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USAID/Iraq Financial Development Project

Third Quarterly Report, FY2012
April 1, 2012 – June 30, 2012

Submitted on July 15, 2012

This publication was produced for review by the United States Agency for International Development. It was prepared by AECOM International Development.

Prepared under USAID contract number:
267-C-00-10-00005-00

Submitted to:
USAID/Iraq

Prepared by:
AECOM International Development

AECOM Principal Contact: Shannon McCafferty
Engagement Manager
AECOM International Development
2101 Wilson Blvd, Suite 700
Arlington, VA 22201
Tel: 1-703-465-5875 or 1-703-522-7444
Email: Shannon.McCafferty@aecom.com

In Iraq: Richard L. Smith
AECOM Chief of Party
USAID/Financial Development Project
Mansour Compound
Al-Amarat Street
Al-Mansour District
Baghdad - Iraq
Tel: +0780 913 2060
Email: rsmith@iraqfinsecdev.com

USAID AECOM

**THIRD QUARTERLY REPORT, FY 2012
SUBMITTED ON JULY 15, 2012**

DISCLAIMER

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ACRONYMS

AACSB	Association to Advance Collegiate Schools of Business
ACH	Automated Clearinghouse
BML	BML Istisharat
BSA	Board of Supreme Audit
BIBF	Bahrain Institute of Banking and Finance
BIS	Bank of International Settlements
BTI	Bank Training Institute
CBI	Central Bank of Iraq
CBS	Core Banking System
CDR	Centralized Data Repository
CIB	Credit Information Bureau
CIEI	Credit Information Exchange Instruction
CISR	Center for International Stability and Reconstruction (James Madison U.)
COP	Chief of Party
CoR	Council of Representatives
CPA	Coalition Provincial Authority
DCD	Deputy Component Director
DCOP	Deputy Chief of Party
DFID	Department for International Development
DOD	Department of Defense
DQA	Data Quality Assessment
EBBP	Electronic Bureau of Payments and Procurement
FBA	Financial Business Architecture
FSDTF	Financial Sector Development Task Force
FSVC	Financial Services Volunteer Corps
GATS	General Agreement on Trade and Services
GCBP	Governorates Capacity Building Project
GDA	Global Development Alliance
GDP	Gross Domestic Product
GOI	Government of Iraq
GSRS	Government Securities Registration and Settlement System
GTZ	Federal Republic of Germany International Development Agency
HCED	Higher Committee for Educational Development
IASD	Iraq Association of Securities Dealers
ICBG	Iraqi Company for Bank Guarantees
ICDL	International Computer Driving License
ICF-SME	Iraqi Company for Financing SMEs
IFC	International Finance Corporation
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
INI	International Negotiation Institute
INIC	Iraqi National Investment Commission
IOSCO	International Organization of Securities Commissions
IPBL	Iraqi Private Bankers League
IPS	Iraqi Payment System
ISC	Iraqi Securities Commission

ISX	Iraqi Stock Exchange
IT	Information Technology
JMU	James Madison University
KAP	Knowledge, Attitude and Practice
KRG	Kurdistan Regional Government
L&RA	Legal and Regulatory Advisor
MENA	Middle East and North Africa
MFI	Microfinance Institution
MOU	Memorandum of Understanding
MoF	Ministry of Finance
Mol	Iraqi Ministry of Interior
MoHESR	Ministry of Higher Education and Scientific Research
MSME	Micro, Small and Medium Enterprise
MUCIA	Midwest Universities Consortium for International Activities
NBFI	Nonbank financial institution
NGO	Non-governmental organization
NPC	National Payments Council
OAA	USAID/ Office of Acquisition and Assistance
OTA	Office of Technical Assistance
PM	Prime Minister
PMP	Performance Monitoring Plan
PMU	Project Management Unit
PIRS	Performance Indicator Reference Statement
PRT	Provincial Reconstruction Team
RFI	Request for Information
RFP	Request for Proposal
RPS	Retail Payment System
RPSI	Retail Payment Systems Infrastructure
RTGS	Real Time Gross Settlement
SBDC	Tijara Small Business Development Center
SGS	Sallyport Global Services
SBWC	Sharjah Business Women's Council Meeting
SME	Small and Medium Enterprise
TBI	Trade Bank of Iraq
TBA	Turkish Bank Association
TFBSO	Task Force to Improve Business and Stability Operations
TOT	Training of Trainers
UAB	Union of Arab Banks
USAID	United States Agency for International Development
USD	United States Dollar
USG	United States Government
US SEC	United States Securities and Exchange Commission
XBRL	Extensible Business Reporting Language
WB	World Bank
WTO	World Trade Organization

EXECUTIVE SUMMARY

The Iraq Financial Development Project represents one of the primary elements of USAID/Iraq's long-term economic strategy, which envisions continued capacity building of the country's financial sector with a special focus on private banks, so that the sector will expeditiously meet international standards. This strategy is predicated on the assumption that development of the private financial sector offers the best long-term prospects for providing the credit needed to promote and sustain economic growth and job creation, particularly in the non-oil economy. In addition to building sector capacity, this strategy calls for the development of institutions that are currently missing from the country's financial sector architecture, and addressing legal and regulatory constraints. The Iraq Financial Development Project (the Project) design recognizes that additional donors – including the United States Government (USG) are targeting other segments of the financial sector; for instance, the World Bank is helping to restructure state-owned banks, and the United States (US) Treasury is working with the Central Bank of Iraq (CBI) to improve its supervision of the banking sector. The Project design also proceeds under the assumption that Project investments will result in increased private sector financial intermediation—the transformation of deposits into investment resources—that will, in turn, lead to an increase in lending and investment in the private sector – contributing to job creation and diversification of the economic base.

The strategic interventions being implemented by the Iraq Financial Development Project are now in the second fiscal year of the Project's five year period of performance. These contractual interventions are comprised of the following three integrated Components:

1. ***Enhance the Advocacy Capacity of the Private Financial Sector.*** This Component is aimed at strengthening a private industry association to serve its members through advocacy and training. This association will serve as a key interlocutor with the Government of Iraq (GOI) on policy, legal, administrative and regulatory reform, and capacity development.
2. ***Improve the Soundness of the Private Financial Sector Through Institution Building and Targeted Reforms.*** This Component is aimed at the implementation of targeted reforms that put in place financial sector infrastructure and capacity for expansion of bank and nonbank financial institutions and services. Under this Component, the contractor will assist in establishing a credit bureau, a bank training institute and a retail payments system infrastructure.
3. ***Improve the Quality and Availability of Finance and Business Education.*** This Component is aimed at developing modern business and finance curricula, faculty, and degree programs at select business schools and universities to provide a reliable supply of qualified Iraqis to fill the existing gap in finance and business skills needed for private financial sector and enterprise development.

The fully realized results/impacts of these three elements are expected over the long term. Unlike short-term, immediate-impact development efforts such as direct lending programs (Microfinance, Small and Medium Enterprise (SME), etc.); attitude change, legal/regulatory/administrative reforms and the adoption and understanding of new systems, take years to implement. The key to ensuring sustainability and unlocking the potential that lies beyond the life of the Project is in placing the ownership of the initiatives into the hands of the Iraqi people and their institutions, so that both will benefit from them.

While the impacts of the Iraq Financial Development Project are long-term in nature, there have been several notable achievements during the implementation period.

COMPONENT 1: ENHANCE THE ADVOCACY CAPACITY OF THE PRIVATE FINANCIAL SECTOR

THE FEDERATION OF IRAQI PRIVATE BANKS

The Federation Opening Event, held on May 8, attracted high level executives from Federation and non-Federation private and state banks. VIP guests represented the Trade Bank of Iraq, the Prime Minister’s Office, the Central Bank of Iraq, USAID and others. The participation of these groups demonstrates the growing interest in Iraq’s private banking potential. Subsequent to the event, the decision was made to clarify representation of private banking by uniting the two existing private banking “associations,” the Federation and a non-Government Organization (NGO), the Iraqi Private Bankers League. As a result, communication plans, technical assistance goals, and other support are being redesigned for this new organization, instead of the Federation.

PRIVATE FINANCIAL SECTOR DEVELOPMENT “GOI CHAMPIONS”

The primary recommendation from potential members or “Champions” for a Task Force to support the bankers’ association reform agenda, and USG representatives, is that a more tailored approach to engaging relevant high level GOI executives is critical. Although potential “Champions” have been identified, with the decision to merge the Federation with the Iraqi Private Bankers League, plans for implementation are on hold.

LEGAL AND REGULATORY

During this quarter, significant research and informed opinions were required for three (3) key areas of the project: 1) Association structure and registration, 2) retail payments systems infrastructure requirements, and 3) credit information bureau framework. The legal team developed analysis, memoranda on research, and briefing notes to inform decisions that allowed significant changes to be developed.

COMPONENT 2: IMPROVE THE SOUNDNESS OF THE PRIVATE FINANCIAL SECTOR THROUGH INSTITUTION BUILDING AND TARGETED REFORMS

CREDIT INFORMATION BUREAU (CIB) LEGAL FRAMEWORK

During the reporting quarter, the project completed a review of the CBI Regulations and Banking Law in collaboration with the CBI offices of Legal Department, Bank Supervision and the Credit Information Bureau (CIB) for the purpose of drafting a Credit Information Enforcement Instruction (regulation). The joint CBI/Financial Development Project initiative completed the draft in June 2012 and began the process of approval and promulgation by the Council of Ministers.

CREDIT INFORMATION BUREAU (CIB) STAKEHOLDERS MEETING

The CIB Steering Committee approved a Stakeholders' Meeting tentatively scheduled for next quarter. The working members of the committee decided to delay the meeting to better monitor the process of the new Credit Information Exchange Instruction and to concentrate on the supporting the Project's CIB Feasibility Study that requires the participation of the bank's CIB as well as its IT management and staff. The feasibility study is scheduled for completion by end of next quarter.

RETAIL PAYMENTS SYSTEM INFRASTRUCTURE (RPSI)

During the reporting quarter, the Project completed a review of Regulations and an "Instructions" document needed to govern payment service providers, banks, mobile network operators, and other entities in the operation and use of the RPSI in advance of pending legislation. The Project also worked to convince the CBI to issue a Request for Proposal to implement the RPSI, and is expecting a response from CBI senior management. In order to upgrade the existing Iraqi Payment System (IPS) into an integrated RPSI, the project made significant progress in finalizing the testing of system enhancements, including check processing, real time gross settlement, a central securities depository, and anti-money laundering capabilities.

CORE BANKING SYSTEM

During the reporting quarter, the Project moved towards completion of drafting the Core Banking System RFP through the review and documentation of the system requirements needed to provide support for the CBI's Administration, Supervision, IT and Accounting departments. The Project also assisted in mending the CBI's relationship with its current system provider, BML Istisharat, by supporting contacts between the entities. BML Istisharat will visit the CBI (pending visas) to make arrangements to continue its work in upgrading the CBI's Core banking system.

COMPONENT 3: IMPROVE THE QUALITY AND AVAILABILITY OF FINANCE AND BUSINESS EDUCATION

UPGRADE EXISTING FINANCE AND BUSINESS PROGRAMS AND ACCREDITATION

The deans from the colleges of administration and economics at Baghdad University, Al Mansour University College, Al Mustansiriyah University, and the Higher Institute of Accounting and Finance Studies of Baghdad University, attended the AACSB-International Annual Meeting in San Diego, California, April 28-May 1, 2012. More than 1,400 senior level business school administrators and faculty attended the event. AACSB-International is the world's leading accrediting organization for business education. At the AACSB meeting, the deans were presented with their institution's official membership certificates. The Association's publication BizED – which was distributed at the meeting – carried a feature length article entitled “Investing in Iraq.” The article described the work of the USAID/Iraq Financial Development Project with particular reference to higher education and the successful membership of the three Iraqi Universities.

Delegates from Baghdad University's College of Administration and Economics and Al Mansour University's College of Administration and Economic made a site visit to University of Dubai from June 17-22 facilitated by FDP. The delegation met with the Director and staff of the University of Dubai's Center for Internships and Scholarships, and with a similar group from the university's Career Development Center. The Dubai institution proposed a Memorandum of Understanding (MOU) for greater establishment of regional ties between the three universities. The Iraqi delegates met with the Chamber of Commerce in Sharjah, the Chamber of Industry in Dubai, and attended the Sharjah Business Women's Council Meeting.

Dr. Bienvenido “Dean” Cortes, Distinguished Professor and Chair of Kansas's Pittsburg State University Department of Economics, joined the Project from June 3 to June 29, 2012, to prepare and present a workshop entitled “Current Developments in International Finance” held at Al Mansour University College. Workshop participants were invited from Iraq's Colleges of Management and Economics. Forty-two Certificates of Completion were awarded to attendees. The certificates were co-signed by the Iraq Financial Development Project's Chief of Party and the Special Advisor to the Minister of Higher Education, Dr. Abdul Sahib Najim. The workshop was held June 24-28, 2012.

The Joint Council continues to work towards solidifying a long-term relationship between Iraq's private banks and its universities, according to an agreement signed on January 3, 2012. The Project recently met with representatives of United Bank and North Bank to discuss the concept of a Joint Council and to arrange a date for an initial implementation meeting of private banks and partner Iraqi University Colleges of Administration and Economics. The Joint Council is intended to serve as a vehicle to bridge the private banking sector and the Iraqi finance and banking academic community. A newly-signed Letter of Cooperation outlines the process by which the parties will cooperate with the intention of sharing mutual concerns and interests relative to Iraq's private banking sector.

QUARTERLY PROGRESS, MONITORING, AND EVALUATION REPORT

COMPONENT 1: ENHANCE ADVOCACY CAPACITY OF THE PRIVATE FINANCIAL SECTOR

DELIVERABLES - NARRATIVE

As with many economies in transition, the private banking sector in Iraq is poorly organized and lacking an effective voice in the policy process. The lack of a private sector champion or constituency for reform has hampered past efforts to implement reforms, which to date have been driven from the top down. Consequently, this Component focuses on strengthening the private financial sector's ability to formulate, influence and assist in the implementation of critical reforms that support financial sector development. The private banking sector, through an industry association, will take the lead in advocating for reforms and providing critical analysis and public education about the costs and benefits of reform. In order to achieve this objective, the Financial Development Project provided technical assistance and capacity building to the private financial sector through the Federation of Iraqi Private Banks, so that the banks could encourage policy makers to push for priority legislative and regulatory changes. (See Appendix A, 2012 Project Activities Schedule).

Private Bankers' Association

D 1.1.1 Strategic Plan for institutional development, strengthening and sustainability of one or more industry associations

Implement course of action to establish/strengthen organization. During this quarter, discussions with stakeholders resulted in a decision to consider a new institutional arrangement to represent the private banking sector that consolidates advocacy efforts into a single voice for the sector. This discussion results from several factors: constraints inherent in the legal structure of the Federation as an LLC limit sustainability and effectiveness as an advocacy organization; and the existence of two rival organizations weakens the "voice" of the sector and focuses energy on competition between the two rather than collaboration. While the decision has been made to consider a new institutional arrangement, the legal entity has not yet been determined. One option discussed was to merge the Federation and the IPBL, however, legal and financial barriers may be prohibitive of such an arrangement. Further discussions are ongoing with the two organizations, which have overlapping membership, as to the next steps in institutional consolidation for private financial sector representation.

At the same time, the investment in the Federation will be leveraged going forward, including facilities, governance, capacity and strategic planning. We believe that without the Federation, the IPBL would not have had the incentive to reform and become more active, providing the current window of opportunity to consolidate and strengthen institutional representation and governance in the financial sector in a way not possible in the past.

Upcoming during next quarter: The focus of activities in the next quarter will be identifying and supporting the sector stakeholders' priorities for representation going forward. The Federation General Assembly plans a vote of its members on the question of liquidation of the Federation and consolidation of efforts with the IPBL. Technical assistance will focus on supporting the outcome of the vote for both the Federation and the IPBL. In addition, to increase engagement with the Kurdish Democratic Republic (KDR), FDP anticipates engaging the Kurdish banking association in the development of a consolidated strategic plan, reform agenda, and communications plan.

Assist in developing Governance Plan, with annual review. Early on, FDP supported Federation stakeholders' decision to establish a Limited Liability Company as the best way to quickly register as a legal entity. This model requires equity contributions to become a member and entails management, accounting, tax and reporting challenges as well as revenue requirements that make sustainability difficult. Moreover, the governance structure is not conducive to a representative advocacy organization. Review of bank association models in Lebanon and Jordan, and consistent with best practice internationally, demonstrates that a not-for-profit NGO is a more effective model for representative advocacy. This model allows any licensed commercial banks to join, subject not to an equity contribution, but only to the payment of annual dues based on their size. It also allows for more representative body, more accountable governance and a credible independent voice.

Upcoming during next quarter: As discussed above, FDP will provide technical assistance to the Federation and IPBL in redefining institutional representation for the sector, using the Jordanian and Lebanese models as a basis for reorganization. IPBL's registration as a NGO offers a potential basis for the reconstituted organization.

In consultation with the association, design basic Strategic Plan, with scheduled annual updates. The Financial Development Project drafted a strategic plan for the Federation upon its founding. This work has been suspended pending the outcome of stakeholders' decision about the Federation.

Upcoming during next quarter: A new Strategic Plan drafted specifically for the new Association will be presented to the Supervisory Board once it is in place. This Plan will have the following pillars:

- Governance
- Internal Business Development (directed toward members)
- External Business Development (directed toward Iraqi, regional and international participants)
- Research & Statistics
- Financial Stability

D 1.2.2 Communications Strategy for Association(s) and Related Products and Events

Completed during this quarter: The Financial Development Project continued to support the drafting and distribution of a Quarterly Newsletter by the Federation.

Upcoming next quarter: The Financial Development Project has signed a contract with an Iraqi Survey Firm to release a comprehensive banking questionnaire to a random section of the Iraqi population. This survey will provide valuable opinion and data points as to the Iraqi public's perception of the nation's private and state banks as well as the CBI. With these results, the Financial Development Project's communication specialists, working through the new Association and selected media channels, will release the findings to stakeholders and the public.

D 1.2.3 Advocacy Training Plans Implemented

Completed during this quarter:

No activities

Upcoming next quarter: The Financial Development Project will arrange study tours for a select group of Iraqi private bankers and representatives of the CBI, to both the Lebanese and Jordanian banking associations.

Of equal importance, the Financial Development Project will recruit and train Iraqi professionals who will constitute the new Association's management team, replacing the current staff at both the Federation and the IPBL. These Iraqis, together with the expat staff, will convene periodic meetings with the private banks to discuss key reform issues and the most efficacious way to approach GOI officials and effect change.

D 1.3.1 A prioritized reform agenda developed by Associations

Create action plans, including specific tasks, clear roles, defined responsibilities and timelines to address selected barriers. The Financial Development Project team worked with the Federation to identify specific priority reforms in Year One. Forward movement on these reforms has been hampered by lack of effectiveness of the Federation.

Upcoming during next quarter: FDP has begun conducting one-on-one interviews with Iraqi banks (to date 8 of the 36 private banks have been canvassed) to determine their market and regulatory concerns. As discussed above, a new prioritized reform agenda will be developed based on these priorities in consultation with a broader sector representation, including the Kurdish bank association. This work will be implemented in close communications with Treasury.

D 1.3.2 GOI champions for association reform agenda identified and engaged

Deliver and disseminate findings from White Paper and other research. Given the current momentum to reconstitute a truly representative and effective sector association, this work has been suspended until a new reform agenda has been prioritized and agreed.

Upcoming during next quarter

See above

Develop tailored approach and cultivate relationships with potential champions for private financial sector development within key GOI and private sector entities. The Financial Development Project has begun identifying potential champions. Additional relationship building efforts will be instituted as the new Association is formed.

Upcoming during next quarter: The GOI is sponsoring a major international conference in London in September 2012, bringing together all the key public and private Iraqi and international financial sector stakeholders to discuss reform of the sector. FDP intends to use this event as a major venue for socialization of the new association, cultivation of key champions, identification of government openness

to specific reforms, and generation of awareness of the FDP project services, with the aim of designing an event in Iraq that leverages the momentum created by the international conference that moves the reform agenda forward in specific FDP priority areas.

Convene Private Sector Development Task Force, consisting of key GOI and private financial sector stakeholders with goal of achieving long-term sustainability of group. The concept of a Task Force has been extensively explored and FDP is now considering alternative models for effectively achieving the objective of "a process of Iraqi-led results-oriented, private public dialogue among the industry association, CBI, CoR and other GoI entities."

Upcoming during next quarter: A new approach will be facilitated through the reconstituted association and FDP is considering cooperation with the Iraq Institute for Economic Reform¹, which has a well establish dialogue in place that can be leveraged to support the objectives of FDP.

Jointly construct Blueprint for private financial sector development, based on reform agenda created by the Association

Upcoming during next quarter:

Again, a blueprint will be revalidated through a reconstituted sector association.

D.1.3.3 Communications Plan implemented including the launch of a public education campaign to inform public about the role of banks in the economy

Take action to implement communications plan. No activities

Upcoming during next quarter: FDP will facilitate the establishment of research and statistics capacity at the reconstituted association, which, in addition to compiling and publishing timely data on the sector (primarily through a website), will be responsible for the quarterly publication an Association Newsletter consisting of member news, personnel changes, policy papers compiled by Association members and representatives of the Iraqi university business and finance community. In addition to distribution within Iraq, the Association Newsletter will be sent to potential regional and international investors who might, at some point in the future, become shareholders in the Iraqi financial sector.

Subject to availability, the new Association will schedule periodic meetings with its regulators (the CBI?) to discuss issues of bank reform. To the extent allowed by confidentiality, the results of these meetings will be published on the Association website and in its quarterly Newsletter.

Create marketing tools and promotional materials. No Activities

Upcoming during next quarter: Materials will be designed and created as needed for the new Association based on a targeted communications plan.

Determine communication procedures with members and affiliates. No Activities

¹ The Iraqi Institute for Economic Reform (IIER) is an independent research institute based in Baghdad. Their mission is to assist Iraq in its transition to a modern market economy by promoting reform based on sound research and case studies.

Upcoming during next quarter: See above

Create public awareness campaign to educate public, investors and the financial community about Association's activities. No Activities

Upcoming during next quarter:

The Financial Development Project is undertaking a public survey, which will form the basis for creating a public awareness campaign on banks and their services. This activity is called a Knowledge, Attitude and Practice (KAP) Study. A KAP study documents and measures what people know about a particular subject, topic or sector; how they perceive the sector, how they feel about the sector and how they behave in relation to the sector. The study will be conducted in six urban areas: Baghdad, Najaf, Erbil, Basra, Kirkuk and Mosul. The target sample size will be 2000 respondents.

The results of the KAP Study and their analysis will then be applied by the CBI, the Federation or banking association, the international donor community and the banking and financial sectors, to more effectively target and develop services and products, conduct public outreach and consumer education campaigns, improve marketing and advertising strategies, and assist with institutional and organizational development.

D 1.4.1 Regional and International Linkages Established With Other Associations and Industry Groups

Visits to regional banking organizations to profile international best practices and foster linkages. The Federation has established a good relationship with the Beirut-based Union of Arab Banks (UAB), the premier pan-Arab banking association. Federation members have visited Beirut and attended UAB Conferences. The Financial Development Project staff has visited not only the UAB, but also the Lebanese and Jordanian banking associations to enlist support.

Upcoming next quarter: The Financial Development Project has forewarned the Project's relationship with the Federation will be changing and FDP will engage the IPBL. They welcomed involvement with the new Association. FDP staff has also visited both the Lebanese and Jordanian banking associations and have also pledged support.

Under Financial Development Project guidance, a study tour to one or more of the above three institutions will be conducted in the Third Quarter. In addition, the UAB has expressed an interest in co-sponsoring, in conjunction with CBI and the Iraqi Banking Association, a conference on Iraqi Banking to be held in Bagdad before the end of the 2012.

D 1.4.2 Association Linkages to University Programs Established

Tap universities with focused banking and finance programs to link with private banking association and Task Force to conduct research and policy papers. No activities

Upcoming during next quarter: The Federation and the universities supported by the Financial Development Project have scheduled a meeting at Baghdad University in July. The purpose of this meeting is to discuss the proposed revision of the voting structure of the Joint Council, discuss

internships and career development, and schedule upcoming meetings. The next scheduled meeting will be held before the end of the calendar year but will involve the new banking association as the university's counterpart.

D 1.5.1 Four to Five Targeted Policy, Legal, Regulatory and Administrative Reforms Implemented that Quantitatively and Qualitatively Expand Financial Sector Intermediations

Review existing banking laws and determine areas for reform/development. The Project previously identified four reforms to be targeted by the private banks:

- Mortgage Finance Policy;
- Secured Transactions (Moveable Property) Policy;
- Letters of Credit; and
- Deposit Insurance.

The Financial Development Project legal staff has reviewed and commented on the legal and regulatory environment surrounding mortgage finance and this material has been shared with both the Federation and PBL. Additionally the legal team completed the following tasks.

- A memorandum was prepared on the NGO Law No. 12 of 2010 and Company Law of 1997 with Amendments of 2004. This memorandum was drafted to address the issues associated with the legal status of both associations: the Federation and IPBL. A memorandum was prepared in regards to the NGO Law No. 12 of 2010 and best practices of peer countries. These memorandums were drafted to prepare for the eventual reorganization of the two organizations as one legal entity.
- A Briefing Note on the lease agreement currently used by the Federation for its headquarters was researched and written. This was undertaken to ascertain what might happen to its assets if the Federation were to assign or change the terms of its lease.
- A Briefing Note was written to identify the legal and regulatory impediments to the development of mortgage finance in Iraq. This research was undertaken to review existing laws and ascertain possibilities of developing such a sector.
- The draft of the Central Bank Regulation on Financial Collateral was reviewed for compliance and potential conflicts with the legal and regulatory framework.
- Responded to questions from the Central Bank on the scope and application of the draft Instructions on Payment Services Systems.

Upcoming next quarter:

The issue of creating a 'level playing field' between Iraqi private and state banks is a policy decision that will have to be taken at the highest levels of the GOI. As is the case with US Treasury, the Financial Development Project will continue to provide guidance through individual meetings, speaking at Conferences, and authoring policy articles placed in the new Association Newsletter.

The Financial Development Project's Component Two has added an STTA experienced in bank IT systems. Selectively, and through the Association, this advisor will be lent to Component One and made available to consult with member banks.

Determine legislative/regulatory process required to obtain approval. The Financial Development Project began research on the requirements to gain approval in the above-mentioned targeted policy reforms.

Upcoming next quarter: The new Association will have as its major reform theme, the introduction of legislation in the Iraqi Parliament to create a 'level playing field' among all Iraqi banks in respect to state business. This theme will be central to all meetings, conferences and publications disseminated by the new Association.

IMPLEMENTATION ISSUES AND CHALLENGES FACED

The critical challenge faced by the FDP during this quarter has been the divergence of the Federation's internal agenda from the original mission. The uncertainty about the Federation also has resulted in a delay in implementation of a number of deliverables. Regardless, FDP views this as a valuable window of opportunity to reconstitute a single association that speaks with one voice on a common agenda, and to improve governance and advocacy capacity to support financial sector reform.

COMPONENT 2: IMPROVE THE DEVELOPMENT OF THE FINANCIAL SECTOR THROUGH INSTITUTION-BUILDING AND TARGETED REFORMS

DELIVERABLES- NARRATIVE

Under this Component, the Contractor will assist the industry association(s) and counterparts in the GoI to improve the soundness of the financial sector by a) developing institutions such as a credit bureau, b) developing a training institute to provide demand-driven training to financial sector stakeholders, and c) implementing targeted reforms aimed at improving the regulatory capacity of CBI through a fully functional Retail Payment System and Core Banking System. (See Appendix A, 2012 Project Activities Schedule)

Credit Information Bureau

D 2.1.4: Legal and Regulatory Requirements for Credit Bureau Identified and Recommendations for Needed Changes Drafted

- *Draft and approve CBI regulations to govern credit information sharing*

Completed during this quarter

Credit Information Bureau Legal Framework Development The Project drafted a Legal and Regulatory framework and submitted to the CBI on April 2012 for review by CIB Steering Committee. In addition, the CIB Steering Committee suggested and approved the creation of a CIB Legal Sub-Committee (the Sub-Committee) with assigned members being representatives of CBI Legal Department, CBI Bank Supervision, CBI Credit Information Bureau (CIB), FDP Component 2 CIB team and the Federation (to be replaced by the new Association). Further, the Sub-Committee has commenced the process of CBI Governors' Legal Advisor review as the first step towards final approval by the Council of Ministers.

The Project, in cooperation with the Sub-Committee completed the draft regulation – Credit Information Exchange Instruction (CIEI) in June 2012.

Upcoming during next quarter

- *Implement the use of consumer consent forms with all registry subscribers*

Completed during this quarter

The Draft Consumer Consent Form was provided to the Sub-Committee for review by FDP. The Sub-Committee conducted a review and incorporated enhancements to ensure compliance with the Iraq constitution and Iraq Banking Law. In addition, the Sub-Committee has commenced the process of CBI Governors' Legal Advisor review as the first step towards final approval by the Council of Ministers (COM).

Upcoming during next quarter

During the upcoming quarter, the Project will work with the CBI in an active role, in support of the process of approval of the new CBI instructions. Under the auspices of the CBI/CIB Steering Committee, the Project will help to prepare the strategy for the presentation of the new CIEI and Consumer Consent instructions to the private sector entities. In addition, FDP will work with the CBI to develop a strategy for presentation of new instruction to the legal professional upon approval by the COM.

Core Banking Systems

Completed during this quarter:

In the previous quarter, the Project held several meetings with the USAID-*Tijara*'s Sustainable Microfinance and SME Banking Components, and the Federation of Iraqi Private Banks. The intent of the inter-project collaboration was to learn about how the commercial banks use their core banking systems, with an aim to automate the transfer of data from the banks to the CBI for timely transfer of loan data for the credit registry as well as the planned Central Data Repository System (CDR).

In order to learn more about the capabilities as well as the willingness of the private banks to participate in automation pilots, the Project developed a Core Banking Survey instrument designed to gather up-to-date information from the commercial banks regarding their core banking system such as the system provider, levels of automation, branch connections, security and support, and IT contacts from the banks. CBI has agreed to issue the survey instrument to the banks, and collect the responses to be passed on to the Project.

Upcoming during next quarter:

The Project will work with CBI to issue the survey, collate the responses, and use this information in planning Project deliverables including: development of the rollout plan for the CDR system, creation of a strategy to include MFI data into the credit registry, development of a commercial bank data validation program, as well as replacement of the credit registry with a commercial-off-the-shelf software product.

D 2.1.5 Public Education Campaign(s) Launched to Inform Public about the Role of a Credit Bureau in the Financial Sector

- *Stakeholder conference convened on the role and development of the CIB*

Completed during this quarter:

Banking and financial sector stakeholder forums held on the Credit Information Bureau (CIB)

A joint CBI/FDP Stakeholders meeting was originally scheduled for June 2012. Due to the process of the completion of the legal and regulatory framework for a CIB the meeting has been rescheduled to the following quarter.

Draft presentation material has been completed and is being vetted.

Draft materials are under development to be available at the CBI Stakeholders meeting. Approval will be managed via the CIB Steering Committee. The Steering Committee confirmed the presentation during its' May 2012 meeting.

Upcoming during next quarter

The joint CBI/FDP Stakeholders conference will be held on September 27, 2012. The conference goals are to promote awareness among primary stakeholders of the Credit Information Bureau in keeping with the USAID/FDP strategic communication plan and to initiate public awareness by involving the media to help socialize the idea of credit reporting and consumer consent over biographical data usage. Attendees will include management from Iraqi private and state owned banks, as well as banking association representatives.

- *Develop and launch CBI Registry website*

Completed during this quarter:

During the reporting quarter, the project completed development of informational material which will be linked to the CBI website, to comprise a Credit Registry webpage. The information, which will be geared towards members of the Iraqi public include an introductory page highlighting the history of credit information in Iraq, background to the Credit Registry, and, the services it provides has been developed by CBI, as well as explanations on the benefits of credit information sharing and definitions.

Upcoming during next quarter:

The project will compile a final copy of the webpage materials, as well as develop a mock-up representation of the webpage in order to portray to CBI's web developer how the information should display.

D 2.1.6 Sources of Data and Data Requirements for Launch of Credit Bureau Resolved

- *Develop commercial bank data validation program*

Completed during this quarter:

This is a Year Three deliverable with which progress has already been made. In August of 2010, the Project completed and delivered to the CBI an IT assessment of the systems and capabilities of the Credit Information Bureau. A key recommendation of the assessment was that the CBI replace the system which was developed by CIB technical staff with a commercial credit registry software package. During the reporting quarter, at one of the CIB regular status meetings, CBI management requested that the Project perform a feasibility study to include a cost benefits analysis to determine whether the CBI should replace or re-engineer their existing system.

In order to execute the feasibility study, which commenced in June, 2012, The Project engaged two local short term resources, one with significant banking and credit experience, and the second expert with banking/IT experience.

Upcoming during next quarter:

In addition to the continued advisory support provided by the Project to the CIB Steering Committee and the legal sub-committee, additional priorities for the next quarter include: the delivery of the Stakeholders Conference, installation of the CIB web page on the CBI website, the completion of the CIB Assessment and delivery to the CBI for review and comment, and, supporting Credit Information Exchange Instruction (CIEI) ratification process and development of strategy for supporting the compliance process by the banking sector.

The Project will closely monitor the work of the experts carrying out the feasibility study, which will be completed in September 2012.

Bank Training Institute

D 2.2.2 Bank Training Institute Established

- *Process through the foundational and institutional development phases of BTI Establishment*

Completed during this quarter

- Ongoing training activities conducted for the Iraqi bankers (begun in January 2012), have resulted in 17,650 training hours performed for 390 Iraqi bankers. To date, at least one student from 28 Iraqi state and private banks have been trained. Female representation is approximately 62%. BTI has been successful in applying international training standards for its courses including the use of competency assessment, placement exams, and continuous feedback to participants and their managers.
- BTI expanded the number and types of courses presented as part of achieving sustainability and stability. Twelve courses were delivered in both soft and hard skills activities.
- Internal BTI policies and regulations have been issued and implemented, to include BTI grade and certificate policies.

Upcoming during next quarter

A BTI Bank Managers Meeting, dedicated to banking industry decision makers and BTI stakeholders including the CBI, shall be conducted on July 16 to discuss achievements to date, the role of individual banks in training, and methods to ensure the bank's ongoing support of BTI;

- Trainings in multiple subjects shall be provided including Leadership and Governance, Credit Risk Management, Mortgage Finance, Internal Audit, Customer Relations, Lending Skills, Quality Service, Telephone Service Techniques., Teller Excellence, as well as the initial course offerings of MS-Office and Practical English for bankers.
- BTI shall expand training to other Iraqi regions and provinces. Initially training will be delivered in the Kurdistan Region, and as security permits, the Basrah and Mosul provinces.
- BTI shall source international and regional experts as and when advanced courses are offered.
- As requested by several banks, BTI shall commence planning for on-line training offerings in early 2013.

D 2.2.3 Training of Trainers and Curriculum Development Underway

- *Curriculum Development (continuous activity)*

Completed during this quarter

Training of Trainer has been completed as one of the second year deliverables. Three training courses were provided, materials developed and presented. This program was conducted for 38 students, students who were selected according to their background and previous teaching experiences. Five trainers, deemed to be the most capable, were selected from TOT program to provide future BTI training courses..

TOT deliverable report completed.

Upcoming during next quarter:

These same TOT trainers will provide training in Leadership & Governance, Internal Audit and other BTI training activities as designated.

The five TOT trainers selected as the most capable will attend the Corporate Credit Risk Management and Mortgage Finance courses to be delivered by international experts in the hope that they can later replicate similar offerings to future BTI students.

D 2.2.4 Regional Linkages to other Bank Institutes Established

Completed during this quarter:

FDP has determined that Lebanon and Jordan are the most suitable Arabic speaking neighbors to develop regional linkages for BTI. Selection has been based on personal visits from FDP staff, their own developed banking systems and advanced training institutes, and ease of acquiring visas for visiting Iraqi bankers.

Activities:

- Following an FDP visit to Beirut in May 2010, communication with both the Union of Arab Banks (UAB) and the Lebanese Bank Training Institute has commenced. A Study Tour for BTI Steering Committee members to Beirut is planned for the Fall 2012.
- Similarly, following an FDP visit to Amman in June 2010, communications have been established with the Institute of Banking Studies in Jordan. A Study Tour is planned in the late Fall 2012, after which Steering Committee members will be asked to compare and contrast 'best practices' in the two neighboring countries for adoption by the Iraqi BTI.

Upcoming during next quarter

- See above.

Retail Payment System

D 2.3.2 Achievement of Phase 2 of the Retail Payment System

- *Participate in the Selection of a National Switch and Mobile Payment System Provider*

Completed during this quarter:

During the previous quarter, the Project drafted a set of Regulations and an "Instructions" document to be used as the legal framework for overseeing payment service providers, banks, mobile network operators, and other entities in the operation and use of the RPSI in advance of pending legislation. The critical legal framework element is the "Instructions" document, which informs payment system participants about the revised regulatory framework for mobile payments and the principles underpinning the retail payment systems infrastructure.

During the reporting quarter, the Project Retail Payments team held several meetings with CBI senior legal advisors to discuss the RPSI legal framework drafts and obtain their comments. The documents were completed and delivered to CBI for their final review. The following activities were part of the legal review:

- Memorandum prepared with respect to the draft CBI Instructions on Payment Services Systems. This document was drafted with respect to modifications of the draft Instructions to reflect the fact they will be the only legal basis for regulating the operation of the payment service providers since there is no law or regulation yet in place.
- Comment on the draft CBI Instructions on Payment Services Systems was prepared with respect to modifications of the draft Instructions.
- Comment on the draft Licensing Agreement to 'Build and Operate' the Iraq Retail Payment Systems Infrastructure.
- Comment on the Request for Proposal to 'Build and Operate' the Iraq Retail Payment Systems Infrastructure.

- Review of the draft Iraq Payment Service Provider Central Bank Regulations for compliance and potential conflicts with the legal and regulatory framework.
- Review of the draft Code of Banking Practice Central Bank Regulation for compliance and potential conflicts with the legal and regulatory framework
- Responded to questions from CBI with respect to the draft Licensing Agreement to Build and Operate the Iraq Retail Payment Systems Infrastructure. The questions involved the scope and application of the draft Securities Law.
- Responded to legal comments from CBI with respect to the Request for Proposals to ‘Build and Operate’ the Iraq Retail Payment Systems Infrastructure. The comments involved the legal basis for issuance of RFP based on the Central Bank Law.
- Attended meeting at CBI re draft CBI Instructions on Payment Services. The purpose of this meeting was to present the legal conclusions with respect to the basis for the Payment System and discuss the issuance of the draft CBI Instructions on Payment Services.

Upcoming during next quarter: As requested by their Legal Department, the Project will continue to work with CBI to enhance the RPSI “Instructions” document encouraging CBI to issue the Instructions as soon as possible.

- *Enhancements of the Infrastructure to Support Retail Banking*

Completed during this quarter:

In March 2012, the Project made recommendations to CBI regarding the enhancement of the inter-bank settlement systems needed to accommodate the addition of the retail payment systems. These modifications are required to be in place prior to implementing the RPSI. Implementation of these enhancements required the execution of a contract between CBI and Montran Corporation, the provider of the Iraqi Payment System (IPS).

Contract signing, which was delayed due to approval of funding from the CBI, was finally resolved, allowing the work to officially begin, even though Montran management had allowed some of the work to progress in good faith. Currently, the upgrade and enhancements are installed, and CBI Payments Department staff members are performing User Acceptance Testing on the new version of the IPS.

Upcoming during next quarter:

The Project will continue to follow up with CBI to monitor the progress of the User Acceptance Testing and the local Montran support staff to complete software development and operational testing.

IR 2.4 CBI has a complete Request for Proposals for a CORE system that could be used for a bid

Completed during this quarter:

During the reporting quarter, FDP reviewed CBI’s responses from the Project-developed survey instrument which was designed to give the CBI the ability to visualize the requirements for a Core Banking System (CBS) inherent in CBI’s activities. The responses, received from CBI’s Administration, Supervision, IT, and Accounting Departments, was reviewed by the Project, and information needed to complete the RFP including a structured table of the functions expected to be included in the CBS (the Functional Map) was included. This table provided the CBI CBS Evaluation team with a tool for checking and confirming the business support functions required in the CBI’s planned new CBS.

In May FDP held a meeting in Beirut with Mr. Joe Faddoul, President of BML Istisharat, CBI’s current core banking system provider. The purpose of the meeting was to ascertain the firm’s credibility and to determine BML’s capability to provide continued IT support to CBI in light of the fact that CBI was considering migrating to a new system. BML confirmed that for security reasons, they are still unwilling

to travel to Baghdad to provide direct support for CBS, but because they consider CBI a key customer, developed an in depth support system including the appointment of a Bagdad-based representative, as well as training in Erbil and Beirut at BML's expense. This support system, which had been proposed to CBI in the previous quarter, was restated during this past reporting quarter at the Project's request. Further, both the Project and the Financial Services Volunteer Corps (FSVC), another USG supported adviser to CBI are attempting to broker a personal meeting between the CBI Governor and Mr. Faddoul to remove any concerns that CBI might have about the level and commitment of BML's continued support. BML has additionally suggested upgrades to the legacy IT system which CBI uses, the performing of upgrades, and necessary installations to add needed functionality..

Upcoming during next quarter:

The Project, having received comments on the above mentioned survey, as well as system requirements contained in the survey response, will complete the Core Banking System RFP in the following quarter.

Additionally, FDP staff will continue to broker a personal meeting between the CBI Governor and BML Management in Erbil, Beirut, or some other mutually convenient location.

IMPLEMENTATION ISSUES AND CHALLENGES FACED

Challenge:

As documented in the previous quarter, concerns were brought to the Governor's attention by the CBI Legal Department which caused CBI to delay issuing the Retail Payment Systems Infrastructure (RPSI) RFP, as well as a slowdown of all related activities including development of the legal framework. These concerns centered around whether CBI responsibilities should focus only on regulating the payments system environment, or whether those responsibilities should be extended to include promoting the creation of a retail payment systems infrastructure.

During this period, the Trade Bank of Iraq (TBI), which had attended the RPSI bidders' conference and submitted a statement of interest to participate as a bidder, held a conference to announce that it would implement the National Switch with or without the approval or licensing of CBI.

The announcement of TBI pointed to major problems with the future of retail payments in Iraq. Were TBI to launch their system without a proper legal framework in place, CBI would be unable to regulate retail payments, and an infrastructure providing inter-operability would likely not be established as other vendors wishing to implement switches and mobile payments functionality would request to be licensed to do so as well.

Solution:

The Project held several meetings with the CBI as well as US Treasury, and secured the support of US Treasury representatives who agreed to meet with the Governor and inform him of the outstanding issues affecting the future of retail payments in Iraq. Working closely with US Treasury Office of Technical Assistance (OTA) representatives, the Project developed a strategy for the meeting with the Governor, and provided OTA with the information needed to convince the Governor determine the next steps that the CBI would take. A major point made to the Governor was that CBI needed to retain regulatory control over the retail payment environment. Within a short period of time after the Governor's meeting, CBI Legal Department accelerated their review of both the Regulations and "Instructions" documents with the assistance of the Project, bringing this deliverable to completion.

Challenge:

Without strong institutional support from the Central Bank, the Bank Training Institute cannot thrive. CBI leadership will be necessary to (a) fully implement Law 36, (b) act as a responsible regulatory authority over the Institute, and (c) allow the Institute sufficient independence to grow and provide

services to all Iraqi banks. Without such leadership, the BTI will not succeed as a financially sustainable entity and runs the risk of only catering to the large state-owned banks.

Solution:

The activation of the BTI under Law 36 has shifted to the consideration of the Central Bank of Iraq's Special Projects Steering Committee. Financial and institutional sustainability will be the main subject of this process. FDP will continue to support and closely monitor the activities of the Steering Committee to ensure that the goals of CBI, FDP, and the BTI are in harmony.

If the CBI does not or cannot actively champion proper and rapid development of the BTI, we will move to deactivate this approach and redirect development of a training center in partnership with the Iraq Private Bankers League and focused entirely on the training needs of the private banks.

COMPONENT 3: IMPROVE THE QUALITY AND AVAILABILITY OF FINANCE AND BUSINESS EDUCATION

DELIVERABLES- NARRATIVE

As with many economies in transition from a command economy to one based on markets, the human resource base lacks skills in modern finance, accounting, business and management. The Iraqi education system is characterized by pedagogies, curricula and materials that are inconsistent with the requirements of a modern market-based economy, and isolation from the international community over the last several decades has exacerbated these challenges. If Iraq is to diversify its economic base by developing the non-oil private sector as a source of jobs, significant attention to the development of finance and business education is essential. This task also responds to the high premium placed by GOI and private sector counterparts on developing capacity at home to train and educate Iraqis rather than sending them overseas for short and long term training and education. This Component is aimed at bridging the skills gap between the requirements of a market economy and the capacity of the existing Iraqi educational system. The Project is providing technical assistance to bring local curricula up to international standards, training faculty, and creating linkages among the financial and private sectors and business schools and universities. Counterparts include private and public sector universities, and a close collaboration with the Ministry of Higher Education and Scientific Research (MOHESR.) (See Appendix A, 2012 Project Activities Schedule)

D 3.1.1 GAPS Analysis of at Least Two Existing Business and Finance University or College Program Conducted

Completed during this quarter

During this quarter the Component finalized an agreement to partner with Salahaddin University College of Administration and Economics located in Erbil, Kurdistan. Salahaddin University has an enrollment of over 5,100 students in its College of Administration and Economics, and more than 450 students are enrolled on the banking and finance track. The results of the Project's Gaps Analysis were delivered to the Salahaddin University administration by the Component's Accreditation and Roll-Out Specialist.

In May, the Project conducted a site visit to Basra University. A copy of the Gaps Analysis was given to the Basra University senior administration for review. The Basra University senior administration included President Dr. Saleh E. Naji, the Dean of the College of Administration and Economics, Dr. Yousif Ali Abd Al Naby and the Director of Quality of Assurance Learning, Dr. Taief. Basra University has stated that it wishes to be a partner university with the Financial Development Project.

In preparation for its pending collaborative work with Basra University Component 3 announced a notice of Grant Solicitation in the June 22, 2012 edition of the *Chronicle of Higher Education*. The grant solicitation is an award, capped at \$500,000, for AACSB mentoring and advisement. The Component initiated personal outreach to several business school deans familiar with the Financial Development Project efforts and asked if they wished to respond to the solicitation. None expressed interest. Reasons varied from a lack of available faculty to concerns about security. At the time of the submission of this report only one expression of interest – a direct response to the advertisement- has been received. The project provided the person who posed the inquiry with project deliverable details in the form of an RFP and is awaiting a response in the form of a proposal.

Upcoming next quarter

In the upcoming quarter the Project plans to deliver a workshop on the results of the Gaps Analysis to Basra University faculty and administration. The Project will also take this opportunity to invite the Basra University College of Administration and Economics faculty to participate in Financial Development Project professional skills capacity building workshops. Component 3 will respond immediately to any further responses to the solicitation advertisement announced in the Chronicle of Higher Education. The Component Director and Senior Advisor will continue personal outreach to AACSB accredited schools of business in the U.S. and Middle East region in order to attract further partner universities and encourage linkages.

D 3.1.2: Upgrade existing finance and business programs and introducing new programs. Conducting faculty training, upgrading course materials, introducing international standards for project administration and accreditation, facilitating partnerships with regional and U.S. universities

Completed during this quarter:

During this quarter the Component's Accreditation and Roll-out Specialist delivered a follow-up "Master Teacher" workshop on refining the mission and vision of the Center for Teaching Excellence in Finance and Banking. The nine participants were "Master Teachers" who volunteered their attendance during the April 9-14 Shippensburg University of Pennsylvania "Train the Trainers" and "Master Teachers" workshops conducted by Shippensburg University Professor Melodye Wehrung. As part of its grant agreement to help establish a "Center for Teaching Excellence," Professor Wehrung also conducted sessions on the role of the Master Teacher, Peer Observation and Modern Teaching Methodologies for the Classroom.

Short Term Technical Advisor Dr. Bienvenido "Dean" Cortes, Distinguished University Professor and Economics Department Chair at Kansas' Pittsburg State University, delivered a five-day workshop June 24-28 at Al Mansour University College. The topic was "Current Developments in International Finance." Certificates co-signed by the Ministry of Higher Education and the Financial Development Project Chief of Party were presented to 40 faculty members from universities across Iraq. Al Mansour University College hosted the event.

During this quarter, University of Dubai President, Dr. Omer Hefni and Chief Academic Officer, Dr. Ananth Rao agreed to host the professional development of two Baghdad University College of Administration and Economics faculty members. The faculty travel and lodging expenses are to be funded by Iraqi MOHESR. Expected dates of professional development are summer 2012, and the Iraqi participants will join a group of University of Dubai faculty in a previously scheduled skills development event held at University of Dubai.



From left: Dean Mohammad Ibrahim, University of Dubai Business School, Dr. Ananth Rao, Chief Academic Officer, University of Dubai Business School, Ms. Ebtisam Sultan, Deputy Director, Financial Development Project, Dr. Ahmed Nazar, Director of Baghdad University Center of Professional Development, Dr. Farouk Salah, Professor of Entrepreneurship, University of Dubai Business School, Dr. Omar Hefni, President, University of Dubai, Dr. Medhet Al Quarashi, Al Mansour University College, Dr. Aqeel Dawood Hassan Consulting Manager Al Mansour University College, Dr. Jafeer Aldajelli Baghdad University College of Administration and Economics, Ms. Usha Kaul University of Dubai Center for Career Development, Ms. Justina Cardoza, University of Dubai School of Business.

Upcoming during next quarter

During the next quarter, Short Term Technical Advisor (STTA) Dr. William Jackson, Professor of Entrepreneurship and Director of the Innovation and Entrepreneurship Center at the University of South Florida, St. Petersburg will deliver a five-day ‘Training of Trainers’ (TOT) workshop on the study of entrepreneurship. The workshop will be delivered on or about August 26 – September 1, 2012 and will be open for Iraqi university business faculty. The focus will be on finance / banking approaches to the valuation of entrepreneurial firms; interpretation of an entrepreneurial firm’s business plan for SME lending; and understanding the monetization of an entrepreneurial concept.

During the next quarter, the Project’s Accreditation and Roll-out Specialist will conduct a series of follow-up TOT workshops for ‘Master Teacher’ participants. An “International Finance and Macroeconomic Stabilization in Iraq” workshop will be held in early September. As will a workshop on “Designing a Model Syllabus.” In mid-October the Project will offer a final TOT workshop on “Current Trends in the Use of Technology in Business and Finance Education.”

D 3.3.2 “Initiatives and pilots that support student opportunity, such as scholarship and internship programs, career development centers, and entrepreneurship centers”

Completed during this quarter

From June 3-7, 2012, grant award recipient University of Dubai conducted a site visit to Baghdad University College of Administration and Economics and Al Mansour University College. The dean of

University of Dubai School of Business Professor Mohammad Ibrahim advised Al Mansour University College on the next steps it must take to initiate its AACSB Self-Assessment Performance report. Actions included suggested revision to some of its undergraduate business and finance curriculum and to increase the professional development opportunities available to its faculty. This would include non-peer and peer reviewed research. University of Dubai School of Business Professor Farouk Saleh, presented a seminar at Baghdad University College of Administration and Economics and Al Mansour University College on the development and purpose of a Center for Entrepreneurship and Innovation. The director of the University of Dubai Internship, Scholarship and Career Center, Ms. Amina El Marzak delivered presentations to faculty and administration at Baghdad University College of Administration and Economics and Al Mansour University College on how to establish, structure, staff, and sustain growth of a university center that provides students opportunity for internships and progressive career development.

From June 17-22, University of Dubai hosted a delegation from Baghdad University College and Al Mansour University College. The visit was a follow-up to the University of Dubai's visit to Baghdad two weeks earlier. In Dubai the Iraqi delegation met with the Director and staff of University of Dubai's Center for Internships and Scholarships and University of Dubai's Career Development Center. The University of Dubai has proposed a Memorandum of Understanding between it and Baghdad University to establish better regional ties between the two universities. The Iraqi delegates had meetings with the Chamber of Commerce in Sharjah, the Chamber of Industry in Dubai, and the Sharjah, Business Women's Council Meeting. The Iraqi delegation members from Baghdad University were Dr. Ahmed Nazar and Dr. Jafeer Aldajelli. From The delegates from Al Mansour University College were Dr. Aqeel Dawood Hassan and Dr. Medhat Al Qurayshi. These Iraqi delegates have or will have responsibilities for the operation and establishment of career development, internships, and industry partnerships at their institutions.

The Dubai University site-visit provided the Iraqi delegates with first hand-exposure to the University of Dubai Intern and Career Development Center and taught them how to apply best practices to the internship, scholarship, and career development centers at Baghdad University and Al -Mansour University College.

Upcoming during next quarter

In the coming quarter, the University of Dubai has proposed a series of workshops at Baghdad University and Al Mansour University College that will provide guidance to interns and internship providers. The workshops will include such topics as: How to Increase Personal Effectiveness and Leadership Skills; Leadership Skills for Business Owners; Creativity and Innovation; Execution: The Discipline of Getting Things Done; Winning Employee and Customers Loyalty; Effective and Powerful Presentation Skills and Mastering the Power of Public Speaking.

IMPLEMENTATION ISSUES AND CHALLENGES FACED

Challenge:

Component 3 is challenged by the lack of accessible, secure, and well-equipped training facilities. While the Component is highly appreciative of the cost shared through the facilities provided by partner institutions in Iraq, this space is routinely inadequate and lacks the amenities expected of a contemporary training site including: a consistent supply of electricity, bandwidth to support internet connections, work

tables for group table top exercises, white boards for capturing discussion insights, and break-out rooms for group teamwork.

Solution:

Component 3 is overcoming this challenge by bringing training and instructional support items to all venues. These include flip-charts, markers, copies of internet screen pages and important websites given as “static” power point slides. It is also providing boxed lunch services.

CROSS COMPONENT ACTIVITIES/SYNERGIES (ALL COMPONENTS)

All Components work with the legal team, which provides expertise and guidance on legal, regulatory and procedural issues. For Component 1, the team supports the legal/advocacy efforts of the Federation and assists with Federation legal registration requirements. For the Component 2 Retail Payment System Infrastructure, documents drafted or reviewed included: the New “Instructions” for a Retail Payment Services Infrastructure; Regulation of Payment Services; a License agreement for the CBI with an organization to build and operate the RPSI; the CBI RPSI Request For Proposal; use of the 2008 instructions on issuing government contracts; a 43-page draft regulation governing the Iraqi Payment Services provider and a non-legal code of banking practice.

Components 1 and 3 assisted university deans from Baghdad University, Mansour University, Al Mustansiriya University, and the Banking and Finance Institute to sign a letter of cooperation with Federation bankers to support improved banking education and internships.

GRANTS MANAGEMENT

USAID/Iraq designated \$5 million of the total activity budget for grants to be awarded during the currently scheduled life of the program that would support the activities under all three Project Components. The grants project is designed to encourage competition when appropriate and to support Project counterparts through various activities including but not limited to trainings, conferences and workshops, policy research and analysis, public education campaigns, additional stakeholder events, scholarship and internship programs, and the establishment of career development and entrepreneurship centers, and a university linkages project.

With the signing of the contract amendment during this quarter, total grant funds were reduced to \$3.5 million and funds were added to the Training, Events and Outreach part of the contract to support these activities. As a result of this re-alignment we have reviewed all proposed Grant Activities and are combining the Grants and Training projections into the same planning document, and matching them with the corresponding deliverables in each of the three Components. (see Annex B) A more detailed list of proposed upcoming activities to possibly be funded by both grants and training funds are listed in Annex B: Grants and Training activity Charts. These have been developed with Technical Staff and are prioritized by them to meet contract deliverables.

During this quarter, the total number of approved grants rose from 10 grants with a total value of \$1,535,604, to 12 Grants with a total value of \$2,046,139. Of the more than two million dollar total, estimated grantee contribution is approximately \$600,000.

The Summary Sheet of Grants and Training Log Projections shows 38 Training events identified and under preparation at a total estimated value of \$1,469,300 and 12 new Grants under preparation at a total estimated cost of \$1,512,750.

COMPONENT 1:

There were no new grants approved during this quarter for this Component. The ongoing grant to support staff salaries continues through the end of this calendar year.

COMPONENT 2:

There were no new grants approved during this quarter for this Component. Activities in support of this Component are being funded as training, event and outreach activities, details of which are covered in the Component section of this report.

COMPONENT 3:

The two grants approved and signed during this quarter are to begin AACSB accreditation activities in the north of Iraq with Salahiddin University. One is to assist them in completing their AACSB membership application and also provides the first year's fees to AACSB. The second grant was to James Madison University to work with Salahiddin over the next two years to prepare them for undertaking the accreditation process.

MONITORING AND EVALUATION

This reporting period marks the third quarter of the 2nd year of the project. The tracking sheets for all indicators being monitored in Year 2 are found in Appendix C, PMP Indicator Tracker and a complete description and calculation formulas for all project indicators can be found in the PIRS documents for each indicator that are included in Appendix D, Project Year 2 PMP.

RESULTS-LEVEL (MACRO) INDICATORS

There are five approved Results-level indicators for the project:

- LT1-Increased loans to the private sector as a % of GDP;
- LT2- Loans from Private Banks to the Private sector as a % of all loans to the private sector;
- LT3- Interest Rate Spread
- LT4- Credit Extended by the Private Banks by sector as a % of total credit provided by the private banks; and,
- P1 – Loans by Private Banks to the private sector as a percent of total private sector deposits held by the commercial banking sector (Loan to Deposit Ratio).

As reported in the previous quarterly report for the period ending March 31, 2012, the data acquisition for these indicators is available annually and will be reported on an annual basis or as data is made available from the Central Bank of Iraq and/or World Bank. Data for 2011 is not available as of this reporting period but is expected to be available next quarter, as was the case for baseline data for these results-level indicators that was reported in the 2011 annual report, based on the release of a 2011 annual report from the Central Bank. Upon publication of 2011 data the results will be reported in a separate Monitoring and Evaluation report on Results-level indicators and included in the next scheduled Quarterly report. The results level indicator data for these indicators remains unchanged from the last quarterly M&E report and is repeated here for continuous reference purposes only.

LT1: INCREASED LOANS TO THE PRIVATE SECTOR AS A % OF GDP AND LT2: LOANS FROM PRIVATE BANKS TO THE PRIVATE SECTOR AS A % OF ALL LOANS TO THE PRIVATE SECTOR

As of December 31, 2010 domestic credit to the private sector was 8.9% of GDP in 2010, up from below 3.9% in 2008; the 2010 average for the Middle East North Africa (MENA) region was almost 46%¹. Though the trend is moving in a positive direction it has much improvement to make if it is to catch up to the regional average.

More telling of the role of private banks in financing the private sector economy is that Private Banks provided 34% of all loans to the private sector, indicating that though the private banks have only 10% of the total assets of financial sector, they provide 1/3 of all loans to the private sector. In 2008, the private banks provided 28.9% and in 2009 it was up to almost 42%. The decrease in this indicator from 2009 to the baseline year of 2010 is because of an increase in loans by the state-owned banks because credit

¹ World Bank Data Catalogue www.data.worldbank.org

provided by the private banks to the private sector actually increased from \$1.65 billion USD in 2009 to \$2.45 billion in 2010, an increase of almost 67%.²

The following table shows all data and the calculations for both LT1 and LT2 as of Dec 31, 2010.

Year	Total credit extended to the Private Sector ³	total Credit to the private sector by Private Banks	CBI GDP	World Bank GDP ⁴	Private Sector Loans as % of WB GDP	Private Sector Loans as % of CBI GDP	Private Bank Loans as a % of All Loans
2008	\$3,334,703	\$965,049	\$130,747,695	\$86,530,784	3.9%	2.6%	28.9%
2009	\$3,971,083	\$1,647,689	\$119,085,470	\$65,837,435	6.0%	3.3%	41.5%
2010	\$7,288,146	\$2,465,239	\$146,971,774	\$82,150,313	8.9%	5.0%	33.8%

The data for 2011 will be reported separately in a special report and in the next scheduled quarterly M&E after the data is published.

LT3: INTEREST RATE SPREAD

The interest rate spread is the difference between the average interest rate on loans to prime customers and the average interest rate on deposits in the banking system. This indicator reflects the combined effects of five factors: innate lending risks due to structural characteristics of the economy; the cost of bad debts due to poor lending decisions, perhaps resulting from political pressures or corruption; uncertainty due to weak credit information systems or collateral mechanisms; market power in the banking system, reflecting a lack of effective competition in the financial markets; and, high operating costs in intermediating deposits into loans. Relatively high values are a sign of inefficiency in the banking system or poor institutional foundations for the development of the financial markets.

As of baseline period ending December 31, 2010, the interest rate spread in Iraq was 7.65%, down from a high of 8.28% in 2008. Though the trend appears to be decreasing after highs reached in 2007 and 2008, it is nonetheless well above a regional average of about 3% and MENA average of about 4%. It will be interesting to observe the changes in this indicator in 2011 with the departure of international military forces on December 31, 2011.

LT4: - CREDIT EXTENDED BY THE PRIVATE BANKS BY SECTOR AS A % OF TOTAL CREDIT PROVIDED BY THE PRIVATE BANKS

In a more robust and diversified banking sector such as Jordan or in the USA, concentration of credit is a more evenly divided. Therefore, this indicator reveals the existence of any concentration of credit in Iraq. High concentrations of credit in a particular sector subject the Private Banking sub-sector to the risks associated to the particular sector where the credit is concentrated. (i.e. high concentrations of credit in the agriculture sector subject lenders to the same risks such as crop loss from weather, disease and insects and market price risks). A High standard deviation signals the existence of a concentration of credit, high

² CBI Annual Reports for 2010 and 2009

³ CBI Annual Reports for 2010, 2009 and 2008 were used for all loan data in calculating LT1 an LT2

⁴ World Bank Data Catalogue

risk. A low standard deviation indicates less concentration, lower risk. Through training and education and improvement in collections/risk management as well as external improvements like electricity, security and infrastructure this distribution should level out and become less concentrated in any particular sector of the Iraq economy.

The baseline year, 2010, showed extremely high concentration of credit in the wholesale, retail and trade sector (57%). At the other end of the scale, Agriculture was at 1.35%, building and construction was under 11%. The closest sector recipient of credit was social services at just under 16.68% followed by building and construction. The over-all standard deviation across all sectors was 17%, down from 20% in 2009.

P1: LOANS BY PRIVATE BANKS TO THE PRIVATE SECTOR AS A PERCENT OF TOTAL PRIVATE SECTOR DEPOSITS HELD BY THE COMMERCIAL BANKING SECTOR (LOAN TO DEPOSIT RATIO)

The Loans to the private sector as a percent of private sector deposits of the Commercial Banking sector (Loan to Deposit Ratio) is a very strong indicator that reflects the actual financial intermediation (converting deposits to loans) that is taking place in the Commercial Banking sector. In western, developed countries a loan to deposit ratio of 65-70% is considered an acceptable level, yet loan to deposit ratios over well over 100% are not uncommon. A low loan to deposit ratio relative to regional or international benchmarks directly correlates to ineffective financial intermediation.

The calculation of this indicator ratio includes the private sector deposits held at state-owned banks AND private banks because prior to 2010 this was the only reliable data that was available. This inclusion of state-owned bank deposits distorts the loan deposit ratio for only the private banking sector. As of 2010 however data for both deposits and loans is now available, improving the usefulness of this indicator. As of December 31, 2010, the loan to deposit ratio of the private banking sector was an unexpected 52.58%. By including the private sector deposits at the state-owned banks in the loan to deposit calculation, the distortion becomes clearly evident: 20.81%.

USAID and project management should discuss this indicator for possible changes.

PERFORMANCE (OUTPUT) INDICATORS BY COMPONENT

OVERVIEW OF COMPONENT 1

Work with the Federation of Iraqi Private Banks continued through the quarter, but institutional and organizational issues regarding ownership controls, capitalization, and the legal structure of the Federation remain unresolved. As a result, the majority of the project's efforts were dedicated to (1) resolving the outstanding questions regarding the organization and management of the Federation and (2) determining the most appropriate steps for future coordination with a banking association – either the current Federation or a banking-oriented NGO – to promote bank modernization and reform in the coming years.

The issues with the Public-Private task force remain unchanged. Per the project contract the Task Force membership includes representatives from the private sector and Government of Iraq, including front line Ministers. As it was at the end of the previous quarter the appearance political uncertainty/upheaval in Iraq may make forward progress with the Task force difficult, if not impossible. It will be up to

USAID and Project Management to determine if this activity should be modified to re-define the make-up of the task force.

Indicator 1.1.2: Bankers Association Financial Sustainability

In previous periods, the project has tracked the development of the Federation of Private Banks in its path toward self-sustainability. The Federation has been capitalized by its member banks at \$1.1 million, and during the quarter this money was released from escrow into the control of the Federation. This affords the Federation significant liquid assets, but there remains a lack of income generated through fee-generating services. Future endeavors will focus on the creation and implementation of new revenue streams that will enhance the operational sustainability of the Federation.

During this reporting period, the project received no updated financial information from the Federation, so the reported result is unchanged from the last quarter. This result should be used with caution, however, in light of the notes on this indicator below.

Notes regarding this indicator: (a) Prior versions of the reference sheet for Indicator 1.1.2 utilized an incorrect definition for sustainability. A more correct formula – gross revenue / (operational cost + financial cost) – has been substituted as of this reporting period. (b) Ongoing tracking of this indicator suggest that "Banking Association Financial Sustainability" may be an inappropriate indicator for a banking association or federation, as this indicator is standardly used to track progress for financial institutions, specifically microfinance institutions. A better indicator may be "Banking Association Operational Sustainability," which will track the degree to which the association is revenue positive, but not attempt to incorporate accounting of a credit portfolio. USAID and Project Management should review this indicator for appropriateness for future reporting.

Indicator 1.1.3: The number of Institutional Owners of the Federation of Private Banks

As previously reported, this indicator has become irrelevant due to the fact that the Federation was registered, with USAID prior approval, as an LLC and not an association, as originally intended. Legal limitations in the number of members will be removed with the conversion from an LLC to a Joint Stock company and the change in will be reflected in the PMP indicator once the conversion is completed.

Indicator 1.1.4: Overall Member Satisfaction of Bankers Association effectiveness

As previously reported, the registration of the Federation as a for-profit LLC caused this indicator to be changed to measure owner satisfaction, which is a more accurate indicator under current circumstances. The original method of measurement, a satisfaction survey, has been changed to measuring members' active participation in the management of the Federation. (See PMP PIRS). Further amendments to this indicator may be forthcoming based on the final determination on the most appropriate vehicle for supporting bank reforms in the future.

Indicator 1.2.1: Number of policy research documents, public-private dialogue sessions, advocacy campaigns and public education measures

The Federation has started to publish a newsletter to disseminate information on the banking industry in Iraq. Nevertheless, no additional progress was made on this indicator during this reporting period.

Indicator 1.3.1: Number of Public-Private Task Force events carried out for the purpose of bringing about necessary changes in the commercial banking sector.

At the end of the reporting period, the Task Force issues remain unchanged from the last quarterly report. Feedback from Iraqi counterpart organizations suggests that the Task Force – as conceived in the project work plan may be an unworkable body. It is recommended that the project re-examine the recommendations of the White Paper finalized in Year 1 and determine a new strategy for implementing the project's contractual goals of supporting public-private dialogue among financial sector stakeholders. Further discussions with USAID and project management are warranted to determining the most appropriate way forward on this deliverable.

Indicator 1.4.1: Number of official linkages established between the Iraq Banker's Association(s) and Regional and International Bankers associations as a result of USG assistance.

During this reporting Year, the Project assisted the Federation to initiate linkages with the UAB and other banking associations on both the international and regional levels, including a conference held in Istanbul, Turkey, in December, and participation in a meeting of the Union of Arab Banks (UAB) held in Beirut, Lebanon. During this reporting period, the Federation signed a Memorandum of Understanding with the UAB to provide support for the Federation as the principle voice of private banking in Iraq.

Indicator 1.5.1: Four to Five targeted policy, legal, regulatory or administrative reforms are identified and reform efforts initiated.

During the last quarter, the project drafted new regulations intended to govern the operations of the Credit Information Bureau (CIB). This satisfies the first targeted regulatory reform under this indicator (see new PIRS 1.5.1a). The draft reform has been submitted to the CBI and will assist that body in any necessary steps for final promulgation of the regulation.

OVERVIEW OF COMPONENT 2

There are five indicators with targeted progress in year 2 of the project for component 2 that are associated with: establishing an Iraq Credit information bureau, an Iraqi Bankers Training Institute (BTI), completing phase II of an efficient retail payment system and submitting an RFP to the CBI for a CORE banking system. Each of the indicators being tracked in this regard is discussed below.

There is a critical delay being experienced by the project on the implementation of the Retail Payment System. The delay is the result of the Central Bank of Iraq's failure to issue an RFP for the Retail Payments System. The CBI has had the RFP documents available since December 2012 and, at the end of this quarter, still have not issued the RFP. The CBI has raised questions about the legality of its authority to issue the RFP and govern the Retail Payment System. It is anticipated that these challenges can be overcome, and that the RFP for the Retail Payments System will be issued early in the 4th Quarter.

Indicator 2.1.2: Milestones to putting the legal and regulatory framework in place and making a credit bureau operational.

There are 8 milestones toward achieving a fully functional Iraqi credit information bureau spread across the first three years of the project. In year 1, milestones 1-3 were completed:

1. Public-private Steering Committee for Design of Credit Bureau Established
2. GOI Commitment Confirmed
3. Iraqi Driven Credit Bureau Business Plan and Model Developed

The remaining five milestones below are to be completed in years two, three and four of the project, all of which are in the USAID approved work plan:

4. Legal and Regulatory Requirements for Credit Bureau Identified and Recommendations for Needed Changes Drafted - D 2.1.4, year 2
5. Public Education Campaign(s) Launched to Inform Public About the Role of a Credit Bureau in the Financial Sector – D 2.1.5, year 2
6. Sources of Data and Data Requirements for Launch of Credit Bureau Resolved – D 2.1.6, year 3
7. Legal and Regulatory Requirements for Credit Bureau are implemented – D 2.1.7, year 3
8. Credit Bureau Operations Initiated – D 2.1.7, year 4

During the previous quarter, legal and regulatory requirements for instituting the Credit Bureau were reviewed and draft regulations were submitted to the CBI for final approval and promulgation (satisfying milestone #4). Milestone #5 – a Public Education Campaign – is expected to be completed in the next reporting period.

Indicator 2.2.1: Milestones to measure the steps necessary to establish The Bankers Training Institute that is sustainable and an effective industry training mechanism.

Having completed D2.2.1, The Business plan and model for the BTI, in year 1, there are three indicators in Year 2 which are direct project deliverables: D2.2.2 The Bankers Training Institute is established; D2.2.3 Training of Trainers and Curriculum Development Underway; and, D2.2.4 Regional linkages to other bank training institutes established.

Training of Trainers courses for the BTI have been finalized and courses on Microsoft software, Oracle Database Management, and English for Bankers are being conducted on a regular basis. As these courses progress and new demand-driven training sessions are brought online at the end of Year 2 and beginning of Year 3, the BTI will transition to a fee-based model in order to promote the operational sustainability of the Institute.

Indicator 2.2.1a: Bankers Training Institute Sustainability Ratio

Until the BTI is operational including a verifiable accounting system, the Sustainability Ratio cannot be calculated. However, the BTI staff expects to have a fully functional accounting system and to begin formal operations before the end of the calendar year, which will then allow for a sustainability ratio to be calculated and tracked.

Indicator 2.3.1b: Phase II Completed (RPS)

There are 19 milestones to mark progress for the completion of Phase II of the RPS in year 2 that are sub-activities of two primary work plan activities as shown in the following table:

2.3.2.1- Participate in the Selection Process of a National Switch Provider
a) Develop a detailed statement of requirements for the National Card Switch based on the conceptual specifications

b) Draft terms and conditions for RFP
c) Agree RFP process with CBI
d) Assist with preparations of a request for proposals (RFP)
e) Refine and complete RFP document
f) CBI Invite Proposals and Issue RFP (listed in WP but work done by CBI)
g) Support CBI in the review of proposals from providers
2.3.2.2- Enhancements of the IPS Infrastructure to Support Retail Banking
a) Conduct Operational Readiness Training(s) for CBI / System Operator Management and operations team
i prepare training materials
ii Preparing statistical data from IPS systems
iii Suspicious transaction reporting - responsibilities, detection, action
iv Storage of sensitive data - data protection
v System Rules and their maintenance
vi Managing participation in MPS
vii Setting agent, merchant and subscriber terms and conditions
viii Business / Pricing model, setting fees and charges
b) Grant Funded Training (subject to Grant Funding Approval)
i Business model for banks
ii Study tour re operational and legal aspects of retail payment systems

As of the end of the reporting period, 2.3.2.1 a-e in the table above have been completed. The critical problem comes from delays in the release of the RFP by the CBI, 2.3.2.1(f). With the release of the RFP and award of a contract – expected early in the next quarter – Given current project timelines, the Deliverable (D2.3.2 - Achievement of phase 2 tasks for the retail payments system) will be. As such, a portion of the indicator milestones – most notably D2.3.2.2 – will need to be delayed into FY 2013.

Indicator 2.4.1: CBI has a complete Request for Proposals for CORE system that could be issued for bid⁵

This indicator is also a direct contractual Intermediate Result, IR2.4 but it not associated with any deliverable of the project. There are 7 milestones to achieve this result, all in year 2:

1. Draft Request for Information (RFI) to distribute to companies providing Core Banking Systems for Central banks to gather information regarding their systems, needed for inclusion in the RFP
2. Incorporate standard RFP sections already approved from review of the RPSI RFP
3. Issue RFI, and analyze the responses

⁵ This Intermediate Results is *only* for the preparation of the RFP. It does *not* include assisting the CBI with modifying or issuing the RFP.

4. Create IT assessment tool to determine current IT status at CBI main offices and branches, to obtain information to be included in the RFP
5. Obtain approval from CBI to assign resources to perform the IT assessment, train the resources, and execute the assessment.
6. Translation of the RFP (subject to timely translation service); and,
7. Submit the Arabic and English version of the RFP to the CBI to issue the solicitation.

During the preparation for the RFP, the CBI has elected to ignore or otherwise omit the Request for Information (RFI) process and move forward with only the RFP. This has effectively modified number 1 to go directly to drafting and RFP and eliminated number 3.

As of the end of the quarter, a modified version of milestone 1, 2, and 4 have been completed. Step 5 has been obviated by an assertion from the CBI that an IT assessment is unnecessary. Steps 6 and 7 were completed to the extent possible by the project in the previous reporting period. The CBI has substantially altered its priorities and expectations with regard to upgrading CORE banking systems. As a result, this indicator will need to be reviewed and possibly redrafted to better capture the Project's timeline on the issue of CORE banking systems.

OVERVIEW OF COMPONENT 3

Component 3 performance for year 2 of the project are measured by eight indicators, 3.1.2/ (F4.3.2-1), 3.1.3, 3.1.6, 3.2.4, 3.3.1, 3.3.1a and 3.3.1d. Indicator 3.1.3 is also separately measured by an F Indicator shown in the PMP as 3.1.2. Except for the disaggregation by Gender, this F indicator is duplicated in the component 3 PMP for management purposes.

Indicator 3.1.3: Number of senior faculty from Partner Colleges trained in curriculum by regional/international Partner universities

This indicator feeds directly into indicator 3.1.2/F4.3.2-1 Number of Financial Sector Professionals trained on international standards this year with USG assistance. During the period, the Component sponsored 2 events – an AACSB International Conference in San Diego and a seminar on “Current Development in International Finance” – which supported 45 senior faculty from Iraqi colleges of business, finance, and management.

Indicator 3.1.6: Number of Iraqi Colleges of Economics and Administration accepted for membership for accreditation in AACSB

This Project Year, three Iraqi Universities Baghdad University, Mustansiriya University, and Mansour University College – were accepted for membership by the AACSB. As a result, the Project's target for AACSB member Universities has been surpassed for Year 2.

Indicator 3.2.4: Number of partnership agreements between Iraqi Partner Colleges and Regional/international educational institutions

Although the Year 2 target for this indicator was achieved in the 1st Quarter, two additional Universities – Mustansiriya and Salah ad Din Universities – have signed partnership agreements with James Madison University to upgrade the curricula for their business and finance departments. It is anticipated that at least one additional University – likely Basrah University – will sign an agreement for support and

technical assistance with a regional partner in the coming months, bringing the total number of such relationships to 5.

Indicator 3.3.1: Sustainable Joint Council (Education/Private Banks) established within the organizational structure of a private bank industry association.

As of the previous reporting period, all Year 2 targets for this deliverable were met.

Indicator 3.3.1a: Number of internships and scholarships to students from the Partner Colleges Co-funded by the private sector (disaggregated by type of sponsorship, gender 3.3.1b &c)

The joint council is expected to engage in this activity. Career development centers (Centers of Higher Learning – Finance and Banking) being formed will also contribute to this activity. Both of these activities are just beginning so measurable progress is not expected until later in the year.

Indicator 3.3.1d: Number of Career Development Centers established at Partner Colleges

The University of Dubai and Shippensburg University are working with Baghdad University and Al Mansour University to establish Career development centers at their respective schools. Progress is expected to be realized in the 4th Quarter of this year or the 1st Quarter of next year.

Annex A:

2012 Work Plan Activities Schedule

YR 2: Financial Sector Development Project: Work Plan - Year 2																					
Activities		Year 2																			
		Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12								
D2.5.4	Achievement of Phase 2 tasks for the Data Repository System																				
a	Develop and implement a rollout plan to deploy the solution to all reporting entities																				
b	Create and maintain a Help Desk function for all users until one month after roll out is complete.																				

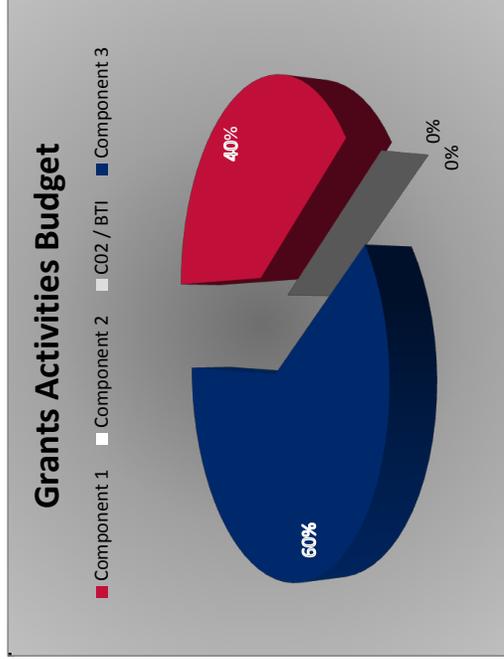
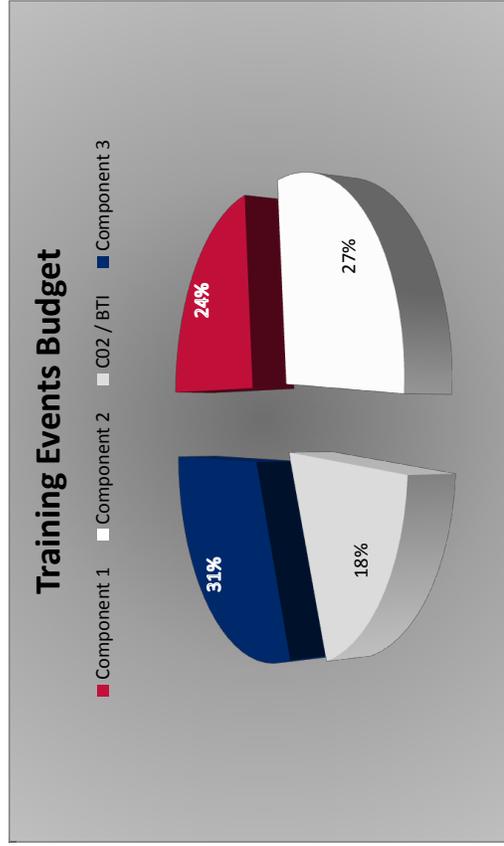
Annex B:

Grants Forecast

Summary Sheet of Grants and Training Log - Projections

Component 1
Component 2
CO2 / BTI
Component 3

No.	Component No.	No. Training Events	Total Budget of Training Events	Number of Grants	Total Budget of Grants	Total Projection Budget per Component
1	Component 1	5	\$299,386	6	\$350,000	\$649,386
2	Component 2	2	\$350,000	0	\$0	\$350,000
3	CO2 / BTI	24	\$230,700	0	\$0	\$230,700
4	Component 3	12	\$391,310	6	\$523,050	\$914,360
	G. total	43	\$1,271,396	12	\$873,050	\$2,144,446
			Total Projections Amount			\$2,144,446



Summary Table for remaining Funds In Training

Training, Events, Outreach Since December 2011	\$1,215,550
Total	\$368,290
Less Spent - Dec 2011 to 30 May 2012	\$120,000
Less Obligated - Thru May 2012	\$727,260
Available	

Summary Table for remaining Funds In Grants

Grant budget	\$3,500,000
Obligated to Date for 12 Grants cleared till	\$2,046,424
Balance Remainin	\$1,453,576
Total Remining In	\$2,180,836

Iraq Financial Development Project

Grants Log - Projections

Component 1
Component 2
CO2 / BTI

Version : 18
15-Jul-12

Date

#	Component Number	Description of Training Event	Location of Training	Training Dates		Total # of Attendees	Expected		PMP Indicator (PMP/XXX)	Associated Deliverable Number (DXXX)	TERF Reference	Grant Number	Budget	Notes/Comments on results, challenges, follow up surveys, etc.
				Start	Finish		# of Men	# of Women						
1	C01	FIPB Website and Promotional Materials	Baghdad	1-Jul-12	1-Sep-12	0			1.2.1/1.4.1	D.1.4.1/a-b		GR C01 0XXX	\$25,000	
2	C01	KAP Communications Survey	Iraq	5-Jun-12	1-Jan-13	0			1.2.1	D.1.3.3.a		GR C01 0XXX	\$100,000	
3	C01	Baseline Banking Study Update	Baghdad/ Erbil	1-Aug-12	1-Aug-12	0			1.2.1	D.1.3.3.a		GR C01 0XXX	\$0	Canceled by COP 7 June 2012
4	C01	UAB Membership Y1 for FIPB	Beirut	1-Jun-12	1-Jun-12	0			1.2.1/1.4.1	D.1.4.1/a-b		GR C01 0XXX	\$200,000	Programmatic Opportunities for Project
5	C01	UAB Ammout Conf. FIPB Booth	Beirut	1-Dec-12	1-Dec-12	0			1.2.1/1.4.1	D.1.4.1/a-b		GR C01 0XXX	\$25,000	Changed by COP 7 June 2012
6	C01	FIPB Erbil Branch Set Up	Erbil	1-Jan-13	1-Jan-13	0			1.1.1/1.1.3	D.1.1.1.2.b		GR C01 0XXX	\$0	Canceled by COP 7 June 2012
1	C02													
2	C02													
3	C02													
4	C02													
5	C02													
6	C02													
7	C02 / BTI													
8	C02 / BTI													
9	C02 / BTI													
10	C02 / BTI													
1	C03	AACSB Accreditation Basra University	Basra University	1-Oct-12	1-Oct-15					3.1.2		GR C03 0XXX	\$500,000	will include cost-share
2	C03	AACSB Annual Membership Due	Basra University	July 1 2012	June 30 2013					3.1.2		GR C03 0XXX	\$12,500	will include cost-share
3	C03	AACSB Annual Membership Due	Baghdad University	July 1 2012	June 30 2013					3.1.2		GR C03 0XXX	\$0	Rejected
4	C03	AACSB Annual Membership Due	AMUC	July 1 2012	June 30 2013					3.1.2		GR C03 0XXX	\$0	Rejected
5	C03	AACSB Annual Membership Due	Salahaddin University	July 1 2012	June 30 2013					3.1.2		GR C03 013	\$10,550	Approved 15 March 2012
6	C03	AACSB Annual Membership Due	Al Mustansiriya University	July 1 2012	June 30 2013					3.1.2		GR C03 0XXX	\$0	Rejected
						G. Total	0	0	0				\$873,050	

Iraq Financial Development Project

Training Event Log

Component 1
Component 2
Component 3

Updated

15-Jul-12

#	Component Number	Description of Training Event	Location of Training	Training Dates			Data from Sign-In Sheets			PMP Indicator (PMPX.XX)	Associated Deliverable Number (DXXX)	TERF Reference	Grant Number	Approved Total	Beneficiary Contribution	Actual Spent	Balance Unspent	Notes/Comments on results, challenges, follow up surveys, etc.	Approvals	
				Start	Finish	Total # of Attendees	# of Men	# of Women	HO Approval										COR Approval	
1	C01	Federation and Private Bankers Iftar	Baghdad	22-Aug-11	22-Aug-11	22	19	3	1.1.2	D 1.1.1	C01 T001	NA	\$1,633	\$0	\$1,633	Completed	Approved	NA		
2	C01	Istanbul Bidders Conference and Bankers Event	Istanbul	18-Nov-11	19-Nov-11	171	162	9	1.4.1	D 2.3.1 and D 1.3.3	C01 T002	NA	\$129,106	\$124,316	\$129,106	Completed	Approved	Approved		
3	C01	Federation Lecturer Luncheon	Baghdad	3-Jan-12	3-Jan-12	32	23	9	1.1.2	D 1.4.2 and D 3.3.1	C01 T003	NA	\$4,500	\$0	\$4,500	Completed	Approved	NA		
4	C01	Distinguished Lecture (The 3 Pillars of a Sound Banking System)	Baghdad	7-Jan-12	7-Jan-12	112	103	9	1.4.1	D 3.1.2	C01 T004	NA	\$10,984	\$0	\$10,980	Completed	Approved	NA		
5	C01	Federation Opening Day Presentations	Baghdad	8-May-12	8-May-12	175	175	0	1.1.2	D 1.4.2 and D 3.3.1	C01 T005	NA	\$29,690	\$2,000	\$29,690	Completed	Approved	Approved		
6	C01	Federation of Iraqi Private Banks Erbil Banking Conference	Erbil	12-Jul-12	12-Jul-12	100	100	0	1.2.1	1.3.3.e	C01 T006	NA	\$34,286	\$17,590	\$0	Approved	Approved	Approved		
7	C01	Workshop for Iraqi Banks with Expert Lecturer	Baghdad	TBD	TBD	35	28	7	1.2.1	1.2.4.b	C01 T007	NA	\$3,000	\$1,540	\$0	Postponed	Approved	Approved		
1	C02	Future Developments in Iraq's Financial Sector Conference	Baghdad	9-May-11	9-May-11	177	177	0		D 2.3.1	C02 T001	NA	\$30,280	\$0	\$30,280	Completed	Approved	NA		
2	C02	Future Developments in Iraq's Financial Sector – Regional Event – Erbil, Iraq.	Erbil	15-May-11	15-May-11	32	23	9		D 2.3.1	C02 T002	NA	\$12,621	\$0	\$12,621	Completed	Approved	NA		
3	C02	Future Developments in Iraq's Financial Sector – Regional Event – Basra, Iraq.	Basra	19-May-11	19-May-11	52	47	5		D 2.3.1	C02 T003	NA	\$12,730	\$0	\$12,730	Completed	Approved	NA		
4	C02	Credit Information Roundtable Workshop	Baghdad	14-Jun-11	14-Jun-11	16	16	0		D 2.1.2	C02 T004	NA	\$100	\$0	\$100	Completed	Approved	NA		
5	C02	Retail Payment System - Legal and Strategy Workshop	Baghdad	16-Jun-11	16-Jun-11	48	41	7		D 2.3.1	C02 T005	NA	\$150	\$0	\$150	Completed	Approved	NA		
6	C02	Credit Information Roundtable Workshop	Baghdad	29-Jun-11	29-Jun-11	16	16	0		D 2.1.2	C02 T006	NA	\$100	\$0	\$100	Completed	Approved	NA		
7	C02	CIB Study Tour Roundtable and Orientation Workshop	Baghdad	2-Jul-11	2-Jul-11	21	19	2		D 2.1.2	C02 T007	NA	\$200	\$0	\$200	Completed	Approved	NA		
8	C02	Private Banks Chairmen's Meeting - Amman	Amman	21-Jul-11	27-Jul-11	22	22	0		D 1.1.1	C02 T008	NA	\$29,211	\$0	\$29,211	Completed	Approved	Need COR approval retroactive		
9	C02	CIB Business Plan Dissemination Workshop	Baghdad	25-Jul-11	25-Jul-11	27	23	4		D 2.1.3	NA	NA	\$0	\$0	\$0	No TERF Found	No TERF Found	NA		
10	C02	BTI Steering Committee Meeting Ifar	Baghdad	25-Aug-11	25-Aug-11	58	50	8		D 2.1.1	C02 T009	NA	\$970	\$0	\$970	Completed	Approved	NA		
11	C02	Credit Bureau Steering Committee Lebanon Study Tour	Berut	3-Jul-11	9-Jul-11	21	19	2		D 2.1.3	NA	GR C02-001	\$37,155	\$68,965	\$37,155	Completed	Approved	Approved		
12	C02	CIB Steering Committee Meeting September	Baghdad	12-Sep-11	12-Sep-11	21	19	2		D 2.1.1	C02 T010	NA	\$200	\$0	\$200	Completed	Approved	NA		
13	C02	Credit Information Steering Committee	Baghdad	15-Aug-11	15-Aug-11	30	20	10		D 2.1.1	C02 T011	NA	\$715	\$0	\$715	Completed	Approved	NA		
14	C02	Bank Office Operations Specialized Training (BOOST)	Baghdad	20-Dec-11	20-Dec-11	18	9	9	2.1.1 and 2.2.2	D 2.2.2	C02 T012	NA	\$144	\$0	\$144	Completed	Approved	NA		
15	C02	Bank Office Operations Specialized Training	Baghdad	15-Jan-12	3-Mar-12	30	12	18	2.1.1 and 2.2.2	D 2.2.2	C02 T013	NA	\$12,000	\$15,000	\$12,000	Completed	Approved	NA		
16	C02	Bankers Learning English Program	Baghdad	12-Dec-11	12-Dec-11	66	22	44	2.1.1 and 2.2.2	D 2.2.2	C02 T014	NA	\$17,561	\$21,600	\$17,561	Completed	Approved	NA		
17	C02	GBI Credit Information Steering Committee	Baghdad	14-Dec-11	14-Dec-11	21	16	5		D 2.1.1	C02 T015	NA	\$500	\$0	\$500	Completed	Approved	NA		
18	C02	GBI Credit Information Steering Committee	Baghdad	13-Oct-11	13-Oct-11	22	19	3		D 2.1.1	C02 T016	NA	\$500	\$0	\$500	Completed	Approved	NA		

Iraq Financial Development Project

Training Event Log

Component 1
Component 2
Component 3

Updated

15-Jul-12

#	Component Number	Description of Training Event	Location of Training	Training Dates			Data from Sign-In Sheets			PMP Indicator (PMPX.XX)	Associated Deliverable Number (DXXX)	TERF Reference	Grant Number	Approved Total	Beneficiary Contribution	Actual Spent	Balance Unspent	Notes/Comments on results, challenges, follow up surveys, etc.	Approvals	
				Start	Finish	Total # of Attendees	# of Men	# of Women	HO Approval										COR Approval	
19	C02	IT Training Program Presentation	Baghdad	20-Dec-11	20-Dec-11	13	5	8		D 2.2.2	C02 T017	NA	\$0	\$0	\$0		Completed	NA	NA	
20	C02	MS-Office for Bankers - Elementary	Baghdad	29-Jan-12	6-Feb-12	40	13	27		D 2.2.2	C02 T018	NA	\$0	\$0	\$0		Completed	NA	NA	
21	C02	Training for Trainers	Baghdad	23-Jan-12	30-Jan-12	22	5	17		D 2.2.2	C02 T019	NA	\$0	\$0	\$0		Completed	NA	NA	
22	C02	Oracle Training for IT staff of the Central Bank of Iraq	Baghdad	1-Feb-12	30-Jun-12	12	2	10		D 2.1.1	C02 T020	NA	\$107,550	\$0	\$0		Ongoing	Approved	Approved	
23	C02	Bankers Learning English Program - Pilot	Baghdad	15-Jan-12	8-Mar-12	30	12	18	2.2.1 and 2.2.2	D 2.2.2	C02 T021	NA	\$36,951.48	\$36,951	\$0		Completed	Approved	Need COR approval retroactive	
24	C02	Bank Office Operations Specialized Training	Baghdad	10-Mar-12	10-Mar-12				2.2.1 and 2.2.2	D 2.2.2	C02 T022	NA	\$33,000	\$0	\$0		Ongoing	Approved	Approved	
25	C02	Training of Trainers	Baghdad	12-Mar-12	12-Mar-12	7	4	3	2.2.1 and 2.2.2	D 2.2.2	C02 T023	NA	\$351	\$351	\$0		Completed	Approved	NA	
26	C02	CBI Credit Information Steering Committee	Baghdad	8-Mar-12	8-Mar-12	30	15	15		D 2.1.1	C02 T024	NA	\$50	\$50	\$0		Completed	Approved	NA	
27	C02	SKYPE Conf Call	Baghdad	22-Mar-12	22-Mar-12	5	4	1		D 2.2.2 D 2.2.4	C02 T025	NA	\$56	\$0	\$0		Postponed	Approved	NA	
28	C02	CBI training for tender evaluation and business modeling	Erbil							D 2.2.2	C02 T026	NA	\$57,877	\$0	\$0		Postponed	Approved		
29	C02	Training for NPC members	Erbil							D 2.2.2	C02 T027	NA	\$110,999	\$0	\$0		Postponed	Approved		
30	C02	CBI Senior Management Conference RPSI	Baghdad	23-Apr-12	24-Apr-12	16	10	6		D 2.2.2	C02 T028	NA	\$6,845	\$0	\$0		Postponed	Approved		
31	C02	Bank Internal Audit Training Program - Step One	TBD	17-Dec-12	End of 2013	214			2.2.1 and 2.2.2	D 2.2.2 D 2.2.5	C02 T029	NA	\$30,720	\$0	\$0		The initial set of BIAT program series will consist of four seminars: 1. CN2321 Bank Internal Auditing Elementary 2. CN2323 Bank Internal Auditing Intermediate 3. CN2325 Bank Internal Auditing Advanced 4. CN2331 Bank Internal Audit Department Management	Approved	Approved	
32	C02	Bank Leadership and Governance Skills Program - Step One	TBD	27-Jun-12	6-Dec-12	354			2.2.1 and 2.2.2	D 2.2.2 D 2.2.5	C02 T030	NA	\$11,400	\$0	\$0		The initial set of BANGLES program series will consist of four seminars: 1. CN2822 IRAQI BANKING LEGAL ENVIRONMENT 2. CN2822 OECD_CORPORATE_GOVERNANCE_GUIDELINES_OVERVIEW	Approved	NA	
33	C02	Bankers Training Institute - Development Study Tour	Oman and Bahrain	16-Jun-12	21-Jun-12	7	5	2	2.2.1	D 2.2.2 D 2.2.4	C02 T031	NA	\$35,976	\$0	\$0		Cancelled			
34	C02	Bank Training Managers Meetings	Baghdad	16-Jul-12	16-Jul-12	36	33	3	2.2.1	D 2.2.3 D 2.2.5	C02 T032	NA	\$4,120	\$0	\$0			Approved	NA	
35	C02	Training of Trainers CNE101	Baghdad	6-May-12	10-May-12	7	6	1	2.2.1 and 2.2.2	D 2.2.2 D 2.2.3	C02 T033	NA	\$455	\$455	\$0		Completed	Approved	Approved	
36	C02	Gold Standards Seminar Series (Pilot Step O)	Baghdad	2-Sep-12	30-Nov-12	5	4	1	2.2.1 and 2.2.2	D 2.2.2 D 2.2.5 D 2.2.6	C02 T034	NA	\$7,150	\$9,600	\$0		1. CN3351 Reinforcing Lending Skills 2. CN3253 Developing Customer Relationships 3. CN3273 Teller Excellence 4. CN3252 Provide Quality Service 5. CN3412 Leading Telephone Service	Approved	NA	
37	C02	Credit Information Steering Committee Meeting	Baghdad	26-Apr-12	26-Apr-12	15				D 2.1.1	C02 T035	NA	\$50	\$50	\$0		Completed	Approved	NA	

Iraq Financial Development Project Training Event Log

Component 1
Component 2
Component 3

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Updated

#	Component Number	Description of Training Event	Location of Training	Training Dates			Data from Sign-In Sheets			Associated Deliverable Number (DXXX)	TERF Reference	Grant Number	Approved Total	Beneficiary Contribution	Actual Spent	Balance Unspent	Notes/Comments on results, challenges, follow up surveys, etc.	Approvals			
				Start	Finish	Total # of Attendees	# of Men	# of Women	HO Approval									COR Approval			
38	C02	Credit Information IT Subcommittee meeting	Baghdad	17-May-12	17-May-12	15			2.1.4 2.1.5	C02 T036	NA	\$140	\$0	\$0		Completed	Approved				
39	C02	Bankers Business English Program - Pilot - KRK	Erbil	2-Sep-12	17-Sep-12	40			D 2.2.2 D 2.2.4	C02 T037	NA	\$16,610.20	\$21,600	\$0		Approved	Approved				
40	C02	Bank Office Operations Specialized Training - Kurdistan	Erbil	7-Jul-12	17-Jul-12	40			D 2.2.2 D 2.2.4	C02 T038	NA	\$12,805	\$90,000	\$0		Ongoing	Approved				
41	C02	Credit Information Stakeholder Forum	Baghdad	TBD	TBD	100			2.1.4 2.1.5	C02 T039	NA	\$9,260	\$2,109	\$0		Postponed					
42	C03	Practical Business English for Bankers - Pilot	Baghdad			100			D 2.2.2 D 2.2.4	C02 T040	NA			\$0		Draft TERF is Not finalised Yet					
1	C03	Luncheon Dubai Univ-AI Mansour Univ	Baghdad	24-Nov-11	24-Nov-11	30	18	12	D314	C03 T001	NA	\$1,200	\$0	\$1,200		Completed	Approved	NA			
2	C03	Current Issues in Finance and Banking Education	Baghdad	18-Dec-11	22-Dec-11	52	44	8	D322	C03 T002	NA	\$25,430	\$41,700	\$25,430		Completed	Approved	Need COR approval retroactive			
3	C03	Luncheon between Shlupensburg Univ and Baghdad Univ - AACSB Membership application	Baghdad	11-Jan-12	11-Jan-12	26	16	10	D333	C03 T003	NA	\$4,100	\$0	\$4,100		Completed	Approved	NA			
4	C03	AACSB Accreditation Workshop	Baghdad	20-Jun-11	20-Jun-11	27	27		D314	C03 T004	NA	\$9,222	\$0	\$9,222		Completed	Approved	NA			
5	C03	IIE Conference in Erbil 22 Jan	Erbil	22-Jan-12	1-Feb-12	2	1	1	D322	C03 T005	NA	\$5,617	\$0	\$5,617		Completed	Approved	NA			
6	C03	(AACSB) International Conference 2012, San Diego California	San Diego California	28-Apr-12	2-May-12	5	3	2	D322	C03 T006	GR C03 001 GR C03 002 GR C03 003	\$54,590	\$6,900	\$54,590		Completed	Approved	Approved			
7	C03	Current Developments in International Finance	Baghdad	24-Jun-12	28-Jun-12	40	38	2	D314	C03 T007	NA	\$36,310	\$41,700	\$0		Completed	Approved	Approved			
8	C03	Self-Evaluation Workshop 20-22 July 2012	Erbil	20-Jul-12	22-Jul-12	4			3.1.3	C03 T008	NA	\$7,762	\$0	\$0		Cancelled	Approved				
8	C03	Self-Evaluation Workshop	Basra	23-Sep-12	24-Sep-12	6			3.1.3	C03 T009	NA	\$1,586	\$2,120	\$0			Approved				
													\$959,567	\$668,634	\$469,062	\$0					
													G. Total	2645	1345	312					

Annex C:

BTI Training Tracker

Iraq Financial Development Project

C02 - BTI Team - Implemented, Current and Projection Events

#	Description of Training Event	offer #	Start	Finish	TERF Reference	Notes/Comments	Location
Ongoing and Completed Events							
1	Bankers Learning English Program	# 1	15-Jan-12	8-Mar-12	C02 T014	Completed	Baghdad
2	Bankers Learning English Program	#2	8-Apr-12	30-May-12	C02 T021	Completed	Baghdad
3	Bankers Learning English Program	#3	3-Jun-12	26-Jul-12	C02 T021	Ongoing	Baghdad
4	MS-Office for Bankers – Elementary	#1	29-Jan-12	12-Feb-12	C02 T018	Completed	Baghdad
5	MS-Office for Bankers – Elementary	#2	8-Apr-12	19-Apr-12	C02 T022	Completed	Baghdad
6	MS-Office for Bankers – Intermediate	#3	8-May-12	25-May-12	C02 T022	Completed	Baghdad
7	MS-Office for Bankers – Elementary	#4-A	3-Jun-12	16-Jun-12	C02 T022	Completed	Baghdad
8	MS-Office for Bankers – Intermediate	#4-B	1-Jul-12	12-Jul-12	C02 T022	Ongoing	Baghdad
9	Training Of Trainers	#1	23-Jan-12	31-Jan-12	C02 T019	Completed	Baghdad
10	Training Of Trainers	#2	11-Mar-12	13-Mar-12	C02 T023	Completed	Baghdad
11	Training Of Trainers	#3	29-Apr-12	3-May-12	C02 T033	Completed	Baghdad
Projections- Approved Events							
1	Bank Training Managers Meetings	#1	16-Jul-12	16-Jul-12	C02 T032	Ongoing	Baghdad
2	Bank Governance Leadership Skills	#1	27-Jun-12	28-Jun-12	C02 T030	Completed	Baghdad
3	Bank Governance Leadership Skills	#2	10-Jul-12	11-Jul-12	C02 T030	Postponed -starting Jan 9 and ending Jan 10 2013	Baghdad
4	Bank Governance Leadership Skills	#3	29-Aug-12	30-Aug-12	C02 T030	Ongoing	Baghdad
5	Bank Governance Leadership Skills	#4	3-Oct-12	4-Oct-12	C02 T030	Ongoing	Baghdad
6	Bank Governance Leadership Skills	#5	7-Nov-12	8-Nov-12	C02 T030	Ongoing	Basrah
7	Bank Governance Leadership Skills	#6	5-Dec-12	6-Dec-12	C02 T030	Ongoing	Mosul
8	Development Customer Relationship	#1	2-Sep-12	6-Sep-12	C02 T034	Ongoing	Baghdad
9	Reinforcing Lending Skills	#2	23-Sep-12	27-Sep-12	C02 T034	Ongoing	Baghdad
10	Provide Quality Service	#3	7-Oct-12	11-Oct-12	C02 T034	Ongoing	Baghdad
11	Leading Telephone Service	#4	21-Oct-12	25-Oct-12	C02 T034	Ongoing	Baghdad
12	Teller Excellence	#5	11-Nov-12	15-Nov-12	C02 T034	Ongoing	Baghdad
1	Bankers Learning English Program	#5	2-Sep-12	17-Sep-12	Co2 T037	Ongoing	Erbil
2	MS-Office for Bankers	#5	7-Jul-12	17-Jul-12	Co2 T038	Ongoing	Erbil
3	Bank Internal Audit - Elementary	#1	17-Dec	19-Dec	Co2 T029	Ongoing	Baghdad
4	Bank Internal Audit - Intermediate	#1	6-Jan-13	8-Jan-12	Co2 T029	Ongoing	Baghdad
5	Bank Internal Audit - Advanced	#1	28-Jan-13	30-Jan-13	Co2 T029	Ongoing	Baghdad
6	Bank Internal Audit - Department Management	#1	10-Feb-13	12-Feb-13	Co2 T029	Ongoing	Baghdad
7	Bank Internal Audit - Elementary	#2	TBD	TBD	Co2 T029	Ongoing	Baghdad
8	Bank Internal Audit - Intermediate	#2	TBD	TBD	Co2 T029	Ongoing	Baghdad
9	Bank Internal Audit - Advanced	#2	TBD	TBD	Co2 T029	Ongoing	Baghdad
10	Bank Internal Audit - Department Management	#2	TBD	TBD	Co2 T029	Ongoing	Baghdad
11	Bank Internal Audit - Elementary	#3	TBD	TBD	Co2 T029	Ongoing	Musol
12	Bank Internal Audit - Department Management	#3	TBD	TBD	Co2 T029	Ongoing	Musol
13	Bank Internal Audit - Elementary	#3	TBD	TBD	Co2 T029	Ongoing	Basrah
14	Bank Internal Audit - Department Management	#3	TBD	TBD	Co2 T029	Ongoing	Basrah

Annex D:

Performance Monitoring Plan (PMP) Indicator Tracker

PMP IR #	PMP Indicator #	Indicator Title	Unit of Measure	Data Source	Frequency of Collection	Baseline	Associated Deliverable	Yr 2 Target	12/31/2011	3/31/2012	6/30/2012	9/30/2012	Yr 2 Actual as % of Yr 2 Target	5 year Estimate
		Component 1 Indicators												
1.1	1.1.1	Number of Associations accepting USG Technical Assistance	Number of Association[s]	Project Records	Quarterly	0	D111, D112	NA	NA	NA	NA		NA	1
	1.1.2	Bankers Association Financial and functional Sustainability	Ratio/Percentage	Association membership records	Quarterly	0	D111, D112	TBD	600%	600%	600%		100%	
	1.1.3	The number of Institutional Owners of the Federation of Private Banks	Total # of Members	Association membership records	Quarterly	0	D111, D112	4	0	0	0		25	
	1.1.4	Overall Member Satisfaction of Bankers Association effectiveness	# members participating in Meetings	Attendance Records	Quarterly	0	D111, D112	75%	77%	92%	92%		75%	
1.3	1.2.1	Number of policy research documents, public-private dialogue sessions, advocacy campaigns and public education measures	Number of documents, events, campaigns, publications	Private Financial Sector Association[s]	Quarterly	0	D131, D132, D133, D134	12	1	3	0		104	
	1.3.1	Number of GoI/stakeholder communications and exchanges, conferences, publications, research papers and public education initiatives that result in recommendations being implemented	Number of events, papers, publications	Stakeholder Association(s) plus CBI, CoR, other GOI entities	Quarterly	0	D124, D122, D123, D124	3	1	0	0		15	
1.4	1.4.1	Number of official linkages established between the Iraq Banker's Association(s) and Regional and International Bankers associations as a result of USG assistance.	Number of official, written linkages	Stakeholder Association(s)	Annual	0	D141, D142	2	2	0	1		12	
	1.5.0	Four to five targeted policy, legal, regulatory or administrative reforms are identified and reform efforts initiated.	Number	Project Records	Quarterly	0	D151	5	0	0	3		4-5	
1.5	1.5.1	Policy, Legal, Regulatory or Administrative Reform #1 Implementation Milestones	Milestones (TBD)	Project Records	Quarterly	0	D151	TBD	0	0	0		100%	
	1.5.2	Policy, Legal, Regulatory or Administrative Reform #2 Implementation Milestones	Milestones (TBD)	Project Records	Quarterly	0	D151	TBD	0	0	0		100%	
	1.5.3	Policy, Legal, Regulatory or Administrative Reform #3 Implementation Milestones	Milestones (TBD)	Project Records	Quarterly	0	D151	TBD	0	0	0		100%	
	1.5.4	Policy, Legal, Regulatory or Administrative Reform #4 Implementation Milestones	Milestones (TBD)	Project Records	Quarterly	0	D151	TBD	0	0	0		100%	
	1.5.5	Policy, Legal, Regulatory or Administrative Reform #5 Implementation Milestones	Milestones (TBD)	Project Records	Quarterly	0	D151	TBD	0	0	0		100%	

PMP IR #	PMP Indicator #	Indicator Title	Unit of Measure	Data Source	Frequency of Collection	Baseline	Associated Deliverable	Yr 2 Target	12/31/2011	3/31/2012	6/30/2012	9/30/2012	Yr 2 Actual as % of Yr 2 Target	5 year Estimate
Component 2 Indicators														
2.1	2.1.2	Milestones to putting the legal and regulatory framework in place and making a credit bureau operational.	Milestones (see PIRS)	Project and Stakeholder Documents	Quarterly	0	D211; D212; D213; D214; D215; D216; D217; D218	4 & 5	0	0	1			8
	2.1.3	Number of inquiries received by Credit Bureau	Number of Inquiries	Credit Bureau Records	Quarterly	0	D219	NA	NA	NA	NA			nd
	2.1.4	Number of banks/NBFIs and other subscribers to bureau services	Number of Subscribers	Credit Bureau Records	Quarterly	0	D219	NA	NA	NA	NA			nd
	2.1.5	Number of data records held by Credit Bureau	Number of Data Records	Credit Bureau Records	Quarterly	0	D219	NA	NA	NA	NA			nd
2.2	2.2.1	Milestones to measure the steps necessary to establish The Banker's Training Institute that is sustainable and an effective industry training mechanism.	Milestones (see PIRS)	Project Records	Quarterly	0	D221; D222; D224; D228	3	0	1	1			8
	2.2.1a	Bankers Training Institute Sustainability Ratio	Ratio (see PIRS for Definition)	BTI Financial Records	Quarterly	0	D228	5%	0	0	0			20-50%
	2.2.2	4.3.2-1: Number of Financial Sector Professionals trained on international standards this year with USG assistance.	Total # of Professionals	Training Records	Annual	0	D223; D225; D226; D227	200	97	195	60			650
	2.2.2a	Number of Men	# Men	Training Records	Annual	0	D223; D225; D226; D227	80	36	68	51			nd
	2.2.2b	Number of Women	#women	Training Records	Annual	0	D223; D225; D226; D227	120	61	127	9			nd
2.3	2.3.1	4.3.2-2 Number of Material Improvements in the Infrastructure institutions that reduce Market Risks made this year with USG Assistance	Number of Improvements	Implementing Partners, project records	Annual	0	D231; D232	0	0	0	0			1
	2.3.1a	Phase I Completed	Milestones (see PIRS)	Project Records	Quarterly	0	D231	0	0	0	1			10
	2.3.1b	Phase II Completed	Milestones (see PIRS)	Project Records	Quarterly	0	D232	19	16	0	5			19
2.4	2.4.1	CBI has a complete Request for Proposals for CORE system that could issued for bid	Milestones (see PIRS)	Project Records	Quarterly	0	none	7	5	1	0			7
	2.5.1	Phase I for the Data Repository System is completed	Milestones (see PIRS)	Project Records	Quarterly	0	D253	0	0	0	0			3
2.5	2.5.2	Phase II for the Data Depository System is completed	Milestones (see PIRS)	Project Records	Quarterly	0	D254	0	0	0	0			8

PMP IR #	PMP Indicator #	Indicator Title	Unit of Measure	Data Source	Frequency of Collection	Baseline	Associated Deliverable	Yr 2 Target	12/31/2011	3/31/2012	6/30/2012	9/30/2012	Yr 2 Actual as % of Yr 2 Target	5 year Estimate
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Component 3 Indicators

3.1	3.1.1	4.3.1-6: Number of Financial Sector Training and/or Certification Programs Established or supported that meet International Standards	Number of Programs	Project Records	Annual	0	D312; D313; D314	NA	NA	NA	NA	NA	NA	2
	3.1.2	4.3.2-1: Number of Financial Sector Professionals trained on international standards this year with USG assistance.	# professionals	Project Records/ University Records	Annual	0	D312	30	0	112	17			79
3.1	3.1.2a	Number of Men	#Men	University Records	Annual	0	D312	20	0	103	13			61
	3.1.2b	Number of Women	#women	University Records	Annual	0	D312	10	0	9	4			18
	3.1.3	Number of senior faculty from Partner Colleges trained in curriculum by regional/international Partner universities	Number of senior faculty	Implementing Partners, project records	Quarterly	0	D312	30	0	112	45			30
	3.1.6	Number of Iraqi Colleges of Economics and Administration accepted for membership for accreditation in AACSB	Number of Colleges	Project Records	Quarterly	0	D314	2	0	2	3			8
	3.2.1.d	Overall Member Satisfaction of Educators Association effectiveness	Rating	Survey	Quarterly	0	D322	3	0	0	0			4
3.2	3.2.4	Number of partnership agreements between Iraqi Partner Colleges and Regional/international educational institutions	Number of LOC Signatory Universities	Implementing Partners, project records	Quarterly	0	D321	1	2	0	2			2
	3.3.1	Sustainable Joint Council (Education/Private Banks) established within the organizational structure of a private bank industry association.	Milestones (see PIRS)	Implementing Partners, training records	Quarterly	0	D331; D332	4	0	4	0			4
	3.3.1a	Number of internships and scholarships to students from the Partner Colleges Co-funded by the private sector (disaggregated by type of sponsorship, gender)	Number of Co-Funded Scholarships /Internships	Implementing Partners, training records	Quarterly	0	D331; D332	4	0	0	0			20

PMP IR #	PMP Indicator #	Indicator Title	Unit of Measure	Data Source	Frequency of Collection	Baseline	Associated Deliverable	Yr 2 Target	12/31/2011	3/31/2012	6/30/2012	9/30/2012	Yr 2 Actual as % of Yr 2 Target	5 year Estimate
3.3	3.3.1b	Number of Men	#Men	Implementing Partners, training records	Quarterly	0	D331; D332	3	0	0	0			14
	3.3.1c	Number of Women	#Women	Implementing Partners, training records	Quarterly	0	D331; D332	1	0	0	0			6
	3.3.1d	Number of Career Development Centers established at Partner Colleges	Number of centers	Implementing Partners, training records	Quarterly	0	D331; D332	2	0	0	0			4

Annex E:

Project Year 2 Performance Monitoring Plan

Private Banking Sector and Project Objective Indicators

Performance Management Plan (PMP) List of Indicators:

Long Term Objectives

LTO 1: Create jobs by strengthening the private financial sector's ability to provide increased financial intermediation services.

LTO 2: Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform.

PMP Indicator #	Private Banking Sector Indicator Title	Unit of Measure	Data Source	Frequency of Collection	Baseline	Associated Deliverable	Targets					5 Year Total	Project Component
							Yr 1	Yr 2	Yr 3	Yr 4	Yr 5		
LT1	Increased Loans to the private Sector as a % of GDP	Percent	CBI and WB	Annual	8.9%	N/A	14%	19%	24%	24%	34%	34%	PMU
LT2	Loans from Private Banks to the Private Sector as a % of all loans to the private sector by the commercial banking sector	Percent	CBI and WB	Annual	33.8%	N/A	39%	44%	49%	54%	59%	59%	PMU
LT3	Interest Rate Spread (%)	Percent	CBI Annual Report	Annual	7.6%	N/A	7%	6%	5%	4%	3%	3%	PMU
LT4	Credit extended by the Private Banks by sector as a % of total credit provided by the private banks	Standard Deviation (%)	CBI Annual Report	Annual	17.0%	N/A	14%	11%	9%	7%	7%	7%	PMU

Program Objective	Area	Program Element	Long Term Objective	PMP IR #	Intermediate Result (from contract)	Indicator #	PMP Indicator Title	Unit of Measure	Data Source	Frequency of Collection	Baseline	Associated Deliverable	Targets					5 Year Total	Project Component
													Yr 1	Yr 2	Yr 3	Yr 4	Yr 5		
4	4.3		LTO1 LTO2	P1	Strengthen the private financial sector's ability to provide financial intermediation to fuel private sector-led job creation.	P1	Loans by Private Banks to the private sector as a percent of total private sector deposits held by the Commercial Banking sector (Loan to Deposit Ratio)	Percent	CBI	Annual	21%	N/A	21%	27%	33%	39%	45%	45%	PMU

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # LT1			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Long Term Objective	sector indicator for management to use to monitor overall program impact in a larger context, not directly attributable for any contractual objective		
"F" indicator	NO		
Is this a Custom or "Project Specific" Indicator?	YES		
Expected Result #	N/A		
Expected Result Per Contract	N/A		
DESCRIPTION			
Indicator Title:	Increased Loans to the private Sector as a % of GDP		
Precise Definition(s):	Total Private Sector Loans as reported by the Central bank of Iraq / Annual GDP as reported by the World Bank (GDP reported by the Central Bank of Iraq will be used for internal monitoring)		
Unit of Measure:	Percent		
Disaggregated by:	World Bank and Central Bank GDP		
type: ouput/outcome	Outcome		
Direction of Change:	Higher = Better		
Rationale:	The ratio of private sector bank credit to GDP is a common measure of the provision of credit to the economy, as well as of banking depth.		
PLAN FOR DATA ACQUISITION			
Data Source:	Central Bank of Iraq and World Bank Database		
Method of data acquisition:	Data will be collected from the World Bank WorldData Database and the Annual Reports from the Central Bank of Iraq		
Data Acquisition Freq & Reporting:	Annual Acquisition as reports are available; CBI data will be collected quarterly, if available.		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	William R. Schultz		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	GDP in Iraq is heavily influenced by the oil sector. Fluctuations in the production and price of oil may have significant positive or negative affects on this indicator.		
Actions Taken or Planned to address Data Limitations:	Review Annually to adjust for oil influence on GDP. Reliable Data for non-oil GDP is currently unavailable. However, if/when non-oil data becomes available, non-oil GDP will be used as the denominator in this indicator.		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	Initial Baseline data is calculated using the 2009 WB GDP and CBI Loan Data. Baseline data and targets for yr 1-5 will be updated when 2010 data is available. Initial Targets estimated at 5% increase per year		
Year	Target	Actual	Notes
2010		8.9%	See attached Loans to GDP worksheet that has been updated with Dec 31, 2010 data from WB and CBI. The actual figure represented here is the estimated baseline for the project.
2011	14%		
2012	19%		
2013	24%		
2014	29%		
2015	34%		

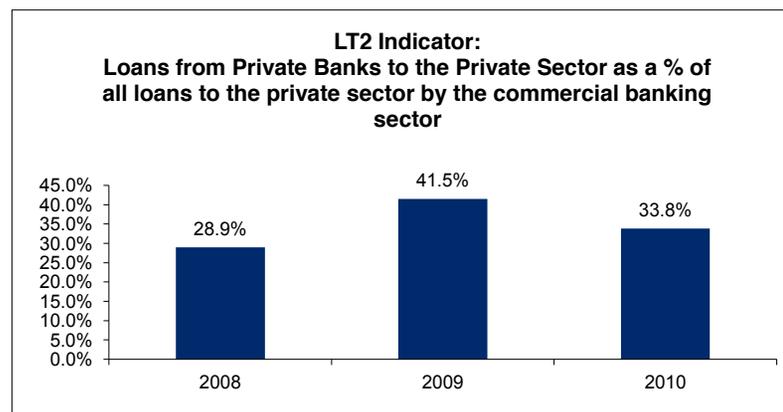
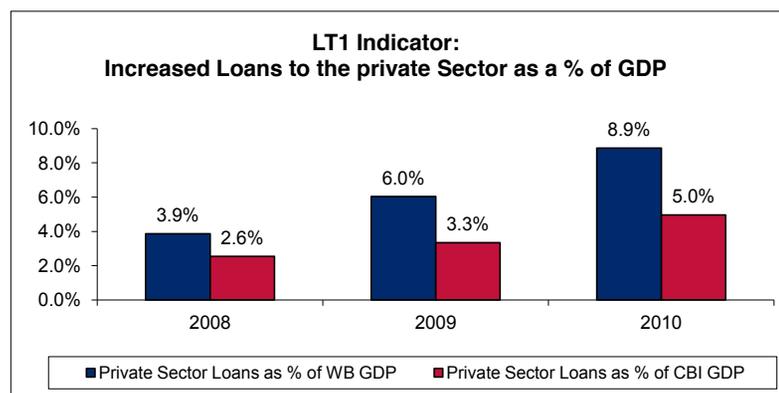
Performance Indicator Reference Sheet (PIRS)

Performance Indicator # LT2			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Long Term Objective	sector indicator for management to use to monitor overall program impact in a larger context, not directly attributable for any contractual objective		
"F" indicator	NO		
Is this a Custom or "Project Specific" Indicator?	YES		
Expected Result #	N/A		
Expected Result Per Contract	N/A		
DESCRIPTION			
Indicator Title:	Loans from Private Banks to the Private Sector as a % of all loans to the private sector by the commercial banking sector		
Precise Definition(s):	Loans from Private Banks to the Private Sector as a % of all loans to the private sector by the commercial banking sector is calculated using the formula: Total Credit Extended by Private Banks to the Private Sector / Total Credit Extended by all Commercial Banks to the Private Sector.		
Unit of Measure:	Percent		
Disaggregated by:	none		
type: output/outcome	Outcome		
Direction of Change:	Higher = Better		
Rationale:	This is a disaggregated indicator that shows the contribution that the private banking sector makes to the primary indicator by excluding the state owned banks. A low value signifies that private banks are not lending; have little influence in the credit markets due to size; or, both. Values above 50% is a sign that private banks are lending more than state banks and play a larger role in providing credit to the private sector. This disaggregated Indicator also provides a secondary reference to the contribution the private banks make to other credit indicators.		
PLAN FOR DATA ACQUISITION			
Data Source:	Central Bank of Iraq and World Bank		
Method of data acquisition:	Central Bank of Iraq		
Data Acquisition Freq & Reporting:	Annual Acquisition as reports are available; CBI data will be collected quarterly, if available.		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	William R. Schultz		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	None Known at this time		
Actions Taken or Planned to address Data Limitations:	TBD		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	Initial Baseline data is calculated using data from the 2009 CBI Annual Report. Baseline data and targets for yr 1-5 will be updated when 2010 data is available. Initial data has been updated with 2010 data. While the increase in loans from the private banks to the private sector has increased, the GDP data has increased at a higher rate causing this indicator to decline from 2009 to 2010, 41.5% down to 33.8%. This represents a direct change of -7.7% or a rate of change of -26.5% from 2009.		
Year	Target	Actual	Notes
2010		33.8%	See attached Loans to GDP worksheet that has been updated with Dec 31, 2010 data from WB and CBI. The actual figure represented here is the estimated baseline for the project.
2011	39%		
2012	44%		
2013	49%		
2014	54%		
2015	59%		

Loans as a % of GDP (World Bank and CBI Data)

all figures have been converted from IQD to USD (000) at the rate of 1170 IQD = \$1 USD

Year	Total credit extended to the Private Sector	total Credit to the private sector by Private Banks	CBI GDP	World Bank GDP	LT1		LT2
					Private Sector Loans as % of WB GDP	Private Sector Loans as % of CBI GDP	Private Bank Loans as a % of All Loans
2008	\$3,334,703	\$965,049	\$130,747,695	\$86,530,784	3.9%	2.6%	28.9%
2009	\$3,971,083	\$1,647,689	\$119,085,470	\$65,837,435	6.0%	3.3%	41.5%
2010	\$7,288,146	\$2,465,239	\$146,971,774	\$82,150,313	8.9%	5.0%	33.8%
		\$817,550			Change in %		
		0.496180094			Percent Increase		
						2.8%	-7.7%
						73.7%	-26.5%



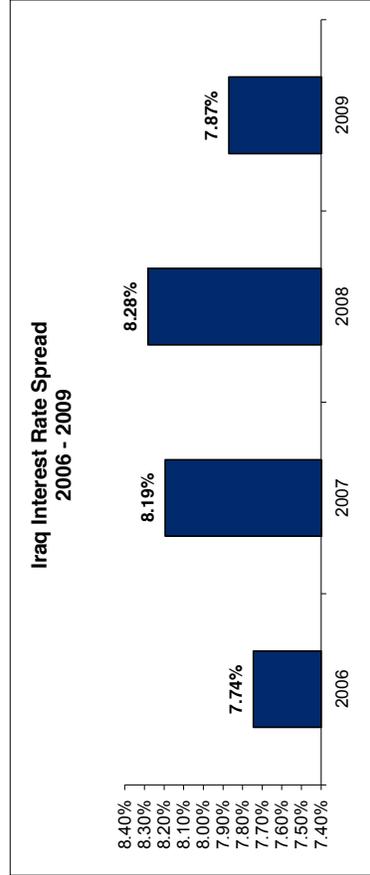
Note: Comparison of loan data between the Audited Financial statements of 21 Private Banks and CBI data has proven that CBI data are accurately reported. Therefore, loan numbers used in this calculation is from CBI aggregated data of the private banks.

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # LT3			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Long Term Objective	sector indicator for management to use to monitor overall program impact in a larger context, not directly attributable for any contractual objective		
"F" indicator	NO		
Is this a Custom or "Project Specific" Indicator?	YES		
Expected Result #	N/A		
Expected Result Per Contract	N/A		
DESCRIPTION			
Indicator Title:	Interest Rate Spread (%)		
Precise Definition(s):	Interest Rate Spread = Average Loan Interest Charged to best customers by commerical banks - Average Interest Rate Paid on Deposits by Commerical Banks		
Unit of Measure:	Percent		
Disaggregated by:	none		
type: ouput/outcome	Outcome		
Direction of Change:	Lower = Better		
Rationale:	<p>The interest rate spread is the difference between the average interest rate on loans to prime customers and the average interest rate on deposits in the banking system. This indicator reflects the combined effects of five factors: innate lending risks due to structural characteristics of the economy; the cost of bad debts due to poor lending decisions, perhaps resulting from political pressures or corruption; uncertainty due to weak credit information systems or collateral mechanisms; market power in the banking system, reflecting a lack of effective competition in the financial markets; and, high operating costs in intermediating deposits into loans. Relatively high values are a sign of inefficiency in the banking system or poor institutional foundations for the development of the financial markets.</p>		
PLAN FOR DATA ACQUISITION			
Data Source:	CBI Aggregated Data		
Method of data acquisition:	Data will be acquired from CBI Annual Reports; Quarterly data will be acquired if available		
Data Acquisition Freq & Reporting:	Annual, Quarterly if available		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	William R. Schultz		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	None known at this time		
Actions Taken or Planned to address Data Limitations:	TBD		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	<p>Initial Baseline data will be calculated using the 2009 CBI Annual report. Baseline data and targets for yr 1-5 will be updated when 2010 data is available. Targets are based on the assumption that efficiency will improve each year to lower the spread by 1% per year, which will lower the interest rate spread to a level that is comparable to regional neighboring countries. 2010 Baseline data has been received and is now shown as the updated baseline for the project.</p>		
Year	Target	Actual	Notes
2010		7.65%	2010 = Baseline (see attached worksheet)
2011	7%		
2012	6%		
2013	5%		
2014	4%		
2015	3%		

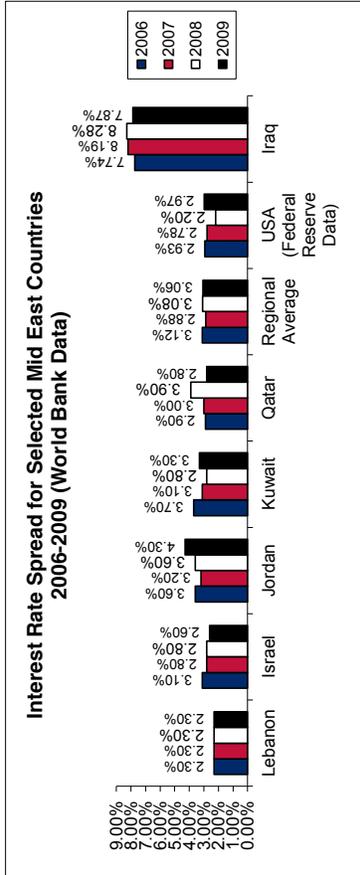
Central Bank of Iraq Interest Rate Data:

	2006	2007	2008	2009	2010
a-Interest Paid					
Savings Deposits	5.66%	9.18%	9.47%	6.84%	5.52%
Time Deposits for 6 months	6.62%	10.43%	10.54%	7.82%	6.06%
Time Deposits for 1 year	7.27%	11.30%	11.88%	8.83%	7.17%
Time Deposits for 2 years	8.08%	12.56%	13.11%	10.12%	8.18%
Average	6.91%	10.87%	11.25%	8.40%	6.73%
b- Interest Charge Current Account (overdraft)	14.77%	19.09%	19.65%	16.76%	15.13%
Discounted Bills	14.50%	18.44%	19.72%	16.34%	14.76%
Short Term Loans	14.38%	18.78%	19.22%	16.16%	14.35%
Medium Term Loans	14.48%	19.47%	19.50%	15.63%	13.32%
Long Term Loans	15.13%	19.53%	19.57%	16.47%	14.35%
Average	14.65%	19.06%	19.53%	16.27%	14.38%
Interest Rate Spread - all rates	7.74%	8.19%	8.28%	7.87%	7.65%



Selected Comparative Regional Countries (World Bank Data)

	2006	2007	2008	2009	2010
Lebanon	2.30%	2.30%	2.30%	2.30%	2.30%
Israel	3.10%	2.80%	2.80%	2.60%	2.60%
Jordan	3.60%	3.20%	3.60%	4.30%	3.30%
Kuwait	3.70%	3.10%	2.80%	3.30%	3.30%
Qatar	2.90%	3.00%	3.90%	2.80%	2.80%
Regional Average	3.12%	2.88%	3.08%	3.06%	2.97%
USA (Federal Reserve Data)	2.93%	2.78%	2.20%	2.97%	2.97%
Iraq	7.74%	8.19%	8.28%	7.87%	7.65%



Performance Indicator Reference Sheet (PIRS)

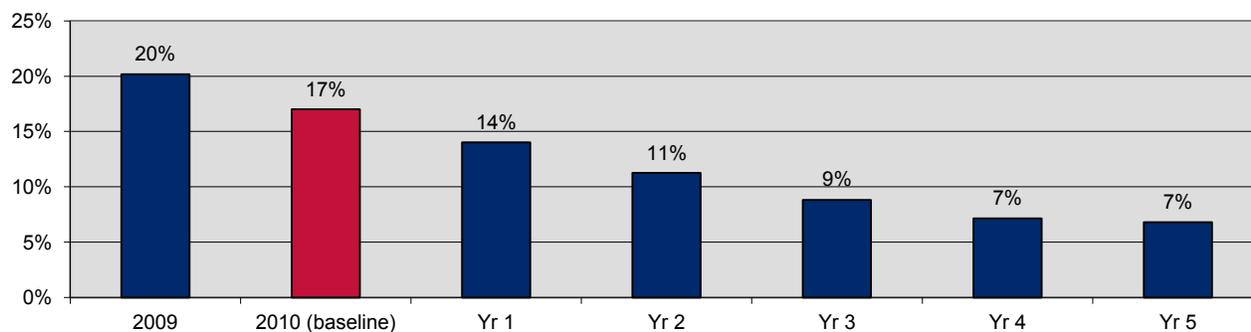
Performance Indicator # LT4			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Long Term Objective	sector indicator for management to use to monitor overall program impact in a larger context, not directly attributable for any contractual objective		
"F" indicator	NO		
Is this a Custom or "Project Specific" Indicator?	YES		
Expected Result #	N/A		
Expected Result Per Contract	N/A		
DESCRIPTION			
Indicator Title:	Credit extended by the Private Banks by Sector as a % of total credit provided by the private banks		
Precise Definition(s):	The Central Bank of Iraq reports credit from the commercial banks (State and Private) segregated by 10 economic sectors: Agriculture; Building/Construction; Electricity; External Credit; Finance/Ins/RE/Business Services; Manufacturing, Mining/Quarries; Social Services; Transportation/communication/storage; and, Wholesale/retail/trade/hotels. This indicator is the standard deviation of % of total credit distributed to each of these sectors. (See attached baseline and target estimate worksheets.)		
Unit of Measure:	Standard Deviation (expressed as a %)		
Disaggregated by:	none		
type: output/outcome	output		
Direction of Change:	lower = better		
Rationale:	In a more robust and diversified banking sector such as Jordan or in the USA, concentration of credit is a more evenly divided. Therefore, This indicator reveals the existence of any concentration of credit in Iraq. High concentrations of credit in a particular sector subject the Private Banking sub-sector to the risks associated to the particular sector where the credit is concentrated. (i.e. high concentrations of credit in the agriculture sector subject lenders to the same risks such as crop loss from weather, disease and insects and market price risks). A High standard deviation signals the existence of a concentration of credit, high risk. A low standard deviation indicates less concentration, lower risk. Through training and education and improvement in collections/risk management as well as external improvements like electricity, security and infrastructure this distribution should level out and become less concentrated.		
PLAN FOR DATA ACQUISITION			
Data Source:	Central Bank of Iraq		
Method of data acquisition:	Data acquired from CBI Annual Report		
Data Acquisition Freq & Reporting:	Annually; quarterly data will be collected if available		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	William R. Schultz		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	None known at this time		
Actions Taken or Planned to address Data Limitations:	TBD		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	Initial Baseline data will be calculated using the 2009 CBI Annual report. Baseline data and targets for yr 1-5 will be updated when 2010 data is available. Using economic expertise, Targets are based on reasonably gradual shifts of areas of high concentration of credit to economically productive, though low areas of concentration of credit. (see attached worksheet). Iraq is not expected to reach the level of low-risk diversification in more developed countries such as Jordan or the USA within the five years of the project; however, a reasonable, gradual shift from areas of high concentration to areas less served should be observed. 2010 baseline data has been incorporated to update the baseline for the project		
Year	Target	Actual	Notes
2010		17%	Baseline = Excel Stdevpa function for 2010 % Dist. (See attached worksheet)
2011	14%		
2012	11%		
2013	9%		
2014	7%		
2015	7%		

Analysis: Private Bank Cash Credit Distribution by sector as % of Total Cash Credit to the Private Sector

Targets

	2009	2010 (baseline)	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Mining							
Electricity	0.28%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%
Agriculture,	1.01%	1.35%	3.35%	5.35%	7.35%	9.35%	11.35%
External Credit	1.21%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%
Transportation, Communications & Storage	2.57%	2.14%	3.14%	4.14%	5.14%	6.14%	7.14%
Finance, Insurance, Real Estate & Business Services	5.15%	7.11%	9.11%	11.11%	13.11%	15.11%	17.11%
Manufacturing	5.30%	4.54%	6.54%	8.54%	10.54%	12.54%	14.54%
Social Services	5.84%	16.68%	16.68%	16.68%	16.68%	16.68%	16.68%
Building & Construction	11.16%	10.54%	12.54%	14.54%	16.54%	18.54%	20.54%
Wholesale, Retail, Trade & Hotels	67.47%	56.96%	47.96%	38.96%	29.96%	20.96%	11.96%
Average Distribution	100%	100%	100.00%	100%	100%	100%	100%
Standard Deviation: (baseline and targets)	20%	17%	14%	11%	9%	7%	7%
Year to Year Change		-3.18%	-2.97%	-2.78%	-2.42%	-1.67%	-0.36%

**Cash Credit Standard Deviation Indicator 2009, 2010
Baseline and Targets**



**Baseline & Target Credit Distribution
By Sector**



**Distribution of Cash Credit by Bank and Sector
figures in \$USD x 1000) Source: CBI 2009 Annual Report**

(all)

Private Bank Name	Total Credit	Building & Construction	External Credit	Social Services	Finance, Insurance, Real Estate & Business Services	Transportation, Communications & Storage	Wholesale, Retail, Trade & Hotels	Electricity	Manufacturing	Mining	Agriculture
1 Bank of Baghdad	86,204	0	0	0	0	0	75,011	0	3,731	0	7,462
2 Commercial Bank of Iraq	15,482	683	32	1,022	0	178	10,795	0	2,714	0	59
3 Iraqi Middle East Bank for Investment	59,270	9,261	0	10,608	10	6,825	23,480	0	7,874	0	1,212
4 Investment Bank of Iraq	28,187	344	3	4,356	2,927	64	19,274	11	958	0	250
5 Basrah International Bank for Investment	164,844	28,367	0	23,197	6,333	28,261	75,832	2,856	0	0	0
6 Iraqi Islamic Bank for Invest.&Developm.	5,797	32	0	0	0	0	5,765	0	0	0	0
7 United Bank for Investment	96,926	505	0	11,185	4,326	9	73,465	163	7,018	0	255
8 National Bank of Iraq	16,667	0	0	7,306	0	0	7,944	0	682	0	734
9 Credit Bank of Iraq	22,297	257	0	601	0	0	7,909	0	10,624	0	2,906
10 Babylon Bank	12,960	577	0	2,303	300	0	8,845	427	507	0	0
11 Dar Alsalam Investment Bank	13,656	539	0	1,897	4,207	184	2,274	0	4,556	0	0
12 Gulf Commercial Bank	34,253	9,052	0	7,485	5,695	1,353	6,610	422	2,350	0	1,285
13 Warka Bank for Investment & Finance	498,845	0	0	0	0	0	498,845	0	0	0	0
14 Economic Bank for Investment & Finance	59,179	0	0	0	59,179	0	0	0	0	0	0
15 Mousel Bank for Develop. & Investment	53,745	16,571	0	5,159	1,632	763	21,701	803	5,556	0	1,560
16 Elaf Islamic Bank	17,806	2,601	0	1,500	0	0	13,704	0	1	0	0
17 North Bank for Finance & Investment	99,815	17,701	0	2,560	44	0	46,468	0	33,042	0	0
18 Union Bank of Iraq	12,674	10,649	0	0	0	0	2,026	0	0	0	0
19 Kurdistan Internat. Bank for Invest.& Deve.	11,760	185	0	10,575	0	0	0	0	1,000	0	0
20 Ashur International Bank for Investment	2,739	385	69	1,101	0	27	348	0	788	0	21
21 Mansour Bank for Investment	11,302	197	0	112	0	0	10,839	0	154	0	0
22 Sumer Commercial Bank	41,862	2,655	0	543	13	0	33,861	0	4,766	0	26
23 Al Bilad Islamic Bank for Invest.&Finance	150,816	73,900	0	0	0	0	76,916	0	0	0	0
24 Djjah&Furat Bank for Dev. & Investment	44,682	0	0	0	0	0	44,682	0	0	0	0
25 Islamic Regional Cooperation Bank for Development & Investment	64,201	9,226	0	4,651	203	4,672	43,686	0	894	0	868
26 Trans Iraq Bank	19,891	0	19,891	0	0	0	0	0	0	0	0
27 Islamic National Bank	13	0	0	13	0	0	0	0	0	0	0
28 AL-Huda Bank	588	0	0	0	0	0	588	0	0	0	0
Total:	1,646,462	183,685	19,995	96,174	84,869	42,335	1,110,869	4,683	87,215	0.00%	16,638
Distribution of Credit By Sector as a % of Total	100.00%	11.16%	1.21%	5.84%	5.15%	2.57%	67.47%	0.28%	5.30%	0.00%	1.01%

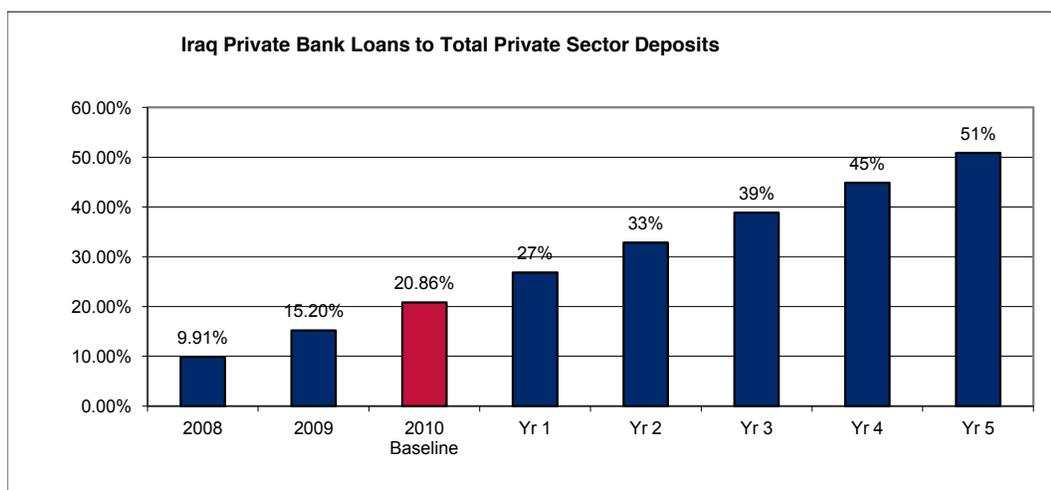
Performance Indicator Reference Sheet (PIRS)

Performance Indicator # P1			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element			
Long Term Objective	LTO1 and LTO2		
"F" indicator	NO		
Is this a Custom or "Project Specific" Indicator?	YES		
Expected Result #	Project Objective		
Expected Result Per Contract	Strengthen the private financial sector's ability to provide financial intermediation to fuel private sector-led job creation.		
DESCRIPTION			
Indicator Title:	Loans by Private Banks to the private sector as a percent of private sector deposits held by the Commercial Banking sector (Loan to Deposit Ratio)		
Precise Definition(s):	The formula for calculating the Loan to deposit ratio is: Loans from the Private Banks to the Private Sector / Total Private Sector Deposits.		
Unit of Measure:	Percentage		
Disaggregated by:	none		
type: ouput/outcome	Outcome		
Direction of Change:	Higher = Better		
Rationale:	Loans to the private sector as a percent of private sector deposits of the Commercial Banking sector (Loan to Deposit Ratio) is a very strong indicator that reflects the actual financial intermediation (converting deposits to loans) that is taking place in the Commercial Banking sector. In western, developed countries a loan to deposit ratio of 65-70% is considered an acceptable level. A low loan to deposit ratio relative to regional or international benchmarks directly correlates to ineffective financial intermediation.		
PLAN FOR DATA ACQUISITION			
Data Source:	CBI Aggregated Data contained in the CBI Annual Report		
Method of data acquisition:	Data Collected from the CBI annual report and quarterly information if available.		
Data Acquisition Freq & Reporting:	Data Acquisition as available from data sources/ Annual Reporting		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	William R. Schultz		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	Banks will always make operations and lending policy decisions on what their individual governance systems perceive as their own best interest. The interventions of the program are external to those loan decision making processes of individual banks, which gives the program limited influence on this indicator. Putting in place a Credit Bureau and improving data communications should have a profound affect on how individual banks make future lending and operational decisions but there is no guarantee this will, in fact, happen. Annual fluctuations in the increases in both deposits and loans will have positive and negative effects year on year but the long term trend should remain positive.		
Actions Taken or Planned to address Data Limitations:	Management will monitor both the numerator and denominator separately as well as the ratio. This indicator is not 100% directly attributable to the project's contractual objective. However, This indicator does provide proof of development hypothesis and must be monitored for the project's interventions should positively affect both the numerator and the denominator.		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	Initial Baseline data will be calculated using the 2009 CBI Annual report. Baseline data and targets for yr 1-5 will be updated when 2010 data is available. Targets in Yr 1-5 assume that interventions will increase at a natural progression (5.28% from 2008-2009, 5.66% 2009-2010) of 6% per year. NOTE: the baseline for this indicator has changed to reflect the incorporated updated 2010 data. Also, it should be noted that as of 2010, CBI data now disaggregates deposit information by State and Private banks, making it possible to modify this indicator to show ONLY the Loan to Deposit ratio using ONLY Private Bank Deposits in the Denominator. Modifying this indicator would show a significant (and more accurate assessment) change in this indicator. The L/D ratio for the Private Banking Sector for 2010 is 53.7%, rather than 20.86% using ONLY private sector loans at private banks divided by private sector deposits with Private Banks.		
Year	Target	Actual	Notes
2010		20.86%	Baseline = \$1.65 billion / \$10.8 Billion (see attached worksheet)
2011	21%		
2012	27%		
2013	33%		
2014	39%		
2015	45%		

Loans to the private sector as a percent of private sector deposits of the Commercial Banking sector (Loan to Deposit Ratio)

Source: CBI 2008, 2009 & 2010 Annual Report (data converted to USD at 1170 IQD/\$1 x 1000)

		USD			Targets:				
		2008	2009	2010 Baseline	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Private Bank Credit	A	\$965,049	\$1,647,689	\$2,465,239					
Private Sec Deposits	B	\$9,736,522	\$10,842,921	\$11,817,844					
Loan to Deposit Ratio	A/B	9.91%	15.20%	20.86%	27%	33%	39%	45%	51%



Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 2.5.2			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
USAID Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Intermediate Result No:	2.5		
Expected Result Per Contract	CBI staff is trained on the new Centralized Data Repository reporting requirements and can manage the system		
DESCRIPTION			
Indicator Title:	Phase II for the Data Depository System is completed		
Precise Definition(s):	This is a milestone indicator. The 2 Workplan Milestones that will be tracked are specific tasks detailed in the project contract and approved work plan including the timeline for their completion. (milestone reference numbers correspond to those in the Workplan: D2.5.4a & b). The tasks are as follows:		
	D2.5.4.a	Develop and implement a rollout plan to deploy the solution to all reporting entities	
	D2.5.4.b	Create and maintain a Help Desk function for all users until one month after roll out is complete.	
Unit of Measure:	Milestone		
Disaggregated by:	none		
Type: Output/Outcome:	Output		
Direction of Change:	sequential progression to completion: D2.5.1a = step 1, D2.5.1h = Final step, result achieved		
Rationale:	This milestone indicator is useful to management in measuring progress toward achieving the expected result (IR 2.5) in clearly defined steps, including a timeline for completion.		
PLAN FOR DATA ACQUISITION			
Data Source:	Project and stakeholder documentation		
Method of data acquisition:	Component 2 staff will collect evidential documentation as it becomes available and submit it to the M&E Department.		
Data Acquisition Freq & Reporting:	Quarterly Collection / Quarterly Report		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	David Munro		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	No training has commenced as of project start-up therefore the baseline is 0		
Year	Target	Actual	Notes
2010		0	Milestone numbers achieved
2011		0	
2012	8	0	All 8 Phase II milestones complete, Repository is Operational and CBI staff are trained to use the system; This indicator tracks a Year 3 activity
2013			
2014			
2015			

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 1.1.1			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Expected Result #	1.1		
Expected Result Per Contract	One or more industry associations that represents effectively the interests of the private financial sector and is self-sustainable, as measured by financial sustainability and member involvement and satisfaction.		
DESCRIPTION			
Indicator Title:	Association (and Branches) accepting USG Technical Assistance		
Precise Definition(s):	The number of private banker associations that the Iraq Financial Sector Development program will provide technical and other assistance in order to achieve their goal.		
Unit of Measure:	Number of Associations and Branches		
Disaggregated by:	none		
type: output/outcome:	Output		
Direction of Change:	None - Target is 1 Association with provincial branches		
Rationale:	Because of the small number of private banks in Iraq (36), this indicator number will be limited to one national association with regional or provincial branches. Branches will be counted as an additional association show the extent of outreach for the association activities.		
PLAN FOR DATA ACQUISITION			
Data Source:	Association Charter/Bylaws and subsequent Board Resolutions/ USAID Program records		
Method of data acquisition:	Collection will be made by component 1 Staff from Association records, incorporated into project records.		
Data Acquisition Freq & Reporting:	Quarterly/Quarterly		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Kathy Walsh		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	No viable bankers association is being supported by the project at the startup, therefore the baseline is 0. Furthermore, only one "association" will be supported by the project. The Decision to expand to other provinces will be based on feasibility analysis by the Federation of Private banks rather than with the project. Therefore, no branch targets will be measured by this indicator..		
Year	Target	Actual	Notes
2010		0	No Associations are committed to the project at startup
2011	1	1	The Federation of Private Banks has been established and no other "association" is anticipated to be supported by the project as of end of year 1.
2012	0	0	USAID/IFDP continues to support the Federation of Private Banks
2013	0		
2014	0		
2015	0		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 1.1.2			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Expected Result #	1.1		
Expected Result Per Contract	One or more industry associations that represents effectively the interests of the private financial sector and is self-sustainable, as measured by financial sustainability and member involvement and satisfaction.		
DESCRIPTION			
Indicator Title:	Bankers Association(s) Financial Sustainability		
Precise Definition(s):	Financial sustainability is the degree to which an organization collects sufficient revenues from sale of its services to cover the full costs of its activities, evaluated on an opportunity-cost basis. Expressed as a percentage, financial sustainability is calculated using the formula: gross revenue / (operational cost + financial costs). Full financial sustainability is the situation in which the revenues an organization generates from its clients cover the full (opportunity) costs of its activities, thus allowing it to continue operating at a stable or growing scale without ongoing support from governments, donor agencies, or charitable organizations.		
Unit of Measure:	Financial Sustainability Ratio		
Disaggregated by:	by association or none		
type: output/outcome	Outcome		
Direction of Change:	Higher = Better: 100% or above indicates complete Financial Sustainability		
Rationale:	Financial sustainability indicates that the association will continue after donor Technical and financial assistance ends.		
PLAN FOR DATA ACQUISITION			
Data Source:	Association Accounting records		
Method of data acquisition:	Program staff to review accounts and accounting policy		
Data Acquisition Freq & Reporting:	Annual Collection / Annual Report		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Kathy Walsh		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:			
Year	Target	Actual	Notes
2010		0%	There are no associations receiving TA at project startup
2011	20%	*	
2012	60%	600%	This indicator is unchanged since the last reporting period; see M&E Section of the quarterly report
2013	100%		Deliverables require sustainability target to be met in Year 3.
2014	100%		
2015	100%		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 1.1.3, a & b			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Expected Result #	1.1		
Expected Result Per Contract	One or more industry associations that represents effectively the interests of the private financial sector and is self-sustainable, as measured by financial sustainability and member involvement and satisfaction.		
DESCRIPTION			
Indicator Title:	Total number of institutional owners of the Federation of Private Banks.		
Precise Definition(s):	Total number of the institutional owners of the Federation of Private Banks.		
Unit of Measure:	number		
Disaggregated by:	none		
type: output/outcome:	Output		
Direction of Change:	Higher = Better		
Rationale:	The number of owners investing their own funds in the federation reflect the over-all interest of the industry in pursuing the advocacy, publicity and training efforts carried out by the Federation of private banks. The number of owners of the Federation is limited by the total number of private banks in Iraq.		
PLAN FOR DATA ACQUISITION			
Data Source:	Association membership records		
Method of data acquisition:	Direct Project review of membership records		
Data Acquisition Freq & Reporting:	Quarterly/Quarterly		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Kathy Walsh		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	No viable association exists at project startup, therefore the baseline for this indicator is 0. Targets are based on best estimates and will be adjusted to reflect realistic expectations as knowledge is gained.		
Year	Target 1.1.3	Actual	Notes
2010		0	Baseline
2011	13	13	Original Owners of the Federation as shown in the registration documents
2012	12	0	06/30/2012: no new institutional owners
2013	0		
2014	0		
2015	0		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 1.1.4			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Expected Result #	1.1		
Expected Result Per Contract	One or more industry associations that represents effectively the interests of the private financial sector and is self-sustainable, as measured by financial sustainability and member involvement and satisfaction.		
DESCRIPTION			
Indicator Title:	Overall Owner Satisfaction with the Federation of Private Banks		
Precise Definition(s):	Owner satisfaction is measured by the continuing participation in the decision making processes of the General Assembly meetings. Satisfaction will be measured by the aggregate quarterly percentage of owners who attend the General Assembly meetings. The formula that will be used to calculate this percentage is: the accumulative average number of owners present at each meeting during the quarter divided by the number of General Assembly meetings during the quarter. Example: at meeting 1 there are 10 owners represented at the meeting and at that time there are 13 owners, the average for the meeting is 77%. At the second meeting, there are 2 new owners and each send a representative to the meeting, making the attendance average 12/15, or 80%. there are two more meetings during the quarter with attendance average of 80% and 85%. The quarterly average would then be: (77% + 80% + 80% + 85%) / 4 meetings = 80.5%.		
Unit of Measure:	percentage		
Disaggregated by:	none		
type: output/outcome:	Output		
Direction of Change:	Higher = Better		
Rationale:	For the purpose of this indicator, "Member" is defined as institutional owner of the Federation of Private Banks, LLC. Member satisfaction as measured by their participation in the General Assembly meetings demonstrates that owner's satisfaction with the work of the organization remains high. There will be instances where owners will disagree with one another on issues, but their collective participation in the decision making process of the company/Federation is an accurate reflection of their continuing satisfaction with the work and operations of the company.		
PLAN FOR DATA ACQUISITION			
Data Source:	General Assembly meeting minutes		
Method of data acquisition:	project staff will record attendance from minutes provided by the Federation		
Data Acquisition Freq & Reporting:	Data will be acquired from each meeting and reported quarterly, then averaged annually.		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Kathy Walsh		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	No viable association exists at project startup, therefore the baseline for this indicator is 0. Targets are based on best estimates and will be adjusted to reflect realistic expectations as knowledge is gained. However, it is unrealistic to expect an average satisfaction of 100% because discontent is present in all organizations, anywhere in the world.		
Year	Target	Actual	Notes
2010		0	No Association exists at start-up, hence baseline = 0
2011	75%	69%	two General Assembly mtgs during last qtr of FY 11, 9 of 13 owners represented at each meeting.
2012	75%	92%	
2013	75%		
2014	75%		
2015	75%		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 1.2.1			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Expected Result #	1.2		
Expected Result Per Contract	Stakeholder organization's capacity is developed to conduct policy research, public private dialogue, advocacy and public education efforts to achieve targeted priority reforms		
DESCRIPTION			
Indicator Title:	Number of policy research documents, public-private dialogue sessions, advocacy campaigns and public education measures		
Precise Definition(s):	The actual number of policy research, public-private dialogue, advocacy and public education efforts made by the private bankers association		
Unit of Measure:	Number documents, events, campaigns, publications		
Disaggregated by:	None		
Type: Output/Outcome:	Outcome		
Direction of Change:	Higher = Better		
Rationale:	This indicator measures the level of effort being made by the private bankers to develop the private financial sector on a sustainable basis		
PLAN FOR DATA ACQUISITION			
Data Source:	Stakeholder Associations, CBI, CoR other GOI entities, project records		
Method of data acquisition:	TBD		
Data Acquisition Freq & Reporting:	Quarterly		
Estimated Cost of Data Acquisition:	n/a/		
Individual responsible for data collection:	Kathy Walsh		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:			
Year	Target	Actual	Notes
2010		0	There are no such efforts being made at this point
2011	6	0	
2012	18		
2013	23		
2014	27		
2015	31		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 1.3.1			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Expected Result #	1.3		
Expected Result Per Contract	Process of Iraqi-led, results-oriented, private-public dialogue among the industry association(s), the CBI, CoR and other GoI entities is in place and sustained		
DESCRIPTION			
Indicator Title:	Number of Public-Private Task Force events carried out for the purpose of bringing about necessary changes in the commercial banking sector.		
Precise Definition(s):	This indicator represents the number of events that is carried out by the public-private Task Force for the purpose of bringing about necessary change in the commercial banking sector.		
Unit of Measure:	Number of events		
Disaggregated by:	none		
type: output/outcome:	Output		
Direction of Change:	higher = better		
Rationale:	This indicator measures the effectiveness of the public-private Task Force and level of commitment to improving the private financial sector. An increasing or consistent volume of output (number) provides evidence of a sustained process within the association.		
PLAN FOR DATA ACQUISITION			
Data Source:	Stakeholder Associations, CBI, CoR or other GOI entities aggregated into USAID project records.		
Method of data acquisition:	Data will be accumulated as component staff monitor and support Task Force activities. A complete accounting will be conducted semi-annually and reported semi-annually.		
Data Acquisition Freq & Reporting:	Quarterly/Quarterly		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Kathy Walsh		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:			
Year	Target	Actual	Notes
2010		0	No stakeholders at project startup
2011	0	0	
2012	3	0	
2013	4		
2014	4		
2015	4		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 1.4.1			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Expected Result #	1.4		
Expected Result Per Contract	Regional and international linkages with other such associations established		
DESCRIPTION			
Indicator Title:	Number of official linkages established between the Iraq Bankers Association(s) and regional and international bankers' associations as a result of USG assistance		
Precise Definition(s):	Number of linkages between associations are Letters of Agreement, MoU's or similar bi-lateral and multi-lateral agreements. Each type of agreement that is executed by the associations established by the project and similar associations in the region will be counted for this indicator.		
Unit of Measure:	Number of official, written affiliations		
Disaggregated by:	None		
Type: output/outcome:	Outcome		
Direction of Change:	Higher = better		
Rationale:	Linkages can legitimize relationships, foster communications and cooperation, joint activities, sharing of data and information, hosting delegations		
PLAN FOR DATA ACQUISITION			
Data Source:	Stakeholder Associations		
Method of data acquisition:	Association records/Program records		
Data Acquisition Freq & Reporting:	Annual Collection / Annual Report		
Estimated Cost of Data Acquisition:	TBD		
Individual responsible for data collection:	Kathy Walsh		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:			
Year	Target	Actual	Notes
2010		0	No linkages currently exist
2011	0	0	
2012	2	3	Turkish-Arab Banking Conference; Pillars of sound banking event; MOU with Union of Arab Banks;
2013	3		
2014	3		
2015	4		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 1.5.0			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
Long Term Objective	Create jobs by strengthening the private financial sector's ability to provide increased financial intermediation services		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Expected Result #	1.5		
Expected Result Per Contract	Four to five targeted policy, legal, regulatory or administrative reforms implemented that quantitatively and qualitatively expand financial sector intermediation		
DESCRIPTION			
Indicator Title:	Four to Five targeted policy, legal, regulatory or administrative reforms are identified and reform efforts initiated.		
Precise Definitions:	As reforms are identified and a decision is made to begin efforts to implement reforms, the reform monitoring process will begin by being entered into the PMP and a count on this indicator will be made.		
Unit of Measure:	Number		
Disaggregated by:	none		
type: Output/Outcome:	Output		
Direction of Change:	Higher = Better		
Rationale:	The purpose of this indicator is to measure progress toward identifying reforms and that the process to initiate them has begun. Unique indicators will be assigned to each reform that has been identified under this indicator and will be tracked separately. I should be noted that though the initial target is 4-5 reforms, opportunities to increase targets are envisioned. If these opportunities become viable, the targets for this indicator will be adjusted accordingly. As a means to expedite the long process of reform, it is expected that necessary reforms will be identified and efforts will be initiated during the process of association formation through a series of bankers working sessions. Once identified, each reform will be assigned a new PMP Indicator with its own unique milestones following the guidance of <i>TIPS 14, monitoring the Policy and Reform Process</i> .		
PLAN FOR DATA ACQUISITION			
Data Source:	Project Records		
Method of data acquisition:	Component 1 project progress reports will be captured by the PMU		
Data Acquisition Freq & Reporting:	Quarterly Collection / Annual Report		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Kathy Walsh		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	None at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets: as of project start there have been no reforms targeted, therefore the baseline is 0			
Year	Target	Actual	Notes
2010		0	
2011	4-5	3	All reforms will be identified by the end of the 3rd Qtr of FY11
2012		1	3 major reform areas identified; implementation strategy under development; 1 additional Reform area: Credit Information Bureau
2013			
2014			
2015			

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 1.5.1 -1.5.5			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
Long Term Objective	Create jobs by strengthening the private financial sector's ability to provide increased financial intermediation services		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Expected Result #	1.5		
Expected Result Per Contract	Four to five targeted policy, legal, regulatory or administrative reforms implemented that quantitatively and qualitatively expand financial sector intermediation		
DESCRIPTION			
Indicator Title:	Policy, Legal, Regulatory or Administrative Reform #1 Implementation Milestones		
Precise Definition(s):	The precise definition of indicators 1.5.1-1.5.5 will be determined when a targeted reform is identified and a decision is made by the Private Bankers Association (or other groups supported by the project) and a unique PIRS for each individual reform will be created. The indicator definition will depend on the type of reform that is targeted as well as the specific approach that is most appropriate to monitor the unique reform process. Definition and rationale for this indicator will follow the guidelines and recommendations contained in <i>TIPS 14: Monitoring the Policy and Reform Process</i> .		
Unit of Measure:	TBD		
Disaggregated by:	none		
type: Output/Outcome:	Output		
Direction of Change:	Higher = Better		
Rationale:	TBD		
PLAN FOR DATA ACQUISITION			
Data Source:	TBD		
Method of data acquisition:	TBD		
Data Acquisition Freq & Reporting:	Quarterly Collection / Annual Report		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Kathy Walsh		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	None at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets: All reform indicators will be set at the time the reform is identified and the process begins			
Year	Target	Actual	Notes
2010			
2011	TBD		
2012	TBD		
2013	TBD		
2014	TBD		
2015	TBD		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 1.5.1a			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
Long Term Objective	Create jobs by strengthening the private financial sector's ability to provide increased financial intermediation services		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Expected Result #	1.5		
Expected Result Per Contract	Four to five targeted policy, legal, regulatory or administrative reforms implemented that quantitatively and qualitatively expand financial sector intermediation		
DESCRIPTION			
Indicator Title:	Milestones to Measure Policy, Legal, Regulatory or Administrative Reform #1: Regulation on Credit Information Bureau		
Precise Definition(s):	<p>These milestones are found in the project Work Plan and described in detail, including the estimated timeline for achieving them. The following nine (9) fundamental milestones will be tracked for this indicator. The milestones outline the process by which a targeted reform is identified and a decision is made by the cognizant group/committee to proceed with finalizing a draft regulation. *Note: The Project's responsibility for this indicator ends when a draft regulation is submitted to the Central Bank for promulgation. Responsibility for enactment</p> <ol style="list-style-type: none"> 1) Establish group/committee of Iraqi stakeholders designated to prepare draft regulation. 2) Review the existing legal and regulatory framework in Iraq related to the proposed regulation. 3) Review international best practices to identify models most applicable to the Iraqi context. 4) Based on research and best practice principles, the designated review committee decides the best legal form to proceed with regulation. 5) Prepare the draft Regulation in cooperation with the CBI and/or other interested committee. 6) The group/committee reaches consensus on a proposed draft. 7) Draft circulated among the banking community, the federation members and other interested stakeholders to provide comments in accordance with Iraq' legislation for issuance of a new Regulation. 8) The CBI received and addressed the comments provided by the banking community and other stakeholders. 9) The final draft Regulation is delivered to the Central Bank before the deadline. 		
Unit of Measure:	Milestone		
Disaggregated by:	none		
type: Output/Outcome:	Output		
Direction of Change:	Higher = Better		
Rationale:	TBD		
PLAN FOR DATA ACQUISITION			
Data Source:	Data is collected from the portfolio of activities drawn-out of the working sessions and meetings held by the committees mentioned in the definition above. The M&E Unit will extract evidentiary documentation which supports completion of each milestone.		
Method of data acquisition:	Components 1&2 Reports, Meeting Attendance sheets, Meeting Agendas		
Data Acquisition Freq & Reporting:	Quarterly Collection / Annual Report		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Benjamin Turnbull		
Individual responsible for project reporting data:	Timothy Shumaker		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	None at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
This is a new reference sheet to indicate progress on 1.5.1a: Regulatory Reforms necessary for			
Notes on baselines/Targets: the establishment of the Credit Information Bureau			
Year	Target	Actual	Notes
2010			Target = Milestone number achieved
2011	TBD		
2012	9 Milestones Met	9	9 milestones met
2013	TBD		
2014	TBD		
2015	TBD		

**USAID Iraq Financial Development Project
Performance Management Plan (PMP) List of Indicators**

Component 2

USAID Long Term LTO1 Create jobs by strengthening the private financial sector's ability to provide increased financial intermediation services
Objectives (LTO): LTO2 Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform

Program Objective	Program Area	Program Element	Long Term Objective	PMP IR #	Intermediate Result (from contract)	Indicator #	Indicator Title	Unit of Measure	Data Source	Frequency of Collection	Baseline	Associated Deliverable	TARGETS					Cognizant Project Component		
													Yr 1	Yr 2	Yr 3	Yr 4	Yr 5 Total			
4	4.3	4.3.2	LTO1	2.1	A legal and regulatory framework for establishing a credit bureau is in place, and, a credit bureau is operational	2.1.1	4.3.2-2 Number of Material Improvements in the Infrastructure institutions that reduce Market Risks made this year with USG Assistance	Number of Improvements	Project Records	Annual	0	D219	0	0	1	0	0	1	2	
						2.1.2	Milestones to putting the legal and regulatory framework in place and making a credit bureau operational.	Milestones (see PIRS)	Project and Stakeholder Documents	Quarterly	0	D211; D212; D213; D214; D215; D216; D217; D218	1-5	6-8	0	0	0	8	2	
						2.1.3	Number of inquiries received by Credit Bureau	Number of Inquiries	Credit Bureau Records	Quarterly	0	D219	TBD	TBD	TBD	TBD	TBD	TBD	TBD	2
						2.1.4	Number of banks/NBFIs and other subscribers to bureau services	Number of Subscribers	Credit Bureau Records	Quarterly	0	D219	TBD	TBD	TBD	TBD	TBD	TBD	TBD	2
						2.1.5	Number of data records held by Credit Bureau	Number of Data Records	Credit Bureau Records	Quarterly	0	D219	TBD	TBD	TBD	TBD	TBD	TBD	TBD	2
4	4.3	4.3.1	LTO2	2.2	A sustainable organization/partnership for providing financial sector training and professional development is established and is able to deliver courses based on international standards and in response to financial sector requirements	2.2.1	Milestones to measure the steps necessary to establish The Banker's Training Institute that is sustainable and an effective industry training mechanism.	Milestones (see PIRS)	Project Records	Quarterly	0	D221; D222; D224; D228	1	2	2	1	2	8	2	
						2.2.1a	Bankers Training Institute Sustainability Ratio	Ratio (see PIRS for Definition)	BTI Financial Records	Quarterly	0	D228	0%	5%	7%	10%	15%	15%	2	
						2.2.2	4.3.2-1: Number of Financial Sector Professionals trained on international standards this year with USG assistance.	Total # of Professionals	Training Records	Annual	0	D223; D225; D226; D227	0	100	150	200	200	650	2	
						2.2.2a	Number of Men	# Men	Training Records	Annual	0	D223; D225; D226; D227	0	TBD	TBD	TBD	TBD	TBD	2	
						2.2.2b	Number of Women	#women	Training Records	Annual	0	D223; D225; D226; D227	0	TBD	TBD	TBD	TBD	TBD	2	
4	4.3	4.3.2	LTO2	2.3	A comprehensive retail payments system is operational and a solution for a National Switch model is proposed.	2.3.1	4.3.2-2 Number of Material Improvements in the Infrastructure institutions that reduce Market Risks made this year with USG Assistance	Number of Improvements	Implementing Partners, project records	Annual	0	D231; D232	0	0	1	0	0	1	2	
						2.3.1a	Phase I Completed	Milestones (see PIRS)	Project Records	Quarterly	0	D231	10	0	0	0	0	10	2	
						2.3.1b	Phase II Completed	Milestones (see PIRS)	Project Records	Quarterly	0	D232	0	19	0	0	0	19	2	
						2.4.1	An RFP for the CORE banking system is delivered to the CBI to carry out the solicitation	Milestones (see PIRS)	Project Records	Quarterly	0	NONE	0	1	0	0	0	1	2	
						2.5.1	Phase 1 for the Data Depository System is completed	Milestones (see PIRS)	Project Records	Quarterly	0	D241	4	0	0	0	0	0	4	2
4	4.3	4.3.2	LTO2	2.5	CBI staff is trained on the new Centralized Data Repository reporting requirements and can manage the system	2.5.2	Phase II for the Data Depository System is completed	Milestones (see PIRS)	Project Records	Quarterly	0	D251	0	8	0	0	0	8	2	

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 2.1.1			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.2 Financial Sector Capacity		
USAID Long Term Objective	Create jobs by strengthening the private financial sector's ability to provide increased financial intermediation services		
"F" indicator	YES		
Is this a Custom "Project Specific" Indicator?	NO		
Intermediate Result No:	2.1		
Expected Result Per Contract	A legal and regulatory framework for establishing a credit bureau is in place; and, a credit bureau is operational		
DESCRIPTION			
Indicator Title:	4.3.2-2 Number of Material Improvements in the infrastructure institutions that reduce market risks made this year with USG Assistance		
Precise Definition(s):	The number of improvements in the effectiveness, credibility, ease of access and inclusiveness of institutions that serve to reduce market lending risks, including property registries, collateral registries, credit bureaus, debt collection mechanisms, and court judgment enforcement mechanisms		
Unit of Measure:	Number of Improvements		
Disaggregated by:	None		
Type: Output/Outcome	Output		
Direction of Change:	Higher = better		
Rationale:	The core of financial intermediation is risk management. Any institution that serves to reduce market lending risks and loan recovery enables lenders to expand their lending to weaker clients, opening access to credit and lowering the cost of credit. Expanding access to credit enables economic factors to leverage their own resources and expand their economic activity, contributing to improved economic growth		
PLAN FOR DATA ACQUISITION			
Data Source:	Project Records		
Method of data acquisition:	TBD		
Data Acquisition Freq & Reporting:	Annual/Annual		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Mohammed Shohaieb/David Munro		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	No Improvements as of project Startup therefore Baseline = 0. This standard F indicator reflects only 1 improvement target: establishing a credit Bureau. The expected and actual results will be aggregated with other project components with 4.3.2-2 Indicators.		
Year	Target	Actual	Notes
2010		0	number of Improvements, Credit Bureau Established
2011		0	
2012		0	
2013	1		Work is complete and Credit Bureau is Operational in Yr 3
2014			
2015			

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 2.1.2			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.2 Financial Sector Capacity		
USAID Long Term Objective	Create jobs by strengthening the private financial sector's ability to provide increased financial intermediation services		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Intermediate Result No:	2.1		
Expected Result Per Contract	A legal and regulatory framework for establishing a credit bureau is in place; and, a credit bureau is operational		
DESCRIPTION			
Indicator Title:	Milestones to measure the steps of putting the legal and regulatory framework in place and making a credit bureau operational.		
Precise Definition(s):	These milestones are found in the project Work Plan and described in detail, including the estimated timeline for achieving them. The following eight (8) fundamental milestones will be tracked for this indicator:		
	1) Public-private Steering Committee for Design of Credit Bureau Established		
	2) GOI Commitment Confirmed		
	3) Iraqi Driven Credit Bureau Business Plan and Model Developed		
	4) Legal and Regulatory Requirements for Credit Bureau Identified and Recommendations for Needed Changes Drafted		
	5) Public Education Campaign(s) Launched to Inform Public About the Role of a Credit Bureau in the Financial Sector		
	6) Sources of Data and Data Requirements for Launch of Credit Bureau Resolved		
	7) Legal and Regulatory Requirements for Credit Bureau are implemented		
Unit of Measure:	Milestone		
Disaggregated by:	none		
Type: Output/Outcome	Output		
Direction of Change:	1-8, 8 = complete		
Rationale:	This milestone indicator is useful to management in measuring progress toward achieving the expected result in clearly defined steps, including a timeline for completion.		
PLAN FOR DATA ACQUISITION			
Data Source:	Project and stakeholder documentation		
Method of data acquisition:	Component 2 staff will collect evidential documentation as it becomes available and submit it to the M&E Department.		
Data Acquisition Freq & Reporting:	Quarterly/Quarterly		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Mohammed Shohaieb/David Munro		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	Since no work as commenced as of project start-up, baseline is 0. Targets are sequential milestone numbers.		
Year	Target	Actual	Notes
2010		0	Milestone Number achieved
2011	1-3	3	Milestones 1-3 are completed in year 1
2012	3-8	1	Milestone 4 completed in year 2
2013			
2014			
2015			

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 2.1.3			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.2 Financial Sector Capacity		
USAID Long Term Objective	Create jobs by strengthening the private financial sector's ability to provide increased financial intermediation services		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Intermediate Result No:	2.1		
Expected Result Per Contract	A legal and regulatory framework for establishing a credit bureau is in place; and, a credit bureau is operational		
DESCRIPTION			
Indicator Title:	Number of Inquiries received by Credit Bureau		
Precise Definition(s):	This is the number of requests received from lenders regarding the credit history of potential new clients.		
Unit of Measure:	Number of Inquiries		
Disaggregated by:	none		
Type: Output/Outcome:	Output		
Direction of Change:	Higher = Better		
Rationale:	In a functioning credit bureau the number of credit records inquiries indicates that lenders are using the system as intended.		
PLAN FOR DATA ACQUISITION			
Data Source:	Credit Bureau Records		
Method of data acquisition:	Component 2 staff will collect evidencial documentation as it becomes available and submit it to the M&E Department.		
Data Acquisition Freq & Reporting:	Quarterly/Quarterly		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Mohammed Shohaieb/David Munro		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	Since a credit bureau does not exist as of start-up, the baseline is 0. The Iraq Credit Bureau will establish indicator targets based on an assessment of the observations of actual data recorded during start-up operations		
Year	Target	Actual	Notes
2010		0	Number of Inquiries
2011		0	
2012		0	Credit Bureau is not yet functional
2013			
2014			
2015			

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 2.1.4			
Program Objective:	4 Economic Growth		
Program Area:	4.3 Financial Sector		
Program Element:			
USAID Long Term Objective:	Create jobs by strengthening the private financial sector's ability to provide increased financial intermediation services		
"F" indicator:	NO		
Is this a Custom "Project Specific" Indicator?:	YES		
Intermediate Result No.:	2.1		
Expected Result Per Contract:	A legal and regulatory framework for establishing a credit bureau is in place; and, a credit bureau is operational		
DESCRIPTION			
Indicator Title:	Number of banks/NBFIs and other subscribers to Credit Bureau services		
Precise Definition(s):	The number of paid subscribers are the number of institutions that are officially signed on to the Credit Bureau for both reporting and receiving credit information on potential borrowers.		
Unit of Measure:	Number of Subscribers		
Disaggregated by:	none		
Type: Output/Outcome:	Outcome		
Direction of Change:	Higher = Better		
Rationale:	The number of paid subscribers to the credit bureau services is indicative of active operations in place and therefore a measure of the intended result.		
PLAN FOR DATA ACQUISITION			
Data Source:	Credit Bureau Records		
Method of data acquisition:	Component 2 staff will collect evidential documentation as it becomes available and submit it to the M&E Department.		
Data Acquisition Freq & Reporting:	Quarterly/Quarterly		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Mohammed Shohaieb/David Munro		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	Since a credit bureau does not exist as of start-up, the baseline is 0. The Iraq Credit Bureau will establish indicator targets based on an assessment of the observations of actual data recorded during start-up operations		
Year	Target	Actual	Notes
2010			Enter Baseline Data description here - be specific
2011		0	
2012		0	Credit Bureau not yet operational
2013			
2014			
2015			

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 2.1.5			
Program Objective:	4 Economic Growth		
Program Area:	4.3 Financial Sector		
Program Element:	4.3.2 Financial Sector Capacity		
USAID Long Term Objective:	Create jobs by strengthening the private financial sector's ability to provide increased financial intermediation services		
"F" indicator:	NO		
Is this a Custom "Project Specific" Indicator?:	YES		
Intermediate Result No.:	2.1		
Expected Result Per Contract:	A legal and regulatory framework for establishing a credit bureau is in place; and, a credit bureau is operational		
DESCRIPTION			
Indicator Title:	Number of Data Records held by Credit Bureau		
Precise Definition(s):	This is the number of credit records for individual bank/NBFI customers reported and held by the Credit Bureau which are used as the basis for issuing credit reports.		
Unit of Measure:	Number of Data Records		
Disaggregated by:	none		
Type: Output/Outcome:	Output		
Direction of Change:	Higher = Better		
Rationale:	The number of data records is another indicator that the credit bureau is operational as intended. Without banks reporting credit history of their clients, the credit bureau would not function. Likewise, if the number of credit records is very low, the credit bureau's effectiveness is greatly diminished.		
PLAN FOR DATA ACQUISITION			
Data Source:	Credit Bureau Records		
Method of data acquisition:	Component 2 staff will collect evidential documentation as it becomes available and submit it to the M&E Department.		
Data Acquisition Freq & Reporting:	Quarterly/Quarterly		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Mohammed Shohaieb/David Munro		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	Since a credit bureau does not exist as of start-up, the baseline is 0. The Iraq Credit Bureau will establish indicator targets based on an assessment of the observations of actual data recorded during start-up operations		
Year	Target	Actual	Notes
2010			Enter Baseline Data description here - be specific
2011		0	
2012		0	Credit Bureau not yet operational
2013			
2014			
2015			

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 2.2.1			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
USAID Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Intermediate Result No:	2.2		
Expected Result Per Contract	A sustainable organization/partnership for providing financial sector training and professional development is established		
DESCRIPTION			
Indicator Title:	Milestones to measure the steps necessary to establish The Banker's Training Institute that is sustainable and an effective industry training mechanism.		
Precise Description:	The following milestones are described in detail, including the estimated timeline for achieving them, in the project Work Plan. The eight (8) fundamental milestones below (reference numbers correspond to the work plan: D2.2.1 - D2.2.8) will be tracked and reported for this indicator: D2.2.1) Business Plan and Model for Bank Training Institute completed D2.2.2) Bank Training Institute Established D2.2.3) Training of Trainers and Curriculum Development completed D2.2.4) Regional Linkages to Other Bank Institutes Established D2.2.5) Bank Training Institute Expands Number of Courses Offered D2.2.6) Bank Institute Starts Offering Certificate Programs D2.2.7) Bank Institute Continues to Expand its Number of Courses Offered D2.2.8) Bank Training Institute Established and Sustainable with Program Courses and Materials, Training of Trainers, etc.		
Unit of Measure:	Milestones		
Disaggregated by:	none		
Type: Output/Outcome:	Output		
Direction of Change:	sequential progression to completion: D2.2.1= step 1, D2.2.8 = Final step, result achieved		
Rationale:	This milestone indicator is useful to management in measuring progress toward achieving the expected result in clearly defined steps, including a timeline for completion. The expected result and associated milestones themselves are dictated by the project contract.		
PLAN FOR DATA ACQUISITION			
Data Source:	Project Records		
Method of data acquisition:	Component 2 staff will collect evidential documentation as it becomes available and submit it to the M&E Department.		
Data Acquisition Freq & Reporting:	Quarterly Collection / Quarterly Report		
Estimated Cost of Data Acquisition:	N/a		
Individual responsible for data collection:	Bob Viernum/David Munro		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hardcopy, Project Files & USAID; Electronic: Project Servers/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	Milestone D2.2.8 appears to be ambiguous, lacks specific definition in the contract.		
Actions Taken or Planned to address Data Limitations:	Discuss with USAID COTR/M&E Specialist to clearly define the deliverables established in the contract as actionable steps to achieving the stated goal. (See USAID ADS 203.4.2a)		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	As of project startup no work has been initiated so baseline is 0		
Year	Target	Actual	Notes
2010		0	Milestones to achieve establishing the Bankers Training Institute.
2011	1	1	D2.2.1 has been completed in Year 1
2012	2	2	D2.2.2-D.2.2.4 completed in Year 2
2013	2		D2.2.5-D2.2.6 completed in Year 3
2014	1		D2.2.7, expansion achieved in Year 4 & 5
2015	2		D2.2.7, expansion continues, D.2.2.8-Bankers Inst. In place.

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 2.2.1a			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
USAID Long Term Objective	legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Intermediate Result No:	2.2		
Expected Result Per Contract	A sustainable organization/partnership for providing financial sector training and professional development is established		
DESCRIPTION			
Indicator Title:	Bankers Training Institute Sustainability Ratio		
Precise Description:	Sustainability of the Bankers Training Institute (BTI) is measured as a percent of operating costs covered by user fees to indicate both financial and intellectual sustainability: Total User Fees paid by the private banks / Total Operating Costs.		
Unit of Measure:	Percentage		
Disaggregated by:	none		
Type: Output/Outcome:	Output		
Direction of Change:	Higher = better		
Rationale:	The BTI is a quasi-government institution established by Law # 36/ 1999 which means that operational costs will be covered by the government and by private bank user fees. Assuming that user fee scales will remain constant during the life of the program, a trend of higher percentage of costs being covered by private bank user fees over time will indicate that the institution has increasing value to the commercial private banks because more of their employees, staff and managers are participating in its programs, indicating a reasonably sustainable quasi-governmental institution. It is estimated that state banks comprise approximately 85% of the commercial banking sector. Therefore, If user fees paid by state banks rise to 15% of operating costs, this would indicate a 15/85 share of costs of all stakeholders, suggesting that the institution sustainability is equitably shared between the private sector and government.		
PLAN FOR DATA ACQUISITION			
Data Source:	Bankers Training Institute Financial Records		
Method of data acquisition:	Component 2 staff will collect evidential documentation as it becomes available and submit it to the M&E Department.		
Data Acquisition Freq & Reporting:	Quarterly Collection / Quarterly Report		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Bob Viernum/David Munro		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hardcopy, Project Files & USAID; Electronic: Project Servers/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	User Fees may not remain constant, which may skew the indicator over time.		
Actions Taken or Planned to address Data Limitations:	In the event fluctuating fees are evident, it may become necessary to adjust targets or establish constants for the purpose of calculating shared operational cost coverage. Also, if the sector share between the private banks and state-owned banks changes targets will necessarily need to be revised accordingly.		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	As of project startup no work has been initiated so baseline is 0		
Year	Target	Actual	Notes
2010		0	At Start of project baseline is 0
2011	0%	0%	Design and setup of the BTI
2012	5%	0%	
2013	7%		
2014	10%		
2015	15%		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 2.2.2, a & b			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
USAID Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	YES		
Is this a Custom "Project Specific" Indicator?	NO		
Intermediate Result No:	2.2		
Expected Result Per Contract	Bankers Training Institute is able to deliver courses based on international standards and in response to financial sector requirements		
DESCRIPTION			
Indicator Title:	4.3.2-1 Number of Financial Sector Professionals trained on international standards this year with USG Assistance		
Precise Definition(s):	The number of financial sector professionals – accountants, actuaries, insurance and pension specialists, bankers and other individuals that manage financial institutions, manage risk or provide operating services to the financial market that have been trained as a result of USG training activities (excluding supervisory staff, which is measured separately.)		
Unit of Measure:	number of professionals		
Disaggregated by:	gender (men 2.2.2a/women 2.2.2b)		
Type: Output/Outcome:	Output		
Rationale:	A typical bank lending officer in a developed market will have an MBA or accounting degree, followed by up to five years of mentoring by experienced senior lenders before (s)he is qualified to assume any significant lending authority. In most developing countries, the education system does not provide a comparable base, and senior lenders often do not themselves have the technical skills to teach. Other financial sector specialists require a similar extensive learning curve before they can be reliable practitioners. Training programs that compensate for these gaps in skills development opportunities can substantially accelerate the rate at which a country can form the professionals needed to expand the economy		
PLAN FOR DATA ACQUISITION			
Data Source:	Training Event Request Forms and Post-training documents		
Method of data acquisition:	Project Training Coordinator to report data to person responsible for data collection		
Data Acquisition Freq & Reporting:	Annual/Annual		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Bob Viernum/David Munro		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	No Improvements as of project Startup therefore Baseline = 0. This standard F indicator reflects only one component element: Establishing a Banker's Training Institute. The expected and actual results will be aggregated with other project components with a 4.3.2-1 Indicator.		
Year	Target	Actual	Notes
2010		0	Total number of professionals Trained each year
2011	0		
2012	100	60	04/01/2012 - 06/30/2012
2013	150		
2014	200		
2015	200		
2010		0	Total number of professionals Trained (Men)
2011	TBD		
2012	TBD	51	04/01/2012 - 06/30/2012
2013	TBD		
2014	TBD		
2015	TBD		
2010		0	Total number of professionals Trained (women)
2011	TBD		
2012	TBD	9	04/01/2012 - 06/30/2012
2013	TBD		
2014	TBD		
2015	TBD		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 2.3.1			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.2 Financial Sector Capacity		
USAID Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	YES		
Is this a Custom "Project Specific" Indicator?	NO		
Intermediate Result No:	2.3		
Expected Result Per Contract	A comprehensive retail payments system is operational and a solution for a National Switch model is proposed.		
DESCRIPTION			
Indicator Title:	4.3.2-2 Number of Material Improvements in the infrastructure institutions that reduce market risks made this year with USG Assistance		
Precise Definition(s):	The number of improvements in the effectiveness, credibility, ease of access and inclusiveness of institutions that serve to reduce market lending risks, including property registries, collateral registries, credit bureaus, debt collection mechanisms, and court judgment enforcement mechanisms		
Unit of Measure:	Number of Improvements		
Disaggregated by:	none		
Type: Output/Outcome:	Outcome		
Direction of Change:	Higher = better		
Rationale:	The core of financial intermediation is risk management. Any institution that serves to reduce market lending risks and loan recovery enables lenders to expand their lending to weaker clients, opening access to credit and lowering the cost of credit. Expanding access to credit enables economic factors to leverage their own resources and expand their economic activity, contributing to improved economic growth		
PLAN FOR DATA ACQUISITION			
Data Source:	Project Records		
Method of data acquisition:	TBD		
Data Acquisition Freq & Reporting:	Annual/Annual		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	David Munro		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	No Improvements as of project Startup therefore Baseline = 0. This standard F indicator reflects only 1 improvement target: establishing a retail payment system. The expected and actual results will be aggregated with other project components with 4.3.2-2 Indicators.		
Year	Target	Actual	Notes
2010		0	Enter Baseline Data description here - be specific
2011		0	
2012		0	
2013	1		Phase I and II have been completed, an IPS is functional
2014			
2015			

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 2.3.1a			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.2 Financial Sector Capacity		
USAID Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Intermediate Result No:	2.3		
Expected Result Per Contract	A comprehensive retail payments system is operational and a solution for a National Switch model is proposed.		
DESCRIPTION			
Indicator Title:	Achievement of Phase I of the retail payment system		
Precise Definition(s):	<p>This is a milestone indicator. The 10 Workplan Milestones that will be tracked are specific tasks detailed in the project contract and approved work plan including the timeline for their completion. (milestone reference numbers coorespond to those in the Workplan: D2.3.1.1a-j). The tasks are as follows:</p> <p>D2.3.1.1 a) Examine existing laws and regulations to identify problems, weaknesses and gaps D2.3.1.1 b) Review similar regulations used in other countries D2.3.1.1 c) Identify topics to put into law versus those which should be left open for CBI to regulate D2.3.1.1 d) Identify technical standards that need to be mandated in regulations D2.3.1.1 e) Develop recommendations for corrective action in consultation with CBI legal department D2.3.1.1 f) Examine current governance situation and advising on the form of a national payments council in interbank working groups for the future development of IPS D2.3.1.1 g) Draft revised regulations as necessary D2.3.1.1 h) Review and modify draft regulations based on input from CBI legal department and expert payment systems lawyers and CBI payments department D2.3.1.1 i) Arrange for translation of drafts into Arabic and agree with CBI legal department D2.3.1.1 j) Review implementation and report to CBI</p>		
Unit of Measure:	Milestones		
Disaggregated by:	none		
Type: Output/Outcome:	Output		
Direction of Change:	sequential progression to completion: D2.3.1.1a = step 1, D2.3.1.1j = Final step, result achieved		
Rationale:	This milestone indicator is useful to management in measuring progress toward achieving the expected result (IR 2.3) in clearly defined steps, including a timeline for completion.		
PLAN FOR DATA ACQUISITION			
Data Source:	Project and stakeholder documentation		
Method of data acquisition:	Component 2 staff will collect evidential documentation as it becomes available and submit it to the M&E Department.		
Data Acquisition Freq & Reporting:	Quarterly Collection / Quarterly Report		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	David Munro		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	Since no work as commenced as of project start-up, baseline is 0.		
Year	Target	Actual	Notes
2010		0	Milestones completed
2011	10	7	7 of 10 milestones have been completed and work has progressed to year 2. Milestones 8, 9 and 10 are being completed by the CBI.
2012	10	8	Milestone 10 completed Milestones 8 and 9 pending CBI action
2013			
2014			
2015			

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 2.3.1b			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.2 Financial Sector Capacity		
USAID Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Intermediate Result No:	2.3		
Expected Result Per Contract	A comprehensive retail payments system is operational and a solution for a National Switch model is proposed.		
DESCRIPTION			
Indicator Title:	Achievement of Phase II of the retail payment system		
Precise Definition(s):	<p>This is a milestone indicator in two sections: D2.3.2.1-Enhancements of the IPS infrastructure to Support Retail Banking; and, D2.3.2.2- Participate in the Selction Process of a National Switch Provider. The Workplan Milestones that will be tracked are specific tasks detailed in the project contract and approved work plan including the timeline for their completion. (milestone reference numbers coorespond to those in the Workplan: D2.3.2.1a-j and D2.3.2.2a-i). The tracked tasks are as follows:</p> <p align="center">D2.3.2.1-Enhancements of the IPS infrastructure to Support Retail Banking</p> <p>a) Develop recommendations towards an enhanced retail payments systems infrastructure for Iraq b) Identify feasible model for implementation of a National EFTPOS / ATM Switch c) Assess approaches for inclusion of mobile payments d) Develop budgets for the procurement of a National Switch and a National Mobile Payment system e) Identify sources for funding of the Iraq Retail Infrastructure Enhancement program f) Evaluate models vs. Iraq needs g) Prepare outline proposal/priorities to implement h) Review the Proposal for the EFTPOS/ ATM Switch and MPS implementation with the CBI i) Prepare report/ presentations j) Deliver presentations to the members of IPS and facilitate discussion</p> <p align="center">D2.3.2.2- Participate in the Selction Process of a National Switch Provider</p> <p>a) Prepare detailed specification for national switch including agreed principles b) Prepare detailed requirements for national mobile c) Prepare RFI to pre-qualify supplier consortia d) Agree and issue RFI e) Prepare full RFP f) Evaluate RFI responses and select short list g) Agree and issue RFP h) Evaluate RFP responses i) Assist in negotiations with supplier</p>		
Unit of Measure:	milestone		
Disaggregated by:	none		
Type: Output/Outcome:	Output		
Drection of Change:	sequential progression to completion: D2.3.2.1a = step 1, D2.3.2.1j = Final step, result achieved; D2.3.2.2a = step 1, D2.3.2.2i = final step, result achieved.		
Rationale:	This milestone indicator is useful to management in measuring progress toward achieving the expected result (IR 2.3) in clearly defined steps, including a timeline for completion.		
PLAN FOR DATA ACQUISITION			
Data Source:	Project and stakeholder documentation		
Method of data acquisition:	Component 2 staff will collect evidential documentation as it becomes available and submit it to the M&E Department.		
Data Acquisition Freq & Reporting:	Quarterly Collection / Quarterly Report		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	David Munro		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	Because no work as commenced at project Start-up, the baseline is 0.		
Year	Target	Actual	Notes
2010		0	number of Milestones for D2.3.2.1 (a-j) completed
2011			
2012	10	0	All 10 milestones to be completed, IPS is operational; Awaiting CBI action
2013			
2014			
2015			
2010		0	Number of Milestones for D2.3.2.2 (a-i) completed
2011			
2012	9	5	All 9 milestones completed, a National Switch is being procured
2013			
2014			
2015			

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 2.4.1			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.2 Financial Sector Capacity		
USAID Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	YES		
Is this a Custom "Project Specific" Indicator?	NO		
Intermediate Result No:	2.4		
Expected Result Per Contract	CBI has a complete Request for Proposals for CORE system that could be issued for bid		
DESCRIPTION			
Indicator Title:	An RFP for the CORE banking system is delivered to the CBI to carry out the solicitation		
Precise Definition(s):	The project prepares the RFP for the CORE Banking system and delivers it to the CBI in both English and Arabic translations. There are seven (7) fundamental steps/milestones to achieving this result:		
	IR2.4a(i)	Draft Request for Information (RFI) to distribute to companies providing Core Banking Systems for Central banks to gather information regarding their systems, needed for inclusion in the RFP	
	IR2.4a(ii)	Incorporate standard RFP sections already approved from review of the RPSI RFP	
	IR2.4a(iii)	Issue RFI, and analyze the responses	
	IR2.4a(iv)	Create IT assessment tool to determine current IT status at CBI main offices and branches, to obtain information to be included in the RFP	
	IR2.4a(v)	Obtain approval from CBI to assign resources to perform the IT assessment, train the resources, and execute the assessment	
	IR2.4a(vi)	Translation of the RFP (subject to timely translation service)	
	IR2.4a(vii)	Submit the Arabic and English version of the RFP to the CBI to issue the solicitation.	
Unit of Measure:	Milestone		
Disaggregated by:	none		
Type: Output/Outcome:	Output		
Direction of change:	Higher = better, highest number is 7		
Rationale:	This milestone indicator is useful to management in measuring progress toward achieving the expected result (IR 2.4) in clearly defined steps, including a timeline for completion.		
PLAN FOR DATA ACQUISITION			
Data Source:	Project Records		
Method of data acquisition:	TBD		
Data Acquisition Freq & Reporting:	Quarterly		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Gary Dinoia/TL Comp 3		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	as of the date of the first modification to the project contract, no work has started on the milestones, therefore the baseline is zero. Targets are established by the approved workplan.		
Year	Target	Actual	Notes
2010		0	
2011	0	0	
2012	1-7	3	All seven milestones are expected to be achieved by Feb FY 2012; This indicator should be reviewed in light of CBI priorities
2013			
2014			
2015			

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 2.5.1			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
USAID Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Intermediate Result No:	2.4		
Expected Result Per Contract	CBI has a complete Request for Proposals for CORE system that could be issued for bid		
DESCRIPTION			
Indicator Title:	Phase I for the Data Repository System is completed		
Precise Definition(s):	This is a milestone indicator. The 3 Primary Workplan Milestones that will be tracked are specific tasks detailed in the project contract and approved work plan including sub-tasks and the timeline for their completion. (milestone reference numbers coorespond to those in the Workplan: D2.5.3a-c. The tasks are as follows:		
	D2.5.3.a	Develop and Implement an "Education and Awareness" plan of the new reporting requirements within the reporting entities and CBI Staff	
	D2.5.3.b	Develop and implement a knowledge transfer processes for CBI IT staff to manage the Reporting framework (perform admin functions, ad/edit/delete user/group roles, perform certain support functions, etc.)	
	D2.5.3.c	Develop and implement a knowledge transfer processes for CBI IT Banking staff to use the system, interpret the reporting contents and make valid conclusions.	
Unit of Measure:	Milestone		
Disaggregated by:	none		
Type: Output/Outcome:	Output		
Direction of Change:	higher = better, maximum number is 3		
Rationale:	This milestone indicator is useful to management in measuring progress toward achieving the expected result (IR 2.5) in clearly defined steps, including a timeline for completion.		
PLAN FOR DATA ACQUISITION			
Data Source:	Project and stakeholder documentation		
Method of data acquisition:	Component 2 staff will collect evidential documentation as it becomes available and submit it to the M&E Department.		
Data Acquisition Freq & Reporting:	Quarterly/Quarterly		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	David Munro		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	No work has commenced as of project start-up therefore the baseline is 0		
Year	Target	Actual	Notes
2010		0	Milestone number reached on Phase 1 of the Data Repository
2011	4	0	All 4 Phase I milestones completed, Repository in place
2012		0	This indicator tracks a Year 3 activity
2013			
2014			
2015			

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 2.5.2			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
USAID Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Intermediate Result No:	2.5		
Expected Result Per Contract	CBI staff is trained on the new Centralized Data Repository reporting requirements and can manage the system		
DESCRIPTION			
Indicator Title:	Phase II for the Data Depository System is completed		
Precise Definition(s):	This is a milestone indicator. The 2 Workplan Milestones that will be tracked are specific tasks detailed in the project contract and approved work plan including the timeline for their completion. (milestone reference numbers coorespond to those in the Workplan: D2.5.4a & b). The tasks are as follows:		
	D2.5.4.a	Develop and implement a rollout plan to deploy the solution to all reporting entities	
	D2.5.4.b	Create and maintain a Help Desk function for all users until one month after roll out is complete.	
Unit of Measure:	Milestone		
Disaggregated by:	none		
Type: Output/Outcome:	Output		
Direction of Change:	sequential progression to completion: D2.5.1a = step 1, D2.5.1h = Final step, result achieved		
Rationale:	This milestone indicator is useful to management in measuring progress toward achieving the expected result (IR 2.5) in clearly defined steps, including a timeline for completion.		
PLAN FOR DATA ACQUISITION			
Data Source:	Project and stakeholder documentation		
Method of data acquisition:	Component 2 staff will collect evidential documentation as it becomes available and submit it to the M&E Department.		
Data Acquisition Freq & Reporting:	Quarterly Collection / Quarterly Report		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	David Munro		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	No training has commenced as of project start-up therefore the baseline is 0		
Year	Target	Actual	Notes
2010		0	Milestone numbers achieved
2011		0	
2012	8	0	CBI staff are trained to use the system; This indicator tracks a Year 3 activity
2013			
2014			
2015			

**USAID Iraq Financial Development Project
Performance Management Plan (PMP) List of Indicators
Component 3**

USAID Long Term LTO1 Create jobs by strengthening the private financial sector's ability to provide increased financial intermediation services
Objectives (LTO): LTO2 Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform

Program Objective	Program Area	Element	Long Term Objective	PMP IR #	Intermediate Result (from contract)	PMP Indicator #	Indicator Title	Unit of Measure	Data Source	Frequency of Collection	Baseline	Associated Deliverable	TARGETS					5 Year Total	Component																																																																																																																																																								
													Yr 1	Yr 2	Yr 3	Yr 4	Yr 5																																																																																																																																																										
4.3.2	4.3.1	LTO2	3.1	3.1.1	F	4.3.1-6: Number of Financial Sector Training and/or Certification Programs Established or supported that meet International Standards	F	Number of Programs	Project Records	Annual	0	D312; D313; D314	0	0	0	0	2	3																																																																																																																																																									
																			3.1.2a	F	Number of Men	Project Records/ University Records	Annual	0	D312	40	30	3	3	79	3																																																																																																																																												
																																3.1.2b	F	Number of Women	University Records	Annual	0	D312	35	20	2	2	61	3																																																																																																																															
																																													3.1.3	F	Number of senior faculty from Partner Colleges trained in curriculum by regional/international Partner universities	Implementing Partners, project records	Quarterly	0	D312	0	30	0	0	0	30	3																																																																																																																	
																																																											3.1.4	F	Number of Iraqi Colleges and Financial Institutions surveyed for the GAPS Analysis	Project Records	Quarterly	0	D311	11	0	0	0	0	11	3																																																																																																			
																																																																									3.1.4a	F	Number of Colleges of Economics and Administration included in the Gaps Analysis	Project Records	Quarterly	0	D311	8	0	0	0	0	8	3																																																																																					
																																																																																							3.1.4b	F	Number of financial institutions included in the Gaps Analysis	Project Records	Quarterly	0	D311	3	0	0	0	0	3	3																																																																							
																																																																																																					3.1.5	F	Number of Deans/program administrators trained in accreditation	Implementing Partners, project records	Quarterly	0	D312	40	0	0	0	0	0	40	3																																																								
																																																																																																																				3.1.6	F	Number of Iraqi Colleges of Economics and Administration accepted for membership for accreditation in AACSB	Project Records	Quarterly	0	D314	0	2	2	2	2	8	3																																										
																																																																																																																																		3.2.1	F	Educators Association Financial Sustainability	Implementing Partners, project records	Quarterly	0	D322	0	0	0	50%	100%	100%	3																												
																																																																																																																																																3.2.2	F	Number of finance and banking faculty members participating in the association of finance and banking educators	Implementing Partners, project records	Quarterly	0	D322	0	0	0	200	0	200	3														
																																																																																																																																																														3.2.2a	F	Number of Men	Implementing Partners, project records	Quarterly	0	D322	0	0	0	175	0	175	3
3.2.3	F	Overall Member Satisfaction of Educators Association effectiveness	Survey	Quarterly	0	D322	3	3	4	4	4	4	1																																																																																																																																																														
														3.2.4	F	Number of partnership agreements between Iraqi Partner Colleges and Regional/international educational institutions	Implementing Partners, project records	Quarterly	0	D321	1	1	0	0	0	2	3																																																																																																																																																
																												3.3.1	F	Sustainable Joint Council (Education/Private Banks) established within the organizational structure of a private bank industry association.	Implementing Partners, project records	Quarterly	0	D331; D332	0	0	0	0	0	0	0	3																																																																																																																																	
																																											3.3.2	F	Number of internships and scholarships to students from the Partner Colleges Co-funded by the private sector (disaggregated by type of sponsorship, gender)	Implementing Partners, training records	Quarterly	0	D331; D332	0	4	4	6	6	20	3																																																																																																																			
																																																									3.3.2a	F	Number of Men	Implementing Partners, training records	Quarterly	0	D331; D332	0	3	3	4	4	14	3																																																																																																					
																																																																							3.3.2b	F	Number of Women	Implementing Partners, training records	Quarterly	0	D331; D332	0	1	1	2	2	6	3																																																																																							
																																																																																					3.3.3	F	Number of Career Development Centers established at Partner Colleges	Implementing Partners, training records	Quarterly	0	D331; D332	0	2	0	2	0	4	3																																																																									

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 3.1.1			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
USAID Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	YES		
Is this a Custom "Project Specific" Indicator?	NO		
Intermediate Result No.	3.1		
Expected Result Per Contract	Two or more business schools/universities offering business and finance degrees based on international standards		
DESCRIPTION			
Indicator Title:	4.3.1-6 Number of Financial Sector Training and/or Certification programs established or supported that meet international standards.		
Precise Definition(s):	The number of training and certification programs that meet or embrace internationally recognized standards for upgrading and or expanding professional capacities for financial sector professionals		
Unit of Measure:	Number of Programs		
Disaggregated by:	N/A		
Type: Output/Outcome	Output		
Direction of Change:	Higher = better		
Rationale:	Global interconnected growth is accelerating in all countries of the world. It is vital that entering financial sector professionals possess up to date knowledge of finance and banking from a program and recognized by providers as meeting internationally recognized standards. Entering finance professionals equipped with up to date knowledge of finance theory and practice increase confidence among investing and trading institutions, facilitate investment and increase the volume of financial transactions, increase access to finance among sub-sectors of the economy, increase confidence among investing and trading counterparts and spur innovation, among many other benefits.		
PLAN FOR DATA ACQUISITION			
Data Source:	Project Records/University Records		
Method of data acquisition:	Project Component progress reports and supporting documents		
Data Acquisition Freq & Reporting:	Annual/Annual		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Herb Davis		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	hard copy-Project File # TBD & USAID, Electronic: Project Server/OneSource, USAID		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	At project startup, no programs have been initiated therefore baseline is 0		
Year	Target	Actual	Notes
2010		0	Baseline is 0
2011	0	0	
2012	0	0	
2013	0		
2014	0		
2015	2		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 3.1.2 a&b			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.2 Financial Sector Capacity		
USAID Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	YES		
Is this a Custom "Project Specific" Indicator?	NO		
Intermediate Result No.	3.1		
Expected Result Per Contract	Two or more business schools/universities offering business and finance degrees based on international standards		
DESCRIPTION			
Indicator Title:	4.3.2-1 Number of Financial Sector Professionals trained on International Standards this year with USG assistance		
Precise Definition(s):	The number of financial sector professionals – accountants, actuaries, insurance and pension specialists, bankers and other individuals that manage financial institutions, manage risk or provide operating services to the financial market that have been trained as a result of USG training activities (excluding supervisory staff, which is measured separately.) This includes the number of Deans / administrators and senior faculty of selected Partner Colleges of Economics and Administration that successfully complete coursework to become TOT's in banking and finance.		
Unit of Measure:	number of senior faculty and administrators		
Disaggregated by:	gender (3.1.2a men/3.1.2b women)		
Type: Output/Outcome	Output		
Direction of Change:	higher = better		
Rationale:	A typical bank lending officer in a developed market will have an MBA or accounting degree, followed by up to five years of mentoring by experienced senior lenders before she/he is qualified to assume any significant lending authority. The Iraqi education system does not provide a comparable base, and senior lenders often do not themselves have the technical skills to teach. Other financial sector specialists require a similar extensive learning curve before they can be reliable practitioners. Degree programs that meet international standards can compensate for these gaps in skills development opportunities can substantially accelerate the rate at which a country can form the professionals needed to grow the financial sector.		
PLAN FOR DATA ACQUISITION			
Data Source:	Project data; Participating university record		
Method of data acquisition:	record concurrent with activities		
Data Acquisition Freq & Reporting:	Annual/Annual		
Estimated Cost of Data Acquisition:	n/a		
Individual responsible for data collection:	Herb Davis		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	hard copy-Project File # TBD & USAID, Electronic: Project Server/OneSource, USAID		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets: No Training programs have been established as of project start-up therefore baseline is 0			
Year	Target	Actual	Notes
2010			0 baseline
2011	40 - 35 men / 5 Women	34 - 31 men / 3 women	
2012	30 - 20 men / 10 Women	129 - 116 men / 13 women	
2013	3 - 2 men / 1 Woman		
2014	3 - 2 men / 1 Woman		
2015	3 - 2 men / 1 Woman		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 3.1.3			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.2 Financial Sector Capacity		
USAID Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Intermediate Result No.	3.1		
Expected Result Per Contract	Two or more business schools/universities offering business and finance degrees based on international standards		
DESCRIPTION			
Indicator Title:	Number of senior faculty from Partner Colleges trained in curriculum by regional/international Partner universities		
Precise Definition(s):	The number of Deans / administrators and senior faculty of selected/Partner Colleges of Economics and Administration that will have participated in the Curriculum Development workshops		
Unit of Measure:	number of senior faculty and administrators		
Disaggregated by:	none		
Type: Output/Outcome	Output		
Direction of Change:	higher = better		
Rationale:	Decades of isolation has prevented Iraqi educators from keeping themselves updated on latest pedagogy and research in business and finance. An intensive workshop conducted by senior professors of international renown can give the Iraqi educators a shot in the arm sorely needed		
PLAN FOR DATA ACQUISITION			
Data Source:	Project data; Participating university record		
Method of data acquisition:	record concurrent with activities		
Data Acquisition Freq & Reporting:	Annual Aggregate / Annual/concurrent Reporting		
Estimated Cost of Data Acquisition:	n/a		
Individual responsible for data collection:	Herb Davis		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	hard copy-Project File # TBD & USAID, Electronic: Project Server/OneSource, USAID		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets: No Training programs have been established as of project start-up therefore baseline is 0			
Year	Target	Actual	Notes
2010		0	Baseline is 0
2011	0		
2012	30	45	
2013	0		
2014	0		
2015	0		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 3.1.4 a&b			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.2 Financial Sector Capacity		
USAID Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Intermediate Result No.	3.1		
Expected Result Per Contract	Two or more business schools/universities offering business and finance degrees based on international standards		
DESCRIPTION			
Indicator Title:	Number of Iraqi Colleges and Financial Institutions surveyed for the GAPS Analysis		
Precise Definition(s):	Number of selected Colleges of Economics and Administration and the Number of selected financial institutions included in the Gaps Analysis conducted jointly by the Program and the Regional Consultant/Partner University		
Unit of Measure:	Number of Universities and Financial Institutions		
Disaggregated by:	Universities (3.1.4a) and Financial Institutions (3.1.4b)		
Type: Output/Outcome	Output		
Direction of Change:	higher = better		
Rationale:	Decades of isolation has prevented Iraqi educators from keeping themselves updated on latest pedagogy and research in business and finance. The GAPS analysis is analogous to a thorough medical checkup before diagnosis of the problems and prescription of remedies. The GAPS analysis will help identify the precise nature of the mismatch between the requirements of the financial sector and the skills of the graduates produced by Iraqi Colleges of Economics and Administration		
PLAN FOR DATA ACQUISITION			
Data Source:	(1) Qualitative survey of faculty, students, and the overall program (2) semi-structured interviews with executives of financial institutions hiring graduates of the Colleges; (3) existing data and reports on the state of education in Iraqi Colleges of Economics and Administration; (4) face to face interviews with stakeholders		
Method of data acquisition:	record concurrent with activities		
Data Acquisition Freq & Reporting:	Quarterly/Quarterly		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Herb Davis		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	hard copy-Project File # TBD & USAID, Electronic: Project Server/OneSource, USAID		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	June 30, for LOP		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets: No Training programs have been established as of project start-up therefore baseline is 0			
Year	Target	Actual	Notes
2010		0	baseline
2011	11 - 8 Universities / 3 Fin. Inst.	10 universities / 21 Banks	
2012	0	0	
2013	0		
2014	0		
2015	0		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 3.1.5, a & b			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.2 Financial Sector Capacity		
USAID Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Intermediate Result No.	3.1		
Expected Result Per Contract	Two or more business schools/universities offering business and finance degrees based on international standards		
DESCRIPTION			
Indicator Title:	Number of Deans/program administrators trained in accreditation		
Precise Definition(s):	The number of Deans / administrators and senior faculty of selected/"Partner Colleges of Economics and Administration" participating in the Accreditation workshop to be held in May 2011		
Unit of Measure:	number of senior faculty and administrators		
Disaggregated by:	gender (3.1.5a men/3.1.5b women)		
Type: Output/Outcome	Output		
Direction of Change:	higher = better		
Rationale:	Accreditation by an internationally recognized body ensures an independent confirmation of quality of the program. Hence, encouraging Iraqi Colleges of Economics and Administration to seek accreditation with ACCSB (the premier accreditation body in the world) and facilitating the process is an important part of the Program. However, accreditation by AACSB is a highly elaborate and long process requiring understanding of complex procedures and financial viability. Hence, the need for a full-fledged training workshop. The Component Lead was fortunate in making AACSB visit the region and offer a training workshop on accreditation in collaboration with a recently AACSB-accredited Partner University.		
PLAN FOR DATA ACQUISITION			
Data Source:	Project data; Participating university record		
Method of data acquisition:	record concurrent with activities		
Data Acquisition Freq & Reporting:	Quarterly/Quarterly		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Herb Davis		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	hard copy-Project File # TBD & USAID, Electronic: Project Server/OneSource, USAID		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	June 30, for LOP		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets: No Training programs have been established as of project start-up therefore baseline is 0			
Year	Target	Actual	Notes
2010		0	baseline
2011	40		
2012	0		
2013	0		
2014	0		
2015	0		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 3.1.6			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.2 Financial Sector Capacity		
USAID Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Intermediate Result No.	3.1		
Expected Result Per Contract	Two or more business schools/universities offering business and finance degrees based on international standards		
DESCRIPTION			
Indicator Title:	Number of Iraqi Colleges of Economics and Administration accepted for membership for accreditation in AACSB		
Precise Definition(s):	The number of Iraqi Colleges of Economics and Administration that applied and were accepted for membership by AACSB for future accreditation		
Unit of Measure:	Number of Colleges		
Disaggregated by:	N/A		
Type: Output/Outcome	Output		
Direction of Change:	higher = better		
Rationale:	The primary objective of the Third Component of the Program is to bring the quality of business and finance education up to international standards. Membership in the premier accreditation league not only creates awareness of specific benchmarks to be achieved by the member Colleges but also provides access to expert advice and periodic monitoring of the progress towards achieving that goal.		
PLAN FOR DATA ACQUISITION			
Data Source:	Project component records; Participating university(ies)		
Method of data acquisition:	record concurrent with activities		
Data Acquisition Freq & Reporting:	Quarterly/Quarterly		
Estimated Cost of Data Acquisition:	n/a		
Individual responsible for data collection:	Herb Davis		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	hard copy-Project File # TBD & USAID, Electronic: Project Server/OneSource, USAID		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	June 30, for LOP		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets: No Colleges have been accepted for AACSB accreditation as of project start, baseline = 0			
Year	Target	Actual	Notes
2010		0	baseline
2011	0	0	
2012	2	3	
2013	2		
2014	2		
2015	2		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 3.2.1			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Expected Result #	1.1		
Expected Result Per Contract	One or more industry associations that represents effectively the interests of the private		
DESCRIPTION			
Indicator Title:	Educators' Association Financial Sustainability		
Precise Definition(s):	Financial sustainability is the degree to which an organization collects sufficient revenues from sale of its services to cover the full costs of its activities, evaluated on an opportunity-cost basis. Expressed as a percentage, financial sustainability is calculated using the formula: $(\text{operational cost} + \text{financial costs}) / \text{gross revenue}$. Full financial sustainability is the situation in which the revenues an organization generates from its clients cover the full (opportunity) costs of its activities, thus allowing it to continue operating at a stable or growing scale without ongoing support from governments, donor agencies, or charitable organizations.		
Unit of Measure:	Financial Sustainability Ratio		
Disaggregated by:	none		
type: output/outcome	Output		
Direction of Change:	100% or above indicates Financial Sustainability		
Rationale:	Financial sustainability indicates that the association will continue after donor Technical and financial assistance ends.		
PLAN FOR DATA ACQUISITION			
Data Source:	Association Accounting records		
Method of data acquisition:	Program staff to review accounts and accounting policy		
Data Acquisition Freq & Reporting:	Annual Collection / Annual Report		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Herb Davis		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets: The Educators association does not exist at start-up, therefore baseline is 0			
Year	Target	Actual	Notes
2010		0%	There are no associations receiving TA at project startup
2011	0%	0%	
2012	0%	0%	
2013	0%		
2014	50%		
2015	100%		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 3.2.2 a-b			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Expected Result #	1.1		
Expected Result Per Contract	One or more industry associations that represents effectively the interests of the private financial sector and is self-sustainable, as measured by financial sustainability and member		
DESCRIPTION			
Indicator Title:	Number of finance and banking faculty members participating in the association of Finance and banking educators		
Precise Definition(s):	Total membership of the association includes all legal entities and individual persons who have paid membership dues or other fees, disaggregated by Gender (1.1.3 a & b).		
Unit of Measure:	Total # of members, #men, #women		
Disaggregated by:	Gender		
type: output/outcome:	Output		
Direction of Change:	Higher = Better		
Rationale:	The number of paid members (corporate, branches, affiliates) of the association are the primary indicator of member involvement.		
PLAN FOR DATA ACQUISITION			
Data Source:	Association membership records		
Method of data acquisition:	Direct Project review of membership records		
Data Acquisition Freq & Reporting:	Quarterly/Quarterly		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Herb Davis		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	No association exists at start up, therefore the baseline is 0. Targets are based on best estimates and will be adusted/modified to reflect realistic expectations.		
Year	Target	Actual	Notes
2010		0	
2011	0	0	
2012	0	0	
2013	0		
2014	200: 175 men/25 women		
2015	0		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 3.2.3			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Expected Result #	1.1		
Expected Result Per Contract	One or more industry associations that represents effectively the interests of the private		
DESCRIPTION			
Indicator Title:	Overall Member Satisfaction of Educators Association effectiveness		
Precise Definition(s):	Member satisfaction is the extent the members are satisfied with the association's work in terms of services and results as measured by a rating scale of 0-5, 5 = 100% satisfied.		
Unit of Measure:	Avg Rating		
Disaggregated by:	none		
type: output/outcome:	Output		
Direction of Change:	Higher = Better		
Rationale:	Member satisfaction as measured by opinion surveys indicate to the extent that the association is achieving its purpose as well as meeting the needs of its membership.		
PLAN FOR DATA ACQUISITION			
Data Source:	satisfaction surveys		
Method of data acquisition:	satisfaction survey		
Data Acquisition Freq & Reporting:	Surveys will taken and results reported Annually		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Herb Davis		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hard Copy: Project Files/USAID; Elect: Project Server/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	No association exists at start up, therefore the baseline is 0. Targets are based on best estimates and will be adusted/modified to reflect realistic expectations. However, it is unrealistic to expect an average satisfaction of 100% because discontent is present in all organizations, anywhere in the world.		
Year	Target	Actual	Notes
2010		0	No Association exists at start-up, hence baseline = 0
2011	2	0	
2012	3	0	This is a Year 4 Deliverable
2013	4		
2014	4		
2015	4		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 3.2.4			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element			
USAID Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Intermediate Result No.	3.3		
Expected Result Per Contract	Sustainable mechanism in place for continuing professional development, networking and advocacy for business and finance education		
DESCRIPTION			
Indicator Title:	Number of partnerships agreements between Iraqi Partner Colleges and Regional/international educational institutions (disaggregated by Colleges)		
Precise Definition(s):	Two to four selected Iraqi Colleges of Economics and Administration sign long term Program sponsored academic partnership agreements with selected AACSB-accredited Regional/International Partner Universities. This will be measured by the number of MOUs/Agreements and the number of Scholars and Post Doctorate/Research Fellows at Iraqi Universities.		
Unit of Measure:	Number of Signatory Universities to an MOU		
Disaggregated by:	3.2.2. MOUS/Agreements between Iraqi Colleges/Univ and Regional Educational institutions		
type: output/outcome:	Output		
Direction of Change:	Higher = Better		
Rationale:	To bring the quality of finance and banking education in Iraq up to the international standards, AACSB-accredited regional partners can lead the way as they themselves had to go through a rigorous process of review and quality control. This is analogous to mentoring for someone interested in self-improvement.		
PLAN FOR DATA ACQUISITION			
Data Source:	Project and university data		
Method of data acquisition:	record concurrent with activities		
Data Acquisition Freq & Reporting:	Quarterly/Quarterly		
Estimated Cost of Data Acquisition:	n/a		
Individual responsible for data collection:	Herb Davis		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	hard copy-Project File # TBD & USAID, Electronic: Project Server/OneSource, USAID		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	June 30, for LOP		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	No partnerships exist as of project start therefore baseline = 0		
Year	Target	Actual	Notes
2010		0	Baseline is 0
2011	1		
2012	1	4	
2013	0		
2014	0		
2015	0		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 3.3.1			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.1 Financial Sector Enabling Environment		
USAID Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Intermediate Result No:	2.2		
Expected Result Per Contract	A sustainable organization/partnership for providing financial sector training and professional development is established		
DESCRIPTION			
Indicator Title:	Sustainable Joint Council (Education/Private Banks) established within the organizational structure of a private bank industry association.		
Precise Description:	This indicator is a series of milestones to measure the process/progress of establishing a sustainable Joint Council of educators and leaders of private banks under the organizational structure of an Banking Industry Association. The four steps/milestones to be monitored are as follows: 1: Education/University Partners are Identified 2: Three Parter Unversities become MOU signatories to establish a joint council of educators and Private Bank leaders appointed by a Private Bank Industry Association. 3: Private Bank Industry Association appoints representatives to the Joint Council 4: The Private Bank Industry Association establishes the Joint Council as its strategic educational advisory committee within its organizational structure, thereby insuring the Joint Council's legitamcy and sustainability.		
Unit of Measure:	Milestones		
Disaggregated by:	none		
Type: Output/Outcome:	Output		
Direction of Change:	Higher = Better		
Rationale:	Using milestones for establishing this advisory body is the best logical means to monitor the process that leads to a legitimate and sustainable body aimed at further professional development, a network of practioners and advocacy for finance and banking education in Iraq.		
PLAN FOR DATA ACQUISITION			
Data Source:	Financial Records of the Career Development Centers		
Method of data acquisition:	Component 3 staff will collect evidential documentation as it becomes available and submit it to the M&E Department.		
Data Acquisition Freq & Reporting:	Quarterly Collection / Quarterly Report		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Dr. Herb Davis		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	Hardcopy, Project Files & USAID; Electronic: Project Servers/OneSource		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets:	As of project startup no work has been initiated so baseline is 0		
Year	Target	Actual	Notes
2010		0	No work has commenced at start-up, baseline is 0
2011	Milestones 1-4		All milestones will be completed in Yr 1
2012		4	
2013			
2014			
2015			

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 3.3.2 a&b			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.2 Financial Sector Capacity		
USAID Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Intermediate Result No.	3.3		
Expected Result Per Contract	Sustainable mechanism in place for university collaboration with private business and financial organizations		
DESCRIPTION			
Indicator Title:	Number of internships and scholarships to students from the Partner Colleges Co-funded by the private sector (disaggregated by type of sponsorship, gender)		
Precise Definition(s):	The financial sector matches Program funding in support of a number of internships and scholarships to students from the Partner Colleges (disaggregated by type of sponsorship, gender)		
Unit of Measure:	Number of partnership/cooperation agreements		
Disaggregated by:	Gender (3.3.1a men/3.3.1b women)		
type: output/outcome:	Output		
Direction of Change:	higher = better		
Rationale:	If the private financial sector desires the finance and banking education to be responsive to its changing needs, specialization specific scholarships and internships offer appropriate incentives to channel resources in the desired direction.		
PLAN FOR DATA ACQUISITION			
Data Source:	Project data; Participating university records		
Method of data acquisition:	record concurrent with activities		
Data Acquisition Freq & Reporting:	Quarterly/Quarterly		
Estimated Cost of Data Acquisition:	n/a		
Individual responsible for data collection:	Herb Davis		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	hard copy-Project File # TBD & USAID, Electronic: Project Server/OneSource, USAID		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	TBD		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets: No Activities have started as of project startup, Baseline is 0			
Year	Target	Actual	Notes
2010		0	At project Startup, no agreements are in process
2011		0	
2012	4 - 3 men / 1 woman	0	
2013	4 - 3 men / 1 woman		
2014	6 - 4 men / 2 women		
2015	6 - 4 men / 2 women		

Performance Indicator Reference Sheet (PIRS)

Performance Indicator # 3.3.3			
Program Objective	4 Economic Growth		
Program Area	4.3 Financial Sector		
Program Element	4.3.2 Financial Sector Capacity		
USAID Long Term Objective	Improve the enabling environment for private financial sector expansion through capacity building, legal and regulatory reform		
"F" indicator	NO		
Is this a Custom "Project Specific" Indicator?	YES		
Intermediate Result No.	3.3		
Expected Result Per Contract	Sustainable mechanism in place for university collaboration with private business and financial organizations		
DESCRIPTION			
Indicator Title:	Number of Career Development Centers established at Partner Colleges		
Precise Definition(s):	Number of Career Development Centers established at Partner Colleges and will offer career counselling to entering students and prospective graduates		
Unit of Measure:	Number of centers		
Disaggregated by:	College		
Type: output/outcome:	Output		
Direction of change:	Higher = Better		
Rationale:	Career Development Centers are designed to offer career counselling to both incoming and outgoing students; these perform an important service in educating students about the changing conditions in the labor market and to tailor their subject choices to the requirements of the fast changing financial sector. The Strategic Advisory Councils consisting of senior executives of the financial institutions would play an important role in resourcing the centers.		
PLAN FOR DATA ACQUISITION			
Data Source:	Project and university records		
Method of data acquisition:	concurrent with the activity		
Data Acquisition Freq & Reporting:	Quarterly/Quarterly		
Estimated Cost of Data Acquisition:	N/A		
Individual responsible for data collection:	Herb Davis		
Individual responsible for project reporting data:	William R. Schultz		
Location of Data Storage:	hard copy-Project File # TBD & USAID, Electronic: Project Server/OneSource, USAID		
DATA QUALITY ISSUES (if used in USAID Annual Report)			
Date of Initial Data Quality Assessment:	TBD		
Known Data Limitations and Significance (if any):	none at this time		
Actions Taken or Planned to address Data Limitations:	none at this time		
Date of Future Data Quality Assessments:	June 30, for LOP		
Procedures for Future Data Quality Assessments:	TBD		
OTHER NOTES:			
Notes on baselines/Targets: at startup, no career centers have been established by program activities			
Year	Target	Actual	Notes
2010		0	Baseline
2011	0	0	
2012	2	3	
2013	0		
2014	2		
2015	0		



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