



### KEY FIGURES:

- 25 DONORS TO DATE
- 16 IMPLEMENTING UN ORGANIZATIONS
- US\$1,116 mill TOTAL GROSS DEPOSITS
- US\$869 mill APPROVED & FUNDED FOR A TOTAL OF 104 PROJECTS
- US\$664 mill (76%) OF APPROVED FUNDING CONTRACTUALLY COMMITTED
- US\$558 mill (64%) OF APPROVED FUNDING DISBURSED
- US\$ 489 mill CONTRACT AWARDS POSTED ON WEBSITE [www.irffi.org](http://www.irffi.org)
- 17 PROJECTS OPERATIONALLY COMPLETED

## 1. LATEST NEWS

### Gross Donor Contributions

Total UNDG ITF deposits remain at US\$1,116 million. For further details refer to Donor Contributions link on the UNDG ITF section of the IRFFI web site ([www.irffi.org](http://www.irffi.org)).

### Submission of Fourth Six-monthly Consolidated UNDG ITF Progress Report

On 10 November 2006 the Fourth Consolidated Six Monthly report of the Administrative Agent on UNDG ITF progress was submitted to donors. The report, which covers the period from 1 January to 30 June 2006 (with an informal update to end of September 2006) highlights UNDG ITF progress as a whole focussing on programme implementation in the areas of governance and basic services. The report builds on the three official reports issued to date in May 2005, November 2005 and May 2006. Although overall progress on governance was less than expected and expenditure rose by just \$90.5 million, further strong progress was made in delivering basic services. The 10 quick-impact projects in basic services; education, health, water and sanitation discussed at the July 2005 IRFFI Donor Meeting were virtually complete. Overall 262 schools had been rehabilitated to a child friendly design, 192 primary health centres rehabilitated, polio and cholera free status in Iraq retained, 160 water and sanitation systems rehabilitated to name only a few important impacts.

lateral institutions and formal members of the preparatory group for the ICI. The meeting marks the completion of the preparatory process of the ICI which has been developed by the Government of Iraq with support of the United Nations and the World Bank, under the prevailing difficulties. As the serious challenges that currently face Iraq have come to shape the Compact, the objectives, strategies and benchmarks it contains, compose an integrated plan to overcome them.

The Compact aims to create a mutually reinforcing dynamic of national consensus and international support. Domestically the aim is to complement a National Compact around the government's political programmes and restore the Iraqi people's trust in the state and its ability to protect them and meet their basic needs. Internationally, the Compact establishes a framework of mutual commitments that will support Iraq and strengthen its resolve to address critical reforms and policies. It is recognized that the resolution of security and political challenges, good governance and the provision of basic services are fundamental for progress in all other areas, including economic revival.

Iraq's international partners have pledged to provide financial, technical and political support to help meet these challenges on the basis of mutual commitments to the necessary steps required to realize their shared vision for the normalization of Iraq. The United Nations also reaffirmed its commitment to the success of the Compact and its continued intention to support the promotion and implementation of the ICI, through its mission and agencies in Iraq and the good offices of the Secretary-General and his representatives.

Mindful of the urgency of rapid progress and firmly endorsing the Compact as presented, the formal adoption of ICI is scheduled for a High-Level event during the next six weeks.

### Inside this issue:

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### International Compact with Iraq—Kuwait High-Level Preparatory Meeting-31 October 2006 concluded with "Kuwait Declaration"

On 31 October 2006, a High-Level preparatory meeting on the International Compact with Iraq (ICI) took place in Kuwait City, hosted by the Government of Kuwait. The purpose of the meeting was the final consolidation of support for and endorsement of the International Compact with Iraq, as jointly presented by the Government of Iraq and the United Nations.

The landmark event was widely attended with representation of 20 States, regional and multi-

#### International Compact with Iraq: key dates

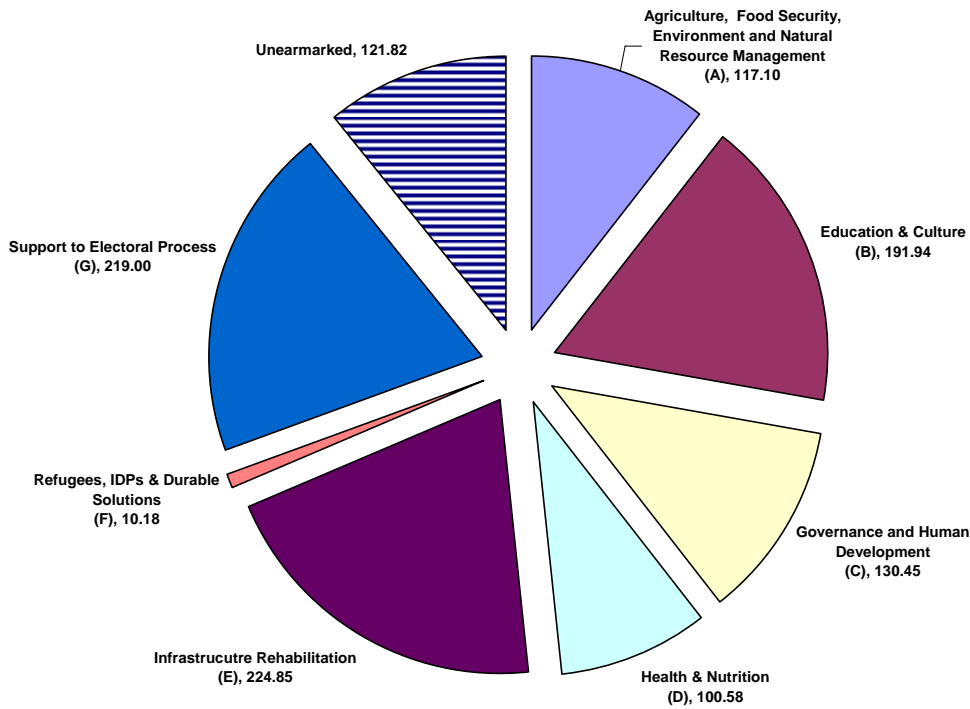
- Executive Committee Meeting- Baghdad, ongoing
- High-level Preparatory Group Meetings took place in Kuwait, 31 October 2006

#### November 2006 UNDG ITF Newsletter

The November issue will feature thematic issues of Cluster A (Agriculture, Food Security, Environment and Natural Resource Management).

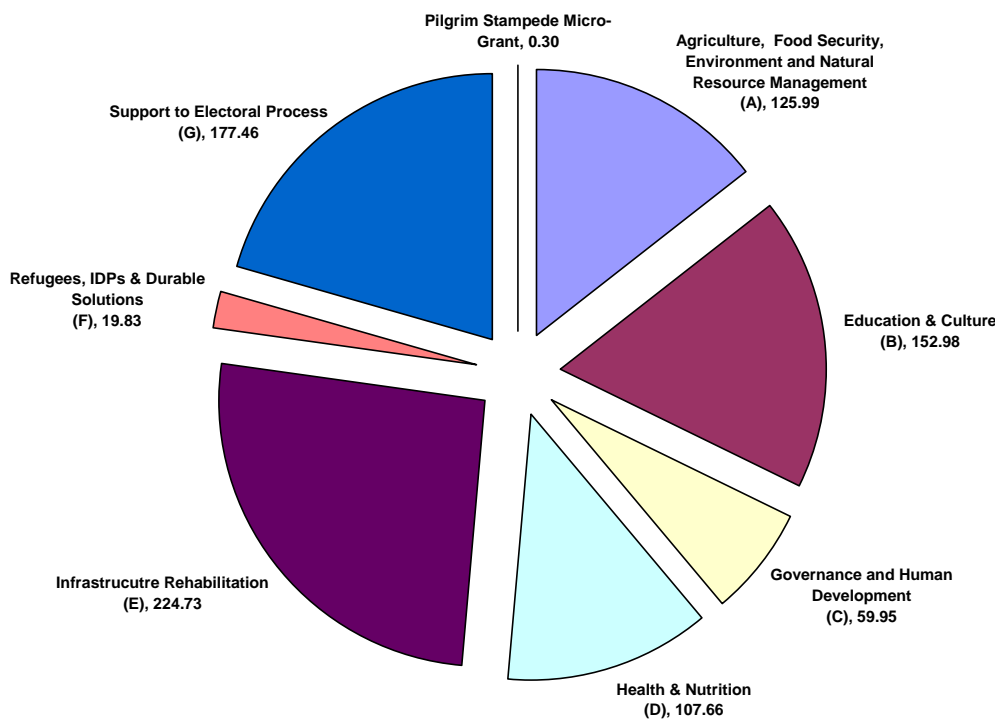
## 2. FINANCIAL SUMMARY

### 2.1 Donor Deposits, breakdown by Cluster and Donor (\$US mill)



Donor	Gross Deposit (US\$ mill)
EC/EC RRM	460.88
JAPAN	360.95
UK	55.54
SPAIN	47.51
CANADA	46.40
ITALY	29.78
AUSTRALIA	20.07
KOREA	11.00
DENMARK	10.67
SWEDEN	10.62
GERMANY	10.00
NORWAY	7.01
NETHERLANDS	6.70
FINLAND	6.23
INDIA	5.00
KUWAIT	5.00
QATAR	5.00
USA	5.00
GREECE	3.63
NEW ZEALAND	3.36
LUXEMBOURG	2.32
BELGIUM	1.32
IRELAND	1.23
ICELAND	0.50
TURKEY	0.20
<b>TOTAL</b>	<b>1,115.92</b>

### 2.2 Approved Funding, breakdown by Cluster and Implementing UN Organization (\$US mill)



Agency	Approved Funding (US\$ mill)	No. of Projects
UNDP	251.95	23
UNOPS	157.99	17
UNICEF	121.04	8
WHO	85.52	10
FAO	75.32	7
UNHABITAT	56.01	7
UNESCO	33.74	12
UNEP	16.61	3
UNIDO	16.00	4
UNFPA	12.60	1
WFP	12.00	2
UNHCR	10.09	2
ESCWA	8.34	4
UNDP/EAD	7.80	1
UNIFEM	3.57	2
ILO	0.32	1
<b>TOTAL</b>	<b>868.90</b>	<b>104</b>

### 3. Thematic Issues: Education and Culture (Cluster B)

#### Cluster B Figures to Date

**Approved Funding** :\$ 152,984,363  
**Commitments** : \$ 114,745,319  
**Disbursement** : \$ 92,245,662

The Cluster partners are : UNESCO, UNICEF, UNHABITAT, UNOPS, ESCWA

#### Projects :

- B1-01** Vocational Education (UNESCO)
- B1-05** In Service Training for Teachers (UNESCO)
- B1-06** Strengthening Primary & Intermediate Education, Phase 1 (UNICEF)
- B1-07** Protecting Iraqi Cultural Heritage (UNESCO)
- B 1-08** Literacy and life Skills Development (UNESCO)
- B1-09** Education Facilities Rehabilitation (UNHABITAT)
- B1-10** Iraq Networking Academy Project (ESCWA)
- B1-11** Rehabilitation of School Buildings in Lower Southern Iraq (UNHABITAT)
- B1-12** Strengthening Primary & Intermediate Education Phase 2 (UNICEF)
- B1-13** Education Management Information System (UNESCO)
- B1-14** Revitalization of Technical and Vocational Education Phase 2 ( UNESCO)
- B1-15** Strengthening Secondary Education Phase 1 (UNESCO)
- B1-17** Iraq Networking Academy Project Phase 2 (ESCWA)
- B1-18** Textbooks Quality Improvement Programme II (UNESCO)
- B1-19** Integrated Community-based project to deliver quality basis social services (UNICEF)
- B1-20** Basra Leadership Human Rights Awareness (UNOPS)
- B1-22a** School Rehabilitation and Capacity Building Phase 1 (UNICEF)
- B1-22b** School Rehabilitation and Capacity Building Phase 1 (UNHABITAT)
- B1-23** Training of Trainers in Teacher Education for Sustained Quality Education (UNESCO)
- B1-24** Provision of Learning Materials for all Primary Level Students in Iraq (UNICEF)

#### UN Cluster B- Education and Culture

#### Technical Vocational education and Training - TVET in Iraq



Research has shown that technical and vocational education and training has tremendously fuelled economic growth in many countries. The impact of the last two wars and the economic and technological gap pose new daunting challenges to the TVET sub-sector in Iraq. There is widespread unemployment in Iraq, particularly among young men. In total, the unemployment rate including discouraged workers among young persons is estimated at 33.4 percent and increases to 37.2 percent among young men with secondary and higher education.

The TVET infrastructure has been degraded and is out of date. The TVET system lacks global access with respect to ideas for modern governance and requires significant institutional reform and programming. Technical and vocation education and training can provide the next generation of Iraqis with hope and stop their descent into frustration and related temptations. But, if not dealt with in a timely and adequate manner, the challenges of the sub-sector can spiral into a whole set of social, economic and political problems with inevitable consequences.

Responses to these challenges necessarily imply shaping of national and institutional policies concerning the missions and functions of the education and training (TVET) in promoting sustainable human development as well as the principles of civil society, and reducing unemployment and poverty. Hence, while the revitalization of existing TVET is in progress, Iraqi TVET education needs several reforms to integrate work-place-based learning and training into the vocational education programmes.

The recently finalized project " Revitalization of Technical and Vocational Education and Training TVET-I" and the ongoing second phase project "TVET-II are implemented to ensure that investments in the sub-sector yield the maximum benefit and attract capable staff and students. Infrastructure rehabilitation, provision of equipment, development of training material and staff capacity building are the main elements of these projects.

#### Iraq TVET Forum, "Re-alignment of TVET in Iraq with Employment Requirements"

In spite of the negative impact of wars on Iraq, sanc-

### 3. Thematic Issues: Cluster B (continued)

tions and the current security situation, national and international contributions to develop the basic tools for post-conflict Iraq's recovery and reconstruction are continuing. Education in general and TVET in particular top the agenda for action. The Government of Iraq, in collaboration with the German Government and the UN organized a Forum in Cairo (17-19 July 2006) on this critical area. The Forum aimed at analyzing the current situation and developing a vision for immediate and future action.

Extensive and high-level representation of the Iraqi TVET providers and business leaders in Iraq reflected the weight given by Iraqis, Government and business, to develop TVET. Participatory working groups confirmed the Iraqi ownership of developing their TVET system to mitigate youth unemployment and help in reconstructing the country. All governmental TVET providers; Foundation of Technical Education (FTE) Ministry of Higher Education and Scientific Research (MoHSR), Ministry of Education (MoE) and Ministry of Labor and Social Affairs (MoLSA); presented papers and actively participated in the Forum.

The papers covered a wide range of TVET issues related to:

- a) Highlights of current TVET in Iraq,
- b) Toward re-aligning TVET in Iraq,
- c) Anticipated challenges,
- d) Urgent needs
- e) Short-term priorities

Regional and international experts presented papers on experiences and identified the lessons learned. The Forum unanimously agreed to a nine-item TVET future outlook in Iraq tackling;

- 1) vision of TVET in Iraq,
- 2) the mission of TVET,
- 3) strategic framework for TVET,
- 4) core elements of the required re-alignment,
- 5) urgent needs for re-aligning TVET,
- 6) short-term priorities for action,
- 7) anticipated challenges,
- 8) potential international technical cooperation, and
- 9) specific calls on the Iraqi Government, International Agencies and the Donor Community to support the TVET development process.

Follow-up actions were identified and spelled out.

#### TVET in Iraq: Outcomes and A Future Outlook

Realizing all surrounding uncertainties and challenges fac-

ing TVET in Iraq on the one hand and the pressing need for re-aligning the TVET with employment requirements in a flexible way to better respond to the changing needs on the other, Iraqi participants came-up with the following main conclusions:

#### 1. A Vision for TVET

The need for a national vision for TVET in Iraq is paramount. Such a vision should not be only limited to the current "transitory" phase but also extended to the post-conflict one.

Formulation of a vision to the post-conflict phase will go hand-in-hand with the daily training responsibilities. TVET serving as a major pillar for reconstructing Iraq and its economic and social revival will focus on preparing an educated, well trained and productive workforce.

#### 2. The Mission of TVET

TVET System in Iraq during the transitory period will provide Iraqi citizens of all ages and backgrounds with employable skills, knowledge and attitudes consistent with the requirements of quality training; meanwhile, the System prepares for the post-conflict TVET necessary for the reconstruction of Iraq and beyond.

#### 3. Strategic Framework for TVET in Iraq

To ensure the anticipated relevance of TVET with employment requirement in Iraq the following issues related to a strategic framework for TVET are highlighted:

#### 4. Core elements of TVET re-alignment

- Clear TVET policies developed in partnership with public and private sectors;
- Workable mechanisms to closely monitor employer community needs using decentralized approaches with special attention to the needs of local communities;
- A quality system/management system in place and in a perspective awards benchmarking with developed economies;
- Current and new instructional staff developed on a continuous life long learning basis with full utilization of ICT;
- Students/trainees and job seekers given the opportunity to freely make educated choices on their careers.
- Maximum utilization of all available experiences, in particular in the Arab region and selected developed countries.

#### 5. Urgent Needs for Re-alignment

It is well understood that re-aligning the TVET system in



### 3. Thematic Issues: Cluster B (continued)

Iraq with employment requirements is a very demanding task. Nevertheless, some priority actions could be summarized as:

#### At the strategic level

- Developing and endorsing a National TVET vision in consultation with the private sector;
- Coordinating the roles of the TVET stakeholders, in particular, the three main ministries involved (Ministry of Higher Education and Scientific Research, Ministry of Education and Ministry of Labor and Social Affairs).
- Formulation of a strategic framework for the anticipated reform actively involving the private sector / employer community;
- Building mechanisms for TVET planning adopting a decentralized approach;
- Adopting appropriate mechanisms for curriculum development fulfilling a true partnership between TVET providers and the public and private sectors and actors;
- Ensuring relevance of TVET facilities, learning materials and equipment to the updated programmes and the needs of the labor market;
- Capacity building for TVET institutions to realize the above activities.

#### At implementation level

- Introducing a decentralized approach;
- Enhancing information-sharing and networking for better exchange of expertise.

#### 6. Short-Term Priorities for Action:

The participants foresee a group of actions as a priority for the coming year (August 2006 – July 2007), as follows:

- Developing a coordination mechanism involving the three main concerned ministries (MoHESR/FTE, MoE and MoLSA);
- Formulation of a TVET Steering Council with a senior technical secretariat to ensure active involvement of the private sector, public sector, and the civil society organizations;
- Developing a mid-term Strategic National TVET Framework in consultation with all concerned stakeholders including the employers' community; and
- Developing a flexible action plan prioritizing the most needed actions and investment priority areas to reform/re-align TVET with employment requirements, with a clear role of the private sector.



First IT Essentials training course at Mansour University College,

#### UN TVET initiatives in Iraq:

##### 1. Revitalization of Technical and Vocational Education and Training (Phase I and II)

The objective of this UNESCO-led project - phases I and II being funded through earmarked resources to Cluster B from Japan and EU respectively with a total amount of \$ US 5,737,557 - is to provide vocational equipment and strengthen the technical skills with a view to meeting the present and future needs of Iraq for skilled manpower and to generate employment opportunities in the immediate future, and contribute to socio-economic development.

More than 8000 students directly benefited from the new equipment.

##### 2. TVET Programme for Iraq 2006-2008:

The programme for improving relevance, Governance and quality of the TVET system in Iraq funded through an earmarked contribution to UNESCO and Cluster B from the German Government with a minimum of \$8 Million is expected to be launched early 2007 for a duration of 24 months.

The programme objective is to develop a highly effective, relevant and quality TVET system in Iraq. The current TVET system is composed of a set of 36 technical institutes and colleges under the Foundation of Technical Education (FTE)/ Ministry of Higher Education and Scientific Research (MOHESR), 258 secondary Vocational Schools under Ministry of Education (MOE), 22 Vocational Training Centres under Ministry of Labor and Social Affairs (MoLSA).

The TVET stakeholders are expected to deliver flexible and relevant demand driven training programmes that meet the needs of industry and labour market.

In a clear indication of the importance of TVET for Iraq, the Iraqi Ministry of Labour and Social Affairs also requested in collaboration with MOE UN support for the

### 3. Thematic Issues: Cluster B (continued)

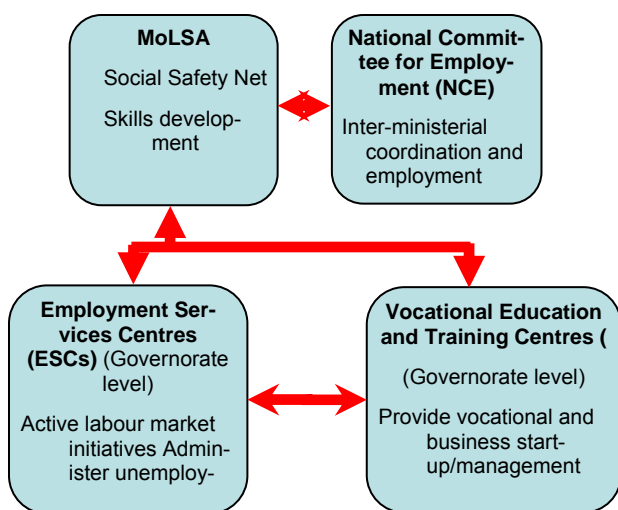
design and implementation of a skills development project. As a follow up the UN Cluster on Education and Culture reviewed an ILO/UNOPS \$5 million proposal to be funded through earmarked contributions to the cluster from the European Commission. The project proposal was submitted to the Sector Working Group that endorsed it on 14 October 2006.

#### Skills Development for Employment Creation in Iraq: working to strengthen an emerging active labour market framework

The project has been developed in close consultation with Ministry of Labour and Social Affairs officials, who will be the main counterparts for the implementation and follow-up of the project and MoHE. The objectives are to enhance the employability and the entrepreneurial skills of the unemployed workforce in Iraq in response to the present and projected needs of the labour market, and to contribute to the “activation” of the recently introduced Social safety net scheme for the registered unemployed.

As shown in the chart below, the project will build the capacities of MoLSA to enhance its active labour market framework (including labour market information as well as employment and career orientation for the unemployed), improve the relevance and quality of vocational training programmes, and reinforce labour market analysis and employment-promotion policy design.

#### Strengthening an Active Labour Market Framework for skills enhancement and employment promotion: Institutional structure



The project will therefore support MoLSA’s established labour market institutions including its Employment Services Centres, Vocational Training Centres, Labour Market Infor-

mation Committee and the National Committee for Employment (NCE).

The project will introduce labour market demand-driven curricula (and related equipment), train trainers and provide equipment for short-term vocational training as well as basic entrepreneurship training to improve the employability of unemployment benefits recipients.

It will expand and reinforce MoLSA’s Labour Market Information system to cover both unemployment and training needs statistics, and feed labour market and training needs analyses to MoE and MoHE TVET departments.

Finally, it will provide technical support and build existing capacities for labour market analysis and employment policy-making.

#### Project objectives (national and governorate):

- Unemployment benefits contribute to employment generation
- Skills supply caters (actual and projected) labour market needs and Iraq’s development strategy
- Entrepreneurship fostered in key areas of the economy; policy and regulatory environment improved
- Sound employment-policy design at the inter-ministerial level

### Primary and Secondary Education

#### 1. Essential Learning Materials for Primary Schools

A total of 4.7 million Iraqi children aged 6 – 12 will be provided with essential learning materials during the start of the 2006/2007 scholastic year. Each child will receive 8 exercise books of 194 pages each, a box of 10 pencils, 2 pencil sharpeners, 2 erasers, 1 ruler, one drawing book and one box of colour pencils. In addition 1.1 million newly enrolled grade 1 students will receive one school bag each.



New school Furniture

### 3. Thematic Issues: Cluster B (continued)

This development is made possible by a timely support from the European Union earmarked to the cluster following an urgent request from the Ministry of Education. Late September, the Minister of Education approached UNICEF and the UNDG ITF to help cater for this critical need because funds were not available at the Ministry.

UNICEF is expediting procurement and delivery of these essential learning materials by end of November. The project will cost \$18.2 million.

This initiative will contribute to the improvement of teaching and learning practices in the classroom. It will also alleviate some of the cost burdens of education especially for the poor parents who will be encouraged to send their children, particularly girls to school, many of whom would have otherwise dropped out of school.

UNICEF-supported Back-To-School Campaigns in 2004 and 2005 have been a success. Large quantities of essential learning and teaching materials were procured and distributed to over 6 million primary and intermediate level (grades 1 – 9) students in 17,000 schools in Iraq.

#### 2. “School Rehabilitation and Capacity Building for school maintenance” Coordination for Joint Implementation and Monitoring:

In keeping with the UNCT aim for more joined up efforts amongst UN agencies, especially where it involves similar humanitarian interventions, UNICEF and UN-HABITAT are jointly implementing a project to rehabilitate 160 schools in 18 Governorates and also build local capacity in school maintenance.

Al-Muthanna DoE – Al-Mutanabbi Primary School



Before



After

The primary objective of the project is to increase access to



primary, intermediate and secondary (grades 1 to 12) education for school age children, with an emphasis on rural areas and girls education, while also enhancing the capacity of MOE/DOEs in school maintenance, school sanitation and hygiene promotion.

A coordination group with representation from both implementing agencies and the MoE is being established to ensure maximum project level synergies, consistency in reporting, greater cost effectiveness, mutual lesson learning and adoption/application of good practice(s) including layout designs and technology applications, uniformity in reporting and most importantly a higher degree of client involvement in project monitoring and review.

As in other projects, UNICEF and UN HABITAT will continue to regularly share information on project progress and field information such as cost of materials, labour rates, rehabilitation designs, blacklisted contractors (if any) etc. on a monthly basis. Similarly, both agencies have also agreed to coordinate activities relating to capacity building in school maintenance and promotion of hygiene practices at school level.

#### 3. The Summer School for talented Iraqi students of the Music and Ballet School

The “Music and Ballet School” is unique for classical music tuition in the Arab World. It was established in 1971 as a high-standard institution for teaching classical music in the Arab world.

Unfortunately, the worsening security situation in Baghdad has led several teachers to flee and many children have to stay home. The students are traumatized and detached from an intellectual and creative environment. To regain this essential momentum, the “Arab Alliance for Women in Music” in Jordan organized a Summer School 2006 in Amman with the support of UNESCO, UNICEF and several private other partners. This initiative benefited 18 talented students and two teachers of Baghdad’s Music and Ballet School. For three weeks –



### 3. Thematic Issues: Cluster B (continued)



between 24 July and 17 August 2006 - the young artists from eight to 17 years of age studied music in peace.

The summer school not only helped the children develop new talents in a safe environment, but, as the school's director, Agnes Bashir says "it has also given them a glimpse of a 'normal' life and help them make friends with their Jordanian neighbours".

The students shared their lessons learned with the public in a closing "Concert for Peace" on the eve of their departure back to Baghdad. "At least eight people were killed and 28 wounded in a bomb attack in the Iraqi capital", the news networks reported that day.

The group of students and teachers returned to Baghdad in the early morning of 17 August with homework to do - technical exercises, theory, history of music, music appreciation – and Agnes Bashir stays behind with her to do-list. She started advocating for a Winter School that includes the lessons learned. "50,000 US Dollar, that's all we need to continue 'Healing through Music'", she says.

#### 4. Food for Education

During the 2005/2006 School Year, WFP assisted the MOE through the Food for Education project. A total of 13,188 mt (11,113 mt of High Energy Biscuits and 2,075 mt of Vegetable Oil) were delivered to 3,013 schools in Iraq with approximately 10,797 mt of high energy biscuits and 1,936 mt of vegetable oil having been distributed benefiting 1,856,816 primary school children.

In Abo Al Khaseeb and Shat Al Arab districts in Basra governorate, school Head Mistresses and Head Masters have been recognizing their pupils and Parents and Teachers Association members for their distinguished performance in the end of the year results or support to the school feeding programme.

Prior to the start of the School year in early October, the



**Pupils awarded and recognized for their distinguished Performance after the end of the school year results**

Project Management Committee (PMU) in Qadissiya governorate organized an orientation session on school feeding for headmasters and headmistresses in targeted schools. A number of topics for discussion were selected including the mechanism for the implementation of the project, the storage facilities, and the PMU activities during the 2006/2007 school year.

#### 5. School Health Services

The health of school children is of major concern in Iraq because of its centrality for educational outcome. If health is compromised, a child will not be able to fully participate in education. Secondly, health education in schools is very effective not only for the individual but for the whole family.



WHO supported School health screening for detection of visual and hearing difficulties and bone deformities among children in 100 schools in Baghdad/Karch and Rasafa, Wasit, Thiqr, Basrah, Misan and Erbil governorates as part of the UNICEF-WHO Integrated Basic Services Project.

This intervention funded through European Union



### 3. Thematic Issues: Cluster B (continued)

funds reached 4,500 primary school children. It also provided for the training of 87 doctors (ophthalmologists and ENT specialists and orthopaedists), 35 health workers and technicians. The following equipment with a total cost of US\$ 114,510.00 were also provided:

- 42 Audiometers with accessories for detection of hearing difficulties.
- 47 ophthalmoscopes with accessories for detection of visual problems.
- 40 Snell en's plastic charts.

A Strengthening school health services project at primary level through implementation of the Health Promoting Schools Project has just been endorsed by the Sector Working Group on Education.

The project aims at assisting the Ministry of Health to strengthen the school health services at primary level by updating the health education concepts into school curriculum (in all governorates). A pilot involving two2 schools at each governorate and 10 schools in Baghdad will help conduct health screening for students in 150 primary schools for visual and hearing problems and skeletal abnormalities in 9 governorates. It will also aim at improving the mental health of school children by introducing life skills education and care program in schools.

#### TVET Project



#### School Rehabilitation Project

Before



After



## 4. FINANCIAL HIGHLIGHTS from Fourth Six-Month Progress Report (July 2004–June 2006)

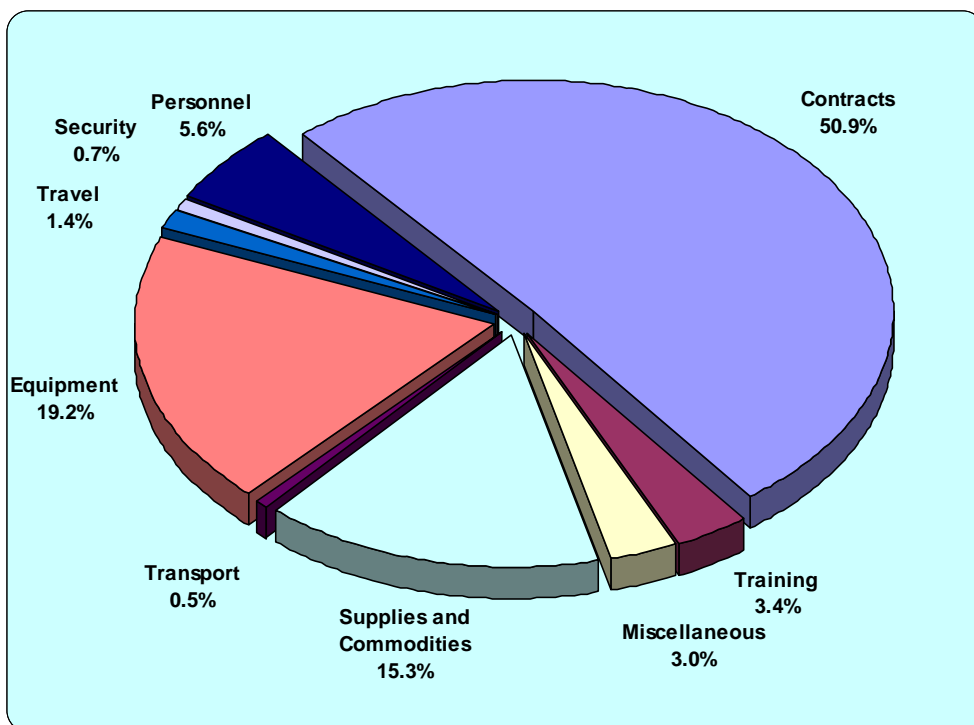
Table 4.1 Summary of Total Expenditure, by Category and by Reporting Period (p(P(\$000s))

CATEGORY	TOTAL EXPENDITURE					
	P1	P2	P3	P4	July 2004-June 2006	% of Total Programme Costs
	Jul - Dec 2004	Jan - Jun 2005	Jul - Dec 2005	Jan - Jun 2006		
Personnel	3,619	12,381	7,504	8,701	32,205	5.6
Contracts	47,819	93,393	111,857	37,071	290,140	50.9
Training	2,413	3,624	8,905	4,411	19,353	3.4
Transport	303	326	147	2,164	2,940	0.5
Supplies and Commodities	41,001	7,351	38,975	(321)	87,005	15.3
Equipment	12,888	38,389	28,715	29,767	109,759	19.2
Travel	658	2,483	2,393	2,566	8,101	1.4
Security	672	661	1,363	1,355	4,051	0.7
Miscellaneous	3,047	6,750	5,020	2,152	16,968	3.0
<b>Total Programme Costs</b>	<b>112,419</b>	<b>165,358</b>	<b>204,879</b>	<b>87,866</b>	<b>570,522</b>	-
<b>Total Indirect Support Costs</b>	<b>6,579</b>	<b>4,642</b>	<b>15,276</b>	<b>2,624</b>	<b>29,121</b>	<b>5.1</b>
<b>TOTAL Expenditure</b>	<b>118,997</b>	<b>170,001</b>	<b>220,155</b>	<b>90,490</b>	<b>599,644</b>	

### EXPENDITURE HIGHLIGHTS:

- **Personnel**, (which includes international and national staff), remains low at 5.6%.
- **Contracts, Supplies and Commodities, and Equipment**, are the three biggest categories, which account combined, for 85.4% of total expenditure.
- **Security** costs still relatively low at 0.7%.
- **Indirect Agency Support Costs** average at 5.1%.

Figure 4.1 Distribution of Expenditure by Category (\$000s)

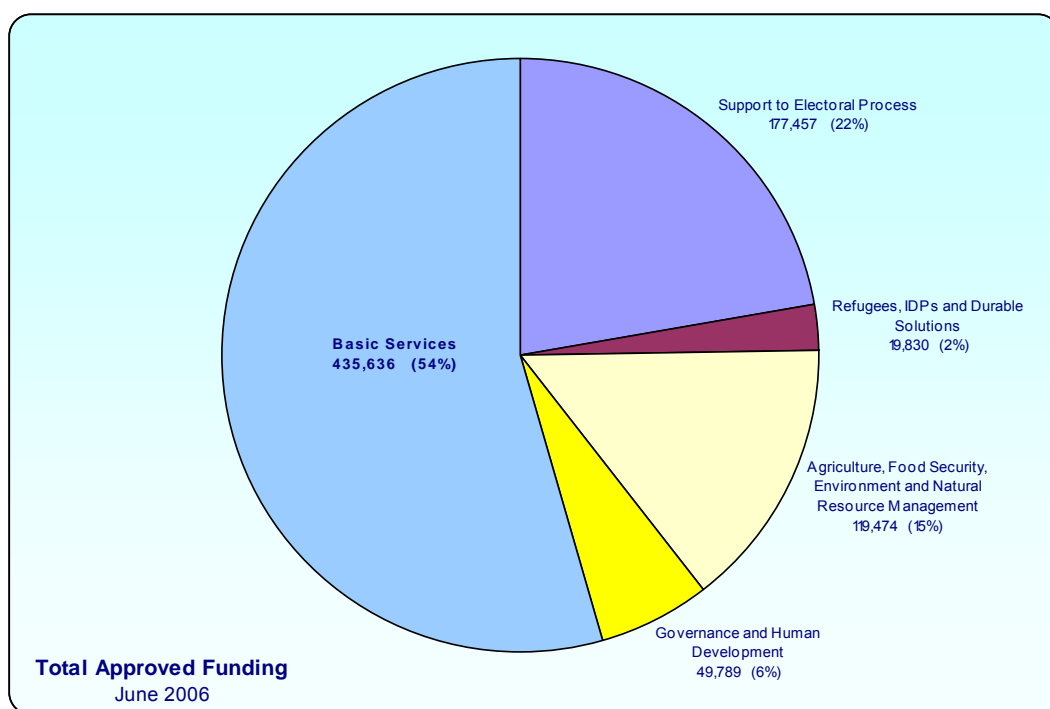


## 4. FINANCIAL HIGHLIGHTS from Fourth Six-Month Progress Report (July 2004–June 2006) (continued)

Table 4.2 Total Expenditure, by Cluster and by Reporting Period (\$000s)

CLUSTER	APPROVED FUNDING		EXPENDITURE						
	Amount	No. of Projects	P1	P2	P3	P4	July 2004–June 2006	% of Approved Funding	
			Jul to Dec 2004	Jan to Jun 2005	Jul to Dec 2005	Jan to Jun 2006			
<b>Agriculture, Food Security, Environment and Natural Resource Management</b>	<b>119,474</b>	<b>16</b>	<b>10,390</b>	<b>23,804</b>	<b>30,934</b>	<b>6,360</b>	<b>71,489</b>	<b>60</b>	
Agriculture, Water Resources and Environment	106,212	13	10,390	16,482	30,293	4,456	61,621	58	
Food Security	7,000	1	0	3,982	641	1,903	6,526	93	
Mine Action	6,262	2	0	3,341	0	1	3,341	53	
<b>Education and Culture</b>	<b>116,826</b>	<b>16</b>	<b>29,403</b>	<b>12,144</b>	<b>40,558</b>	<b>11,607</b>	<b>93,712</b>	<b>80</b>	
<b>Governance and Human Development</b>	<b>49,789</b>	<b>18</b>	<b>2,780</b>	<b>5,596</b>	<b>15,142</b>	<b>4,332</b>	<b>27,850</b>	<b>56</b>	
Governance and Civil Society	18,480	7	2,380	1,804	968	1,213	6,364	34	
Support to Constitutional Process	24,264	6	0	3,558	13,810	1,824	19,192	79	
Poverty Reduction and Human Development	7,045	5	400	234	364	1,296	2,294	33	
<b>Health and Nutrition</b>	<b>96,159</b>	<b>12</b>	<b>16,399</b>	<b>14,889</b>	<b>24,453</b>	<b>12,718</b>	<b>68,459</b>	<b>71</b>	
<b>Infrastructure Rehabilitation</b>	<b>222,651</b>	<b>18</b>	<b>12,573</b>	<b>52,794</b>	<b>39,925</b>	<b>47,124</b>	<b>152,416</b>	<b>68</b>	
Water and Sanitation	39,644	7	1,441	2,980	21,000	5,547	30,968	78	
Infrastructure	183,008	11	11,133	49,813	18,925	41,577	121,449	66	
<b>Refugees, IDPs and Durable Solutions</b>	<b>19,830</b>	<b>3</b>	<b>8,889</b>	<b>5,614</b>	<b>3,157</b>	<b>550</b>	<b>18,210</b>	<b>92</b>	
<b>Support to Electoral Process</b>	<b>177,457</b>	<b>9</b>	<b>38,563</b>	<b>55,159</b>	<b>65,772</b>	<b>7,728</b>	<b>167,222</b>	<b>94</b>	
Emergency Pilgrim Stampede Micro Grant	300	1	0	0	214	72	286	95	
<b>TOTAL</b>	<b>802,486</b>	<b>93</b>	<b>118,997</b>	<b>170,001</b>	<b>220,155</b>	<b>90,490</b>	<b>599,644</b>	<b>75</b>	

Figure 4.2 Funding for Basic Services and Other Clusters, as of 30 June 2006 (\$000s)



As at end of June 2006, funding for the **Basic Services Clusters** accounted for **54% of the Total**

## 5. PROJECT COMMITMENTS & DISBURSEMENTS

Implementing UN agencies have to date **legally committed \$664 million** and **disbursed \$558 million of total approved funding (which amounts to \$869 mill for the implementation of ongoing projects)**. Tables 5.1 and 5.2 provide a summary of project commitments and disbursements by UN Cluster and Participating UN Organization, respectively. Figures for the period January 2006—October 2006 are based on latest available information from various operational units of the Iraq UN Country Team and provide updates on the progress made in 2006. **As of end October 2006, agencies' average commitment and disbursement rates amount to 76% and 64% of approved funding, respectively.**

**Table 5.1 CLUSTER COMMITMENTS AND DISBURSEMENTS SUMMARY, US\$ 000s**

CLUSTER	APPROVED FUNDING	2004-2005		2006		TOTAL	
		July 2004-End December 2005 ACTUALS		Jan 2006 - End October 2006 ACTUALS		July 2004 - End October 2006 ACTUALS	
		COM <sup>A</sup>	DISB <sup>B</sup>	COM <sup>C</sup>	DISB <sup>D</sup>	COM	DISB
A Agriculture, Food Security, Environment and Natural Resource Management	125,989	67,205	38,588	22,474	23,693	89,679	62,281
						71%	49%
B Education and Culture	152,984	80,999	66,966	33,747	25,280	114,745	92,246
						75%	60%
C Governance and Human Development	59,949	21,514	20,342	7,832	7,433	29,346	27,776
						49%	46%
D Health and Nutrition	107,664	57,392	35,447	20,332	28,697	77,725	64,143
						72%	60%
E Infrastructure Rehabilitation	224,730	149,324	87,192	18,828	43,788	168,152	130,980
						75%	58%
F Refugees, IDPs and Durable Solutions	19,830	17,660	16,696	2,169	1,664	19,830	18,360
						100%	93%
G Support to Electoral Process	177,457	156,927	140,299	7,595	21,433	164,522	161,732
						93%	91%
* Emergency Response Pilgrim Stampede Micro-Grant	300	214	192	81	86	295	279
						98%	93%
<b>TOTAL</b>	<b>868,903</b>	<b>551,235</b>	<b>405,721</b>	<b>113,058</b>	<b>152,075</b>	<b>664,293</b>	<b>557,796</b>
						76%	64%

\* Humanitarian Emergency Project funded from Fund Earned Interest

**NOTES:**

A/ Legally binding contracts signed in 2004 and 2005 (including multi-year commitments which may be disbursed in future years)

B/ Disbursements made in 2004 and 2005

C/ New legally binding contracts signed in 2006

D/ Disbursements made in 2006 (including disbursements made against outstanding 2004 and 2005 commitments)



**Table 5.2 AGENCY COMMITMENTS AND DISBURSEMENT SUMMARY, US\$ 000s**

AGENCY	APPROVED FUNDING	2004-2005		2006		TOTAL	
		July 2004-End December 2005 ACTUALS		Jan 2006 - End October 2006 ACTUALS		July 2004 - End October 2006 ACTUALS	
		COM <sup>A</sup>	DISB <sup>B</sup>	COM <sup>C</sup>	DISB <sup>D</sup>	COM	DISB
ESCWA	8,340	1,087	533	3,511	2,891	4,598	3,424
						55%	41%
FAO	75,322	37,028	15,990	17,329	14,368	54,356	30,359
						72%	40%
ILO	321	301	307	13	9	315	316
						98%	98%
UNDP	251,948	171,823	122,619	8,476	36,375	180,298	158,993
						72%	63%
UNDPA/EAD	7,802	5,251	3,851	1,421	1,421	6,673	5,273
						86%	68%
UNEP	16,605	14,417	9,274	1,290	3,766	15,707	13,040
						95%	79%
UNESCO	33,739	19,446	11,296	4,330	10,475	23,776	21,771
						70%	65%
UNFPA	12,603	8,709	4,167	422	1,933	9,131	6,099
						72%	48%
UNHABITAT	56,007	31,640	24,086	13,621	11,232	45,261	35,318
						81%	63%
UNHCR	10,088	8,116	8,050	1,972	1,036	10,088	9,087
						100%	90%
UNICEF	121,044	64,638	51,637	29,418	14,129	94,056	65,766
						78%	54%
UNIDO	16,004	5,490	3,323	2,051	3,613	7,541	6,937
						47%	43%
UNIFEM	3,575	2,425	2,425	907	829	3,332	3,255
						93%	91%
UNOPS*	157,987	124,325	108,313	9,657	21,932	133,983	130,245
						85%	82%
WFP	11,999	4,623	4,623	2,704	2,520	7,327	7,142
						61%	60%
WHO	85,519	51,915	35,226	15,936	25,546	67,851	60,771
						79%	71%
<b>TOTAL</b>	<b>868,903</b>	<b>551,235</b>	<b>405,721</b>	<b>113,058</b>	<b>152,075</b>	<b>664,293</b>	<b>557,796</b>
						76%	64%

\* includes Humanitarian Emergency Project funded from Fund Earned Interest

**NOTES:**

A/ Legally binding contracts signed in 2004 and 2005 (including multi-year commitments which may be disbursed in future years)

B/ Disbursements made in 2004 and 2005

C/ New legally binding contracts signed in 2006

D/ Disbursements made in 2006 (including disbursements made against outstanding 2004 and 2005 commitments)

## 6. CONTRACTS AWARDED UNDER UNDG ITF-FUNDED PROJECTS

Table 6.1 Value and Number of Awards by Country US\$ (as posted on website www.irffi.org)

VALUE AND NUMBER OF AWARDS BY COUNTRY										
Country	July- Dec 2004		Jan- June 2005		Jan-June 2006		July-Oct 2006		Total 2004 - 2006	
	Awards	Amount	Awards	Amount	Awards	Amount	Awards	Amount	Awards	Amount
Australia	1	15,664	2	473,222					3	488,886
Austria	4	641,557	13	4,469,176	1	54,008			18	5,164,741
Bahrain			7	2,337,656					7	2,337,656
Belgium	1	22,500,000	0	0					1	22,500,000
Canada			4	187,228	1	12,000			5	199,228
China	20	34,872,695	10	13,509,109					30	48,381,804
Croatia			1	11,780					1	11,780
Cyprus			3	219,835					3	219,835
Czech Republic	1	287,522	2	5,980,425			1	23,681	4	6,291,628
Denmark	8	11,118,139	17	20,588,584	13	723,869	2	13,498	40	32,444,090
Egypt	11	210,364	23	895,763	1	22,463			35	1,128,590
Finland			2	211,154					2	211,154
France	4	210,377	21	1,857,513	3	654,094			28	2,721,984
Germany	9	1,473,443	60	6,504,379	16	1,317,780	3	10,164,457	88	19,460,059
India	1	26,496	9	1,830,768	1	28,660			11	1,885,924
Indonesia			1	112,000					1	112,000
Iran (Islamic Republic of)	1	56,980	3	55,635					4	112,615
Iraq	78	8,128,524	467	49,784,490	109	16,492,816	35	6,377,456	689	80,783,286
Ireland			2	79,696					2	79,696
Italy	6	1,603,691	30	7,459,626	4	165,737	1	8,580	41	9,237,634
Japan	8	17,317,159	20	52,053,602	3	118,802	1	7,197	32	69,496,760
Jordan	51	6,295,890	127	12,574,368	50	208,860	12	152,192	240	19,231,310
Kenya			1	284,457					1	284,457
Kuwait	1	304,750	13	3,623,003					14	3,927,753
Lebanon	3	2,637,565	13	2,263,206					16	4,900,771
Liechtenstein	1	22,700,000	0	0					1	22,700,000
Morocco			1	16,400					1	16,400
Netherlands	10	1,784,903	22	4,125,271	4	966,127			36	6,876,301
New Zealand	1	160,997	0	0					1	160,997
Norway	1	41,000	0	0					1	41,000
Oman	4	493,485	6	1,457,456	4	489,610			14	2,440,551
Pakistan			1	15,062					1	15,062
Saudi Arabia			4	314,019	1	153,000			5	467,019
Slovenia			2	380,980					2	380,980
South Africa			3	42,188	1	6,700			4	48,888
Spain			2	150,595			1	24,623	3	175,218
Sudan			1	78,975					1	78,975
Sweden	2	12,680,046	3	106,731	3	56,892	1	109,637	9	12,953,306
Switzerland	5	184,332	25	2,069,252	1	27,660			31	2,281,244
Syrian Arab Republic			3	463,061					3	463,061
Thailand	1	8,221	1	43,836					2	52,057
Tunisia	2	38,650	2	47,340					4	85,990
Turkey	6	2,446,956	1	452,500					7	2,899,456
United Arab Emirates	1	32,500	7	41,390,975	2	47,822	1	46,800	11	41,518,097
United Kingdom	23	14,596,065	57	37,540,997	17	1,488,435	4	644,081	101	54,269,578
United States	8	1,562,414	18	7,821,762	7	158,437			33	9,542,613
<b>Total</b>	<b>273</b>	<b>164,430,385</b>	<b>1,010</b>	<b>283,884,075</b>	<b>242</b>	<b>23,193,772</b>	<b>62</b>	<b>17,572,202</b>	<b>1,587</b>	<b>489,080,434</b>

To date, contracts for a total value of \$ 489 mill awarded to Suppliers from 47 countries are posted on the IRFFI web-site.

Contract award details, procurement method, for what, to whom, when and for how much posted on the website