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IRAQ INSTITUTIONAL CAPACITY BUILDING (ICB) ASSESSMENT

Volume 2: Assessment Text

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VOLUME 2: ASSESSMENT TEXT



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CONTENTS

CONTENTS	III
FIGURES	V
ACKNOWLEDGEMENTS	VI
ACRONYMS	VII
I. CAPACITY BUILDING IN IRAQ: PAST, ONGOING, AND PLANNED DONOR PROJECTS, BEST PRACTICES, AND LESSONS LEARNED.....	I
Best Practices in Capacity Building in Iraq.....	I
Lessons Learned in Capacity Building in Iraq.....	2
Public Administration Capacity Building Projects	3
Sector-Specific Donor Capacity Building Assistance.....	9
II. INSTITUTIONAL CAPACITY DEVELOPMENT PROJECTS IN THE ARAB REGION: BEST PRACTICES AND LESSONS LEARNED	12
Best Practices.....	12
Lessons Learned.....	13
III. INSTITUTION CAPACITY BUILDING PROJECTS IN CONFLICT, POST-CONFLICT AND TRANSITIONING COUNTRIES: BEST PRACTICES AND LESSONS LEARNED	14
Best Practices.....	14
Lessons Learned.....	15
IV. LEGAL AND REGULATORY FRAMEWORK	17
Introduction	17
The Federal Civil Service Commission.....	17
The Civil Service Law	17
The Provincial Powers Law	18
Ministry of Planning Law	18
V. INSTITUTIONAL ASSESSMENT OF ADMINISTRATIVE AND TECHNICAL NEEDS OF MINISTRIES, EXECUTIVE OFFICES, AGENCIES, AND GOVERNORATES	20
Overview of Institutional Assessments	20
Integrated Institutional Capacity Building Framework.....	21
OSTP as an Indicator of Institutional Capacity and Readiness for Change	22
Institutional Assessments.....	24
LGP and CAP Programs Supporting the Provinces.....	38
Civil Society, NGOs, and Think Tanks.....	39

VI. INSTITUTIONAL AND TECHNICAL NEEDS/GAP ANALYSIS.....	41
Overview	41
Investment Planning and Management.....	41
Training Capacity	42
Civil Service Commission and Civil Service Institute.....	42
Public-Private Partnerships.....	42
Technical Gaps	43
VII. FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS FOR INSTITUTIONAL CAPACITY BUILDING IN IRAQ	49
Directional Factors.....	49
Operational Factors	50
Performance Factors.....	53
Civil Service Reform and the Civil Service Commission.....	54
Findings.....	56
Human Resources/Capital Management	58
Conclusions and Recommendations	64

FIGURES

Figure 1: Iraq Capacity Building - an integrated approach	21
Figure 2: Organizational Self-assessment Transformation Program (OSTP) Cycle.....	23

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ACRONYMS

ASI	Adam Smith International
BPR	Business process re-engineering
CAG	Community Action Group
CAP3	Community Action Program
CSC	Civil Service Commission
CDS	Afghan Capacity Development Secretariat
CDWG	Capacity Development Working Group
COB	Capacity Building Office (USAID)
COS	Central Organization for Statistics
COMSEC	Council of Ministers Secretariat
COP	Chief of party
COR	Council of Representatives
COSIT	Central Organization for Statistics and Information Technology
COSQC	Central Organization for Standardization and Quality Control
CTO	Cognizant technical officer
DAD	Donor Assistance Database
DEC	Development Experience Clearinghouse
DEID	Department International Development
DFI	Development Fund for Iraq
DFID	Department for International Development
DG	Director general
DPMOS	Deputy Prime Ministers Office-Services
DRD	Development Assistance Database
EU	European Union
FCSC	Federal Civil Service Commission
FEA	Federal Energize Architecture
GAD	Government Assistance Database
GAO	General Accounting Office
GIS	Geographic information system
GOI	Government of Iraq
GOL	Government of Iraq
HR	Human resources
HRM	Human resources management
HRD	Human resource development
IARCSC	Afghan Independent Administrative Reform
ICB	Institutional capacity building
ICI	International Compact for Iraq
ICT	Information communications technology
IDA	International Development Association
IDP	Institutional Development Project
IFES	International Foundation For Election Support
IG	Inspective general

IGF	Iraq Government Formworks
IHEC	Independent High Electoral Commission
IM	Information management
IRMO	Iraq Reconstruction Management Office
IT	Information technology
ITAO	Iraq Transition Assistance Office
ITF	Iraq Trust Fund (part of IRFFI)
ITIM	Information technology/ information management
JICA	Japan International Cooperation Agency
KRG	Kurdistan Regional Government
LES	Locally employed staff
LGA	Local Government Association
LGP	Local Governance Program (USADI)
LGP3	Local Government Program
LSP	Legislative Strengthening Project
M&E	Monitoring and evaluation
MOF	Ministry of Finance
MOA	Ministry of Agriculture
MOE	Ministry of Education
MOElec	Ministry of Electricity
MOH	Ministry of Health
MOMPW	Ministry of Municipalities and Public Works
MOO	Ministry of Oil
MOPDC	Ministry of Planning and Development Cooperation
MOT	Ministry of Trade
MOU	Memorandum of understanding
MWR	Ministry of Water Resources
NCCMD	National Center for Consulting and Management Development
NDP	National Development Plan
NDS	National Development Strategy
NGO	Nongovernmental organization
O&M	Organization and maintenance
OJT	On-the-job training
OSTP	Organizational self assessment and transformation process
PC	Presidency Council
PC	Provincial Council
PDS	Provincial Development Strategy
PDS/PDP	Provincial Development Strategies/Projects
PMAC	Prime Minister Advisory Commission
PMO	Prime Minister's Office
PO	President's Office
PPA	Provincial Powers Act
PPL	Provincial Powers Law
PRT	Provincial Reconstruction Team
PSM	Public Sector Modernization
RFP	Request for proposal

RIMU	Afghan Reform International Management Unit
SLA	Service level agreement
SME	Subject matter expert
SOP	Standard operating procedure
TA	Technical assistance
TOT	Training of trainers
UNDP	United Nations Development Program
USAID	United States Agency for International Development
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNESCWA	United Nations Economic and Social Commission for West Asia
UNFPA	United Nations Population Fund
USG	United States Government
UNICEF	United Nations Children's Fund
UNOPS	United Nations Office for Project Services
WHO	World Health Organization
WTO	World Trade Organization

I. CAPACITY BUILDING IN IRAQ: PAST, ONGOING, AND PLANNED DONOR PROJECTS, BEST PRACTICES, AND LESSONS LEARNED

Several donors and government entities have implemented or are planning public administration capacity building projects in Iraq that complement USAID's efforts in this area. These donors include the U.S. departments of state, defense, and treasury, UN, World Bank, DFID (through Adam Smith International), Australia, and Italy; other donors have smaller efforts.

Best Practices in Capacity Building in Iraq

Programs that have satisfied ministry needs and included Iraqi commitment and buy-in from the beginning have had a larger impact on building capacity. ICB best practice is therefore to begin with a needs assessment and involve senior staff in conducting the needs assessment and designing program activities. Along with a stated commitment to the effort through a formal MOU, some financial commitment to programs has also been shown to be a best practice: the most successful programs have generally had such a commitment.

Including a change management/reform implementation team or department in ministries and executive offices helps ensure that reforms are adopted and legitimizes the change process.

Activities led by an Iraqi on staff with a donor organization and completed with the collaboration of an Iraq team, mentored by a foreign expert, had the most impact. Examples include the Five-Year National Development Plan (NPD) which has become the defining strategy for Iraq. The effort was led by an Iraqi staff of USAID/Tatweer, mentored by an expatriate and involved staff from the Ministry of Planning and several other ministries. Likewise, the aircraft purchase from Boeing and Bombardier and purchase of GE Gas Turbine power systems was completed in a fair and transparent fashion, with Iraqis employing international procurement standards and mentored by expatriates throughout the process.

Ongoing partnerships with international organizations that provide technical assistance, exchange study tours, and mentoring comprise an important ICB best practice. The relationship between COSIT and Romania's Bureau of Statistics, an example of such a partnership, will assist COSIT in achieving international standing.

Another best practice in ICB is to develop a baseline and benchmarks, core objectives, performance measures, and milestones for each activity in collaboration with the ministry or other recipient organization. Information is shared throughout the organization so that staff understand the results being sought and can participate in the change process.

A best practice is to supplement training with follow-up focus groups, on-the-job training, mentoring, coaching, model development, and intensive one-on-one tutoring, linking these with organizational development through networking, teambuilding, and consensus development.

A best practice for skill building is to initially focus on technical training to improve staff performance in their specific functions, then move to administrative and management training. Building technical

skill sets first builds staff confidence, improves performance, and generates support for administrative training and reform.

Capacity building is a long-term challenge for Iraq and donors. The necessary short-term initiatives – aimed, for example, at reconciliation and peace-building – must be linked with a broader long-term framework. Experience worldwide shows that long-term success can be achieved following conflict reduction. Initiatives work best when they are well integrated and coordinated with related initiatives, both vertically (levels) and horizontally (counterparts), as well as among donors. On USAID projects the Provincial Reconstruction Teams (PRTs) are the major integrative device.

Lessons Learned in Capacity Building in Iraq

Donors have found that implementation in Iraq is slower than anticipated due to the following causes: (1) weakened capacity of ministries and implementing agencies as a result of the large-scale departure of talented professional staff; (2) pre-existing private capacity eroded by the exodus of skilled professionals; (3) lack of familiarity with donor procedures and approaches; (4) decision-making processes hampered by an atmosphere of uncertainty and a history of overly centralized processes; (5) lengthy procedural delays and unwillingness to delegate functions within ministries; (6) frequent changes in leadership leading to turnover in government counterparts; and (7) incomplete legal/regulatory frameworks and weak enabling environments.

Donors stated the almost unanimous view that the era of massive training projects has passed and more personal technical assistance and mentoring is now required. Any further training should be based on an assessment of organizational functions and specifically tailored to meet identified needs.

According to donors interviewed for this report, it is time to fully align with the principles of the Paris Declaration on Aid Effectiveness: donors need to follow Iraq's lead, working in areas the Iraqis themselves identified as key and devising projects that fit into an overarching Iraqi-led strategy. Also in line with the Paris Declaration, donors recognize the need to better coordinate activities. Some donors that had previously contributed to International Reconstruction Fund for Iraq (IRFFI) now believe that a joint trust fund is the best approach and are seeking a follow-on joint fund. Some prefer the Afghanistan donor trust fund model, owned and operated by Afghanistan; others say they would not contribute to such a fund.

Donors stated that a major lesson learned is the need to manage expectations regarding what can be delivered in a difficult operating environment. They agree that significant resources had to be provided immediately after the invasion to keep the peace, yet recognize that Iraq was unable to effectively absorb the resources provided because it was in chaos. The lack of experienced counterparts, paired with instability, hindered program implementation for most donors.

Donors agreed on the importance of sequencing assistance correctly and ensuring that economic, social, and governance components are well matched. They noted that it will take years for Iraq to recover from past traumas and build its own social system, whether based on traditional structures or new institutions created for a modern state.

Donors need to have conflict sensitivity and conduct risk assessments for all operations as well as have contingency plans. They need to ensure that programs are not exacerbating internal conflicts or contributing to national disunity. They should also conduct risk assessments in relation to security, conflict, and corruption to ensure that programs can be implemented.

New investment projects, analytical products, and institution-building activities should be designed to support reform efforts, avoid overtaxing Iraq's existing capacity, and clearly reflect the country's current political and security situation.

Sustainability factors include ministry commitment and support for capacity program at its inception, implementation of improved ministry procedures and processes, and establishment of ministry capabilities to continue improvements going forward.

Public Administration Capacity Building Projects

U.S. Government

Iraq Reconstruction Management Office (IRMO)/Iraq Transition Assistance Office (ITAO), Army Corps of Engineers, U.S. Agency Attaches, Economic Affairs, U.S. Department of Agriculture, Agricultural Service (FAS), U.S. Department of Treasury, Multi-National Force-Iraq (MNF-I), Department of Defense (DOD)/Office of the Secretary of Defense (OSD), and other U.S. organizations have provided capacity building support to the GOI. The U.S. Department of Treasury implemented the Public Finance Management Action Group (PFMAG) project in the Ministry of Finance.

USAID

The new capacity building project can build on the best practices and lessons learned from Tatweer, USAID's national capacity building project in Iraq. USAID/Tatweer achievements are not discussed in depth in this section as they are available in other documents. The Iraq Legislative Strengthening Project (ILSP), Local Government III Project (LGPIII), CAPIII project, and IFES Support to Elections Projects focus on public administration capacity building; their activities should be coordinated with any future USAID institution development project (IDP). The ILSP project focuses on improving the core functions of the Council of Representatives (COR) through reform of its administrative management processes, improved service delivery, development of IT and human resources capacity, training, and building of COR technical capacity to facilitate networking and office automation. Similar to USAID/Tatweer, it is strengthening administrative functions.

LGPIII is implementing the Provincial Powers Act. This is complementary with areas of an IDP including the improvement of the provincial planning and budgeting processes and capital budget project implementation; improvement of the service delivery oversight function; and the local civil service development. These three functions must be coordinated with similar components in the IDP project.

One of the objectives of CAPIII is to assist local communities in prioritizing projects and submitting project priorities to the provincial council for inclusion into the GOI capital investment budget. However, there is no formal submission process from the local level mandated by the GOI. This is an area a future IDP project can address in decentralization of the planning process. IFES Support to Elections Project is building the capacity of the Independent High Electoral Commission and provincial governorates to manage and monitor elections. Public administration training and automation are areas of similarity between this project and any future IDP.

United Nations

The UNDP, along with other UN agencies and other donors, is launching the \$61 million, three-year Public Sector Modernization Program (I-PSM), currently in the preparatory stage. The GOI is contributing \$41 million to the program, which will initially support GOI drafting of a public sector modernization strategy to serve as the blueprint for the program. This strategy will be presented by the government's Public Sector Modernization Task Force to the Council of Ministers (COMSEC) for approval. The capacity development approach followed by the I-PSM is based on institutional sustainability, leadership, knowledge, and accountability. UNDP, WHO, UNICEF, UNESCO, UNHABITAT, UNFPA, UNOPS, UNESCWA, and UNIFEM will all contribute to this program.

The major areas to be addressed by I-PSM – a whole of government reform, in UN parlance - include: (1) establishment of the civil service legal framework; (2) rationalization of government architecture and machinery; (3) improvement of civil service management capacity and culture; (4)

enhancement of administrative functionality; (5) development of sector management and service delivery through well-defined service delivery models with cost projections, initially in the essential sectors of health, education, and water and sanitation; (6) linking decentralization through a service delivery lens on a sector-by-sector basis; and (7) improvement of subsidiary based on evidence that accountability and transparency structures are in place for participatory local governance. The purpose of the I-PSM program is to design and implement whole-of-government and targeted sectoral reforms to enhance delivery of basic and essential services in health, education, and domestic water supply in the first round of reform.

The first step in the change process is to foster an enabling environment within which change management can occur, according to the program document. Such an enabling environment consists of (1) parliamentary oversight function; (2) legislative and regulatory environment; (3) executive leadership functions; and (4) wider public participation. The I-PSM will also develop an Iraq e-governance strategy, with implementation financed through the national budget.

Detailed Overview of UN Program

Civil service legal framework: Technical assistance to work with the Civil Service Commission on civil service manuals; secondary legislation on human resource management such as allowance, performance evaluation, reform, and restructuring procedures including functional reviews and pay and grading; and establishment of a senior executive service.

Human resources management capacity: Technical assistance to develop the administrative corps by enhancing the state employment structure; developing the skills of civil service employees; and dealing effectively with corruption.

Administrative structure and functionality: Technical assistance to move many of the current functions of state to the private sector or decentralize functions to lower administrative levels on a ministry-by-ministry basis. Assistance is also required for sector policy development and public expenditure management, including decentralization matched by fiscal and administrative realities.

Sector management, decentralization, and service delivery: Technical assistance on a sector-by-sector basis to ensure fiscal management provisions and responsibilities are in line with devolution of services and determine which services should remain at the center and which decentralized. Technical skills will also be improved in this component to support decentralized service delivery. UN agencies will focus on essential services of health, education, and water and sanitation, coordinating with Canadian, Japanese, Australian, and Danish sector support programs. Ministerial advisory committees (MACs) will be established for education, health, and domestic water supply and sanitation.

Phase I: Preparation and enabling actions for start up of a medium and long term government-owned reform and modernization process. The output of this phase will be the formation of the various implementing GOI bodies and formulation of a public sector modernization strategy (PSM Strategy). The strategy will be based on diagnostic work, e-readiness assessments, and assessments of governorate capacity. These assessments will be completed by the end of April 2010, with the strategy presented to COMSEC in July 2010.

Phase II: Implementation of the GOI PSM Strategy. The GOI is expected to provide at least \$40 million in counterpart funding for the PSM strategy. This phase will include (1) first generation whole-of-government reform and; (2) strategic reform and modernization (SRM) within key sectors; and (3) public administration system development, including standard management systems, training for core functions, review of e-governance strategy, and IT systems for planning, budgeting and policy making. The whole-of-government reform will consist of rethinking the entire functional structure/architecture across the three tiers of government; reconvene the civil service drafting committee to rewrite the civil service law; and draft secondary legislation. I-PSM will also establish

the Public Service Council, I-PSM Task Force, ministerial advisory committees at the sector level, and a parliamentary committee on public sector modernization; it will strengthen participatory processes with civil society and subnational governance structures. A more efficient sector service delivery system will be worked out for health, education, and sanitation and water, and capacity development will take place at the governorate level in select governorates to enable nascent political and administrative structures to take responsibility for decentralized service delivery. The role of public participation in creating accountability and transparency and the role of the governorate council in ensuring service delivery will be studied.

With staff from COMSEC and the Prime Minister's Office, the UN's consulting firm GeoPolicity has worked with COMSEC to develop an Iraq national public sector modernization strategy to serve as a foundation for reforms under the UN project. The strategy will be presented to Parliament in April 2010. The UN project is based on the premise that policies and laws for modernizing the civil service and public administration should flow from the top down, and that a much improved civil service law needs to be drafted. GeoPolicity consultants pointed out that although decentralization is *de jure* established, it is not *de facto* established. Functional responsibilities need to be mapped out and decentralization needs to be operationalized. The UN will align the project with the government and facilitating a government-led change process. The structural model for change includes establishment of a national task force and ministerial advisory committees. The director of GeoPolicity stated that he is trying to convince COMSEC to re-write the draft civil service law, which USAID/Tatweer had a hand in drafting. He stated that the draft law is old fashioned and cumbersome and needs to be modernized. He reported that he had drafted a new law and is trying to convince COMSEC to adopt it.

The GOI needs a strategic framework, according to GeoPolicity. According to UN consultants, the Five-Year National Plan is a wish list. GeoPolicity sees the policy making and planning roles as being played out by these high level bodies at the prime minister level; it does not see the purpose of the Ministry of Planning and believes that sector strategies should be written by sector ministries. It also believes that there need to be incentives for GOI automation to ensure Iraq's participation in the globalized economy; joining WTO will require this. GeoPolicity sees the civil service reform as a means by which to build in ICT as a requirement of job performance/retention. The UN believes the private sector provides a mechanism for holding the public sector accountable, thereby playing a key role in its development; consequently, it is funding a parallel private sector development program. GeoPolicity is also working on a parallel project in agriculture reform. UNESCO has worked with the GOI on educational reform and water management capacity building.

World Bank

The Bank-drafted Third Interim Strategy Note for 2009 to 2011 includes three themes: first, continue support for ongoing reconstruction and socio-economic recovery efforts; second, improve governance and management of public resources, including human, natural, and financial; and third, support policies and institutions that promote broad-based, private sector-led growth. It has shifted from training to technical assistance, mentoring, and training of trainers, a much-needed shift away from the "intrusive teacher" model. It has also intensified its focus on provincial-level work, strengthened the emphasis on decentralization, and increased attention to bottom-up integration of projects at the provincial level.

The second theme noted above – improve governance and public resource management – involves public administration capacity building to follow on to work under the First and Second World Bank Capacity Building projects, which focused on training Iraqi civil servants in project management, fiscal transparency, human resource management, and other core administrative functions. Capacity-building activities under the Third Interim Strategy will focus on helping the GOI develop the institutions, systems, and processes to manage public services efficiently, effectively, transparently, and accountably. An important component will be strengthening public resource management through the Public Financial Management (PFM) Reform Project. Bank activities also support GOI efforts to fight corruption, formulate realistic national and sectoral plans and strategies, successfully

implement its public investment program, and strengthen its social protection system. In addition, it will help ministries improve their service delivery capacity.

Bank's Civil Service Reform Note

The Bank will draft an Iraq Kurdistan Civil Service Reform Note to undertake a systemic assessment and evaluation of civil service capacity in KRG, identify reform priorities, and propose a realistic set of reforms to address identified shortcomings and help achieve intermediate outcomes. This will support KRG's efforts to develop a comprehensive diagnostic of its public administration, contribute to formulation of a public sector reform strategy, and continue policy dialogue with the government.

To help prepare this note, the Bank hosted a seminar in Kurdistan from February 22 to 25, 2009, to discuss KRG civil service reform. The seminar helped KRG define its priorities in public administration and civil service management based on international best practices. Attendees included two representatives from the Ministry of Planning in Baghdad, Dr. Nabil Shamsan, vice minister of civil service and insurance from Yemen, and Abdel Halm from the Arab Administrative Development Organization (ARADO); a civil service reform expert from India and Bank staff were also in attendance. The topics included international and regional experience in civil service reform, including in Yemen; the KRG's civil service reform strategy; KRG's legal and institutional framework; pay and employment reform in an international perspective and in Yemen; and KRG's civil service reform action planning.

Bank's Assistance to Ministries

The Bank's institution-building focus is on strengthening the core functions of key ministries and governmental organizations, with the goal of improving service delivery capacity. Bank support will be delivered in two stages: first, it will assist the relevant agency in conducting an institutional assessment as the basis for an institution building action plan, and second, it will support implementation of the resulting action plan. The Bank has already completed numerous capacity-building activities, including 22 workshops for 600 Iraqi officials to develop essential project implementation tools and help officials network with neighboring countries. The Bank also carried out more than 60 workshops for over 1,200 Iraqi officials in economic management, public sector management, and social safety nets. Its proposed institutional assessments will provide a comprehensive review of existing capacity and reform needs of selected government institutions, including those at the provincial and governorate levels. The assessments will cover institutional mandate; overall policy and strategic framework; organizational structure; business systems and processes; human resources; and monitoring and evaluation systems. A key element is the link between capacity development and ministry activity outputs/results. As noted, the assessments will culminate in specific action plans for institution building, with implementation potentially assisted by the Bank.

This approach aims to ensure Iraqi public sector involvement in the entire institution-building process; strengthen systems, processes, and human resources underpinning institutions and agencies; and encourage Iraqi leadership to focus on building institutional capacity in a comprehensive, sustainable manner. Possible early beneficiaries of this approach may include the Council of Ministers Secretariat, Ministry of Finance, Ministry of Planning and Development Cooperation, and Prime Minister's Advisory Council, as well as ministries spearheading delivery of key public services and selected governorates.

The Bank is also considering alternative institution-building approaches for selected ministries. One possibility is a senior executive advisors' program, which would help the government bring in Iraqi professionals on a performance-based, renewable contract basis to conduct institutional assessments and design and implement the resulting action plans. Another option is to organize a Bank fellowship program to provide ongoing mentoring and support to qualified young Iraqi professionals, who

would assist ministry departments in hands-on implementation of the technical aspects of the reform process.

Iraq National Poverty Reduction Strategy 2010-2014

The World Bank assisted the GOI in writing the Iraq National Poverty Reduction Strategy for 2010 to 2014, submitted to the Council of Ministers on November 24, 2009. The strategy calls for a reduction in poverty from 23 to 16 percent by 2014 through 87 planned activities linked to the Five Year National Development Plan. The strategy has six objectives: increase income from work for the poor; improve the poor's health standard; disseminate and improve education for the poor; achieve better housing for the poor; increase effective social protection for the poor; and less inequality between poor women and men.

A significant component will be for ministries to improve local service access and support for income-generation activities, especially for internally displaced persons (IDPs). The strategy will be managed by the High Steering Committee, comprised of the ministers of finance, planning, health, labor and social security, reconstruction and housing, agriculture, trade, and women's affairs and chaired by one of the prime minister's deputies. Included in strategy implementation will be capacity-building activities in the above-noted ministries and at the governorate level in strategic planning and project design and implementation.

European Commission

European Commission (EC) priorities for 2009 to 2010 include institution building in good governance and basic services. It will also work to promote human rights, especially for women and populations at risk. The EC is planning an integrated public administration and service delivery program linked to sectoral reforms to strengthen planning and execution capacities in Iraqi institutions across all levels, including local authorities and civil society. The EC's focus will be on education, health, and migration and displacement. Technical support and training to strengthen education policy and systems and revise curricula will be provided. In the health sector, the EC will strengthen institutional and human capacity to deliver health services; it may also work with the Bank on financial management reform.

DFID/Adam Smith International

Funded largely by DFID, Adam Smith International (ASI) works with the Council of Ministers Secretariat (COMSEC), Prime Minister's Office (PMO), and Government Communications Directorate (GCD). It has focused on transition planning to provide continuity during changes in administration following elections. The GOI is implementing ASI's advice and has trained ministries for transition continuity for the recent elections. Ten ministries have submitted transition plans and included workshops for the incoming cabinet in their 2011 budgets.

ASI's current efforts include improving GOI financial management. Since the U.S. Department of Treasury never received buy-in from the Ministry of Finance (MoF), the World Bank needs to focus on this area with its new Public Financial Management Project. ASI advisors have tried to help the MoF integrate capital and operating budgets and are advising the 2010 Budget Strategy Group on next steps in this regard; it will also take the lead on the KRG Civil Service Reform. ASI officials stated they have backed away from training in favor of mentoring, seeking out opportunities to work with leaders willing to serve as champions of change – often younger civil servants. The ASI advisor to COMSEC remarked that a number of staff at COMSEC want relevant training that is more responsive to specific organizational needs and functions than the training provided by Tatweer.

ASI's Council of Ministers Secretariat major activities include: (1) establishing and embedding a corporate development process, getting buy-in and communicating outcomes to staff; (2) building basic principles of management accountability, including a basic performance management system and personal responsibility plans; (3) strengthening secretariat support to the Council of Ministers within

the Ministerial Affairs Directorate; (4) improving management of COMSEC correspondence; and (3) supporting establishment of a human resource department, facilitating recruitment of key HR staff, and developing an initial work plan to regularize employment policies and procedures.

Key ASI activities in the Prime Minister's Office include: (1) developing an advisory unit to assist in policy formulation with the prime minister and Council of Ministers; (2) strengthening PMO oversight of ministries and following up policy decisions to monitor implementation; and (3) providing institutional strengthening for the PMO, including a review of organizational structure, diary management and briefing, management of correspondence and other issues to ensure the prime minister's time is effectively managed. In the Government Communications Directorate, ASI is (1) assisting in development of a message grid to coordinate government messages within the government's center and across ministries; (2) building capacity in media monitoring; (3) tapping the GCD as a center of excellence to build capacity in ministry press offices; (4) developing a code setting out ministerial roles and responsibilities for policy making and managing interactions with civil servants; and (5) establishing mechanisms based on principles of accountability and collective responsibility to ensure state policies are properly formulated and given informed consideration before approval and implementation. ASI advisors expressed their view that decentralization will take considerable time in Iraq, given that the GOI will want to keep its national asset, oil, under centralized control.

Australia

The Australian government has increased its focus on funding capacity-building initiatives in Iraq, particularly in areas like agriculture, public sector governance, financial management, human rights, and basic service delivery. To this end, the government expanded its assistance to Iraq in the 2008-2009 budget, committing \$165 million over three years. Six bilateral memoranda of understanding (MOU) were signed on June 27, 2009. These include (1) an MOU on agriculture, including information and research exchange on crop science, animal husbandry, quarantines, and salinity management, as well as framework for enhancing commercial linkages; (2) a memorandum on resources and energy, including investment in the resource and energy sectors, cooperation on sustainable development, promoting clean energy, and strengthening regulations and policy development; (3) an MOU on trade cooperation, with a focus on strengthening bilateral trade and investment, cooperation on investment strategy, support for Iraq's accession to the World Trade Organization, training officials, and developing foreign investment legislation; (4) a memorandum on education, training, and research, including institutional relationships, scholarships, professional development programs, and education governance; (5) an MOU on public health that includes measures to strengthen Iraq's health system through medical professionals, research, primary health care advice, and public health infrastructure; and (6) an MOU on security and border control, including training officials in border surveillance and monitoring, customs and quarantine law, and organizational management.

Italy

Italy is involved in several capacity-building activities. Its largest program supports agricultural development through technical training and public administration capacity building. It has provided technical and management training in the transportation sector. An Italian firm won a contract to build a port facility in the Gulf and the Italian government is building GOI capacity to manage the facility. Italy sent Iraqi diplomats to Italy for a master's level course in diplomacy, including international economics, trade, culture, and negotiation.

Sweden

A major strategy for the Swedish government is to strengthen the capacity of Iraqi actors to promote and respect human rights, with a focus on the rights of women and children. During its July 2009 to December 2014 strategy, it works closely with the Ministry of Human Rights, Human Rights Commission, and government bodies that regulate civil society organizations. Swedish government

work in public sector administration capacity focuses on women's participation in decision making and public participation in the political process.

Sector-Specific Donor Capacity Building Assistance

Planning, Statistics, and Quality Control

UNDP, World Bank, and USAID/Tatweer have taken the lead in supporting capacity development at the Ministry of Planning. UNDP helped to build capacity in the International Cooperation Directorate and funded development of the Donor Assistance DataBase (DAD) for both Baghdad and Kurdistan. The World Bank has worked with several directorates. USAID/Tatweer has provided the most capacity-building training and technical assistance in addition to large amount of IT hardware and software. Japan provided short- and long-term training courses in Japan for over 100 MoP staff. UNDP is assisting the Anbar governorate with its development planning. As previously noted, the Bank's First Capacity Building Project helped the MoP and other ministries design and implement projects, develop sector strategies, and develop networks between Iraqi officials and counterparts in neighboring countries; its Second Capacity Building Project focused on building public capacity to manage reforms and improve public sector management. UNDP is developing a database in the MoP to support strategic planning for the national investment budget (Project Investment Plan). The database will strengthen linkages with provinces via Provincial Development Strategies/Projects (PDS/PDP).

COSIT: UNFPA, World Bank, and UNDP have provided significant assistance to COSIT, in addition to USAID assistance provided through Tatweer. UNFPA has provided over \$1 million to help develop capacity in census and survey work. It helped COSIT design control procedures and manuals to maintain quality assurance for the Iraqi census, completed formulation of the census master plan and detailed plans for census working sectors for implementation, and finalized an organizational chart with Iraqi partners for the census. The Bank worked with COSIT to conduct the first nationwide household income and expenditure survey since 1998, covering 17,000 households. Results helped Iraq establish a poverty line and develop the Iraq Poverty Alleviation Strategy, completed in January 2010.

UNDP is providing \$2 million to build COSIT capacity to establish and maintain a Millennium Development Goal (MDG) monitoring and reporting framework, leading to a national living standards report, a national MDG report, and integration of MDGs into national and local development frameworks. UNDP wants to expand the framework to include all ministries. USAID/Tatweer has helped COSIT prepare for the national economic survey planned for 2010. (The general population census planned for 2009 was postponed.) In addition USAID/Tatweer has provided extensive ICT support in hardware and software, computer application systems, and statistical program training, in addition to technical assistance and support for survey and census preparation. Japan International Cooperation Agency (JICA) sent COSIT staff to Jordan for training in national census methodology and in national accounting.

National Center for Consulting and Management Development (NCCMD): In addition to assistance from USAID/Tatweer, NCCMD has benefitted from support from donors like UNDP, which provided \$1 million to build NCCMD capacity to support management reforms within ministries and organizations. UNDP-ESCWA and World University Service of Canada (WUSC) developed training materials and trained trainers on business planning and performance management. The project introduced UNDP's Capacity Assessment and Capacity Development Methodology and prepared NCCMD to take on public sector strategic planning. UNDP supported NCCMD development of a strategic plan and facilitated its membership in regional and international knowledge networks such as Governance Institutes Forum for Training (GIFT). Study tours included training in the Parmenides Eidos Think Tools in Lebanon and training of trainers (TOT) on e-government methods, practices, and strategies in Egypt. UNDP also purchased ICT equipment for NCCMD.

Education

According to the Ministry of Planning and Development Cooperation, slightly over \$1 billion has been contributed to the Ministry of Education and the education sector, with the U.S. contributing \$552 million of the total. While much of the money has gone to fund school reconstruction and textbooks, a considerable amount has also been used for capacity building. A series of workshops from 2007 to 2008, jointly organized by UNICEF, UNESCO, and the World Bank, brought together senior officials from the four ministries of education (the federal ministries of education, higher education, and scientific research, and the KRG ministry of education) and advised the GOI on developing a national education strategy, currently being developed with involvement from the Prime Minister's Office. A \$3 million World Bank-backed effort, the Institutional Strengthening and Capacity Building for the Education Sector Project, will finance technical assistance and technical training to support GOI development of a national education strategy. The design of the Education Management Information System (EMIS) for education administration has been completed. Tatweer recently began providing public administration capacity building training and technical assistance to the MoE. The EU has committed \$117 million to education capacity building; Canada \$43 million; Korea \$32.7 million; Japan \$29 million; the U.K. \$14.6 million.

Health

Slightly over \$1 billion has been provided to the health sector, including \$280 million from the U.S., \$241 million from Japan, \$42 million from Italy, and \$43 million from the EU. The funds have been spent on health infrastructure rehabilitation, including hospitals and clinics, supplies, equipment, technical assistance and training. A large amount of technical training has been provided by donors in Iraq, donor countries, and nearby countries. Training in virtually all medical fields has been provided, in addition to training in surgical techniques. Partnerships with countries have also been established.

Japan's JICA facilitated assistance to Iraq from the Pediatric Hospital in Cairo University, which Japan financed, through extensive training in medical care, medical treatment systems development, emergency medical systems, endoscopic surgery, pediatric internal medicine, and nursing; 504 Iraqi participants have gone to Egypt for training. USAID/Tatweer has also provided public administration capacity building to the ministry. UNDG helped MoH implement health system reform, including development of a basic health service package, national health account, health system financing, health management information system, and health sector governance. The World Bank funded assistance in emergency medicine and rehabilitation services.

Agriculture

Approximately \$813 million has been committed to the agriculture sector, including \$232 million from the U.S. The ministry, state-owned agriculture companies, and the private sector have all received assistance, which has financed infrastructure, equipment, agricultural inputs, and technical training. Capacity-building activities have included Tatweer training courses and technical assistance, foreign agriculture service programs and attaches and other advisors at PRTs, a date palm spray campaign, and IRFFI-funded Italian and Australian technical advisors to the MoA. Australia has strengthened the ability of Iraqi veterinary services to treat livestock; trained 255 MoA officials in Australia in modern agricultural policies and practices; provided over 100 agricultural scholarships to Iraqi officials; assisted rebuilding of the Iraqi Ministry of Agriculture and Iraqi Grains Board; and implemented agricultural research projects in pest and crop management.

GeoPolarity is implementing an agricultural sector reform project. The USAID-funded INMA project has built capacity within the nongovernmental agricultural sector, working specifically with fisheries, livestock, and certain key crops. Italy has spent some \$137 million to develop agricultural capacity, including provision of equipment and extensive technical skills training. The EU has spent \$37 million on agriculture capacity building, Canada has spent \$17 million, Sweden has provided \$6.7 million, the U.K. has spent \$62 million, and Japan has spent \$19.9 million.

Water

Japan's JICA has developed the capacity of the water sector by providing technical assistance in development planning, institutional development of administration and technical divisions of the Ministry of Water resources, O&M training, and system rehabilitation.

Energy

Donors have spent \$2.76 billion in the energy sector, almost exclusively for infrastructure and technical training. The U.S. has committed \$2.7 billion of this amount, while Korea has committed \$2.5 million. USAID/Tatweer has taken the lead in administrative capacity building. UNDP provided backing for electrical generation, distribution, and transmission projects and built national capacity by training 200 engineers. The UNDP assisted the GOI in launching the Electricity Master Plan and promoting public-private energy partnerships. Japan has provided extensive capacity building training to power engineers at the Jandar Electric Power Training Center in Syria.

Economic Development

Donors have committed \$278 million for Iraq's economic development, with a focus on building the economic and financial systems required to meet international standards.

Democracy and Governance

Donors have spent \$1.75 billion to help Iraq build a democratic system, with the U.S. providing \$1 billion of this amount; Korea has committed \$125 million and the U.K. \$126 million. These funds have gone to build capacity within democratic institutions at the national, provincial, and community levels, as well as provide extensive training in democracy and governance for all three branches of government. As previously noted, several USAID projects have built capacity in this area. Both USAID and UNDP have provided assistance to build capacity within the National Election Commission. UNDP and UNAMI provided technical assistance and training to the constitution drafting committee.

Industry

A total of \$52 million has gone toward developing industry; \$10.8 billion of this amount has been committed by the U.S. These funds have been spent on infrastructure, technical training, and capacity-building activities.

Environment

The environment has received \$1.2 billion, with the U.S. providing \$717 million of the total.

Housing, Labor and Social Affairs

Donors have committed \$2.4 billion toward housing, labor, and social affairs. The U.S. has provided \$1.8 billion of this total.

Security

Donors have contributed \$1.7 billion for security. Much of this amount has been spent on capacity building to prepare Iraq to protect its citizens and keep the peace.

Infrastructure

Donors have committed \$7.2 billion for rebuilding Iraq's infrastructure, with the U.S. providing \$6 billion of the amount. In addition, the U.S. government and UNDP have provided over \$2 billion in community capacity building through small grants, an amount not included in the above total. These projects have built capacity in water and sanitation, electricity, agriculture, environment, public works, education, and health.

II. INSTITUTIONAL CAPACITY DEVELOPMENT PROJECTS IN THE ARAB REGION: BEST PRACTICES AND LESSONS LEARNED

The Arab Region is rich in examples of public administration reform and institutional capacity building projects that provide valuable lessons learned and best practices that can be applied to Iraq. UNDP, the World Bank, USAID, and other donors have been active in most countries in the region. Case studies are presented for Jordan, Lebanon, Morocco, UAE, and Kuwait in the publication “The UNDP Role in Public Administration Reforms in the Arab Region.” Other documented case studies are listed in the bibliography in the Volume 3.

Best Practices

Best practices in institutional capacity development have emerged from experience in the region, including the following:

- Public administration reform is best achieved through partnerships with the private sector. In Jordan, private sector representatives are members of key government committees active in civil service reform and public administration service delivery.
- Public-private partnerships for service delivery comprise an essential feature of successful public administration ICB projects. Such partnerships should be formed at the beginning of service delivery decentralization to the local level.
- Reform is more sustainable when accompanied by a communication campaign aimed at the public and all levels of civil servants to build public confidence in government and address the specific concerns of civil servants.
- A national civil service training plan should be prepared, accompanied by a training paths plan. These plans need to lay out a gradual administrative path that matches the career path of civil servants, facilitates skill development, and boosts employee morale by offering milestones and certificates to honor self-improvement efforts.
- Jordan’s experience in decentralizing government services is a best practice. It transferred the central employment authority of the civil service bureau to governors in the districts, forming personnel units in every district chaired by the governor, with the membership of the deputy governor, representatives from the concerned agency, a legal counselor, and one of the directorate’s employees in the district. The committee’s role: to advertise, recruit, and hire civil service employees in districts.
- Capacity building is best achieved through hands-on, learning-by-doing approaches. Guidance is followed up by frequent meetings, phone conversations, and emails to facilitate understanding, acceptance, and participation in the change process.
- ICB works best when realistic, well-defined targets are used to show short-term results, building political support and facilitating the next stage of reform.

- Introduction of quality management models can help build a new mindset in public sector administration. Providing a mechanism to review and improve management processes from the perspective of meeting service user needs, and introducing a system of setting tangible objectives with defined steps toward development of a solid a quality management system generates motivation, drive, and new thinking.
- e-governance initiatives provided by the private sector are more successful than public sector initiatives.
- The success of ICB initiatives depends on continued high-level political will and support throughout the reform process, irrespective of government changes.
- Publicizing results and providing incentives for continued support and achievement builds support for ICB, brings in new users, and changes attitudes toward reform.

Lessons Learned

- There needs to be greater attention paid to sustainability of reform/project results.
- Partnerships between donors and all stakeholders lead to better results.
- Change management is an integral part of any reform process, crucial to successful public administration reform.
- Establishing broader partnerships with the private sector and civil society will better achieve expected results and objectives.
- Better monitoring and reporting mechanisms are needed to track reform processes.
- National social policies should be linked to the process of public administration reform.

III. INSTITUTION CAPACITY BUILDING PROJECTS IN CONFLICT, POST-CONFLICT AND TRANSITIONING COUNTRIES: BEST PRACTICES AND LESSONS LEARNED

There are many examples of public administration capacity building projects in post-conflict and in-transition countries that offer best practices and lessons learned of relevance for Iraq.

Best Practices

- Focusing support on the development of skills competency frameworks for HRM occupational classes, with the main focus on leadership, is a best practice culled from experience in post-conflict regions. Leadership ensures that the vision and goals of civil service reform are achieved. A needs analysis of skills/competencies needed for leadership should be developed; the necessary skills can be built by developing a blueprint of competencies, communicating the results via CD-ROM and posting them on Web sites, developing webinars, online and distance learning modules, theoretical and practical training, mentoring, and other means.
- Creating partnerships with citizens is essential. Setting up networks and steering groups to oversee reforms to improve responsiveness to service needs helps ICB become sustainable.
- Rationalized administrative structures should accompany ICB for it to be sustainable.
- Efficiency improvement at the central government level and improvement in essential service provision at the local and provincial levels should be completed in tandem.
- To ensure sustainability, all interventions should be based on structural and process reviews and improvements in staff capacity.
- A strong focus should be placed on building HRM institutional capacity by on-the-job learning/mentoring, using total quality management principles and HRM departments/units team involvement.
- While it is possible to conduct capacity building in conflict conditions, the extent and nature of conflict determine when, where, and how capacity building can be conducted. In Iraq this varies significantly by province – as conflict is reduced, capacity-building efforts can flourish. Work for intergroup reconciliation and conflict resolution provides a basis for moving forward
- Ownership and participation are prerequisites for local buy-in and commitment to implementing a proposed program. A fine balance is required between the need to show respect for senior personnel and the need to bring younger personnel into key positions. To succeed, new initiatives require leadership by champions committed to their success.

- Demand-based initiatives that reflect local perceptions of need are more likely to succeed than supply-based initiatives that reflect external perceptions. Initiatives that feature early local participation at the design stage and going forward are more likely to succeed. Initiatives with continuity to past practices have a better basis for taking hold, since they will be better understood. Projects that are identified as local and have local staffing are more likely to get a good citizen response; there is a risk of rejection for an externally branded project. Initiatives that are well coordinated with locals are more likely to be sustainable. When locally generated timing is respected and foreigners do not substitute for nationals, sustainability is improved.
- Strong management is needed for the following tasks: implementing robust M&E systems linked to ongoing implementation; providing well-designed training to ensure on-the-job implementation, supplemented with well designed technical assistance and mentoring; balancing the managerial role of senior positions with support for up-and-coming staff; making investments of sufficient magnitude to move projects ahead; budgeting for O&M requirements to ensure projects go forward in future years and continue operating; improving process management for greater efficiencies ; and professionalizing departments according to specialization.
- Political and economic capacity building are interdependent and must move forward together. Care must be taken to ensure that design and implementation is based on correct assumptions – for example, regarding legal authorities or election timing.
- Disconnects can be a major barrier to successful capacity building – for example, the major disconnect between GOI and donor activities. One way to avoid this is to conduct needs assessment and baseline studies prior to development of the request for proposals, building M&E needs into the RFP rather than leaving this critical area to contractor discretion.
- Motivation is key: Just as countries have been motivated by the possibility of EU membership to build capacity and restructure organizations, Iraq may be motivated by potential access to economic activities in the oil sector in the Middle East region.
- There is need to focus on service delivery at the local level; to close gaps between projects and programs, reality and needs and to build citizen capacity through understanding of rights and ability to participate.

Lessons Learned

Civil Service Reform

- From the beginning, a clear reform vision is needed with a specific plan supported by implementation strategies.
- Reform is nearly impossible without the full commitment of the country's leadership.
- The more complex and comprehensive the process of reform is, the greater the management capacity required to implement it.
- Government employees and the public must be able to understand the purpose and approach of reforms, requiring a clear communication plan.
- Introducing major reforms before there is public support for them often fails.
- Measuring and celebrating success with each step achieved makes the next reform step easier for recipients to accept.

- Ownership must be by the country itself, not donors.
- Success in civil service reform often requires reforms in other sectors as well.
- Training is key to successful reform implementation.
- IT implementation is integral to successful reforms.
- Reform begins but never ends.

Human Resources Management Needs

- *Need:* Clearly defined and transparent policies, procedures, and strategies for recruitment, compensation, benefits, performance appraisal/rewards, promotions, labor relations, training, planning, conflict of interest, and working hours
- *Need:* Decentralization of policies, procedures, and strategies in place
- *Need:* Standardized IT systems, linked to financial systems, manpower planning, and staff files
- *Need:* Staff organizational structures linked to operational needs and revised regularly for changing needs
- *Need:* Clear career and training paths for staff in place
- *Need:* Clearly defined job descriptions for all staff, with key performance indicators linked to organizational strategic objectives

Training

- To make real improvements and reforms within the public sector, the paradigm must change from training individuals to training whole institutions, or units within them, using tailor-made curricula based on specific needs assessments. Training should involve managers, support staff, and frontline service providers, and aim at creating or changing an organizational culture and sense of mission.
- Ownership and participation are prerequisites for local buy-in and commitment to implement.
- It is important to link structures – for example, national institutes with universities – through partnerships.
- Training budgets must be adequate.
- Training plans should be drafted and revised on a yearly basis.
- It is important to link training interventions to civil service reforms, the operational needs of each organization, and the career development needs of staff.

IV. LEGAL AND REGULATORY FRAMEWORK

Introduction

The government of Iraq is facing the challenge of adapting to the changes inherent in its move away from an autocratic political model to an open, democratic society. GOI has modified much of its legal and regulatory framework through the enactment of new laws. These legal framework changes will affect every level of the GOI and its legislative and institutional branches. While some new laws have already been enacted, others are still in draft form. The Civil Service Reform is at the heart of the GOI legal coda, given that it governs Iraq's entire governmental body. This chapter focuses on those laws that impact most critically on civil service reform.

The Federal Civil Service Commission

The Federal Civil Service Commission (FCSC) Law was passed by Parliament in February 2009. This legislation states that a FCSC is to be established, which will report directly to Parliament and function independently from other state institutions. A regulatory body, the purpose of the FCSC is to provide oversight for the entire civil servant workforce, a sizable percentage of the Iraqi population. This commission, managed by an active chairman, provides a strategic arm for the Iraqi public sector and maintains primary oversight at both the central and provincial levels. The law's overall objective is to implement a new civil service system focusing on reform issues in public administration and organizational development, human resource management, and research and development. The FCSC's function is to improve Iraq's civil service by developing national policies pertaining to HRD and establishing organizational structures for the civil service. A key responsibility of the commission is implementation of the Civil Service Law when it is passed by Parliament, leading to a professional, effective, transparent civil service system.

The commission is made up of eight members and a chairman nominated by the Council of Ministers and approved by Parliament. The Intra Ministerial Commission, a nine-member body made up of representatives from the ministries, was mandated by the Prime Minister's Office to draft the new Civil Service Law; Tatweer provided an advisor to support this task. According to information on hand, the process of appointing commissioners has commenced. Three provinces with Tatweer support have started the process of establishing provincial civil service commissions.

It appears that the capacity to implement what is required under the FCSC Law is limited. There is also a general lack of common understanding of the need for a commission, its actual role, what is required by law, and the commission's important role in ensuring that government policy is cascaded down and implemented correctly in ministries and provinces. An initial conclusion would appear to be that implementation capacity is limited.

The Civil Service Law

A draft of the Civil Service Law was reportedly rejected by COMSEC, which reportedly viewed the draft as too similar to the 1960 Civil Service Law, with its more than 600 amendments; COMSEC saw a need for a more modern law. According to interviews for this assessment, UNDP was asked by COMSEC to provide support in redrafting the law. While this process has admittedly proceeded in fits and starts, the current lack of a new Civil Service Law should not affect the process of starting to implement the legislative requirements of the FCSC Law. If USAID were to delay until a new law is passed, it would miss an opportunity to make a substantial contribution to good governance and democracy in Iraq.

The law's overall objective is to implement a new civil service system focusing on reform in public administration and organizational development, human resource management, and research and development. Various donors are actively assisting the GOI with drafting and revisions to the civil service laws, including USAID and UNDP. However, there appears to be conflicting versions of the drafts, a situation that needs to be worked out. Donor support is also needed to coordinate and consolidate efforts by working closely to provide the GOI with professional legal advice in implementing the existing Civil Service Law and related reforms.

The Provincial Powers Law

The Provincial Powers Law (PPL) became law in 2007 and is being implemented with strong buy-in and enthusiasm by the provinces. This involves ongoing negotiations with GOI, led by initiatives from certain provinces, on such issues as creating new ministries of finance at the provincial level and developing new local revenue sources. Such proactive work and negotiation challenges GOI thinking.

Additional legislation with supporting regulations is clearly needed and under development – for example, legislation on planning and budget processes to support the provincial role in PDS/PDP (provincial development strategies/projects) and ensure that GOI directions are timely and appropriate. There is an inter-ministerial working group addressing this need, comprised of MoF, MoPDC, and MoMPW, all groups with the potential to serve as a major resource into the future. There is a need to examine the identity, status, appropriateness, and adequacy of additional legislation and related regulations to address emerging issues. Additional areas to consider incorporating include the following: predictable, timely allocation of budgeted funds; inclusion of operations and maintenance requirements in operating budgets for capital items coming on line; multiyear capital programs; provision for provinces to generate their own revenue sources; improved reporting and monitoring of budget execution at the provincial level; and further subordination of DGs to the provinces. There is also a need for a comprehensive review of PPL and associated regulations.

Key features of PPL that establish changes and generate controversy include the following: (1) DGs now reporting to governors as well as ministries, creating a dual authority relationship; (2) PC right to establish local laws, including organization of administrative and financial affairs; (3) PC outlining of strategic development plans and general policies in coordination with competent ministries; (4) PC and governor roles in approval of senior ministry appointments in provinces; and (5) governors and district/subdistrict administrators are the highest executives in their respective units and have authority over staff.

Governors are responsible for drafting the provincial budgets and executing council decisions. Links between the GOI and provinces are facilitated by inter-provincial associations representing councils, local government associations, and governors. Governorate offices and councils are subject to monitoring and auditing by the Supreme Audit Board.

Ministry of Planning Law

A new law governing the structure and function of the Ministry of Planning (MoP) was recently put into force; implementation of the law will begin soon. The MoP has a two-fold purpose: first, assist Iraq in achieving economic and social growth and the most efficient use of human and physical resources; and second, improve the efficiency of governmental systems through administrative development. The MoP will be the lead ministry in developing e-governance, providing all requirements needed for its creation and expanding its use throughout Iraq. In addition, the ministry will continue its role in monitoring and evaluating all projects implemented in both the public and private sectors in Iraq and coordinating donor assistance to Iraq.

The MoP in Baghdad will have the following directorates: General Inspector Office; Economic and Financial Policies Office; Humanitarian Development Office; Local and Provincial Development Office; Sector Planning Office; Government Investment Programs Office; International Cooperation Office; Legal Office; Finance and Administration Office; Government Contracts Office; and Internal Audit Office. The Central Organization for Statistics (COS) and COSQC will continue to be associated with the MoP. NCCMD and the Al Quds School will be merged into the National Center for Management Development and Information Technology under the new law and continue under the auspices of the MoP.

V. INSTITUTIONAL ASSESSMENT OF ADMINISTRATIVE AND TECHNICAL NEEDS OF MINISTRIES, EXECUTIVE OFFICES, AGENCIES, AND GOVERNORATES

Overview of Institutional Assessments

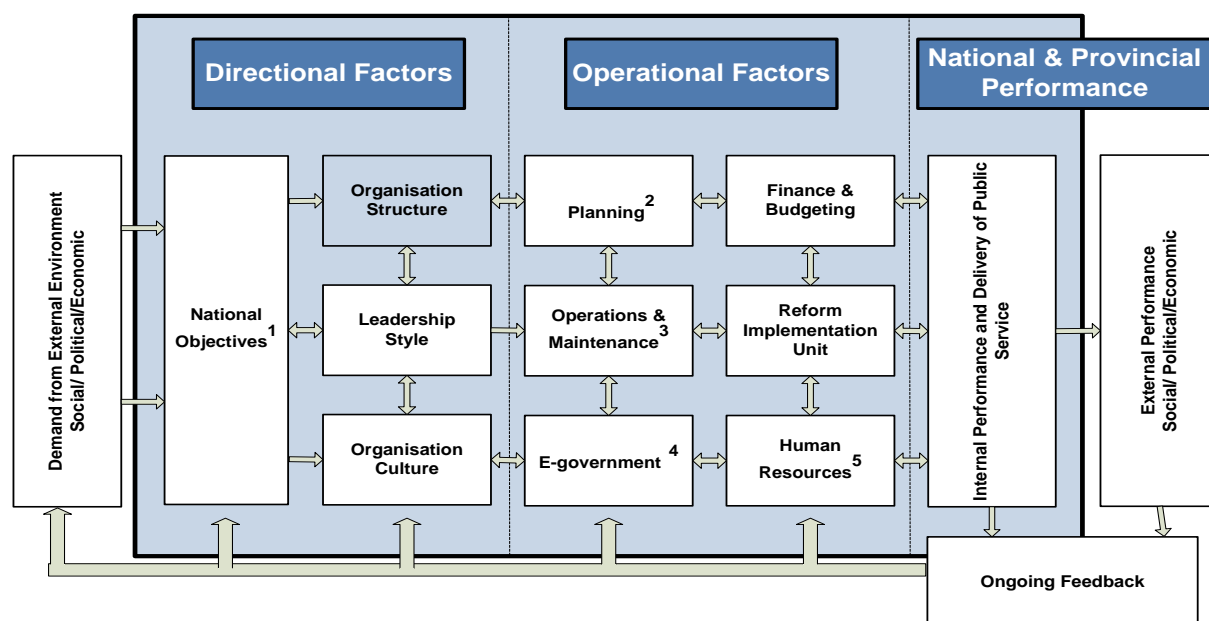
The institutional assessments provided in this chapter were developed based on a review of ministry and donor documents, interviews, and review of each institution's OSTP stage. GOI organizations were assessed according to the directional and operational factors illustrated in the figure on the following page; they were also assessed according to their national and provincial performance in delivering services to clients. Directional factors include objectives; organizational structure; leadership style; and organizational culture. Operational factors include: planning; finance and budgeting; operations and maintenance; human resources; e-government; and reform implementation unit. National and provincial performance includes the effectiveness of service delivery at the national and local levels. Derived from this assessment is a list of administrative and technical training needs.

This assessment took place over a period of just six weeks. Due to the short timeframe, the team was unable to conduct in-depth institutional assessments; in-depth information on institutional capacity can be obtained from USAID/Tatweer's internal evaluation, conducted over a period of several months. This evaluation surveys over 1,000 civil servants on progress in the directional, operational, and performance factors noted above. The assessment team did not have access to this evaluation.

The team's interviews and evaluation of work processes and donor reports for all ministries, executive offices, agencies, and governorates indicate that administrative capacity is still at a nascent stage and in need of capacity development. Job descriptions have yet to be written; employee evaluations are either not used at all or used in a perfunctory manner. HR departments are not functioning fully, if at all; most ministries lack a training budget and staff development plans. Training capacity is inadequate, as are functions for project design, feasibility studies, management, and monitoring and evaluation. Standard operating procedures are not used, processes are overly formalized and bureaucratic, service is slow, and operations and maintenance functions far from ideal. The assessment team lacked access to baseline information on these functions and therefore was unable to determine progress made or identify the stage of performance for each ministry and directorate.

Integrated Institutional Capacity Building Framework

Iraq Capacity Building – an integrated approach



The directional factors in the framework build a foundation for national and provincial government operations. They lead progressively to measurement of public service delivery, against which national and local government performance can be charted and politicians ultimately judged. Directional factors include: (1) developing a clear mission for the future of the ministry/agency; (2) setting objectives and, through strategic planning, translating goals into result-orientated goals and activity plans; (3) accelerating the move toward an organizational culture that embraces change and partnership with the private sector and civil society sector, in which politicians and administrators are public servants rather than controllers of service delivery; (4) developing leadership skills through short practical training and on-the job mentoring and coaching; and (5) restructuring national and sub national organizations in line with the enunciated strategic direction.

The operational factors comprise a flexible tool kit that can lead to improved and sustainable service delivery. The tools can be adapted to suit different circumstances and levels of development in any public service. These include: (1) planning; (2) finance and budgeting; (3) operations and maintenance; (4) human resources; (5) e-governance; and (6) reform of implementation or organizational learning units.

The performance of the institutional system results in the effective delivery of public services, which ultimately impacts a country's social, economic, and political performance. This external performance drives the entire institutional system, which must be flexible enough to respond to the demand for continuous reform.

Ministry Technical Training Needs

Since Iraq was isolated from global society for so many years and under strict international sanctions, ministries have functioned with out-of-date equipment and skills. Being suddenly thrust into the international world, ministries and executive offices have been forced to learn new skills quickly and adopt new technologies, which require expensive investments in human and capital resources. Donors have provided a great deal of support for technical capacity building and training, as

described in Chapter I on donor support for capacity building. Ministries continue to require technical assistance and training to raise the skill level of staff and ensure that performance meets international standards.

Technical training courses required and requested by several ministries include contracting, international business processes and negotiation skills, project management, procurement, training needs assessment and planning, health and safety concerns, modern work processes, and a broad range of ICT courses, from basic to advanced. Ministries all report a need for courses in e-governance, seen as the wave of the future; they also noted numerous staff requests for specialized software; a list of software needs can be obtained from the PERFORM office and is not included as part of this report. Likewise, highly technical training needs requiring skilled trainers from specialized institutions are not listed in this report, but can be obtained from the PERFORM office, as is a list of technical courses offered by training institutions abroad. It is notable that all ministries listed on-the-job training and mentoring as critical requirements.

OSTP as an Indicator of Institutional Capacity and Readiness for Change

Organization Self Assessment and Transformation Process (OSTP) is a tool to help ministries identify strengths and weaknesses within the organization and draft action solutions and plans for change to address weaknesses. It is implemented through teams in ministries trained to do their own needs analyses and provide solutions from the ministry/department participants themselves. With criteria based on best practices for government organizations, OSTP promotes the use of basic tools to implement interventions, namely a *vision* for the intervention; *leadership buy-in*; a precise *communication plan* for each critical phase in the operation, as well as the allocation of resources and use of an *action solution plan*.

With support from Tatweer, OSTP-partner organizations assess their own organizations in the following five criteria: leadership, people, knowledge, processes, and finance. Any government organization must strive to employ best practices in these core functional areas to excel as a public sector service provider and embrace an organizational culture of excellence. Each criterion is supported by subcriteria and factors, with the purpose of each spelled out in the OSTP manual.

OSTP criteria are based on international best practices for government organizations. These standards stem from the initiatives of numerous governments to embrace the notions of citizen-centered, results-focused, transparent government, including adoption of the appropriate private

OSTP: A Tool for Organizational Transformation

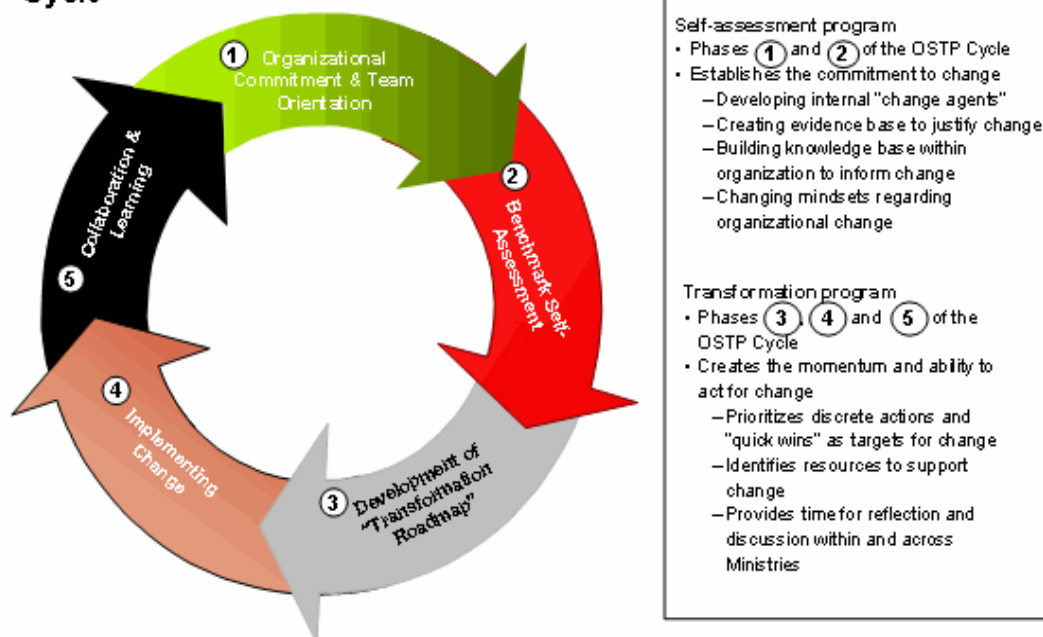
An Indicator of OSTP serves as a good indicator of institutional capacity, given that it measures the progress an organization has made in identifying and solving key operational factors critical for institutional development; it also measures the readiness for change in terms of commitment to and conceptual understanding of capacity building.

OSTP is a cost-effective organizational performance management tool allowing government employees to strengthen their organizations on an ongoing basis. Initially, through training and guided self-assessment, it supports organizations in understanding and embracing international best practices in government. Informed by self-assessment results, OSTP guides multiple employee-led teams through reforms that improve short- and long-term organizational performance, transform organizations into model government agencies, and set the standard for government performance.

Phases I and II of the OSTP self-assessment component are intended to set the stage for reform by providing measurable indicators for government performance in core functional areas and transferring a basic understanding of best practices in these areas to the implementing organizations.

sector practices to achieve highly effective governance. The Tatweer team continuously updates and revises the criteria as international best practices change and new lessons are learned. The revision process also incorporates lessons from implementing best practice standards within the Iraqi environment. In Iraq, OSTP is in varying phases in 14 ministries, including the President's Council. It provides the tools for teams within a ministry/department to conduct its own self assessments and produce a benchmark report; the teams are then able to identify solutions from within. The process conforms to the principles of total quality management (TQM), in which teams are formed to address problems. Assessments are conducted with all three levels of staff within a ministry or other institution – lower, middle, and upper – resulting in a participatory approach in line with TQM principles. The program is broken down into different phases; before a new phase can commence, leadership buy in must be obtained. Tatweer OSTP support begins with workshops to identify where the team can arrange external expertise when needed. Concise monitoring and evaluation is employed to track the OSTP process, with successes communicated across the organization; failures are identified early on, with changes made accordingly. All lessons are captured for use in future solution implementation, supporting the idea of creating a learning organization.

Organizational Self-assessment and Transformation Program (OSTP) Cycle



The current status of the OSTP process is illustrated in the chart on organizational self assessment. As shown, OSTP has become institutionalized as part of the culture in the ministries of agriculture, oil, and water resources, indicating that these ministries are particularly motivated and open to change, having taken responsibility for leading their own internal change process. The overall institutional capabilities of national and provincial partners are slowly improving. National partners vary significantly in institutional capability. At the same time, all are in the early stages of post-Saddam capacity building and much remains to be done. This is partly due to the fact that international donors have made efforts to help, but these efforts have not been well coordinated.

Institutional Assessments

Executive Offices

Parliament and the Council of Representatives

The Council of Representative (CoR) debates and enacts laws. CoR is still in its formative stages and is being assisted in capacity development by USAID. Emphasis is being placed on identifying members with political will and amplifying their understanding.

Council of Representatives Technical Training Needs

The COR currently receives training through USAID's Legislative Strengthening Project. The council needs continued training in promoting parliamentary performance and implementing the various models of federalism.

Ministry/Organization		Phase
1	MoA (Baghdad Agricultural Directorate)	Phase 4 (Implementation)
	MoA (Animal Resources Company)	Phase 3 (Transformation)
	MoA Kirkuk Agricultural Directorate)	Phase 2 (Self-Assessment)
	MoA (Mesopotamia Seed State Company)	Phase 3 (Transformation)
	MoA (Veterinary Services State Company)	Phase 2 (Self-Assessment)
	MoA (Supply Company)	Phase 2 (Self-Assessment)
2	MoO (NOC-Planning Division)	Phase 4 (Implementation)
	MoO (NOC-Finance Division)	Phase 4 (Implementation)
	MoO (Whole Company)	Phase 4 (Implementation)
	MoO (NRC-Beji-Technical Division)	Phase 4 (Implementation)
	MoO (NRC-Beji-Whole Company)	Phase 4 (Implementation)
	MoO (OPDC-Supply Division)	Phase 3 (Transformation)
	MoO (OPDC-Whole Company)	Phase 2 (Self-Assessment)
	MoO (Headquarters)	Phase I (Team Orientation)
	MoO (SOC)	Phase I (Team Orientation)
3	MoWR (Commercial Affairs Directorate)	Phase 4 (Implementation)
	MoWR (Engineering Designs Directorate)	Phase 4 (Implementation)
	MoWR (Groundwater Directorate)	Phase 4 (Implementation)
	MoWR (Provinces)	Phase I (Team Orientation)

4	MoH (Training Center)	Phase 3 (Transformation)
	MoH (Legal & Admin Directorate)	Phase 3 (Transformation)
	MoH (Mayssan)	Phase I (Team Orientation)
5	MMPW (Sewerage Directorate)	Phase 3 (Transformation)
	MMPW (Provinces)	Phase I (Team Orientation)
6	MoHR (Whole Ministry)	Phase 3 (Transformation)
7	MoP (NCCMD)	Phase 3 (Transformation)
	MoP (Al-Quds School)	Phase 3 (Transformation)
	MoP (Diwan/HQ)	Phase 3 (Transformation)
	MoP (COSQC)	Phase 2 (Self-Assessment)
	MoP (COSIT)	Phase I (Team Orientation)
	MoP (Provinces)	Phase I (Team Orientation)
8	COMSEC	Phase 2 (Self-Assessment)
9	MoE (Central)	Phase 3 (Transformation)
	MoE (Provinces)	Phase I (Team Orientation)
10	MoDM (Whole Ministry)	Phase 3 (Transformation)
11	Presidency Council (VPO)	Phase I (Team Orientation)
12	Presidency Council (Diwan)	Phase I (Team Orientation)
13	Prime Minister Office (PMO)	Not Involved
14	DPMO(Services)	Not Involved

Prime Minister's Office

The Prime Minister's Office (PMO) provides executive leadership for the GOI and is key to government modernization. It is the GOI's highest executive office, to which all other GOI executive offices, ministries, and public agencies report. The prime minister chairs the Council of Ministers, nominates its ministerial members, and serves as commander-in-chief of Iraq's armed forces. Among its many roles, the PMO is responsible for proposing bills to the Council of Representatives; preparing draft national budgets and socio-economic development plans; overseeing high-level agencies; and establishing permanent and ad hoc technical and investigatory committees. A new institution, the PMO lacks sufficient personnel, financial, and management capacity to carry out its many functions. There are particular concerns regarding PMO institutional capabilities in external and internal communications and coordination, with gaps resulting in delayed and incomplete service delivery. In 2009 USAID/Tatweer worked closely with the PMO's Administrative Development Unit (ADU) to assist it in coordinating and implementing the PMO's Capacity Development Program. USAID/Tatweer emphasized development of communications systems for improving coordination

within the GOI and enhancing communications with external stakeholders, with a focus on change management and adoption of internationally recognized best practices.

Presidency Council

According to the new Iraqi Constitution, national executive authority rests with the Council of Ministries (COMSEC) and the Presidency Council (PC). The PC is made up of several offices, including the President's Office (PO); Vice President Office (VPO); and the Presidency Diwan (PD). The PC has the constitutional responsibility to review legislation passed by the Council of Representatives and accept or veto it. The PC sees itself as a body that monitors GOI's performance and reaches out to citizens. Like many other GOI institutions, the PC is a newly formed administrative body and lacks the specialized systems and skills found in more established organizations; it is the most recent institution to be included in USAID/Tatweer's portfolio. USAID/Tatweer is building on the approved Capacity Development Plan, in which the VPO/T-H and the Diwan are fully engaged. The focal activities of the 2009 work plan were human resource-related tasks. Additionally, USAID/Tatweer is looking to engage with PC on approaches to public policy development and formulation processes within the public administration framework. It will provide the PC with the basic IT infrastructure it needs to efficiently manage operations by building a computer laboratory.

Council of Ministers and Secretariat

The Council of Ministers (COM) brings together the ministers as a collective body to provide decision-making support to PMO. COM has its own staff, the CoM Secretariat, which is a critical element in keeping GOI on the same page going forward. For example, it must address key interdependencies, such as the need for a regular supply of electricity to power water pumps at the local level, thus linking the Ministry of Electricity with the Ministry of Municipalities and Public Works. A major catalyst for change at this level has been the Department for International Development (DFID)-sponsored Center of Government.

The Council of Ministers Secretariat (COMSEC) is the official administrative organ of GOI Executive Offices (Prime Minister's and Deputy Prime Ministers' Offices). It acts as the official link and channel of communication between these Offices and all GOI ministries and public agencies. Its mandate is to support the day-to-day administration of the Executive Offices in the discharge of their constitutional duties and public administration functions. COMSEC also plays a central role in matters of budget allocations and expenditures, staff recruitment and human resource administration, procurement of goods and services, personnel training and information technology support for the Executive Offices. USAID/Tatweer will continue to build capacity and improve systems in key public administrative functional areas for COMSEC. The program will focus activities in the areas of strategic planning, human resource management, information technology and communications. USAID/Tatweer will assist COMSEC in establishing strategic planning and implementation capacity within the secretariat by identifying strategists within it, forming strategic planning units and developing a strategic plan. As a part of improving IT systems, USAID/Tatweer will assist the secretariat in procuring, developing, and instituting e-learning applications to be established in the training and development units.

Assessment team interviews with COMSEC revealed that they were disappointed that USAID did not work with them to collaboratively develop a strategic plan. The DG of the Administrative Office stated that they have drafted a short-term plan themselves as an interim measure. He stated that donors need to work with them to develop a needs assessment and plan for modernization and suggested that USAID work with them as their major counterpart to coordinate their future project. COMSEC stressed the importance of e-government and requested that the USAID project include an e-government component. He stated that top leadership need to issue an e-government policy and order and that e-government should proceed in steps, beginning with laws and regulations. He noted that there have been significant ICT failures in the past that should be addressed, such as the

failure of DocUShare at the Embassy, USACE equipment that was never used, and Italian equipment that never worked.

The DG of the Training and Development Department stated that Tatweer should target future training to higher level decision makers in courses designed specifically for them. Apparently there is an ongoing dispute between Tatweer and high-level COMSEC decision makers regarding the appropriate approach to training and development.

Service Delivery

COMSEC plays an important role in building relations with provinces. For example, it promotes integration/coordination of services, in cooperation with DPMO-Services, and using both DGs and provincial governments as points of contact. COMSEC finds that provincial levels lack vision of what they want for ICB or how to enhance their mandates. DPMO-S has not yet addressed ICB for provinces, regarding monitoring/supervising the quality of services delivered. At the same time, LGP3 does not have a direct impact on services, so there is a services gap between GOI and U.S. government. Needs for improving service delivery in the provinces include: e-government implementation to activate communications; more consultation with Iraqis from program design forward; and a larger ICB component in training. Improvements need to be made in local government structures; without such reforms, services will face unnecessary delays and obstacles.

COMSEC Technical Training Needs

COMSEC is focused on e-governance and on how to use the latest ICT to lead government and needs training courses in this area. In particular, it requested more skills in management information systems, in application of ICT to project and program management and teamwork, and in facilitation of Iraq's development through ICT. Officials also said they need training in crisis preparation and conflict resolution and negotiation skills.

Commission on Integrity

The commission stated that its technical training needs include negotiation and contracting skills; development and rehabilitation of high-level leaders; legal translation; the role of control systems in fighting administrative corruption; standards of integrity and transparency in administrative work; and investigative techniques in financial and administrative corruption.

The Deputy Prime Minister's Office for Services

With Iraqi national reconciliation taking firm root and the emergence of the regulatory framework for decentralizing power to the provinces, the Deputy Prime Minister's Office for Services (DPMO-S) is experiencing a significant revival of its authority and, consequently, expansion of its mandate to cover all aspects of service delivery at the provincial level. Through its inter- and trans-governmental authority, the DPMO-S is critical to improving services in the provinces and building local capacity.

The office is the executive agency responsible for establishment of functioning service delivery units in the provinces and for coordination. The 2009 three Provincial Capacity Development/Roll-out Conferences, led and co-sponsored by the DPMO-S and guided by USAID/Tatweer, was the largest gatherings of Iraqi provincial officials and GOI decision makers with the aim of establishing service delivery units across Iraq.

USAID/Tatweer will assist the DPMO-S in establishing a structure conducive to the DPMO-S expansion and in improving its operational effectiveness through the development of staff skills in core systems – fiscal management, IT, project management, and leadership and communication. With Tatweer's assistance, DPMO-S completed an Updated Capacity Development Plan and established an Essential Services Committee for coordination of basic services delivery in provinces, with the aim of establishing service delivery units. Following the conference, a decision was made to improve basic service delivery and capacity building in Iraq's Central Region provinces of Anbar, Babil, Diyala, Karbala, Najaf, and Wasit. An interministerial committee to implement the conference recommendations was also established.

The DPMO-S has a small staff with major responsibilities, hence its capacity is limited. Its authority is also limited because it depends on COMSEC for training courses, IT services, and other support services. To effectively coordinate and guide the decentralization of services, this office needs to be enlarged and a significant amount of technical assistance provided to staff members. However, due to the confidentiality of their tasks, on-the-job training is not an option. DPMO-S lacks provincial offices, which makes it difficult to effectively communicate with provincial officials responsible for service delivery.

DPMO-S was not complimentary regarding Tatweer general administrative courses. Staff stated that the course material was too general, repetitive, and simplistic and not targeted to their specific management needs; trainers were not qualified and should be drawn from universities with good Arabic language skills; expatriate trainers were not respectful of Iraqi opinions; Iraqi TOTs were not adequately trained; and the overall training provided was inferior compared to other training providers such as America Peace Center.

Technical Training Needs of DPMO-S

DPMO-S technical training needs include (1) a course on civil service law; (2) negotiation, protocol, and etiquette for dealing with foreigners; (3) comparative models for decentralization of services in other countries; (4) public-private partnerships for service delivery; (5) e-government for decentralized service delivery; (6) countries designs and use of Citizen Charters to ensure that service delivery satisfies user needs.

Ministries

Overview of Findings

In general, ministries remain self-contained, despite their functional interdependence and consequent need for cooperation and coordination. Currently there is very little horizontal communication across ministries. Instead, former inclinations toward empire-building, secretiveness, and hoarding of information continue, all as means to “keep people in their place.” This tendency toward non-collaboration is reinforced by parties and ethno/religious factions, which though declining, remain significant. A key factor is the retention of a “boss” mentality by the citizenry (deference without consultation), which is only reinforced by delayed local (district/subdistrict) elections.

Although ministries do vary significantly in the quality of senior leadership, there remains a dysfunctional conflict between that leadership and middle echelons representing the younger generation. The need remains for a substantial simplification and rationalization of governance structures at all levels to accompany decentralization and privatization. A major disconnect is between finance and planning controls for national and provincial levels. Further changes should be primarily demand-led, by both citizens via emerging civil society, and by markets.

Ministry of Planning

The Ministry of Planning (MoP) is responsible for developing and implementing the five-year National Development Plan (NDP). It is also the first link with the provinces in advancing PDS/PDP from the provinces to the national level. This requires MoP capacity to analyze feasibility of the numerous proposed projects. The MoP was recently restructured as detailed in Chapter 4 of this report. The planning capacity of MoP has been significantly strengthened and it successfully completed the first Five-Year National Development Plan, which has become the defining economic development strategy for Iraq. The MoP has decentralized planning to the provinces; in 2008 the provinces contributed their first provincial development plans to the national plan. The planning process still needs to be decentralized further, down to the community level, to be adequately participatory; the MoP will need assistance to accomplish this.

In 2008 the MoP established Provincial Planning Units (PPUs). PPU remain in the nascent stage of development and have a very limited ability to work with the local ministries and governorates on capital investment planning, or on monitoring and evaluation of capital investment and donor projects in the provinces. They also lack the means with which to communicate with the central office of the MoP.

While MoP has extensive ICT equipment, the ability of staff to maintain, update, and apply the equipment, software, and applications is still elementary. The seven-component Government Assistance DataBase (GAD) will develop an e-governance foundation for planning, implementing, and evaluating both Iraqi capital investment and donor projects. However, the MoP will continue to require technical assistance to operate, maintain, and update this database. They have not successfully maintained the Donor Assistance Database (DAD) developed by UNDP. MoP capacity to review the feasibility of project proposals from both ministries and donors has improved but is not yet adequately sophisticated. Its capacity to monitor and evaluate capital investment projects, private sector projects, and donor projects is at an elementary level and needs strengthening. It lacks an automated monitoring system and has a great deal of difficulty ensuring the cooperation of ministries and donors to obtain needed project data. In the new MoP law, all monitoring and evaluation functions are being centralized in one office, called the Sector Office.

The National Center for Consultancy and Management Development (NCCMD) is a GOI institution that provides training and consulting in public administration to civil servants in Iraq. The number of civil servants in Iraq tripled during the past few years, making the work of NCCMD even more critical. NCCMD aims to improve the efficiency and productivity of the GOI by upgrading the skills and knowledge of civil servants. NCCMD is USAID/Tatweer's partner in carrying out training and consultancy programs in Iraq. USAID/Tatweer engaged with NCCMD to reevaluate the mission and organizational structure of the institution to better meet the challenges faced by NCCMD – e.g., large numbers of civil servants, resource allocation, and the new Civil Service Commission law calling for a new training institute. Assistance will also be provided to improve and increase the skills of certified trainers and resolve licensing issues. USAID/Tatweer provided training and mentoring on ISO 9001:2008 helping NCCMD to become a certified center with certified lead auditors on staff.

Al Quds School for Computer and Information Technology is the main national institution in Iraq providing advanced IT training and consultation to the GOI. Al Quds is forming a new mission and the current thinking is to become a national center for IT accreditation, licensing, and training the trainers. The new mission needs to be strategized and officially approved by the Minister of Planning. USAID/Tatweer will continue to work with Al Quds on two fronts: first, to enhance the IT skills and systems of the center and, second, to help Al Quds institutionalize as it moves forward defining and developing a modern vision. In particular, USAID/Tatweer will assist Al Quds in becoming a certified training center in ICDL, Cisco, Oracle, Microsoft, CIW, and CompTIA; support Al Quds in making its Web site public and provide the necessary training and mentoring, ensuring the Al Quds IT staff can maintain, modify, and update the site; and provide training and consulting for Al Quds to become ISO 9001:2008 certified. In addition to the technical IT assistance, USAID/Tatweer will train and mentor Al Quds staff in strategic planning, government communications, SOP development, and other core areas such as HR, budget, and procurement.

Al Quds expressed discontent with its relationship with Tatweer during interviews. Tatweer has not helped it construct a training plan or provide training services to the GOI. Al Quds staff criticized the training provided by Tatweer as too elementary and the trainers as unqualified. They said they requested Tatweer's help to provide ICDL training but Tatweer did not respond. They also noted that they would like to develop the capacity to provide for-fee training to small private companies.

NCCMD and Al Quds are to be merged under the provisions of the new MoP law. They have established satellite centers in Basrah and Mosul and are providing many of their training courses in these locations.

Ministry of Planning Technical Training Needs

The new MoP Law still envisions that the MoP will play a critical role in coordinating the national development planning process, cooperating with international donors and other organizations, monitoring capital budget, private sector, and donor projects, and leading Iraq in implementation of its e-governance strategy. The ministry has begun to shift from a command and control model to a coordination model and has established provincial planning units to coordinate these functions at the provincial level. The ministry still lacks all the required technical skills to fulfill its mandated function. The minister's advisor stated that a major, critical need is for training to develop expertise in feasibility studies to assess provincial projects. He also stated that USAID should organize another long term degree program for 20 to 25 staff annually over a period of 10 years. The goal of such training would be to have trainees learn English, develop a new mentality, and internalize international standards. Tatweer's IT training has been the most successful, according to the advisor; other Tatweer-backed training has duplicated training supported by other donors and has been less successful. He noted that the MoP needs more specialized courses to use and apply the ICT programs and applications that Tatweer has developed and additional on-the-job training for using Outlook. (MoP staff still use Yahoo for email, as they do not understand how to use Microsoft Outlook.)

The MoP requires technical training in the following areas: (1) market economics and the required partnership between the government and private business in developing countries; (2) skills in monitoring NGOs; (3) how to create an electronic library and contemporary techniques in book classification; (4) the basics of social protection; (5) decentralization and its impact on local communities; (6) methodology of estimating and measuring national accounts indicators; (7) e-governance and the principles and practices of the knowledge society, including the development of a single knowledge portal for Iraqi citizens; (8) feasibility studies, monitoring, and evaluation of projects in all key sectors, including infrastructure, capacity building, health, agriculture, private small businesses, banking, etc; (9) public-private partnerships for service delivery (10) international legal instruments; and (11) international contracting. The MoP also needs on-the-job training in conducting feasibility studies of projects, including donor projects, monitoring and evaluation, and e-governance.

COSQC: COSQC needs on-the-job training and courses in major functions of quality control and standards. Metrology is a major need, as is laboratory accreditation, patenting, analysis and evaluation of calibration results as well as uncertainty and confidence in measurement and calibration, calibration system accreditation; and techniques for testing metals and gems. COSQC also requires advanced IT and ISO courses and courses on e-governance.

COSIT: COSIT requires courses in the modern techniques used in agricultural statistics, census, and surveys; modern techniques in forest statistics; and more courses on conducting population and economic national surveys.

NCCMD/AI Quds: NCCMD/AI Quds requires advanced IT training-of-trainers and training-of-trainers in more contemporary management and technical issues. AI Quds was unhappy with the training received from Tatweer in terms of helping it develop a training plan for GOI employees. AI Quds staff would like training in this area in addition to training to help apply and use the ICT equipment and programs which Tatweer supplied. They also want assistance to develop an ICDL training course.

Ministry of Municipalities and Public Works

The Ministry of Municipalities and Public Works (MMPW) is responsible for ensuring municipal services within the provinces, including the provision of public works (e.g., water and sewer). Fourteen general and specialized directorates were interviewed in the provinces, covering general government, urban planning, IT, and water and sewage. Issues addressed included: needs for more training aimed at capacity building for delivery of municipal services to citizens, supported by planning design equipment; need for better arrangements with donors to avoid waste of funds;

strengthening the directorate role in the provincial planning process; need for equipment to support specific services like trash removal; improved coordination with specialized authorities (e.g., investment); better coordination by Ministry of Housing regarding housing units and plots; increased priority for urban planning projects; creation of planning councils at governorate level to promote plan execution; fiber optic connections among departments; decentralizing of the Ministry of Municipalities; contracting with better established and experienced companies; salary harmonization for better morale; continuing support for GIS installation; master database for employment history as basis for promotions; database on companies to avoid repeat mistakes; and the formation of neighborhood councils to improve citizen communications.

The GOI recently decided to decentralize the Ministry of Municipalities and Public Works although it has not yet implemented this plan. There is still some resistance to the plan and confusion regarding relations with certain donor projects with project implementation offices within the central ministry and that maintain responsibilities for activities all over Iraq – for example, the World Bank.

Ministry of Municipalities and Public Works Technical Training Needs

The MoMPW needs assistance in developing technical skills in all facets of operations and maintenance (O&M) for its staff at the provincial and municipal levels, as this ministry's functions are being decentralized to the local level. This will require that each locality with a management function provide O&M training to staff on the ministry's service delivery functions. In addition, staff require advanced training in the following areas: (1) economic study and administration of sewage plants; (2) latest technology for testing water quality; (3) engineering contract insurance; (3) policies and strategies for developing new towns and industrial complexes; (4) conservation of historical areas; (5) urban transportation and the development of human settlements; (6) rehabilitation of city centers; (7) development and management of rural settlements; (8) planning for tourist towns and complexes; (9) ICT applications for city, water, and sewage management; (10) urban planning and management; (11) role of media to show the importance of urban planning; and (12) GIS.

Ministry of Electricity

The Ministry of Electricity (MoE) focus for capacity-building efforts is to get Iraqi infrastructure up and running, as electricity powers a number of key activities, such as water pumps. A major security problem has been insurgent interruption of electric supply. Six interviews covering regional directorates revealed numerous issues. For one, time management is an on-going problem. There is a continuing need for innovative forms of electric generation, such as urban solar energy. At the same time, large-scale projects must be developed to meet need. About 90 percent of plans are being implemented, in part through the use of NGO support; speed of performance facilitates work completion, including coverage of remote areas, but urban areas need special help.

More specialized training and follow up is needed, especially in technical/engineering, human resources and computers. Upper leadership opposes changes sought by training, so regular meetings with donors and a Web site would help. International organizations need to do better at consulting Iraqis in all phases of assistance. Donors press too hard for project completion, yet are also supportive of time-saving measures. Project contracts should be finalized without delay. The open financial system is conducive to corruption. Specialized staffs are needed to deal with citizen problems. The Ministry of Electricity Directorate in Babylon stated that the regions have inadequate information and financial resources from the center to plan effectively. Quotas hinder good planning.

Ministry of Electricity Technical Training Needs

The Ministry of Electricity reported on the following priority technical training needs:

(1) Preparation of training needs assessments and programs for new technical and engineering personnel and follow-up on programs to determine the results in improving capacity. Periodic review of programs and constant update to cope with emerging issues is a must as well as close coordination with donors to understand the latest technical developments, which can feed into the ministry's training needs assessment.

- (2) Lectures and training courses for staff on simulation programs in power generation, transfer and distribution processes, and dealing with emergencies in power systems.
- (3) Standard operating procedures based on the latest model for electricity company.
- (4) Health and safety for personnel by providing brochures, tags, and samples for work requirements and rules and safety measurements adopted in developed countries, with follow up on implementing them by participants.
- (5) Ethics and dealings with citizens.
- (6) Media and its use in rationalizing consumption of electricity by citizens.
- (7) Generator maintenance.
- (8) Electrical distribution.
- (9) Calculation of distributed electrical energy.

The MoE also has highly technical training needs; a list of these needs can be obtained from the PERFORM office.

Ministry of Oil

Along with the Ministry of Electricity, the Ministry of Oil (MoO) has been a key focus of capacity-building efforts to get Iraqi infrastructure up and running, especially since oil exports are a major source of GOI revenues. Capacity to provide adequate internal supplies of oil products such as kerosene has been a focus. The head of the Information Division, Training and Development Office, was interviewed. Training strengths include curricula, trainers, equipment, and applications. But training is too generic, and there is a lack of follow-up from either side. Training courses need to target higher-level employees, and syllabi should be sent in advance to facilitate appropriate nominations. Needs include training on civil service regulations and practical applications through on-the-job training.

Ministry of Oil Technical Training Needs

The Director of the MoO Contracts Office stated that priority training involves international business practices, contract negotiation, and the legal aspects of contracting. With so many multinational oil companies interested in investing in Iraq, the ministry needs to understand negotiation and contracting procedures. USAID/Tatweer has already recognized this need and has begun to address it, but the course needs to be expanded and prioritized. The director of the Oil Distribution Company in Duhok reported much same thing, saying that in addition to better understanding contract negotiation, oil companies need to understand how to read contracts in English; in addition, Iraqi contracting lawyers need to better understand how to translate contracts into Arabic. This is a priority need, given that his company has on occasion been forced to cancel contract negotiations because the prospective partner could not understand the contracts. MoO also stated that courses in finance and accounting for oil companies are a priority as well as oil field economics.

The MoO told assessment team members that the ministry needs more training in project management, feasibility studies, human resource management, and economic analysis, cost estimation, environmental impact assessment, and procurement. In addition, the ministry wants training on methods and international codes and standards of equipment inspection. Health and safety training is also important. Training in environment is also listed as important, including environmental management, environmental pollution control, environmental technology in refineries, and environmental and sanitary engineering courses for newly hired civil engineers. Highly technical down- and up-stream technical training courses were also listed but not included here. PERFORM has a list of such training requests, and can provide it to USAID if requested. Much of this highly

technical training will likely be provided by donors in infrastructure as well as private oil companies investing in Iraq.

Ministry of Agriculture

From 2003 to 2006, USAID's Agricultural Reconstruction and Development Program (ARD) restored veterinary clinics, introduced improved cereal grain varieties, repaired agricultural equipment, and trained farmers and ministry staff. DoA capacity is crucial to the support of Iraq's large domestic agricultural activities. It has confronted the necessity of transformation from a socialist, government-supported model of agriculture, a transformation that is still ongoing. Part of this transformation has been local agricultural association creation and capacity building to strengthen the base for self-organizing agricultural activity.

The U.S. government has been a major supporter of funding for this transformation. The Ministry of Agriculture (MoA) is the largest employer and represents the second largest contributor to Iraq's revenue. The development of the ministry's administration has been largely neglected for more than three decades. As a result, several areas of public management, including the ministry's capability to plan, manage human resources, budget, and manage information are areas that need to be addressed. USAID/Tatweer has helped the MoA establish permanent units covering key administrative functions; even so, these units are new and are still developing a niche within the ministry. In 2009, USAID/Tatweer continued to provide guidance to the newly formed units on implementing improved HR systems, procurement processes, strategic planning, and budget management. As a critical part of USAID/Tatweer's Provincial Roll-Out and decentralization efforts, the program will extend GIS and project management assistance to provincial MoA directorates. Following on the success of USAID/Tatweer's OSTP program, USAID/Tatweer will assist the MoA in launching self-assessment plans and developing transformation action plans in three provinces. MoA will be a pilot for the Civil Service Commission's reform efforts.

In relation to OSTP's measure of ICB, the departments are currently at the following stages:

- Baghdad Agricultural Directorate has reached Phase 4 (Implementation).
- Animal Resources Company has reached Phase 3 (Transformation).
- Kirkuk Agricultural Directorate has reached Phase 2 (Self-Assessment).
- Mesopotamia Seed State Company has reached Phase 3 (Transformation).
- Veterinary Services State Company has reached Phase 2 (Self-Assessment).
- Supply Company has reached Phase 2 (Self-Assessment).

Ministry of Agriculture Technical Training Needs

The Ministry of Agriculture has received a great deal of technical training but still sees continued technical training as an important need. It listed the following needs: (1) breeding and production of sheep, goats, cows, buffalo, and sheep; (2) seed health testing; (3) application of DNA markers in plant crops, especially cereals; (4) management of hatcheries; (5) rice breeding; (6) cultivation and harvesting of rice; (6) proper use and maintenance of a variety of agriculture equipment; (7) use of breeding methods in crop improvement; (8) role of management in oil crop production; (9) management of irrigation to meet farming and civilian needs; (10) new techniques in land reclamation; (11) international private sector agro-business practices and contracting.

Ministry of Health

The Ministry of Health (MoH) has been undergoing a gradual modernization process, with some U.S. government assistance in providing new facilities, equipment, preventive services, and training throughout Iraq. This modernization process will be ongoing. A reliable service-oriented public

health system is critical to the economic, social, and political development of any country. The MoH must be at the forefront of addressing public health to nurture and invest in the country's greatest resource – the Iraqi people. Improving administrative systems and planning and budgeting processes is an essential component of creating a well-functioning public health system. USAID/Tatweer will build on its accomplishments in capacity building, strategic planning, budgeting, project management, and organizational development at MoH. By concentrating on using newly acquired skills and improved IT infrastructure. The effort's thrust will be linked to oversight of the Provincial Roll-Out, a micro-focus on the performance of individual units, and attention to the closely related theme of health economics. USAID/Tatweer will enhance MoH's data collection systems with the aim of improving data use and evidence-based decision making. In terms of OSTP's ICB measure, the goals are as follows: (1) Training Center reaches phase 3 (Transformation); (2) Legal and Administration Directorate reaches Phase 3 (Transformation); and (3) Mayssan Health Directorate reaches Phase 1 (Team Orientation).

Ministry of Health Technical Training Needs

The MoH has received a vast amount of training from donors. Even so, it still has enormous technical training needs; a long list is available in the Perform, office. Major categories include (1) drug ordering, classifying, control, and distribution; (2) emergency nursing care; (3) ultra sound training; (4) diagnosis of a variety of diseases; (5) diagnosis with a variety of high technology screening equipment (MRI, CT, X-ray etc); (6) cathlab operations; (7) burn care; (8) school health; (9) health information system; (10) sport injury rehabilitation; (11) computerization of hospital management; (12) occupational therapy; (13) ICT applications to health care and patient management; (14) continuing medical education and certification for all medical subprofessions; (15) public health law and campaigns; (16) nursing specialties, and numerous other technical training.

Ministry of Water Resources

The Ministry of Water Resources (MoWR) is responsible for water management, including maintenance of the extensive systems of irrigation canals, dams, water pumping stations, and other related hydraulic structures. Given its strategic linkage to agricultural and economic development and the critical role it plays in the provinces, the MoWR is central to achieving sustainable development in Iraq. USAID/Tatweer will primarily work with the MoWR at the provincial level. The program will mentor ministry staff in feasibility studies, HR, and project management to develop the ministry's institutional capacity. USAID/Tatweer will focus on guiding the ministry through business process mapping, along with documentation of procedures (standard operating procedures). USAID/Tatweer will look to identify specific cases for mentoring of newly acquired skills for practical application. Organizational self-assessment and transformation program (OSTP) indicates the following: Commercial Affairs Directorate reached Phase-4 (Implementation); Engineering Designs Directorate reached Phase-4 (Implementation); Groundwater Directorate reached Phase-4 (Implementation).

Ministry of Water Resources Technical Training Needs

The Ministry of Water Resources seeks assistance in: (1) international contracting; (2) environmental engineering institutional development; (3) international water resources management; (4) privatization of water resources management; (5) application of GIS more effectively to water resource management; (6) human resources modeling; (7) dam construction and maintenance; (8) integrated management of shared water resources; (9) negotiation skills in shared water resources; (10) legal regulations regarding shared water resources; (11) the impact of climate change on water resources; (12) environmental impact assessment of dams and irrigation projects; (13) controlling water pollution; (14) land reclamation and soil management; (15) statistical modeling in land resources evaluation; and (16) soil evaluation and monitoring.

The ministry also provided the assessment team with an extensive list of training courses offered by water resources training institutes in the United States which are not included here but are available to USAID if requested.

Ministry of Education

A large ministry, the Ministry of Education (MoE) is responsible for overseeing educational institutions and has a strong provincial base for facility construction, teacher training, employment, and curriculum development. Recently MoE conducted a comparative assessment of provincial standard testing scores, resulting in the replacement of the worst-performing education DGs. Donor primary, secondary, and higher education assistance has helped Iraq move away from rote learning in decrepit unsanitary classrooms to interactive learning with new textbooks and supplies, with teachers who have received training and technical assistance, in rehabilitated buildings.

Donors and the Ministry of Education have worked to improve access to quality education. Through a series of model schools, new and innovative teaching methods have been established. Other identified constraints and assets are as follows: improving clarity and consensus on problems, with a strong interest in reform among educators and continuing U.S. military involvement in construction and refurbishment; motivated reformers lead in both parliament and PM, despite top-level suspicion and obstruction and a lack of unified national strategy or clear plan to map reform. Recommendations for an overall approach are as follows: making education a sectoral component in USAID strategy, supported by national consensus on reform; drafting a new MOU in close cooperation with the Parliamentary Education Committee and PM Office; USAID's enhancing education credentials by adding a well-qualified credible experienced Iraqi and building flexibility to respond to MoE's yet-unknown preferred direction while specifying precise needs. Recommendations include:

- Work with other development partners thought to be more neutral
- Prioritize capacity building vs construction/refurbishment/equipment
- Management and institutional development/teaching/curriculum/learning/equity
- If relations with MoE are normalized, help MoE carry out thorough institutional capacity analysis, focusing initial efforts on decentralized management improvement
- Specify roles and responsibilities of supervisors and principals
- Tap USAID comparative advantage with practical implementation of curriculum reforms; establish a reform oversight committee to engage stakeholders
- If focus on girls education, promote awareness of its value.

An interview found additional remaining problems. For example, pervasive corruption continues to have an impact, with unqualified relatives chosen as consultants. Another issue involves textbook selection battles, too often resolved by bribes. The result is important content omissions and nullification of the value of the National Curriculum Committee. The whole business of testing and related study questions is problematic, because teachers do their real teaching for exams on a private basis; students pass if they pay the teacher, or may otherwise fail due to poor grading practices. Incumbents fear replacement by upcoming new professors, so they may see using outside expertise as a threat. Yet this replenishment is a key to development and meeting international standards.

This system of corruption runs deep, and is therefore hard to change, so this question arises: What kind of donor or other outside influence can there be on this system? Apparently more laws in general will not help, as the ones now on the books are not being implemented. What about better strategies, better qualified ministry leaders, better targeted overseas training? There is a need to improve productivity of the relationship between the academic world and ministries by building joint capacity. Currently ministers fear embarrassment by good professors, who therefore go outside for consulting opportunities, leaving universities without their best teacher; outside trips are wasted on

the remainder. These needs do not depend so much on higher budgets as they do on using existing resources better.

Secondary Education

The PPL (Provincial Powers Law) implementation, with each province a government unto itself, means that increasingly ministry DGs now report to governors/PCs as well as the ministry. This has created a dual system of reporting/accountability, with some resulting conflict over control. For example, after unsatisfactory test results and ongoing conflict between the Ninewa Gov/PC and its education DG, the governor dismissed the DG. Although there is a national education strategy, it is not followed. MoHE itself has no strategic plans. This is complicated by the constant changing of textbooks. There may also be provincial strategies, which in all likelihood have been clones of the national strategy, as DGs fear the minister.

Ministry of Education Technical Training Needs

Although the Ministry of Education has received an enormous amount of technical training from donors, it continues to have a number of needs, including the following: (1) pre-service and in-service teacher training on (a) new teaching methods; (b) handling curricula in the correct way; (c) using new visual aids; (d) training on computers and specialized software related to curricula topics; (2) curricula development that does not include political opinions and conflicts through (a) the use of specialized foreign institutes and companies; (b) new curricula in scientific materials; (3) school management, including training principles and administrative staff on technical management, with a database including all educational information and school events; (3) information on the use of ICT to enhance pedagogy.

Ministry of Higher Education Technical Training Needs

The Ministry of Higher Education is seeking to raise the technical knowledge and level of the ministry and university professors to meet international standards. They state they need (1) scientific training, especially in genetics, environmental pollution detection, microbiological techniques, and so on (a list of needs may be obtained in the PERFORM office); (2) training in oil well drilling and management; (3) sophisticated medical diagnostic and treatment techniques, including surgical approaches; (4) contemporary agricultural production and breeding technologies; (5) dentistry techniques; (6) curriculum for sports education and medicine; (7) architecture and construction; (8) ICT pedagogical methods and tools including distance learning, online learning; and (9) a variety of highly sophisticated, technical areas too vast to list in this assessment report.

Ministry of Finance Technical Training Needs

The Ministry of Finance requires technical training in a number of areas relating to international standards in handling financial instruments and taxation. Some of these include: treasury bills and stock exchange; banking operations modernization; banking technology; money laundering; international banking operations; electronic debt management systems; debt analysis; financial planning and debt management reform; new customs inspection techniques; political loans and loans administration; computer-based tax accounting systems; tax system structure; project/sector audit types; and general debt standards, origins of external and internal debt, and reasons for debt growth in Iraq.

Technical training needs for the ministries of transportation, communications, interior, housing and construction, trade, industry and minerals, justice, youth and sports, labor and social affairs, women, culture, tourism, environment, science and technology, and foreign affairs are available from the PERFORM office.

Provinces, Governorates, and Services: The PPL (Provincial Powers Law) has inaugurated serious decentralization of Iraqi governance, and with it the beginnings of a federal system. Now the provinces, in varying degrees, are taking the initiative with self-reform, working closely with LGPIII. However they remain at the mercy of the GOI, particularly in regard to budget delays and lack of

revenue- generating authority. It remains to be seen whether provinces will take advantage of constitutional provisions for further regionalization along the lines of KRG, but there are signs they will do so in initiatives already under way, for example, in establishing a provincial counterpart to MoF, and generating provincial revenues such as customs fees. Additional background on provinces is provided in Volume 3, Annex 10.

Partnership Development

Significantly, USAID has added a contract amendment requiring provincial outreach by Tatweer, concentrating technical assistance on directorates of selected ministries (MoMPW, MoA, MoWR, MoH, MoElect), thereby strengthening cooperation across GOI levels, helping address the critical shortage of experienced personnel at the provincial level. Additionally, future implementation of the UNDP Program for Public Sector Modernization will focus on (1) promoting change management by putting modern practices in place (2) supporting common human resources administrative structures, and (3) promoting uniform application of the new civil service law to employees at all levels. However, this will take place in only three provinces and three sectors.

Governors and Provincial Councils

Governors, their offices, provincial councils (PCs), and their staff were unanimous in urging more laws and other support for decentralization, as well as increased governor/PC control over DGs and service delivery. Governors and PCs want stronger linkages with districts and subdistricts through law and e-government technology; they also want to see the new provincial development strategies/projects (PDSs/PDPs) strengthened and MoP/MoF become more supportive of the entire process. The bottom line is that provinces need greater powers to maintain and support decentralization.

International experts are needed to help guide and strengthen provincial planning in the Governor's Office, as ministries often fail to provide sufficient information on plans, projects, and budgets; they also fall short in terms of providing ICB help to support decentralization and involving provinces in discussions for preparing plans. Funding availability is delayed well into the fiscal year, making it difficult for provinces to spend appropriations, implement projects, and deliver services. GOI instructions are often unclear and conflicted, and ministries do not share project studies and designs. At the same time, there is inadequate local government strategic planning for service improvement.

Provincial human resource managers face conflicting laws and policies between GOI and provinces. It would help to develop provincial training centers for management development as well as information/research centers so provinces can conduct their own studies. For all this, provinces need international experts to work daily with provincial staff, who should gain specialized skills. At the same time, there is a need to activate the Public Service Workers Law to protect employees and a need to establish new training centers inside the councils.

Staff in the Al-Muthana Province Governor's Office underscored their need for a strategic plan, with e-government to facilitate the link between the provincial council, governor, universities, NGOs, and other partners to improve service delivery and support strategic planning. Another issue relates to delays in approval of financial allocations to the governorate, which has held up implementation of provincial reconstruction plans. Staff complained that the MoP fails to adequately include provinces in NDP preparation and central Baghdad ministries do not train provincial staff to carry out decentralization. Donor training plans are not coordinated and often lack an initial needs assessment coordinated with the targeted directorates. Furthermore, there is no support from the government to implement the ideas and skills acquired from training. The absence of a clear vision and targets has a negative impact on provincial planning and leads to problems with the central government. Technical training needs include training in e-governance, GIS, and statistics.

The Babylon Provincial Council indicated that the regional development plan was not fully operational due to a lack of financial allocations and absence of realistic planning. Council members

stated that human resource management is weak and requires significant assistance. Training courses have been too theoretical in the past, and there is now a need for follow-up mentoring. Job descriptions are a critical need for the council, which would also benefit from assistance to strengthen the planning department.

Ministry Representation at the Provincial Level

Key informants in KRG underscored the need to provide new employees with guidance and training through the establishment of a senior executive service, supported by a senior executive management institute. KRG wants to establish a new civil service modeled on U.S. Office of Personnel Management (OPM), with academics serving as government advisors.

The Ministry of Agriculture needs more advanced courses with expert assistance in specialized areas like contracts, statistical methods and feasibility studies.

In the MoMPW, there is a need to strengthen directorate role in planning process as part of decentralization and a need to place higher priority on urban planning at the GOI level. MoMPW contacts stressed the need to transfer ideas and technologies from other countries, improve communication channels with donors, and obtain specialized computers along with staff training to carry out design work in urban planning in areas like survey apparatus and map plotting; specialized GIS staff are also needed. Interviews with ministry staff highlighted the urgency of the need to pass reform investment laws to promote investment and support municipal improvements, as well as the need to form neighborhood councils to promote citizen communication with the department.

Those interviewed within the MWR highlighted the need to develop better agreements with donors regarding the selection of projects as a priority. The ministry also wants improved logistical and financial support.

In the area of human rights, high-priority areas including the launching of a public education campaign on rights, an enhanced focus on women's participation, and the need for new policies and strategies in a changing political and social environment. For minorities and immigrants, Iraq needs more funding and technical assistance from abroad for ICB, with enhanced communications among provinces. Progress in this area also requires cooperation among local governments, authorities, and donors to develop clearer definitions and improved methodologies, as well as support for a centralized database.

LGP and CAP Programs Supporting the Provinces

Along with Tatweer, LGP3 and CAP3 are major USAID partners. USAID has made an effort to increase linkages between the programs by giving CAP3 an enlarged role in local governance at the district/subdistrict level. This has implications for how USAID might proceed in the future, as it indicates a willingness to incorporate previous experience into existing programs; a next step is to create new programs to fill gaps. An example of an unfilled gap is USAID's requirement that CAP3 take out PPL training at the district/subdistrict level. As LGP3 cannot fill this gap, PRTs are thus in the position of trying to do so.

LGP3. LGP3 is delivered by a single Iraq-wide contractor, RTI, and builds on previous LGP experience by focusing on five key areas at the governorate level (i.e., Governor's office and Provincial Council): orientation, capital planning, systems development, organizational development, and association development. LGP3 delivers these services through an extensive network led by a few internationals and many nationals, known as locally employed staff (LES). Expats work with locals, who are responsible for actual delivery. A three-year program, LGP3 began work in January 2009 and continues through the end of 2011; it has been well managed in its first year. A major LGP3 initiative has been to work with the provinces on implementation of the PPL (Provincial Powers Law), including support for province-oriented negotiations and initiatives that may require

court action in such areas as the creation of parallel provincial finance ministries and generation of local revenues through new taxes. LGP3 has not yet worked at the district/subdistrict level, as it is waiting for local elections. While LGP3 has an interface with local service delivery through its organizational development work with DGs, a large gap remains in this area.

CAP3. CAP3 is delivered throughout Iraq by five contractors. It builds on previous CAP experience, working through local civil society-type organizations called Community Action Groups (CAGs). Like LGP3, CAP3 works with relatively few expats and many locals – for example, about 200 locals in one region alone. CAP3 organizes the CAGs via town meetings and seeks seven to nine members, representing district/subdistrict council members, community leaders, women, and youth. Unlike LGP3, CAP3 has substantial U.S. government funds for local projects such as wells, roads, and schools. These funds are matched by local in-kind shares, e.g., labor and facilities. In addition to CAGs, CAP3 operates the Marla program for widows' economic development. CAP3 takes its new responsibilities seriously in local government at the district/subdistrict and is providing trainings in various areas.

Cooperation between LGP 3, CAP 3, and Tatweer. Cooperation between LGP3 and CAP3 was clearly intended by USAID. It is being carried out at several levels: first, there are regular meetings in Baghdad to identify and address on-going issues; second, there are efforts to address province-specific opportunities, often facilitated by USAID, including cooperating through the exchange of training materials. Efforts to coordinate with Tatweer have been less successful. For example, in Ninewa Province the PRT attempted unsuccessfully to create joint programming between Tatweer and LGP3 for DG training in service delivery.

Civil Society, NGOs, and Think Tanks

Civil society was a missing in Iraq for many years, with no role for voluntary self-organizing associations under the prior regime. Citizens have only recently begun to get involved. Overall institutional capabilities of national and provincial partners are slowly improving. While capabilities of national partners vary, all are in the early stages of capacity building, with much work remaining. Donors have tried to help, but assistance has lacked coordination. Simplification and rationalization of governance structures is needed at all levels to accompany decentralization and privatization. A major issue is a continuing disconnect between national- and provincial-level financial and planning. Further changes should be demand-led, with citizens and free markets taking the lead.

NGOs. One important gap to be addressed is the nascent stage of nongovernmental organization (NGO) development in Iraq. A 2006 study by the Rand Corporation, "Securing Health," described the NGO sector as "highly fragmented." The report noted that there are many NGOs operating in Iraq, with a number playing important roles in health, shelter, food distribution, water/sanitation, and other areas critical to public service delivery; for example, 80 NGOS were involved in 317 projects, according to the UN Humanitarian Information Center. But, as the report noted, coordination among so many players has been a "major challenge." To address the issue, the Joint NGO Emergency Preparedness Initiative was set up to serve as a clearinghouse for information, assessments, and experience sharing. The NGO Coordination Committee for Iraq (NCCI) was then established as a longer-term solution to the problem. Even so, according to the report, there appeared to be little coordination between NGOs and the CPA, which was not fully aware, and as time passed there was deterioration in their relationship.

Attempts to develop a true civil society have begun, although the need to achieve better integration remains. For example, CAP3 (Community Action Project) operates through small CAGs (community action groups), which it organizes in selected communities and funds for local projects; however, CAGs are not considered to be NGOs and are not registered as such. PRT public diplomacy sections work with registered NGOs to provide training and support various projects,

but funding is increasingly limited. Some PRTs have tried unsuccessfully to integrate efforts, leaving parallel, non-connecting civil society activities.

It may be possible to reconfigure efforts to link civil society with local governments through the following: better linking of CAP3 with civil society organizations, and improved support for civil society-provincial government linkages; increased effort to address transitional issues for NGOs, which are still heavily dependent on external funding; introduce better quality controls for supported NGOs; encourage more creative use of in-kind matching by NGOs; involve citizen base more effectively in relation to NGOs and civil society; and develop new kinds of donor relationships and a broader view of civil society, that, for example, would incorporate tribal leadership. In sum, a much broader and more inclusive civil society initiative could be formulated, as a means of developing this missing third sector of Iraq.

Think tanks. Think tanks are an important element of civil society, with the potential to focus resources on various problem areas. A variety of think tanks are currently active throughout the Middle East. Several have important relationships with such U.S. and other think tanks as the Urban Institute, Brookings Foundation, and Heritage Foundation. One model for think tank development is the National Civil Society Development Center of Egypt, which trains NGOs and provides post-training ratings of NGO competency, which can then be used by potential funders to assess them as partners and exert crucial quality control. A similar center could be useful for Iraq, with Egypt serving as a key resource.

NGOs and Think Tank Interview Recommendations

Interviews with NGO and think tank staff carried out by the assessment team produced the following recommendations: establish community centers supporting various aspects of development programs, including citizenship, youth, human rights, women and violence, conflict resolution, peace building, trade/commerce, and training/development of various experts; develop cooperation with the government through workshops and other means; educate NGOs and society on key topics, e.g., human rights, conflict resolution, peace building (the MoH is doing this in the area of community health); pass legislation to protect prisoners; utilize capabilities to create a larger role in project management; provide support for industrial sector, e.g., create independent expert committee of industrialists and promote rehabilitation/modernization of industrialists; make greater use of volunteers; increase union participation/expertise in government decision making, training delivery, and work rules formulation; help with institutional capacity building, e.g., internal organization, committee organization; implement sponsored projects that are ready; and develop better participation channels between local and international organizations.

VI. INSTITUTIONAL AND TECHNICAL NEEDS/GAP ANALYSIS

Overview

Reports from donors and others agree that Iraq's public administration is still in the early stages of redevelopment since the loss of many skilled professionals after 2003. The workforce is young and inexperienced and entry-level training virtually non-existent, in addition to the fact that personnel is not always hired appropriately for jobs they hold. Assistance is needed in every area as described on the Integrated Framework, shown earlier in this report. With certain areas already covered by other donor projects, USAID has a strong comparative advantage to carry out effective work in planning, training capacity building, decentralized service delivery, human resource development, and civil service reform.

It is critical that the Agency coordinate its efforts with I-PSM, given the project is supported by COMSEC and the Prime Minister's Advisory Committee, as well as by the DG of the International Coordination Directorate of the Ministry of Planning. USAID needs to have its voice heard in civil service reform, PSM strategy, changes to GOI architecture or machinery, and in other areas in which the I-PSM plans to work.

Directional factors. Corruption still stands out as a major problem in Iraq. Virtually all donors are working to address the issue, including USAID, which has taken a leading role in confronting this serious challenge, which holds Iraq back from becoming a trustworthy international partner and a safe place to invest. USAID has taken the lead by training inspectors general and auditors and beginning the process of inculcating the concepts of transparency and accountability in public administration. If USAID develops future training courses targeted to functional and hierarchical staff levels, it could help reduce the chasm between upper- and lower-level employees and promote team-oriented work approaches. Up to now, USAID is the only donor that has clearly recognized this chasm and has an approach to bridge it, thereby giving the Agency a comparative advantage in conducting effective work in this area.

Gaps in donor assistance. Gaps in donor plans include a lack of assistance for implementing the Civil Service Law when it is enacted; establishing the Civil Service Commission and National Civil Service Institute; developing ministerial and possibly private sector training capacity; developing private sector management consulting capabilities; developing think tanks to conduct research for the public sector and infuse it with new ideas; developing academic advisory committees to bring the latest thinking into the GOI; assisting ministries in completing self-assessments and changing their structures and functions accordingly; developing future public sector leadership talents through the introduction of pedagogical approaches that teach students to think and employ ICT learning technology, and through leadership associations and camps; assisting key service delivery ministries in decentralizing and improving service delivery at the provincial and local levels; developing and strengthening nongovernmental service delivery organizations, which could reduce the burden on government; applying an e-governance framework to utilize already-established ICT hardware and software to improve and government processes and functions.

Investment Planning and Management

USAID has clearly been the leader in leading the capital investment budget planning and reform process in Iraq. As a result of USAID/Tatweer, the National Development Plan (NDP) has become Iraq's overarching strategic plan, replacing the ICI and the NDS. The NDP is an important directional factor in the integrated framework of ICB, given that it currently serves as Iraq's strategic framework and is largely Iraqi-driven.

USAID has led the way in project feasibility studies, project management, procurement, and contracting; there remains a large need for this expertise, according to interviews conducted by the assessment team. USAID projects LGP and CAP have also made inroads in building local planning capacity. Investment planning and management is a critical need for Iraq, with strong budget processes essential for further development. Since USAID has taken the lead in this area, which requires a long-term commitment, it should continue to work as the lead donor here.

Training Capacity

Various donors are involved in public administration capacity building in Iraq. While some donors are considering support for public management courses, none has focused on strengthening public administration training capacity; this is a major gap, and one that USAID may want to address. There is a gap in assisting ministries in developing their ability to conduct training needs assessments, develop training budgets, design training courses appropriate to various staff positions and levels, and establish training for promotion requirements. The Civil Service Commission Law requires that ministries establish training centers, an area in which USAID could provide assistance.

USAID/Tatweer has begun to focus in this area, using the TOT model. USAID may wish to reconsider the use of this model: interviews conducted by the assessment team revealed that the TOT model may not be the best way to approach building training capacity within the GOI at this stage. It may be more appropriate to create an official staff designation as a ministry trainer, with professional standing and certification conforming to international standards and practices.

Civil Service Commission and Civil Service Institute

No donor has yet stepped forward to develop a strategy for assisting the Civil Service Commission in achieving its mandate, nor for helping develop the Civil Service Institute. The duties of the commission are to (1) improve and develop the civil service; (2) plan, monitor, and supervise the civil service; and (3) develop the public administration through improving government organizational structure, training civil service, and developing an appropriate benefit structure.

Public-Private Partnerships

There are gaps in donor support to think tanks that could provide training and consulting services to the GOI. For example, the think tank Center for Strategic and Gender Research has the ability to provide training to both public and private sectors; its capacity could be built up by donor support. Likewise, private management consulting firms could be strengthened to provide consulting services to both the public and private sectors.

There is also interest on the part of certain government-affiliated offices in providing consulting services to the private sector on a for-fee basis. For example, Al Quds, which provides advanced IT training and consulting services to the GOI, wants to become a national center for IT accreditation, licensing, and training of trainers. As part of this transformation, it would like to develop the capacity to provide for-fee training to small private companies.

USAID/Tatweer has committed to assist Al Quds in becoming a certified training center in ICDL, Cisco, Oracle, Microsoft, CIW, and CompTIA, and provide training for ISO 9001:2008 certification. While Tatweer has provided training in some areas, Al Quds staff noted in interviews with assessment team members that Tatweer had not yet helped it formulate a training plan or provide training services to the GOI.

Education

There are gaps in donor assistance to the education ministries in public administration capacity building, including gaps in business processes, human resource management, and training capacity building. There is no evidence of donor efforts to link academia to government, public administration, or private sector capacity building. One interviewee, an Iraqi female professor at a

university in KRG, stated that GOI senior politicians need academic advisors, similar to those that advise leaders elsewhere. She suggested that an advisory council be established, comprised of senior academics in disciplines related to GOI policy areas. This is an area in which no donor has yet worked.

Another area with little or no donor involvement, according to data available to the assessment team, is helping higher education change its teaching methods. Students are taught facts by rote learning, not to think independently. In interviews with the assessment team, both the professor at mentioned above and a professor from another KRG university said they are introducing new teaching approaches at their respective universities to fill a critical gap in thinking skills.

Another issue is that few university professors consult for the public and private sectors or are involved with continuing education or training courses. Donor assistance could support establishment of management consulting firms targeting the public and private sectors, comprised of academics and other professionals. Tapping professors to teach courses to ministry staff is another opportunity for donor support.

No donor is assisting the GOI in preparing secondary or tertiary students for work in government service, or to lead according to democratic principles, or to apply modern management and leadership approaches. There is a gap in specialized training for future government leaders, either through a curriculum in secondary and tertiary educational institutions, leadership training camps, or future leaders of Iraq clubs or associations. This is a suitable area for donor assistance, since there are so many models to choose from in the United States, Europe, and elsewhere in the world. Such preparatory training could also include government internships.

Human Resource Management

USAID/Tatweer has played a lead role in human resource management and has helped ministries begin the task of writing job descriptions and employee evaluations and assisting ministries in establishing robust HR departments. Although UNDP is interested in working in this area, USAID is already well ahead and has a comparative advantage for continued work.

National and Provincial Service Delivery

The U.S. government has worked throughout Iraq on service delivery issues in sectors such as electricity, water, municipal services, and other essential services. Decentralization of critical service delivery has only recently been mandated by the GOI. USAID/Tatweer has taken a lead role in this process through its partnership with the DPMO-S. USAID has a head start in this area, given it has sponsored three conferences on service delivery decentralization. In addition USAID now has provincial offices established in key locations to support ICB at the provincial level to develop skills and resources to support decentralization.

Technical Gaps

Geographical Information Systems and Database Strategies

Geographic information systems (GIS) technology is used to enhance and develop institutions and systems by GOI municipalities. It is helping to establish local governance, civic society and municipal administration systems in Iraq. Current applications for GIS tools include utilities, mapping, water management, land records, city services, and other graphical and mapping functions. This tool has been critical for the developmental activities of the GOI and should continue to play a key role to help Iraq move forward.

GIS usage by GOI to improve service-delivery and essential services has been proven by the existing solutions operational across the country. However the continuation of implementing additional GIS applications should be viewed as an enterprise application and not stand-alone solutions. Sharing data and development strategies as well as sharing the purchase of licenses can be done at once using an

enterprise purchase. This would save the GOI money in ongoing operational costs. There should be a GOI share library of maps, programs and data as well as lessons learned, allowing reuse of work and reducing duplication of efforts.

Weaknesses. GOI public sector ICT architecture and infrastructure improvements are in need of improvements. Data and information sharing and exchange of the many documents, drafts of reforms and policy changes take a long time getting into the correct hands of the civil servants who's primary functions are is the managing of content and document processing activities.

Strengths. GOI ministries have what much equipment which is unused or under used. There are systems that have not been serviced and there is lack or shortage of service level agreements (SLA) presently in place. SLA ensures that equipment and systems stay operational. Donors have provided the GOI with leading-edge equipment and basic training in such equipment and systems. However a consolidated and systematic approach could be re-visited in this area.

In Iraq, GIS technology is being used as a primary tool by staff in Iraqi cities as that nation begins to enhance and develop the institutions and systems required to govern municipalities. Many of the major cities in Iraq, including Baghdad, Mosul, Najaf, and Diwaniya, have begun the process of developing nascent GIS to help guide city services, land records, utilities, and other vital municipal functions.

GIS in disaster recovery provides a solution for disaster prevention, mitigation, preparedness, and response phases; it can also play a role in disaster recovery, in both the immediate and long-term phases. Internet, GIS, and satellite was launched for the entire country of Iraq. Content on these sites currently includes vector datasets and imagery from National Geospatial-Intelligence Agency (NIMA), NASA, and U.S. Geological Survey (USGS) (vmap0, DOI-I0, Landsat, MODIS, and GTOPO30); it also includes geo-referenced versions of the recently released NIMA Special Reference Graphics (with a fairly detailed 1:40,000 scale map source) for Baghdad and the country. Users can interact with and compare the various map layers and satellite imagery, create and download custom image products, and design and print custom maps from an easy-to-use browser interface. The site is powered by Multicity, Telemorphic's (335 kb) Web browser-based GIS/visualization solution, which adds interactive desktop-like GIS and geographic imaging functionality to an ArcIMS-based Internet GIS. This would be easily used for e-government wireless access across the country, making it a good fit for applications including metering oil and electricity and conducting land and water management.

Other GIS recommendations are as follows:

- Advisory GIS subject matter experts should be provided with specific backgrounds in ICT, e-government, and legal areas specific to the laws being drafted.
- The various ministries that require this level of support should have access to service-level agreements.
- National/international programs should be established and administered with Iraqi and donor advisors working side by side to ensure knowledge transfer and on-the-job training specific to the subject matter at hand.
- Existing GIS institute and training centers within the GOI ministries should be expanded.
- A GIS suite of applications should be added to e-government and e-governance strategies. Entering into a GOI enterprise agreement for Microsoft and Oracle tools would save the GOI considerable money and ensure technical support needs are met. Sharing knowledge and experience among ministries on the use of GIS tools can be supported through the establishment of a lessons learned GOI-wide database

e-Government/e-Governance

There is a lack of an e-government strategy and roadmap for the GOI, which faces major challenges in its efforts to turn technology into an effective platform for providing integrated, secure services to citizens. Specific issues to be addressed include the following:

- There has been limited attendance by IT managers for donor-provided and GOI training, conferences, focus groups, and seminars on Iraqi e-government initiatives.
- Laws and policies are still under discussion regarding e-government and the role it will play for the GOI.
- There continues to be an unmet need for e-government training and knowledge transfer, which should be provided to Iraqi civil servants on a government-wide basis.
- GOI policies, laws, and regulations have yet to be drafted and passed to govern development and implementation of an e-government strategy for Iraq.
- GOI needs to implement a comprehensive framework and roadmap to support its e-government strategy. This need, and related supporting steps, should be taken under review as part of the aegis of the Iraqi e-government committee.
- There is disagreement between ComSec and the Ministry of Planning over which should provide oversight for the e-government strategy and implementation process. Such jurisdictional matters will require resolution if the strategy is to achieve optimal effectiveness over the longer term.
- E-government training and knowledge transfer should be provided to Iraqi civil servants on a government-wide basis.

Support needs for implementing e-government in Iraq include: (1) passage of an Iraq legal and regulatory framework for e-government; (2) policies and procedures for e-government adopted by the Iraqi government; (3) coming together of the public and private sectors to agree on an e-government strategic approach, following adoption of an appropriate legal framework; and (4) GOI establishment and approval of a capital budget to support the design, development, and sustained implementation of an e-government strategy. In addition to the gaps noted above, Iraq faces several specific challenges to implementing e-government an initiative:

- Unclear or missing GOI specifications on data management and security, data exchange and sharing, and data privacy
- Issues relating to Iraq's hard wire connection due to the lack of steady electricity and power, which poses a challenge to achieving the smooth, continuous data and information exchange required for e-government implementation; wireless technologies should be adapted when possible
- Need for establishment of public/private sector partnerships to implement an e-government strategy and required follow-on framework
- Lack of an e-government oversight organizational structure to manage the initiative, ensure IT needs are met, and oversee the investment portfolio to support development and implementation of the e-government service delivery lifecycle
- Lack of a clearly defined GOI capital budget, resulting in a lack of clarity on the true operations and maintenance costs of sustaining e-government

Support for e-government in Iraq comes in the form of the following strengths:

- An Iraqi e-government committee established and attended by senior IT managers from the ministries, with a mission to work out issues surrounding the e-government initiative and come with a framework
- Work by entities including ComSec, Ministry of Planning, and the Civil Service Commission to develop their own e-government applications: the Civil Service Commission currently uses an online legal regulatory application; the Ministry of Interior uses an online visa application; and ComSec has installed a DocuShare application slated for citizen-based service delivery
- Provision by the U.S. Department of Defense of advisory and technical services to ComSec to connect and provide a link to the fiber optic network hosted via the Freedom Towers
- A visit by Google and Facebook executive managers to Iraq, providing GOI officials with a high-level overview on social networking and an e-government initiative; the presence of Google in-country helped confirm the importance of e-government
- Development by ComSec and other GOI entities of government Internet exchange addresses (@gov_iq.net)
- Some progress achieved in developing a legal and regulatory framework that address telecommunications laws and establishment of public/private partnerships
- Donor-provided capacity building support in information technology and information management, training and expert advisory services and support

Other positive elements include the existence of the GOI, National Center for Consultancy and Management Development (NCCMD) and Al Quds School for Computers, which has the mandate to provide training services for civil servants and has both provinces and satellite facilities; e-government training can be provided using those facilities. In addition the Ministry of Planning has begun an e-ministry initiative, which is a direct interface with e-government; other ministries have developed e-government reports and strategies and acquired IT equipment. Finally, it should be noted that GOI civil servants have received training on Oracle Data Base Management Systems and currently have databases up and running in some of the ministries. These databases and data can be used for the e-government strategy and will provide access to data used for delivery services

Conclusions

The assessment team believes that USAID should focus on areas including the following: organizational structure; culture and leadership style; civil service reform, with an emphasis on institutional development of the Civil Service Commission and Civil Service Institute; human resource management capacity building; training capacity building; investment planning and management; decentralization and improvement of service delivery in select sectors; operations and maintenance; and e-governance, with an initial focus on business process re-engineering/standard operating procedures.

Recommendations

The assessment recommends that USAID work with the following ministries, offices, and institutes in the following order of priority:

Priority Ministries:

- COMSEC
- DPMO-S
- Civil Service Commission
- Civil Service Institute
- Ministry of Planning and NCCMD/AI Quds (not COSQC or COSIT) and possibly the Donor Coordination Committee in the Prime Minister's Advisory Council, if approved
- Ministry of Agriculture
- Ministry of Municipalities and Public Works
- Ministry of Water Resources
- Ministry of Electricity
- Ministry of Oil

Second-Order Ranking:

- Prime Minister's Office
- Prime Minister's Advisory Council
- Vice President's Council
- Ministry of Health
- Ministry of Higher Education
- National Investment Council
- Ministry of Education

The priority ministries, offices, and institutes listed were selected for several reasons. They include the big-budget ministries that deliver critical services (ministries of municipalities and public works, water resources, electricity, and agriculture), are critical to Iraq's economic output (ministries of oil and agriculture), or are considered to be leaders in Iraq's planning and reform efforts (COMSEC, DPMO-S, Civil Service Commission, Civil Service Institute, Ministry of Planning/NCCMD/AI Quds). Agriculture is listed as a priority sector in the NPD, as its development is critical for diversifying Iraq's economic base. The MoA has allocated \$5.8 million for developing the Agricultural Strategic Planning Center for Training and Capacity Building; such a center can serve as a model if USAID's ICB project helps it become a success.

USAID already has facilitated much capacity development in these organizations, with the exception of the newly established Civil Service Commission and Institute, and has a solid working relationship with them. The ministries of oil, agriculture, and water resources, and to a lesser extent the Ministry of Municipalities and Public Works, have all embraced OSTP, which illustrates their commitment to building capacity and self-directed change efforts. USAID has also worked to begin the decentralization of service delivery with the ministries of municipalities and public works, agriculture, water resources, oil, and electricity and can build on this experience. The Ministry of Water resources has created a team of 25 civil servants directly involved with projects in their respective provinces of Najaf, Dhi Qar, and Anbar, which will help facilitate the decentralization process the new ICB project will support.

The GOI has already committed to decentralizing the Ministry of Municipalities and Public Works. USAID is well positioned to work with the ministry at the provincial level to facilitate this process. Other donors are already providing support to these organizations, but USAID has a comparative advantage in providing leadership in key areas. For example, UNDP is working with MMPW's water and sanitation essential services of the MMPW; with USAID's head start, it can work on other ministry functions. The fact that USAID is implementing LGP III at the provincial level will support service delivery decentralization if the future ICB project works with LGP III. The Ministry of Oil and the oil companies need to quickly deal effectively with international companies understand how

to effectively negotiate. Administrative and technical training requirements for these organizations are provided in Chapter 5.

COMSEC, a high priority, is key for civil service reform as well as e-government, two critical areas for Iraq. Given that COMSEC is committed to implementing reform even before the civil service law is passed, USAID needs to build on its relationship with this important body. USAID has already drafted a memorandum of understanding with DPMO-S and should continue to build its capacity to lead service delivery decentralization. The Civil Service Commission and Civil Service Institute are two other major targets of opportunity. Since USAID was instrumental in the drafting of the new civil service law, it is well positioned to help these institutions develop, especially given U.S. expertise in civil service administration. As newly established institutions, they are likely to receive budgetary resources set aside by the GOI, which can be used for cost sharing. The Civil Service Institute is especially key for further institutionalizing the training capacity building that USAID has supported. No other donor has expressed an intention to work with this institute, nor has any donor has made comparable progress institutionalizing training – for example, UNDP's Public Sector Modernization Project does not devote significant resources to these institutions. Clearly, USAID has a comparative advantage in this area.

The ministries of health, education, migration, and human rights were not prioritized for several reasons. First of all, the Ministry of Health has already adopted USAID's approaches to strategic planning and OSTP and has institutionalized training within the ministry, which can now take off administratively. The MoH has followed the best practice of moving 10 Tatweer trainers-of-trainers to the MoH Training Development Center. Furthermore, UNDP has selected the Ministry of Health as one of its target ministries to engage in restructuring and decentralization. The MoH receives assistance from various donors, including other USAID projects, as well as technical assistance from international health experts. The ministries of education and higher education were not selected because they receive considerable assistance from other donors; in addition, UNDP has selected the Ministry of Education as a model of restructuring and decentralization. The ministries of migration and human rights, although important, do not deliver critical services, which should be the focus of the ICB project. The Ministry of Finance, though critical, receives adequate technical assistance from the World Bank and UN. The Ministry of Transportation receives significant capacity-building support from Japan and Italy.

COSQC and COSIT are not included for several reasons. Given the limitation of assistance resources, these two institutions can afford to be excluded because they are well on their way to becoming highly credible bodies. COSQC has not spent its capital budget to the fullest extent and has received permission to apply its budget to capacity building needs such as computers and software, membership fees in international organizations, and study tours. COSQC has developed a strategic plan and has a vision of where it wants to go and how to get there. It can purchase on-the-job technical assistance for technical training needs without USAID assistance. It is already linked to international standards, metrology, trade marking, and accreditation organizations in the United States, Europe, and the Arab Region and has developed adequate relationships to further its own development. COSIT is receiving substantial support from other donors. USAID has provided it with significant ICT support and training and has linked it in a partnership with statistical organizations in Romania and Canada. These partnerships, along with other donor support, will facilitate COSIT's rise to become an internationally respected statistical organization.

Although USAID's work with the Prime Minister's Office, the Vice-Presidents' Office, and the National Investment Commission are important, these organizations were not included in the priority list because it would be preferable for USAID to focus its efforts more narrowly and intensely in its new project. If USAID works effectively at the national level with COMSEC and the Civil Service Commission and Civil Service Institute, then all these organizations will be positively impacted. Even so, USAID may still decide to work with these organizations if resources allow.

VII. FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS FOR INSTITUTIONAL CAPACITY BUILDING IN IRAQ

The assessment team used the Integrated Framework in Chapter 5 to organize its research and conceptualize the institutional capacity building process in Iraq, both nationally and within individual ministries and executive offices. This section is organized according to directional, operational, and performance factors, as shown in the Integrated Framework chart.

Directional Factors

Corruption

Corruption has drained Iraq of billions of dollars, leaving the government with fewer resources to allocate to the rebuilding efforts and less public confidence in government. Iraq ranks as one of the three most corrupt countries in the world, according to Transparency International. Institutionalizing ethics and anticorruption programs will help change the public's perception of the government and contribute to reducing the financial drain of corruption. In 2008, the USAID/Tatweer Program trained nearly 2,000 professionals and staff in virtually every ministerial IG office in Iraq. Building on that foundation, in 2009, USAID/Tatweer launched the www.IGNet.gov.iq Web site to directly engage the public in the fight against corruption. Simultaneously, USAID/Tatweer will enhance the organizational and infrastructure development within 35 Iraqi ministerial IG offices and other institutions so that they are able to effectively carry out their administrative responsibilities and address complaints. Finally, USAID/Tatweer liaised with NGOs and civil society organizations to develop watch dog organizations to deliver a sustained impact on independent anti-corruption programs.

Anti-corruption has been a priority and yet is probably still an unmet need. Corruption is widely recognized as a systemic problem. Citizens clearly reject and resent it. The Inspector General reports rank it high. Iraq GOI has a high-level anti-corruption official and staff. Current level of commitment/effectiveness can be evaluated. LGP2 did have an anti-corruption component and Tatweer has made corruption a cross-cutting issue for all trainings. Corruption should be a consideration for the new effort as well. Deciding exactly how to proceed in this regard may depend in part on the definition of corruption and its application to Iraq – that is, what is the systemic impact of corruption and what difference can an anti-corruption element make? What difference have previous efforts made, and what does that tell us? How would a cross-cutting anti-corruption initiative compare with other cross-cutting initiatives, such as M&E?

Organizational structure, culture, and leadership style can be impacted by targeted professional training courses to senior managers (such as those offered by OPM on www.leadership.opm.gov), and by continuing the OSTP process in target ministries and executive offices. The Civil Service Commission is tasked with assessing and revising formal organizational structures and this affords the opportunity to create flatter, more flexible organizations where team work is rewarded. USAID has an opportunity to be a major player in this area if it positions itself as the lead agency in assisting the GOI in developing this commission as well as the Civil Service Institute. The Commission Law provides an adequate legal foundation upon which to begin this process and will not require passage of the Civil Service Reform Law. However, USAID needs obtain the agreement of the GOI soon, and should contract with a consortium of credible international partners to establish this institute, including partners from the region and the U.S.

Operational Factors

Planning, Budgeting, and Finance

Effective planning and implementation of Iraq's capital budget, donor assistance, and private foreign investment is critical to the future success of Iraq and remains an area in which Iraq is in need of assistance. Iraq is still under-spending its investment budget, not yet channeling foreign assistance into priority areas, and not adequately attracting foreign private investment into priority sectors.

A number of donors, including USAID/Tatweer, have assisted Iraq in strengthening and decentralizing its capital investment project planning process as well as improving procurement, budget execution, and project design, implementation, and monitoring and evaluation. The Five Year National Development Plan (NDP), facilitated by the Ministry of Planning and Development and Development Cooperation (MoPDC), has effectively replaced the International Compact for Iraq (ICI), which was abandoned in November 2009, as well as the National Development Strategy, which was never fully adopted by the GOI.

The MoPDC, working with COMSEC, is revamping national procurement systems, mandating strengthening of ministerial procurement structures and decentralizing larger contracting decision-making responsibilities to line ministries and provincial governments. A Contractor Classification Application System has been designed to provide information on contractors, including those who have been blacklisted, so that ministries and companies can select from a list of contractors with solid reputations. Project feasibility studies have been vastly improved through adoption of COMFARIII feasibility study software by key ministries. Budget execution has also been improved. The Government Assistance Data Base (GAD) manages Iraq's capital budget and project implementation cycles as well as donor-funded projects.

Interviews for this report underscored the fact that many officials still view planning as weak; they see Iraq as lacking a clear vision and strategy, and therefore not spending its budget wisely. Interviews in the provinces particularly underscored that many officials do not see the larger picture in terms of Iraq's future and do not understand the essential role of planning and budgeting. The planning process has not yet extended to the community level and interviewees expressed the need to fully decentralize this function. Interviews revealed that civil servants desire better skills in contract negotiation, project identification and management, and understanding international business practices.

Although the NDP has become the overarching socio-economic strategy for Iraq, it lacks an implementation framework or strategy. Moreover, there may still be the need for a higher-level national strategy which includes political goals. The KRG may develop its own separate NDP. Donor assistance is still not integrated into the overall NDP, although the GOI is keen on doing so. The MoP is intent on developing a co-financing mechanism for donor assistance because it recognizes that donors will not assist Iraq in the future without significant cost sharing.

The GOI Ministry of Planning has expressed its need for assistance in development of an implementation strategy for the National Development Plan (NDP), help in establishing a donor co-financing mechanism, help in the management of the yearly planning updates and modifications, and assistance in establishing the international cooperation committee attached to the Prime Minister's Advisory Council. The yearly planning exercise will be decentralized and involve the provinces; it will need to be coordinated closely with the LGP III and CAP III projects so that the local level, all the way to the community, will have input into the capital budget planning process. The new Sector Directorate in the MoP is responsible for monitoring the implementation of capital projects as well as private sector investments; staff there requested technical assistance to develop an effective monitoring framework. In addition, the Minister of Planning signed an MOU with the USG to accept 4,000 USG projects; the MoP needs assistance in taking ownership of these projects.

Top-Down and Bottom-Up Planning

The GOI has taken first steps toward decentralizing the planning process and for the first time, in 2008, provincial councils have had input into the National Capital Investment Budget Plan. However, the planning process has not been adequately decentralized and there is no official channel for communities to submit project ideas for inclusion in the investment budget plan. Both CAPIII and LGP have recognized this problem but have been unable to adequately address it due to the lack of government law and regulations. In addition, assessment interviews of ministries in the provinces revealed that ministries lack adequate involvement in provincial planning; interviews also indicated that delays in sending budgetary resources from central ministries in Baghdad delays the execution of projects, even when they are included in provincial plans and are funded in principle. The USAID project needs to lobby for a change in the laws and regulations guiding the planning process. The legal framework should support bottom-up planning and technical assistance needs to be provided at all levels to facilitate this process. The CAGs and local councils need to have legal standing, protection, and budgets to function as a decentralized system.

Since USAID has developed good relationships with target ministries, it can employ advisors at the provincial offices of the ministries together with the MoP Provincial Planning Units (PPUs) to strengthen the local planning process. The PPUs need to have increased authority to coordinate planning in the provinces and ensure that ministry priorities are included. Two of the offices in the governorates told the assessment team that they would like to establish planning committees at the provincial level. If these committees included representative from all the ministries and a significant role for the PPUs, then ministries may be heard. If the new ICB project has authority to work with the provincial, district, and neighborhood councils on the planning process, and if the project successfully lobbies the GOI to draft laws and regulations to decentralize the planning process to the community level, then planning would be truly decentralized. The ICB project would continue to work with provinces on procurement, contracting, and project management to ensure they spend capital budgets on schedule. The ICB project would also have to continue to work at the national level to ensure that the transfer of budgetary resources is completed in a timely fashion.

e-Government

Establishment of an Iraqi governance framework will be key to successful development and implementation of an e-government strategy for the GOI. This is not a new subject for Iraq, as several donors have developed e-government strategies. An important issue is ensuring the participation of the GOI in strategy development. The GOI's involvement will be paramount for the long-term success of such a strategy, given that e-government is a long-term commitment that could run for five years and will need continued GOI support after that to maintain operations.

The development of a GOI e-government framework roadmap should include leadership, organizational structure, and process management. It will require establishment of a development and implementation oversight program management portfolio (PMO) office. The PMO's role and responsibilities would center around consolidating existing projects and capital budget deliverables within Iraq and moving forward with an implementation roadmap based on an e-government model. The PMO would be supported by the work of an e-government group or advisory team, consisting of subject matter experts (SMEs) with a background in the successful delivery of e-government strategies. The team would provide recommendations on system requirements, protocols for data definition and gathering, project and program management issues, and data architecture solutions. The team would provide needed guidance for decisions on Iraq e-government strategy deliverables, including service delivery, data management, and system design and implementation.

The first step will be to assess and document Iraq's current e-government governance environment, including identifying current capabilities and needs and defining an e-government governance model for the future; as a second step, it will be necessary to conduct interviews, meetings, and analysis, and develop lessons learned from specific successful regional e-government initiatives to feed into

development of a national strategy. The third step will be to align Iraqi government ministries and PRTs to ensure they work together to garner country-wide support for a consolidated e-government strategy. GOI e-government services should be delivered by providers that specialize and are experts in the technologies required as a part of the e-government implementation plan.

Developing an e-government strategy will require GOI business decisions. Therefore a governmental business team should be established, consisting of departmental staff from the GOI teamed with e-government SMEs with specific counterpart roles and responsibilities. Working in counterpart relationships with GOI staff, the team will provide expertise on business needs of the GOI and specific service delivery approaches linking citizens and the public and private sectors. The team will work with the GOI to remove barriers between ministries, ministry IT departments, and business units and departments. A communications SME would assist in managing the information flow, including overseeing data, documents, public relations, Internet interfaces, and a possible social networking mode, used to handle citizen information needs and requests and support communications for the public/private sector interface process. For example, the SME would oversee applications for one-stop e-government shopping, which will provide services that include online registration, voting, school registration, job search and employment, business filings, marriage and birth certificates, health care, and other day-to-day requirements.

A thorough GOI e-government readiness assessment should be conducted as soon as possible. The purpose of such a short-term assessment is to review GOI ministries and executive, legislative, and judiciary branches, along with supporting institutions, to identify and determine the technologies and infrastructure that are currently in place across the GOI. The assessment will inventory ICT infrastructure, equipment, networks, applications, and communication access to determine which elements can be used as a part of the country's e-government architectural framework. This will save the GOI and donor community money and avoid duplication of effort and expenses.

GOI e-government architecture must have a common standard platform, operating system, and data standards and be based on common data exchange protocol. Broad-based Internet access must be established, along with a central GOI e-government citizen-hub to serve as the common focal point of e-government entry and access for citizens and civil servants alike. There should be interfaces at the seat of the GOI to include the executive, legislative, and judicial branches.

The GOI should appoint a senior-level civil servant with technical capabilities to a newly appointed position of chief information officer (CIO). The CIO will direct the policy and strategic planning of GOI's information technology investments and maintain oversight of e-government technology spending. He or she will establish and oversee enterprise architecture to ensure its interoperability and information-sharing capabilities and will ensure information security and privacy across the government. The CIO will direct the policy and strategic planning for IT investments and oversee federal technology spending. He or she will oversee enterprise architecture to ensure system interoperability, information sharing, information security, and privacy. The CIO will work closely with chief technology officers to advance Iraq's e-government and technology agenda. Chief technology officers, who should be appointed at each ministry, will report to the CIO. This organizational structure will ensure common goals and standards and provide an organizational platform for making sure GIO follows global best practices and lessons learned in e-government applications.

Process management and change management techniques should be integrated into GOI's e-government strategy to promote the organizational change needed to adapt the strategy. This will include implementation of the following:

First, GOI must focus on service delivery, with an emphasis on achieving cost savings and enhancing efficiency.

Second, GOI's innovations in information and communication technologies must provide an opportunity for developing effective working modalities across government ministries and promote a whole-of-government approach to governance and technology.

The whole-of-government concept refers to public service agencies working across portfolio boundaries to achieve shared goals and an integrated government response to issues. Annex 11 highlights topics relating to development and implementation of an e-government strategy in Iraq, including application of the whole-of-government concept.

Performance Factors

Decentralized Service Delivery and Operations and Maintenance Training

Provinces

A multipronged initiative is needed to support improvement of service delivery at the provincial level, under PPL (Provincial Powers Law), including teams to provide technical assistance and mentoring to DGs. PRTs can be instrumental in helping ensure that Tatweer or its successor and LGP3 coordinate properly. There is a major, critical need for analyzing and addressing these trends as a basis for going forward. The way in which these matters are resolved by governmental negotiations and court interventions will help determine the future shape of governance for Iraq. There needs to be a major interface with this project as USAID moves forward in the provinces, to avoid duplication or conflict. There is a probable need for further incorporation of this preliminary work as an M&E component of a future related project. There is a need to close this gap with a new program of intervention and technical assistance for DGs on methods of overseeing service delivery, in support of the new GoI Deputy Prime Minister Office for Services (DPMO-S). Much more needs to be done to support this crucial new DPMO for Services and strengthen its coordinative tools, for example through e-government communications, promoting earlier Iraqi consultation from service design forward, better targeting of ministry participants for training, and enlarged capacity building involvements. A closer look at how MoPDC/MOF are functioning in relation to PDS/PDP could clarify this gap and lay the groundwork for a potential new program.

Teams of advisors and locals could be deployed at the provincial level to provide TA/OJT/mentoring to DGs to advance their professional/technical capabilities for managing, overseeing, and reporting on service delivery. Such teams would work as problem solvers at the provincial and lower levels to build DG capacities, supported by practical case study processes, TOT for trained technicians, and long-term professional exchanges for unit heads and operators. The institution-building component would help define long-term institutions to deliver assistance across DGs and provinces. PRTs can work closely with provincial leaders to teach principles of governance, enable Iraqis to undertake their own priorities, and help provinces perform in spending on service delivery.

As a primary solution, at the project level, Iraqis need to take over control and ownership to ensure that projects are not only completed properly, but come under Iraqi responsibility for subsequent O&M. There is a need for MoP and MoF to cooperate in devising a system for linking capital projects with their O&M requirements, with integrated management and unity of effort across both systems. The next step should address the need for a comprehensive approach that builds civil society capacity to better use external funds while generating local/GOI funds.

Because PRTs are the major USG body for integrating efforts at the provincial level, the PRT perspective or other regional platform replacing the PRT structure should be more fully included in needs assessment and in formulation of further USG funded projects in the provinces. If PRTs are consolidated at the multiprovince level, and some PRTs are converted into consulates, then the regionalization of USAID offices could come into play as a substitute. LGP3 has begun to do this as part of its ongoing work, and may be able to handle it. However, a larger project may be required to

address this important matter as justice issues develop that require mutual adjustments and new legislation and regulations.

Service

This program has not yet been devised and implemented, and the new DPMO for Services is not receiving needed TA support. This closer look has not yet been taken, as LGP attention to date has focused on getting basic PDS/PDP up and running. Much more remains to be done to make PDS/PDP a fully contributing process.

Provincial Intervention for Service Delivery

This need remains to be met, and will probably require a new program if it is to be fully met. It is subject to closer examination of LGP 2010 work plan, which is not yet available.

Relations and Processes

This integration is not taking place, so both integration/unity and greater patience (resetting the clock) will be required if relations and results are to improve.

Participation and Reconciliation

A key capacitating element going forward will be linking citizens with the levels of government via an e-gov system that includes citizen information centers and one-stop shopping arrangements, for which the international state of the art is well developed.

Presently, this need for additional resources is not being met, so important reconciliation work in key areas is not being done, with major potential consequences for conflict resolution at the local level, and in turn, major implications for peace-building efforts essential to creation of better development conditions in Iraq.

Business Process Re-Engineering and Standard Operating Procedures

The following are suggestions on using business process improvement techniques/SOPs to improve work quality across government ministries and establishments:

Upper leadership often resists changes or updates in processes or implementation of work, and may be inclined towards out of date methods. To address this, it is necessary to reapply professionally the internal disciplinary systems of organizations; the most important of these are the organization's standard operating procedures (SOPs). SOPs identify and outline processes and procedures, and eventually reduce corruption, because rules and regulations of implementation will be settled and applied. SOPs serve as tools, guides, as reference points for evaluating and monitoring work processes and progress in organizations.

E-government provides a hardware platform for BPR/SOP programs through network links within and across ministries and official entities. On-the-job training and technical assistance from well-known and professional companies are also essential supporting factors. But it is SOP that serves as the essential software to speed up work processes and implementation. For example, if someone in a province wants to apply for a passport in Baghdad, e-government will allow the operations to be done electronically, saving the person time and effort. As part of e-government SOPs, digital signatures would be allowed to expedite the process, so that the entire process becomes electronic, speeding approvals, removing the possibility of corruption and counterfeit documents, and streamlining electronic documentation and record keeping for the GOI.

Civil Service Reform and the Civil Service Commission

Civil service reform focuses on improving the quality of services provided to the public. These are measured by service accessibility, transparency, and openness, the speed of delivery and lack of bias. Reforming public administration in Iraq is not a purely technical issue since it relies on the unwavering commitment of political leadership in an external environment troubled by ongoing

political, economic, social and sectarian uncertainty. As in the case of Iraq these short term “costs” of reform are usually borne at the beginning of the reform process while the long term benefits only become more apparent only at a later stage. Iraq, like many Middle East and African countries, suffers from significant underdeveloped institutional capacity, inefficient management systems, burdensome procedures, underpaid civil servants and who sometimes resort to corruption to supplement their incomes. “Reform begins but never ends” but what matters most in improving the record of implementation is the strategic and tactical decisions taken at the beginning of putting reforms in place.

Reform interventions are complex by nature and one model does not fit all situations, a statement particularly true in the Iraqi context. This new commission has recently been enacted by law and reports to CoR. It has been supported by Tatweer. A new UNDP support program has been initiated as a basis for designing and implementing a new civil service system. While the quality of public administration in Iraq was once the envy of the region, its current state reflects the deteriorating conditions in Iraq over the past several decades, compounded by events since 2003. The incoming administration’s assumption that Iraq had an effective public administration was soon found to be overly optimistic. Government operations were further disrupted by the de-Baathification process and the resulting exodus of thousands of senior officials.

When USAID/Tatweer began working in this area, it found the legislative foundation was an obsolete 1960s law with several hundred amendments and no institution comparable to a Civil Service Commission. Some of the functions normally associated with a functional civil service were distributed across several ministries and uncontrolled recruitment since 2003 saw the service balloon to an estimated three million public sector employees (not including the police and military). The civil service lacked an effective Human Resource Management Information System, job descriptions, strategic plans, human resource planning processes, merit-based recruitment and promotion processes, and results-based performance management and evaluation procedures. Occupational categories were not well-conceived or linked to ministry performance requirements. The country’s ability to train civil servants was overwhelmed by the number of employees requiring skill development.

Human resources/capital development and management will be legislated and guided by the Civil Service Law and Civil Service Commission Law, previously discussed in this report. Civil service reform focuses on improving the quality of services provided to the public. These are measured by service accessibility, transparency and openness, speed of delivery, and lack of bias. Reforming public administration in Iraq is not a purely technical issue since it relies on the unwavering commitment of political leadership in an external environment troubled by ongoing political, economic, social and sectarian uncertainty. As in the case of Iraq these short term “costs” of reform are usually borne at the beginning of the reform process while the long term benefits only become more apparent only at a later stage. Iraq, like many Middle East and African countries, suffers from significant underdeveloped institutional capacity, inefficient management systems, burdensome procedures, underpaid civil servants and who sometimes resort to corruption to supplement their incomes. “Reform begins but never ends” but what matters most in improving the record of implementation.

In February 2009, the Civil Service Commission Law (CSC Law) was passed in Parliament. The overall objective of the Law is to implement a new civil service system focusing on issues of reform in the field of public administration and organizational development, human resource management and research and development. The Federal Civil Service Commission (FCSC) comprises nine members of whom one acts as the Chairman. Commissioners are appointed by the Parliament and their appointment is ratified by the Prime Minister. The process of appointing the Federal Commissioners has now commenced and three provinces have also started the process of establishing their own Provincial Civil Service Commissions. To implement reforms, the CSC Law incorporates the need to establish a number of departments with subunits within the Civil Service Commission, which are to serve as “change agents” and “engine rooms” for institutional capacity building reform. This law also mandates that there is to be a number of departments also with

subunits to coordinate and implement the Civil Service Law and other relevant laws related to the civil service and HRM at the provincial level and in a structured, integrated and efficient manner. In this regard, there has been little progress to date and largely since the revised Civil Service Law itself has still not been agreed upon by parliament. The Civil Service Law was drafted by a nine-member intraministerial committee whose members were appointed by the Prime Minister. Their draft law was rejected by COMSEC who considered that the draft law was similar to that of the existing much amended law passed in 1960 and thus did not meet the requirements of modern day reforms. However, this draft law remains under discussion in Parliament, although it was rejected by COMSEC. Meanwhile the Prime Ministers Advisory Committee (PEMAC) has begun the process of developing yet another draft.

A key issue is that the Iraqi draft Civil Service Reform Law has not been approved. This law lays the foundation for all future HRM, training interventions, and donor-delivered interventions to strengthen the government's ability to support transformation within the civil service. Reforming civil service, innovating public administration, and increasing the efficiency and effectiveness of the Iraqi state and its provinces are major preconditions to promote peace, justice, growth and create an enabling environment for sustainable people-centered development and service delivery. Reforming public administration is not purely a technical issue. Civil service reform is a political process and requires political will and effective leadership.

The Federal Civil Service Commission Law has accommodated these complexities by including necessary departments whose roles and responsibilities are critical to reform at all levels. What matters most now are the strategic and tactical decisions to put these reforms in place, since little progress has been made with implementation and these departments are not yet established. The Prime Minister's Office appointed a 10-member Inter Ministerial Committee, to develop the draft Civil Service Law. This draft was rejected by COMSEC for being too similar to the much amended 1960 Civil Service law and thus failed to meet the requirements of a modern civil service law. COMSEC and the Prime Ministers Advisory Committee are in the process of redrafting the Civil Service Law. Some appointments have been made for national civil service commissioners, and three provinces have started establishing their own civil service commissions.

Findings

Currently Iraq's main accomplishment in the area of civil service reforms has been passage of the legislation of the Federal Civil Service Commission Law (FCSC). The Prime Minister's Office has formed a 10-person working group to support civil service reform. This committee drafted the Civil Service Reform Law, which has not been approved by Parliament. No commissioners had been appointed as the time of the writing of this report.

There is a strong need for *implementation* of the law, even if only some sections are approved. The main challenge here is not obtaining approval for the Civil Service Reform Law: with legislation passed for the Federal Civil Service Commission Law, it can be said that the basis for civil service reforms has been established. The greatest need is establishing the needed departments and other institutions called for in the Federal Civil Service Commission Law, and developing an understanding of how to go about implementing the resolutions through these institutions. With no departments established at the time of this report's writing, there is an urgent need to get all the departments in place, define the roles and responsibilities of each department, and ensure the departments are fully staffed.

According to the manager of legal translations in the Deputy Prime Minister's Office, the draft Civil Reform Law in its current state differs little from the previous draft law of the 1960s and is similar to the civil service reform laws in many countries in the Middle East. There is a need to review the reforms undertaken in many countries in areas like finance, service delivery, and private and multinational partnerships; the next step would be to make recommendations to Parliament on ways

to meet needs within a changing civil service environment and bridge the gap in capacity and knowledge within to reform from within. Currently the FCSC lacks the structures to fulfill its mandate to ensure, monitor, and supervise the civil service beyond the departmental level, including oversight committees equipped with the necessary skills and capacities to fulfill their mandate.

Reform interventions are very complex by nature and one model does not fit all. This statement is particularly true in the Iraqi context. Other inhibiting factors which add to the complexities are weakness in the vision for a future Iraq; lack of institutional and human capacity and implementation skills; the legacy of a troubled past; the ever changing political agendas, and the ongoing violent sectarian struggle. One can also conclude that there has been an underestimation of the expert and resources needed to implement the requirements as stated in the approved CSC Law. As the scope for implementing the Civil Service Commission Law is wide, there is an urgent need for strong management, co-ordination and co-operative mechanisms to be put in place to achieve the long term desired impacts. The strengthening of these areas will go a long way in eliminating the inhibiting factors of the past. Evidence from Eastern Europe, Africa and the Middle East has shown that a period of capacity substitution before capacity development can take hold is unavoidable as in the case of Iraq. A key stumbling block to promoting stability and improving service delivery has been the lack of consensus among political parties regarding the content of the Civil Service Law. This has a profoundly negative effect on implementing much needed reforms.

Notwithstanding all this, USAID must act now to provide serious and substantial support to implement the CSC Law. The CSC Law has been approved by Parliament and without immediate support to establish and grow the mandated organization structures, departments and functions and to provide realistic and realizable standard operating systems and procedures, and staffed by younger thinkers and reform minded professionals then the CSC will at best become a paper tiger; at worse, it will seriously undermine the very law that the CSC was mandated to implement. Donors are working with PMAC as a civil service steering committee to avoid duplications in work, agree on responsibility for tasks, and decide on possible cost-sharing interventions. It is recommended that one of the first roles of this committee be to analyze and address factors inhibiting progress and develop strategies and action plans to fast track approval and implementation of these laws. In this context, USG policy in the short to medium term to ensure the more efficient and effective recovery of Iraq must be one of the key considerations for USAID when agreeing on “who does what” in relation to legal reform. It would be a valuable opportunity lost to USAID if it failed to take the lead in this strategically important area. The support will be a continuation of work recorded as done by Tatweer but on a more focused in depth scale.

It is strongly recommended that offices for the team be provided within the FCSC so that full time on the job training and mentoring can take place. Advisory support should focus on the FCSC leadership and department specific issues relating to how a modern civil service commission functions, defining the roles and responsibilities of each component, drafting of staffing structures and job descriptions, budgeting and administration, drafting of legal documents, policy development and establishment of the Public Service Institute, etc.

It is recommended that at least five international or regional professionals be appointed on the strong condition that they have proven and extensive knowledge of, and experience in working in Civil Service Commissions. Complementing the long term advisors would be a core of short to medium term advisors focusing on the development of the priority leadership/senior management and the development of standardized HRM blueprints. Professional competency should not be compromised by the desire to have Arabic speakers and Iraqi capacity development must not be substituted by the use of inexperienced long term regional advisers who sometimes lack the appropriate professional qualifications and experience.

The role of USAID in building the necessary capacity within the Iraqi government and supporting these recommendations will not be limited to the medium term. These reforms must be part of, and

seen to be part of, an ongoing long term reform process. However, with the right structures, policies and procedures in place, and as Iraqi capacity grows, support can gradually be withdrawn.

There has been no consensus among the parties in regard to the Civil Service Law and the debate on content has had a profound negative effect on reform implementation, with a further ripple effect on other transformation initiatives for Iraq. This is largely a result of weaknesses in vision for the future of Iraq and political agendas. There is an urgent need for analyzing and addressing the underlying lack of progress and capacity to develop results-based strategies and action plans to fast-track and agree on essential legislation. Strong management, coordination and cooperative mechanisms are needed to achieve desired sustainable impacts and eliminate inhibiting factors from the past. The role of USAID in building the necessary capacity within the Iraqi government and supporting these recommendations should not be limited to short-term interventions, as such support must be ongoing throughout the reform. However in the long term, with the right structures, systems and procedures in place, and as human capacity grows, international support can gradually be phased out.

Human Resources/Capital Management

Human resource management (HRM) is essentially people, processes, and culture working together to achieve an organization's vision, mandate, and strategy. It is the organizational function that deals with all manner of *people issues* – salary, recruitment, performance management, benefits, motivation, communication, administration, and training. HRM has evolved significantly in recent decades as external and internal pressures have forced governments to redefine the role of the state and reform public administration capacities. One of the major challenges facing Iraq has been improving the quality of service delivery. Although there are a number of approaches to meeting these demands one of the most common is transforming the HRM component of service delivery. USAID, as with many donors in conflict countries, has initially focused on training staff on general administrative HRM principles. HRM in Iraq has been regarded largely as an administrative or technical matter rather than receiving the strategic management concern it deserves. Current HRM policy is based on the old Civil Service Law that does not meet current needs in Iraq. At the same time ministries interpret current laws in different ways and thus there are no uniform standardized HRM policies and procedures in place that apply uniformly.

Interviews conducted across a range of provinces and the central government indicated that there are no induction training program in ministries/agencies/ units for new employees. New employees often had to find their way around by themselves and develop unassisted an understanding of what their job entails and how it fits into the overall vision and strategic objectives of their ministry, agency, or unit. Job descriptions are often outdated and lack skills in competency frameworks, key performance indicators and understanding organizational roles and interrelationships. The result is that there is confusion with regard to role definition and accountability. The absence of accurate job descriptions inevitably leads to confusion with regard to performance management issues and no quarterly assessments of performance are conducted.

Management's performance is also not actively monitored. The net result is that performance is not measured against strategic objectives and this erodes the ability to monitor institutional performance and identify reasons for a lack of performance in specific areas. In addition, staff development plans cannot be formulated for individual employees. Interviewees noted that in many cases staff was appointed not on their experience, qualifications and skills for the job but on their political affiliation.

There are no appropriate HRM structural models in place. Organizational staff structures are mechanistic in nature, with all decision making taking place at senior management levels. This has had a negative impact on service delivery as elementary decisions making is reliant on the availability of senior managers to make a decision. At the same time ministries and provinces lack standardized

HRM manuals in operating procedures and thus procedures differ from ministry to ministry and even within ministries.

In a number of national ministries, it has become the case that there are a number of HR functions residing in the administrative department, and COMSEC is a typical example. Thus, there is no single integrated HRM department in these ministries. However, some progress has been made in this area since Tatweer has started to implement HRM pilot projects in health and agriculture at the national level. Currently, a number of ministries have made some progress with the development and implementation of HRMIS databases within their ministries/agencies. Irrespective, there was no standardization of HRMIS databases amongst these ministries and often due to the lack of technical knowledge the data bases are not utilized to their full potential. In general most ministries and the provinces are still reliant on paper-based filing systems.

Training has focused on the theoretical aspects of HRM rather than on practical results and on-the-job application of the theory. The result has been that individuals often lack the practical experience needed to apply what they have learned in a training session to their work and HRM organizational unit. This could be improved. The resources allocated by Tatweer, while excellent, need to be increased to meet HRM training needs.

As previously noted, the Iraqi draft Civil Service Reform Law has not been approved. This law lays a foundation for all future HRM and training interventions and development by donors. In the interim Tatweer has tried to lay down the foundation to support implementation of the law by focusing on HR training in recruitment, the writing of job descriptions, performance evaluation, and other areas, including training ministerial staff in business process re-engineering.

HRM has evolved significantly as external and internal pressures have forced governments to redefine the role of the state and develop public administration capacities. In Iraqi, as in many conflict countries, the focus has been on training staff on general administrative HR principles. What has not happened is the next step of developing and implementing the concepts in an integrated manner. The HR focus has been on the individual, and as a result, the functioning of HR organizational units remains ineffective. The reason for this is twofold: the security situation makes it very difficult for international experts to work with organizational units in their ministries, and the Civil Service Law, which is still under debate. There are no standardized HRM policies and procedures across ministries. Some are elaborated in the after-mentioned as priorities and also part of the current draft Civil Service Law. "Paper filing" is still the order of the day in ministries. Although some ministries have started to try to move to IT-based HRM systems – for example, for pay roll – there is need for standardized IT-based HRM systems for all ministries, a significant gap.

The proposed Civil Service Law provides the framework for HR reforms. At the same time there is a need to translate these laws into clear and concise policies with standardized procedures and supporting HR systems applying to all ministries. The law will need to be translated into standardized HRM policies and procedures for all ministries for recruitment, salary scales, and performance evaluation.

There is a need to start looking at HR reforms that have been adopted and implemented in other countries to promote a more professional, service-focused civil service. Priority HR focus areas include policies pertaining to conflict of interests, labor relations with clearly defined disciplinary procedures, conflict resolution, policies on occupational health and safety, HIV/AIDS, and human resource development to meet the needs of a changing and competitive world environment. Linking to all of the above is the need for competence frameworks, a key gap. The important objective in the development of such frameworks in the civil service is to promote a shared language as it relates to performance standards and expectations. The necessary behaviors and attributes as well as knowledge and skills required by civil servants to realize their potential and provide the highest quality service. The Code of Conduct of Civil Servants can help.

Many leadership appointments are political by nature. Thus, have leaders that lack management skills as well as the competencies required for the HRM reform. Tatweer training has been mostly for middle management, e.g., leadership and communication. From interviews it seems that DG's have been reluctant to attend these training programs. This has impacted negatively on the knowledge of middle managers, as it is difficult to apply the learned competencies when decision making and authority is still seated in upper management. What is needed is leadership with qualities that complement the vision of the new civil reforms, with leadership competencies in areas that include people management, values, and ethics.

Given the importance of the performance evaluation process as a key tool for the HRM framework, a regular monitoring process will be essential. There is currently no review and improvement for annual performance evaluation, so the gap is in lack of a strategy to review the annual performance evaluation process. Recruitment is not transparent and based on equal opportunity; it may not always be linked to performance indicators for the position, although the draft Civil Service Reform Law is an attempt at improvement in this area. Better recruitment practices are needed and there are few tools to support the recruitment process, including a lack of interviewing techniques, standardized questionnaires, job descriptions with key performance indicators, and reference checking protocols.

Interviews carried out for this report make it apparent that Tatweer-supported technical training in standard operating procedures, BPR, has changed the way ministry staff think about their work. Although progress has been made in drafting new internal HR standard operating procedures, interviewees noted the need to begin implementation of the new procedures. Staff need training in application of new SOPs, including training in revising their new roles and responsibilities. Much individual training has been done, but the focus now needs to move up the ladder to training organizational units and teams.

All governments and especially GOI, face changing perceptions of needs and priorities in public administration theory and practice, with direct implications for HRM. The current need is to incorporate what has been achieved so far and move to a higher more strategic HRM approach. An approach which focuses on organizational problems as related to the changing of structures and culture within ministries; its efficiency and performance; the harmonization of resources into units; the creation of distinctive capabilities; the knowledge management and the management of change.

The underlying principles of this strategic approach are that the HRM function becomes that of a facilitator between line function supervisors and their employees. Employees of the HRM function must be able to provide and guide line functions. This kind of approach also supports the gradual transformation of the HRM function from that of an administrative service provider to that of a strategic business adviser.

One of the key priorities in the short term is the need to formulate and draft a national HRM policy, legal and regulatory frameworks and procedures and strategies to fast track capacity building. This should be part of the HRM civil service reform initiative without further delay to provide the framework for ministries and provinces to adapt specifically to their HRM operational needs. It is highly recommended that USAID HRM support should focus on the implementation of actual HRM policies in place and provide further support, as and when the proposed Civil Service Law is finally approved by Parliament. With continued hesitation on the part of donors, skills and capacity that has already been built up will be lost instead of creating the momentum to implement the reform changes.

There is a compelling need to develop and provide on the job support for the implementation of HRM structural models. A participatory approach is needed to develop these models involving all HRM employees from senior management to the most junior level. Use must be made of interviews, meetings, focus groups and business process re-engineering methodologies to develop the models.

For HRM to be a single integrated function there is a compelling need to align and integrate all HRM functions into one HRM department. In particular, USAID support should be provided to ministries where some HRM functions have been set up in other departments usually in the administration department. This is critical for HRM service delivery and is in line with the proposed civil service reforms. Standardized HR tools should be developed and incorporated into manuals to support HRM sub units with the drafting of their work plans.

It is also recommended that other ministries learn lessons from the HRM pilot projects within agriculture and health. To achieve this there is a need for interministry HRM committees and focus groups, with USAID's main role as that of co-coordinator. Progressive HRM departments rely on quick and accessible information to meet their mandate and to do so they need automation in at least five key HR processes, namely recruitment, training, career development, personnel and benefits and administration, and payroll. The long term vision for Iraq is to have these systems in place for all ministries/agencies on the national and provincial levels. Although some ministries and agencies have started to implement HRMIS data systems there is a lack of standardization between ministries and some of these systems have been underutilized. The need for support in the standardization of HRMIS systems throughout all ministries and provinces and to ensure that these systems are used optimally is critical. Support should take the form of creating and facilitating a single GIO IT coordinating structure, to replace the many structures currently working independently to promote standardization and on the job training and mentoring.

All change management interventions take time and must be planned and managed in a systematic way. The key to success in transforming HRM and developing it more at a strategic level is the need to develop a kit of HRM tools that is specific to Iraq based on lessons learned and from other countries. Thus, the focus should move from, "giving the fish to teaching to fish" using Total Quality Management principles of learning in teams/units and on the job support. HRM is an integrated function where all HR components inter-relate to each other. However, these components, where they exist, are fragmented and operate in isolation. Equally, the implementation of HR policies, procedures and information technology based systems differ between ministries and provinces. Management level lacks the leadership and communication skills and policy guidance from the national level. This and the fact that HR related civil reform structures are not in place have had a negative impact on HRM standardization and implementation. However, some individual staff HR pockets of excellence do exist, usually as a result of donor intervention in the workplace. However, rigid staffing structures and centralized decision making inhibits the harnessing of this expertise.

The focus of future USAID's role in HR should start from what has been achieved so far and build on this. In particular on integrating and standardizing the HR functions within all ministries and provinces. Future focus must shift from working with individuals to reforming and integrating HRM organizational units. Developing standardized HRM administrative policies, procedures and blueprints for Ministries is a priority. Agriculture and Health are in the process of piloting HRM projects for their ministries and the participation of other ministries in this process would add value in developing standardized HR blueprints. Skills competency frameworks are one of the overarching principles underpinning HRM and should be developed for all occupational classifications. Further development of senior management leadership skills is a top priority,

Training. Despite all the challenges faced in Iraq much has been achieved in creating a base line for training on which to build on during the next five years. Under the current projects, USAID is assisting the GOI in conceiving and organizing training and development programs for civil servants and building capacity within ministries and in provinces, districts, and subdistricts. Thus, the focus has been on strengthening public administration capacity in Iraq.

Training in general is given a very low priority in ministries and this can be ascribed to a number of reasons. Currently there is no clarity and regulated accountability for in-service training of civil servants as there is no government-wide training policy. The result has been that training programs have not always focused on government and ministry training requirements and staff duties. Equally

there are no clearly defined operational priorities that ministries are accountable for. From interviews conducted across a range of provinces and the central government there is no evidence of any structured processes in place for training needs identification. Iraqi interviewees indicated that actual training needs assessment has been limited; where it has occurred it has been mainly in technical needs analyses. The public administration training that has taken place has been mainly on the core administrative functions of ministries. Interviewees voiced the opinion that there is little if any practical on-the-job training, which should be a future priority. Management buy-in for training has been low, with many cases reported of staff blocked from applying on the job what they had learned during training.

Key competency frameworks for specific occupational classes do not exist. The problem is especially acute at senior level, where there is no senior cadre with genuine modern day leadership and management skills in place. Where evaluation of training interventions has been conducted it has been limited to individual interviews and thus has not focused on actual deliverables and in the context of departmental outputs it has not been linked to predetermined performance indicators. One explanation for this is that the thrust of training has not accommodated the principles of total quality management i.e. learning taking place within teams/units. Applying total quality management principles does not happen overnight and is an even bigger challenge in the Iraqi context due to the inherited bureaucratic and centralized decision making processes and rigid staff structures that support these processes. Despite these weaknesses some notable inroads have been made with the OSTP and with the BPR/SOP-based training programs. Such processes are especially useful in the more technical essential service delivery-oriented ministries. Many interviewees noted that these programs were of value, especially when the team itself could set their own milestones, and performance indicators.

One of the key providers in core administrative function training has been NCCMD. Much time, energy and resources have been ploughed into NCCMD through the Tatweer project and other donors. Some positive inroads have been made with NCCMD in realizing the need to become ISO compliant and working towards it and in their partnership with the US National Academy for Public Administration in getting some of their training courses certified. The United Nations Economic and Social Commission West Asia has since 2007 supported NCCMD in the application of e-learning, strategy development, executive education and leadership models, adapting training toolkits and equipment provision. Unfortunately, the general reaction amongst interviewees has been that NCCMD is an institution that lacks credibility, it is focused on the traditional way of learning based on the relationship of teacher/pupil and lacks the capacity and credibility to deliver all that it is mandated to provide, including acting as consultants to ministries.

Since 2007 the United Nations Economic and Social Commission West Asia has also supported AI Quds School of Computers with TOT software training and on-the-job support. Staff interviewed from the AI Quds noted the need for more advanced computer courses with a component of 'on the job mentoring' focusing on the maintenance of software applications and development of IT knowledge based information systems. A new law has recently been passed that NCCMD and AI Quds School of Computers be amalgamated into one institute in MOPDC. This process will be challenging due to the different natures of each organization, especially relating to capacity building within NCCMD and AI Quds.

LGP3 and Cap3 and more recently Tatweer have been the leading USAID training providers in the provinces. A key finding has been the need to strengthen the coordination between these USAID providers. This finding is not new and it is within the jurisdiction of USAID. The need to resolve the issue in an integrated manner is most urgent. It requires effective leadership on the part of USAID with national ministries, provincial governors and provincial, national and sub national councils working in partnership with USAID as equal partners in the solution finding process. NCCMD, with the assistance of Tatweer, has established training centers in three provinces and started to roll out training in core administrative functions. As with training at the national level the impact of training and the return on the investment has been limited due to the lack of needs analysis, management

buy in and on the job training in work teams/units. Attempts have been made by some national Ministries like Agriculture, Health, Oil and Water Resources to cascade technical training interventions to provinces with the support of Tatweer. The lack of trained technical Iraqi TOT's and adequate GOI support both financial and institutional has limited these interventions.

Training is one of the major components of institutional capacity development, the other being improvements in regulations and incentives, in technology and in organizational structures. Rarely can training on its own make an institution more efficient. Civil service staff development in Iraq has largely been confined to the use of classroom training where a teacher/instructor teaches individuals by presenting structured content in a controlled classroom environment. Although learning by training will remain the main form of developing capacity in the short term it must be placed within an overall framework that covers the many facets of training and methodology needed for staff to absorb, understand and respond to the modern world.

There is no national training policy and plan to focus on the challenge of improving service delivery. This is particularly crucial in technical training, urgently needed to improve the delivery of essential services at the provincial level. There was little evidence of professional in- depth training needs analysis and even less that Iraqi civil servants had been involved. Limited synergy was evident with the strategic objectives of ministries and departments/units within the ministry. Selection for training courses is often based upon personal connections, seniority and availability to participate in such training. Less attention is paid to the relevance of the training to the organizational unit.

NCCMD and Al Quds lack capacity to deliver all they are mandated to provide including acting as consultants to Ministries. However, Tatweer and the U.S. National Academy for Public Administration has been providing support for transforming NCCMD to a more modern institute. The extent to which this support has produced results could not be verified. Due to the traditional nature and inter-institutional complexities this will be a long term challenge. A new law for the structure and function of the Ministry of Planning (MoP) was recently put into force and the implementation of the law will soon begin. In it, the Central Organization for Statistics and Information Technology (COSIT) and COSQC will continue to be associated with the MoP. As previously noted, NCCMD will be merged with Al Quds School into the National Center for Management Development and Information Technology under the new law and will continue under the auspices of the MoP. It may yield a better return on investment if future international support is directed to the establishment of the Institute of Public Administration in the Office of the Civil Service Commission. Technical training has been limited as it is costly, occupation-specific, and reliant on the Iraq government to budget for it. This has resulted in serious shortfalls for the operations and maintenance of donor assisted infrastructure.

There is no GOI training and skills development policy in place with a vision statement, procedures, or strategies for civil servants. Ministries lack needs-based training plans linked to adequate training budgets. No GOI or ministry accurate databases exist for the management of training. Training takes place without proper training needs analyses and often participants do not attend training programs related to their scope of work or future career development. There are gaps in identifying staff training needs to promote capacity and service delivery within ministries. With a structured needs assessments processes, the government will be better able to determine specific training needs and priorities. Needs analysis will also identify training gaps in order to implement civil service reforms within Ministries. The gap is in deliverable-training policy, methodology for needs assessments, and training in conducting needs analyses.

From interviews, interviewees have expressed their sense that they were not consulted or involved in needs analyses or in developing training material content. Iraqi counterparts should be consulted regarding their training needs and the content of learning materials. Participants complain that training programs have mostly been of a theoretical nature and that they need on the job training and mentoring. Training curriculums have a theoretical and practical component. There is a need for the development of training curricula that includes a practical on the job training component.

NCCMD is seen as a bureaucratic and a very traditional training institution, focusing only on generic theoretical training needs with very limited capacity to meet all the needs of Ministries. At the same time no evidence was found of any legal and regulatory framework guiding the activities of NCCMD, e.g., standards. NCCMD consultation with ministry managers is lacking. There is need for a leading and modern public management training institute with the capacity to deliver needs based training programs and consultancy services to ministries; currently there is no institute. A modern institute is subject to legal and regulatory frameworks and is responsive to the needs of ministries. Its training program is integrated with international practices and advanced theories and experiences from developed countries, with competent staff and an ISO-compliant program, it offers strong partnerships with universities (especially their public management and research faculties),

Human resource development in Iraq has been of a traditional nature, focusing mainly on classroom lectures. Learning should incorporate appropriate cost effective methods, including study tours, on the job training/mentoring, job rotations, focus group meetings, e-learning, and newsletters, internships, share drive knowledge bases, simulations, and learning videos.

A number of interviewees claimed that when students return from scholarships their degrees are not recognized by the Higher Education Authority of Iraq. The need is two-fold: first, ensuring that qualifications obtained abroad are recognized in Iraq, and second, seeing to it that the requirements of the Iraqi Higher Education Authority are revisited and, if need be, changed to correspond to international accreditation standards. Scholarships will need to be reviewed to ensure they meet the requirements of the Iraqi Higher Education Authority once this process occurs.

Conclusions and Recommendations

As with most post-conflict and developing countries undergoing radical transformation, there is a need to link all professional development programs, particularly training, to an overall reform process that reinforces the skills, knowledge, values and most important of all the attitudes conveyed by the training programs. Capacity building must be associated with empowering all civil servants, not simply as simply treating them as beneficiaries of reform. Donors and national partners in countries like Rwanda, Uganda, Indonesia, Ukraine, Bosnia, Egypt, Jordan, and East Timor have learned this lesson. More recent donor supported programs have learned to apply lessons learnt in training from past experience. This has been particularly noticeable in Iraq with regard to training, and the momentum built up during the first five to eight years of support has focused on institutions involved in training and HRM in particular. However, this piecemeal approach has lacked coordination and integration. It is apparent from the findings that linkages between training needs and donor priorities have been fragile, mainly because most training needs were not defined in consultation with Iraqis. The implication of this has been that training has often been viewed by the Iraqis, particularly those in leadership positions, as lacking credibility and consistency and as focusing on certain individuals and sectors without any centralized modalities to steer the process. Future USAID training modalities should focus on the long term and incremental process of building up capacities, directly linked to operational institutional strengthening and policy development and be broken down into realistic, sequential phases.

One of the key priorities in the short term is the need to formulate and draft a national training and skills development policy, legal and regulatory frameworks, procedures and strategies to fast track capacity building. This would be part of the HRM civil service reform initiative and provide the framework for ministries and provinces to adapt specifically to their operational needs. Thus, initially the focus of support should shift to that of a “consolidation phase.” To complement the consolidation phase it is essential that assistance is provided in developing appropriate and applicable tools for training units in ministries and provinces to conduct their own in depth training analyses and to develop relevant training plans based on specific priorities. Meanwhile, Tatweer HRM training programs have “planted the seed” of what training is all about. But this learning has to be taken to a higher more professionally relevant level with the development of tools to support the management

of training, such as the development of specific tools on how to evaluate post training. That said, without on the job training and mentoring support in the use of these new tools the skills transfer will be limited and sustainability will be compromised.

A key weakness has been the integration of skills learnt by individuals from the training programs and applied on the job when they return to the workplace. The focus of any future training support must clearly and specifically shift to on the job training and mentoring of specific organizational departments and units. Such organizational capacity building will be considerably enhanced by applying the very successful Iraqi driven OSTP and SOP applications which have already advanced a number of ministries far along the road of institutional capacity building. Total quality management principles with the focus on team learning and self assessment are key in this success.

The need to develop specific occupational framework competencies and to link training to the framework competencies is again emphasized. Equally, leadership and senior managers lack leadership, communication and planning skills and the vision to drive their organizations along the reform agenda. Specific, relevant and tailored support should be given to the development and application of locally applicable modern day leadership and management skills. To achieve this, a future program should encompass both on-going management responsibilities as well as competencies for HRM reform. Modules should be in harmony with and complement the national strategic vision of the new public service and the profile of a successful leader at the various management levels in the public service. It would include such topics as people management and values and ethics and take account successful civil service leadership development training programs in Afghanistan, Jordan, and Malaysia. Afghanistan also includes an extremely successful and well regarded bilateral civil servant capacity building and placement programmed to build on the job public sector capacity simultaneously from the bottom up and from the top down.

As previously mentioned, many senior civil servants interviewed held NCCMD in low esteem. Interviewees also noted that due to the traditional nature and inter-institutional complexities within NCCMD any transformation or re launch of NCCMD would be an enormous challenge. NCCMD credibility has eroded as ministry specific reform has gathered pace. Restoring this credibility takes time and a willingness on the part of the NCCMD to change. Doing so is a long term initiative requiring much donor funded time, energy and resources. Credibility lost is notoriously difficult to recover. Current discussions range in relation to focusing donor support on the newly legally mandated Civil Service Institute that is to be created in the Department of Public Administration Reform in the Federal Civil Service Commission. The advantage of such a long overdue civil service reform institute is that it is at the apex of power, located as it is within the Federal Civil Service Commission. It can attract young internationally educated visionary, energetic and ambitious faculty with the skills experience and attitude to develop a centre of public administration/civil service reform excellence. This will help to lead Iraq toward world-class public administration instead of remaining firmly rooted in the past.

At the same time USAID must continue providing support to NCCMD and AI Quds by building on what has already been done and supporting the amalgamation of NCCMD and AI Quds into one institute. A framework document of support must be drafted. This document will focus on initially identifying needs at the very broad level and subsequently allowing program management to define and deliver technical assistance on a case by case basis, aligned to more detailed needs as they emerge during program implementation. Thus, the approach should be phased and incremental, with an eye to the longer-term nature of reforms, and with clear communications plans in place to inform all staff of the process.

One of the key primary requirements in any amalgamation process is to ensure that the design of the amalgamation program is one of partnership and ownership between institutions. This can create sound execution and implementation structures, with processes and inputs that are consistent. At the same time the program design must be dynamic and cognizant of Iraq's political and reform environment, along with the corresponding need to respond to shifting conditions and priorities.

The prime determinant and precondition for success of this program rests in accountability, together with the quality and effectiveness of program direction, of management and staff. A memorandum of understanding must be drawn up with the Ministry of Planning and USAID to set the ground rules for engagement, with specific emphasis on partnership. NCCMD and Al Quds could each nominate two persons to work on a full time basis with the amalgamation. It is recommended that a steering committee also be established with the deputy minister of planning as chair. The deputy's minister's role is to reaffirm the amalgamation process, provide direction to the program management on such matters as strengthening working relationships with USAID and other donors, and to strengthen work on the horizontal or cross-sectional ministry plane, as well as to stress the importance of the three principles of capacity building: sustainability, partnership and dynamism. Complementing this steering committee would be a program management unit accountable to the steering committee, which would play a facilitating and coordinating role. It is also expected of this Unit to have a program website and serve as a repository for documents that might need to be accessed internally and externally.

During the first phase (12 months) of the program the main *modus operandi* should be the deployment of international experts to provide a range of technical, policy and professional services to build on what has been done. They would identify and assess the internal capacities of both institutions, focusing on functional reviews and capacity assessments, and using a number of methodologies like OSTP and BPR. This needs analysis will create a base line to develop action plans for specific areas like: the vision and mission of the new organization; a single organizational structure with job descriptions; drafting of policies and procedures; training of staff; review; updating and development of training materials; certification of training programs; piloting of projects to name but some. Assistance must take the form of "soft services" such as process facilitation, technical advice, analytical support, expert advice, organizational development, teambuilding, information sharing, work planning, seminars, and workshops, coaching and mentoring.

The focus of the next phase (12 to 36 months) of the amalgamation will be to continue this focus, with adjustments in terms of capacity development scope. As noted in this report a new public service institute is to be established as department in the Civil Service Commission. At the moment no decision has been taken if the public service institution will start from scratch or if NCCMD and Al Quds will be incorporated or become the new public service institute. One of the priorities of the next phase must be an adjustment to reflect on the decision taken regarding the establishment of the public service institute. This will be based on considerations discussed in the previous chapter. Possible options that could come to the fore would be (1) establishing the public service institute from scratch or (2) continuing support of NCCMD and Al Quds by amalgamating them into the new Institute, with the scope of support being determined by the MOPDC.

Ministry training departments are key to building technical capacity to improve service delivery. The focus of support should be building technical capacity within ministry training departments, transforming them into high level technical institutes, providing support for international certification of training programmers, and facilitating the process of partnerships with other regional technical training institutes.

Promotion and investing in other forms of learning, a strategy to roll out learning to the provincial levels through inter ministry training committees, development of simulation training programs for technical training, learning by internet web based programs, videos, linking training and performance evaluation to rewards, job rotations, newsletters, creating of knowledge bases, and rewarding innovation are key areas for support. The effectiveness of training is constrained by the absence of key fundamentals. These include: an overall national and ministry training policy; training procedures, plans and strategies; training needs identification undertaken by staff and in line with the organizations strategic needs; supervisor buy in for staff returning from training; budgets for training; training materials having theoretical and practical components; and on the job monitoring and evaluation of the impact of training in the workplace. These fundamentals are still not in place in Iraq. Where technical training interventions have occurred they have been very successful. Some of the

reasons for this could be ascribed to training being linked directly to organizational needs and participants own occupational needs and motivation; leadership buy-in being a prerequisite; participants themselves identifying training needs; and learning focusing on team work with a practical element. Despite many shortcomings and lessons learnt the foundation has been laid for getting better results in the Iraq Government institutions in the future.

The focus of support should shift to that of a consolidation phase, characterized by a number interventions focusing on developing a national training strategy with policies, procedures, strategies, training plans and monitoring and impact assessment systems at the ministry level. The sustainability of training will require a formal cadre of training of trainers. This consolidation phase is an integral part of the Civil Service Reform initiatives recommended in the main ICB report. Support should be on the job and practical by nature where teams are given the necessary tools to identify their own learning needs and find their own solutions to problems. Sustainability of the above requires support to the establishment and development of ministerial training centers to meet the technical needs of ministries. In conclusion, a focus of future USAID support should be to prepare Iraq to be competitive in the global world. Methods of learning should be embedded into the Iraqi culture and within the framework of ministries as learning institutions.

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