



KEY FIGURES:

- 25 DONORS
- 16 IMPLEMENTING UN ORGANIZATIONS
- US\$1,167 mill TOTAL GROSS DEPOSITS
- US\$1,029 mill APPROVED & FUNDED for TOTAL OF 151 PROJECTS
- US\$741 mill (72%) OF APPROVED FUNDING CONTRACTUALLY COMMITTED
- US\$634 mill (62%) OF APPROVED FUNDING DISBURSED
- US\$501 mill CONTRACT AWARDS POSTED ON WEBSITE www.irffi.org
- 25 PROJECTS OPERATIONALLY COMPLETED

1. LATEST NEWS

Gross Donor Contributions

During April 2007 the UNDG Iraq Trust Fund (ITF) received a contribution of CAD\$20 million from the Canadian International Development Agency, unearmarked, but with a preference towards activities that support Human Rights including Women's Rights, Good Governance and Institution Building, as well as responding to urgent basic needs of Iraqis, including to internally displaced persons (IDPs) and de-mining.

Total UNDG ITF deposits currently amount to \$1.167 billion. For further details refer to Donor Contributions link on the UNDG ITF section of the IRFFI web site (www.irffi.org).

Protection for All: Iraq-wide Vaccination Campaign carried out in April

In one of the biggest humanitarian operations in Iraq in the last two years, 8,000 vaccinators undertook a vaccination campaign that reached 3.6 million children (90% of its goal) to prevent a possible outbreak of measles among children, many of whom have not received routine immunization due to violence and conflict.



A mother and baby smile after immunization. Such campaigns are sometimes the only chance for Iraqi mothers to get critical vaccines for their babies.

While special attention is being paid to Baghdad's most violence-ravaged areas, Diyala and Anbar, the vaccinators reached children in all parts of the country. Trained medical staff stayed in health centres to immunize children brought in by their mothers, but the majority of vaccinators move door to door in teams.

Conference Highlights Water Challenges in Iraq

The Iraq office of United Nations Development Programme (UNDP) organized an extensive three-day conference in Amman, Jordan on 15 May, 2007, that established a vision for the water sector in Iraq.

The conference spotlighted the major challenges to the water sector in Iraq and proposed a course of action that includes identifying a long term strategy, strong coordination mechanisms and sound policies for water resource management.

Asserting the importance of the conference, Dr. Abdellatif Al-Rashid, Iraqi Minister of Water Resources said: "No matter how challenging or grave the current events in Iraq might be, it is a national imperative for us to strengthen our capacity and establish a vision for managing our precious water resources. We owe it to our country and future generations."

A country rich in resources, that enjoys two major rivers - the Tigris and Euphrates - yet bedeviled by years of conflict and war, the water sector in Iraq has faced a major deterioration in recent years. Contributing factors to this downwards trend include the serious lack of coordination between various public administration bodies, weak capacity to implement a national water resources plan and to negotiate a more equitable share internationally, increasingly depleted resources and environmental degradation.

UNDP has globally identified water resource management as one of the major challenges facing human development and the latest Human Development Report focused on this issue.

Organized in collaboration with major donors and international organizations including

Iraq's Ministry of Health (MoH) led the measles, mumps and rubella campaign with strong support from UNICEF, and WHO using UNDG ITF funding mostly contributed by the European Commission.

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Sixth IRFF/IRFO Meeting
29-30 October 2007
Bari, Italy

Latest News (continued)

ESCWA, UNESCO, Japan International Cooperation Agency, the Governments of Spain, Canada, Australia, and the European Commission, the conference gathered leading international and regional water experts with a number of key Iraqi Ministers and senior public servants including the Ministries of Water Resources, Planning and Development Cooperation, Foreign Affairs, Environment, Agriculture, and Public Works, as well as the Parliamentary Committee on Water, Agriculture and Marshlands.

UNICEF Calls for Aid to Iraqi Children: \$42 Million Required to Meet Immediate Needs of Children in Iraq, Jordan and Syria

UNICEF launched a major appeal to provide relief over the next six months for children inside Iraq, as well as those who fled with their families to neighbouring Jordan and Syria. Conditions for Iraqi children affected by violence and displacement have reached a critical point.

In addition to its operations in Iraq, UNICEF plans to help the Jordanian and Syrian governments in providing quality social services for the growing population of Iraqi children. Initial priorities in these countries include ensuring that Iraqi children have full access to the classroom, health care and protection from exploitation.

Since 2003, nearly 15 per cent of Iraq's population have fled their homes - four million people, half of them children. Many are seeking refuge in communities that are already poor or hit by violence, pressuring already weakened social services. Those seeking refuge outside Iraq face an uncertain future.

Complications over residency status may deter many from seeking health care or enrolling children in school. Among those fleeing are thousands of doctors, nurses, engineers and teachers – key service providers for children. Added to the deaths of so many fathers in the violence, this exodus is robbing Iraq's children of essential pillars of support.

In May, Iraq reported its first suspected cholera cases of the year (all of them children), increasing fears of a serious outbreak over the summer months. The deterioration of Iraq's water and sanitation systems means only an estimated 30 per cent of children have access to safe water. Health services are becoming increasingly hard to access. And with many schools hit hard by insecurity and overcrowding, too few children are completing this school year with a quality education.

Assuring Quality Medicines for the people of Iraq

The Iraqi Ministry of Health (MOH) in partnership with the WHO, celebrated on 7 May 2007 the opening ceremony of the newly rehabilitated National Center for Drug Control and Research (NCDRC), also known as the National Drug Control Laboratory (NDQCL, which serves 27 million population.

The implementation of this US\$ 5.9 million project (D2-04),

funded through the UNDG ITF, was initiated in August 2004 by WHO in response to MOH's request for technical assistance to re-establish the functionality of the NDQCL. The laboratory was completely not operational due to damage and looting, subsequent to the early 2003 armed conflict.

This is an important achievement for Iraq as a functional laboratory is key to improving drug quality and hence the health status of Iraqi population. At present, this is the only available legal instrument to analyze and certify that pharmaceutical products imported or locally produced are safe for use in medical practice in Iraq.

UN-WB Facility Coordination Committee (FCC) meeting with IRFFI Co-Chairs:

On 11 March 2007, the UN-WB FCC met in Rome, Italy, with the IRFFI Co-Chairs, Ambassador Gianludovico de Martino of Italy and Dr. Faik Al-Rasool, Senior Consultant/Minister, Ministry of Planning and Development Cooperation (MoPDC) representing Dr. Ali Baban, Minister, MoPDC to discuss and agree on actions required to implement the IRFFI Donor Committee decisions taken in Istanbul, Turkey.

The IRFFI Co-Chairs and the FCC agreed on the Terms of Reference that will be used for the Review of the IRFFI. The review will focus on IRFFI's structure and key operational methods with a view of further strengthening the key leadership role of the Iraqi Government in the identification, formulation, approval and follow-up of IRFFI funded projects. The review will be undertaken by Scanteam of Norway that in early 2007 completed the "Review of Post-Crisis Multi-Donor Trust Funds" commissioned by Norway and the World Bank which included a review of the IRFFI.

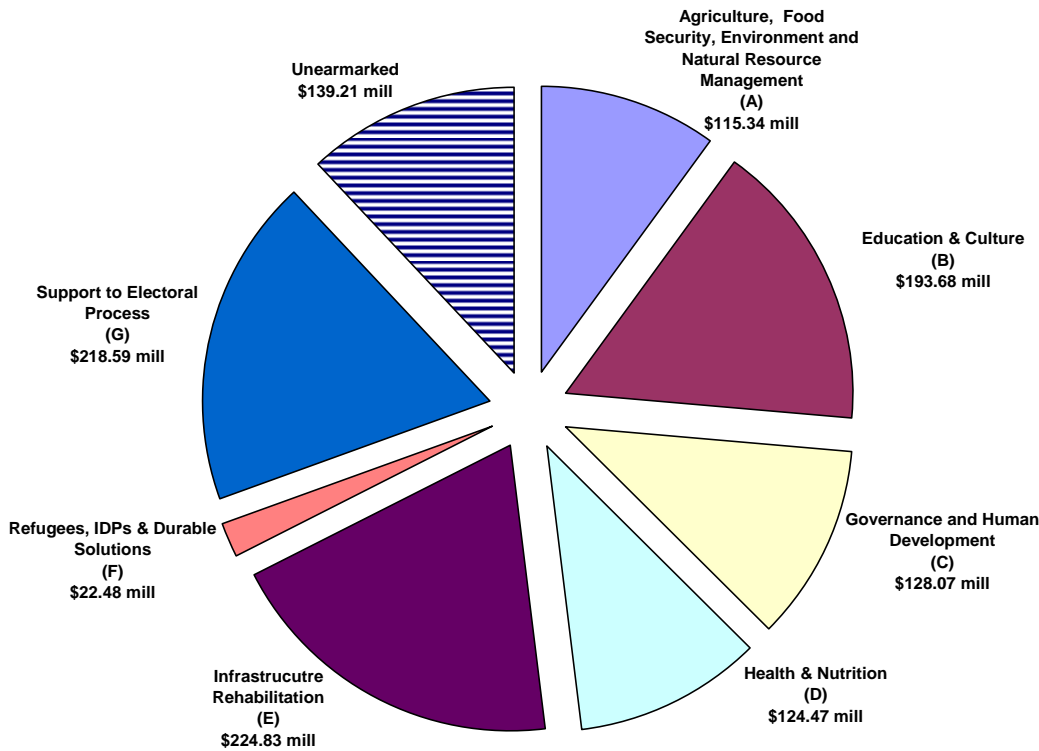
The FCC and IRFFI co-chairs will meet in Baghdad in mid-July to review, along with the Baghdad based IRFFI donor representatives, the draft report of the consultant. At the Rome meeting agreements were also reached regarding the actions to be taken in the establishment of the IRFFI Secretariat in Baghdad as well as the date of the next IRFO and IRFFI meetings which will take place on 29 and 30 October 2007, respectively, in Bari, Italy.

Fifth Six-month Progress Report on Activities Implemented under the UNDG ITF of the IRFFI

(Period 1 July—31 December 2006)

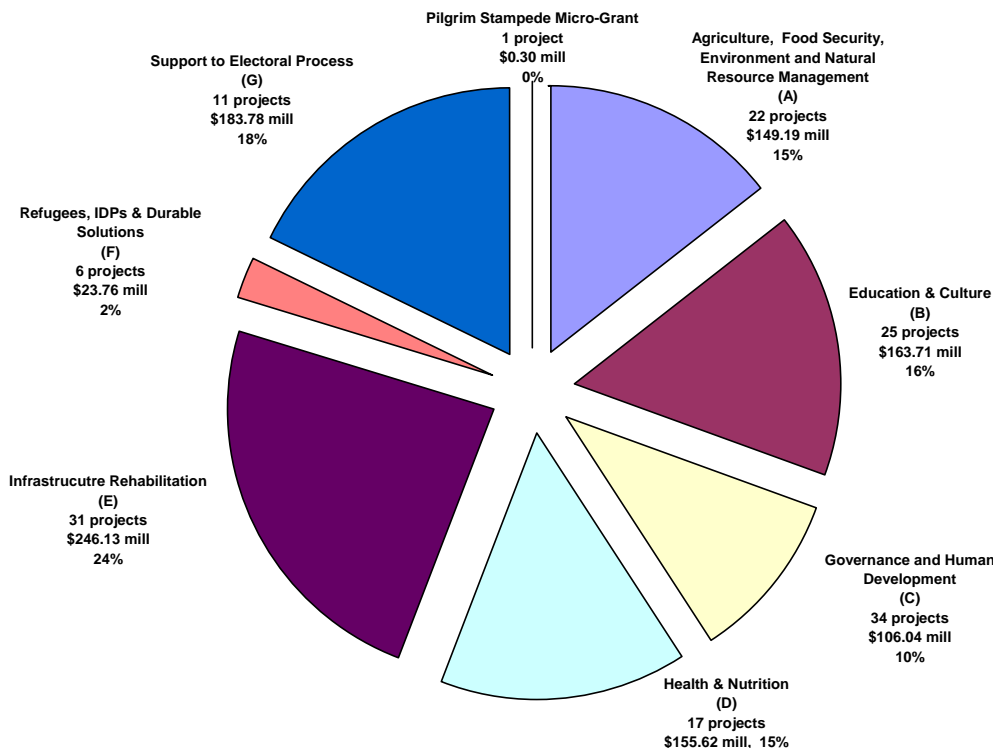
2. FINANCIAL SUMMARY

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



Donor	Gross Deposit (US\$ mill)
EUROPEAN COMMISSION	473.49
JAPAN	360.95
CANADA	63.79
SPAIN	62.63
UK	55.54
ITALY	29.78
AUSTRALIA	23.96
DENMARK	12.41
KOREA	11.00
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
TOTAL	1,166.67

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



Agency	Approved Funding (US\$ mill)	No. of Projects
UNDP	296.69	28
UNOPS	177.17	25
UNICEF	138.52	16
WHO	110.71	17
FAO	85.73	9
UNHABITAT	62.38	9
UNESCO	46.98	17
UNIDO	25.59	7
UNEP	16.61	3
WFP	14.19	2
UNHCR	13.42	4
UNFPA	12.60	1
ESCWA	10.38	5
UNDP/EAD	7.80	1
UNIFEM	5.73	4
ILO	4.01	3
TOTAL	1,028.52	151

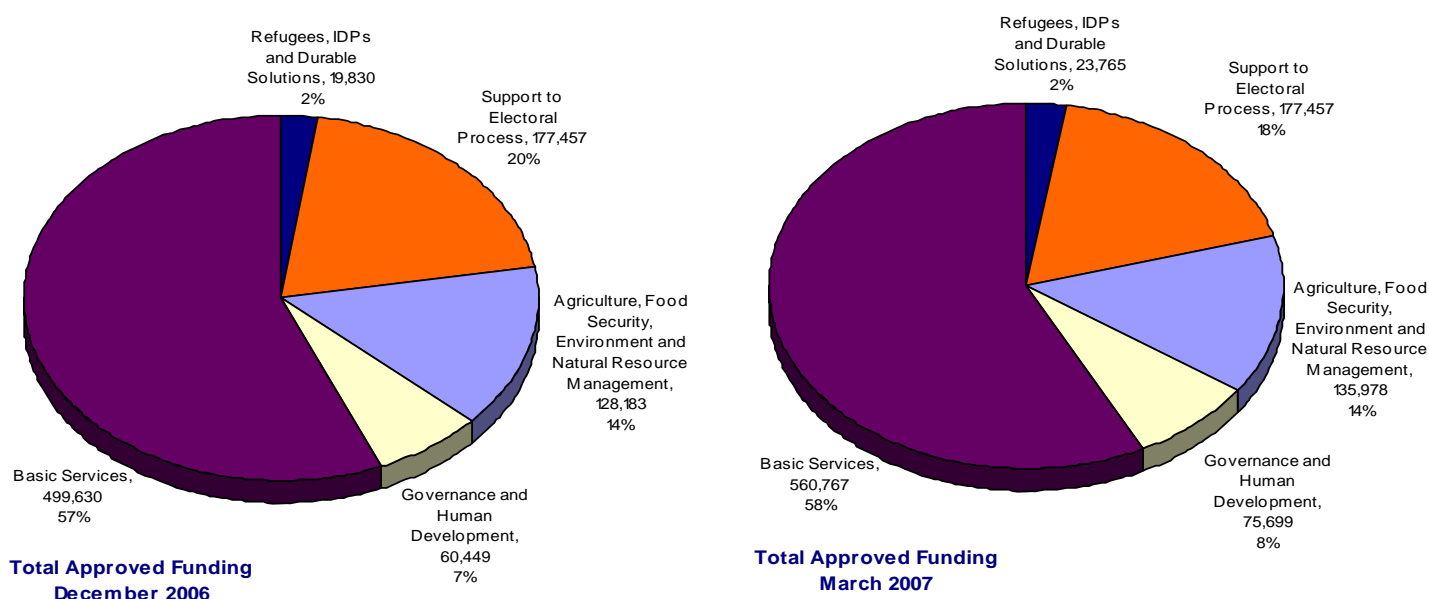
3. FINANCIAL HIGHLIGHTS from Fifth Six-Monthly Progress Report (July —December 2006)

Table 3.1 Distribution of Approved Funding, by Cluster and Type of Funds and Reporting Period (US\$ 000s)

CLUSTER	31 December 2006					31 March 2007				
	Earmarked (\$000s)	Unearmarked (\$000s)	Total (\$000s)	% of Total Approved Funding	No. of Projects	Earmarked (\$000s)	Unearmarked (\$000s)	Total (\$000s)	% of Total Approved Funding	No. of Projects
Agriculture, Food Security, Environment and Natural Resource Management	90,205	37,979	128,183	14	17	97,999	37,979	135,978	14	18
Agriculture, Water Resources and Environment	80,871	28,659	109,530	12	13	88,665	28,659	117,324	12	14
Food Security	2,195	7,000	9,195	1	1	2,195	7,000	9,195	1	1
Mine Action	7,139	2,319	9,458	1	3	7,139	2,319	9,458	1	3
Education and Culture	152,440	545	152,984	17	20	159,160	545	159,705	16	23
Governance and Human Development	60,449	0	60,449	7	20	75,699	0	75,699	8	27
Governance and Civil Society	18,480	0	18,480	2	7	18,480	0	18,480	2	7
Support to Constitutional Process	30,798	0	30,798	3	7	38,048	0	38,048	4	12
Poverty Reduction and Human Development	11,171	0	11,171	1	6	19,171	0	19,171	2	8
Health and Nutrition	76,848	38,384	115,232	13	17	117,228	38,388	155,615	16	21
Infrastructure Rehabilitation	202,563	28,851	231,414	26	23	216,596	28,851	245,447	25	30
Water and Sanitation	37,866	8,154	46,020	5	11	51,899	8,154	60,054	6	18
Infrastructure	164,697	20,696	185,394	21	12	164,697	20,696	185,394	19	12
Refugees, IDPs and Durable Solutions	6,204	13,625	19,830	2	3	10,140	13,625	23,765	2	6
Support to Electoral Process	177,615	-159	177,457	20	9	177,615	-159	177,457	18	9
Emergency Response Project *	0	0	300	0	1	0	0	300	0	1
TOTAL	766,324	119,225	885,849		110	854,437	119,228	973,966		135

* Emergency Response Project has been entirely funded from Fund level earned interest.

Figure 3.1 Distribution of Approved Funding by Reporting Period (US\$ 000s)



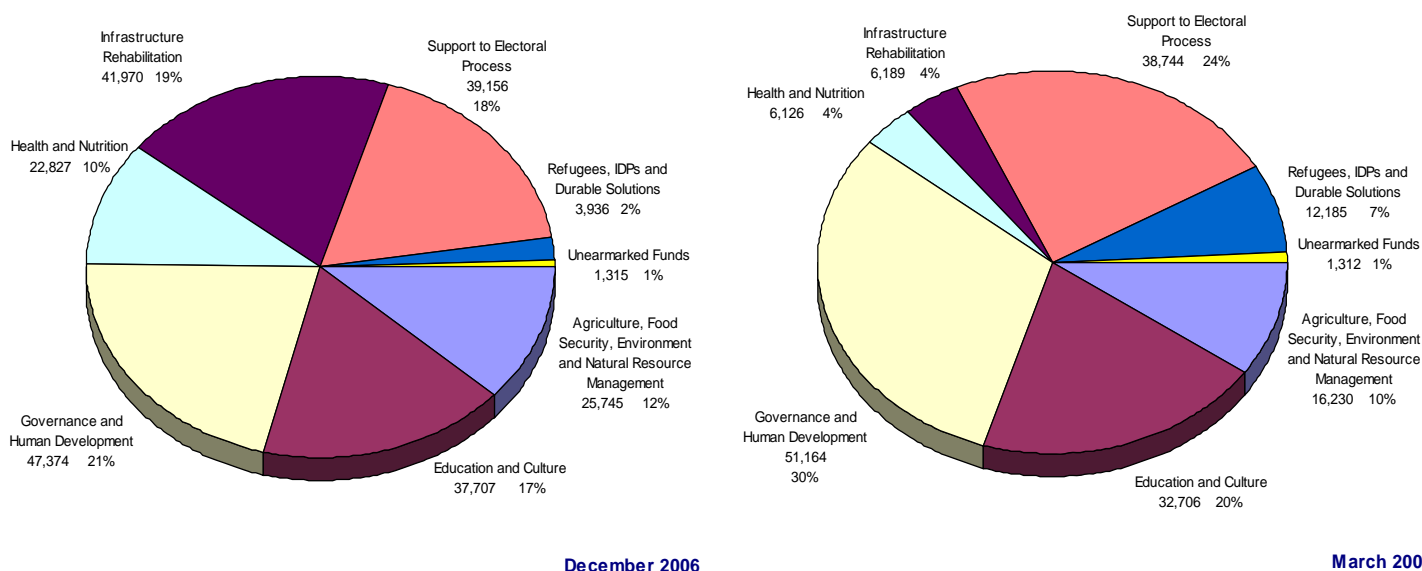
In-line with Iraqi priorities reflected in the National Development Strategy (NDS), Basic Services, comprising of the **Education and Culture, Health and Nutrition, and the Infrastructure Clusters**, received 56.4 per cent of UNDG ITF approved funding by end-December 2006 and 57.6 percent by end March 2007.

3. FINANCIAL HIGHLIGHTS from Fifth Six-Monthly Progress Report (continued)

Table 3.2 Balance of Funds, Earmarked by Cluster and Sub-Cluster (US\$ 000s)

Cluster	Balance of Funds	
	31 Decemer 2006	31 March 2007
Agriculture, Food Security, Environment and Natural Resource Management	25,745	16,230
Agriculture, Water Resources and Environment	25,693	16,178
Food Security	0	0
Mine Action	52	52
Education and Culture	37,707	32,706
Governance and Human Development	47,374	51,164
Governance and Civil Society	5,154	20,140
Support to Constitutional Process	6,838	0
Poverty Reduction and Human Development	35,382	31,025
Health and Nutrition	22,827	6,126
Infrastructure Rehabilitation	41,970	6,189
Water and Sanitation	20,223	6,189
Infrastructure and Housing	21,747	0
Refugees, IDPs and Durable Solutions	3,936	12,185
Support to Electoral Process	39,156	38,744
Unearmarked Funds	1,315	1,312
TOTAL	220,029	164,657

Figure 3.2 Distribution of Balance of Funds, as of 31 December 2006 and 31 March 2007 (US\$ 000s)

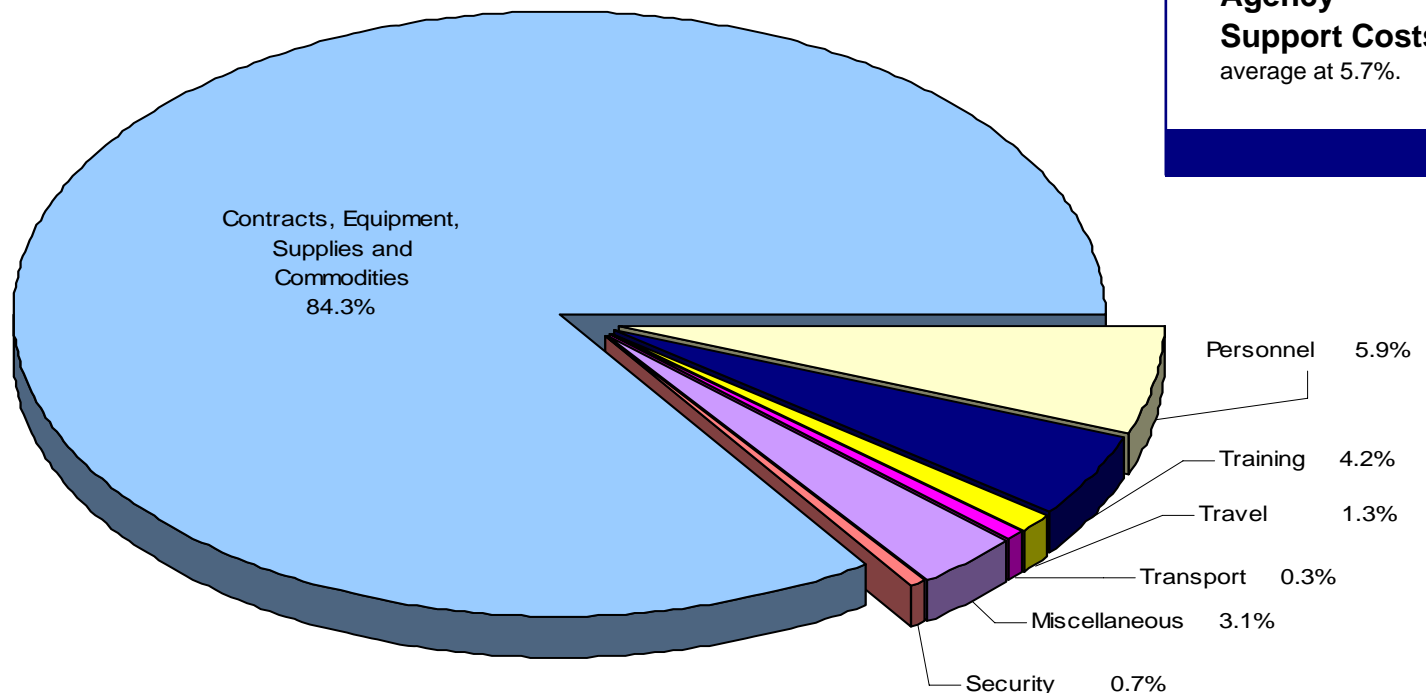


3. FINANCIAL HIGHLIGHTS from Fifth Six-Monthly Progress Report ((continued))

Table 3.3 Summary of Total Expenditure, by Category and Reporting Period (US\$ 000s)

CATEGORY	TOTAL EXPENDITURE							EXPENDITURE HIGHLIGHTS
	P1	P2	P3	P4	P5	July 2004- December 2006	% of Total Programme Costs	
	Jul-Dec '04	Jan-Jun '05	Jul-Dec '05	Jan-Jun '06	Jul-Dec '06	2006	Costs	
Personnel	3,619	12,381	7,504	8,570	7,279	39,354	5.9	<ul style="list-style-type: none"> • Personnel, (which includes international and national staff), remains low at 5.9%. • Contracts, Supplies and Commodities, and Equipment, are the three biggest categories, which together account for 84.3% of total expenditure. • Security costs remain relatively low at 0.7%. • Indirect Agency Support Costs average at 5.7%.
Contracts	47,819	93,393	111,857	36,714	36,233	326,015	49.2	
Training	2,413	3,624	8,905	4,630	8,524	28,096	4.2	
Transport	303	326	147	2,164	(720)	2,220	0.3	
Supplies and Commodities	41,001	7,351	38,975	(340)	22,353	109,339	16.5	
Equipment	12,888	38,389	28,715	29,896	13,150	123,038	18.6	
Travel	658	2,483	2,393	2,736	461	8,731	1.3	
Security	672	661	1,363	1,356	536	4,588	0.7	
Miscellaneous	3,047	6,750	5,020	2,185	3,825	20,826	3.1	
Total Programme Costs	112,419	165,358	204,879	87,910	91,642	662,208	-	
Total Indirect Support Costs	6,579	4,642	15,276	2,627	8,529	37,653	5.7	
TOTAL Expenditure	118,997	170,001	220,155	90,537	100,170	699,861		

Figure 3.3 Distribution of Expenditure by Category as of 31 December 2006(US\$ 000s)



4. PROJECT COMMITMENTS & DISBURSEMENTS

Implementing UN agencies have to date **legally committed \$741 million** and **disbursed \$634 million of total approved funding (which amounts to \$1,028.5 mill for the implementation of 151 projects)**. Tables 4.1 and 4.2 provide a summary of project commitments and disbursements by UN Cluster and Participating UN Organization, respectively. Figures for the period May 2007 are based on latest available information from various operational units of the Iraq UN Country Team and provide updates on the progress made in 2007. **As of end May 2007, agencies' average commitment and disbursement rates amount to 72% and 62% of approved funding, respectively.**

Table 4.1 CLUSTER COMMITMENTS AND DISBURSEMENTS SUMMARY, US\$ 000s

		2004-2006		2007		TOTAL		
CLUSTER	APPROVED FUNDING	July 2004-End December 2006 ACTUALS		January 2007 - End May 2007 ACTUALS		July 2004 - End May 2007 ACTUALS		
		COM ^A	DISB ^B	COM ^C	DISB ^D	COM	DISB	
A	Agriculture, Food Security, Environment and Natural Resource Management	149,187	92,336	67,031	7,916	8,918	100,252	75,948
							67%	51%
B	Education and Culture	163,706	122,510	97,389	11,607	8,397	134,118	105,786
							82%	65%
C	Governance and Human Development	106,038	30,411	29,353	8,756	6,216	39,166	35,569
							37%	34%
D	Health and Nutrition	155,615	85,581	69,488	6,450	11,138	92,030	80,626
							59%	52%
E	Infrastructure Rehabilitation	246,131	173,038	140,437	13,255	10,593	186,293	151,030
							76%	61%
F	Refugees, IDPs and Durable Solutions	23,765	21,645	20,875	1,538	941	23,183	21,816
							98%	92%
G	Support to Electoral Process	183,777	164,449	162,277	1,345	861	165,794	163,139
							90%	89%
	* Emergency Response Pilgrim Stampede Micro-Grant	300	274	261	21	21	295	282
							98%	94%
	TOTAL	1,028,518	690,243	587,112	50,888	47,085	741,131	634,197
							72%	62%

* Humanitarian Emergency Project funded from Fund Earned Interest

NOTES:

A/ Legally binding contracts signed in 2004, 2005 and 2006 (including multi-year commitments which may be disbursed in future years)

B/ Disbursements made in 2004, 2005 and 2006

C/ New legally binding contracts signed in 2007

D/ Disbursements made in 2007 (including disbursements made against outstanding 2004, 2005 and 2006 commitments)

Table 4.2 AGENCY COMMITMENTS AND DISBURSEMENT SUMMARY, US\$ 000s

AGENCY	APPROVED FUNDING	2004-2006		2007		TOTAL	
		July 2004-End December 2006 ACTUALS		January 2007 - End May 2007 ACTUALS		July 2004 - End May 2007 ACTUALS	
		COM ^A	DISB ^B	COM ^C	DISB ^D	COM	DISB
ESCWA	10,378	5,107	3,616	1,243	903	6,350	4,519
						61%	44%
FAO	85,729	55,049	33,393	3,454	5,640	58,503	39,033
						68%	46%
ILO	4,009	315	316	1	1	315	317
						8%	8%
UNDP	296,693	181,047	164,754	6,603	7,595	187,650	172,350
						63%	58%
UN DPA/EAD	7,802	6,710	5,310	187	187	6,897	5,497
						88%	70%
UNEP	16,605	16,488	13,950	0	314	16,488	14,264
						99%	86%
UNESCO	46,985	27,099	23,091	3,678	1,836	30,776	24,927
						66%	53%
UNFPA	12,603	9,146	6,382	258	483	9,404	6,865
						75%	54%
UN-HABITAT	62,379	48,061	37,587	4,169	6,690	52,230	44,277
						84%	71%
UNHCR	13,423	11,927	11,799	1,496	937	13,423	12,736
						100%	95%
UNICEF	138,518	101,447	73,652	14,866	6,246	116,313	79,899
						84%	58%
UNIDO	25,587	7,650	7,166	1,196	798	8,846	7,963
						35%	31%
UNIFEM	5,733	3,406	3,406	161	126	3,567	3,532
						62%	62%
UNOPS*	177,173	133,761	130,805	7,447	4,389	141,208	135,195
						80%	76%
WFP	14,194	12,169	7,659	1,446	5,169	13,616	12,828
						96%	90%
WHO	110,707	70,862	64,226	4,683	5,769	75,545	69,995
						68%	63%
TOTAL	1,028,518	690,243	587,112	50,888	47,085	741,131	634,197
						72%	62%

* includes Humanitarian Emergency Project funded from Fund Earned Interest

NOTES:

A/ Legally binding contracts signed in 2004, 2005 and 2006 (including multi-year commitments which may be disbursed in future years)

B/ Disbursements made in 2004, 2005 and 2006

C/ New legally binding contracts signed in 2007

D/ Disbursements made in 2007 (including disbursements made against outstanding 2004, 2005 and 2006 commitments)

5. CONTRACTS AWARDED UNDER UNDG ITF-FUNDED PROJECTS

Table 5.1 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- Dec 2005		Jan-Dec 2006		Jan - May 2007		Total	
	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	5	425,416	1	28,715	23	5,564,864
Bahrain			7	2,337,656					7	2,337,656
Belgium	1	22,500,000							1	22,500,000
Canada			4	187,228	1	12,000			5	199,228
China	20	34,872,695	10	13,509,110					30	48,381,805
Croatia			1	11,780					1	11,780
Cyprus			3	219,835	1	1,890			4	221,725
Czech Republic	1	287,522	2	5,980,425	1	23,681			4	6,291,628
Denmark	8	11,118,139	18	20,672,443	18	987,609			44	32,778,191
Egypt	11	210,364	23	895,763	2	40,927			36	1,147,054
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	19	11,482,237			88	19,460,059
India	1	26,496	10	1,859,428					11	1,885,924
Indonesia			1	112,000	1	2,948			2	114,948
Iran (Islamic Republic of)	1	56,980	3	55,635					4	112,615
Iraq	78	8,128,524	459	49,184,686	182	26,287,523	17	2,008,359	736	85,609,092
Ireland			2	79,696					2	79,696
Italy	6	1,603,691	30	7,459,626	5	174,317	2	198,213	43	9,435,847
Japan	8	17,317,159	20	52,058,896	6	342,219			34	69,718,274
Jordan	52	6,316,590	129	12,595,069	112	1,269,396	8	89,846	301	20,270,901
Kenya			1	284,457					1	284,457
Kuwait	1	304,750	13	3,623,003					14	3,927,753
Lebanon	4	2,648,957	26	2,496,635	30	1,386,736	5	102,511	65	6,634,839
Liechtenstein	1	22,700,000							1	22,700,000
Morocco			1	16,400					1	16,400
Netherlands	10	1,784,903	22	4,125,272	5	975,210			37	6,885,385
New Zealand	1	160,997							1	160,997
Norway	1	41,000			1	4,962			2	45,962
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	4	166,529			9	12,953,306
Switzerland	5	184,332	26	2,957,502	1	27,660			32	3,169,494
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	5	100,142	1	2,760	14	41,526,377
United Kingdom	23	14,596,065	57	37,540,997	26	2,285,875	1	65,490	107	54,488,427
United States	8	1,562,414	28	8,251,020	12	1,433,984	1	9,800	49	11,257,218
Total	275	164,462,477	1,030	284,973,724	447	48,759,288	36	2,505,694	1,788	500,701,183

To date, **contracts** for a total value of **\$ 501 mill** awarded to **Suppliers** from **47 countries** are posted on the IRFFI website.

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

UNDG ITF Contract Scam Alert!
For details please refer to www.irffi.org