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USAID IRAQ ADMINISTRATIVE REFORM PROJECT

MONTHLY PROGRESS REPORT, OCTOBER 2014

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ACRONYMS

COMSEC	Council of Ministers Secretariat
ICEG	Iraq Center for Excellence in Government
ISRAR	Iraq Solutions for Regulatory and Administrative Reform
NGO	Nongovernmental organization
PMI	Project Management Institute
PMP	Project Management Professional
USAID	United States Agency for International Development

SUMMARY

USAID-Tarabot is progressing with the close-out of its program activities in major initiatives. As a new government takes reign in Iraq, Tarabot is continuing to focus on the transfer of systems and anchoring of knowledge within partnering entities as major elements of the project reach their conclusion.

Tarabot is working at multiple levels to ensure the sustainability of its achievements. High level meetings have been held with partners, including the Council of Ministers General Secretariat, the Prime Minister's Advisory Council, and the Ministry of Planning, in order to support them as they take ownership of various Tarabot initiatives. Additionally, handover meetings were conducted with the Ministry of Labor and Social Affairs, as well as the Governorates of Babil, Najaf, and Karbala as part of the sustainability campaign. Tarabot presented its partners with documentation of all work accomplished, including the handover of sustainability plans.

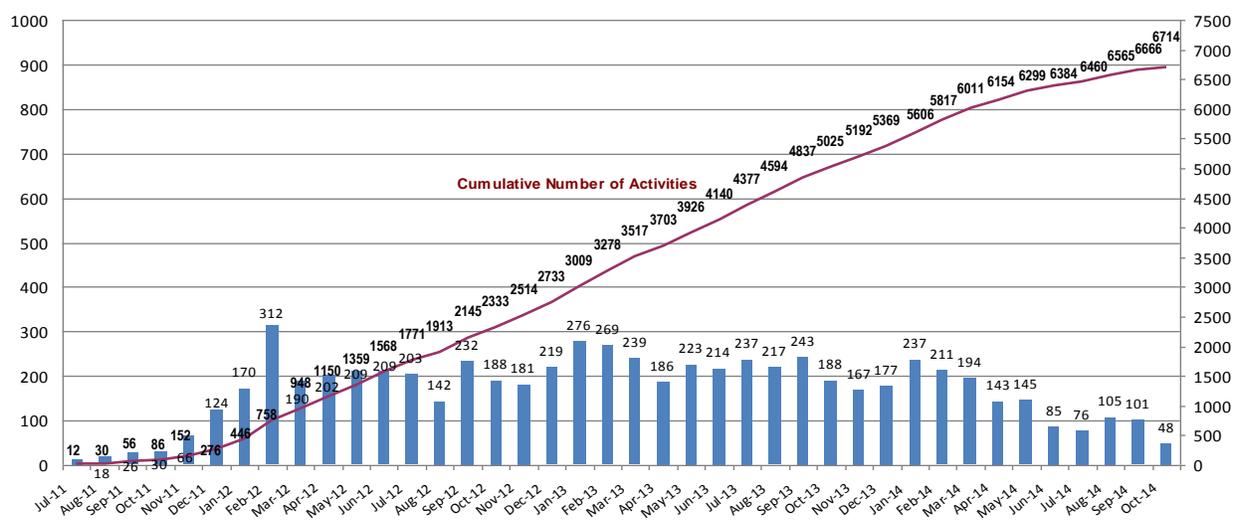
Tarabot provided ongoing assistance to a range of Gol partners in the application of internationally recognized procurement processes, both with hands-on training and workshops. Site visits were conducted to projects on which Gol partners are piloting the modern project management techniques learned from Tarabot. Partners equipped by Tarabot with the tools to produce well developed policies are continuing to put their skills into practice.

USAID-Tarabot continued to consolidate offices on the Mansour Compound and discharge staff completing their contracts.

Summary

Events: USAID-Tarabot project engaged in a variety of activities during October. The following description accounts for the numbers and types of events:

- **Total Events:** USAID-Tarabot teams held **(48)** - events (workshops and formal meetings) during October.
- **Locations:** - **(30)** of these events were held at locations in Baghdad, while **(18)** events were delivered on location in **(4)** provinces.
- **Type of Event:** **(48)** events in October were formal assessment meetings, action planning, or implementation workshops. **(0)** Events were introductory meetings.
- **Institutions:** **(26)** of these events were with **(17)** ministries; **(18)** events supported the governors' offices and **(4)** events were conducted with GOI executive offices.
- **Tarabot: Components:** **(14)** events were carried out by the national policy development component, **(34)** by the administrative decentralization component and **(0)** events by KRG office (which closed in June).



INITIATIVES

I.1 Regulatory Reform

During October, the Prime Minister's Advisory Council (PMAC) hosted meetings with ISRAR attended by various senior government officials, including Thamer Al-Gadhban, to discuss the future of economic reforms in Iraq. ISRAR's senior advisor presented options for the future of regulatory reform in Iraq, and highlighted reforms that would have an immediate and positive impact on the country, such as ISRAR's construction permit *nidham*. ISRAR's construction permitting *nidham* has been reviewed by PMAC and the Al Shura Council, and is now ready for the political approval process. Thamer Al-Gadhban and PMAC expressed support for the continuation of ISRAR under the new government.

In the final week of October, ISRAR conducted a handover ceremony with over 50 ministerial partners. The event was not only a celebration of the success of the initiative, but also an opportunity to transfer institutional knowledge and recommendations that are ready for action by the new government. This knowledge will help the new government prioritize economic reforms and make real changes that benefit the citizens of Iraq. Tarabot followed the event with an official letter to PMAC transferring all recommendations and regulatory reform packages from ISRAR to the Gol. Tarabot's work with ISRAR is also completed at the end of October.

ISRAR presented the Ministry of Trade with a redesigned company registration brochure for its One-Stop Shop, created by ISRAR in collaboration with ministry counterparts. The brochure clearly outlined required company registration steps useful for the Iraqi business community.

Throughout the month, ISRAR and its ministerial counterparts continued with regulatory reviews. The number of reviews completed by the Central Unit is 1235, while the ministries have completed a total of 1026 reviews. This brings the total number of reviews uploaded to the e-Guillotine system to 2261. Both units progressed toward completion of the ISRAR database which stands at 956 total pieces of business-related legislation.

I.2 Public Policy Reform Initiative

USAID-Tarabot delivered a two-day workshop on stakeholder engagement in the policy process for ten (10) staff representing COMSEC's Public Policy Unit (PPU) and Committee Affairs Directorate. Participants gathered material for a guide on stakeholder strategies for ministries. They also developed a "stakeholder form" to be used as part of the GOI policy submission process. Also, this month USAID-Tarabot finalized the work on designing a public policy database. The database application was handed over to the COMSEC PPU, and Tarabot provided user training to COMSEC staff.

The Ministry of Environment's Public Policy Department has developed pilot projects to initiate the implementation of public policies on depletion of ozone layer gases, and on the pollution of the Tigris River in Baghdad Province. The department members established the criteria for prioritization of environmental policies, in line with the Government Program 2014-2018 and other strategic documents of Gol, such as National Environmental Strategy and Action Plan (2013-2017).

Policy teams from the Ministries of Labor and Social Affairs, Human Rights, and Migration and Displacement have developed pilot projects for the implementation of public policy on homeless orphans, domestic violence, and displaced families living in slums, respectively. The project initiation

documents include the project brief, operational plan, milestones and key performance indicators, implementation methodology and management arrangements, and a risk mitigation strategy. The policy unit started producing a list of policy priorities in the ministry's mandated area, in line with the Government Program for 2014-2018 and the National Development Plan.

Lastly, the Ministry of Migration and Displacement finalized the proposal for establishing an intra-governmental coordination mechanism for Iraq's Brain Gain policy.

The Industrial Policy and Reform Center of the Ministry of Industry and Minerals held a consultation event with Directors General of state-owned enterprises from Babil, Basra, and Wasit provinces. Participants were introduced to six policy pilot initiatives developed to launch the implementation of the Iraqi Industrial Strategy. They discussed the role in this process to be played by the directors general, with an eye towards establishing partnerships among the provincial actors and the ministry. Conclusions and recommendations of the consultation will be formally shared with ministry leadership.

The Ministry of Electricity's public policy team finalized a proposal for establishing a regulatory unit in the ministry and submitted it to the deputy minister. The policy team also developed a proposal to assist the ministry in developing and implementing a loss reduction plan. The implementation of the plan would significantly reduce the technical and billing losses in electricity supply, and thus would generate large levels of additional revenues for the Government. This would be achieved through collecting and analyzing data, upgrading network infrastructure, strengthening the billing and collection processes, and minimizing the overtaking from the grid.

The Ministry of Trade has produced a summary report based on the findings of a pilot survey on trade policy training needs assessment and submitted it to Director General for Foreign Economic Relations. The report sets the foundation for a multi-year capacity building plan for the staff of Foreign Economic Relations Directorate. It recommends, among others, establishing the criteria for selection of candidates who would serve as resource persons in the Ministry and introducing a set of incentives to encourage further learning and professional skill development among employees.

1.3 Public Procurement Reform Initiative

USAID-Tarabot is continuing to support the establishment of fair and transparent procurement systems that will lead to a more conducive environment for international businesses and better services for the Iraqi people. In pursuit of this effort, Tarabot promotes the adoption of international standards in transparent tendering, the opening and evaluation of bids with a range of Government of Iraq partners, and the use of standard procurement bidding documents. Tarabot is striving to implement a unified procurement system aligned with international standards through a range of capacity building activities, systems reforms, and incremental cultural changes in procurement practices.

Tarabot advisors also provided technical assistance to the Ministry of Health on the use of standard bidding documents issued by the Ministry of Planning, specific to the health sector. These documents will enable staff to procure medicines, medical supplies, and medical equipment for Iraqi hospitals and medical clinics. The ministry agreed to follow-up on Tarabot's technical assistance by preparing a list of projects for the application of standard bidding documents.

Tarabot held a technical meeting in Karbala to facilitate the governorate's use of standard bidding documents. The application of standard bidding documents had been stalled due to obstacles in the 2014 budget and the turnover of staff in the procurement directorate. Tarabot's support will enable the

governorate to use standard bidding documents on projects for the design of two bridges and a potable water network.

Tarabot delivered two days of on-job training for eight officials from the Ministry of Construction and Housing Contracts Department of General Authority of Roads and Bridges, assisting them to apply SBDs for the Pepsi Bridge pilot project in Babil.

As a result of technical assistance from Tarabot, the Ministry of Labor and Social Affairs officially adopted an electronic archiving system in their contracting department, thereby enhancing transparency in the ministry's contracting practices and processes. An official letter was presented by the deputy minister regarding this achievement.

As part of ongoing efforts to deepen collaboration with the Ministry of Planning, Tarabot officials met with the Director General of the office of Government Public Contracts and Policy to discuss activities to strengthen public sector procurement in Iraq, and the adoption of standard bidding documents in particular.

Public procurement now becomes the primary focus of USAID-Tarabot in the USAID-approved project extension through September 30, 2015.

I.4 Project Management Reform Initiative

Iraq is progressing in its ability to better manage capital investment projects as the government continues to embrace institutional reforms in project planning and implementation. Capital investment projects in Iraq have long suffered from deficiencies in scheduling, budgeting, and monitoring and controlling, negatively impacting service delivery as projects are often delayed for long periods, run over budget, are indefinitely suspended, or canceled altogether. With the broad and ongoing support of USAID-Tarabot, many ministries and governorate offices have addressed these shortcomings by embracing the international standards of the Project Management Institute (PMI). Widely recognized and in use in over 150 countries, these standards provide a common language and measures for project management around the world. Through training engineers and project managers from Tarabot's governmental counterparts are progressing toward the hands-on application of PMI systems on major projects, with ongoing technical support from Tarabot.

Tarabot provided assistance to the Ministry of Transportation on a project for the construction of a multi-storied administrative compound in Baghdad that will house staff who oversee the national public transportation system, budgeted at \$23.2 million. The project suffered from inaccurate scheduling estimates and time slippage. Tarabot worked with the project manager and established a project performance baseline through the application of earned value management techniques and MS Project. This tool will be used to track and measure progress against the budget during the execution phase.

In Karbala, Tarabot assisted engineers from the governorate office on a pilot project for the renovation of the Marya Al Kobtaia Primary School. The school was housed in an old building in need of renovation. Renovations will benefit 700 students, providing them with new classrooms and two sporting facilities. Tarabot assisted engineers in using PMI scoping techniques to break down phases of the electrical work for the project's work breakdown structure into more measurable and detailed work packages. This will help to identify project activities and resources required to develop the master schedule.

Tarabot also assisted the Governorate of Karbala on the Resala district rehabilitation project, which was experiencing delays in scheduling and also running over budget. Due to the high priority of this project for the province, the governor requested the help of Tarabot to support engineers to apply MS project techniques and estimation methods to correct these deficiencies. Assistance also focused on improvement of the project checklist. When complete, the project will serve more than 1,000 families who live in the district and provide electricity and communications infrastructure, sewage networks, and roads.

Tarabot assisted engineers working on the Abo Zarea road project, which will connect two districts in the southern region of Karbala and lessen travel times for residents. The project was suffering from inaccurate estimations of required resources and estimated time needed for construction. Tarabot worked with project engineers, using PMI techniques, to improve the projects scoping to determine time constraints and risk factors that affect the project's schedule.

Tarabot conducted a site visit with two engineers from Ministry of Electricity to the Al-Najibiya power plant in Basrah. Discussions focused on applying PMI processes during project close-out phase. The project team continues to use MS Project and PMI estimation techniques as they develop the second phase of the project. The project team is using PMI forms to report the monthly project performance and variation. These reports will help the project team accurately predict the total duration of the second phase of the project.

Tarabot leaves a legacy of over 1,000 professionals trained in PMI processes to carry on and spread sound project management practices. Many of these trained engineers are pursuing certification as Project Management Professionals (PMPs). The knowledge and skills required to achieve this certification make PMP-certified candidates highly valuable in both the public and private sectors. As part of a tailored program of intervention to prepare Iraqi partner entities for the Project Management Professional exam, preparatory tests were conducted for 16 participants from the Governorates of Diwaniya and Karbala.

As part of the project's efforts to secure sustainability and Gol ownership, Tarabot met with senior officials from COMSEC, including Riadh Al-Failee, the Director General of Government Coordination and Follow-Up Department, to discuss the future of project management reform in Iraq. Topics included a recommendation from COMSEC for all Gol entities to reform their project management through the application of Project Management Institute (PMI) processes. The establishment of a PMI chapter was also discussed as a means of promoting high standards in Iraq and the sustainability of these reforms. Tarabot has followed up with a document outlining the process for obtaining PMP certification, as well as a list of engineers from Gol entities with whom COMSEC can encourage to achieve this certification. Lastly, the director general agreed to make this request of the secretary general as an official recommendation to all Gol entities for the adoption of PMI processes in the implementation of their capital investment portfolios.

I.5 One-Stop-Shop Initiative

USAID-Tarabot introduced the One-Stop-Shop service center model to address the long lines and complicated procedures that plague service delivery in order to improve citizen services in Iraq. On October 1, 2014, Tarabot attended a ceremony hosted by the Council of Ministers' Secretariat (COMSEC) to formally hand over all materials related to the One-Stop-Shop to COMSEC to Secretary General, Dr. Hamed Khalaf, and other key officials. Tarabot's service center design offers modern physical infrastructure and efficient automated systems to improve services, while promoting public

accountability and citizen satisfaction. At the ceremony, the Secretary General expressed support for the project and encouraged senior officials to move forward with the implementation of the One-Stop-Shop model in Iraq's ministries and provinces.

With the support of USAID-Tarabot, COMSEC is taking steps to make the One-Stop-Shop a reality for Iraqi citizens. COMSEC's committee to oversee the implementation of the service center model is now equipped with blueprints, brochures, training materials, requests for proposals, terms of reference, and a physical model.

Tarabot has completed work with the Kurdistan Ministry of Labor and Social Affairs to renovate the One-Stop-Shop in Dahuk. The work was completed over 30 working days, and the building is now compatible with international standards for One-Stop-Shop service centers. The completion of this One-Stop-Shop sets a precedent for the implementation of the model throughout Iraq, and has garnered the growing interest of many Government of Iraq entities. The formal opening of the Dahuk OSS will take place in November in coordination with KMOLSA and other GOI partners.

1.6 Center of Excellence Initiative

Tarabot met several times with representatives from COMSEC to discuss its Excellence Committee, the ICEG charter, functional and organizational structure, job descriptions for key positions, and the operating model. Duties were distributed among Excellence Committee members, and it was agreed that an action plan should be developed with a timeframe to implement tasks. The bylaws of the ICEG and the handover of the Excellence program to COMSEC were also discussed.

Tarabot also met with the Ministry of Transport to present and discuss process reengineering maps for two services selected for improvement: 1) citizen complaints and 2) responses from authorities, as part of Tarabot's piloting of long-term, high impact transformations in service delivery.

Tarabot provided technical support to the Ministry of Construction and Housing to document and review organizational processes to implement short term, high impact plans in service delivery along Excellence guidelines. Tarabot is supporting the ministry with two services for process re-engineering: 1) to reduce time in processing complaints made by suppliers, contractors, and citizens; and 2) in receiving responses from responsible authorities.

1.7 Iraq Development Management System Initiative

After much intensive work with the Ministry of Planning and Synergy, the contractor tasked with the design of the Iraq Development Management System to address software coding issues related to project status, the MOP accepted the system as meeting the required technical specifications. This follows upon the development of a code that generates project histories, allowing for the MOP to test how the system can track changes in project implementation status. Synergy also created new filters in the system's reporting module, which are specifically related to project status and year.

PROJECT ADMINISTRATION

Staffing, Deployment, Registration

In October, 2014 the USAID-Tarabot staff was composed of eight (8) expatriates and 77 Iraqi nationals, including the ISRAR team. Four (4) expatriates and 52 Iraqi nationals will leave the Project at the end of October, as prescribed in the close-out plan. In October two (2) long term expatriates left the project as they reached the end of their contracts. In November work will continued based on the procurement-related extension from USAID.

Security

In October 2014 the security situation in Iraq was tense, with continuing fighting in the north and west of Iraq and increasing explosions and attacks in Baghdad. The four-day Eid Al Adha holiday was extended to 9 days by the GOI. Tarabot staff worked normally and did not take additional holidays.

Closeout

Tarabot vacated Gurka House and allocated office space for remaining staff in Brady on the Mansour compound. Gurka House is being returned to Sallyport and furniture and equipment have been stored pending USAID approval to dispose of this remaining property.

With USAID's approval, office furniture, life support furniture, and IT equipment were donated to 3 NGOs. These donations include:

1. *Woman Supporting Woman (WSW), NGO:* Used life-support furniture (beds, dressers, wardrobes) no longer needed by the project. WSW will use this as part of their program to assist newly married families and economically disadvantaged families and newly-married couples.
2. *Rafiday Al Iraq – Jadeed Foundation, NGO:* Excess office furniture to be used to furnish new offices and to support a new training facility supporting civil society organizations in Baghdad.
3. *Donation to Al Taawun Charity Association, NGO:* Excess IT equipment to be used in a training center that provided IT education for orphans.

With USAID approval, 42 old air conditioners in vacated offices were abandoned to the landlord. This saves money for USAID as the value of the air conditioners is lower than the cost of repairing the walls.

As part of Tarabot's disposition plan, 9 armored vehicles remain on the compound waiting for authorization from USAID to transfer them back to the US Government within the Baghdad International Zone (IZ).