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IRAQ ADMINISTRATIVE REFORM PROJECT

QUARTERLY REPORT

JANUARY 01– MARCH 31, 2016

SECOND QUARTER – FY 2016

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IRAQ ADMINISTRATIVE REFORM PROJECT QUARTERLY REPORT JANUARY 01– MARCH 31, 2016

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Iraq Administrative Reform Project



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ACRONYMS

COMSEC	Council of Ministers' Secretariat
COP	Chief of Party
COR	Contracting Officer's Representative/USAID
DG	Director General
DGGC	Directorate General of Government Contracts
FAQs	Frequently Asked Questions
FY	Fiscal Year
GCPI	General Company for Ports of Iraq
GO	Governor's Office
Gol	Government of Iraq
HQ	Headquarters
IT	Information Technology
IZ	International Zone (See GZ)
KMoLSA	Kurdistan Ministry of Labor and Social Affairs
KRG	Kurdistan Regional Government
MoE	Ministry of Electricity
MoHE	Ministry of Higher Education
MoH	Ministry of Health
MoO	Ministry of Oil
MoP	Ministry of Planning
MoTr	Ministry of Transportation
MSI	Management Systems International
NCMDIT	National Center for Management Development and Information Technology
OPDC	Oil Products Distribution Company
PMP	Project Management Plan
SBDs	Standard Bidding Documents
SCOP	State Company for Oil Projects
SQL	Structured Query Language
SSN	Social Safety Net
TA	Technical Assistance
ToR	Terms of References
ToT	Training of Trainers
USAID	United States Agency for International Development

EXECUTIVE SUMMARY

During this reporting period, USAID-*Tarabot* further developed and integrated its support to the Ministry of Oil (MoO) to refine its overall vision and goals for increasing oil revenues through immediate practical solutions to administrative and technical deficiencies. USAID-*Tarabot* worked closely with senior officials in the Iraqi Oil sector to overcome difficulties in project implementation and contracting by applying project management techniques, and resolving contract disputes.

USAID-*Tarabot* assisted selected Ministry of Oil companies in organizational development of their contracts departments, as well as improving procurement planning, archiving, and reporting, implementing standard bidding documents, guiding webpage development, and advocating for the use of dgMarket.

USAID-*Tarabot* worked with MoO companies to clarify and improve the roles, responsibilities and lines of authority within MoO. The MoO continued its efforts to replace outdated, harmful, and contradictory laws, regulations, and instructions with the aim of transferring powers from higher to lower levels of the bureaucracy.

With the Ministry of Planning (MoP), USAID-*Tarabot* continued providing technical support to the Procurement Help Desk to deliver technical assistance to GoI ministries, provinces, and companies. USAID-*Tarabot* is advising the MoP regarding the finalization of the IDMS and INMS systems, and supporting the MoP on the Public-Private-Partnerships (PPP) program.

I. Rapid Improvements of the Oil Sector Revenues

Section One: Progress

I.1 Implementation of Critical Projects

I.1.1 Provide TA to MoO

- **Expedite Completion of JICA SEALINE: (SOC):** This quarter several meetings were conducted between representatives from the SOC, JICA, UNDP, Leighton Offshore Co., MoO officials, and other Japanese consultants, along with USAID-Tarabot, to discuss the conflicts with this project. During the first meeting it was determined to split the project into two portions, the onshore and offshore portions. At this meeting, which addressed the onshore portion only, Habtoor Leighton Company (part of Leighton Holdings Group based in Abu Dhabi- UAE) was chosen to resume and implement the remaining onshore work for JICA SEALINE project. As a result of these meetings, the disputes over the onshore portion of the project were resolved, and Habtoor Leighton replaced Leighton Offshore to carry out the remainder of the project. The project is currently about 75% complete, with the offshore portion still under dispute. Though the 60km worth of offshore piping is mostly complete, the valve stations and Single Point Mooring (SPM) 4 are incomplete. The dispute pertains to the design of the offshore pilings, as well as contractor delays.

The most recent meeting was held in Dubai in early April. Since it was held out of country, *Tarabot* was not able to attend, and has so far been unable to gather information on any progress made there. And it was not within the time period of this quarterly report.

The project, once complete, will facilitate a daily export rate of 450,000 B/day from SPM#4.

- **Expedite the Commission of Single Point Mooring (SPM #5) and Shipwreck Removal (SOC):** Just as important as the JICA Sealine project is SOC's removal of the shipwreck and commissioning of SPM #5 project, which ground to a halt over contracting payment disputes with the company contracted to remove a shipwreck which interferes with the commissioning of the SPM. The Dutch contracting company, Mammoet, had to remove their salvage barge for operational certification renewal, however the SOC was not in agreement over both this change as well as over internal Mammoet management restructuring that effected implementation of the work. The SOC wants a guarantee that the conditions of the contract will be honored despite the change in Mammoet contracting management, which ceded the remaining work to a Mammoet subsidiary, Kool Mammoet. Otherwise the SOC remains open to discussing payments terms. USAID-Tarabot is assisting the SOC to coordinate and expedite consultation between themselves and the MoO legal department, as well as to provide general assistance to SOC on the contracting dispute. During this quarter USAID-Tarabot was given permission to engage with the MoO legal department to reach a resolution on this issue. The commissioning of this SPM will add 900,000 barrels per day of export capacity, and is crucial to help realize Iraq's export potential.
- **Reduce Number of Days of Weather Outages:**

During this quarter, the DG of SOC and the General Company for Ports of Iraq (GCPI) approved USAID-Tarabot assessment report and recommendations regarding the rough weather outages:

 - **Tugboats Captains Training:** USAID-Tarabot has completed the technical evaluation of the offerors to provide the training. This quarter, the training contract was awarded to KOTUG-Nautitec, a German company based in Hamburg. The forms and instructions to start the visa process for the training candidates have been drawn up, and sent to SOC and

GCPI for completion. A Turkish company had originally been pre-selected, but after further scrutiny, the German company proved better qualified.

- **Tugboats:** USAID-Tarabot assisted SOC to complete the SBDs for the procurement of six high capacity tugboats. This SBD is with the auditing and financial departments for approval. Though the SOC has an emergency fund capable of funding this tender, the DG would prefer to find alternative methods of payment so their emergency reserve is not drained. He has requested a feasibility study in order to help determine how to do this. In the meantime, there remain legal issues over the legality under current Iraqi law to allow for deferred payment plans, an option put forward to answer the funding question for this tender. The SOC is currently asking the MoF to release at least 20% of the funds needed for the project.



- **Standard Operating Procedures:** Once the tugboat captains' training is completed, SOC will develop appropriate SOPs for rough weather operations.

- **Mooring points:** SOC approved the design of the tugboat mooring points and initiated the fabrication. The test model is nearly complete, and if successful, manufacturing will begin on 19 additional points.



- **Ship Mooring Boats:** South Oil Company has completed the installation of cranes at Khor Al Amiriyah Oil Terminal, and Al Basrah Oil Terminal, to store and deploy its four tanker-mooring boats. Tarabot identified the specialized boats as a significant asset in improving tanker loading time, and has worked with SOC to commission and install them on the terminals.

1.1.2 Provide TA to MoO to Implement Technically Challenged and Troubled Refinery Projects

- **Basrah Incomplete Refinery Boiler System (SRC):** This quarter USAID-Tarabot's advisor visited Nebraska Boilers to follow up on the collection of equipment, diagrams, and other materials required for the SRC incomplete boiler project. These crates of materials had been purchased but never shipped after the contractor stopped work five years ago, and their delivery now will allow for SRC to immediately begin expediting and finalizing plans to complete this project. USAID-Tarabot delivered the files from Nebraska Boilers to the DG at SRC, and was informed that the contract will be awarded to Sazeh, an Iranian company. USAID-Tarabot advised the refinery to ship the crates from Nebraska Boilers separately from the contract with Sazeh, due to the US sanctions against Iran – they agreed to do this. Following this progress, USAID-Tarabot conducted a Skype meeting with Nebraska Boilers who reiterated that they can neither work, nor communicate with companies from a sanctioned country. They agreed to respond to questions about the installation of the boilers from SRC or USAID-Tarabot.



In meantime, the SRC Project Manager said that the Iranian company contracted to complete the work is obliged to attempt to liaise with Nebraska Boilers. *Tarabot* cautioned against this, underlining that this would cause a stoppage in work. SRC agreed to act as intermediaries, along with *Tarabot*. By acting as an interface with Nebraska boilers, USAID-*Tarabot* has ensured that the project can go forward with acceptable terms.

- **Basrah Excess Salt Content Inhibiting Near and Long Term Production (SRC):** This quarter USAID-*Tarabot* received a letter from SRC officially requesting technical assistance for this project. Meanwhile, USAID-*Tarabot* worked hand in hand to analyze the crude oil through several tests. These tests revealed that the problem lies with the desalter machines' efficiency, which can be solved through other low-cost methods and will allow for the cancellation of an expensive project to install other machinery. The tests, and clear results, have also highlighted to the refinery the importance of testing - an under-utilized resource long called for by USAID-*Tarabot*. USAID-*Tarabot* is following up with the SRC to implement a number of solutions to improve the desalter equipment efficiency. In the meantime, *Tarabot* assisted with several other desalter recommendations across the south, including at Nasiriya Refinery, which experienced equipment failure due to lack of a desalter. USAID-*Tarabot* advised installation of a desalter and other equipment. In addition to this, SRC requested that SOC impose a specification on all IOCs for allowable salt content in crude oil, and to enforce a penalty for deviation.

1.2 Improve MoO Procurement Procedures and Processes

1.2.1 Develop Standard Bidding Documents (SBD) for the Oil Sector

In an exciting and landmark accomplishment this Quarter, after several meetings and follow-up investigations to determine the true need and requirements for a specialized SBD for the oil sector, the MoO approved the adoption of the MoP-issued SBDs. These SBDs, also constructed with USAID-*Tarabot* guidance, were compiled with the specific intention of being applicable to all government entities. Thanks to USAID-*Tarabot* support, the MoO has now instructed all state-owned oil companies to adopt these SBDs. This move will improve the public procurement system for MoO, and help the ministry and its companies to reach the best international standards.

1.2.2 Assist MoO in Preparing New Tenders

As a part of USAID-*Tarabot* assistance to MoO and its companies, USAID-*Tarabot* continued supporting the state companies on preparing new tenders for the selected projects using standard bidding documents. Specific tender progress is as follows:

- **Purchase of Six Tugboats –SOC:** At the beginning of this quarter, USAID-*Tarabot* completed the technical and prequalification documents for six tugboats, as well as a SBD for the procurement of goods. Also updated were special contract conditions. With USAID-*Tarabot* assistance they will prequalify six pre-existing tugboat manufacturers, and acquire the ministry approval for general prequalification through the dgMarket. Meanwhile, the General Manager sent the prepared SBD to the Auditing and Financial Departments. The project still has no financial allocation, but the company has an emergency budget capable of funding the project, though this is not their preferred option as it would completely exhaust the fund. Alternative funding options are being explored, including deferred payments, though that option is under dispute regarding its legality. The Manager requested a new feasibility study in order to make the funding decision.
- **New 21 Km crude oil pipeline from Zubair to SRC:** The joint committee of SOC, SRC, and SCOP is conducting the survey to alter the pipeline path from Zubair I to SRC. Zubair 2 will support Zubair I if needed. The survey took a bit of time to complete, however it allowed for the refinement of the SOW, which forms the basis of the bids for the project. SCOP will be implementing the project, and has already submitted technical and financial proposals. These are

under evaluation by the SRC subcommittee. There is an allocated fund for this project from 2016 SRC Budget.

- **Fuel Oil for Furnace – SRC:** This quarter, USAID-Tarabot approved the cost estimation of the fuel furnace at a value of \$4.4 million USD, which was assessed due to our assistance to SRC in a previous month. Meanwhile, the final draft of the SBDs for the EPC, Turnkey of Works by LCB, projects was completed. SRC will now add the remaining requirements. Once this is finalized and approved, the tender will be ready for posting.
- **Desalination of Sea Water – SRC:** This quarter, USAID-Tarabot assisted with the cost estimation, valued at \$14.35 million USD. The EPC SBD is prepared, as well as a limited bidding document. Tarabot is working with SRC to adapt a turnkey SBD for this project as well, which may be a more appropriate SBD for this tender. In the meantime, SRC is updating the prepared SBDs by adding the technical requirements. There is no allocation for this project in the MoO 2016 budget, but SRC has nonetheless identified it as their highest priority, USAID-Tarabot is assisting to work with the MoO to request funding to implement it in 2016.
- **Flare Gas Recovery – MRC:** USAID-Tarabot is assisting to complete the technical SOW to combine the tenders for the new flare stack with the flare gas recovery unit. Once complete, Tarabot will assist in conducting another cost estimation workshop which will include both parts of the tender.
- **Nitrogen unit - MRC:** This quarter, USAID-Tarabot prepared the SBD of prequalification. Meanwhile, USAID-Tarabot is assisting now to develop the SBD for EPC and the manager of Engineering & Technical Authority at MRC has given instructions for the formation of a team from the Oil Executive Projects Department, the Legal Department, and the Stores and Purchases Departments to complete the Nitrogen project EPC documents. This will be MRC's first project to utilize the MoP-issued SBDs. With Tarabot guidance, cost estimate was determined at \$2 million USD.
- **Bin Omar Depot – SCOP:** USAID-Tarabot met with SCOP's project manager of the Bin Omar Depot project. SCOP sent a direct invitation to 9 companies (3 from China, 2 from Korea, and 1 each from Italy, France and Japan) to probe interest in paying in yearly installments for this tender, which is estimated at around \$1 billion USD, to build 55 storage tanks at Bin Omar.
- **Gas compression stations project for OPC:** USAID-Tarabot during this quarter has helped OPC to complete the Consultant version SBD, a Request for Proposals (RFP), and after some minor amendments to the Terms of Reference (TOR), the tender should be ready for posting within the next quarter. The funds have been allocated for this project, so USAID-Tarabot will be following up with OPC to assist as possible with the technical TOR modifications.
- **Rehabilitation of the turbine units at Zubair I – SOC:** This quarter, the first draft of this SBD was prepared during a workshop and USAID-Tarabot met with SOC several times to review and improve the draft. It will now be submitted to the DG for approval, and afterwards go to the Material Division Store to determine availability of materials for the project. The Cost Estimation Department will subsequently prepare a cost estimate, after which the tender will be announced by the Commercial Department.



1.2.3 Implement an Effective Procurement System at MoO

USAID-*Tarabot* continued its broad procurement reform program with the Ministry of Oil state companies, the State Oil Company, Midland Refinery Company, the State Company for Oil Projects, South Oil Company, Oil Pipeline Company and South Refinery Company. The aim is to complete the agreed-upon public procurement action plan that incorporates a wide range of activities to improve performance.

During this quarter, USAID-*Tarabot* achieved many results with the selected oil companies in reforming their procurement systems:

- **Organizational Structure:** This quarter, SOC with USAID-*Tarabot* assistance completed its organizational restructuring for its contracts department. In the meantime, the draft structure for the MRC Contracts Department was completed and submitted to the Director General of MRC, for approval. USAID-*Tarabot* also followed up with SCOP, providing a copy of the organizational structures per MoP instructions.
- **Performance Indicators:** SCOP formally adopted the procurement performance indicators promoted and taught by USAID-*Tarabot*. Meanwhile, at OPC and MRC this quarter USAID-*Tarabot* held a Performance Indicators workshop for OPC staff. It was a general introduction to performance indicators and their benefits, in which participants were taught how to calculate the percentage for each indicator, and apply the data according to international standards to evaluate their work. Performance indicators are important to ensure that contractors are completing work according to the schedule and quality needed for projects.
- **Procurement Plan:** USAID-*Tarabot* received this quarter the approved procurement plans of OPC, SCOP and SRC. The plans provides a framework of tenders for the coming year, with fixed implementation dates, and a timeframe for each step. USAID-*Tarabot* continued its guidance on procurement planning through various workshops for several SOEs.
- **Procurement Department Job Description:** USAID-*Tarabot* has been working with SOC to draft and adopt standardized job descriptions for the company. This quarter, these descriptions were formally approved and adopted, and were forwarded to the Head of the Commercial Committee.
- **Subscribe on dgMarket:** This quarter, all state oil companies engaged with USAID-*Tarabot* have now been subscribed as buyers on the dgMarket, and each have started announcing tenders on this international portal. These are crucial steps to implementing an effective procurement process.
- **MoP Regulations and Instructions:** Much was accomplished this quarter in regards to MoP regulations and instructions. USAID-*Tarabot* completed a set of separate regulation workshops and technical meetings at Baghdad and Basrah locations for members from oil companies such as SCOP, OPC, MRC, SRC, SOC, IDC, Maysan Oil Company, Dhi Qar Oil Company, South Gas Company, Gas Storage Company, Oil Distribution Company, Oil Tankers Company, in addition to representatives from southern provinces.
- **Reporting and Archiving Systems:** This quarter, with USAID-*Tarabot* guidance, the MRC approved and adopted new reporting and archiving systems, two components of *Tarabot's* II element program for procurement reform. *Tarabot* is at work at the OPC to accomplish similar results.
- **Contracts Dep't Webpage:** At the MRC this quarter, *Tarabot* worked with the IT Manager to promote further development of their contracts department webpage, including creating a new page with instructions for the implementation of government contracts, their regulations, as well as



the use of SBDs (in both English and Arabic). A separate page will be used to announce awards. The dual language and additional information will be particularly useful for foreign bidders.

- **SBDs:** This quarter, USAID-Tarabot worked with SCOP, MRC, and SRC to identify pilot projects for the application of SBDs. At their request, Tarabot also engaged with the Iraq Drilling Company (IDC) and Maysan Oil Company (MoC), both of which expressed interest in Tarabot's training on SBDs. Accordingly, several workshops are under preparation for these companies.

I.3 Improve Projects Execution

I.3.1 Provide TA to MoO to Improve Implementation of Ongoing delayed Projects

This quarter, as a part of USAID-Tarabot's support to the state oil companies to improve the implementation of ongoing delayed projects, a set of site visits was conducted to select projects to follow-up on their implementation and to identify problems.

- **Al-Fao Depot – 16 tanks – SCOP (increases crude oil storage capacity by 360,000 bpd):** This quarter, USAID-Tarabot and the Project Manager for Al Fao Depot 16 Tanks Project, discussed the MoP requirement to update the preliminary cost estimation for the project, and include it within 2016 federal budget law. SCOP is required to submit a financial analysis, a Bill of Quantities (BoQ) and an updated Scope of Work. Once received, the MoP will be able to approve and include the updated cost of this project in 2016 Federal Budget law.
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- **Al-Fao Depot (implemented by Ibn Majed) – 8 tanks – SOC (increases crude oil storage capacity by 180,000 bpd):** This quarter, USAID-Tarabot worked alongside SOC to develop a project recovery plan along with upgraded tracking systems. Following this issues, USAID-Tarabot held a review of the draft projects recovery plans for Al-Fao depot 8 tanks project, with their respective project managers. With this feedback, the drafts will now be sent to SOC for official approval.
 - **Al-Lhaes and AL-Sabaa field extension project SCOP (increase crude oil production by 180 thousand bpd):** This quarter USAID-Tarabot advisors worked with SCOP to identify the obstacles facing this project and to brainstorm recommendations. Following USAID-Tarabot's recommendation, the MOE decreased its cost for the installation of electrical work on the Al Lhaes & Al Sabaa field expansion project, to only 10% over cost (11 billion Iraqi dinars.) instead of 20%. SCOP can now move forward and sign the contract directly with SEDD, identified for the work, instead of going through the MoP, which is time consuming.
 - **Nahr Bin Omar Field construction – SOC (initial capacity of the field 50 thousand bpd):** This quarter, USAID-Tarabot completed the draft of this project's recovery plan, and it is now under consideration by the Head of Projects Committee at SOC. After finalization, it will be sent to the SOC DG for approval. In the meantime, USAID-Tarabot worked with SOC to prepare cost estimation for this project to clarify the project's remaining work cost. The project remains 80% complete.
 - **Nitrogen Production Unit (1500 NM3 /hr) Civil work:** This quarter, USAID-Tarabot suggested removing the civil work from the installation work of the unit so that at least one
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component of the project can progress while delays are addressed in the installation work. This will compress the schedule and allow the project to finish in a shorter period. MRC responded positively to this suggestion. Meanwhile, USAID-Tarabot closely pursued resolution of funding issues troubling this project. MRC still does not have adequate funding for it, and Tarabot suggested the construction of a letter outlining the financial need as well as the significant project benefits (namely, saving more than \$13 million/year with its installation by eliminating the need to purchase nitrogen from outside markets) to the refinery. Tarabot will follow up their request with MoP. Additionally, the rudimentary cabling for the unit has been installed.

- **Oil products pipeline (Shoaeba-Baghdad) pump stations (SCOP pipeline available capacity 28 thousand bpd):** During this quarter, USAID-Tarabot received the list of the remaining work from the site engineer to start assistance to SCOP to re-schedule the remaining work. Simultaneously, USAID-Tarabot continues to investigate alternative funding solutions. In the meantime, the project recovery plan is under development.
- **Liquid petroleum gas unit project –SRC (production 200 ton gas liquid for the west hydrocarbon output from operation units):** This quarter, USAID-Tarabot drafted recommendations for re-scheduling the remaining work. Meanwhile, USAID-Tarabot worked to complete the recovery plan for the project, which will be submitted for approval on April-2016. Tarabot also analyzed the installation equipment and found that it was out of date, which could present a hazard if used.
- **Raw water treatment in Qarmat Ali project-SRC (second pipe line to supply the water to SRC):** This quarter, USAID-Tarabot advisors and SRC developed a draft of the tracking, evaluating and controlling systems process for the project. Meanwhile, The SRC still needs to activate the L/C for this project—the contractor refuses to continue work until this is done. Tarabot is working to liaise with TBI to reactivate the L/C. In the meantime, the MoO withdrew the remaining work from the contractor, Al Zayton Company.
- **Increasing the capacity of the Basrah refinery project - SRC Increasing the capacity of the Basrah refinery to 280,000 barrels/day:** USAID-Tarabot and SRC agreed that USAID-Tarabot would assist with the necessary project management tools and techniques to help develop the scope and schedules of the required work.

1.3.2 Assist MoO to Implement Project Management Urgent Systems

USAID-Tarabot this quarter continued its support and capacity building for the selected state oil companies to improve their implementation of ongoing delayed projects, as well as to use the Project Management Institute (PMI) recommended systems for all the upcoming projects.

Cost Estimation for Tenders and Projects:

During this quarter, USAID-Tarabot advisors worked with MRC officials to develop the cost estimation unit. Tarabot advised the creation of an Information Feedback Unit to provide data for cost-estimators. Tarabot will assist in providing job descriptions and responsibilities for both the Cost Estimation Unit and the Information Unit. Tarabot also discussed setting up a similar Cost Estimation Unit at SCOP—plans are in the first stage for this goal.



So far, the list of calculated cost estimation for tenders completed is as follows:

1. Supplying control equipment for the crude oil well - SOC

Cost estimate: \$70.8 million USD

2. Purchase of Six Tugboats -SOC

Cost estimate: \$120 million

3. New 21 Km crude oil pipeline from Zubair to SRC

Cost estimate: \$20 million (however this is subject to change as the SOW is being revised)

4. Fuel Oil for Furnace – SRC

Cost estimate: \$4.44 million

5. Desalination of Sea Water – SRC

Cost estimate: \$14.35 million

6. MLDW, iso de-waxing – MRC

Cost estimate: \$56.5 million

7. Nitrogen unit – MRC 600 KM3/hr

Cost estimate: \$2 million

8. Bin Omar Depot – SCOP Project

Cost estimate: \$1 billion

Utilization of Primavera for project scheduling:

This quarter, USAID-Tarabot held a set of planning and scheduling workshops using Primavera P6 for different departments and companies from the MoO. Participants learned how to add projects and activities, incorporate calendars and resources, and update progress and print reports. Meanwhile, USAID-Tarabot developed for SCOP a draft proposal containing the framework for establishing a formal Primavera department at SCOP, including goals, organizational structure, job descriptions, and scope of work for unit staff.



Additionally, SCOP issued an official letter confirming that it will apply Primavera software on four major projects:

- **Karbala Refinery Project** - Raw Water Intake unit, project. Cost - \$ 41Million USD. Start date: October 2015. Completion date: May 2017. Progress 4%.
- **Reverse Flexibility Crude Oil Project:** Cost - \$ 120 Million USD. Start date: October 2015. Completion date: February 2018. Actual progress= 5%.
- **Iraq-Iran Gas Transmission Pipeline Project:** Cost = 350 Million USD. Start date: May 2014. Completion date: May 2016. Progress = 76%. It is implemented by Tadweer, an Iranian company.
- **Al-Najibia Power Plant Project** – feeding pipeline (20 km). It is planned to start in February 2016. Project cost =10,270,000 IQD. Not started. SCOP will construct the project.

Project Implementation Tracking

Systems: USAID-Tarabot worked this quarter with SOC to draft, analyze, and package project processes into a tracker. Meanwhile, SRC approved 8 out of 15 USAID-Tarabot recommendations issued at the end of project tracking workshop in Jan, 2016. Such trackers help the project teams identify and overcome obstacles during implementation, minimizing cost and implementation time.



1.3.3 Assist MoO to Implement the PMP Certificate Program

This quarter, USAID-Tarabot and the MoO graduated the first wave of 33 out of 40 participants from the English proficiency phase of USAID-Tarabot's PMP prequalification program. These 33 individuals continued to the next step in the program, Project Management Body of Knowledge (PMBOK) and Project Management Institute (PMI) skills. These participants will go on to complete 35 contact hours before sitting for the PMP exam itself. Another wave of 26 individuals participated on the second English exam during this quarter. Meanwhile, USAID-Tarabot is working with the MoO to prepare a third wave of PMP candidates, and visited the TOFEL center at Baghdad University to verify availability for this next wave to initiate the English competency test—the first phase of Tarabot's qualification program.



1.4 Improve internal policies, regulations and administrative functions

1.4.1 Enhance Roles, Responsibilities and Lines of Authority

Lines of Authorities: This quarter, USAID-Tarabot received approval from the DG of SRC for a recommended set of powers to be shifted from high-level management to lower levels. Through further work, USAID-Tarabot added to this list, which has been passed to the DG for further approval. Similar success happened this quarter at the MRC, where this company's DG approved 16 out of 44 recommended powers to be transferred to lower level managers and engineers. Meanwhile, USAID-Tarabot received an official letter issued by the administrative department at MoO establishing a new subcommittee responsible for collecting and reviewing the lists of proposed powers for delegation of MoO companies. USAID-Tarabot will work with this committee to lead the next steps to finalize the lists of recommendations and present them for approval.



Finally, SCOP approved this quarter USAID-Tarabot recommendation to delegate specific authorities away from the MoO headquarters and cede them to the SCOP DG. This list is now under discussion with the MoO for final approval.

I.4.2 Assist MoO to Streamline Internal Regulations and Procedures

- **Customs Regulations & Procedures:** Excitingly, this quarter the General Commission of Customs formally approved for adoption some of USAID-*Tarabot's* recommendations for customs reform, which were submitted back in December for review. With this approval, the commissioner issued an official letter to all customs departments in Iraq with the following new directions and regulations:
 1. Allow for facilitation letters of regional customs departments to be validated by phone with the Baghdad-based headquarters. This will drastically cut down the time needed for various customs approvals, which previously all had to be done by hard copy, physical mail.
 2. Send official requests to the Minister of Finance requesting customs exemption for the free containers gifted to MoO companies.
 3. Establish a special window and a dedicated employee to all directorates belonging to the general customs authority, in order to separate customs processes for the MoO, MoE, and MFA from other sectors' customs processes. This will accelerate customs procedures for these ministries, as they have significantly heavier import levels.
- **Banking and Letter of Credit Procedures:** This quarter and after several meetings between USAID-*Tarabot* and the Trade Bank of Iraq (TBI), TBI issued instructions to all bank branches, informing them that all MoO L/Cs should be handled by TBI and not subsidiary banks, which are smaller and lack the know-how regarding L/C processing. This should help to eliminate much of the turnaround time in opening and processing new L/Cs.

I.4.3 Assist MoO to Adopt Administrative Reform

Work with SCOP management to implement ISO 9001 Quality Management System (QMS):

Important progress has been made at SCOP in the ISO certification process this quarter. USAID-Tarabot worked alongside SCOP to teach about the Quality Management System and to establish it within SCOP. This quarter, SCOP formally approved the QMS, which allows for USAID-Tarabot and SCOP to move ahead into implementing and adopting it into SCOP's policies and structure. Additionally, Tarabot is working with SCOP to design an internal audit action plan, to prepare for and facilitate more easily the eventual next



step of the ISO certification process, in which a third party organization verifies and audits the adoption and implementation for the QMS. This draft of the internal audit action plan was submitted the SCOP DG for approval. Meanwhile, USAID-Tarabot continued overseeing and guiding SCOP on this, while assisting SCOP to request and evaluate offers from QMS certification bodies who will audit and evaluate SCOP's QMS adoption before issuing the official QMS certification. Regarding to this issue, USAID-Tarabot has also been working with SCOP to fulfill the internal audit requirements:

1. Appointing the audit team leader.
2. Defining audit objectives, scope and criteria.
3. Selecting the audit team.
4. Assigning work to the audit team.
5. Preparing work documents.

Work with the OPC task force to review and develop the pipelines maintenance and inspection procedures: This quarter, USAID-Tarabot received a formal letters from OPC approving the 12 standard operating procedures (SOPs) and diagrams drafted with USAID-Tarabot assistance for the Cathodic Protection and Safety and Fire Fighting Departments. USAID-Tarabot initiated work with the Engineering Inspection department to accomplish the same work for them.

Work with the SCOP task force to redesign the EPC project life cycle processes and contract annex process: SCOP officially approved USAID-Tarabot to start drafting a manual for EPC project life cycle processes and manual for EPC contract annex procedures.

Section Two: Next Quarter

Rapid Improvements of the Oil Sector Revenues:

In the coming quarter, USAID-Tarabot will continue to support the ministry of oil and its state companies by completing the SBDs for the remaining selected projects' tenders, and will help them on the announcement of tenders on dgMarket once the ministry allocates a budget. Additionally, USAID-Tarabot will continue supporting the MoO state companies on implementing and adopting the full public procurement system according to MoP instruction and directions on the government procurement requirements.

USAID-Tarabot will continue to support the MoO and its companies to improve project management systems along with qualifying selected MoO candidates with targeted knowledge to capacitate them to take the PMP certification test. Finally, Tarabot will continue reviewing roles, responsibilities and lines of authorities through the delegation and empowerment of project managers to strengthen their roles in the field. Tarabot is waiting for the remaining companies to approve the proposed recommendations. Tarabot is also working with MoO to move and transfer additional authorities and responsibilities from the ministerial level to the DG level.

Section Three: Work Plan Activities

2nd Quarter (January-March 2016) FY2016 USAID-Tarabot Work Plan Activities

Work Plan ID	Activity/Task Name	Progress
I	Rapid Improvements of the Oil Sector Revenues	
I.1	Implementation of Critical Projects	
I.1.1	Improve MoO capacity in implementation of Technically Challenged and Troubled Export Projects	
Continue providing technical assistance to ensure expedited work and evidence-based improvements in execution of the 5 projects.		
A	Expedite commission of Single Point Mooring (SPM #5) in Basrah – Removal of shipwreck.	USAID-Tarabot is assisting the SOC to coordinate and expedite consultation between themselves and the MoO legal department, as well as to provide general assistance to SOC on the contracting dispute. During this quarter USAID-Tarabot was given permission to engage with the MoO legal department to reach a resolution on this issue.
B	JICA SEALINE project	The disputes over the onshore portion of the project were resolved, and Habtoor Leighton replaced Leighton Offshore to carry out the remainder of the project. The project is currently about 75% complete, with the offshore portion still under dispute
E	Reduce number of days of weather outages – improve tugboat capacity and pilot (SOC loading operations)	USAID-Tarabot continued its technical assistance with SOC to reduce number of weather outages days as following: Tugboat training: Tender awarded and in progress to finalize training logistics. Mooring points: Fabricated and awaiting calm weather to be positioned. Rope mooring boats: Positioned at loading facilities and awaiting calm weather to conduct a time study. Rough weather operating procedure manual: will be completed at the end of training phase I. Procurement of 6 tugboats: Please read the procurement section (New Tenders).
I.1.2	Improve MoO capacity in implementation of Technically Challenged and Troubled Refinery Projects	
I- Continue providing technical assistance to ensure expedited work and evidence-based improvements in execution of the 5 projects:		
A	Basrah refinery boiler system	USAID-Tarabot visited Nebraska Boilers to follow up on the collection of equipment, diagrams, and other materials required for the SRC Incomplete Boiler project. Obtained engineering data, manuals, and shipment manifests from boiler company, obtained agreement and quote on shipping 3 crates of supplies from the USA to Basrah, provided input on project execution using the MoO-chosen contractor.
C	Isomerization unit – SRC	USAID-Tarabot advised SRC and SCOP on procurement issues and began study to provide Isomerization unit with design feed rate.
D	Heavy boiler system – MRC	This project was removed from Workplan, but Greens Power has gone out of business and MRC have asked our help in selecting another contractor
2-	Provide technical assistance in the field during implementation of action plans for the remaining project:	USAID-Tarabot analyzed data and compiled a report to justify cancelling the dehydrator project, this saved SRC \$6 M. Proved through development of lab analysis and calculations that the desalters aren't working due to problems with low crude/water mixing efficiency. Proposed a low-cost solution

Work Plan ID	Activity/Task Name	Progress
	a) Excess salt content in crude oil	
1.2	Improve MoO Procurement Procedures and Processes	
1.2.1	Develop Standard Bidding Documents (SBD) for the Oil Sector	
A	Draft the SBDs based on the inputs from all stakeholders.	USAID-Tarabot and MoP-DGGC completed set of sites visits for the selected five oil companies (SCOP, MRC, OPC, SOC and SRC) to collect some relevant information related to the specialized Oil SBD. Regarding to the collected information, the existing MoP- SBDs are covering all of MoO requirements and there is no need to issue a special document for the oil sector tenders. This lead the Minister of Planning to send an official letter to MoO informing them that the existing MoP- issued SBD sufficient the particular needs of the oil sector tenders, and therefore a specialized SBD for the oil sector is unnecessary.
B	Distribute the drafted SBDs to the stakeholders for their final comments and apply modifications accordingly.	
C	Issue final SBDs approved and adopted by the MoO.	
1.2.2	Assist 5 MoO Entities in Preparing New Tenders	
A	Scope of work and technical proposal	USAID-Tarabot assist the selected oil companies (SOC, SRC, MRC and SCOP) on preparing their new tenders during a set of technical workshops and meetings to adopt the SBD on the selected projects and tenders. (Please read the procurement section “New Tenders”)
B	Bidding documents	
1.2.3	Adopt and implement an Effective Procurement System at 5 MoO	
A	Provide technical assistance and coaching in partnership with MoO.	During this quarter USAID-Tarabot helped the selected five oil companies to improve and develop their procurement system as following: - SRC, SOC, MRC, OPC and SCOP subscribed as a buyer on the dgMarket website, and some of these companies subscribed their tenders on the dgMarket. - MRC and adopted archiving system - MRC and SCOP adopted procurement performance indicators - MRC and SRC adopted Reporting on Procurement Activities - OPC, SRC and SCOP adopted 2016 procurement plan. - OPC Get official approval from MoO to establish and restructure of procurement department inside the company
1.3	Improve Projects Execution	
1.3.1	Assist MoO in Improving Implementation of 10 Ongoing delayed Projects	
A	Continue providing technical assistance to the 5 projects	USAID-Tarabot worked with MoO entities to prepare and finalize draft of project recovery plans for the following projects: 1- Al-Fao Depot SOC (implemented by Ibn Majed Contractor) – 8 tanks 2- Nahr Bin Omar Field construction – SOC. 3- Al-Lhaes and AL-Sabaa field extension project 4- Nitrogen Production Unit (1500 NM3 /hr) Civil work. 5- Liquefied Petroleum Gas unit project SRC. 6- Al-Fao Depot SOC 16 Storage Tanks Implemented by SCOP 7- Oil products pipeline (Shoaeba-Baghdad) pump stations OPC implemented by SCOP

Work Plan ID	Activity/Task Name	Progress
B	Provide technical assistance in the field during implementation of action plans for the other 5 projects.	USAID-Tarabot conducted a set of site visits to the selected delayed projects and during these visits Tarabot held several meetings with the projects engineers to prepare draft project recovery plans for: 1- Al-Fao Depot (the part implemented by SCOP) – 16 tanks 2- Oil products pipeline (Shoaeba-Baghdad) pump stations. 3- Raw water treatment in Qarmat Ali project SRC. 4- Provide TA for Increasing the capacity of the Basrah refinery project in preparing for kickoff meeting and project management tools and techniques.
1.3.2	Assist 6 MoO Entities (SOC, SRC, MRC, SCOP, OPC, IDC) to Implement Project Management Urgent Systems for Delayed and Ongoing Projects	
A	Continue providing technical assistance to finalize the cost estimation reference guide.	USAID-Tarabot worked this quarter with the selected oil companies to : - Prepare to establish the cost estimation units inside MRC and SCOP . - By the end of this quarter USAID-Tarabot completed the cost estimation for the following projects: 1. Supplying control equipment for the crude oil well - SOC \$70.8 million USD 2. Purchase of Six Tugboats -SOC \$120 million 3. New 21 Km crude oil pipeline from Zubair to SRC \$20 million 4. Fuel Oil for Furnace – SRC \$4.44 million 5. Desalination of Sea Water – SRC \$14.35 million 6. MLDW, iso de-waxing – MRC \$56.5 million 7. Nitrogen unit – MRC 600 KM3/hr \$2 million 8. Bin Omar Depot – SCOP Project \$1 billion
B	Provide technical assistance and mentoring to develop schedules for pilot projects using advanced software.	USAID-Tarabot worked with the selected oil entities to develop projects schedules by using primavera P6 for the following projects: 1-Nitrogen 1500 project. 2-Azmara Project (Creat WBS). 3-RWI unit -Karbala Refinary Project. 4- Power plant feeding pipeline. 5- Reverse Flexibility pipelines. 6- Iraq-Iran gas pipeline project. 7- Increasing Karbala depot gas storage capacity. 8- MRC RO unit project. 9- LPG project.
C	Obtain approvals to adopt the developed reporting templates, forms and guidelines.	In progress. To be completed in the coming quarter
D	Obtain approvals to adopt the tracking process and the trouble shooting guide.	In progress. To be completed in the coming quarter

Work Plan ID	Activity/Task Name	Progress
1.3.3	Assist MoO to Implement the PMP Certificate Program	
A	Manage 35 credit hours training at an institution approved by PMI (in a country in the Middle East region).	USAID-Tarabot continued its support to prequalify 33 individuals as a first group and train them on Project Management Body of Knowledge (PMBOK) and Project Management Institute (PMI) skills to be ready to complete 35 contact hours before sitting for the PMP exam.
B	Provide guidance and coaching to the trainees to carry on self-studies in preparation for the test.	In progress. To be completed in the coming quarter
C	Assist the candidates in registration with PMI to take the test.	In progress. To be completed in the coming quarter
D	Assist the candidates in final preparations to take the test in a country in the region.	In progress. To be completed in the coming quarter
1.4	Improve internal policies, regulations and administrative functions	
1.4.1	Enhance Roles, Responsibilities and Lines of Authorities	
A	Obtain MoO senior management approvals for adopting the revisions.	1- According to USAID-Tarabot technical assistance and support, this quarter SRC transferred 9 powers and they adopted the delegation method inside the company where the decision-makers in the company distribute a larger number of authorities (44 authorities). These authorities have been transferred from SRC DG to the project managers. 2- According to USAID-Tarabot worked this quarter with MRC to transfer 16 authorities from the DG level to lowest level.
1.4.2	Assist MoO to streamline Internal Regulations and Procedures	
A	Support MoO to test the drafted and developed regulations and processes.	In progress. To be completed in the coming quarter
1.4.3	Assist MoO/SCOP and OPC to Adopt Administrative Reforms	
A	Carry out a wide range of consultations with SCOP relevant departments to implement the QMS based on the drafted documentation requirements	On January 28 2016, SCOP DG declared the issuance of QMS ISO9001:2008 inside SCOP . This release was a breakthrough for the implementation stage, thus put the newly documented Quality System into practice throughout the company. Management and employees to be trained on the new or revised work processes, procedures and work instructions as formalized. Over this phase USAID-Tarabot run out tours within the targeted departments and committees to ensure that the procedures are being performed as they are described in the documentation phase, and to ensure that the employees are fully aware of the tasks they are performing.
B	Provide technical assistance to perform internal audit to ensure SCOP QMS meets ISO 9001 and SCOP's internal policies and objectives	USAID-Tarabot supported SCOP Quality Capabilities in perform an effective and efficient audit based on ISO19011:2002 standard. - During the on-site audit activities that conducted on March 2016 and concluded within 10 days, Tarabot imparted techniques to gather objective audit evidence, determine conformity of internal audit results against ISO 9001 customer and regulatory requirements, and the identification of the sections of the SCOP QMS that are in need of improvement. - In the meantime, USAID-Tarabot assisted SCOP Quality Division in

Work Plan ID	Activity/Task Name	Progress
		achieving the paperwork related to review, approve, issue, and distribute the audit reports with its nonconformities to the recipients designated, in addition to follow with the auditor the correction process of the identified nonconformities that emerged in the audit reports.

2. IRAQ DEVELOPMENT MANAGEMENT SYSTEM (IDMS)

Section One: Progress

2.1 Support the MoP to Adopt IDMS

2.1.1 Establishment of the IDMS Help Desk at MoP

USAID-*Tarabot* will assist the MoP to establish and roll out the IDMS in support of improving the organization and centralization, and thereby efficiency of government projects. The final establishment of the IDMS helpdesk is awaiting official approval from the MoP for the final version of the system.

This Quarter saw noteworthy progress, and a great show of support for the IDMS system. After several weeks of little obvious progress, IDMS seems to be taking the last steps toward approval and deployment.

USAID-*Tarabot* held a number of coordination meetings between the MoP IDMS team, and related directorates and department, especially the Government Investment Department.

All parties universally agreed to send an internal memo to the MoP higher-management, explaining that the IDMS is fit for purpose. The memo will recommend that the system is ready to be adopted by the MoP, and that there no longer remains any significant issues preventing its use. This is a great show of strength, and championing of a system that so many have worked so hard to deliver.

USAID-*Tarabot* followed up with a final memo documenting the progress of Synergy's recent work on the remaining issues. They also followed up on the IDMS ToR, and the system ownership with the MoP Contracts Director.



Section Two: Next Quarter

IRAQ DEVELOPMENT MANAGEMENT SYSTEM (IDMS):

The IDMS team is working with the MoP to issues the final acceptance of the IDMS. *Tarabot* will also working to help MoP on the establishing of the IDMS help desk and equip the help desk staff with all the required knowledge of the IDMS information and sectors. In the meantime, USAID-*Tarabot* and MoP will continue helping all the related Iraqi organizations to enter all investment projects into the IDMS. Meanwhile, *Tarabot* will continue following up with MoP and Synergy to let them sign the service contract according to the finalized ToR.

Section Three: Work Plan Activities

2nd Quarter (January-March 2016) FY2016 USAID-Tarabot Work Plan Activities

Work Plan ID	Activity/Task Name	Progress
2	Iraqi Development Management System (IDMS)	
2.1	Support the MoP to Adopt IDMS	
2.1.1	Establishment of the IDMS Help Desk at MoP	
A	Support MoP-IDMS helpdesk on conducting several refresher trainings on usage of the IDMS for other GoI entities.	Progress of this task is awaiting the final IDMS official acceptance by MoP. progress will be start during the next quarter
B	Identify opportunities to improve the functionality of the IDMS	Progress of this task is awaiting the final IDMS official acceptance by MoP. progress will be start during the next quarter
C	Provide technical assistance for 40% GoI entities activate the IDMS.	Progress of this task is awaiting the final IDMS official acceptance by MoP. progress will be start during the next quarter
2.1.2	Government Wide Deployment of the IDMS to 8 entities	
A	Support MoP's helpdesk to assist another 30 GOI entities to implement the IDMS and to enter their capital investment projects starting from the base line of 2013.	Progress of this task is awaiting the final IDMS official acceptance by MoP. progress will be start during the next quarter
B	Assist MoP to generate a report from the IDMS on the 30 entities.	Progress of this task is awaiting the final IDMS official acceptance by MoP. progress will be start during the next quarter
2.1.3	Support the Sustainability and Maintenance of the IDMS	
A	Support MoP in the process of finalizing the contracts	USAID-Tarabot helped the MoP to develop and Finalize the TOR for the IDMS maintenance contract, MoP in the final step of finalization the translation of IDMS (TOR) to start negotiation of the contract after the final approval.

3. SUPPORT TO MOP's HELP DESK

Section One: Progress

3.1 MoP capacity building

3.1.1 Development of Public-Private Partnership PPP

Earlier this quarter, USAID-Tarabot in cooperation with the MoP and Baghdad University's College of Engineering kicked off the PPP program. Participants met to go over PPP development in Iraq and worldwide, and to discuss how to integrate projects in cooperation with the private sector. Public procurement ToT graduates from USAID-Tarabot's procurement program also participated, along with representatives from MoE, the Council of Ministers, and the Civil Aviation and Technical assistant of the Maysan governor.



Meanwhile, USAID-Tarabot held the first meeting for the PPP committee to review the draft Iraqi contract law and update its contents. The committee included 12 individuals from GoI institutions along with USAID-Tarabot representatives. The feedback and comments will be collected and compiled into a presentation in order to collate the edits and plan the next steps. Finally, USAID-Tarabot engaged with the SOC, who expressed interest in learning about Public-Private Partnership for future projects. Pending approval from the MoP Deputy Minister, MoP-DGGC agreed to schedule a SBD workshop for the provinces of Babil, Najaf, Karbala, Wasit, Diwaniyha, Basrah, Dhi Qar, Maysan and Muthana. Part of the workshop will be dedicated to PPP.

3.1.3 Development of Public Procurement ToT Program

USAID-Tarabot continued its guidance on public procurement to the MoP, conducting a procurement performance indicator workshop at the Help Desk's request.



Additionally, this quarter, with USAID-Tarabot assistance, the MoP DGGC issued the final approved 2016 Training Plan to all GoI entities. The plan is an important part of USAID-Tarabot's support to the Public Procurement Program, helping to sustain the progress already achieved by the ToT graduates, as they put their expertise to work unlocking contracts and getting Iraq's projects underway. Meanwhile, USAID-Tarabot in cooperation with MoP and the Inspector General office, began a set of workshops on the 2014 Iraqi Regulations for Implementing Government Contracts (No.2) for the southern governmental entities. USAID-Tarabot has already made recommendations to the MoP and the GGCD, concerning inadequacies in the 2014 regulations, and feedback from the workshops will contribute to further recommendations.

Additionally, the MoP Help Desk log registered 72 enquiries since the beginning of this quarter, not only from MoP-DGGC departments, but also from non-governmental entities. This indicates a healthy rise in usage since its launch last September, and that the envisaged public access is working too. The Help Desk documents all inquiries and aims to answer within 72 hours.

Section Two: Next Quarter

Support to MoP's Help Desk

In the coming quarter, USAID-Tarabot will continue to support the MoP Help Desk in carrying out its functions; as a procurement formation within the ministry Directorate General for Government Contracts (DGGCs) to let them respond positively to procurement inquiries from Gol entities. Additionally, USAID-Tarabot will continue supporting ToT graduates in training other government officials on public procurement, MoP 2014 Regulations for Implementing Government Contracts, and using SBDs. USAID-Tarabot will also follow up graduated ToTs and the implementation of the MoP 2016 Training plan.

Section Three: Work Plan Activities

2nd Quarter (January-March 2016) FY2016 USAID-Tarabot Work Plan Activities

Work Plan ID	Activity/Task Name	Progress
3	Capacity Building for MoP on Public -Private Partnership PPP	
3.1	MoP capacity building	
3.1.1	Development of Public -Private Partnership PPP ToT Program	
A	Conduct ToT workshop for the participants in the PPP ToT Program	On January 12, 2016 USAID-Tarabot in cooperation with Baghdad university conducted PPP workshop with a participation of all the ToTs that graduated from Tarabot public procurement program.
B	In partnership with MoP, supports select Gol entities to pilot the application of PPP through coaching and field visits.	Draft regulation of PPP was developed from committee from investment Committee, MoF, MoP and COMSEC. This draft submitted to Parliament for approval after that MoP will select Gol entities to pilot the application of PPP
3.1.2	Comprehensive Capacity building for MoP and Gol on Claims and Disputes	
A	Develop and present capacity building plan and provide support on the implementation of the plan in 2 entities, in concert with the MoP Procurement Helpdesk	USAID-Tarabot still waiting MoP-DGGC to develop a plan and conduct the workshop.
B	Continue to provide technical assistance and coaching in partnership with MoP as called	No Progress this quarter, USAID-Tarabot still waiting MoP-DGGC to develop the plan
3.1.3	Development of Public Procurement ToT Program	
A	Enroll graduates of the ILO training into the MoP's public procurement coaching and training program for Gol entities.	Three ToTs started train the Gol entities on procurement. As following: 1-Conducted a performance indicators workshop in MoP to all Iraqi entities 2-Conducted several workshops for MoO in Basrah province-SOC, SRC, IDC 3-Conducted procurement regulation workshop in Baghdad with SCOP and MRC

Performance Indicators

2nd Quarter (January-March 2016) FY2016 Performance Indicator Table

#	Indicator Name	Qtr2 FY2016 (Jan-March) Result/Value	Note/Explanation
Sub-IR1: Oil Sector Exports Improved			
1.1	Number of projects designed and completed to increase the volume of crude oil export	N/A	Total 4 projects at SOC :- 1-Jica Sea Line by Leighton offshore Co. 2-16*58000 M3 Tanks by SCOP - Fao 3- 8*58000 M3 Tanks by Ibn Majid - Fao 4-Amouriyah ship wreck by Mammoet Co. All of these projects are not completed yet for many reasons such as:- ,Design dispute ,change orders ,finance or contractors bad management . Result of this indicators will be by the end of this fiscal year
1.2	Volume of increase in crude oil export capacity as a result of improved project execution	N/A	Expected increase storage capacity = 8.750 .000 b Expected increase exporting capacity = 1.800.000 b/d In case of completing Sea line :SPM 4 will increase the exporting capacity by 900.000 b/d In case of removing Amouriyah ship wreck : SPM 5 will increase exporting capacity by 900.000 b/d Result of this indicators will be by the end of this fiscal year
Sub-IR2:Projects Execution Improved			
2.1	Number of critical projects facing obstacles/delays reporting improved execution	0	USAID-Tarabot working to improve execution of the following projects: 1- Al-Fao Depot (the part implemented by SCOP) – 16 tanks 2- Al-Fao Depot SOC (implemented by Ibn Majed Contractor) – 8 tanks 3- Oil products pipeline (Shoaeaba-Baghdad) pump stations. 4- Al-Lhaes and AL-Sabaa field extension project 5- Nitrogen Production Unit (1500 NM3 /hr) Civil work. 6- Nahr Bin Omar Field construction – SOC. 7- Liquefied Petroleum Gas unit project SRC. 8- Increasing the capacity of the Basrah refinery project. 9- Raw water treatment in Qarmat Ali project SRC.

#	Indicator Name	Qtr2 FY2016 (Jan-March) Result/Value	Note/Explanation
2.2	Number of GoI entities that apply project management practices to their capital investment projects	4	SCOP, SRC, MRC, and SOC Adopted project management practices such as Recovery Plan, scheduling using Primavera, Cost Estimation techniques, etc...
2.3	Number of GoI officials that complete the project management professional (PMP) preparation program	0	USAID-Tarabot worked during this quarter to train MoO PMP candidates on the PMBOOK before they register on the 35 PM hours, Result of this indicator will be showing during the next quarter.
Sub-IR 3: Procurement Processes Enhanced			
3.1	Number of ToT graduates delivering training on public procurement to GoI officials and private contractors	3	
3.2	Number of GoI officials trained in SBDs	57	(41 Male and 16 Female) Representing SOC, SRC, SCOP, MRC and OPC
3.3	Number of resolved issues by MoP procurement help desk	28	MoP-DGGC-Help Desk received more than 85 issues from Sep, 2015 till end of March, 2016. 28 issues resolved during this quarter.
3.4	Number of pilot projects applying SBD's	4	1- New Fuel Oil System- SRC 2- Rehabilitation of the turbine units at Zubair I – SOC 3- Desalination of Sea Water – SRC 4- Gas compression stations project - OPC
3.5	Number of GOI entities that implement the concept of public-private-partnership (PPP)	0	Still waiting the Iraqi CoR approval on draft PPP regulations
Sub-IR 4: IDMS Adopted and Rolled Out			
4.1	MoP concludes a IDMS support contract	N/A	USAID-Tarabot helped the MoP to develop and Finalize the TOR for the IDMS maintenance contract, MoP in the final step of finalization the translation of IDMS (TOR) to start negotiation of the contract after the final approval.
4.2	Number of GoI staff trained by MoP IDMS help desk to activate use of IDMS	0	The result of this task is awaiting the final IDMS official acceptance by MoP. Results will be start during the next quarter
4.3	Number of GoI entities utilizing the IDMS to manage their capital projects portfolio	0	The result of this task is awaiting the final IDMS official acceptance by MoP. Results will be start during the next quarter
Sub-IR 5: Center of Excellence Functional			
5.1	National center and three pilot ministries implementing functional excellence programs	N/A	This indicator should be removed from the PMP due to the change on Tarabot workplan.
Sub-IR 6: Regulatory Reforms Adopted			
6.1	Number of streamlined functions adopted by the MoO	69	SRC: 9 Powers and 44 Authority MRC: 16 Authority

#	Indicator Name	Qtr2 FY2016 (Jan-March) Result/Value	Note/Explanation
6.2	Number of administrative changes adopted by Gol entities	12	These official orders as following: QM=2, Authorities= 3, Primavera= 1, Procurement= 3, Customs and TBI= 3

Notes:

1. All indicators not represented in the above tables are year-end performance indicators; status will be given in the annual report.
2. The numbers reported are for individuals and not participants.

Table I: Workshops Participants by Organization

Organization	Authorities	Quality Management	Procurement	Project Management
Babil Governorate Office			1	
Basrah Governorate Office			12	
Basrah Provincial Council			3	
Ministry of Agriculture			1	
Ministry of Construction and Housing			1	
Ministry of Electricity			1	
Ministry of Finance			1	
Ministry of Health			1	
Ministry of Human Rights			1	
Ministry of Industry and Minerals			2	
Ministry of Municipalities and Public Works			1	
Ministry of Oil	17	57	674	202
Ministry of Planning			27	
Ministry of Transportations			1	
Ministry of Water Resources			2	
Muthanna Governorate Office			1	
Grand Total	17	57	489	202

Figure 1: Activities Distribution by Office

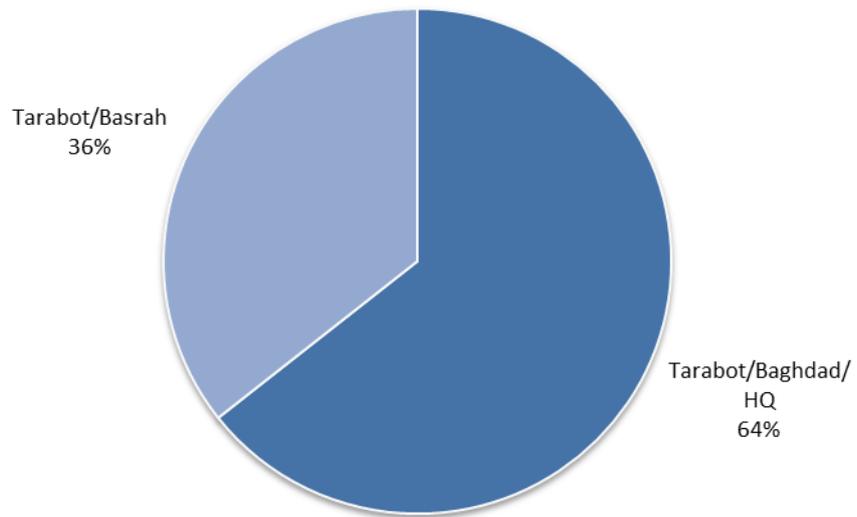


Figure 2: Activities Distribution by Type

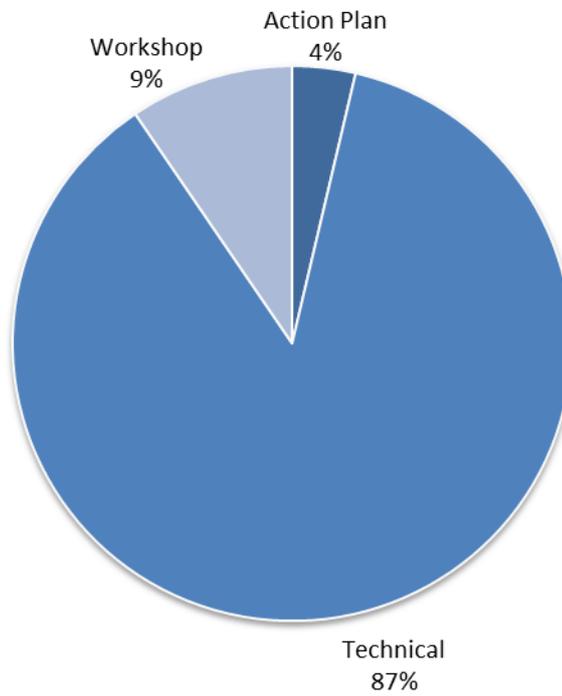
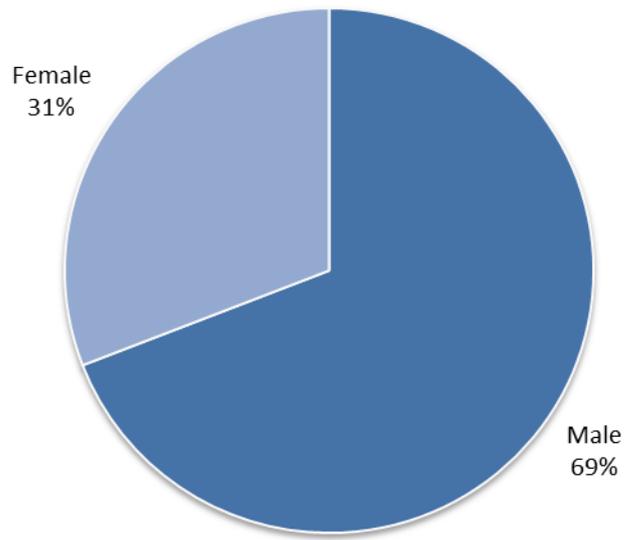


Figure 3: Workshop and Meeting Participants by Gender



PROJECT ADMINISTRATION

Staffing and Deployment

By the end of March 2016, *Tarabot* employed 59 local staff and five expatriate staff, one of whom was on short-term assignment.

Holidays

During this quarter, USAID-*Tarabot* took several local holidays. There were a few unplanned days where staff members were authorized to work from home if needed, due to massive and increasing demonstrations against the government.

Otherwise, USAID-*Tarabot* staff maintained normal working routines with no additional holidays.

Security

During this quarter, the security situation in Iraq remained tense, with ongoing fighting in the north and west of Iraq, and continued explosions and attacks in Baghdad. There was a dramatic increase in the amount of demonstrations, culminating in an ultimatum to Prime Minister Abadi for sweeping reforms and political replacements. This resulted in a complete flush of the PM's cabinet, starting fresh with new candidates composed mostly of technocrats rather than politicians. He also merged several ministries in an effort to tamp down on corruptions.

Despite occasional traffic blockages preventing staff from getting to the office, USAID-*Tarabot* operations in Baghdad continue as normal.

Visas and Badges

USAID-*Tarabot* continued coordinating with Gol for issuance of visas and badges for *Tarabot* staff. No particular changes noteworthy to both procedures.

Property disposition

One disposition requests submitted to USAID during the previous quarter was approved, granting a list composed of residency furniture, office furniture, tanks, kitchen accessories and gym equipment to Sallyport.

One disposition request is still outstanding with USAID:

- I. Sensitive equipment:
 - a. List of Motorola radios, GPSs & Thuraya Phones: Sallyport have submitted an offer to buy them. The radios have been under Sallyport's custody since USAID-Tijara Project purchased it, USAID-Tijar transferred these equipment to *Tarabot* when they closed out
 - b. List of Vests, Helmets, Motorola radios, GPRS & Thuraya Phone etc....), which has been purchased by MSI. Pending instructions from USAID instructions regarding its disposition

The disposition of 18 armored vehicles

MSI has 18 D class Armored Vehicles. Per US Regulations they are classified and cannot be offered or sold to the Iraqi public and private sector. However, they can be offered to the US government or to a contractor with USG.

Although they are D class vehicles and sensitive/ classified items titled to USAID, MSI and its security provider are obligated to comply with Ministry of Interior (Mol) regulations, since the vehicles are registered by law under the security provider in both Iraqi directorates. Under Iraqi law they must be turned over to the Gol or exported from Iraq; not turned over to another entity within Iraq.

Tarabot is in the process of requesting permission from the Iraqi government to be exempted from Mol regulation. This would allow the destruction of the vehicles locally, or to be donated back to USAID. Though several permissions to do so have issued from the Ministry of Foreign Affairs, the item is disputed by the Customs Authority. *Tarabot* is working to resolve these issues and gain clarity about this process, which has been confused with conflicting permissions from various ministries..

USAID-*Tarabot* is re-exploring the option of shipping the vehicles out of country for destruction in case the above option is not possible.