

**World Bank Iraq Trust Fund  
Social Protection Project (TF056808/P099295)  
December 2009**

**Project Summary Sheet**

<b>Title</b>	Social Protection Project				
<b>Implementing Agency</b>	Ministry of Labor and Social Affairs (MOLSA) Ministry of Finance (MOF)				
<b>Location</b>	N/A – Institutional Support				
<b>Sector code (OECD DAC)</b>	<i>16010</i> Social / Welfare Services				
<b>Compact Priority</b>	<i>4.4.2.1</i> Undertake specific measures to strengthen the targeted safety net <i>4.4.2.2</i> Design and implement a reform strategy for the pension system				
<b>Project Cost</b>	US\$8 million				
<b>Duration</b>	44 months				
<b>Approval Date</b>	June 2006	<b>Effective Date</b>	June 2006	<b>Closing Date</b>	February 2010
<b>Project Description</b>	The project aims to strengthen the policy, management, and administrative capacity in MOLSA and MOF to develop, manage, and monitor pension and social safety net reforms. This project will: (i) establish a basic information system within MOLSA to record and process information on safety nets, to provide a foundation for policy design; (ii) consolidate and expand the information base for the social safety net (SSN) program to develop effective targeting strategies; (iii) design and implement monitoring and evaluation systems for the expanded social safety net program; (iv) develop an updated digitized database on beneficiaries, contributors and employers in the pension system; (v) build technical capacity within MOLSA and MOF for policy analysis and design in the area of safety net and pensions; and (vi) develop a draft pension reform strategy.				
<b>Beneficiaries</b>	The beneficiary agencies are MOLSA, MOF, and the State Pension System (SPS). Ultimate beneficiaries include needy households (those receiving services through MOLSA, either as cash transfer or other social services), as well as state employees and pensioners. MOLSA currently provides benefits to over 1 million households.				
<b>Near Term Employment Creation</b>	While creating local employment is not a project objective, the project will indirectly support services to the unemployed, through training and job placement, at the level of MOLSA's social welfare offices.				

**Strategic Context and Donor Coordination**

The MOLSA requested World Bank support in social safety net and pension reform to help Iraq provide vulnerable populations with the support they need to sustain themselves. The project complements the Household Survey and Policies for Poverty Reduction Project. The main donor partner, USAID, has provided policy advice on pensions and safety net systems, and supported the design of the revised Social Safety Net Program. While USAID supports MOLSA in developing a pilot Social Safety Net Information System and its national roll-out, the ITF Social Protection Project finances the infrastructure required for the pilot and for scaling up the information system nationwide. USAID/BearingPoint participated in the World Bank's appraisal mission, project launch workshop, and subsequent supervision missions. USAID/Bearing Point stopped their support to Social Safety Net and Pensions in May 2009. However, USAID continues to be involved through its financing of the Tawteer program, which provides capacity building to Iraqi institutions and complements the training program that can be financed from the ITF Social Protection Project. Tawteer representatives participate in project supervision missions to ensure continued collaboration and complementarity.

## Project Development Objective

- Improve the targeting and effectiveness of social safety
- Improve the management of the pensions system

## Outputs, Key Activities and Procurement

<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Management Information System</li> <li>• Targeting strategies and monitoring and evaluation systems</li> <li>• Pensions database and reform strategy</li> </ul>
<b>Activities</b>	<ul style="list-style-type: none"> <li>• Develop and establish a management information system for Social Safety Nets</li> <li>• Design safety net targeting and monitoring procedures</li> <li>• Create a pensions database</li> <li>• Provide capacity building activities</li> </ul>
<b>Procurement</b>	<p><b>Goods:</b> US\$4.8 million</p> <p><b>Technical assistance:</b> US\$1.3 million</p> <p><b>Training:</b> US\$1.1 million</p> <p><b>Operating costs:</b> US\$0.3 million</p> <p><b>Unallocated:</b> US\$0.5 million</p>

## Financial Data

<b>Funds Committed</b>	US\$5.1 million	<b>% approved</b>	63
<b>Funds Disbursed</b>	US\$3.6 million	<b>% approved</b>	45
<b>Forecast Closing Date</b>	February 2010	<b>Delay (months)</b>	0

## Progress against indicators

MIS in place, operational and providing useful data for MOLSA. Policy-makers in the areas of Baghdad, Erbil, Basra and Najaf use newly generate system reports	<ul style="list-style-type: none"> <li>• SSN system under development with the MIS funded by USAID.</li> <li>• Pilot (phase I) conducted in Baghdad; National roll-out (phase II) under preparation.</li> <li>• IT training provided to 21 staff at MOLSA.</li> <li>• Workshops for senior staff held in Amman and Istanbul.</li> </ul>	<b>% of planned</b>	50
Targeting strategies introduced by MOLSA	<ul style="list-style-type: none"> <li>• Categorical targeting undertaken by MOLSA reaching 1.25 million households, disbursing close to IQD1.6 trillion.</li> <li>• Discussion underway for improved targeting (proxy-means testing) with additional TA planned as part of future World Bank support to GOI.</li> </ul>		100
Effective M&E system operational	<ul style="list-style-type: none"> <li>• Survey instrument finalized, baseline survey completed, and data entry and tabulation is underway. Preparation for process study is underway.</li> </ul>		60
Pension's database completed. Policy-makers use newly generated system reports	<ul style="list-style-type: none"> <li>• Contract awarded, and inception report received by GOI. Survey instrument completed, and survey work is underway</li> </ul>		70

Pensions related activities funded by project completed with evaluations where appropriate	<ul style="list-style-type: none"> <li>• Training provided to 21 State Pension Fund staff (MOF).</li> <li>• Equipment contracted and supplied.</li> <li>• Workshops on pension reform implementation held in August 2006 and January 2008.</li> </ul>		75
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### Qualitative Assessment of Project Performance

While good progress has also been made in procuring equipment for the SSN sites, there continues to be a delay in having these sites ready. The National SSN Information System was formally launched in May 2009, and the Beneficiary Assessment baseline survey has been completed. Progress has also been made in the implementation of the Pension Survey. The Pension Reform Implementation Support Technical Assistance was approved by the World Bank in December 2009 and became effective in January 2010.

The Project Management Office (PMO) will need to dedicate sufficient human resources to complete project implementation and meet the development objectives in the remaining time period. While most of the procurement and installation of equipment will be completed by end of January 2010, the SSN Beneficiary Assessment and Pension Surveys will not be completed by the project closing date of February 2010, and MOLSA has requested an extension of the closing date until February 28, 2011 as well as a reallocation of the Grant proceeds, which are being processed by the World Bank. The PMO, working closely with the SSN Department, finalized the *SSN Site Readiness Implementation Plan*, and the World Bank team will closely monitor implementation of the plan. The SSN information system financed by USAID is near completion for deployment which will be implemented by the project.

### Major Implementation Obstacles

With the ending of USAID's Economic Governance II program, MOLSA will need to assume responsibility for managing the SSN Information System development. MOLSA will need to contract a Support and Services Contract with a firm capable that can provide support as well as system development and improvement.