

**World Bank Iraq Trust Fund
Social Protection Project (TF056808/P099295)
October 2011**

Project Summary Sheet

Title	Social Protection Project				
Implementing Agency	Ministry of Labor and Social Affairs (MOLSA) Ministry of Finance (MOF)				
Location	N/A – Institutional Support				
Sector code (OECD DAC)	<i>16010</i> Social / Welfare Services				
Compact Priority	<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				
Project Cost	US\$8 million				
Duration	72 months				
Approval Date	June 2006	Effective Date	June 2006	Closing Date	June 2012
Project Description	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.				
Beneficiaries	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.				
Near Term Employment Creation	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 continued to be involved through its financing of the Tawteer program, which provided capacity building to Iraqi institutions and complemented the training program financed from the ITF Social Protection Project. This support ended in July 2011 but has been followed up with support from the Tarabot Program. USAID/Tarabot representatives participate in project supervision missions to ensure continued collaboration and complementarity.

Project Development Objective

The overall objective of the Project is to strengthen the policy, management and administrative capacity in the Ministry of Labor and Social Affairs and the Ministry of Finance to develop, manage and monitor pension and social safety net reforms.

Outputs, Key Activities and Procurement

Outputs	<ul style="list-style-type: none"> Management Information System Targeting strategies and monitoring and evaluation systems Pensions database and reform strategy 								
Activities	<ul style="list-style-type: none"> Develop and establish a management information system for Social Safety Nets Design safety net targeting and monitoring procedures Create a pensions database Provide capacity building activities 								
Procurement	<table> <tr> <td>Goods:</td> <td>US\$5.7 million</td> </tr> <tr> <td>Consultants' Services:</td> <td>US\$1.0 million</td> </tr> <tr> <td>Training:</td> <td>US\$0.45 million</td> </tr> <tr> <td>Operating Costs:</td> <td>US\$0.85 million</td> </tr> </table>	Goods:	US\$5.7 million	Consultants' Services:	US\$1.0 million	Training:	US\$0.45 million	Operating Costs:	US\$0.85 million
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Financial Data

Funds Committed	US\$5.3 million	% approved	66
Funds Disbursed	US\$5.2 million	% approved	65
Forecast Closing Date	June 2012	Delay (months)	3

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"> SSN system under development with the MIS funded by USAID. Pilot (phase I) conducted in Baghdad; National roll-out (phase II) under preparation. IT training provided to 21 staff at MOLSA. Workshops for senior staff held in Amman and Istanbul. Human resource appointment for all governorates has been completed (engineers, programmers, etc.) except for Missan governorate. 	% of planned	80
Targeting strategies introduced by MOLSA	<ul style="list-style-type: none"> Categorical targeting undertaken by MOLSA reaching 1.25 million households, disbursing close to IQD1.6 trillion. Discussion underway for improved targeting (proxy-means testing) with additional TA planned as part of future World Bank support to GOI. 		100
Effective M&E system operational	<ul style="list-style-type: none"> Survey instrument finalized, baseline survey completed, and data entry and tabulation is underway. Preparation for process study is underway. 		100

Pensions database completed. Policy-makers use newly generated system reports	<ul style="list-style-type: none"> • Survey and database completed, MOF/NBP staff trained in India and in Baghdad. Data entry started. 		85
Pensions related activities funded by project completed with evaluations where appropriate	<ul style="list-style-type: none"> • Training provided to 21 State Pension Fund staff (MOF). • Equipment contracted and supplied. 		100

Qualitative Assessment of Project Performance

A significant milestone has been achieved in the project, with the deployment of the SSN Information System in Baghdad, and the processing of beneficiary payments in Q1 and Q2 of 2011 using the system. The SSN Information System has now been deployed at all sites in Baghdad, and setup has been completed for Basra and Najaf.

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. 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.

Major Implementation Obstacles

With the ending of the USAID/Tatweer program in June 2011, the SSN Information System has slowed down significantly. However, USAID has continued to provide support to MOLSA under the USAID/Tarabot project; MOLSA has sent a development plan to Tarabot for areas of support. The Service License Agreement (SLA) contract has still not been signed as negotiations with the firm are still underway.

MOLSA will need to initiate steps to ensure sustainability and ownership of investments made under ESPP, given the remaining time to closing.