

# Emergency PSD Project Problems, Patience, Perseverance, Success?

Iraq Donors Meeting  
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## Emergency PSD project

- First recipient executed attempt at Technical Assistance / Institutional Strengthening
- Two main components
  - Telecommunications
    - Microwave Backbone -\$40m
    - Payment System Network -\$3m
  - Private sector Support
    - Institutional Strengthening -\$9m
    - Industrial Estates -\$3m

The slide features a decorative background on the left side, showing a series of classical columns with ornate capitals, rendered in a light blue, semi-transparent style. The rest of the slide has a solid light blue background with a thin white border.

## Some background

- Trying to work with existing institutions in both private sector and telecoms – no radical institutional changes proposed
- In PSD the plan was to get something modest started

# Project Time line

- PSD Institutional - \$9m
  - Bid under way and on target for September 2005 award
  - Bid stopped by GOI July 2005
  - Bid reinstated February 2006
  - Bid re-bid March 2006
  - Bids received September 2006
  - Contract negotiated February 2007
- Telecom -\$40m
  - Bid underway and on target for January 2006 award
  - Bid process stopped by GOI in January 2006
  - Bid awarded June 2006
  - Contractor has started some work but will not carry out substantive work until Letter of Credit is issued – this is linked to Trust Fund extension

## Lessons learnt



- Even though its slow – the Ministries are beginning to build capacity and there is a good chance that we will build sustainability
- The alternative for the TA -Bank execution – in hindsight the resources would have been wasted
- Most of the territory we are covering is new – Iraqi procurement with MNC's and technical assistance – benefits those that follow
- This has not been easy - life for our counterparts is tough – two counterparts assassinated – yet they bravely continue on



## Next steps in PSD in Iraq

- Support for KRG
  - Industrial estates
  - Microfinance
- Support for Investment Promotion Efforts
- Will help
  - Build institution and capacity that can be replicated elsewhere in Iraq
  - Demonstrate what is possible