

World Bank Iraq Trust Fund
Project #: P099295
March 2008 / 1st Quarter
Project Summary Sheet

Title	Emergency Social Protection Project				
Implementing Agency	Ministry of Labor and Social Affairs Ministry of Finance				
Location	N/A – Institutional Support				
Sector code (OECD DAC)	16010 Social / Welfare Services				
Compact Priority	4.4.2.1 Undertake specific measures to strengthen the targeted safety net 4.4.2.2 Design and implement a reform strategy for the pension system				
Project Cost	US\$8 million				
Duration	45 months				
Approval Date	June 2006	Effective Date	June 2006	Closing Date	February 2010
Project Description	The project aims to strengthen the policy, management, and administrative capacity in the Ministry of Labor and Social Affairs (MOLSA) and the Ministry of Finance (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 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 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 Minister of Labor and Social Affairs (MOLSA) requested the World Bank's support in social safety net and pension reform, in line with the Government's priorities outlined in the NDS. The ultimate goal of improved system design and implementation would be to provide vulnerable populations with the support they need to sustain themselves. The project complements the Household Survey and Policies for Poverty Reduction Project, also financed by the ITF. The main donor partner, USAID, has provided policy advice in pensions and safety net systems, supporting the design of the revised Social Safety Net Program. While USAID supports MOLSA to develop a pilot Social Safety Net Information System and its national roll-out, the Emergency Social Protection Project finances the infrastructure required for the pilot and for scaling up the information system nationwide. USAID participated in the World Bank's appraisal mission, project launch workshop, and subsequent supervision missions.

Project Development Objective

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

Outputs, Key Activities and Procurement

Outputs	<ul style="list-style-type: none"> Management Information System Targeting strategies and M&E systems Pensions database and reform strategy
Activities	<ul style="list-style-type: none"> Development & Establishment of a management information system for Social Safety Nets Design of safety net targeting and monitoring procedures Creation of a pensions database Capacity building activities
Procurement	<p>Goods: US\$4.8 million</p> <p>Technical assistance: US\$1.3 million</p> <p>Training: US\$1.1 million</p> <p>Operating costs: US\$0.3 million</p> <p>Unallocated: US\$0.5 million</p>

Financial Data (as of 03/31/2008)

Funds Committed	US\$1.4 million	% approved	17
Funds Disbursed	US\$0.4 million	% approved	5
Forecast Closing Date	February 2010	Delay (months)	29

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 BearingPoint 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 	% of planned	30
Targeting strategies introduced by MOLSA	<ul style="list-style-type: none"> Categorical targeting undertaken by MOLSA reaching 1 million households Discussion underway for improved targeting (proxy-means testing) with additional TA planned 	% of planned	50
Effective M&E system operational	<ul style="list-style-type: none"> TOR for beneficiary assessment complete and recruitment of consultant underway BearingPoint conducting a more focused assessment to feed into this work. 	% of planned	10
Pension's database completed. Policy-makers use newly generated system reports	<ul style="list-style-type: none"> TOR & scope of pension survey and database development completed Contract awarded and work to start in April 2008 	% of planned	30
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 to be supplied in April 2008 Workshops on pension reform implementation held in Aug 06 and Jan 08 	% of planned	10

Qualitative Assessment of Project Performance

Although the project suffered from initial implementation delays, project management is strong, and significant progress has been made in the last six months. Procurement is underway for 14 Information Technology (IT) packages (valued at about US\$1.9 million), two contracts have been signed to train about 42 Iraqi staff in IT systems, and the evaluation of the Pension Survey proposal is complete. In addition, the Project Management Office (PMO) revised the implementation framework for the “Social Safety Net Beneficiary Assessment” and drafted the Terms of Reference for international and local individual consultants and a local firm to undertake the survey. The pension survey consultancy has been awarded.

Major Implementation Obstacles

Many projects in Iraq suffer from a lack of institutional capacity and inefficient procedures in the implementing agency. Initial progress of the Social Protection project was hindered by complicated internal MOLSA procedures for the use of the project account, and the extended time spent evaluating procurement documents. The PMO has identified the cause of many of these internal delays and is introducing more efficient procedures to address them. Finally, the MOF and MOLSA resolved long-standing problems with the project account. Finally, the project supports acquisition of complex information technologies, which are proving to be difficult to acquire, given the security situation and lack of strong commercial business entities in Iraq to supply such material. Procurement is now being simplified and handled mostly locally and targeted regionally within Iraq to ensure participation of local suppliers who are able to operate in specific regions in Iraq.