

# World Bank Iraq Data Sheet

As of October 1, 2006



## The International Reconstruction Fund Facility for Iraq (IRFFI)

IRFFI aims to help donors channel their resources and coordinate their support for reconstruction and development activities in Iraq in line with the priorities identified in the Needs Assessment and validated by Iraqi authorities. IRFFI encompasses two trust funds: the World Bank Iraq Trust Fund (ITF), and the UN Development Group Trust Fund. Donors began depositing funds in March 2004. Since March 2004, the Bank approved and launched thirteen projects at a total value of over US\$400 million, thereby committing nearly all donor deposits in the ITF. Initially, the closing date of the ITF was set for December 31, 2007. In June 2006, the Bank sent amendment letters to each donor to formally request their agreement to the extension of the program to **Dec. 31, 2010** which will become effective after all donors co-sign the letter.

## Bank Group Strategy

The **Second Interim Strategy note** was presented to the World Bank Board of Directors on September 15, 2005. The Bank's overarching objective is to help Iraq build efficient, inclusive, transparent, and accountable institutions as needed for stability, good governance, and sustainable economic prosperity. The Bank Group's work program is organized into four pillars, supporting government efforts to:

- restore basic service delivery;
- enable private sector development;
- strengthen social safety nets; and
- improve public sector governance.

The endorsement of this strategy paves the way for **US\$500 million in IDA lending** in priority sectors, and for the provision of advisory and analytic work clustered around the four pillars.

World Bank Iraq Trust Fund Financed Projects	Project Amount (US\$ mln)	Approval Date	Implementing Agency
<b>Project Completed</b>			
Capacity Building I	3.6	Feb-04	World Bank
<b>Projects Underway</b>			
Textbook Provision	40.0	May-04	Iraqi Ministry of Education
School Reconstruction and Rehabilitation	60.0	Oct-04	Iraqi Ministry of Education
Capacity Building II	7.0	Nov-04	World Bank
Baghdad Water Supply & Sanitation	65.0	Dec-04	Municipality of Baghdad
Water, Sanitation & Urban Reconstr.	90.0	Dec-04	Iraqi Ministry of Municipalities & Public Works
Health Rehabilitation	25.0	Nov-04	Iraqi Ministry of Health
Private Sector Development	55.0	Nov-04	Ministry of Planning & Development Cooperation and ITPC
Community Infrastructure Project	20.0	Dec-04	Ministry of Water Resources
Disabilities Project	19.5	Nov-05	Iraqi Ministry of Health
Social Protection Project	8.0	Jun-06	Ministry of Labor and Social Affairs
Household Survey & Policies Technical Assistance	1.5	May-06	World Bank
Household Survey & Policies Project	5.1	Jul-06	Ministry of Planning & Development Cooperation
Environment Management Project <sup>(1)</sup>	5.0	Sep-06	Ministry of Environment
Additional Grant for School Construction in the Marshlands <sup>(1)</sup>	6.0	Oct-06	Iraqi Ministry of Education
<b>Total Iraq Trust Fund Projects</b>	<b>410.7</b>		

World Bank IDA Lending Financed Projects	Project Amount (US\$ mln)	Approval Date	Closing Date	Implementing Agency
Third Emergency Education Project	100.0	Nov-05	Jan-09	Iraqi Ministry of Education
Emergency Road Rehabilitation Project	135.0	Jun-06	Jun-10	Ministry of Construction & Housing / General Directorate for Roads & Bridges of KRG

## Total Iraq IDA Lending Approved

## News

<sup>(1)</sup> **New ITF-financed projects approved:** the Environmental Management Project (Sept.2006) and a supplemental grant for school construction in the Marshlands (October 2006) were approved by the World Bank : they will be effective once authorized by the Iraqi Government.

For more information, please visit: [www.worldbank.org/mena/iq](http://www.worldbank.org/mena/iq) and for information on the Iraq Trust Fund, please visit [www.irffi.org](http://www.irffi.org).

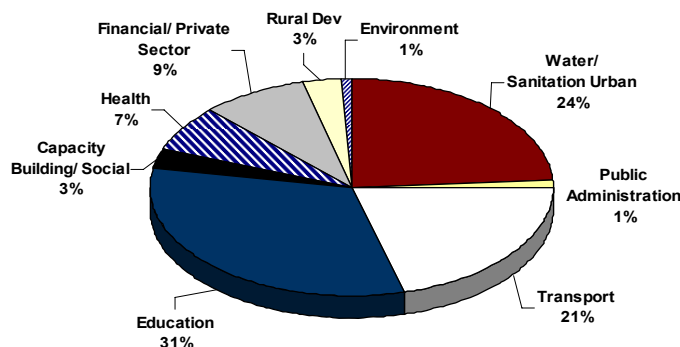
## World Bank Iraq Trust Fund

### Donor Pledges, Commitments, and Deposits (in US\$ million)

Donors	Pledges	Commitments	Deposits
Australia	16.4	16.4	16.1
Canada	22.3	22.3	22.3
European Commission	149.8	149.8	149.8
Finland	2.6	2.6	2.6
Iceland	1.0	1.0	1.0
India	5.0	5.0	5.0
Japan	130.0	130.0	130.0
Korea	4.0	4.0	4.0
Kuwait	5.0	5.0	5.0
Netherlands	6.2	6.2	6.2
Norway	6.7	6.7	6.7
Qatar	5.0	5.0	2.5
Spain	20.0	20.0	20.0
Sweden	5.4	5.4	5.8
Turkey	1.0	1.0	1.0
United Kingdom	71.4	71.4	71.4
United States	5.0	5.0	5.0
<b>Total Iraq Trust Fund</b>	<b>456.8</b>	<b>456.8</b>	<b>454.4</b>

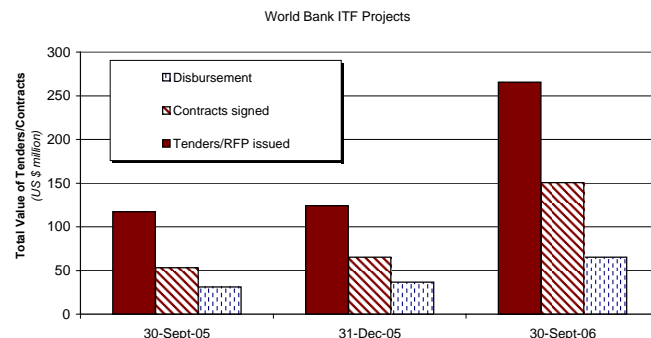
Note: US\$ equivalency estimated for pledges and commitments. Deposits reflect actual conversion rate.

## Active World Bank Iraq Program (Including ITF and IDA-financed Projects) Sectoral Distribution of Projects Funded



## Disbursements and Status of Contracting

The pace of contracting has accelerated significantly. About 66% of the value of Iraqi-implemented grants have been tendered or contracted (US\$265 million). The value of signed contracts has more than doubled since January 2006 and now totals US\$150 million.



## Implementation Status of Projects as of September 30, 2006

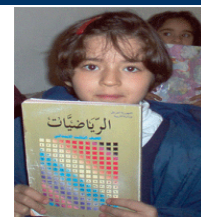
## ITF Financed Projects Under Implementation

**Emergency Textbook Provision Project** (ITF-US\$40 million)**Approved May 2004**

**Description:** The objective of the project is to improve the conditions of learning and teaching through the provision of school textbooks to students in Iraq's primary and secondary schools. **Geographic Coverage:** Nationwide (18 governorates)

**Status:** The project financed more than 79 million textbooks benefiting 6 million students in 2004/2005, and an additional 13.5 million in 2005/2006 thanks to costs savings, financing more than 82 million textbooks in all. Most importantly, it built the capacity of the Ministry of Education to undertake competitive procurement of textbooks for the first time. The project has achieved its main objective and is scheduled to close in December 2006.

**Ministry of Education / Contracted to-date: \$38.5m / Disbursed to-date: \$38.3 m**



© ETPP (Baghdad, May 06)

**Emergency School Construction and Rehabilitation Project** (ITF-US\$60 million).**Approved Oct 2004**

**Description:** The objective of the project is to improve conditions of learning of students in primary and secondary schools in Iraq through the construction of 117 new schools and rehabilitation of 134 schools in need of urgent repair.

**Geographic Coverage:** Nationwide (18 governorates)

**Status:** Major rehabilitation of 134 schools is complete and 9 contracts for constructing 32 new schools are in the bid evaluation stage, with construction to start by October 2006. The project benefits over 100,000 families with children attending unsafe or overcrowded schools and will create thousands of jobs through use of Iraqi construction firms.

**Ministry of Education / Contracted to-date : \$12.5 m / Disbursed to-date: \$7.1 m**



© ESCRP (Diwaniyah, Feb. 06)

**Second Capacity Building Project** (ITF-US\$7 million)**Approved Nov 2004**

**Description:** The project follows up the first capacity building project to help the authorities tackle medium-term policies, focusing on economic management, public sector management, and social safety nets. **Geographic Coverage:** Nationwide

**Status:** The project follows up the first capacity building project to help the authorities tackle medium-term policies, focusing on economic management, public sector management, and social safety nets. So far, more than 45 workshops have trained about 841 participants.

**Implemented by the World Bank / Contracted to-date: \$2.6m / Disbursed to-date: \$2.6 m**



© CBI (Amman, Feb. 06)

**Emergency Baghdad Water and Sanitation Project** (ITF-US\$65 million)**Approved Dec 2004**

**Description:** The principal objective of the project is to assist in restoring basic water supply and sanitation services for the capital city of Baghdad through (a) the reconstruction and rehabilitation of existing priority networks and treatment facilities and (b) providing capacity building support through training and technical assistance.

**Status:** The mayoralty has contracted local and international consultants to prepare tender documents and detailed designs, and has now moved to the construction phase—it has signed contracts for US\$8.5 million of goods and works. Also, it has recruited a team of advisors to help prepare and implement a Baghdad Comprehensive City Development Plan.

**Municipality of Baghdad / Contracted to-date: \$9.5m / Disbursed to-date: \$1.1 m**



© EBWSP (Amman, 05)

**Emergency Water Supply & Sanitation & Urban Development Project** (ITF-US\$90 million)**Approved Dec 2004**

**Description:** the project finances high-impact water supply and sanitation rehabilitation in 9 cities; and urban reconstruction in the poorest areas of 3 cities, benefiting over 2 million people. It also provides capacity building support through training and technical assistance. The project will create substantial employment - estimated at a minimum of 3,000 jobs. **Geographic Coverage:** 9 cities: Karbala, Majar, Beji, Kena'an, Dohuk, Al Hussainia, Al-Samawa, Badawa & Dukan.

**Status:** A US\$27 million contract for the rehabilitation and upgrading of the water supply system in Badawa (Erbil) is in process. Five other construction contracts of about US\$60 million are expected to start before the end of 2006. The ministry has also completed a nationwide water and wastewater survey.

**Min. of Municipalities & Public Works / Contracted to-date: \$28.1m / Disbursed to-date: \$4.5 m**



© EWSSUP (Badawa/Erbil, Sept 06)

**Emergency Health and Rehabilitation Project** (ITF-US\$25 million).**Approved Nov 2004**

**Description:** The objective of the Project is to improve access to quality emergency services including emergency obstetric care, in 11 selected hospitals, and provides 12 hospitals with basic medical and laboratory equipment and essential drugs. **Geographic Coverage:** Baghdad, Diyala, Kirkuk, Missan, Karbala, Anbar, Salah Deen, Erbil, Sulaimanyiah.

**Status:** 25 doctors were trained in Emergency Preparedness and Response (August 2006 in Cairo).

Design work is completed for rehabilitation of 10 hospitals. Five civil works contracts have been signed for rehabilitating emergency units at hospitals in Missan, Salah El Din, Erbil, Anbar, and south Baghdad. Rehabilitation and extension of warehouse started in June 2006. Contracts to rehabilitate hospitals in Baghdad, Karbala, Kirkuk, and Diyala are expected to be signed soon.

**Ministry of Health / Contracted to-date : \$7 m / Disbursed to-date: \$7.1 m**



© EHRP (Al Amarah/ Missan, Sept 06)

**First Private Sector Development Project** (ITF-US\$55 million).**Approved Nov 2004**

**Description:** The project aims to lay the foundation for increasing investment and economic growth by addressing selected priorities in institutional capacity building and essential communications infrastructure (through the installation of a high-capacity national telecommunications network) to help foster the development of the private and financial sectors. **Geographic Coverage:** Communication infrastructure : Baghdad, the North, South and West regions. PSD components : nationwide.

**Status:** The contract to supply and install a high-capacity national telecommunications network (US\$38 million) was awarded and is being implemented. Procurement for consultancy services for institutional capacity building is in the final stages, and includes feasibility studies for industrial estates in Erbil and Basra.

**Minister of Planning & Development Cooperation and Iraqi Telecommunications and Post Company / Contracted to-date : \$39 m / Disbursed to-date: \$4.2 m**



**ITF Financed Projects Under Implementation (continued)****Emergency Community Infrastructure Rehabilitation Project** (ITF-US\$20 million) **Approved Dec 2004**

**Description:** The objective of the project is to address current emergency needs in Iraq for infrastructure rehabilitation at the community level and generate employment. This will cover the restoration of rural infrastructure using labor-intensive, small-scale civil works programs for water supply, sanitation, irrigation and drainage infrastructure subprojects. In all, the Bank will finance 22 subprojects, creating over 240,000 mandays of employment, improving over 80,000 hectares of irrigated land, and benefiting over 130,000 farmers. **Geographic Coverage:** Al Muthanna, Al Amara, Nassariyah, & Sulaymaniyah. Other potential areas: Rumitha, Najaf, Karbala, Babel, Waaset; Baghdad, Deyaly, Karkook; Erbil.

**Status:** Ten rural water rehabilitation subprojects (irrigation, drainage, water supply) amounting to US\$7 million are completed in eight governorates, creating an estimated 110,000 mandays of employment, improving 25,000 hectares of irrigated areas, and benefiting 35,000 farmers. Eight subprojects are underway (completion rates averaging 50% and all to be completed by November 2006); and three additional subprojects will be signed shortly and are expected to be completed by January 2007.

**Ministry of Water Resources / Contracted to-date: \$15 m / Disbursed to-date: \$9 m**



© ECIRP (Sulaymaniyah, Sept. 06)

**Emergency Disabilities Project** (ITF-US\$19.5 million) **Approved Nov 2005**

**Description:** The objective of the project is to improve services to the disabled by developing a comprehensive policy and legal framework for disabilities, strengthening government-NGO partnerships, and reconstructing 14 rehabilitation centers. **Geographic Coverage:** Nationwide.

**Status:** GOI has awarded 7 out of 9 civil works design and supervision contracts, and the remaining 2 are under progress. On September 4-9, 2006 a delegation of Iraqis involved in implementing EDP undertook a study tour in Bosnia and Herzegovina to visit rehabilitation centers, attend prosthetics workshops and gain experience in managing disabilities in a post-conflict situation.

**Ministry of Health / Contracted to-date: \$0.7 m / Disbursed to-date: \$0.1 m**



© EDP (Bosnia Study Tour, Sept. 06)

**Emergency Household Survey & Policies Grant** (ITF-US\$5.1 million) **Approved Jul 2006**

**Description:** The objective of the project is to strengthen the ability of the GOI to make informed decisions towards reducing poverty, creating jobs and protecting the vulnerable. The project finances a comprehensive household survey, analyze the resulting data, and prepare poverty and social impact assessments to be

**Status:** Project recently signed; effective since August 2006.

**Ministry of Planning/ Center of Statistics and the KRG Statistics Unit.**

**Emergency Household Survey & Policies Technical Assistance** (ITF-US\$1.5 million) **Approved May 2006**

**Description:** Provides the technical support needed for Iraq to undertake modern data collection and analysis for the companion ITF grant implemented by the GOI

**Status:** Project recently signed; effective since June 2006.

**Implemented by the World Bank**

**Emergency Social Protection Project** (ITF-US\$8 million) **Approved June 2006**

**Description:** The project aims to help Iraq strengthen social safety net and pension programs, including by implementing a modern management and information system, which will improve the targeting of safety nets and reduce leakages, thereby increasing the benefits that reach the poor. **Geographic Coverage:** Nationwide.

**Status:** Project recently signed; effective since July 2006.

**Ministry of Labor & Social Affairs**

**IDA Projects****Third Emergency Education Project** (IDA US\$100 million) **Approved Nov 2005**

**Description:** The project will help the Government of Iraq alleviate school overcrowding and lay the groundwork for educational reform. The project builds on the successful experiences of two previous ITF-financed education projects.

**Status:** Project not yet effective.

**Ministry of Education / Closing Date : 1-31-2009**

**Emergency Road Rehabilitation Project** (IDA US\$135 million) **Approved June 2006**

**Description:** In central and southern Iraq, the project will rehabilitate about 300 km of highways, reconstruct some 150 km of village access roads, and replace about three floating bridges with permanent structures. In northern Iraq, the project will rehabilitate the main road from Erbil to Altun Kopri (38.5 km) and reconstruct around 75 km of village access roads. **Geographic Coverage :** Nationwide (18 Governorates)

**Status:** Project not yet effective.

**Min. of Construction & Housing/KRG Directorate for Roads & Bridges / Closing Date : 6-30-2010**

**ITF Financed Projects Recently Approved by the World Bank (Implementation pending Iraqi Authorities's approval)****Emergency Environment Management Project** (ITF-US\$5 million)

**Description:** The project will strengthen key institutional and regulatory functions of the Ministry of Environment. These key institutional and regulatory functions will enable the Ministry to undertake environmental policy analysis and coordination, formulate laws and regulations, monitor environmental quality, promote environmental awareness and conduct technical studies. **Geographic Coverage:** Nationwide (with specific areas of concentration for some of the components).

**Ministry of Environment**

**Marshland Schools Construction Project (Additional Financing for ESCRP)** (ITF-US\$6 million)

**Description:** The project will provide additional financing for the Emergency School Construction and Rehabilitation Project, to finance new school construction of approximately 30 small schools in the marshlands area of Basra, Nasiriyah and Missan. The project would benefit 6,000 – 8,000 children and help stabilize the

**Ministry of Education**

## Available Economic and Sector Reports

### **Rebuilding Iraq: Economic Reform and Transition** (February 2006)

This report focuses on the cross-cutting issues at the heart of Iraq's transition, including the immediate challenges of reviving the economy and creating jobs, rebuilding public services responsive to citizens' needs, and strengthening safety nets to protect the poor and vulnerable. It also addresses some overarching issues in public sector governance, particularly the management of oil revenues, the realignment of economic incentives and prices, the reform of human resource management, and the implementation of anticorruption efforts.

### **Pensions in Iraq: Issues, General Guidelines for Reform, and Potential Fiscal Implications** (June 2005)

The reform proposal developed in this report can control the accumulation of new implicit pension debt while providing a mechanism to finance part of the pension liability of the old system. This is done by closing the old pension systems, enrolling current and new members into a new system that is financially self-sustainable, and investing the initial surplus of the new system in government debt. In the absence of reform, the current system would continue to generate ever growing deficits, and therefore demand ever growing transfers from the government. These are inequitable since they would benefit only a minority of the population: workers in the formal sector of the economy, in their large majority civil servants and the military.

### **Considering the Future of the Iraqi Public Distribution System** (June 2005)

The action plan recommended in the report could generate considerable savings in the PDS budget. In short term, significant gains could be made by improving procurement and financial management practices, thereby reducing losses due to waste, theft and corruption. In the medium term, budgetary gains will come from improved targeting and enhanced efficiency resulting from more extensive reliance on the private sector.

### **Building a Sustainable Investment Climate in Iraq** (September 2004)

The note examines and emphasizes the need for private investment from both Iraqi and foreign services to generate growing and sustained employment. Further, assessing Iraq's significant institutional and capacity shortcomings in the private sector, the note details a strategy, based on the Bank's global experience, for laying the necessary institutional foundations for a strong and growing private sector.

### **State-Owned Enterprise Reform in Iraq** (July 2004)

This paper concentrates on the choices to be made in designing a framework for a legal and regulatory framework for privatization so that, once the security situation is under control and elected authorities are in office, SOE reforms can proceed effectively and at a pace commensurate with Iraq's urgent need for change.

### **Leveraging WTO Accession to Design Strategy of Economic Reforms for New Iraq** (September 2004)

The note proposes leveraging the WTO strategy to design strategy of structural reforms and drawing on the experience of recent entrants to the European Union to design institutional setting for the development and implementation of the strategy. The note only outlines the issues that might be addressed in the development of such a strategy.

Other documents available:

Project documents (including procurement plans) for project under implementation  
Project Information Documents and Integrated Safeguard Datasheet for Projects under preparation

Iraq - Economic Data	2003	2004e	2005e	2006p
GDP (US\$ million)	12,602	25,706	34,541	48,513
Real GDP Growth (annual %)	-41.4	46.5	3.7	3.0
GDP per capita (current US\$)	479	947	1,237	1,687
Consumer Price Index (% change)	34.0	31.7	35.8	50.0
Exchange Rate (ID/US\$) (annual average)	1957	1455	1474	1427
Crude Oil Production ('000 barrels/day)	1,330	2,014	1,844	2,000
Crude Oil Exports ('000 barrels/day)	900	1,522	1,384	1,400
Labor Force Participation (% of Working Age Population)			49	

Note: (e) estimates (p) projections

Iraq - Human Development	
Population, mid-2006 estimate	28.7 million
Population growth	2.80%
Life expectancy at birth, 2002	61 years
Infant Mortality (per 1,000 live births), 2002	115
Child malnutrition, 2004	12 % of children under five
Literacy (age 15 and above), 2004	65 % of population
Access to an improved water source, 2004	61 % of population