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MONITORING AND EVALUATION PERFORMANCE PROGRAM, PHASE II (MEPP II)

FINAL REPORT
May 31 2005 – December 31, 2009

December 31, 2009

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FINAL REPORT

May 31, 2005 – December 31, 2009



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Monitoring and Evaluation Performance Program, Phase II (MEPP II)

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Acronyms

AOTR	Agreement Officer's Technical Representative
AO	Assistance Objective
BDP	Business Development Program
BOQ	Bill of Quantity
BSA	Board of Supreme Audit
CAP	Community Action Program (Phase I, II or III)
CIES	Community Infrastructure and Essential Services
CoAg	Cooperative Agreement
COIN	Counter-insurgency
COTR	Contracting Officer's Technical Representative
CSP	Community Stabilization Program
DEC	Development Experience Clearinghouse
DoS	Department of State
DQA	Data Quality Assessment
EG II	Economic Governance (Phase II)
EGA	Economic Governance and Agriculture
FMIS	Financial Management Information System
FSO	Focused Stabilization Office
GoI	Government of Iraq
IBTCI	International Business & Technical Consultants, Inc.
ICCM	Iraq Community-based Conflict Mitigation Program
IFMIS	Iraq Financial Management Information System
IIACSS	Independent Institute for Administration and Civil Society Studies
ILSP	Iraq Legislative Strengthening Program
IP	Implementing Partner
IR	Intermediate Result
IRD	International Relief and Development
IRAP	Iraq Rapid Assistance Program
IZ	International Zone
KII	Key Informant Interviews
LG	Local Government
LGP	Local Governance Program (Phase II or III)
LOA	Letter of Authorization
LOE	Level of Effort
M&E	Monitoring and Evaluation
MAPDC	Members Affairs and Parliamentary Development Committee
MEPP II	Monitoring and Evaluation Performance Program II
MOF	Ministry of Finance
MRS	Monitoring Reporting System
MSI	Management Systems International
MSME	Micro, Small and Medium Enterprises
NDS	National Development Strategy
NGO	Non-Governmental Organization
OAA	USAID/Iraq Office of Acquisition and Assistance
OFDA	Office of Foreign Disaster Assistance
OIG	Office of the Inspector General



PDS	Provincial Development Strategy
PDT	Performance Data Table
PIRS	Performance Indicator Reference Sheet
PMP	Performance Management Plan
PO	Purchase Order
POC	Point of Contact
PRO	Program Office
PRT	Provincial Reconstruction Team
PSD	Personal Security Detail
Q2	Quantitative and Qualitative Company
QAQC	Quality Assurance Quality Control
RA	Risk Assessment
RIG	Regional Inspector General
RLA	Regional Legal Advisor
SIGIR	Special Inspector General for Iraq Reconstruction
SO	Strategic Objective
SOA	Strategic Objective Assessment
SOFA	Status of Forces Agreement
SOP	Standard Operating Procedures
SOW	Scope of Work
SU	Spending Unit (of the Ministry of Finance)
TA	Technical Assistance
USAID	United States Agency for International Development
USG	United States Government
V/A	Vocational Training and Apprenticeship
VTC	Vocational Training Center



Executive Summary

International Business & Technical Consultants, Inc. (IBTCI) was awarded the Monitoring and Evaluation Performance Program, Phase II (MEPP II) contract on May 31, 2005. MEPP II's Scope of Work (SOW) called for IBTCI to provide USAID/Iraq with "long and short-term technical and advisory services, data analysis and reports for monitoring and evaluation of USAID/Iraq's program." The objective of MEPP II was to provide continued performance monitoring and evaluation of the programs managed by USAID/Iraq. Additionally, MEPP II was to provide periodic reviews of specific activities and the program as a whole including an overall evaluation of the impact of the USAID portfolio in Iraq. This program was demand driven as services needed to be requested by the Mission.

IBTCI's field team began work on MEPP II on June 1 at the Vienna, VA headquarters (HQ) and was deployed to Iraq in July 2005 under the leadership of the first Chief of Party (COP), Dr. Allen LeBel. MEPP II ended December 31, 2009 after a smooth transition to the PERFORM team in November and December under the leadership of the final COP, Mr. Harvey Herr.

Accomplishments

During the course of the four-year contract, IBTCI's Iraq-based team visited all eighteen governorates in Iraq as well as all of the Provincial Reconstruction Teams (PRTs), the mechanism through which the U.S. Government (USG) implemented programs at the field level. MEPP II's work was conducted on a demand-driven basis with SOWs generated from either the technical team responsible for a particular program or project, or the USAID PRT representative. During the course of the contract, IBTCI conducted over twenty discrete monitoring tasks with thirteen of these tasks related to the Community Stabilization Program (CSP); ten evaluations of the Mission's programs; five special studies (4 related to CSP); eleven Ad Hoc tasks; assisted the technical teams in developing SOWs for seven monitoring and/or evaluation tasks (five of which were never implemented due to USAID staff turn-over and changing priorities); and, provided the Mission and its implementing partners with regular and on-going technical assistance in the design, development and implementation of their Performance Monitoring Plans (PMP) from early 2007 until the close of the program.

Challenges

Implementing a robust M&E program in an active war zone with security often less than ideal was a new concept to USAID. Often, the impetus for program implementation was driven by priorities that do not lend itself to the development context and as a result, USAID partners were charged with rapid start-ups with the focus on burn rates. The push to report numbers resulted in little baseline data being collected by the partners, PMPs were not required and much of the reporting was not verified and anecdotal in nature. While programs were being implemented and much was being done on the ground, there was little attention paid to how each program was feeding into the Mission's overall strategy for a peaceful and secure Iraq, and program impact was seldom addressed. Given the nature of Iraq, it was difficult to recruit seasoned USAID staff who understood M&E and its importance for managing for results. Additionally, high staff turnover provided multiple challenges as the situation was so dynamic, there was little institutional memory within the Mission and with staff changes, came changes in priorities, particularly related to MEPP II.¹ During MEPP II's tenure in Iraq, over 20 different programs

¹ Evaluation SOWs, background work and surveys were designed for Health, Education, Izdihar, INMA and ARDI, put on hold and eventually dropped due to changing priorities.



were being implemented by USAID, however MEPP II was asked to provide in-depth monitoring on only five of these programs². In other words, while MEPP II was implemented to be the eyes and ears of the Mission, the mechanism was not used as robustly as it might have been across the entire strategic objective (SO) programs. While IBTCI completed 10 evaluations during its tenure which we believe provided helpful information to the Mission, we also believe that the timeframe given to undertake these evaluations was not sufficient. Most evaluations were conducted within a six-week to two month period. Given the volume of work to be reviewed, the logistics for accessing sites and the often poor security in which surveys were to be conducted (in fact one evaluation team was evacuated and completed the evaluation remotely from Amman) made these tasks challenging to say the least. That said, IBTCI met all deadlines and the deliverables were well received by the technical teams and the Mission.

Recommendations and Lessons Learned

IBTCI and the MEPP II team offer the Mission the following recommendations for future M&E program implementation

- Ensure that all new programs conduct accurate baselines prior to the start of implementation building a realistic timeframe to conduct these baselines into the SOW. It is difficult if not impossible to measure progress if one doesn't have a starting point from which to measure.
- To the extent possible, work with the Assistance Objective (AO) Teams to determine proactively what monitoring tasks and evaluations will be conducted on an annual basis. This will allow the M&E partner sufficient time to prepare for each task as well as hopefully minimize changes made as a result of shifting priorities when changes to AO teams occur.
- Oblige all AO teams to conduct mid-term and final impact evaluations on each of their programs and address challenges and/or deficiencies found through these evaluations.
- Oblige AO teams based in Baghdad to visit their field programs at least quarterly, security permitting.
- Reevaluate the level of effort and resources allocated to conducting evaluations. Teams should be on the ground longer and drill deeper to ensure useful and valid results.
- Ensure that both Mission staff and implementing staff understand the basics of the PMP, Performance Reference Information Sheets (PIRS) and Performance Data Tables (PDTs) and their importance in managing for results.
- Allow the M&E partner to build the capacities of other U.S. Government (USG) stakeholders if requested as this can only serve to increase the quality of all USG programming and allows USAID to become a resource to other USG stakeholders.
- Ensure the COTR has M&E experience.

² Community Stabilization Program, Local Governance Program, Iraq Community Action Program, Iraq Civil Society Program and the Office of Foreign Disaster Assistance



Introduction

IBTCI is grateful to USAID for having the opportunity to serve as the monitoring and evaluation services provider to the Iraq Mission from 2005 – 2009. This Final Report serves, not only as the final quarterly report, but also as a summary of the activities and achievements of the MEPP II program.

IBTCI, in consortium with The Mitchell Group and International Science and Technology Institute, was awarded the MEPP II contract on May 31, 2005 as a follow on to MEPP I which began in 2003. The MEPP II SOW called for IBTCI to provide USAID/Iraq with “long and short-term technical and advisory services, data analysis and reports for monitoring and evaluation of USAID/Iraq’s program. The objective of MEPP II was to provide continued performance monitoring and evaluation of the programs managed by USAID/Iraq. Additionally, MEPP II was to provide periodic reviews of specific activities and the program as a whole including an overall evaluation of the impact of the USAID portfolio in Iraq.

The MEPP II team was mobilized to IBTCI’s headquarters in Vienna, VA on June 1 to begin reviewing all documents pertaining to MEPP I, the USAID portfolio in Iraq and conduct key informant interviews (KIIs) with key USG and implementing stakeholders in the U.S. A data base created under MEPP I contained information on approximately 4,700 activities under the USAID/Iraq’s four strategic Objectives as well as the OTI program. IBTCI was charged to review the data collected by MEPP I, identify problems in the collection process, recommend solutions and organize the database in the web-based monitoring and reporting system.

MEPP II’s focus changed considerably over the course of the contract which is to be expected given the dynamic situation within Iraq. The initial focus was to design and implement the Monitoring and Reporting System (MRS) and much of the first eight months of the program was spent working to make the MRS operational.

M&E was a new mechanism to the Mission and many of USAID’s staff members and as a result, there was a considerable learning curve in terms of how best to implement MEPP II. Originally, monitors were to be hired directly by IBTCI and work out of the IBTCI Baghdad office. While hiring was in process, USAID determined that for security reasons, field monitoring should be done under a contract with a local partner on an as needed basis to conduct discrete tasks. Despite the release of two RFPs by the MEPP II team, an adequate local partner was not identified. A change in the focus from conducting discrete tasks to hiring a subcontractor with full time monitors was proposed by the MEPP II team and approved by USAID. This led to the selection and subcontract with the Independent Institute for Administrative and Civil Society Studies (IIACSS) which, with capacity building from the MEPP II team conducted most of the survey work for IBTCI under the MEPP II contract. IBTCI added another firm, Qualitative and Quantitative Company (Q2) in early 2008 to supplement the work of IIACSS. Finally, in mid-2009, IBTCI procured services from Triple A, a third local survey firm. All three provided outstanding and timely survey work for the Mission.

The MEPP II team used a variety of methodologies to undertake the M&E tasks under contract. To meet the requirements outlined in the SOW, IBTCI employed a variety of tools which enabled the project to fully meet its objectives. These tools brought a broad range of quantitative and qualitative research methodologies that were used not only in the triangulation of data for reporting purposes but also at times by the Mission as a standalone methodology specific to a particular task or need. The tools included conducting desk research, probability samples to support quasi-experimental designs, key informant interviews and focus groups. Statistically valid sampling was used in most surveys to provide the Mission with fact-based



data upon which to draw when making programmatic decisions. Surveys were translated into Arabic, back-translated to ensure accuracy and field tested before being conducted.

After the 2006 portfolio review, it became apparent that both Mission staff and implementers needed technical assistance (TA) in performance management. Contracts and Cooperative Agreements (CoAgs) had been issued with output measurements only and PMPs were not required. As a result, it was almost an impossible task for the MEPP II team to determine project impact against the Mission's Strategic Objectives (SOs). The MEPP II team worked with the Program Office (PRO) and Office of Acquisition and Assistance (OAA) to provide performance management verbiage to partner contracts and CoAgs that would require implementers to design PMPs with both output as well as outcome indicators. Once this was established, the PRO tasked MEPP II with providing TA to the implementers in designing their PMPs. In addition, MEPP II began a series of M&E trainings called "Enquiring Minds Want to Know." These trainings were held at least quarterly, sometimes more frequently, for the Mission's technical teams as well as new USAID PRT representatives during their orientation to help them understand and use performance monitoring as a management tool. This assistance continued from 2006 through the end of the contract.

MEPP II was privileged to work with four COTRs during its tenure in Iraq. For most of this contract (November 2006 – June 2009), we were privileged to work with Mr. Marunga Manda, With a strong background in M&E, Mr. Manda was able to effectively manage the contract, work with the AO teams in how best to utilize MEPP II's resources and to manage expectations of the Mission.



May 31, 2005 – December 31, 2005

Start Up

IBTCI signed the MEPP II contract with USAID on May 31, 2005. On June 1, IBTCI's COP, Allen LeBel, and Senior Information Officer, Charles Long, began working out of IBTCI's home office in preparation for deployment to Iraq. They were joined later in June, by Information Officer, Saeid Khodarahmi and IT/Network Analyst, Dan Jenkin.

Prior to the arrival of our Iraq based team, IBTCI was locally represented by Ms. Rand Dawood who assisted in the identification of candidates for the Field Monitors and Iraqi Field Monitor Leader position. Additionally, Ms. Dawood was instrumental in allowing IBTCI to start up while transitioning from the MEPP I contract. The first action that Ms. Dawood implemented on behalf of IBTCI was to take possession of the inventory that had previously been part of the Management Systems International (MSI) contract. Ms. Dawood took the inventory and signed off that all was accounted for.

IBTCI initially subcontracted with MSI in order to utilize MSI's experience in Iraq as the incumbent under the MEPP I project and facilitate a smooth a transition and start up of MEPP II. While Ms. Dawood ensured a smooth transition of assets in Baghdad, IBTCI HQ transferred the U.S.-based equipment from MSI to IBTCI HQ.

In compliance with the Contract, IBTCI submitted for approval the Initial Annual Work Plan within 15 days of the signing of the contract and the Field Monitoring Plan within 30 days. USAID agreed with IBTCI that revised versions of both the Initial Annual Work Plan and Field Monitoring Plan would be submitted once the team had mobilized to Iraq and had the opportunity to benefit from meeting with USAID and Implementing Partners. Revised plans were submitted in September in accordance with USAID's deadlines

After arrangements were made for security and life support, IBTCI mobilized the COP, Senior Information Officer and Information Officer at the end of July 2006. Upon arrival to Iraq, IBTCI's team began meeting with USAID Program and Technical offices to identify business requirements to be included in the MEPP II MRS. These meetings and collaboration among IBTCI team in Iraq and home office with USAID ultimately culminated in the completion and signing of the Software Requirements Specifications (SRS) 1.0.

As part of the approved Implementation Plan for developing the MEPP II MRS, IBTCI received approval for and hired a software development team that would work out of IBTCI's home office. This team consisted of a Business Analyst and Tech Team Project Manager, a Technical Lead – Business Intelligence Expert and .NET Developer, a Network Administrator, a Technical Writer / Trainer, a GIS Expert and .NET Developer and a Senior Database Developer.

Accomplishments in 2005

Monitoring and Reporting System

- Conducted an "As Is" assessment of the inherited MEPP reporting system.
- Based on the user requirements, USAID approved the Software Requirements Specification (SRS) document (Version 1.0) which was the foundation on which the first version of the MEPP II MRS was developed.
- IBTCI implemented User Acceptance Testing in Baghdad and Washington. IBTCI's software development team developed the MRS. This development included system



configuration, LAN administration, and implementation of security measures as well as customizing all components of the MRS software.

- A Training Plan and User Acceptance Testing Plan were delivered to USAID.
- A User Guide and Administrator Guide were developed and delivered to USAID.

The Evaluation/Assessment Function

- IBTCI worked closely with USAID to develop two scopes of work for evaluating public sector capacity building. These SOWs would address national and local government organizations as well as inventory of the quantity and quality of public administration training available in Iraq.
- An evaluation of the Consortium for Elections and Political Process Strengthening (CEPPS) program was completed and the final report submitted on December 13.

Activities

Monitoring and Reporting System

The primary thrust during the first six months of MEPP II implementation was the development of the MRS. At the start of the MEPP II project, IBTCI's Senior Information Officer, Information Officer and IT/Network Analyst conducted an "As Is" assessment of the MEPP I system. This assessment noted that the MEPP I system is composed of a database and a user interface for generating (search results that can be converted to Excel spreadsheets and formatted – by the contractor - using the functionality of Excel). This data base consisted of 31 data fields that were common to all Activities. The cross-sectional aspect of the MEPP I reporting feature allowed the user to select and view activities with respect to USAID Program, USAID Implementer, Data Source, Activity Class, 2207 (State Department) Sector and Sub-sector, Activity Type, Governorate, Activity Status, Activity Name or Implementer ID. The MEPP I system was, to a large degree, manual in nature. While there were pre-programmed reports, many ad hoc reports were generated manually. Additionally, data had to be manually cleansed before being entered into the MEPP I database system. This was a time intensive process.

Based on the "As Is" Assessment, IBTCI reviewed the requirements called for in the MEPP II SOW and proposed taking specific steps in its approach to developing a new Monitoring and Reporting System.

IBTCI identified and reviewed three options available for the MEPP II MRS. These options included:

- Option 1: Development and improvement of MEPP I to MEPP II (i.e. building on top of MEPP I system architecture)
- Option 2: Custom Development – Outsourcing or Internal Development
- Option 3: Commercial Off-the-Shelf - (e.g. Crystal Reports, Cognos, SharePoint, SAS BI).

Based on these options, IBTCI proposed to USAID that a detailed requirements definition phase begin for the MEPP II information system that would include writing the SRS. The SRS would include a clear and realistic vision and clearly defined business requirements for the new system as defined by USAID as well as a comprehensive list of system features for the new system including all backend administration. The SRS would have Functional, Technical and Quality requirements for the new system.



In addition, one of the first tasks that IBTCI worked on for Monitoring was the identification and formalization of monitoring requirements through regular meetings and discussions with USAID and implementing partners. IBTCI met with USAID/Iraq technical offices and USAID/Washington to identify and collect business requirements for the MRS. It was understood that these would be subject to revision based on the new Mission Strategy that was to be adopted and released in late 2005. These meetings were initiated in early August, 2005 upon arrival of the IBTCI field resident team in Baghdad. Meetings with the implementing partners (IP) were on-going and completed by the end of October.

Performance Monitoring Plan Function

Neither the USAID/Iraq's Strategic Plan nor the PM had been developed. As a result, MEPP II had no Mission-wide Results Frame Work (RF) with which to work in 2005. Without a Mission PMP and RF the implementing partners did not have PMPs or RFs either which hampered MEPP II's ability to conduct meaningful technical assistance in this area.

The Monitoring Function

The initial plan for hiring local field monitors directly was changed for security concerns. USAID requested that IBTCI sub-contract field monitoring to local survey firms to conduct discrete monitoring assignments. The Mission believed this process would dilute information about USAID Activities among many Iraqi Field Monitors as well as reduced the risk that Iraqis will be seen as too closely affiliated with the US Government and/or implementing partners. A request for proposal to procure local field monitor services was released to potential offerors. Several proposals were submitted and IBTCI began discussions with one of the offerors.

The Evaluation/Assessment Function

Consortium for Elections and Political Process Strengthening (CEPPS) Program Evaluation

In order to assist Iraq's transition to democracy, USAID initiated a comprehensive program to improve the effectiveness and build the legitimacy of Iraqi government officials and institutions. This program also included technical assistance to the Independent Electoral Commission of Iraq (IECI). Implementation of the program was accomplished through three Cooperative Agreements with the Consortium for Elections and Political Process Strengthening (CEPPS). The agreements were signed in July 2004 and ran until the end of February 2006. The budget at the time of the evaluation was \$155,580,000.

The purpose of this review was to assess assistance provided under the three agreements and provide USAID/Iraq with an analysis of achievements, challenges and opportunities for future political development assistance to Iraq.

The IBTCI Review Team made the following general recommendations:

- It is essential that the assistance of the CEPPS program to improve the effectiveness of government officials and institutions be continued for at least another 24 months.
- Every effort should be made to involve the UN in capacity building processes began by CEPPS.
- A new CEPPS cooperative agreement with the three partners, IRI, NDI, and IFES, should include a standardized reporting format that each partner submits quarterly to USAID. These reports should follow a format that meets the reporting requirements of USAID.
- USAID should convene a monthly meeting with the CEPPS partners to share and exchange information about the progress of the agreement.



- Research needs to be done to determine the most effective ways of communicating with Iraqi voters and citizens.

Administrative

Equipment/Inventory

At the project's inception, IBTCI received an inventory of items from Management Systems International (MSI) the predecessor implementing partner for this project. This Iraq based inventory was stored in a villa hired in the Mansour neighborhood of Baghdad while the US based inventory was kept at IBTCI's headquarters.

Modification to contract

In June, Modification 1 increased obligated funding to \$5,038,543.81.

In July at USAID's initiative, IBTCI was issued contract Modification 2. The modification stated that "USAID will provide office space in its Baghdad office building for the full time use of the persons holding the following 3 positions: the same persons will also be provided with lunch and dinner each work day at the USAID dining facility: Chief of Party, Senior Information Officer , Information Officer."

Modifications 3 and 4 issued September 30 increased the obligated funds to the contract by \$1,400,000 and \$1,500,000 to bring the total obligated amount to \$7,938,543.81.



January 1, 2006 – December 31, 2006

Accomplishments in 2006

Monitoring and Reporting System

- IBTCI issued two primary releases of the MRS, on February 17 and March 31. During the month of March, IBTCI issued weekly mini-releases. These mini-releases were intended to allow USAID to immediately test and provide feedback so that IBTCI could make fixes and address questions / comments. IBTCI responded immediately to all USAID test results.
- IBTCI developed and delivered a Training Plan and User Acceptance Testing Plan. A User Guide and Administrator Guide were developed and delivered to USAID.

Over the course of March, IBTCI developed or enhanced the following features to the MRS:

- Main Reports Page
- Ad Hoc Report Page
- Edit Activity Page
- Display of Graphical Charts
- Applying Rights & Privileges to User Classes
- Contacting Technical Support
- Layout of Award and Award Component Pages
- Adding New Locations
- Display of USAID Strategic Cities
- Alerting Users of Empty Data Sets
- Sending Alert Emails
- Restrictions on Browsing, Searching, and Reporting
- Format of Static Reports
- Layout of Activity Details Page
- Dashboard
- Data Feed Interfaces
- Field Names and Definitions – Sub-districts
- GIS – Introduction of new layout
- Made Progress on Implementer Interface

The Monitoring Function

- IIACSS Operational
- Completed and submitted the national Community Action Group (CAG) design study. Included in the CAG survey were four focus group discussions for community mobilizers
- Completed monitoring of 30 randomly selected Community Stabilization Projects (CSP) and submitted draft report

The Evaluation/Assessment Function

- Completed the Data Quality Assessment (DQA) and submitted final report.
- Drafted and submitted the SOW for the Economic Governance and Agriculture evaluation. (This was subsequently cancelled by the SO team.)
- Completed and submitted the SOW for the Health and Education evaluation; it was approved in November. (which was subsequently cancelled by the SO team)
- Drafted and submitted the SOW for the Iraq Civil Society Program (ICSP) evaluation.



- Completed and submitted report on Iraqi Community Action Program I.

Ad Hoc Tasks and Special Studies

- Provided input into the scope of work (SOW) for the ICAP II solicitation based on the ICAP evaluation.
- Briefed the Iraq Community Action Program (ICAP) partners on the outcome of the ICAP evaluation and provided assistance to the partners in incorporating the recommendations made in the evaluation into their respective programs during the November monitoring and evaluation workshop in Erbil

Activities

Monitoring and Reporting System

The MRS development continued to be the primary focus of the MIS efforts during the first quarter. Releases of the MRS at progressive stages of development were made from February through the end of March. During the last three mini-releases that took place in March, an independent QA Tester who was hired by IBTCI, conducted systematic testing. No items were included in a mini-release unless they were passed by the testers.

A User Guide was continuously updated and the MRS Administrators Guide was completed and provided to USAID.

The Monitoring Function

ICAP Monitoring

The CAG survey was designed to be able to compare how the ICAP partners facilitated the development of their CAGs and the effectiveness and impact of CAG activities towards meeting the objectives stated in the partner agreements. The survey design was in the form of an experimental design where “treatments” management practices and the subject groups are the CAGs developed by the different CAG partners. In this design there was no control group but we compared one group against the others. Based on a power analysis it was estimated that 40 CAGs from each Implementing Partner (IP) would be sufficient to compare results. The 40 CAGs were selected at random from lists of active CAGs provided by each IP.

The following recommendations were presented in the report:

- When local government staff are members of CAGs there are higher levels of local government contribution; this should be encouraged.
- Many of the CAGs see the ICAP program as their most important source of funding; CAGs should be directed to other sources of funding that will lead to sustainability and stronger links to local government.
- CAGs look to the ICAP program for advice. This is good at the beginning, but CAGs need to look to local government expertise as this yields important future benefits for them.
- The percentage of CAGs that sought advice from the local government was low; this indicates a need to strengthen the local government link.
- All CAGs perceived that the involvement of local government in development projects was low (below the middle rank). All partners need to focus on bringing the CAGs and the local government together.
- There is a very strong association between training in how to estimate project long term employment, the use of estimated long term employment generation as a project selection criterion and the ability to actually generate community long term employment. To help meet the ICAP II objective of “Increased opportunities for local economic



development at the community level” ICAP II can adopt the strategy of training CAGs in how to estimate long term employment and then have the generation of long term employment be included as a project selection criterion.

- Training in conflict resolution needs to be sustained and possibly informed by CAG survey findings about the source of differences in the community.
- CAG perception that local government took into account concerns of the CAGs was positively associated with ‘learning by doing’, rather than through training in advocacy. ‘Learning by doing’ in bringing the CAGs to the local government has paid off in the positive perception of local government. ‘Learning by doing’ can be refined in ICAP II.

CSP Monitoring

A Regional Inspector General’s (RIG) audit report of the CAP (USAID, Regional Inspector General, Audit of USAID/Iraq’s Community Action Program, Report No. E-267-05-001-P, January 31, 2005) noted that “The audit found that CAP achieved 98 percent of its intended outputs, including citizen participation, inter-community cooperation, local government cooperation, local employment generation, and consideration of environmental concerns.” However, it also recommended that “...USAID/Iraq develop and implement a plan of action to improve the integrity of the data in the Community Action Program’s Project List in order for it to be a more effective monitoring tool and a more accurate and reliable data source for reporting purposes.”

In response to the RIG report, USAID/Iraq tasked IBTCI to undertake field monitoring in light of that recommendation and in support of the subsequent PRT initiative.

In preparation for field monitoring, three-month monitoring plans were drafted for each PRT by IBTCI and submitted to USAID in October 2006 for approval by the USAID PRT representatives. Prior to the deployment of the monitors, IBTCI staff traveled to each PRT and met with the USAID PRT representatives and Partners to roll out the monitoring plans; discuss the methodology to be used and to answer questions and/or concerns that the USAID PRT representatives or Partner field staff might have. The roll out to the PRTs took most of November, December 2006 and January 2007.

Community Stabilization Program

In November, USAID requested that IBTCI undertake a discreet monitoring task of 30 projects under the new Community Stabilization Program (CSP) being implemented by International Relief and Development (IRD). IBTCI conducted background studies to determine what data collection instruments were needed for the field monitors given the monitoring activity requested included not only site visits, but confirmation of customer satisfaction and an assessment of participation and coordination with communities and local government. The results of this assessment were qualitative rather than quantitative as would have been provided with a full-blown household survey of the project catchments area. Questions included in the site visit instruments are the basis for customer satisfaction estimates. Field monitoring began on December 11 and was completed by December 17 with a final draft report submitted by IBTCI to USAID on December 18.

Illustrative Recommendations from the report were:

- Equipment supply projects should time the delivery of equipment to coincide with the ability of the recipients to use it. In more than one instance the equipment wasn’t being used because buildings had not been completed or other arrangements made to house and use the equipment.
- Maintenance and maintenance training for use of the equipment donated is imperative for sustainability.



- Address issues of sewage before starting cleaning campaigns.
- A supply of equipment punch list should include availability of offices to house and use the equipment.
- Stakeholder buy-in of the CSP projects when compared to the CAP projects is more complex. In the CSP buy-in, or community contribution, was typically expressed through unpaid labor (“sweat equity”). CSP PWP projects focus on generating short term paid employment. It is not clear how stakeholder buy-in can be assessed for these types of projects. This needs to be reviewed.
- Review the length of the approval process, and see if there are ways to make it more efficient.
- Seek clarification from USAID on the attribution to be used for the source of financing for CSP projects.
- Only fourteen of those surveyed, out of the thirty projects reviewed were aware of how the approval process for the project. IBTCI suggests that all stakeholders are given a mini grants manual that will make them aware of how the approval process works. This increases transparency in the process.

The Evaluation/Assessment Function

Public Sector Capacity Building Evaluation

The purpose of this evaluation was to find, describe, and verify successes and failures in USAID/Iraq’s capacity building efforts in two programs: Economic Governance II (EG II, from October 2004 to present) implemented by BearingPoint (BE); and Local Governance I and II (LGP I and LGP II, from May 2003 to present), implemented by the Research Triangle Institute (RTI). This evaluation was intended to identify and draw lessons learned for future program designs and its results will be directed towards the Mission’s Program, Democracy and Governance (DG), and Economic Growth (EG) Offices. It is also envisioned that the evaluation results might help the USG, Government of Iraq (GOI), and other donors – in part, through the Capacity Development Working Group – to plan and execute future capacity building efforts.

Recommendations included:

- Training coordinators in ministries and implementing partners should closely monitor the participant selection process and USAID/Iraq should assign oversight of this matter to a specific individual within the Mission. USAID and its implementing partners will need to exert continuous pressure on their Iraqi government counterparts to see that ongoing attention is being paid to reducing abuses in this area.
- In its capacity building efforts USAID and its implementing partners must develop and better incorporate activities that go beyond the specifics of training and address the fundamental issues of cultural transformation.
- Define “Capacity Building.” BE and others seem to confuse tools, such as courses, seminars, workshops, and on-the-job training that provide new knowledge and skills or improve on existing knowledge and skills with technical assistance that helps get something done.
- The short deadline for establishing a Baghdad City Council led to many mistakes that might have been avoided if an implementation plan could have been prepared for Ambassador Bremer with more realistic timelines. Examples of mistakes related to failures to properly vet Ba’athist membership, and ultimately the refreshment of the membership on the City Council.
- More informed information about prewar institutions that existed would have been helpful in explaining to the public differences between the old and the new councils which would have given added legitimacy and credibility to the new councils.



- In this case the short term objectives of restoring stability and control should have been balanced with the longer term strategies for building new legal frameworks, new institutions and policies that must be designed to promote democratic governance.
- Using expatriates with an in-depth knowledge about a country and its regional setting can be useful in dampening popular suspicion about the motives of an occupying power, particularly in a country like Iraq where oil rich resources are widely believed to have been the basis for the war.
- To the extent possible, resources used for reconstruction should be channeled through newly developed democratic governance mechanisms to provide employment opportunities and add legitimacy to activities that are implemented.

ICAP Evaluation

IBTCI completed the evaluation of the USAID/Iraq community action program which was being implemented by five IPs / cooperative agreement holders. IPs implemented these programs by first identifying community action groups (CAGs) in the selected community. The IPs then worked with the CAGs according to the method and objectives described in each of the IPs cooperative agreements with USAID. The IBTCI local subcontractor surveyed the community action groups established under the program, and a team performed field interviews in both rural and urban communities in Baghdad/Erbil/Kut with grantee staff and beneficiaries. The ICAP holders dispersed both cash and in-kind grants to CAGs in all of Iraq's 18 governorates.

The major evaluation tasks outlined in the SOW were:

1. Identify ICAP successes and failures/shortcomings in different activities, sectors, and functions (e.g. M&E).
2. Ascertain the efficacy of CAGs as tools to achieve ICAP objectives vis-à-vis Strategic Objective (SO) No. 9.
3. Provide lessons learned, best practices, and recommendations for any ICAP follow-on, with special attention to PRTs and the new Community Stabilization Program (CSP).
4. Evaluate the PRS, and mine it for data that can speak to all the above.

The evaluation team provided a variety of recommendations summarized below:

- Given the high staff turnover of both the Mission and implementing partner staff, ensure a user-friendly archive of documents is available in both hard and soft copy to aide in institutional memory.
- Ensure the CAP II partners have a robust internal monitoring system in place.
- Avoid stop-start funding, for all the reasons cited earlier.
- Require the ICAP II consortium complete a PMP after award of the cooperative agreement and in close coordination with the Mission or its designated M&E contractors/consultants.
- Clarify the roles of USAID/Iraq Regional PRT Representatives vis-à-vis the COTR, the US Embassy, the military and the IPs/ICAP II Consortium in writing.
- Establish regular meetings of the COTR and other interested USAID/Iraq parties with a defined group of ICAP II managers – e.g., all IP COPs plus selected Consortia personnel (like the heads of Finance and M&E).

Data Quality Assessment

In August 2006, the USAID/Iraq Mission requested that IBTCI conduct a Data Quality Assessment (DQA) of 38 indicators, 30 of were to be reported in the FY 2007 Annual Report (AR). A DQA had not been performed since the program's inception therefore one was mandatory, consistent with guidance contained in ADS 203.3.5.



USAID's five standard quality criteria, Validity, Reliability, Integrity, Precision and Timeliness, (VRIPT) were applied across all eight program Strategic Objectives (SOs) and 38 indicators selected by the Mission. The IBTCI team used a combined retrospective and prospective approach: (1) retrospective for SO1-4 which have closed would soon close and (2) prospective for SO7-10 approved in January 2006 and for which a Performance Measurement Plan (PMP) was completed in June 2006.

Although working remotely, the DQA assessment team used multiple techniques to gather and verify information including phone interviews, e-mail correspondence, document review and data review. IIACSS, IBTCI's subcontractor, conducted field visits to validate information against a select number of specific indicators. The IBTCI Baghdad MEPP II team provided resource support with interviews and guidance to the IIACSS team.

Presentations were made by the DQA team to USAID/Washington, USAID/Iraq PRO and each of the SO teams and respective IPs.

Recommendations included:

- *Apply USAID Performance Management Tools.* Use the Performance Management Plan 2006-2008 and apply the Performance Management Toolkit Worksheet 7 for data quality analysis for SOs and their indicators.
- *Sustain Effective Contractual Practices.* Ensure monitoring and evaluation (M&E) planning requirements are incorporated into contractor/partner contracts/agreements, using as a guide for core content, the framework contained in USAID's PMP's PIRS.
- *Develop Good Implementing Partner Reporting Practices.* To address data quality challenges, IPs should not only report on performance data but also on the reporting process: data collection, data collation and data analysis. For multiple partners and multiple reporting sources (to be avoided) USAID should create a blended indicator and document reasons. A blended indicator provides a single measure that maximizes a common understanding and approach of what is to be measured and minimizes misunderstanding and misinterpretation.
- *Focus USAID Portfolio Reviews on Data Quality.* When there are portfolio reviews, USAID/Iraq should flag data quality issues and invite participation from IPs.
- *Create a Document Trail.* Create a reference document on the shared drive or other central location that lists the sources of performance data and summarizes how the reporting data was developed. This begins the process of providing a context and a link to the past and a knowledge base for succeeding USAID staff.

Administrative

Interim COP Robert Beckman replaced Allen LeBel in February for six months. Mr. Harvey Herr, M&E Expert also arrived at post in February. Ms. Cynthia Scarlett arrived in Baghdad as the permanent COP in July.

In February, IBTCI signed a subcontract with a local partner, the most responsive offeror under the RFP released in October 2005 for the field monitoring task. However, the firm immediately repudiated the agreement, leaving the subcontract null and void.

IBTCI released a second RFP on March 2 for the national field monitoring task; this RFP drew three viable proposals. The bid from Independent Institute for Administration and Civil Society Studies (IIACSS) was deemed most responsive and a subcontract with this organization was signed on March 13, 2006 following USAID Contracting Officer approval.



As a result of the Agency-wide moratorium on the development of reporting systems, USAID/Iraq terminated, for the convenience of the government, the management information system component of the MEPP II project on April 13. In compliance with USAID Contracting Officer instructions, IBTCI's Baghdad staff committed to the MRS were repatriated on April 15 and all home office staff supporting MRS were terminated by the end of April 2006.

IBTCI was advised that beginning June 25, Mr. Yaghdan Jrew would be the MEPP II CTO, replacing Ms. Claudia Pastor. Program Officer Shirley Hoffmann was designated as the alternate for Mr. Jrew.

Equipment/Inventory

Most of the inventory received from MSI was not required and was transferred back to MSI's Tatweer project, to the International Medical Corps (IMC) project, or to our local sub-contractor Independent Institute for Administration and Civil Society Studies (IIACSS). Transfer to MSI's Tatweer project was completed using the DD 1149 form. Transfers to IMC were done less formally and acknowledged with an inventory form and e-mail documentation. Transfers to IIACSS was accomplished with a covering letter and inventory signed by the recipient. Additional inventory was purchased by IBTCI headquarters for implementation of the Monitoring and Reporting System (MRS) portion of the project that was later cancelled for the convenience of the government. The equipment for the MRS portion of the project was returned to USAID using the DD-1149 forms.

Modifications to Contract

Contract Modification 5, dated August 14, was issued for purposes of disallowing IBTCI office space in the USAID building as well as lunch and dinner meals for long-term expatriate IBTCI staff.

On December 26, USAID issued Contract Modification 6. This modification increased the incremental funding of the MEPP II contract by \$3,300,000 to a total obligated amount of \$11,238,543.81.



January 1, 2007 – December 31, 2007

Accomplishments in 2007 included:

Performance Monitoring Plan Function:

- Continued follow-up of Performance Management Plan (PMP) workshops with Partners and Strategic Objective (SO) teams by providing comments on partner PMPs as requested by USAID.

The Monitoring Function

- Completed the ICSP Civil Society Organization survey of 248 CSOs. These results were submitted to USAID on April 24 as a complement to the ICSP evaluation.
- Submitted a consolidated PRT monitoring report covering 211 projects in 14 governorates at the PRT level.
- Completed and submitted CSP monitoring reports for projects in Mosul, Kirkuk and Baghdad.
- Submitted final reports on monitoring of Community Stabilization Program (CSP) Employment Generation and Youth (EGY) and Business Development Program (BDP) projects in Baghdad.
- 35 projects were monitored across the five governorates of the South Central Region.

The Evaluation/Assessment Function

- Completed the evaluation of the Iraq Civil Society Program (ICSP) with final report submitted addressing comments from the draft Final Report on May 24.
- Completed a rapid program assessment for the CSP.

Ad Hoc Tasks and Special Studies

- Prepared all secondary documents for USAID/Iraq's preparation for the Annual Report (AR).
- Compiled and distributed to the SO teams and PRT representatives CDs providing baseline data from various surveys.
- Provided M&E orientation to the new SO team members and USAID PRT representatives.
- Reviewed and provided comments to the PRO in response to the SIGIR report on PRT effectiveness.

Activities

Performance Monitoring Plan Function:

Ongoing review of IP PMPs and Consultations with the IPs and SO Teams to Review PMP Comments and Findings:

IBTCI began an initial review of Partner PMPs following the May 6 Portfolio Review. During May and June, PMPs were revised by the Partners and SO teams, with on-going reviews and commentary provided by the IBTCI team. IBTCI provided written comments to the SO teams and partner CTOs for each of the following programs: (Inma, IFES, CAP II, CSP, LGP II, EG II,



NCD, and Izdihar). However, it was apparent that most Partners, along with SO team members, needed significant assistance in completing a meaningful PMP, PIRS and PDT.

The Monitoring Function

ICSP Survey

IBTCI through its local monitoring mechanism completed a national survey of 248 Civil Society Organizations (CSOs) as a complement to the ICSP evaluation. This survey was part of the final evaluation of the three-year, \$60 million USAID-funded ICSP program to build and strengthen civil society in Iraq.

The purpose of the “Analysis of Civil Society Organization Survey Data” was to present the results that informed the sample survey design and to evaluate whether the capacity building the ICSP program provided to the CSOs enabled them to achieve USAID Mission strategic objectives and intermediate results.

Following are highlights of the survey findings.

- 20% to 25% of CSOs in the survey were not found and believed to have closed; this implies a relatively high dropout rate and perhaps consolidation of the CSO sector.
- The extent of workshop training did not have an effect on curtailing the dropout rate, so some capacity building may have been lost.
- Weighted estimates of CSO membership suggest that there may be as many as 600,000 CSO members.
- Women’s advocacy was identified by 23% of CSOs as the primary purpose of their organization. This was the largest single percentage among the six ICSP sectors.
- The most frequently cited source of future revenue seen as support from local government (this seems at cross purposes to an independent CSO sector).
- Fund raising was seen, by a wide margin, as the single most difficult management problem facing the CSOs.
- 46% of CSO survey respondents said that they had received some type of support from the ICSP/Civil Society Resource Centers (CSRCs). This was lower than anticipated, based on the formulation of the control groups IBTCI expected about 67%.
- 74% of the CSOs said that they had visited the CSRC during the last year, but this was not statistically different across the control groups; more visits to the CSRC did not relate to an increase in the number of advocacy events undertaken.
- When ICSP staff visited the CSOs (presumably to provide technical assistance such as the Organizational Assessment Tool) there was a positive impact on the number of advocacy events undertaken.
- 44% of CSOs said they petitioned government officials or local leaders more than 5 times regarding the improvement of local services; the number of petitions were not differentiated across the control groups; more training apparently did not lead to more petitioning.
- Successful petitioning was not found to relate to any of the capacity building activities collected in the survey.
- 55% of CSOs reported that they had no or limited influence to change policy or decision making with elected officials or advisory councils, and there was no significant difference across the control groups implying that workshop training did not improve this outcome.
- CSOs saying that they did have influence provided good examples of policies that they have influenced; this is a very positive outcome.

***PRT Monitoring:***

In preparation for field monitoring, three-month monitoring plans were drafted for each PRT by IBTCI and submitted to USAID in October 2006 for approval by the USAID PRT representatives. Prior to the deployment of the monitors, IBTCI staff traveled to each PRT and met with the USAID PRT representatives and Partners to roll out the monitoring plans; discuss the methodology to be used and to answer questions and/or concerns that the USAID PRT representatives or Partner field staff might have. The roll out of the three-month field monitoring plans for each PRT continued through January 2007. Individual PRT provincial monitoring reports were consolidated into a single report providing in-depth program insight not applicable to the individual reports. The report covered 211 Community Action Program (CAP) projects in fourteen governorates. Key findings included:

- Most projects were perceived to have been approved by Community Action Groups (CAG), government agencies or local councils. This confirms that the CAP is not emerging as a source of parallel funding for a parallel approving authority.
- Over 90% of projects monitored are operational.
- The 10% that were not operational were often not in use for justifiable reasons.
- Over 95% of the projects in use were being used as intended; projects not being used as intended are an opportunity for the Provincial Reconstruction Teams (PRTs) to work with local government (LG) to rectify problems while demonstrating that government can be responsive. Two public markets constructed under the project that have not been in use since completion is examples of projects where PRTs might work with LG to provide a solution.
- Grant funding for completed CAP projects monitored brought \$ 22,900,000 of investment to the local communities.
- The projects monitored generated short term employment for more than 8,000 individuals, almost all men.
- Estimated long term employment for monitored projects as reported in the database reached more than 3,000; however site visits confirmed that at least one of the projects responsible for a large part of this estimate was not operational.

Community Stabilization Program

Project monitoring focused on Business Development Projects (BDP) and Community Infrastructure and Economic Stabilization (CIES) projects. Instruments for BDP grantees and CIES projects focused on gathering information on the impacts of projects on community stabilization issues and on local changes in security and government services.

Overall, IBTCI monitoring uncovered few findings within the projects monitored. It was clear that the CSP is working according to their work plan's deliverables. It was less clear from the monitoring whether or not the various sectors were meeting the SO 7 strategic objective: "Reduced Incentives for Participation in Violent Conflict in Selected Communities." A synopsis of findings and/or recommendations by sector and location follows.

Business Development Project, Baghdad, Kirkuk and Mosel

IBTCI provided the following recommendations:

- Ensure that when the pre-grant approval site visit is made, the assessment includes whether or not there is appropriate electrical, water, sanitation and security available to support the business and, if not, require that the issue be resolved prior to grant approval.
- Follow-up with project CSP-BG-00128 to assess the appropriateness of the removal of granted equipment to their residence.



- Consider modifying grant funding priorities to encourage a more equitable job creation distribution for women if this is a project goal.
- Review the BDP guidelines to determine whether or not grantees should be required to produce a PMP with indicators against which they must report. It is doubtful the grantees would be able to fully understand the concept of a PMP with indicators. Instead, BDP might consider requiring the grantee to report progress against their approved business plan.
- During required tracking when business income, production and/or employment generation are found to be decreasing, or not able to sustain the business, require the grantee to attend business skills training.
- For high value grants, consider supporting market research to determine whether or not the business proposal is viable and that assumptions about the market for products is valid.
- Ensure that grantees are aware of other USAID and Government of Iraq (GOI) programs, for example the Izdihar SME project, regional microfinance institutions, and Ministry of Labor and Social Affairs (MOLSA) programs where additional credit might be available.
- Program management should follow up with the BDP team to determine if grantee training needs assessments are being followed according to the grant guidelines.
- Grantee record keeping is inconsistent and does not meet the reporting requirements according to the grant guidelines. In particular employment generation is critical to PMP indicators under Sub IR 7.1.1 of the CSP PMP (jobs created). Verifying the number of jobs actually created through good record keeping adds to the assessment of data quality for this important indicator.
- Assess the overall security situation in the area where equipment is to be housed is sufficient to secure the equipment provided. Understanding that the security situation is dynamic, work with grantees to ensure they are able to the extent possible to secure their equipment.
- The CSP should consider a review of grant guidelines scaling record keeping requirements to the grant class.

Employment Generation and Youth (EGY), Baghdad

While this program was just starting in Baghdad, it was clear that for these projects, the EGY had delivered promised activities designed to meet project objectives. IBTCI provided the following recommendations:

- IRD might consider reviewing the curriculum for existing courses to ensure that it is adequate to achieve the desired skill level.
- IRD might evaluate the desirability of adding more advanced courses to build higher-level skills among previous graduates or other eligible participants.
- Follow-up with staff from project CSP-BG-00190/149 to address the concerns raised about the challenges presented by the close proximity of Minister of Interior (MOI) commandos to the training center.
- Follow-up with staff from project CSP-BG-00334 to address the concerns raised about disruptions from students who are members of the Mahdi Army.
- Conduct an assessment of the purchasing and procurement procedures for raw materials, supplies and other project cost to identify the root causes of the numerous delays and potential solutions.
- Follow-up with projects with reported deficiencies in equipment and tools to see if additional equipment should be provided.



- Consider adding an introduction to loan and grant opportunities, including CSP's BDP initiatives, to the vocational training to encourage self-employment and new business development. This would be especially beneficial to female sewing trainees who may face significant barriers to pursuing employment outside of the home.
- CSP might consider long-term monitoring of graduates to evaluate the utility and effectiveness of the training program and other support in helping students to secure gainful employment.
- Explore the issue of conflicting completed and on-going project status to ensure that the project database is up to date and accurate.
- Follow-up with project CSP-BG-00400 to see if additional equipment should be provided for student's use.
- IRD should modify their instruments to include questions related to project impact and address progress towards meeting indicators related to the EGY projects.

The Evaluation/Assessment Function

Iraq Civil Society Program Evaluation:

The US based document review and field portion of the ICSP evaluation, which began in early March, was completed in April with the final draft report presented to the USAID team during the out brief on April 13. Comments from the SO team and USAID Program Office were received on May 2 with the final report submitted with comments addressed to USAID on May 24.

The purpose of this evaluation was to provide guidance and, if needed, recommendations for course corrections for the current program, determine if objectives were being achieved, and provide lessons learned in the event of a follow-on project. The evaluation focused on the management of the program, the model developed by ADF, the quality and impact of training provided and on the effectiveness and sustainability of the four Regional Civil Society Resource Centers (CSRCs) that were established in Iraq.

The final report provided detailed findings in the areas of the ICSP program, its management by the IP, impact, sustainability of the civil society sector, communications between USAID and the IP, and on the IP's contract. The report included both positive and negative conclusions based on the findings. These included:

- With the exception of the area of sustainability, and in the context of extraordinarily difficult operating conditions, ADF has done a very good job in complying with the deliverables set forth in the initial and subsequently modified contract.
- The overall ADF model was effective in the rapid delivery of training and technical assistance support to a large number of Iraqi CSOs.
- As a result of the ADF program a nascent civil society sector appears to have been stimulated in Iraq.
- A small but important number of highly competent and effective CSOs particularly in the area of human and civil rights appear to have emerged.
- The four CSRCs that have been established have the potential to make a significant contribution to the further development of civil society in Iraq if sustained and empowered to do so.
- The local and expatriate staff of the ADF Project is competent, motivated and professional and CSRC staff appears capable of assuming the responsibilities of independence if empowered for this task.



- There was no instance of report falsification which came to the attention of the Evaluation Team; issues of staff turnover relate to the centralization of authority that was necessary for implementation. ADF has taken remedial steps
- The targets and time lines set forth in the original and subsequently amended contract were excessively ambitious.
- The use of a contract procurement mechanism was an error because it focused attention on whether or not deliverables were being produced instead of developing an adaptive program strategy.
- The ADF management structure is too centralized and has not delegated authority commensurate with the growing competence of the CSRCs. ADF's confusing internal communication system has created tensions that have undercut morale and hampered progress.
- Effective Regional Advisory Boards have not been created in large part as a consequence of the top down, centralized nature of the project.
- Lack of momentum toward the establishment of a sustainable structure at the national and local level constitutes a serious project failure when measured against the objectives set forth in the contract. Both USAID and ADF have been derelict in their disinclination to grapple with this deficiency, to define what is meant by sustainability, to recognize contradictions in program design and to make mid-course corrections.
- Although the survey findings indicate increased advocacy activities including identification of resources for advocacy, these cannot be directly attributed to the training and grants received by the program and are likely related more to the CSOs histories.
- The close out of the project will almost certainly mean that the CSRCs will collapse as they are not sustainable.

Rapid CSP Assessment

Based on discussions with USAID/Iraq's SO7 team on October 8, 2007 at the USAID compound, it was agreed that broader project and strategic recommendations would be presented separately from the individual monitoring reports. In response, MEPP II prepared a series of detailed recommendations based on the overall findings of monitoring visits as well as strategic and programmatic considerations related to the Iraq country strategy statement (Iraq Transition Strategy Statement 2006-2008), the mission SOs and Intermediate Results (IRs), the Request for Application, the CSP project Cooperative Agreement (and Modifications), the CSP project Performance Monitoring Plan and the CSP Monitoring and Evaluation Plan. In this assessment, IBTCI moved beyond project monitoring to programmatic issues and insights based on a document review and its first-hand knowledge of CSP project implementation. The concerns raised in the rapid assessment are based on examination of compliance with the cooperative agreement, issues raised during the project monitoring, and weaknesses in the development hypothesis.

Key findings of the rapid assessment included:

- The current set of CSP IR indicators are output indicators based on the untested assumptions that implementing these types of activities will result in stability.
- Without impact indicators, IRD program staff and USAID will be limited in their ability to monitor project progress and results in order to make timely, responsive, and appropriate adjustments to project implementation.
- There is a probable need to provide a testable definition for "stability" in the Iraq context so that "stability" can be configured as an intermediate result with measurable IR indicators.



- IRD's current method of reporting violent incidents does not support attribution to the activities undertaken by the project.
- In their application, IRD noted that performance monitoring is their most important management tool; the current PMP lacks impact indicators that support it as a valuable management tool.
- Conflict mitigation is the fourth pillar of the CSP program. Concrete conflict mitigation activities are not apparent, however, the hypothesis is that the activities being carried out by CSP will lead to conflict mitigation.
- Changes in objective 4 (from IRD MOD 3) showed that the original objective to "mitigate ethnic and religious conflict", has now become conflict mitigation through Youth Programs. This reinforces the perception that conflict mitigation has been relegated in importance. This relegation appears out of alignment with the overall SO 7 to reduced incentives for participation in violent conflict in selected communities.
- One of the cooperative agreement statements is that IRD will use proven methods to work with all stakeholders to achieve near-term and sustained impact. MEPP II monitoring does not find this to be occurring on a consistent basis. Given the synergies among U.S. Government (USG) programs, this is imperative.
- It is not clear whether or not disenfranchised youth and women are particularly targeted for BDP grants. Given the overall objective of decreased conflict, beneficiary selection is critical.
- IRD staff reported that Youth Fora (YF) have been deemphasized in CSP programming due to their resource-intensive nature compared with other youth activities that can reach broader audiences.
- According to the cooperative agreement, IRD was to include training modules on civic education and ethnic and religious tolerance with each training course. It does not appear that these modules have been developed or are being implemented.
- There is opportunity to work with vocational trainees and apprentices to receive business skills training followed by grants with which to start a business. This did not appear to be happening.
- The cooperative agreement addresses the follow-on for small business development saying that they "will link CSP activities to other USG-funded economic development programs to promote integrated and sustainable results." Little evidence was found that this was happening.
- The cooperative agreement proposes that the IRD Team, along with the PRTs in their areas of focus, will make conflict assessments at the outset of the program to ensure that proposed plans do not contribute to increasing political, religious and ethnic tensions. It is not clear if this has been done, and if it has whether or not these assessments were used to inform project design and implementation.
- A component of the CSP is the development of "city plans." This does not appear to have been done.
- Initial indications seem to show that there has been some abuse of the system within the apprenticeship program.

The MEPP II team made the following recommendations for the CSP program:

- As an essential precondition, IRD should map out the specific causal assumptions their programs are predicated upon in trying to reach the IRs and SOs of the project by building a logical framework from activities to desired results.
- IRD should consider revising its current method of reporting violent incidents.



- Once IRD has developed a clear rationale for how activities should work to achieve higher-level results, the project should revise and implement its monitoring and evaluation plan to assess change at multiple levels between outputs and “impact”.
- Missing impact data can be integrated into IRD’s existing monitoring system by augmenting existing project monitoring forms and the survey instruments currently in use.
- IRD should attempt to measure the impact of short-term employment in terms of achieving local stability and whether there has been a reduction in propensity to violence by the participants. This might be done through political polling or with attempts to measure empowerment. Existing survey instruments might be modified to include such measures.

Ad Hoc Tasks and Special Studies

SO Team Preparation for the Annual Report (AR)

IBTCI provided all secondary data sources for AR indicators (COSIT survey data) to the SO teams, PRO and USAID PRT representatives on CDs for preparation of the AR.

In addition, the MEPP II team provided a briefing to each technical team on the findings of the DQA completed at the end of 2006 for their use in preparing the AR.

Administrative

Given the increase in the work load, IBTCI recruited and deployed an additional M&E Specialist, Richard Mason in August. Mr. Mason came to IBTCI with a strong background in Monitoring and Evaluation, previously as the head of the M&E section of the Iraqi Civil Society Program. He quickly acclimatized to the MEPP II program and became a valuable team member.

Modifications to Contract

Modification 8 in May increased the total obligated amount by \$2,209,739.19 bringing the total obligated amount to the contract to \$13,448,283.00.

Modification 9 in October and 10 in December revised Section H, “special contract requirement” requiring that background checks be performed on all U.S. citizens and permanent legal residents prior to the issuance of the Common Access Card, issued by the Department of Defense.



January 1, 2008 – December 31, 2008

Accomplishments in 2008 included:

Performance Monitoring Plan Function

- Individual workshops were completed in July with IPs from the following programs: Tijara, Inma, Tatweer, Iraq Community-based Conflict Mitigation program (ICCM) and Iraq Rapid Assistance Program (IRAP).

The Monitoring Function

- Completed DQA on CSP indicators.
- Submitted the “Monitoring Report on the Office of Foreign Disaster Assistance (OFDA) Non-NFI Program” reporting on program activities targeting internally displaced persons (IDPs) and vulnerable populations.
- Submitted the “Data Quality Assessment for the Office of Foreign Disaster Assistance on Selected Indicators of Iraq Implementing Partners” report.
- Submitted final reports for 56 Community Stabilization Projects (CSP) covering 42 Community Infrastructure and Essential Services (CIES) projects and 14 Business Development Program (BDP) grants in two governorates: Anbar and Mosul.

The Evaluation/Assessment Function

- Submitted final report for the Capacity Building Program Assessment and Future Design Options on service delivery at the provincial government level.
- Submitted final report incorporating USAID comments on “Local Governance Program II: Assessment of Training Provided to Provincial Council Members”.
- Submitted the final Community Action Program (CAP) II Mini-Evaluation and Design Study Report and Consolidated Annexes.
- Initiated and completed all technical work for the IFMIS
- Completed the LGP II assessment and submitted the final.
- Submitted the final report of the rapid program assessment for the CSP.

Ad Hoc Tasks and Special Studies

- Completed and submitted a Strategic Objective Assessment of the USAID/Iraq Program and GoI Priorities to Inform Future Programming.
- Monitoring of trash vehicles supplied through CAP II.
- Completed and Submitted a Risk Assessment outlining the risks to the USG of implementing programs in Iraq.
- Completed and submitted a special study of CSP’s Business Development Projects (BDP).
- Provided a presentation to PRT working group on M&E best practices.
- Attended the Anbar PRT Maturity Model Working Group meeting on behalf of USAID
- Conducted professional development classes for USAID CTOs and their staff on the added value of monitoring and evaluation.



Activities

The Performance Monitoring Plan Function

In consultation with the USAID Program Office (PRO), individual workshops were scheduled in July with the following partners: Tijara, Inma, Tatweer, ICCM and IRAP. These workshops became the venue for a focused consultative review of Partner PMPs where IBTCI, the PRO and the Partners' USAID CTOs provided guidance as needed to update and complete partner PMPs. In practice, Partner PMPs were in various stages of completion at the time of the workshop. The Partners' USAID CTOs have the approval authority for the Partner PMPs, and their participation in the workshop review process was therefore critical.

IBTCI provided direction for the workshops using PowerPoint presentations tailored for each Partner's program. The presentations defined the PMP process, showed the SO under which the Partner operates, and provided examples and characteristics of good impact indicators that might be adopted by the Partner. Most workshops were initiated in this way by setting the context for the PMP, the PDT and the F-Structure: IBTCI clarified the concept and value of the PMP as a management tool pointing out the difference between contract deliverables when compared with performance against the IR and SO. Of particular concern was the need to clarify the use of "F" indicators as supplements not substitutes for true performance indicators.

The MEPP II team paid specific attention to the following elements:

- A detailed definition of each performance indicator ensuring the definitions used for indicators were congruent across all Partner PMPs.
- The source, method, frequency and schedule of data collection as demonstrated in the completion of PIRS.
- Unit of analysis.
- Critical assumptions made within the PMPs.
- Inclusion of "F" indicators where appropriate.
- Congruence of PMPs with IP SOW and deliverable time frames.

As a result of the workshops, several iterations of the partner PMPs were reviewed by the MEPP II team. Following is a brief synopsis of the PMP progress for each partner reviewed.

- Inma PMP review process was concluded with the final document submitted by Inma to USAID.
- Tijara PMP revision was received, but it was noted that the comments made in September were not responded to. The Tijara COTR and PRO established a working group consisting of IBTCI, PRO, Tijara COTR and Tijara M&E to conclude the PMP revisions.
- CAP III
 - Draft Results Framework completed.
 - Draft PMP template for CAP III PMPs completed and reviewed by partners.
 - Core performance indicators determined with draft PIRS completed.
 - Workshop held with CAP III partners to review core indicators and proposed draft PMP.
 - Second workshop held to agree the final set of core performance indicators and to complete the PIRS. Partner PMPs again reviewed.
 - F Framework indicators selected and added to the Partner PMPs.



The Monitoring Function

In August, in response to questions raised in the RIG report, the USAID/Iraq Mission requested MEPP II conduct a DQA of five indicators contained in the August 2008 CSP M&E Plan. In addition to multiple reviews of previous versions and drafts of the CSP M&E plan conducted by MEPP II, a previous DQA had been performed on several of the CSP performance indicators as part of the USAID Iraq Mission DQA in August of 2006. This DQA was requested to provide compliance with Recommendation 7 of the March 2008 RIG audit of CSP.

The SOW for the mini-DQA had the following objectives:

- To ensure that USAID/Iraq CSP team and implementing partner staff are aware of the strengths and weaknesses of the indicators and systems used for reporting in the March 2008 M&E Plan.
- To provide recommendations to improve data quality and address identified vulnerabilities and concerns, where necessary.

The indicators assessed were:

- 7.1.1.1 Number of Person Months of Employment Generated for Short-Term Employment
- 7.1.1.2 Number of Long-Term Jobs Directly Created
- 7.1.1.3 Number of Long-Term Jobs Indirectly Created
- 7.1.1.4 Weekly Employment Summary
- 7.2.1 Number of Youth Completing Non-Formal Education Activities

USAID's five standard quality criteria: Validity, Reliability, Integrity, Precision and Timeliness, (VRIPT) are documented in USAID's PMP Toolkit. The CSP DQA goal was to apply the five criteria across the five selected indicators of the CSP M&E Plan; four of which corresponded to the RIG audit's recommended focus of CSP's employment indicators and one indicator that tracks CSP youth activity outputs.

Findings, recommendations and conclusions are outlined below:

- The indicators selected by the project and the definitions and procedures detailed in the M&E Plan and PIRS if implemented by CSP as described and reported should result in reporting valid results to USAID.
- The Weekly Employment Summary uses terminology to describe different aspects of job creation, placement and skills improvement that is used in an inconsistent and potentially misleading fashion.
- Procedures for adjusting reported employment and engagement indicator data based on verification results are not clear and should be detailed in the M&E Plan.
- While many of the indicators contained in the M&E plan are lower-level outputs, the implementation of multiple Special Studies described in the M&E Plan should provide additional evidence to evaluate CSP's longer-term effects on job creation and the employability of Iraqi beneficiaries.

Office of Foreign Disaster Assistance (OFDA) Monitoring

IBTCI was contacted by the Senior OFDA Advisor in Baghdad to assess data quality activities on behalf of OFDA and to independently verify performance of OFDA-funded activities. This was also referred to in the RIG's Report of July 11, 2007.



IBTCI began implementing four activities in late 2007 and early 2008 to achieve the objective. The four activities were:

1. Conducting household surveys with a sample of beneficiaries to document the results of OFDA activities in providing non-food items (NFIs) and other services to internally displaced persons (IDPs) within Iraq.
2. Conducting on-site observations of non-food item distribution activities including interviews with site workers and distribution recipients.
3. Conducting targeted monitoring assessments of specific projects implemented by OFDA including water, sanitation, health and other sectors (to be agreed upon with OFDA).
4. Conducting a Data Quality Review³ of Partner reports, reviewing data collection methods, maintenance and processing procedures to ensure that procedures are both adequate and consistently applied.

Recommendations for OFDA NFI Distributions

- If it does not already exist, a clearinghouse for distributions should be established. This should be done in collaboration with the MOM and Kurdistan Regional Government (KRG) authorities. IOM, as the keeper of statistics, would seem a logical institution to do this.
- Precede or follow up the NFI distributions with verifications that the IDP families are genuine and come from the target community. Make this a standard practice.
- The high unemployment among the IDPs and their turning to self-employment suggests that the income generating projects of the Community Stabilization Program (CSP) and Community Action Program (CAP) (Marla) programs could find fertile ground among the IDPs. Since the typical IDP family has a higher dependency ratio this suggests that such a program might yield a higher impact. (Other vocational education programs might also apply as would linking the IDP families with the Ministry of Labor and Social Affairs (MOLSA) social safety net program.)
- Conduct regular external monitoring of implementing partner activities. This monitoring should utilize instruments and procedures informed by the lessons learned from this assessment as well as by international best practices.
- Work with the partners to ensure that documentation files are preassembled by all partners as part of final evaluations of each distribution and that they are readily available in easy to share digital formats.
- Work with partners to ensure that all partners are implementing procedures that minimize the chances that theft by project workers takes place.
- Work with partners to identify an “exit strategy”, which includes details of conditions under which relief supply distributions will be allowed and under which they can be discontinued.

Recommendations for OFDA non-NFI Projects

- In light of the number of projects in need of maintenance, OFDA and the implementing partners should consider strengthening the maintenance plans and provisions of projects, especially those with essential components, e.g., pumps, generators, and medical equipment, that may break down and render the projects ineffective.
- Follow-up with each of the projects with maintenance and quality issues to explore whether or not the partners can provide additional support to bring the projects back up to full operation.

³ DQA mandatory requirement ADS 203.3.5.1



- Work with the partners to strengthen quality assurance and compliance systems for projects with significant discrepancies against the BoQs that were not recognized by the partner at the time of project handover.
- Identify and implement standard post-project monitoring procedures in order to more quickly identify shortfalls on the part of project implementers or new project owners after handover.
- Convene a working group to standardize their mobile clinic activities and reporting as much as practicable.
- Implement additional monitoring activities for future MMU interventions in order to improve program managers' confidence in the veracity of partner reports concerning the scope and effectiveness of these clinics.

The Evaluation/Assessment Function

Capacity Building Office, Assessment and Future Design Options

IBTCI was asked by USAID to field an assessment team of two public administration experts and a monitoring, evaluation, and project management expert. The team followed its terms of reference by:

1. Assessing the capacity development needs in the provinces as well as existing USAID efforts at public administration training to meet these needs and any remaining gaps.
2. Generating profiles of provinces to inform decision making about the project's operational locations.
3. Designing a new project to meet these needs while accounting for the findings of the assessment and without overlapping existing efforts.

Key Findings of the CBO Assessment and Design Team included:

- The types of assistance deemed most effective and feasible to deliver assistance vary considerably across parts of the country, sectors, and problems of concern. Examples of assistance types desired by Ministerial Director Generals include solving real problems within a unit using practical case study processes, providing teaching skills for trained technicians to train others, and longer-term professional exchanges. A project designed to improve service delivery capacity, therefore, should be flexible in its choice of activities provided.
- A recommended list of essential services (no official list of essential services existed, despite the fact that the Iraqi Prime Minister had declared 2008 "The Year of Services") included:
 - Water treatment and distribution
 - Sewerage
 - Solid waste
 - Streets and roads
 - Electricity
 - Health
 - Agriculture and, as feasible
 - Education
- Essential services are most needed in Babil, Muthanna, and Qadisiya followed by Karbala, Maysan, Najaf, Dhi Qar and Wasit provinces.
- Respondents indicated that the project's offices should strive to operate across areas that would result in ethnic balance for the project as a whole suggesting a natural divide of having offices at a minimum in the North (predominantly Kurdish), Center (predominantly Sunni Arab), and South (predominantly Shi'aa Arab). Provinces that



currently appear the most stable given available measures are those in KRG as well as Babil, Maysan, Muthana, Najaf, Qadisiya, and Dhi Qar. Significant project effects appear more likely in the more secure provinces, some of which do not represent ones in greatest need, as measured here.

- USG allocations have been more even across provinces on a per capita basis than GOI expenditures. Thus, large discrepancies in USG assistance do not represent a compelling overriding factor in making a decision about provinces for operations. Overall, the data presented in chapter three [of the report] can inform choice of locations of operation for the project after decisions are made about the project size and two alternative mechanisms for delivery.

Key principles to guide the design were identified for future program modifications. These included:

- Avoid overlap and coordinate with existing projects and activities.
- Seek flexible solutions to optimize targets, activities, and delivery mechanisms.
- Generate real changes and measurable results where possible.
- Give the project Iraqi ownership and face.
- Leverage existing external and Iraqi resources to improve efficiency.
- Seek continuous improvement of project.
- Emphasize sustainable delivery mechanisms and solutions for continuation of activities and multiplication of effects.

Local Governance Program II: Assessment of Training Provided to Provincial Council Members.

The PRTs had long expressed a concern about the impact that LGP II training has on the provincial councils. Several meetings between USAID, IBTCI and RTI were held with the purpose of understanding the LGP II training objective and training materials. Meetings were held with the LGP II headquarters as well as with the Baghdad and Erbil LGP II teams. On the basis of what is believed to be a thorough understanding of the Provincial Development Strategy (PDS) development process and LGP training, IBTCI designed a monitoring instrument aimed at assessing the impact of LGP II training on the development of the Provincial Development Strategy (PDS), and their understanding of council authority.

IBTCI worked with its local sub-contractor to set out a schedule of visits by field monitors to each province with 430 provincial council members interviewed.

The MEPP II team made the following recommendations for the LGP II program:

- With the anticipated imminent passage of the Provincial Powers Law by the Council of Representatives (CoR) and the expected 2008 Budget Instructions to be issued by the Ministry of Finance, LGP II is well placed to, and should, react swiftly to mentor the existing councils in implementing these new laws and instructions.
- LGP II should shift its emphasis to mentoring an Iraqi institution(s) that can provide this training. LGP II should no longer directly train new council members under the branding of Research Triangle International (RTI) (clearly identified by a majority of council members). LGP I and LGP II facilitated the Local Government Association (LGA) that is a possible candidate organization for this training. Note that the scope of this training is massive. If it is to include provincial, district and sub-district newly elected council members, thousands will need to be trained. This will be a logistical challenge as the councils should be operative and engaged with an understanding of what they can do and how to do it as quickly as possible. Otherwise there is a risk they may languish making empty gestures to their



constituents with a consequent lack of confidence in governance (impacting negatively the development hypothesis).

- LGP II should make a recommendation on whether pursuit of locally generated revenue is viable, and in what areas.
- The linkage between the PDS and the National Development Strategy (NDS) is not well propagated to the provincial council members. LGP II could address this shortfall. The NDS lists development indicators, some of which could be used in the provincial level plans.

Community Action Program II Mini-Assessment and Design Study

IBTCI was asked by the USAID CAP II COTR to validate methods and practices CAP II used to accomplish the following:

1. Implement clusters projects designed to reduce conflict.
2. Generate long term employment (LTE).
3. Provide income earning opportunities for qualifying Marla Ruzicka Innocent Victims of War Fund (Marla) participants.

The evaluation of these three areas addresses a partial set of CAP II activities and possible outcomes, and constitutes a “mini-evaluation” of CAP II. The purpose of this evaluation was to provide program decision makers with a means to verify and validate the information provided by the partners, answer specific programmatic questions, and provide guidance for CAP Phase III. CAP III will concentrate on building on CAP II activities that were fruitful while eliminating or curtailing those activities where there is no compelling evidence of success.

Recommendations for the CAP II Program included:

- Changing the focus of cluster projects from one of conflict mitigation to simply being a vehicle used to implement larger inter-community projects in CAP III.
- Provide hard evidence that documents newly created durable LTE. Hard evidence includes physical counts of employees, employment contract agreements, or evidence that civil servants assigned to newly built or rehabilitated facilities are new hires and not transfers.
- Change the reporting requirement in the PRS to include durable and non-durable LTE categories. (Durable employment defined as any new employment created by CAP extending beyond the life of the grant while LTE does not.)
- Revise reporting requirements for the PRS to ensure that all partners separate pre-grant employment from newly-created employment. Avoid speculative employment reporting through requiring hard evidence of job creation.
- For sustainability purposes, Partners’ might consider working with the government to link their apprenticeship programs to Provincial budget allocations as well as directorate O & M budgets, should it continue to focus on working with the government rather than the private sector.
- All CAP III projects should be funded in part by local government during the implementation of CAP III, should there be one.
- A majority of CAP III projects should be aligned with the priorities of the local Ministerial Director Generals or Provincial Council; or that assistance is provided to the CAGs so they are positioned to advocate their needs to the local government bodies and influence the formulation of priorities, thereby creating a rational link between local government and the CAGs.
- To promote cross-USAID program coordination among and between Partners, such coordination should be expressed as an indicator in each USAID partners’ PMP.



Iraqi Financial Information Management System (IFMIS)

MEPP II was tasked by USAID to conduct a technical review of the viability and utility of the IFMIS system at this stage in Iraq's financial development. USAID signed a Memorandum of Understanding with the Ministry of Finance (MOF) regarding the hand-over of the FMIS system by USAID to the MOF set for April 2009. This study assessed GoI management and system requirements and their capabilities to successfully implement the system once it is handed over.

Findings and recommendations by the IBTCI team are noted below:

- The MoF gave assurances that they will be ready to receive the IFMIS system by April 2009.
- The FMIS team believed that 126 SUs will be operating by end of December 2008.
- The Free Balance Licenses for 2009 needed to be paid by MoF before 31 December to ensure continuity.
- The Disaster Recovery unit should be moved Adnan Palace and needed to be managed by the MoF.
- The site for relocation of the production unit was yet to be confirmed. MoF Director General (DG) for Information Technology (IT) requires BearingPoint to resolve the issue of the relocation site with the Adviser to the Minister of Finance, Dr. Azez.
- The MOF must ensure their IT department has the skill to sufficiently maintain and upgrade the system on an on-going basis.
- MoF needs to set up the Steering Committee and Bearing Point/USAID to identify an IFMIS "champion."
- The MoF must adopt the Chart of Accounts.
- The MoF must implement the IFMIS budget module to support the 2010 budget cycle.
- MoF's ability to procure IT facilities in sufficient time by the handover date was a critical concern. It was noted the procurement process may take 2-3 months to get all SU's equipped to use FMIS. Procurement issues included that for VSAT, the Free Balance license, other software that is needed (e.g., firewall).

Ad Hoc Tasks and Special Studies

Strategic Objective Assessment

IBTCI was tasked by the PRO to conduct an assessment of its SOs within the context of GoI development priorities. The PRO specifically requested the MEPP II team undertake this assessment given its institutional memory and in-depth knowledge of USAID programming and the Iraq context.

The assessment addressed four key question-sets enunciated in the SOW.

1. What is the formulation and implementation status of key legislation across various Iraq sectors?
2. What are GOI future development priorities? What is the status of the National Development Strategy (NDS) implementation?
3. What current USAID/Iraq programs blend well with GOI priorities and where are there gaps?
4. What are the recommendations for USAID/Iraq future programming based on the findings and lessons learned from the assessment?



Lessons learned and recommendations included:

- Very little traction exists in implementing programs where there is little political will on the part of the GOI and/or buy-in and ownership from program beneficiaries. USAID's decision to move towards a GOI demand-driven approach is appropriate and necessary.
- Selection of beneficiaries/counterparts is critical to the success of any program. Finding those actors within each program who not only have the political will but also the ability to champion a project or program is imperative – particularly within the GOI from the national level to the local level.
- Programs and projects to meet the needs of a specific region or area tend to be more successful than “cookie cutter” national programs not tailored to meet the specific needs of the beneficiaries in a particular area. This further emphasizes the importance of a demand-driven approach in program implementation.
- Less is more. Intense, focused programming, maximizing USAID's comparative advantage particularly in the arena of technical assistance driven by the beneficiary be it at the national government level down to the grass roots is likely to have the greatest impact at this juncture in Iraq.
- Programs implemented prior to the enacting of legislation to support implementation will likely not succeed within the contractual timeframe. This includes codification of the details in supporting rules and codes.
- Given the weight placed on capacity building across all sectors in the NDS and at every level, USAID should consider this its primary focus in the new strategic plan regardless of sector.
- Baselines should be required prior to the start of any new program against which performance will be measured. Additionally, it is strongly advised that technical teams oversee robust internal partner monitoring as well as utilize on a regular basis third-party monitoring to ground truth partner reporting.
- Moving forward all projects implemented by USAID should be designed in consultation and partnership with the appropriate GOI counterpart – from the highest levels of government to the local council. Further, the process should be GOI driven – their priorities – their ownership – and certainly with equal or greater financing provided by the GOI.

CAP II Monitoring of Trash Vehicles in South Central Iraq

USAID Iraq's CAP II COTR asked the MEPP II team to find and identify a variety of trash collection vehicles (garbage trucks and pick-up trucks) that had been donated to the South Central Municipalities through the CAP II partner Cooperative Housing Foundation (CHF) International working in collaboration with the PRT.

IBTCI obtained vehicle documentation from CHF that included: specific vehicle models, dates of delivery, documentation of receipt of delivery and vehicle identification numbers.

The following information was requested by the COTR:

1. Are the vehicles present at the location at which they were delivered?
2. Are the vehicles currently in use and being used for their intended purpose?
3. To identify the vehicles against the VINs provided by CHF
4. If possible to take pictures of the vehicles.

Within four days from the date of the request, MEPP II determined the following and provided a report with pictures of the vehicles as well as their Vehicle Identification Numbers to the COTR:

- All vehicles were in working order.



- All vehicles were operating 14 hours per day in 2 seven hour shifts.
- The respondents noted even working 14 hours each day, the number of vehicles and staff was unable to keep up with the demand for waste removal.
- The respondents requested more vehicles, particularly those with the hydraulic lifting mechanism.
- The vehicles appeared to be well maintained. Maintenance was being provided by the Municipalities workshop.
- Spare parts were being provided by the Ministry however the respondents noted that spare parts are often not adequate to cover the maintenance needs.

Risk Assessment

The PRO requested MEPP II to provide an overall risk analysis for USAID programming to determine types of risk, ways to mitigate risk and a hazard analysis tool for measuring programmatic risk. MEPP II determined there are three areas of risk in delivering programs within Iraq: security, over-success and corruption. The report submitted to USAID in September covered the first two briefly and corruption in greater depth. A brief synopsis of the report follows:

Security

All activities in Iraq occur within an atmosphere of violence or the threat of violence. Insurgents target Westerners and others associated with the Coalition for political purposes while criminals might target the same groups for ransom or extortion. These threats combine to make the humanitarian environment particularly challenging in that a great deal of prior planning and security coordination must occur for every movement or site visit.

Risk factors:

- Threats to Iraqis seen to be collaborating with US/Coalition programs.
- Kinetic environment.

Mitigation:

- Limit the scope on non-Iraqi presence at the delivery point of projects.
- Vary movements and activities limiting to the extent possible established routines.

Over-Success

Programmatic over-success is defined as “replacing” indigenous government service providers instead of “assisting” them. Over-success is ever present in Iraq, particularly in neighborhoods or provinces where government services have collapsed or vacated entirely.

Risk factors:

- Supplanting the Iraqi Government, at any level.
- Stunt the growth or maturity of the GOI.

Mitigation:

- Limit the scope of USAID assistance to the end-user.
- GOI-USAID partnering to emphasize Iraq face on projects.
- Mentorship programs and/or technical assistance to foster placement of skilled Iraqi implementation specialists.

Corruption

Corruption hampers economic growth, burdens the poor disproportionately, and undermines the effectiveness of investment and aid. Anti-corruption strategies need to be an integral part of the



development framework designed to help Iraq eradicate poverty and establish effective government institutions. Good governance requires an in-depth analysis of the institutional and cultural factors behind corrupt practices and behavior. Once these deficiencies are identified, a program to help the Iraqi government systemically design their own strategies to address them can be implemented to improve governance.

Risk factors:

- Fraud
- Baksheesh / Kickbacks
- Access
- Influence Peddling
- Nepotism / Cronyism
- Embezzlement

Mitigation:

A three-pronged approach was recommended to mitigate the risk of corruption:

1. Anti-corruption training institutionalized and implemented within each program.
2. Elimination of activities within programs that lend themselves to the highest risk and.
3. Institutionalization, driven by USAID within each contract and Co-Ag obliging implementers to provide USAID written verification of monitoring policies/procedures and systems that have been put in place and are being implemented to combat corruption and decrease risk within their programs.

BDP Study

The objective of the BDP study was to conduct a quantitative study of grants provided under USAID/Iraq's CSP BDP to measure the effectiveness of the program in creating jobs 12 months after the grant was completed. The study investigated: a) which grant types (according to business sector) and size (in terms of dollar value) produced the most jobs (on a job per grant dollar basis); b) what percentage of businesses have survived after one year; and c) does the location of the business in regards to city size or region affect business success

Findings of the BDP Study are summarized as follows:

Job growth:

- Overall job growth in the period at least 12 months after the grant was awarded was limited to less than 2%. The total number of jobs created was less than 60 and all job growth came from existing businesses.
- On average, job growth per grantee was highest for medium size grants to existing businesses in the industrial/manufacturing sector (4.3 jobs per award).
- Job growth created by the grantees after the initial grant award did occur, but not often. The total number of jobs created was less than 60. All job growth came from existing businesses. On average, job growth per grantee was highest for medium size grants to existing businesses in the industrial/manufacturing sector. They added an estimated 4.3 jobs per grant award in the period after the initial award.

Business success:

- Overall 98% of grantees were still in business after one-year.
- Micro grants have the highest rate of business success across the four business sectors (agriculture, industrial/manufacturing, trade and service). Ninety-nine percent of the



micro grantees are still in business (but these are predominantly family-run informal businesses).

- Small grants have a success rate of 97%, while medium grants were successful 85% of the time.
- Medium grants to the industry/manufacturing sector are least likely to be successful according to the study definition, but even here failure rate is less than 15%.

Start-up jobs created:

- In total, most start-up jobs have been created through small grants. The highest average number of start-up jobs created per grant award was 11 and came from medium grants.
- The trade sector produced the most number of start-up jobs (most grants were awarded in this sector), but the average number of new jobs created per grant was highest in the agricultural sector.

Cost per employee:

- The average cost per employee was highest for medium grants at an estimated \$6180 per new job created. Small grants averaged \$2550 per new job, and micro grants \$1380 per new job.
- The average cost per employee was highest for medium grants to the industrial/manufacturing sector and lowest for micro grants across all business sectors.

The BDP study concluded that BDP grants have created successful businesses defined as businesses that still exist one year or more after the grant award. Grants to start-ups created new employment and that employment is still in place with the businesses still operating. But these same grants did not create additional, sustainable employment. New job growth occurred exclusively from grants made to existing businesses (in particular business sectors). This was an important finding for management.

PRT Working Group Presentation

The MEPP II team was invited to give a presentation to the Provincial Reconstruction Working Group. This group is comprised of multi-lateral stakeholders overseeing work at the PRT level both civilian and military. The presentation was entitled "USAID Performance Management Best Practices". MEPP II took this opportunity to present the processes USAID uses in project performance monitoring/management metrics from desired results at the strategic objective level. Additionally, MEPP II provided additional sources for data collection that might be used in measurement of the Maturity Model that could provide more rigorous quantitative metrics than the currently used subjective model.

Visit to Anbar PRT to attend "Maturity Model" working group meeting

In September, the PRO requested MEPP II attend the Maturity Model workshop on behalf of USAID being conducted in Anbar Province, hosted by the Department of State (DoS) Anbar PRT Team Leader. The meeting brought together all stakeholders working in the Province to discuss progress made during the previous quarter towards the Maturity Model designed by the Office of Provincial Administration (OPA), a DoS led initiative to inform future strategy at the PRT level.

The maturity model was designed to be purely a subjective instrument. It was notable there was no Iraqi-national participation at the meeting. Further, when asked whether or not the opinions expressed were based on any qualitative or quantitative data, the answer was no, these are simply the opinions of those working with Iraqis within the various sectors on a daily basis and the participants' views on progress being made. MEPP II followed the attendance of the



meeting in Anbar with the presentation to the OPA working group providing coordination to the PRTs to illustrate how USAID undertakes performance monitoring and evaluation to inform strategy.

Administrative

IBTCI was notified by the PRO that a variety of additional assessments, new program designs and program evaluations will be forthcoming during FY '08. Proposed budgets were requested and submitted for the LGP II assessment and new program design, an assessment and design of the National Capacity Building (NCD) line ministries, an assessment and design for a new legislative strengthening program, an evaluation of CAP II and an evaluation of the CSP. Given the increase in workload and commensurate acceleration of the MEPP II burn rate, USAID issued a letter of intent to exercise Option Year 1 in February 2008.

Due to the increasing demands on the MEPP II project generated by current and upcoming project evaluations, IBTCI created an additional temporary resident expatriate position for the Baghdad office. Having served for over 20 months in Iraq, Matthew Delaney was hired and deployed to Iraq in March. As Senior Project Coordinator, he supported the COP and other members of the MEPP II team and facilitated and assisted in all aspects of the operations of evaluation teams.

IBTCI submitted a revised staffing pattern and organizational chart to the COTR for approval. Cynthia Scarlett resigned as COP and was to depart post early in 2009. Harvey Herr was put forward as the replacement COP, and a person was identified to fill the senior monitoring and evaluation technical position that Mr. Herr occupied. The revised staffing plan was approved by the COTR.

Given the uncertainty of the International Zone in relation to the SOFA, IBTCI with approval from USAID brought on a permanent personal security detail and all movements by the MEPP II team were carried out by the dedicated PSD team.

Modifications to Contract

In March, USAID issued Modifications 11 and 12 to IBTCI's contract exercising Option Year One to run through January 31, 2009 and obligating additional funds.

In April, USAID issued Modification 13 to IBTCI's contract. This modification obligated additional funds in the amount of \$18,137 for the monitoring of OFDA projects.

Modification 14 – July 10, 2008. Issued to incorporate new FAR clause H.36.52.225-19 stating that prior to deployment, all Contractor personnel must have: the required background checks; be certified physically and medically fit; have all necessary visas, permits and passports; have received a country clearance and, have received personal security training.

Modification 15 – September 12, 2008. Issued to clarify the SOW noting, "During Option Year 1 the contractor will conduct a focused assessment of the USAID/Iraq program that will inform the Mission's future program." It also incrementally funded the contract by \$241,321 bringing the total obligated amount under the contract to \$20,029,695.

Modification 16 – September 14, 2008. Increased the contract ceiling by \$417,183 for a total obligated amount of \$20,446,878 to enable MEPP II to conduct a special assessment and technical review of the Financial Management Information System.



Modification 17 – September 30, 2008. Issued to extend the period of performance of Option Year one from January 31, 2009 through September 30 2009 and increased the amount of obligated funds by \$2,000,000, bringing the total amount of obligated funding to \$22,446,878.



January 1, 2009 – December 31, 2009

Accomplishments:

Performance Monitoring Plan Function

- Provided technical assistance and completed the final review of the Tijara PMP.
- Provided three cycle reviews of the Iraq Legislative Strengthening Project (ILSP) PMP.
- Reviewed the EG II PMP and provided recommendations to Bearing Point through their COTR.
- Assisted the CAP III partners:
 - Addressing core indicators measurement issues by convening a workshop in the 2nd quarter.
 - Revising and standardizing partner PDTs.
 - Three CAP III partner PMPs (CHF, Mercy Corps and ACDI/VOCA) were approved by the AOTR following technical input and guidance by IBTCI to the respective IPs on their draft PMPs.
- Completed a final review of the LGP III PMP. Comments provided noted that they had not yet submitted baseline values for their agreed performance indicators.

The Monitoring Function

- Complete monitoring/project review of CSP's (Community Infrastructure and Essential Services (CIES) and Business Development Program (BDP) Project Review, Hawija, Kirkuk Province, Iraq.
- Completed a DQA on CAP III implementing partner indicators.

The Evaluation/Assessment Function

- Finalized the IFMIS technical review report.

Ad Hoc Tasks and Special Studies

- Completed the CSP Iraq Vocational Training and Apprenticeship Program Study (V/A Study) and uploaded to the DEC.
- Completed the CSP Youth Engagement Study and uploaded to the DEC.
- Completed and submitted a special study on CAP III activities in Anbar province.
- Completed and submitted draft final report on a special study of Tijara's micro-finance program.

Activities

The Performance Monitoring Plan (PMP) Function

CAP III

The SOW defining MEPP II's activity with the CAP III partners calls for MEPP II to be engaged with CAP III throughout the life of the project. Work with the CAP III partners on their respective PMPs continued throughout the year with MEPP II being responsive to CAP III partners' request for clarification on how the indicators are to be measured.

The viability of core CAP III performance indicators reporting on lower level council's access to provincial capital funds had been criticized. The criticism was based on two factors. The first factor was the lack of provincial capital development funds. In general, the GOI budget support to the provinces has declined with the lower international price of oil (GOI budget is more than 90% supported by oil revenue). The lack of available funds to the provinces meant that there



are no unallocated capital development funds for the lower level councils to access. The second factor was that recently elected provincial council members portray the lower level councils as illegitimate representatives of the community and are not willing to hear their petition.

MEPP II proposed to study the capital project funding process using the method of social network analysis. The MEPP II proposal remained under review through the closure of the project

All four CAP III partners have submitted their PMPs for approval to their AOTR. Their quarterly reports have initiated their first completion of the PDT based on the core indicators. In the case of one of the partners the PDT is exemplary (ACDI/VOCA).

LGP III

Based on collaboration between LGP III and MEPP II a revised LGP III PMP was submitted in 2009. MEPP II was asked to comment on the revised document and indicators concluding that baseline values for proposed performance indicators needed to be established so that the PDT reports could track performance. Review of baseline data by MEPP II needed the authorization of the COTR which was not forthcoming and as a result, this task was not completed during the MEPP II contract period. It is highly recommended that this be completed under the PERFORM contract.

The Monitoring Function

CSP

Monitoring the CSP program was a feature of MEPP II activities since 2007, and was concluded during 2009 as CSP drew to a close. A SOW for CSP CIES and BDP Project Review Hawijja, Kirkuk Provinces was received in January 2009 and a study method agreed upon. The CIES and BDP Project Review was completed in May and submitted to MEPP II's COTR and then the FSO and IRD. Findings, recommendations and conclusions from the final report are summarized below:

- Based on the results of site visits conducted for a random stratified sample of 82 completed BDP grants and for 23 completed non-irrigation CIES projects, Kirkuk programming in these two technical areas has been correctly and effectively implemented according to the program's goals.
- One hundred percent of the monitored BDP grants were still in operation, with 95% of projects possessing all of the delivered grant materials months after the grant's completion. Ninety percent (79) of the monitored business owners reported having attended IRD sponsored business training.
- All of the 23 monitored CIES projects were being utilized for the intended purpose and exhibited no observed quality deficiencies.
- The Kirkuk program office was unable to independently confirm the value of substantial amounts of proposed and reported community and local government cost share for the CIES program.
- According to the provided records, more than three-quarters (77.9%) of the sampled BDP projects and nearly 70% of the sampled CIES projects had been visited one or more times by M&E staff, well beyond the minimum levels established by even the most rigorous standards in CSP's various guidelines.
- QAQC procedures are being effectively implemented and program management receives information on identified issues.
- A more limited QAQC role was established for the Kirkuk office and was implemented as part of a combined M&E and QAQC unit due to lack of staffing.

CAP III DQA

The objectives of the assessment were to:

1. Verify how the community and LG design project proposals and submit them for funding from the Provincial Capital Development (PCD) or Ministry Capital Investment (MCI) budgets.
2. Determine how projects estimate the value of requested funding.
3. Determine how projects calculate cost-share and verify the value of cost-share.
4. Verify the process used by lower level council officials (Qada and Nahiya officials) to submit requests for project funding from the PCD and MCI budgets
5. Determine whether IPs definitions for Marla Ruzicka Iraqi Victims of War Fund (MRIVWF) direct beneficiaries differ widely and make recommendations for any needed changes.

The above objectives correspond with the following sub-intermediate results in the CAP III PMP:

Sub-IR 9.2.2: Qada and Nahiya (Hayy) officials better able to mobilize resources from provincial and national government.

Indicator 9.2.2.1: Number and percent of project identified and designed jointly with community that have been submitted for funding from the Provincial Capital Development budget, and the value of requested funding.

Indicator 9.2.2.2: Percentage and value of cost share from provincial capital development (PCD) budget for community project implementation.

Indicator 9.2.2.3 Number and percent of project identified and designed jointly with community that has been submitted from ministerial capital investment (MCI) budgets, and value of requested funding.

Indicator 9.2.2.4: Percentage and value of cost share from ministerial capital development budget for community project implementation.

Indicator 9.2.2.5: Percentage CAP III assisted Local Councils that submit projects for financing or co-financing through ministry capital investment budgets and/or the PCD budget and the value of the requested funding.

Sub-IR 9.3.3: Civilian victims of conflict assisted by the Marla Ruzicka Innocent Victims of War Fund (MRIVWF)

Indicator 9.3.3.3: Number of MRIVWF direct beneficiaries

The MEPP II team completed and submitted the draft final CAP III DQA report on December 12. Provided below is a synopsis of the findings, recommendations and conclusions:

Recommendations

- Focus on capacity building of LG officials and building relationships between LGs and CAGs.
- Sub-IR 9.2.2 should be changed to reflect the current realities of the Iraqi political and economic environment.
- Change sub-IR 9.2.2: Qada and Nahiya officials better able to mobilize resources from provincial and national government to: *Qada and Nahiya officials better able to mobilize resources from Gol and other funding sources.*



- Change Indicators 9.2.2.1 and 9.2.2.3 (Number and percent of projects identified and designed jointly with community that have been submitted for funding from the PCD and MCI budgets, and the value of requested funding) to:
 - i. *Number of projects identified and designed jointly with community.*
 - ii. *Number and percent of identified and designed projects submitted for funding by government source.*
 - iii. *The value of requested funding.*
- If the above changes are made, delete Indicators 9.2.2.2 and 9.2.2.4 (Percentage and value of cost share from PCD and MCI budgets).
- Change Indicator 9.2.2.5 (Percentage of CAP III assisted LCs that submit projects for financing or co-financing through the MCI and/or PCD budgets and the value of requested funding) to: *The number of projects submitted by CAP III assisted LCs for financing or co-financing by the Gol and the value of requested funding.*
- Clarify the definition of “direct beneficiary” for sub-IR 9.3.3 (Civilian victims of conflict assisted by the MRIVWF). The definition should include:
 - For a person who receives a medical device, prosthesis or treatment: The person who receives the medical device, prosthesis or treatment.
 - For apprenticeship programs: A person who participated in the program.
 - For economic opportunity programs: A person who was injured and his or her immediate family members (those residing in the same household of the injured person). For a deceased victim: The person’s immediate family members (those residing in the same household as the deceased).
 - For home reconstruction: The head of household whose home was damaged or destroyed and his or her immediate family members (those residing in the same household as the head of household).
 - For community projects: The average daily users of the facility.
 - For school projects: The average daily number of students who attend the school or utilize the classroom.
- The above recommendations should be implemented immediately as CAP III is now in its second and final year.
- PERFORM should review the documents that verify the process used to develop each project proposal selected for review by this evaluation. PERFORM should also conduct visits to the project sites and interview the CAG members and LC officials who were involved to see if the processes applied are consistent with the findings of this evaluation.

On-going Monitoring to Validate Data Reported across the USAID/Iraq Portfolio

The MEPP II PMP reviews have put in place the PDTs that will later need validation. There is now a critical mass of partners using (or being asked to use) PDTs in their quarterly reporting. It is now feasible to ground truth the core performance indicators for many projects in USAID’s portfolio. MEPP II was positioned to review partner PDTs and ground truth core performance indicators in May however, this task was delayed and not carried out under the MEPP II contract. It is recommended that this function be carried out soonest possible under the PERFORM contract.

The Evaluation/Assessment Function

CAP III Interim Assessment Anbar

The SOW for this assessment was issued on April 29, 2009. The full draft final report was completed and submitted on June 17, 2009. The SOW required the assessment to answer a



variety of questions related to: the status of CHF's activities in Anbar; the processes CHF is following to engage the community and local government (LG); how CHF is monitoring the program; and, how CHF is interacting with Embedded Provincial Reconstruction Teams (ePRTs). The specific areas of focus under each question were negotiated in a series of meetings with FSO staff. The key findings are noted below:

- The CHF program in Anbar is behind schedule when achievement is compared to planned targets.
- Community identification is driven by economic need, rather than a studied consideration of the community's ability to implement and meet CAP III objectives.
- Community Facilitators receive intermittent guidance from the Provincial Senior Manager.
- Communities report that the projects meet the needs of the community because they are selected by the community and not imposed on them by remote authorities.
- Many Local Government (LG) officials are not aware that the program's focus is on getting communities to better articulate their needs and mobilize resources while they are supposed to focus on the skills and processes required to better meet those articulated needs.
- Contrary to the intended CAG-centered LG engagement process, CHF's local staff are primarily responsible for identifying, making contact with and encouraging LG participation and advocacy. To date, however, local councils have not successfully taken a leadership role in project implementation and advocating for funds and resources at the Government Directorate and Provincial Council level. CHF staff has led this effort.
- M&E has only just started in Anbar. Until recently Anbar staff was unable to complete a PDT. The problem was resolved in April when the Program Officer from CHF HQ showed them how to collect and report the data.
- CHF's M&E Manager in Anbar does not have the authority or the capacity to perform project site or training session visits and interviews with staff. He relies on Community Facilitators and CHF Engineers to provide him with reports on the trainings and site visits they conduct.
- There does not appear to be a systematic process for monitoring staff professionalism and performance or for mentoring.

The findings for the assessment were the result of extensive field visits to Anbar and Babil provinces by MEPP II's resident expatriate staff. These face-to-face interviews of expatriates was done in parallel with face-to-face interviews with Iraqi program beneficiaries conducted by MEPP II's subcontractor Q2 who provided professional interviewers and focus group discussion leaders. The resulting evidence collected from the field was both thorough and of a high quality. MEPP II is confident that the final report is a true reflection of the situation as it was during the period of observation.

As a result of the Anbar assessment, MEPP II proposed a study to determine how lower level council member's access capital development funds for local projects. The proposed study uses the method of social network analysis to understand the network of formal and informal influence that local council members use to access funds for local capital development projects. The Anbar assessment raised doubts about lower level council members access to provincial development funds. The proposed study is needed to clarify how lower-level council members actually go about funding community projects.



Ad Hoc Tasks and Special Studies:

Community Stabilization Program Special Studies

Continuing requests from the FSO asked for *ad hoc* studies to be undertaken on two components of the CSP: Youth Engagement and the Vocational Education and Apprenticeships (V/A) Program. The SOWs for the studies were developed in previous quarters and subsequently reviewed and revised based on pre-tests and other initial attempts to gather evidence and materials for the studies. MEPP II responded to changing realities by revising the study methodologies to match what could reliably be achieved. Both studies were completed in 2009. An overview of these studies is provided below.

Iraq Vocational Training and Apprenticeship Program Study (V/A Study):

The V/A study assessed the efficacy of vocational training to gain employment and improve income. Findings and recommendations from this report were presented in the last quarterly report. Responses to report findings and recommendations were received from the FSO and CSP. These were incorporated as annexes into the final report that has been uploaded to the DEC.

The V/A study assessed the efficacy of vocational training to gain employment and improve income. CSP works nationwide in creating economic and social stability in Iraqi communities that are emerging from instability. The Vocational Training and Apprenticeship Program works primarily, but not exclusively, with the Ministry of Labor and Social Affairs (MOLSA) to confront the challenges of unemployment through an intensive vocational training initiative that helps prepare unemployed and underemployed Iraqis for a new technical profession. In some instances vocational training graduates are then placed in apprenticeships that are partly funded by the CSP program. Vocational education graduates and apprentices are the subjects of this study.

This study was difficult to implement. Three false starts resulted when sample design pretests failed to locate VTC graduates and apprentices. Clearly this was indicative of an underlying problem and one that had been identified by IRD itself. Early in program development beneficiary vetting procedures were not robust enough to sustain the database of VTC graduates and apprentices. The database was the basis for the random sample used in the study. IRD remedied the problem, but the remedy meant that the study could not reach back one or more years to interview VTC graduates and apprentices. This altered how the study was implemented and possibly the study result: out of necessity the study looked at more recent graduates that had limited employment histories. This may have lead to an underestimate of apprentice employment.

Questions posed in the SOW and answered by this special study were:

1. What percent of graduates are currently employed in the area of their study? If so, how many months of employment since graduation? What percentage are employed, but outside their area of study? What percentage is under-employed (employed but in unskilled labor)?
2. If employed in their area of study, does the graduate earn a living wage?
3. Do you believe the training helped you earn a living? Did the training enhance your life or contribute in a meaningful way to earning a living?
4. Does the graduate realize any income from the skills learned in the vocational training? How relevant was the training to the needed skills for area of study? Did the training contribute in a meaningful way to earning a living?
5. Do apprenticeship graduates enjoy a higher employment rate when compared with other VTC graduates?

6. Did the apprenticeships improve their employability? Did the job after the apprenticeship result in earning a living wage?
7. Are the apprentices employed outside their area?
8. Is the apprentice still employed by the business that conducted the apprenticeship?
9. Did the apprenticeship result in earning a living wage?
10. Does the former apprentice believe the apprenticeship enhance their overall employability?
11. Did the apprentice receive the 50% matching salary provided by IRD? Did the apprentice receive a salary from the employer amounting to at least the 50% matching rate?

The study found that for VTC graduates:

- Forty-six percent of VTC graduates said that they were earning money for work that they did in the past 7 days.
- On average, employed VTC graduates worked for 8 months after their training ended.
- Eighty-six percent of employed VTC graduates work in their area of study.
- Fourteen percent of employed VTC graduates were working outside their area of study.
- Underemployment due to work as unskilled labor was not indicated by the survey. Underemployment due to reduced hours of employment did occur. Thirty percent of employed VTC graduates worked 30 hours or less during the seven days that preceded the survey.
- There was a strong belief expressed that training helped graduates earn a living wage. This was expressed even by those who were not employed.
- Training enhanced the VTC graduates life and contributed in a meaningful way to earning a living. This is demonstrated by the high rate of employment in their area of training.
- VTC graduates did realize income from the skills they learned. Caveats are that some of them were already working in the area of their skill before they joined the VTC.
- Virtually all respondents (95%) said that the training was worthwhile and provided them with the useful skills.
- The study found that VTC graduates did receive the stipend amounts due to them.

For apprenticeships the study found that:

- Twenty-nine percent of apprentices said that they were earning money for work that they did in the past 7 days.
- Job duration for apprentices is shorter than for VTC graduates: 6.8 months compared to 8.2 for VTC graduates (although this may be a result of the altered sample design).
- Apprentices have a lower employment rate than that for VTC graduates. This finding is contrary to expectations. This can partially be due to the longer average period that VTC graduates have been in the job market (10 months) than have Apprentices (7 months on average).
- There is no evidence to support the proposition that apprentices are more employable than VTC graduates.
- An estimated 70% of employed apprentices earned a “living wage.” Thirty percent fell below the 70,000 ID per capita per month “living wage” threshold.
- The earning power of apprentices on average surpassed that of the VTC graduates.
- Seventeen per cent of apprentices work outside their vocational specialty. No standard or benchmark has been established to assess if this is acceptable.
- Half of the employed apprentices still work for the business that hosted them as an apprentice.



- Despite the reality that most apprentices are not employed, 94% believed that the apprenticeship improved their overall prospects for employment.
- Thirty percent of apprentices apparently did not receive their full stipend amount.

CSP Youth Engagement Study:

In January, FSO notified the MEPP II COTR of a pending CSP Youth Program study. MEPP II, the COTR and the FSO met on several occasions to review the draft of a scope of work for this task and to propose a study methodology. A final SOW was issued on March 12, 2009

The study was designed to consider the extent to which CSP achieved its intended results and helped to facilitate reconciliation, conflict mitigation, and change hearts and minds in Iraq society. Additionally, the study was to measure the attitudes of youth participating in the Youth Engagement Program to determine if there was any change in attitude towards the GoI, their community, and/or individuals of different tribes and religious beliefs. The study questions included the following:

1. How effective was the Youth Engagement Program in reducing incentives for participation in violent conflict?
2. How cost-effective was the Youth Engagement Program been in achieving results?
3. Did the Youth Engagement Program make use of prevailing methodologies and practices in the areas of youth and conflict mitigation?
4. While acknowledging that CSP was not a sustainable development program, how successful was the Youth Engagement Program been in transitioning youth to the GoI, the communities, civic groups, Community Service Organizations (CSOs), Non-Government Organizations (NGOs), and/or other local counterparts?
5. Where CSP was active, was there any apparent correlation between site-by-site historical reported incidents of violence and CSP youth activities?
6. What were the key lessons learned by CSP's Youth Engagement Program as a counterinsurgency (COIN) activity/strategy?

The lack of attitude and behavior baseline and related program data limited the methodology options available to the study. The lack of a sample frame of youth participants prevented systematic consultations with the youth who were program beneficiaries. Therefore, while it would be ideal for this study to directly interact with the participating youths, the lack of attitude baseline and related program data limited the methodology options available to the study. Efforts to determine the impact of the Youth Engagement Program, therefore, relied on: 1) a desk review of the literature related to youth engagement was conducted by a Youth Mitigation Expert, 2) a desk review of CSP documents and reports were conducted by IBTCI staff, 3) key informant interviews (KIIs) and focus groups (FGs) with Iraqi and ex-patriot stakeholders by IBTCI staff and an Iraqi research firm, and 4) secondary data analyses conducted by IBTCI staff. The study was conducted from 1 March 2009 to 15 May 2009.

Findings from the Desk Review of the Literature

The literature review on youth conflict mitigation and violence reduction found there was no body of "best practices." Engaging youth in conflict mitigation, violence reduction and most recently, COIN programming was gaining attention among the international aid community. Interest in "the youth factor" has risen because youth are seen both as potential threats to stability and as potential constituencies for peace. However, it is still an emerging field, and the evidence base for the efficacy of such programming was slim.

The desk review found *few methodologies that were used to successfully assess attitudinal change*. The review found the following:



- There is a relative paucity of knowledge on peace education and how effective a practice it was. Although there is proliferation of peace education activities, there is little empirical evidence to demonstrate the efficacy of this type of programming.
- Research on the sports and youth development literature revealed that the field is still in its infancy, and there is still a lack of reliable valid measures of positive behaviors.
- Many violence reduction or violence programs aim to have an impact on levels of violence through positive youth development. Therefore, it may be useful to identify methodologies for assessing positive youth development.
- It is possible in developing indicators or lines of inquiry around attitude change, or resulting behavior change by borrowing from other models that might be applicable such as those developed for evaluating “social capital/social cohesion.”

The desk review revealed the following lessons learned from programs in other countries:

- Sports and recreation activities are overwhelmingly popular but there is little evidence in the literature to suggest they achieve conflict mitigation goals.
- The violence reduction and prevention field suffers from difficulties in demonstrating actual impacts on levels of violence.

When conducting an evaluation that includes gathering information from youth participants, the following points should be taken into account with regard to monitoring and evaluation practices:

- Change in youth behavior and attitudes may only take place slowly. This needs to be taken into consideration when evaluating program impacts in these areas. Tracking change over time is advisable.
- Youth expectations can differ from program objectives.
- Adults connected with the program can provide useful information on attitude change. If they have a long-term relationship with youth participants, they can see differences or changes, if they occur.
- Attitude change evaluations in insecure conflict environments can reveal different results. In many contexts, what mattered were the collective opinion, and quite often, the leader’s opinion. These factors, among others, can affect results.

Findings from the KIs, Focus Groups, and Secondary Analyses

- The CSP Youth Engagement Program was primarily focused on engaging vulnerable youth in organized sports, life skills, and cultural events, rather than deliberate efforts to mitigate conflict or bring about reconciliation. However, evidence showed that these activities may have had an indirect contribution to reconciliation which was concurrent with a reduction in violence in some areas.
- The youth engagement was an effective component of the COIN strategy, providing popular and acceptable means for occupying youth in community-supported normalizing activities.
- The cost per engaged person was much less for the Youth Engagement Program than for the other CSP components such as CIES, BDP, and vocational education.
- By a wide margin, the Youth Engagement Program touched more in the community than the other components within CSP.
- Youth engagement was not uniform across the programs. Youth engagement can be a fleeting encounter perhaps lasting no longer than one soccer match, whereas vocational education was a two to three month commitment, and a BDP grant engaged beneficiaries for more than a year.
- Comparisons based on estimated cost per day of engagement ranks vocational education as the most cost effective with the Youth Engagement Program as last.



- CSP's Youth Engagement Program was clearly one of many factors that correlated to reductions in violence.
- CSP's Youth Engagement Program used prevailing methods and practices in the field of conflict resolution and violence reduction programs.
- Local councils and the Ministry of Youth and Sports were mobilized effectively to implement youth programs but the removal of CSP funding led to a reduction in youth activities and engagement.
- Sustainability through government budget mechanisms was a slow process and will need the advocacy of all stakeholders. There was no evidence from the focus groups or KII's showing that youth groups were advocating/lobbying the government or private sector for funds.

Findings outside the Scope of Work for the Youth Engagement Study

An unsolicited report on "Alleged Corruption in Mosul" was the result of information that came to MEPP II through the Youth Engagement Study interview process. This report contained serious allegations of corruption related to contracting and project implementation. Investigating these allegations is beyond MEPP II's scope of work, authority and capability. These allegations were handed over to the COTR who in turn alerted the OAA, FSO, Regional Legal Advisor (RLA) and OIG. The MEPP II COP met with OAA, FSO, RLA and OIG to discuss the findings of this report.

Tijara Micro-finance Study

The main objectives of the present assessment were (i) to review and validate USAID/EGA's Tijara "Sustainable Microfinance" program's supporting documentation for the monthly report "Outreach and Collection Performance" submitted to USAID/EGA, and (ii) assess the management best practices of the local Iraqi Microfinance Institutions (MFIs). For the first objective, field verification on the veracity of the loan figures by two MFIs (Al Bashaer and Al Mosaned) was conducted.

Recommendations for Tijara included

- Revise, update and adequately monitor the application of policies and procedures related to data, information management and systems so that it is more efficient. This includes the clarification of Loan Officer's responsibilities and familiarity with key indicators, and an incentive system for good performance.
- Structure a clear internal control and/or audit that are internalized within MFIs and link it to M&E. Make internal control a priority by making sure that supervisory checks and balances are in place and systematically conducted to avoid mal-data entry and data mismatch.
- Ensure all manual, physical, and computerized systems are suitably linked and secure to allow timely and accurate reporting and sharing of data and information that guides management's decisions and actions.
- Conduct further checks and balances in using the Loan Performance Software (LPF) database when the Senior Financial Specialist or the M&E department reviews the monthly excel report.
- Encourage MFIs to comply with MFI best practices in management information systems despite the fact that they are "independent" and not fully reliant on Tijara.
- Encourage MFIs to capture information on unsuccessful loan applicants as this can inform the development of new loan products.
- Once the MFIs agree on the recommendations in the operational assessments, Tijara should work with them to define clearly planned activities to address the major



deficiencies identified. The planned activities should include timing, the input and resources needed. The MFI board and management should review these plans on a regular basis to ensure compliance.

- Develop a specialized training that is custom-designed around the realities in Iraq for Board and Management. The training should focus on management best practice essentials, and should use direct and accessible language. Further, the trainings should be applied through an on-going process of coaching and consultancy to each MFI.
- Induce a culture of internal control with the accompanying tools and systems within MFIs. Sound financial management and control enhances the MFIs' abilities to serve clients, ensure timely disbursements and attract additional funds from microfinance funders.
- Assist MFIs to invest more in the development of new products and improved service delivery that meets the needs of the poor and women. Analysis of unsuccessful loan applications can be useful here.
- Encourage and assist MFIs to collaborate with the SANABEL network to acquire international experience and best practices, especially with regard to Shariah-compliant loan products.
- Develop with the MFIs and put in place a clear guidance/criteria and tools to help loan officers identify early bad and illusion projects so they can be rejected.
- Develop sustainable technical assistance through an association of Iraq's microfinance practitioners.

Recommendations for USAID

Ask Tijara to update its PMP and stress the need to address data quality to give assurance that: (a) data quality assessments are conducted properly; and, (b) reported results are appropriately verified in accordance with the established agency guidance.

- Consider incorporating within future Grant Agreements and Grant Amendments between Tijara and MFIs explicit guidance and requirements on DQA. This should be finalized before making the award.
- Verify the status of the application of USAID policy under ADS Chapter 219.3.5.2, "Microfinance Institution Commitment to Attain Full Financial Substantiality" and consider applying it to MFIs in Iraq.
- Include a requirement for independent field verification that encompasses a data quality audit, confirmation of loan beneficiaries through direct interviews, and systematic interviews of unsuccessful loan applicants.

Administrative:

With the departure of the COP in January, a revised 4-person in-country staffing plan was approved by the MEPP II COTR. In accordance with the revised staffing, Harvey Herr took over the position as COP, Richard Mason continued as a Monitoring and Evaluation Expert (M&E Expert), John Roscoe joined as an M&E Expert in February, and in April, Mary Hayden became the fourth person to join the staff as the Performance Management Advisor. Upon Mr. Mason's resignation mid-year, Mr. Gerard Fidele Rabemananjara was deployed in September to fill the position of M&E expert.

The Mission determined in 2009 that it would re-solicit the MEPP II contract and did so under the project name PERFORM. In August, IBTCI submitted a bid for PERFORM however PERFORM was awarded to another implementer. IBTCI was notified informally in October to submit a closeout plan for MEPP II with a formal request being received on November 24th. The closeout schedule outlined below was followed and MEPP II is officially closed as of this writing



although reports submitted during the final days of the project remain under review and have not been finalized by USAID/Iraq.

Closeout schedule:

- a) Inventory of government property to USAID/OAA by 1 November
 - i) Property disposal begins on instruction from OAA to IBTCI
 - ii) Closeout inventory provided to COTR by 29 November
 - iii) All property returned to USAID by 10 Dec 2009
- b) Dedicated PSD team out by 30 November 2009
 - i) Thereafter GardaWorld HQ PSD team provides movements on a cost per movement basis as is needed
- c) VSAT service off by 10 December, limited internet connectivity thereafter from villa
 - i) VSAT feed horn and modem given to USAID
 - ii) GardaWorld will provide temporary office space where Internet connectivity is offered
- d) All draft final reports to USAID on or before 15 December
 - i) USAID and partner have up to 2 weeks to respond to the reports
 - ii) Work schedules for remaining SOW are described in those SOWs
- e) IBTCI villa closes by 15 December
 - i) IBTCI vacates the GardaWorld villa
 - ii) GardaWorld static guards at villa are re-assigned
- f) All IBTCI staff departs on or before 15 December
 - i) Residual work on reports will be done from HQ offices in Vienna, Virginia or Consultants' home bases as provided in the remaining budget
 - ii) Remaining sensitive property returned to USAID (IT and communications equipment)
 - iii) Final report requirement needs to be scheduled with IBTCI HQ

Personnel

All IBTCI staff departed Iraq on or before December 15, 2009 on civilian commercial flights via Kuwait, Dubai or Amman. All staff were available from their respective home bases to provide responses to USAID comments on the reports submitted in December.

After nearly three years of strong cooperation and partnership between, the MEPP II project and the Program Office, Marunga Manda, the COTR, departed post in September. IBTCI is most appreciative of his collaboration and hard work on behalf of M&E for the Mission.

Equipment/Inventory Turnover

All inventory documentation was submitted to USAID/Iraq on November 29, 2009. Equipment was turned over to USAID/Iraq as instructed by OAA. Sensitive equipment was returned to USAID prior to the COP's departure. Included in the sensitive equipment were the hard disk drives from computers used by IBTCI but belonging to GardaWorld. All other sensitive items were included in the Final Closeout Inventory.

Modifications to Contract

Modification 18 in February modified Key Personnel to the COP, and two M&E Specialists.

Modification 19 in February provided for additional data elements for quarterly reporting, SPOT Letter of Authorization (LOA) and replaced the acronym CTO with COTR.

Modification 20 revised the obligation schedule, adding a 4th position to the IBTCI/Baghdad team, increased the total Level of Effort to 16,465 person-days the MEPP II contract.



In April, Modification 21 stipulated the use of the Synchronized Pre-deployment and Operational Tracker (SPOT) system. Before contractors deploy to Iraq they must be registered with the SPOT and have letters of authorization (LOA).

Modification 22 extended the period of the contract from 30 September 2009 to 31 December 2009 and adjusted the performance period dates for the last option year (option period 2) to be from 1 January 2010 to 31 December 2010.



Conclusion

On December 31, IBTCI completed the MEPP II contract. After four and a half years working with the USAID Mission in Iraq, IBTCI is pleased with the achievements that were accomplished. IBTCI worked hard to ensure the required deliverables were submitted on time even in an environment of high security risks, logistical challenges, and the diverse nature of the international and local players in Iraq. The MEPP II team frequently engaged with USAID and the implementing partners to ensure that alternative plans and in some cases, timelines was adjusted to reflect the security and logistical realities on the ground. We are proud of the results of the Contractor Performance Reports that USAID provided recognizing IBTCI's efforts and achievements. We wish USAID/Iraq continued success with the PERFORM project and look forward to the opportunity to serve the Iraq Mission again.