving upstream into *strategic rehabilitation and development*. The framework establishes three priority programme areas for the period 2009 to 2012:

1. *Strengthening incomes and employment generating opportunities for vulnerable groups*, with a focus on rural areas and promotion of micro industries. The objective would build on UNIDO's previous *Micro-Industry Support programme* in Iraq. Focus was placed on improving income and economic opportunity for vulnerable groups, through a community-based approach.
2. *Revitalization of productive capacity in the agro-industrial sector and core agro-industrial infrastructure at the enterprise level*, to restore operations and upgrade competitiveness. The objective was to build on UNIDO's previous *Enterprise Development and Promotion* project. Focus was placed on rehabilitation and technical support to enterprises in the agro-industrial sector, and strengthening business sector services at the national level, to both State Owned Enterprises and the private sector.
3. *Build the capacity of and expertise of national institutions and industrial bodies in strategic areas related to planning, agro-industrial investment and standards and quality control*. The objective appeared new to UNIDO's Iraq portfolio, and focused on support to Iraqi [State] institutions responsible for industrial development in the areas of: i) techno-economic assessment of the industrial sector, developing statistical data bases and the formulation of policy and strategies for industrial development; ii) assisting the Iraqi Government to develop the regulatory, legal and policy architecture necessary to accelerate investment flows, and; iii) ensure Iraqi enterprises have access to

improved services in terms of standards applications and quality assurance services through specialized industrial institutions.³⁰

The ongoing country evaluation of UNIDO activities in Iraq

This evaluation will be conducted in parallel with an Independent Country Evaluation of the activities and involvement of UNIDO in Iraq, which was requested by the UNIDO Executive Board as part of the biannual work programme of the UNIDO Evaluation Group (EVA) for 2012/2013.

In addition to assessing the implementation and results of country programme mechanisms, this independent country evaluation will also include an assessment of stand-alone projects, the performance of the Country Office, Global Forum activities and contributions of the country programme to the attainment of the Millennium Development Goals (MDGs).

The country evaluation will build upon ten UNIDO evaluations and three UNDP evaluations conducted between 2008 and 2011 and coordinate with seven ongoing UNIDO evaluations to be conducted in 2012 (Table 1).³¹

Table 1: Evaluations feeding into the UNIDO country evaluation

Project No	Title	Period of evaluation
TE/IRQ/09/008 (2009)	MISP 5 (Ninewa)	06 to 09 2012
TE/IRQ/09/A08 (2010)		
TE/IRQ/09/B08 (2011)		
FB/IRQ/10/001	Dairy Mosul	06 to 09 2012
FB/IRQ/09/004 FB/IRQ/09/A04	Rehabilitation of the Specialized Institute for Engineering Services (SIEI)	06 to 09 2012
<i>FB/IRQ/09/007</i>	<i>Enterprise development through information and communication technology (EDICT)</i>	<i>Combined evaluation in 2012/13</i>
<i>TE/IRQ/09/010</i>	<i>Investment Promotion for Iraq (IPI)</i>	
<i>TE/IRQ/10/006</i>	<i>Enhancing investments to Iraq through industrial zone development</i>	
FB/IRQ/08/007	UN Joint Programme - Private sector development programme for IRAQ	To be evaluated by UNDP

The scope of the present evaluation is highlighted in the above table. It combines the evaluation of three closely interlinked projects. All three are coming under the third priority area mentioned above and are of particular importance for the ongoing country evaluation. There will be continuous close collaboration between both evaluations.

II. PROJECT INFORMATION AND BUDGETS

³⁰ UNIDO, *Framework Strategy for UNIDO's Assistance to the Republic of Iraq, 2009 to 2012*, 2008, pp. 3-4

³¹ Please see Annex 1 for a list of all projects included in the Iraq Country Evaluation.

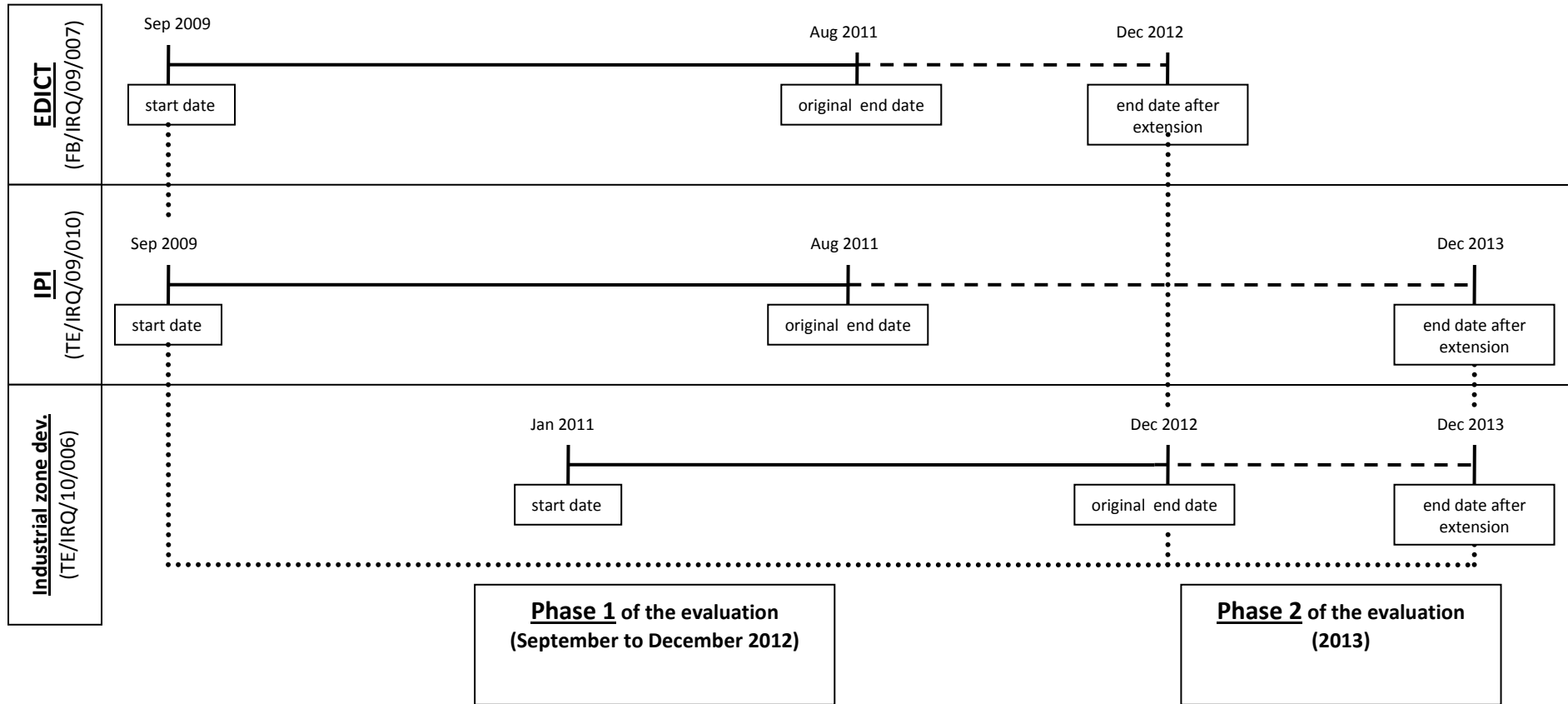
This evaluation will combine the evaluations of the following three projects:

- “Enterprise development through information and communication technology (EDICT)” (FB/IRQ/09/007),
- “Investment Promotion for Iraq (IPI)”(TE/IRQ/09/010)
- “Enhancing investments to Iraq through industrial zone development”(TE/IRQ/10/006)

All three projects are spin-offs of the “EDIP” project (Enterprise Development and Investment Promotion in the SME Sector in Iraq).³² While the EDICT project will come to an end in December 2012, the two others have been extended until December 2013. Figure 1 shows the planned durations of the three projects and their extensions and the planned phasing of the present evaluation. See Annex 4 for a map of the project locations.

³² EDIP has already been evaluated by UNIDO in 2010. The evaluation report is available from www.unido.org.

Figure 1: Duration of projects and evaluation timing



a) Description of the project ‘Enterprise Development through ICT (EDICT)’³³

This project pursues to encourage the establishment of Small and Medium Scale Enterprises (SMEs) in Iraq and is expected to encourage the creation of employment opportunities for Iraqi people through the promotion of domestic and foreign investment in the productive sectors of the economy. According to the Project Document, the project is expected to use as strategic entry point the physical assets and trained human resources of the UNIDO project “Enterprise Development and Investment Promotion for the SME sector in Iraq” and is structured along two components:

1. “Enhanced capacities of Iraqi institutions on providing enterprise development services with the use of information and communication technology.
2. Facilitate the creation of new enterprises and increase competitiveness of existing enterprises (in the selected governorates) in order to provide employment and income generating opportunities for the people and to reduce poverty.”

The total planned budget for this project is **2,940,000 US\$** (according to the Project Document, 2009). It is funded by the ITF (earmarked Italy); the main counterpart is the **Ministry of Industry & Minerals**. Other counterparts and implementing partners are the following: Ministry of Industry and Minerals, Iraqi National Investment Commission, KRG Prime Ministry, KRG Ministry of Trade and Industry, Thi Qar Provincial Council, Thi Qar Chamber of Commerce (Progress Report 2011).

According to the project document, the expected Outcome and Outputs of the project are the following:

Outcome 1: Iraqi institutions providing enterprise development and investment promotion services in Baghdad, Erbil and Thi qar are promoting local investment.

Output 1.1: Enterprise Development Units (EDUs) have increased capacity to deliver training modules to local entrepreneurs.

Output 1.2: Enhanced capacities of EDUs to provide business advisory services to existing and new enterprises.

b) Description of the project ‘Investment Promotion in Iraq (IPI)’³⁴

This project pursues to encourage investment in Iraq and the development of a sound private sector in Iraq. It is expected to consolidate the achievements of the existing UNIDO project “Enterprise Development and Investment Promotion for the SME sector in Iraq” as well as expand upon them using the existing infrastructure and trained personnel (EDUs) as an entry point. The project is

³³ See Annex 6 for the tentative workplan and budget per activity/ output of the project.

³⁴ See annex 6 for the results framework of the project.

furthermore expected to establish constant synergies with the UNIDO project 'Enterprise Development through Information & Communication Technology' to integrate the training module in the on-line platform. According to the project document, the project has the following three components:

1. "To strengthen local institutions in Erbil, Thi Qar, Baghdad and Basra which are providing enterprise development services with investment promotion tools. It focuses on promoting investment in the SME sector through enhancing the capabilities of partner institutions for creating or increasing competitiveness of existing enterprises in the selected Governorates, and through linking local enterprises and suppliers to large international buyers using UNIDO SPX model.
2. To provide capacity building to the Iraqi National Investment Commission (INIC) in investment promotion tools and methodologies.
3. Direct support to industrial SME enterprises interested in foreign partnerships."

The initially planned budget for this project was 2,100,000EUR (according to the Project Document, 2009). After it has been extended to December 2013 in order to establish an EDU in Basra, the total planned budget now is **2,550,000EUR** (amended project document including Basra component, 2012). It is funded by the ITF and according to the project document the main counterpart is the **Ministry of Industry & Minerals**. Other counterparts and implementing partners are the following: Ministry of Industry and Minerals, Iraqi National Investment Commission, KRG Prime Ministry, KRG Ministry of Trade and Industry, Thi Qar Provincial Council, Thi Qar Chamber of Commerce (Progress Report 2011).

According to the most recent project document (which includes the Basra component), the expected Outcomes and Outputs of the project are the following:

Outcome 1: Iraqi institutions providing enterprise development and investment promotion services in Baghdad, Erbil, Thi qar and Basra are promoting foreign investment.

Output 1.1: EDUs have an increased capacity to provide existing and new enterprises with investment promotion services.

Output 1.2: Enhanced Institutional capabilities in foreign investment promotion.

Output 1.3: EDUs enhanced capabilities in facilitating the development of linkages between local subcontractors and foreign buyers.

Output 1.4: Enterprise Development Unit (EDU) in Basra functional and providing enterprise development services to local enterprises.

Outcome 2: The industrial private sector is contributing to the diversification and growth of the Iraqi Economy.

Output 2.1: Enhance the competitiveness of selected industrial enterprises & promote linkages with the foreign market.

Output 2.2: SME credit officers in the three Governorates have enhanced knowledge in credit assessment and loan management in favor of SMEs.

c) Description of project ‘Enhancing investments to Iraq through industrial zone development’³⁵

According to the project document, this project pursues to assist Iraq, both as a country and as a government, in enhancing the investment in Iraq through supporting the development of industrial zones in the country. This is expected to create employment opportunities, generate income and alleviate poverty as well as laying the groundwork for future economic stability.

The total planned budget for this project is **3,000,000EUR** (according to the 2011 Progress Report). It is funded by Italy; according to the project document, the main counterpart is the **Ministry of Industry & Minerals**. Other counterparts and implementing partners are the following: Prime Minister’s Advisory Committee, Ministry of Planning, Ministry of Industry and Minerals, Ministry of Transportation, Ministry of Finance, National Investment Commission, Kurdistan Regional Government.

According to the project document, the anticipated outcomes and outputs are the following.

Outcome 1: The policy, institutional and regulatory environment is more conducive to industrial zone development.

Output 1.1: Technical support is provided to Iraqi Government to formulate, implement and monitor the establishment of an institutional coordination mechanism for industrial zone development.

Output 1.2: An assessment of institutional and private sector needs to assist GoI to properly design policies and strategies for industrial zones are in place.

Output 1.3: A comprehensive Road Map for the development of industrial zones is available.

Output 1.4: Increased knowledge of officials for industrial zone planning, design, management and promotion.

Outcome 2: Strengthened basis for economic recovery in two selected areas of Iraq.

Output 2.1: An analysis of industrial structure in the two selected areas (including the one of Al-Faw port) to assist the preparation of detailed prefeasibility studies completed.

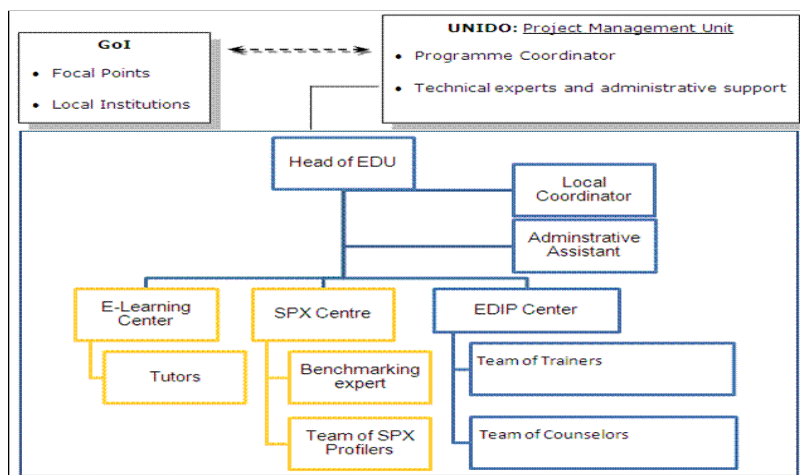
Output 2.2: Pre-feasibilities carried out in two selected areas for IZ creation (including the area of Al-Faw port).

Connections and interrelations between the three projects:

As mentioned earlier, all three projects are spin-offs of the “EDIP” project and are closely interlinked.

³⁵ See Annex 6 for the logical framework of the project.

The two projects EDICT and IPI are being implemented by UNIDO since 2009 within the framework of the EDIP Programme. The projects' activities are expected to be implemented through a structure called Enterprise Development Centre (EDC) in the respective governorates. These EDCs (previously called Enterprise Development Units (EDUs)) were established in 2008 as part of the previous UNIDO project of EDIP. They pursue to serve as primary nodes of implementation for UNIDO projects focused on supporting prospective and existing Iraqi entrepreneurs.



The chart above shows the structure of the EDCs as well as the categories of services that they are expected to provide to Iraqi entrepreneurs.

III. EVALUATION PURPOSE

The purpose of the evaluation is to assess the:

1. Project relevance with regard to the priorities and policies of the Government of Iraq, the UNDG ITF and UNIDO;
2. Project effectiveness in terms of the outputs produced and outcomes achieved as compared to those planned;
3. Efficiency of implementation: quantity, quality, cost and timeliness of UNIDO and counterpart inputs and activities;
4. Prospects for development impact;
5. Long-term sustainability of the support mechanisms results and benefits;

The evaluation should provide the necessary analytical basis and make recommendations to the Government, to the donor and to UNIDO. The evaluation should also draw lessons of wider applicability for the replication of the experience gained in these projects in others.

IV. SCOPE AND METHODOLOGY OF THE EVALUATION

Behind the decision of having a joint evaluation is the consideration that all three projects are associated with each other in terms of their anticipated outputs, outcomes and activities etc. (see Chapter II). In addition to that, as outlined in Chapter I, all three projects are of particular importance for the country evaluation.

It is hence inevitable to evaluate all three projects in parallel to the country evaluation. The necessity of executing the evaluation in two phases derives from the fact that the end dates and advancement of the three projects differ significantly.

For the above-mentioned reasons the Senior Evaluation Officer - in accordance with the Project Managers - has decided to conduct the evaluation as a joint evaluation in two phases with the first starting in September 2012 and the second taking place in 2013.³⁶

The evaluation will be carried out in keeping with agreed evaluation standards and requirements. More specifically it will fully respect the principles laid down in the "UN Norms and Standards for Evaluation" and Evaluation Policies of UNIDO.³⁷

The evaluation shall determine as systematically and objectively as possible the relevance, efficiency, achievements (outputs, prospects for achieving expected outcomes and impact) and sustainability of the projects. To this end, the evaluation will assess the achievements of the projects against their key objectives, as set out in the project document and the inception report, including a review of the relevance of the objectives and of the design. It will also identify factors that have facilitated or impeded the achievement of the objectives.

While maintaining independence, the evaluation will be carried out based on a participatory approach, which seeks the views and assessments of all parties. It will address the following issues:

Project identification and formulation:

- The extent to which a participatory project identification process was applied in selecting problem areas and counterparts requiring technical cooperation support;
- Relevance of the projects to development priorities and needs;
- Clarity and realism of the projects' development and immediate objectives, including specification of targets and identification of beneficiaries and prospects for sustainability.
- Clarity and logical consistency between, inputs, activities, outputs and progress towards achievement of objectives (quality, quantity and time-frame);
- Realism and clarity in the specification of prior obligations and prerequisites (assumptions and risks);
- Realism and clarity of external institutional relationships, and in the managerial and institutional framework for implementation and the work plan;
- Likely cost-effectiveness of the project design.

Project ownership:

- The extent to which the projects were formulated with the participation of the national counterpart and/or target beneficiaries;

³⁶ Please refer to Figure 1 for an overview of the duration of the projects and the evaluation timing.

³⁷ All documents available from the websites of the UN Evaluation Group: <http://www.uneval.org/>

- The extent to which counterparts have been appropriately involved and have been participating in the identification of their critical problem areas, in the development of technical cooperation strategies and in the implementation of the project approach
- The extent to which counterpart contributions and other inputs have been received from the Government (including Governorates) as compared to the project document work plan, and the extent to which the project's follow-up is integrated into Government budgets and workplans.

Project coordination and management:

- The extent to which the national management and overall field coordination mechanisms of the project have been efficient and effective;
- The extent to which the UNIDO based management, coordination, quality control and input delivery mechanisms have been efficient and effective;
- The extent to which monitoring and self-evaluation have been carried out effectively, based on indicators for outputs, outcomes and objectives and using that information for project steering and adaptive management;
- The extent to which changes in planning documents during implementation have been approved and documented;
- The extent to which coordination envisaged with any other development cooperation programmes in the country has been realized and benefits achieved.
- The extent to which synergy benefits can be found in relation to other UNIDO and UN activities in the country.

Efficiency of Implementation:

Efficiency and adequacy of project implementation including: availability of funds as compared with the provisional budget (donor and national contribution); the quality and timeliness of inputs delivered by UNIDO (expertise, training, equipment, methodologies, etc.) and the Government as compared to the work plan(s); managerial and work efficiency; implementation difficulties; adequacy of monitoring and reporting; the extent of national support and commitment and the quality and quantity of administrative and technical support by UNIDO.

Effectiveness and Project Results:

Full and systematic assessment of outputs produced to date (quantity and quality as compared with work plan and progress towards achieving the immediate objectives);

The quality of the outputs produced and how the target beneficiaries use these outputs, with particular attention to gender aspects; the outcomes, which have occurred or which are likely to happen through utilization of outputs.

Prospects to achieve expected outcomes, impact and sustainability:

Prospects to achieve the expected outcomes and impact and prospects for sustaining the projects' results by the beneficiaries and the host institutions after the termination of the projects, and identification of developmental changes

(economic, environmental, social) that are likely to occur as a result of the intervention, and how far they are sustainable.

Cost-effectiveness of the Projects

Assess whether the project approach represented the best use of given resources for achieving the planned objectives.

Enterprise development through information and communication technology (EDICT) (FB/IRQ/09/007)

→ Recommendations for a possible next project phase, or replication elsewhere

Based on the above analysis the evaluator will draw specific conclusions and make proposals for any necessary further action by Government and/or UNIDO and/or the UN or other donors to ensure sustainable development, including any need for additional assistance and activities of the project prior to its completion. The mission will draw attention to any lessons of general interest. Any proposal for further assistance should include precise specification of objectives and the major suggested outputs and inputs.

Investment Promotion for Iraq (IPI) (TE/IRQ/09/010) and Enhancing investments to Iraq through industrial zone development (TE/IRQ/10/006)

→ Recommendations for the remaining duration of the projects

Based on the above analysis the evaluator will draw specific conclusions and make proposals for any need for additional assistance and activities of the projects for the remaining duration of the same. The evaluation report will provide lessons learned and recommendations for the remaining duration of the projects. More specifically, for TE/IRQ/09/010, the evaluation will take advantage of the experience gained by the existing 3 EDCs which will feed into recommendations for the implementation of the EDC in Basra; as TE/IRQ/10/006 has started recently, the lessons learned and recommendations for the remaining duration of the project will concern the majority of the planned activities. The mission will draw attention to any lessons of general interest. Any proposal for further assistance should include precise specification of objectives and the major suggested outputs and inputs.

In regard of the upcoming final evaluations of TE/IRQ/09/010 and TE/IRQ/10/006 in a second phase in 2013, the evaluation shall equally provide recommendations and a way forward for the final in-depth evaluations of these projects.

VIII. EVALUATION QUESTIONS

Generic PSD-related questions:

- How has PSD been promoted (e.g. industrial upgrading; cluster development; value chain development; entrepreneurship; etc)? Did this modality fit the project purpose and objectives,
- Did the project work at the macro, meso and/or micro level? Were the choices made appropriate?
- Have private sector institutions/associations been involved in the project design and implementation? If yes, in what way? If no. should they have been?
- Did the approach adopted have the potential to address the problems identified/achieve the project objective?
- Did the project address production and market issues in a satisfactory manner?
- Have beneficiary companies been selected based on transparent, fair and appropriate criteria?
- Has the issue of possible market distortions been considered? Is the project affecting the competitiveness of existing enterprises? Have any measures been introduced to prevent market distortion?
- To what extent have private companies been subsidized by the project?
- Are companies paying for services rendered or equipment obtained?
- If the project has worked with a limited number of selected companies, can the results be expected to be replicated to achieve higher impact?
- Have linkages to financial institutions been established? If yes, what were the results? If no, would there have been a need for this?
- Can enterprise effects be expected to lead to socio-economic impact such as employment or income generation, gender equality and poverty reduction?
- Did an M&E system exist, including baseline information, to allow for measurement of results and impact?
- Have synergies with other UNIDO branches/services been exploited, in particular TCB, Environment, Agri-business development and Energy? Would there have been a case to establish such linkages?

Evaluation questions concerning all 3 projects:

- Have the recommendations that have been made in the evaluation report of the EDIP project been taken into account?

Specific evaluation questions for FB/IRQ/09/007 (EDICT):

Specific evaluation questions for TE/IRQ/09/010 (IPI):

Specific evaluation questions for TE/IRQ/10/006 (Industrial zone development):

IX. EVALUATION TEAM

The evaluation team must have the necessary technical competence and experience to assess the quality of the technical assistance provided under the projects to SMEs and the EDCs (see II. Project information).

The execution of the evaluation will require full command and control of the specific situation in Iraq and full respect of the UN security rules for Iraq. The

ability to carry out field operations in Iraq is a key requirement and must be demonstrated.

The evaluation team leader will be responsible for elaboration of an evaluation strategy, including the design of field surveys and elaboration of questionnaires; guiding the national evaluator for his/her field work in Iraq; analysis of survey results; gathering of complementary information from project staff, collaborators and stakeholders through telephone interviews and other means; and preparing a presentation of conclusions and recommendations as well as a final evaluation report.

The national evaluator will be responsible for carrying out the field surveys (under the guidance of the team leader). The field surveys will provide the foundation for the evaluation and must therefore be executed in line with the highest standards of professionalism and impartiality.

The evaluation team will include:

1. One Senior International Evaluation Consultant and Team Leader with extensive experience in conducting evaluations in Iraq;
2. One Senior International Evaluation Consultant with extensive experience in conducting evaluations in Iraq to supervise and guide the evaluation;
3. One National Evaluation Consultant with extensive experience in conducting evaluations in Iraq;
4. One Evaluation Consultant familiar with UNIDO and with UNIDO's project portfolio in Iraq;

All consultants will be contracted by UNIDO. The tasks of the consultants are specified in their respective job descriptions, attached to this ToR as Annex 5.

The functions, competencies and skills as described in the respective Job Descriptions may be distributed among several persons in the evaluation team. Team members may be located in different countries but an effective coordination mechanism will have to be demonstrated. Evaluation team members must be independent and not have been involved in the formulation, implementation or backstopping any of the projects.

The UNIDO Evaluation Group will be responsible for the quality control of the evaluation process and report. They will provide inputs regarding findings, lessons learned and recommendations from other evaluations, ensuring that the evaluation report is in compliance with established evaluation norms and standards and useful for organizational learning of all parties.

The project office in Amman will logistically and administratively support the evaluation team to the extent possible. However, it should be understood that the evaluation team is responsible for its own arrangements for transport, lodging, security etc.

X. EVALUATION SCHEDULE AND MAIN TASKS

As outlined in Figure 1, the evaluation will be conducted in two phases. The first phase is scheduled to take place between September and December 2012. The second phase will take place in 2013.

		Phase 1 (2012)	Phase 2 (2013)
		Projects concerned: FB/IRQ/09/007, TE/IRQ/09/010, TE/IRQ/10/006	Projects concerned: TE/IRQ/09/010, TE/IRQ/10/006
FB/IRQ/09/007 (EDICT)	End date: Dec 2012	Final in-depth evaluation	—
TE/IRQ/09/010 (IPI)	End date: Dec 2013	Evaluation of all components excluding the EDC in Basra → recommendations for 'Basra' component (to be implemented in 2013)	Final in-depth evaluation
TE/IRQ/10/006 (Industrial zone development)	End date: Dec 2013	Evaluation of achievements to-date → recommendations for the remaining duration of the project	Final in-depth evaluation
Meetings foreseen:		Industrial zone development (tentatively in October 2012): SC Meeting in Poland	
		EDICT and IPI (tentatively in October 2012): SC Meeting in Amman	

Tentative schedule for Phase 1:

Month	Activities	Responsibility
September	<ul style="list-style-type: none"> Development of questionnaires, survey tools and drafting of Inception report 	<ul style="list-style-type: none"> Team Leader, International evaluation expert, National evaluator
Beginning of Oct	<ul style="list-style-type: none"> Presentation of inception report and interviews at UNIDO HQ 	<ul style="list-style-type: none"> Team Leader, International evaluation expert
mid-October	<ul style="list-style-type: none"> Steering Committee in Amman (TE/IRQ/09/010 and FB/IRQ/09/007); interviews and meetings with project personnel and stakeholders 	<ul style="list-style-type: none"> Team Leader
mid-October	<ul style="list-style-type: none"> SC in Poland (TE/IRQ/10/006); interviews and meetings with project personnel and stakeholders 	<ul style="list-style-type: none"> Team Leader
mid-Oct to mid-Nov	<ul style="list-style-type: none"> Beneficiary survey 	<ul style="list-style-type: none"> Team Leader (oversee), National Evaluator
mid-Oct to mid-Nov	<ul style="list-style-type: none"> Telephone interviews 	<ul style="list-style-type: none"> Team Leader
	<ul style="list-style-type: none"> Interviews, team meeting and presentations at UNIDO Office in Amman 	<ul style="list-style-type: none"> Team Leader, International evaluation expert
Beginning of Dec	<ul style="list-style-type: none"> Draft report 	<ul style="list-style-type: none"> Team Leader, International evaluation expert, National evaluator
mid-Dec	<ul style="list-style-type: none"> Feed back and comments (UNIDO and counterparts) 	
End of Dec	<ul style="list-style-type: none"> Final draft 	<ul style="list-style-type: none"> Team Leader, International

		evaluation expert, National evaluator
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The evaluation will be carried out through analyses of various sources of information, including desk analysis, field visits, survey data, and interviews with counterparts, beneficiaries, donor representatives, programme managers and through the cross-validation of data.

The evaluation will encompass the following main tasks:

1. During a first consultation phase the evaluation team should do a desk study of available documents in order to become acquainted with the project. On the basis of this, the evaluation team shall produce an evaluation plan/ inception report that sets out in a detailed manner the concept and schedule for the actual evaluation. That plan shall include a definition of the evaluation methodology with a catalogue of project specific evaluation questions, to which the evaluation should provide answers; this methodology will have to be discussed and agreed within the evaluation unit of UNIDO;
2. Participation of the international evaluation consultant in the PSC meeting of TE/IRQ/10/006 which will tentatively take place in mid-October in Poland and which will involve national and international project staff and counterpart representatives; the evaluator will conduct interviews among project staff and stakeholders;
3. Field mission to Amman for interviews with UNIDO staff at the regional office and presentations;
4. Analytical review of the economic, political and security conditions in the region of intervention (drawing on information received from policy makers, and also other UN Organizations and providers of technical assistance in Iraq and in the region, e.g.) and assessment of the relevance, needs orientation and realism of the project design and implementation (gathering information from project stakeholders and private sector players in the region);
5. Design and execution of surveys; on-site visits of the EDCs: interviews with project partners from the public and private sectors; trainers, beneficiary enterprises (TE/IRQ/09/010 and FB/IRQ/09/007) and beneficiary trainees (TE/IRQ/10/006); the exact methodology and (number of) persons and beneficiary enterprises to be interviewed will be defined in the Inception report.
6. Telephone interviews with stakeholders and project staff;
7. Participation of the international evaluation consultant in the PSC meeting of TE/IRQ/09/010 and FB/IRQ/09/007. The meeting will tentatively take place in October in Amman and will involve national and international project staff and counterpart representatives; the evaluator will conduct interviews among project staff and stakeholders;

8. Organization of a Team Meeting in Beirut between the Team Leader and the National Consultant, where they will conduct data entry and discuss and analyze results and prepare survey reports. In addition to that, the team leader will travel to Vienna for a debriefing where s/he will present raw results and preliminary findings to Project Managers and staff and counterparts and collect their feed-back;
9. Production of a first draft evaluation report and submission of this report to the evaluation departments and project manager of UNIDO for feed-back;
10. Incorporation of comments into a second draft and submission of this draft to the government, project participants and stakeholders for comments;
11. Incorporation of comments into final draft ; finalization of the report;

XI. CONSULTATIONS AND LIAISON

Liaison of the evaluation team with the Iraqi authorities will be provided by an official nominated by the Government of Iraq.

The evaluation team will maintain close liaison with the representatives of UNIDO, other UN agencies and UNDG as well as with the concerned national agencies and with national and international project staff. The evaluation team is free to discuss with the authorities concerned anything relevant to its assignment. However, it is not authorized to make any commitments on behalf of the Government, the donor or UNIDO.

XII. LANGUAGE REQUIREMENTS

Local interviews and surveys will be conducted in Arabic. All data and interview reports must be translated into English. Performing a linguistic quality control of all interview reports is part of the scope of contract. The evaluation report must be delivered in English.

XIII. DELIVERABLES AND REPORTING

1. Inception report (English)
2. Draft survey questionnaires for beneficiaries, project staff and stakeholders
3. Draft evaluation report (English)
4. Final evaluation report (English)

The evaluation report shall be geared to the structure given in Annex 2. Reporting language will be English. The executive summary, recommendations and lessons learned shall be an important part of the presentations to be prepared for debriefing sessions in Amman and/or Vienna.

Draft reports submitted to UNIDO Evaluation Group are shared with the corresponding Programme or Project Officer for initial review and consultation. They may provide feedback on any errors of fact and may highlight the significance

of such errors in any conclusions. The consultation also seeks agreement on the findings and recommendations. The evaluators will take the comments into consideration in preparing the final version of the report.

The evaluation will be subject to quality assessments by UNIDO Evaluation Group. These apply evaluation quality assessment criteria and are used as a tool for providing structured feedback. The quality of the evaluation report will be assessed and rated against the criteria set forth in the Checklist on evaluation report quality (see Annex 3).

Overview of UNIDO portfolio in Iraq (projects launched since 2004 by thematic area)

	Project No	Title	PM	Budget (USD)	End Date
Micro-Industry Support Programme (MISP)	FB/IRQ/04/001	MISP I (Thi Qar)	Jenane	2,422,983	Feb 2008
	FB/IRQ/06/002	MISP II (Northern Iraq)	Jenane	2,496,685	Sep 2009
	FB/IRQ/07/001	MISP III (Al-Qadessiya)	Jenane	2,783,066	Sep 2010
	FB/IRQ/07/005	MISP IV (Anbar)	Samarakoon	1,995,195	Mar 2011
	TE/IRQ/08/004	IDP Thi Qar (follow-up of MISP I)	Jenane	1,401,870	Jul 2011
	TE/IRQ/09/008 (2009)	MISP 5 (Ninewa)	Jenane	131,430	Sep 2012
	TE/IRQ/09/A08 (2010)			2,148,019	
	TE/IRQ/09/B08 (2011)			1,441,239	
	TE/IRQ/09/C08 (2012)				
	Project No	Title	PM	Budget (USD)	End Date
Agro-Industry	FB/IRQ/04/003	Pilot Project for the Rehabilitation of the Dairy Sector in Iraq (Dairy Diwaniya)	Schebesta	4,419,514	Oct 2010
	FB/IRQ/06/003	Rebuilding Food Safety and Food Processing Industry Capacity in Iraq (with FAO and WHO)	Schebesta	1,656,637	Oct 2010
	FB/IRQ/07/003	Rehabilitation of the Date Palm Sector in Iraq	Tezera	2,949,721	Feb 2011
	FB/IRQ/10/001	Dairy Mosul	Schebesta	2,371,374	July 2012
	FB/IRQ/10/A01 - (FAO comp.)				
	Project No	Title	PM	Budget (USD)	End Date
TCB	FB/IRQ/09/A04	Rehabilitation of the Specialized Institute for Engineering Services	Niculae	1,549,336	June 2012
	TF/IRQ/11/004	Strengthening the National Quality Infrastructure to facilitate trade and enhance consumer protection	Badarneh	10,000,000 (planned)	June 2016
	Project No	Title	PM	Budget (USD)	End Date
Private Sector Development (PSD)	FB/IRQ/07/004 <i>(direct continuation: PSD 4)</i>	Enterprise Development and Investment Promotion in the SME Sector in Iraq (EDIP)	Pasini (Kultur)	2,253,980	Dec 2010
			Badarneh	330,000	
	FB/IRQ/08/007	Private sector development programme for IRAQ	Dhaoui	3,952,941	Dec 2012
	FB/IRQ/08/A07		Moll	3,294,118	
	FB/IRQ/08/006	Technology acquisition to restart and generate economic transformation (TARGET)	Jenane	2,784,112	Dec 2011
FB/IRQ/09/007	Enterprise development through information and communication technology (EDICT)	Boye	2,770,941	Dec 2012	

	FB/IRQ/09/004	Rehabilitation of the Specialized Institute for Engineering Services	Jenane	2,411,182	June 2012
	TE/IRQ/09/010	Investment Promotion for Iraq (IPI)	Kratzsch (Kulur)	2,604,855	Dec 2012 (ext. to Dec 2013)
	TE/IRQ/10/006	Enhancing investments to Iraq through industrial zone development	Boye	3,684,281	Dec 2012 (ext. to Dec 2013 likely)
	TF/IRQ/11/001	Operations and Industrial Maintenance Training Academy	Jenane	493,359	Dec 2014
	TE/IRQ/11/001			1,492,916	
	Project No	Title	PM	Budget (USD)	End Date
Policy Advice	FB/IRQ/07/002	Technical Assessment for the Development of Agro-Industries Sector in Iraq	Sama-rakoon	519,169	June 2009
	FB/IRQ/10/005	Developing Iraqi agricultural and agro-industrial data, information systems and analytical capacities	Sama-rakoon	470,588	Jan 2012
	Project No	Title	PM	Budget (USD)	End Date
Montreal Protocol project Portfolio³⁸	MP/IRQ/08/002	Preparation of a HCFC Phase-Out Management Plan	Ghoneim	40,000	Dec 2009
	MP/IRQ/08/003		Nielsen (Ghoneim)	30,000	
	MP/IRQ/09/009 (additional funding)			65,000	Dec 2010
	MP/IRQ/09/001	Conversion from CFC-11 to methylene chloride in the production of flexible slabstock foam at al Hadi Co.	Demko (Ghoneim)	126,457	Dec 2010
	MP/IRQ/09/002	Replacement of refrigerant CFC-12 with isobutene and foam blowing agent CFC-11 with cyclopentane in the manufacture of domestic refrigerators and chest freezers at light industries companies	Nielsen (Ghoneim)	2,161,581	Mar 2010
	MP/IRQ/09/005	National Phase-Out Plan (first tranche)	Nielsen (Ghoneim)	2,575,425	Dec 2010
	MP/IRQ/09/A05		Demko	1,778,105	
	MP/IRQ/11/002	(second tranche)		303,000	Mar 2012
	MP/IRQ/09/006	Project preparation for elimination of controlled uses of methyl bromide in pre- and post-harvest sectors	Savigliano	40,000	Aug 2010
	MP/IRQ/10/007	Technical Assistance for alternatives to methyl bromide	Savigliano	211,970	Dec 2012
	MP/IRQ/11/005	HCFC Phase-Out Management Plan (stage 1, first tranche)	Nielsen (Si Ahmed)	80,000	Dec 2013

³⁸ The Country Evaluation will also include a review of the portfolio of Montreal Protocol projects with emphasis on results achieved in terms of UNIDO ODS objectives as well as lessons to be learned from implementation practice.

Template of in-depth evaluation reports

I. Executive summary

- Must be self-explanatory
- Not more than five pages focusing on the most important findings and recommendations
- Overview showing strengths and weaknesses of the project

II. Introduction

- Information on the evaluation: why, when, by whom, etc.
- Information sources and availability of information
- Methodological remarks and validity of the findings
- Project summary (“fact sheet”, including project structure, objectives, donors, counterparts, timing, cost, etc)

III. Country and project context

This chapter provides evidence for the assessment under chapter VI (in particular relevance and sustainability)

- Brief description including history and previous cooperation
- Project specific framework conditions; situation of the country; major changes over project duration
- Positioning of the project (other initiatives of government, other donors, private sector, etc.)
- Counterpart organisation(s); (changes in the) situation of the

IV. Project Planning

This chapter describes the planning process as far as relevant for the assessment under chapter VI

- Project identification (stakeholder involvement, needs of target groups analysed, depth of analysis, etc.)
- Project formulation (stakeholder involvement, quality of project document, coherence of intervention logic, etc.)
- Description of the underlying intervention theory (causal chain: inputs-activities-outputs-outcomes)
- Funds mobilization

V. Project Implementation

This chapter describes what has been done and provides evidence for the assessment under chapter VI

- Financial implementation (overview of expenditures, changes in approach reflected by budget revisions, etc.)
- Management (in particular monitoring, self assessment, adaptation to changed circumstances, etc.)
- Outputs (inputs used and activities carried out to produce project outputs)
- Outcome, impact (what changes at the level of target groups could be observed, refer to outcome indicators in prodoc if any)

VI. Assessment

The assessment is based on the analysis carried out in chapter III, IV and V. It assesses the underlying intervention theory (causal chain: inputs-activities-

outputs-outcomes). Did it prove to be plausible and realistic? Has it changed during implementation? This chapter includes the following aspects:

- Relevance (evolution of relevance over time: relevance to UNIDO, Government, counterparts, target groups)
- Ownership
- Efficiency (quality of management, quality of inputs, were outputs produced as planned?, were synergies with other initiatives sufficiently exploited? Did UNIDO draw on relevant in-house and external expertise? Was management results oriented?)
- Effectiveness and impact (assessment of outcomes and impact, reaching target groups)
- Sustainability
- If applicable: overview table showing performance by outcomes/outputs

VII. *Issues with regard to a possible next phase*

- Assessment, in the light of the evaluation, of proposals put forward for a possible next phase
- Recommendations on how to proceed under a possible next phase, overall focus, outputs, activities, budgets, etc.

VIII. *Recommendations*

- Recommendations must be based on evaluation findings
- The implementation of the recommendations must be verifiable (indicate means of verification)
- Recommendations must be actionable; addressed to a specific officer, group or entity who can act on it; have a proposed timeline for implementation
- Recommendations should be structured by addressees:
 - UNIDO
 - Government and/or Counterpart Organisations
 - Donor

IX. *Lessons learned*

- Lessons learned must be of wider applicability beyond the evaluated project but must be based on findings and conclusions of the evaluation

Annex 3

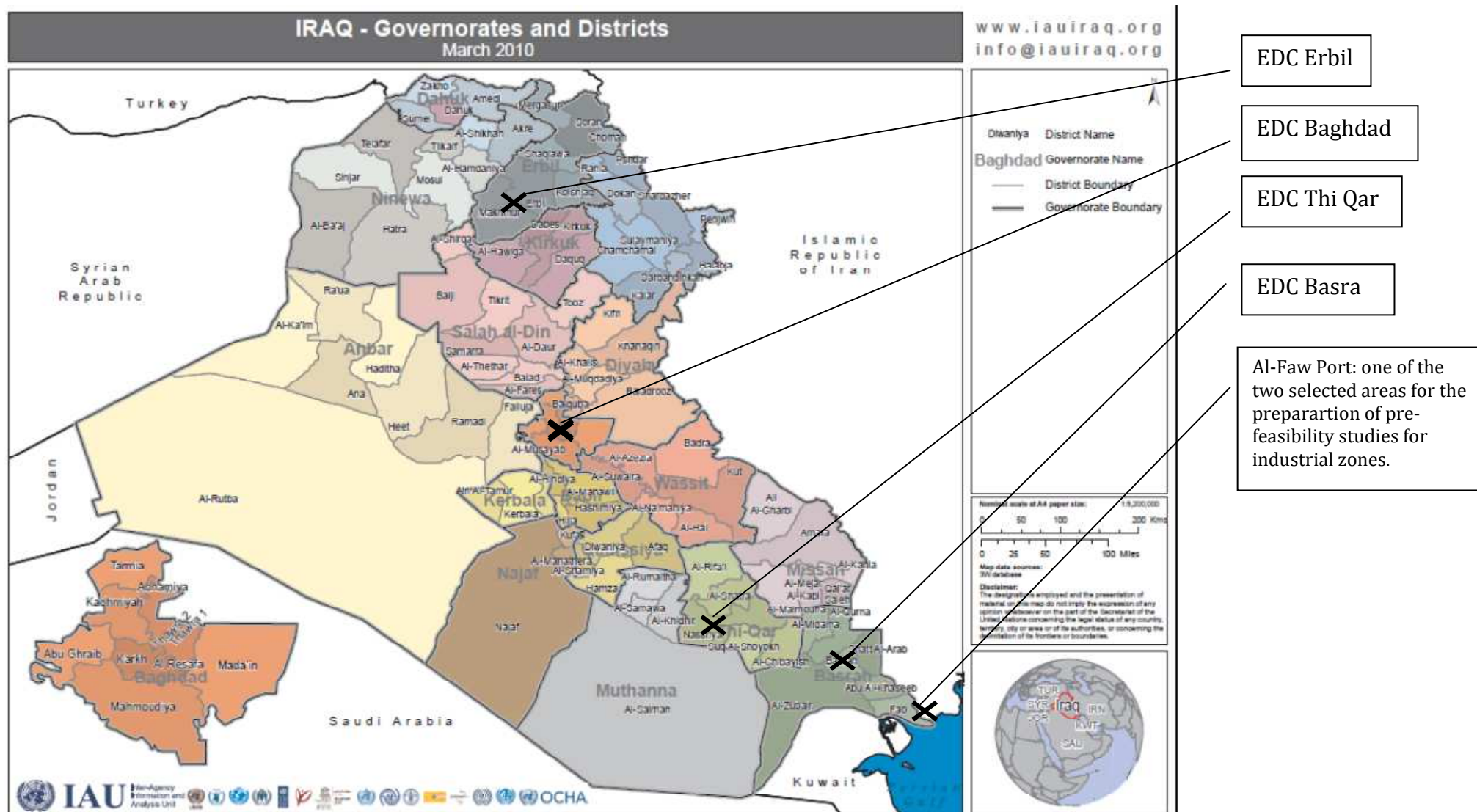
Checklist on evaluation report quality

Report quality criteria	UNIDO Evaluation Group Assessment notes	Rating
A. Did the report present an assessment of relevant outcomes and achievement of project objectives?		
B. Were the report consistent and the evidence complete and convincing?		
C. Did the report present a sound assessment of sustainability of outcomes or did it explain why this is not (yet) possible?		
D. Did the evidence presented support the lessons and recommendations?		
E. Did the report include the actual project costs (total and per activity)?		
F. Quality of the lessons: Were lessons readily applicable in other contexts? Did they suggest prescriptive action?		
G. Quality of the recommendations: Did recommendations specify the actions necessary to correct existing conditions or improve operations ('who?' 'what?' 'where?' 'when?'). Can they be implemented?		
H. Was the report well written? (Clear language and correct grammar)		
I. Were all evaluation aspects specified in the TOR adequately addressed?		
J. Was the report delivered in a timely manner?		

Rating system for quality of evaluation reports

A number rating 1-6 is used for each criterion: Highly Satisfactory = 6, Satisfactory = 5, Moderately Satisfactory = 4, Moderately Unsatisfactory = 3, Unsatisfactory = 2, Highly Unsatisfactory = 1, and unable to assess = 0.

Location of project activities



Source: Inter-Agency Information and Analysis Unit (IAU) IRAQ, http://www.iauiraq.org/documents/1690/IAU_Iraq_Reference_A4_140310_V2.pdf [11.09.2012]

Job Description

Phase 1 of the Independent Evaluation of the UNIDO Projects

“Enterprise development through information and communication technology (EDICT)”
(FB/IRQ/09/007),
“Investment Promotion for Iraq (IPI)” (TE/IRQ/09/010) and
“Enhancing investments to Iraq through industrial zone development” (TE/IRQ/10/006)

Post title	International Evaluation Consultant (Team Leader)
Estimated duration	28 days (over period 20/9 to 31/12 2012)
Starting date required	24 September 2012
Duty station	Home based (Beirut) with travels to Vienna and Amman

Description

The international evaluation consultant and team leader will be responsible to conduct the evaluation of the above-mentioned projects as described in the TORs, which are an integral part of this Job Description.

Duties	Duration	Location	Timing
Desk Studies, draft inception report, development of questionnaires and survey methodology	2	Home base	Weeks 38 to 39
Field mission to Amman	3	Amman	Week 40
Field mission to Poland, participation in the Steering Committee meeting of TE/IRQ/10/006; interviews and meetings with project personnel and stakeholders	3	Poland	~ Week 42 (to be arranged according to Project Managers and stakeholders)
Oversee beneficiary survey in Iraq	3	Home base	Week 43-45
Conduct telephone interviews and analytical work	3	Home base	Week 43-45
Field mission to Amman, participation in the Steering Committee meeting of FB/IRQ/09/007 and TE/IRQ/09/010; interviews and meetings with project personnel and stakeholders	3	Amman	~ Week 43 (to be arranged according to Project Managers and stakeholders)
Team meeting in Beirut with the National Consultant	3	Beirut (home base)	Week 46
Present preliminary evaluation results	2	Vienna	Week 47
Draft and finalize evaluation report	6	Home base	Week 48-52
Sub total	28 days		

Qualifications:

The qualifications and skill areas required include:

- Designing and managing complex evaluations;
- Leading multi-disciplinary and multi-cultural teams of evaluators;
- In-depth experience with evaluation of development projects in Iraq;
- Designing and supervising qualitative and quantitative field surveys;
- Drafting reports in English (excellent drafting skills to be demonstrated).

Language:

- English

Absence of Conflict of Interest:

According to UNIDO rules, the consultant must not have been involved in the design and/or implementation, supervision and coordination of and/or have benefited from the programme/project or theme under evaluation.

Job Description

Phase 1 of the Independent Evaluation of the UNIDO Projects

“Enterprise development through information and communication technology (EDICT)”
(FB/IRQ/09/007),
“Investment Promotion for Iraq (IPI)”(TE/IRQ/09/010) and
“Enhancing investments to Iraq through industrial zone development”(TE/IRQ/10/006)

Post title	International Evaluation Consultant
Estimated duration	10 days (over period 20/9 to 31/12 2012)
Starting date required	24 September 2012
Duty station	Home based

Description

In close cooperation with the Team Leader, the international evaluation expert will be responsible to supervise and guide the evaluation of the above-mentioned projects as described in the TORs, which are an integral part of this Job Description.

Duties	Duration	Location	Timing
Preparatory phase Quality assurance for the Inception report including a detailed methodology for the evaluation and survey tools	5	Home base	September
Drafting and finalisation of evaluation report - Cooperate with the Team Leader for the preparation of the draft report - Quality control of the final report	5	Home base	December
Sub total	10 days		

Qualifications:

The qualifications and skill areas required include:

- Designing and managing complex evaluations;
- Leading multi-disciplinary and multi-cultural teams of evaluators;
- In-depth experience with evaluation of development projects in Iraq;
- Designing and supervising qualitative and quantitative field surveys;
- Drafting reports in English (excellent drafting skills to be demonstrated).

Language:

- English

Absence of Conflict of Interest:

According to UNIDO rules, the consultant must not have been involved in the design and/or implementation, supervision and coordination of and/or have benefited from the programme/project or theme under evaluation.

Job Description

Phase 1 of the Independent Evaluation of the UNIDO Projects

“Enterprise development through information and communication technology (EDICT)”
(FB/IRQ/09/007),
“Investment Promotion for Iraq (IPI)”(TE/IRQ/09/010) and
“Enhancing investments to Iraq through industrial zone development”(TE/IRQ/10/006)

Post title	National Evaluator
Estimated duration	31 days (over period 20/9 to 31/12 2012)
Starting date required	24 September 2012
Duty station	Iraq (home-based) with travels to several locations in Iraq and to Beirut

Description

Under the supervision of the Team Leader, the national evaluator will carry out the following duties for the evaluation of the above-mentioned projects as described in the TORs, which are an integral part of this Job Description.

Duties	Duration	Location	Timing
Preparatory phase <ul style="list-style-type: none"> - Study all relevant project documentations (including project and progress and evaluation reports) to be provided by UNIDO - Develop Field Study methodology and inception report in cooperation with the international consultant 	7	Home-based	Weeks 38-39
Field Study in Iraq <ul style="list-style-type: none"> - Conduct the field mission in line with the detailed methodology outlined in the Inception Report, and under the guidance of the Team Leader - Site visits and interviews in accordance with the methodology outlined in the inception report and under guidance of the International Consultant 	15	Home based with visits travel to selected locations in Iraq	Weeks 43-45
Team meeting in Beirut with the Team Leader	3	Beirut	Week 46
Drafting of evaluation report <ul style="list-style-type: none"> - Support the Team Leader in preparing a draft evaluation report - Integrate comments from UNIDO Evaluation Group and stakeholders and edit the language and form of the final version according to UNIDO standards 	6	Home based	Weeks 48 to 52
Sub total	31 days		

Qualifications:

The qualifications and skill areas required include:

- Advanced University Degree in a relevant field
- Previous experience in UN evaluations
- Evaluation skills appropriate to the subject area
- Sound understanding of development issues
- Good interpersonal skills
- Survey and interview techniques
- Native Arabic speaker & and Iraqi national
- Strong English language drafting skills

The National Evaluator should furthermore have experience in:

- Development projects related to the subject areas;
- Conducting evaluations in Arab speaking countries;
- Qualitative and quantitative field surveys;
- Interviews in Arabic with the entire range of stakeholders from trainees to high-level officials.

Languages:

- Arabic & English

Absence of Conflict of Interest:

According to UNIDO rules, the consultant must not have been involved in the design and/or implementation, supervision and coordination of and/or have benefited from the programme/project or theme under evaluation.

Job Description

Independent Evaluation of

TE/IRQ/09/010 - Investment Promotion for Iraq

Post title: Evaluation Consultant

Duration: 1.0 w/m over a period 1 September – 12 October 2012

Date required: 1 September 2012

Duty station: UNIDO HQ

Duties of the evaluation consultant:

Under the supervision of the Senior Evaluation Officer, the Consultant will support the execution of the combined evaluation of the following projects in Iraq:

- FB/IRQ/09/007 - Enterprise development through information and communication technology
- TE/IRQ/09/010 - Investment Promotion for Iraq
- TE/IRQ/10/006 - Enhancing investments to Iraq through industrial zone development

Duties	Duration (work month)	Deliverables
Desk study of available information and background documents already collected	0.1	Documents compiled and organized
Draft Terms of Reference for the combined evaluation of the above-mentioned projects in cooperation with Project Managers	0.2	Terms of Reference finalized
Analyze the projects regarding their relevance for the overall UNIDO portfolio and strategy in Iraq and to process this data for later use in the Iraq Country Evaluation	0.3	Data with tables, graphs and comments prepared
Coordination of the evaluation - prepare evaluation budget calculations and planning - planning and coordination of evaluation missions in cooperation with evaluation experts and project staff - backstopping of evaluation missions	0.4	Evaluation budget planning, missions organized
Total	1.0	

Qualifications:

- Graduate degree in development studies (economics)

Experience:

- At least 1 year relevant working experience in the UN system, and preferably in the area of project evaluation.

Personal:

- High motivation abilities to engage with project personnel and team members
- Ability to engage stakeholders and strong communication skills
- Strong team spirit and confidence
- Highly organized, structured and results-oriented
- Ability to networking and strategic thinking

Languages:

- Fluency in written and spoken English.
- Knowledge of another UN language an asset.

Annex 6: FB/IRQ/09/007 (EDICT) - Tentative workplan and budget per activity/ output

Sector Outcomes:											
<ul style="list-style-type: none"> • Sector Outcome 1 – Improved policies, strategies and related institutional developments that are sensitive to the MDG's, social inclusiveness, gender equality and pro-poor economic growth. • Sector Outcome 2 - Enhanced key sectors of local economy in most deprived areas. 											
Project Outcomes:											
1. Iraqi institutions providing enterprise development services in Baghdad, Erbil, and Thi qar are promoting local investment											
Outputs	Major Activities	Time Frame (by activity)								Implementing Partner	Planned budget (by output) (thousand USD)
		Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8		
Output 1:											
Enterprise Development Units (EDUs) have increased capacity to deliver training modules local entrepreneurs											
Activity 1.1	Recruitment of project staff									UNIDO	700
Activity 1.2	Kick off meeting and Steering Committee with Iraqi counterpart and donors									UNIDO	40
Activity 1.3	A comprehensive assessment of the local conditions on ICT status in each of the governorates, incl. Internet bandwidth, the extent of spread of satellite television, computer literacy amongst the potential candidates, internet usage etc.									UNIDO /UNINETTUNO	5(UNINETTUNO) UNIDO (20)
Activity 1.4	A detailed assessment of equipment required to be hosted in each of the EDUs for its use as the technological poles.									UNIDO /UNINETTUNO	5 (UNINETTUNO) 20 (UNIDO)
Activity 1.5	Provide equipment to EDUs/ technological poles to broadcast the training modules and the subsequent interactions between the trainees and their trainers.									UNINETTUNO	100(UNINETTUNO)
Activity 1.6	Testing the facilities and services offered in the EDUs/ technological poles.									UNINETTUNO	10(UNINETTUNO)
Activity 1.7	Preparation and adaptation of UNIDO training material into Arabic and English to be used as training modules.									UNIDO	60 (UNIDO)
Activity 1.8	Training of resource persons (experts, counselors, tutors) on the skills required for online/ distance learning techniques.									UNIDO /UNINETTUNO	200 (UNINETTUNO)
Activity 1.9	Recording of training sessions and production of DVDs to be used as training modules.									UNINETTUNO	1000(UNINETTUNO)
Activity 1.10	Broadcasting of the training modules.									UNINETTUNO	330 (UNINETTUNO)
Activity 1.11	Enrolment of eligible & interested entrepreneurs/ candidates									UNIDO	40(UNIDO)

	for the training programs.									/Ministry of Industry & Minerals/ Erbil chamber of commerce/ Thiqr chamber of commerce	
Activity 1.12	Regular feedback and course material submitted by the entrepreneurs/ trainees.									UNIDO /UNINETTUNO	40(UNIDO)
Activity 1.13	Interactive sessions organized at the EDUs for consolidating learning's, Q & A sessions, etc between the trainers & counsellors.									UNIDO /UNINETTUNO	40 (UNIDO)
Activity 1.14	Organizing classroom training for entrepreneurs on enterprise development and creation through EDUs in the governorates.									UNIDO Ministry of Industry & Minerals/ Erbil chamber of commerce/ Thiqr chamber of commerce	40 (UNIDO)
Output 2:											
EDUs have increased capacities o provide existing and new enterprises with business advisory services											
Activity 2.1	Provide business advisory services to the entrepreneurs (both on-line and off-line) by the trained business counsellors placed at the EDUs.									UNIDO Ministry of Industry & Minerals/ Erbil chamber of commerce/ Thiqr chamber of commerce	100(UNIDO)
Activity 2.2	Preparation of counselling reports for existing enterprises or for new entrepreneurs.									UNIDO Ministry of Industry & Minerals/ Erbil chamber of commerce/ Thiqr chamber of commerce	60(UNIDO)
Activity 2.3	Providing support through business counsellors placed at the EDUs to the entrepreneurs on procedural/ legal requirements, information on market, technology, finance source etc.									UNIDO Ministry of Industry & Minerals/ Erbil chamber of commerce/ Thiqr chamber of commerce	60(UNIDO)
Activity 2.4	Mentoring support provided to institutional partners operating the existing Enterprise Development Units (EDUs).									UNIDO	40 (UNIDO)
Activity 2.5	Mentoring support to the business counsellors in order to provide quality business advisory services to the entrepreneurs and the enterprises.									UNIDO	30 (UNIDO)
Total UNIDO Budget											2,940,000
Total Planned Budget											2,940,000

TE/IRQ/09/010 (IPI) – Results framework (including Basra component)

Project Title:	Investment Promotion for Iraq						
NDS/ICI priority/ goal(s):	<p>NDS / ICI Priorities: 5. Revitalizing the Private Sector 5.4 Manufacturing Sector F) Encouraging the establishment of Small and Medium Scale Enterprises (SME) projects and developing appropriate financing mechanism for such projects. ICI Benchmarks (as per the Joint Monitoring Matrix 2008): 4.3.2 Create an enabling environment for private investment and job creation</p>						
UNCT Outcome	Sustainable, socially inclusive and gender-balanced economic reform and development in Iraq						
Sector Outcome	<p>Outcome 1: Improved policies, strategies and related institutional developments that are sensitive to MDGs, social inclusiveness, gender equality and pro-poor economic growth</p> <p>Outcome 2: Enhance key sectors of local economy in most deprived areas</p>						
Outcome 1	Iraqi institutions providing enterprise development and investment promotion services in Baghdad, Erbil,, Thi Qar and Basra			<p>NDS / ICI Priorities: 5. Revitalizing the Private Sector Manufacturing Sector F) Encouraging the establishment of Small and Medium Scale Enterprises (SME) projects and developing appropriate financing mechanism for such projects.. ICI Benchmarks (as per the Joint Monitoring Matrix 2008): 4.3. Create an enabling environment for private investment and job creation</p>			
Outputs	UN Agency Specific Output	UN Agency	Partner	Indicators	Source of Data	Baseline Data	Indicator Target
Output1.1: EDUs have an	EDUs have an increased capacity to provide existing and new enterprises with	UNIDO	Ministry of Industry and	Number of existing EDUs receiving training on	Progress Report	3	4

increased capacity to provide existing and new enterprises with investment promotion services	sustainable investment promotion services		Minerals (Baghdad)	Counseling on Investment promotion			
			Erbil Chamber of Commerce	Number of existing EDUs receiving training on Investment project preparation and appraisal/COMFAR	Progress Report	3	4
			KRG Board of Investment	Existing EDUs receiving constant mentoring in the field		Yes	YES
			ThiQar Chamber of Commerce	Number of operational plans for self-sustainability of EDU prepared		0	4
			ThiQar Provincial Council				
			Iraqi Federation of Industries in Basra				
Output1.2: Enhanced Institutional capabilities in	Enhanced Institutional capabilities in foreign investment promotion	UNIDO	Iraqi National Investment Commission	Number of counterpart personnel trained on how to prepare investment project profiles	Training report	0	20

foreign investment promotion			(INIC) KRG Board of Investment	Number of counterpart personnel trained on Investment project preparation & appraisal (IPPA) techniques	Training report	0	20
				Number of personnel from International Consultant/Advisor placed within INIC and providing advisory services		0	1
				Number of Project promotional missions with the support of UNIDO ITPO network	Progress report	0	3
Output 1.3: EDUs enhanced capabilities in facilitating the development of linkages between local subcontractors and foreign buyers	EDUs enhanced capabilities in facilitating the development of linkages between local subcontractors and foreign buyers	UNIDO	Ministry of Industry and Minerals (Baghdad) Erbil Chamber of Commerce KRG Board of Investment	Number of EDUs trained on SPX model		0	4
				Number of EDUs on UNIDO benchmarking system		0	4
				Number of linkage sessions/meetings organized between local subcontractors and foreign buyers		0	3

			ThiQar Chamber of Commerce ThiQar Provincial Council Iraqi Federation of Industries in Basra	Number of partnership matchmaking events/missions to fairs organized by EDU		2	6
Output 1.4 Enterprise Development Unit (EDU) in Basra functional and delivering enterprise development services to Iraqi entrepreneurs.	Enterprise Development Unit (EDU) in Basra functional and delivering enterprise development services to local entrepreneurs.	UNIDO	Iraqi Federation of Industries in Basra	Number of technological infrastructure in place	Progress report	0	1
				Number of entrepreneurs (male/ female) trained	Progress report	0	100
				% of trainees (male/ female) passing the training assessment	Progress report	0	80%

Outcome 2		The industrial private sector is contributing to the diversification and growth of the Iraqi Economy					
Outputs	UN Agency Specific Output	UN Agency	Partner	Indicators	Source of Data	Baseline Data	Indicator Target
Output 2.1: Enhance the competitiveness of selected industrial enterprises & promote linkages with the foreign market	Enhance the competitiveness of selected enterprises & promote linkages with the foreign market	UNIDO		Number of capacity building exercises conducted at enterprise level	Training report	0	3
				Number of Investment opportunity profiles prepared and promoted.	Investment profiles	0	20 (10 in Basra)
				Number of selected companies participating in study tours & fairs/ promotional missions.	Study tour report	0	15 (5 from Basra)
Output 2.2: SME credit officers in the three Governorates have enhanced knowledge in credit assessment and loan	SME credit officers in the three Governorates have enhanced knowledge in credit assessment and loan management in favor of SMEs.	UNIDO		Number of credit officer trained on properly evaluate and assess investment projects	Training Report	0	30 (10 each Governorate)

management in favor of SMEs. .							
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Project Title:	Industrial Zones Development Project for Iraq							
NDS/ICI Priorities	<p>NDS: Revitalizing private sector</p> <p>ICI Benchmarks (as per the Joint Monitoring Matrix 2008):</p> <p>4.3.2 Create an enabling environment for private investment and job creation</p> <p>4.4 Build human capital necessary to sustain growth</p> <p>4.4.1.1 Eradicate Extreme Poverty and Promote Area Based Development</p> <p>4.4.1.2 Reduce unemployment by one half and double labor force participation for women</p>							
UNDAF Priorities	UNDAF Outcome 2: Inclusive, more equitable and sustainable economic growth							
Objective	Enhance investments in the country in order to create employment opportunities, generate income and alleviate poverty, and contribute to accelerated economic development of Iraq.							
	Outcome 1: The policy, institutional and regulatory environment is more conducive to industrial zone development							
Outputs	Activities	UN Agency	Partner	Indicators	Source of Data	Baseline Data	Indicator Target	Assumptions
1.1 Technical support is provided to Iraqi Government to formulate, implement and monitor the establishment of an institutional coordination mechanism for industrial zone	<p>1.1.1 Organize study tours abroad for staff of the Industrial Zone Body and other cooperating governmental institutions to industrial parks, e.g., in Middle East and Asia</p> <p>1.1.2 Design in detail an</p>	UNIDO	MoP, MoIM, NIC, KRG	<p>PSC formation completed and adopted</p> <p>Participation of key national stakeholder in the project steering committee</p>	Project records	No coordination mechanism available	PSC formed	<p>Counterparts are participating fully in the project.</p> <p>Functional government in place.</p>

development.	<p>inter-agency coordination mechanism to give guidance to Iraqi Government</p> <p>1.1.3. Present options for inter-agency coordination mechanisms to the Government of Iraq for approval</p> <p>1.1.4 Review documentation from WB on assessment of institutional framework for industrial zone development in Iraq.</p> <p>1.1.5 Analyse the above documentation for possible gaps with regard to project requirements</p> <p>1.1.6 Provide recommendations to GoI on the gap readdressing</p>							Security situation enabling for project implementation.
1.2 An assessment of institutional and private sector needs to assist GoI to properly design policies and strategies for industrial zones are in place.	<p>1.2.1 Review available surveys from the Iraqi government</p> <p>1.2.2 Design a survey to identify the needs of SMEs in selected areas</p> <p>1.2.3 Carry out survey</p>	UNIDO	MoP, MoIM, NIC, KRG, IFI,	<p>- Number of assessments of institutional and private sector needs completed</p> <p>- Industrial Zone mapping in selected areas completed</p>	Assessment reports Project records	No assessment available	Assessment reports completed	<p>Functional government in place and participating in project activities.</p> <p>World Bank document on industrial zones</p>

	<p>1.2.4 Analysis of results and presentation to the Iraqi government</p> <p>1.2.5 Mapping and analysis of industrial zone establishments in cooperation with the Iraqi counterparts</p> <p>1.2.6 Analysis of stratified samples drawn from the above study</p> <p>1.2.7 Present the results to the government of Iraq</p>			- No. of comprehensive analysis of selected cases of industrial zone completed				<p>made available.</p> <p>Security situation enabling for project implementation.</p> <p>Private sector interested in involving in project activities including surveys and interviews.</p>
<p>1.3 A comprehensive <i>Road Map</i> for the development of industrial zones is available</p>	<p>1.3.1 Preparation of a draft national road map for industrial zones in Iraq (through review/analysis of previous work and verification through workshops) .</p> <p>1.3.2 Determination of Iraqi technical assistance needs for the implementation of the road map.</p> <p>1.3.3 Peer review by stakeholders (including donors)</p>	UNIDO	MoP, MoIM, NIC, KRG, IFI	Road map for industrial zone development is completed	Project records <i>Road Map</i>	No <i>Road map</i> available	<i>Road map</i> completed	<p>Functional government in place and participating in project activities</p> <p>Appropriate industrial zones management and coordination mechanisms put in place by GoI.</p> <p>Security situation enabling for project</p>

	<p>1.3.4 Presentation of the draft national road map to the Iraqi government for review and approval</p> <p>1.3.5 Promotion of the draft national road map to all stakeholders</p>							implementation.
1.4 Increased knowledge of officials for industrial zone planning, design, management and promotion	<p>1.4.1 Advise IZ body on management procedures and job descriptions of management and support staff for industrial zone operations</p> <p>1.4.2 Assist IZ and other cooperating institutions staff to organize and hold awareness and promotional workshops for potential zone tenants (identified during the first phase: market analysis) to determine their requirements</p> <p>1.4.3 Train IZ staff on marketing practices to promote the industrial zones nationally and internationally</p> <p>1.4.4 Train IZ staff on the</p>	UNIDO	MoP, MoIM, NIC, KRG	<p>No. of governmental official (male/female) trained</p> <p>% of trained officials (male/female) participating in development of industrial zones</p>	Project Records	0	<p>Number of trainees 2011 (TBD)</p> <p>80%</p>	<p>Functional government in place and participating in project activities.</p> <p>Government officials designated by counterpart officials to take part in training activities.</p> <p>Security situation enabling for project implementation and relevant travel requirements for training activities.</p>

	<p>organization of financial appraisal of investment projects and monitoring.</p> <p>1.4.5 Advise IZ management and other cooperating institutions on investment promotion activities and provide job descriptions of specialized staff.</p> <p>1.4.6 Train IZ staff on COMFAR</p> <p>1.4.7 Expose the IZ bodies to EDIP methodology for establishing sustainably operating enterprise development units within IZ</p>							
		Outcome 2: Strengthened basis for economic recovery in two selected areas of Iraq						
IP Outputs	Activities	UN Agency	Partner	Indicators	Source of Data	Baseline Data	Indicator Target	Assumptions
2.1 An analysis of industrial structure in the two selected areas (including the one of Al-Faw port) to assist the preparation of	2.1.1 Design an industrial survey in the two selected areas (including level of infrastructure, number and	UNIDO	MoP, MoIM, NIC,	Analysis report completed	Project reports Analysis report	No analysis report	Analysis report completed	Functional government in place and participating in project activities.

detailed prefeasibility studies completed.	<p>nature of enterprises, local entrepreneurship, local resources and markets)</p> <p>2.1.2 Implement survey in the two selected areas</p> <p>2.1.3 Analysis of the results and submission to Iraqi Partners</p>		KRG, IFI					<p>Local authorities cooperating with UNIDO and sub-contractors to enable survey and related analysis to take place.</p> <p>Security situation enabling for project implementation and access of sub-contractors to data and focal points.</p>
2.2. Pre-feasibilities carried out in two selected areas for IZ creation (including the area of Al-Faw port)	<p>2.2.1 Carry out pre-feasibility studies for establishing two industrial zones in two selected areas. This will include:</p> <p>a) Main construction determinants</p> <p>b) Size of the site</p> <p>c) Site specification</p> <p>d) Site design and layout (preliminary Civil and Architectural design, preliminary civil works design)</p>	UNIDO	MoP, MoIM, NIC, KRG	No. of pre-feasibility studies completed	Project Records Pre-Feasibility studies	2	4	<p>Functional government in place and participating in project activities.</p> <p>The relevant legal frameworks are in place to enable establishment of these zones following pre-feasibility studies.</p> <p>Security situation enabling for project implementation.</p>

	<p>e) Road ways f) Common service and utilities g) Pre-built factories and multi-storey facilities h) Phasing of development i) Cost estimation</p> <p>2.2.2 Coaching and mentoring Iraqi counterparts to be able to carry out the pre-feasibility activity independently</p> <p>2.2.3 Submission to Iraqi Partner</p>									
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Appendix III: Bibliography

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Appendix IV: List of UNIDO Documents Reviewed

Project Document, TE/IRQ/10/006, January 2011

ToR of the Project Steering Committee

Inception Report, September 2011

Report of the First Meeting of the PSC, September 2011

Report of the First Project Workshop, September 2011

Draft Report of the Second Meeting of the PSC, December 2012

Annual Progress Report, January 2012

Draft Annual Progress Report, September 2012

Draft Final Report, IZ Mapping and Analysis of Existing Industrial Zones

Final Draft Private Sector Needs Assessment