

DRAFT

Sector Midterm Review Report



Sector: Economic Reform and Diversification Sector Outcome Team

Reporting period: January 1, 2008 – March 31, 2009

A) OVERALL ASSESSMENT OF PROGRESS TOWARDS UNCT OUTCOME

UNCT OUTCOME			
● Sustainable, socially inclusive and gender-balanced economic reform and development in Iraq			
Suggested Indicators	<i>Baseline</i>	<i>Target 2010</i>	<i>Status as of 3/2009</i>
● Key legislative and policy instruments adopted for socially inclusive, gender sensitive and MDG-oriented economic growth	0	YES	MDGs to be integrated into 5 year development plan currently in development at MoPDC with the UN supporting the process.
● Number of sustainable private sector jobs created	N/A	TBD	9,688 jobs created 26,115 enterprises established/ supported
● Plans and policies adopted for transportation and electricity supply to meet current and prospective demand	0	1 civil aviation plan developed. 1 Electricity plan adopted	Electricity Master Plan in place by 2009. A Civil Aviation Sector Master Plan is presently available with a condensed report in process that will define priority stages.
Narrative Analysis of progress:			
<ol style="list-style-type: none">1. Local capacity to carry out industrial surveys and formulate appropriate policies and strategies for industrial development has been improved through capacity building programmes under UNIDO implemented project; "Technical Assessment for the Development of Agro- Industries Sector in Iraq". This contributes to a large extent to creating an enabling environment for the development of the industrial sector.2. UNDP is currently supporting the GoI developing the National Development Plan (2010-2014) which will focus on economic diversification to decrease the dependence on oil revenues. The UNDP is assisting the GoI in identifying priority areas for investment to accelerate progress towards MDG achievement.3. Through the Enterprise Development and investment promotion in SME sector in Iraq, UNIDO has facilitated the creation of new enterprises in Baghdad, Erbil and Thi Qar Governorates. The established Enterprise Development Units aim at providing employment and income generating opportunities for the people and to reduce poverty. UNIDO has also organized a number of training courses aiming at creation			

of team of business counselors to be placed in the EDUs, creation of a team of local consultants who can be utilized to conduct the enterprise upgrading and growth plans and trainings on Investment Project preparation & appraisal in addition to others.

4. UNIDO also supported the establishment of EDUs in three governorates. They are designed to facilitate the creation of new enterprises and support current entrepreneurs and succeeded in generating employment for 138 individuals in Erbil.
5. In order to improve the situation in areas of Hillah, Marshlands and Sulaymaniyeh Governorate and to develop the network of microfinance institutions, ILO/UNOPS LADP has launched the micro-lending program in rural districts of Sulaymaniyeh Governorate, in Hillah city – in the Center and in the Sothern Marshlands from which it has supported 1,241 people. To achieve sustainability, ILO and UNOPS has partnered with CHF, who through locally established MFIs will revolve the micro-lending fund beyond the life of the project. ILO and UNOPS were also able to support in 2008 750 new and existing small businesses in key sectors of the economy and to also benefit locally defined vulnerable segments of the population in all the target districts. By the end of the 2008, \$203,100 loans were distributed in Hillah, \$150,200 – in Marshlands, and \$204,900 – in Sulaymanieh governorate. Through these loans people were given the opportunity to open new business and/or develop existing ones which, in turn, created new jobs for unemployed.
6. Through IOM's project, PHSS; 4,494 In-Kind Grants for self-employment were distributed; 733 received vocational training and received Tool Kits; and was able to support the creation of 1,816 businesses
7. Through a number of micro lending programmes, CHF has been able to support 18,000 people (active clients) in addition to assisting in the creation of 8,309 jobs.
8. Findings of the International Civil Aviation Organization study team were presented to key stakeholders in the Government of Iraq for Review in March 2009. These included recommendations for new legal instruments, separation of functions, organizational changes and staffing, staff training as well as actions required for achieving compliance with international civil aviation standards and recommended practices. Following further review, the report will be distributed as a Civil Aviation Master Plan. With the assistance of the UNDP, the Iraqi Ministry of Transport formed a legal drafting group to finalize a civil aviation bill in 2009. Moreover, arrangements for a regional stakeholder conference to promote investment in the sector are being planned. The UNDP has also launched the Visual Navigation Aid Project for Umm Qasr Port. One of the main objectives under this project is to develop institutional and management capacity for port access.
9. Working closely with the Ministry of Electricity, the UNDP has assisted in the development of an electricity master plan addressing and supporting the nationwide efforts to improve the electricity infrastructure. Renewable Energy and Environmental Aspects were included in the plan. In addition, first drafts are available for both renewable energy and environmental issues within the electricity to be finalized in 2009.

B) OVERALL ASSESSMENT OF PROGRESS TOWARDS SECTOR OUTCOMES

SECTOR OUTCOME 1			
<i>Improved policies, strategies and related institutional developments that are sensitive to MDGs, social inclusiveness, gender equality and pro-poor economic growth</i>			
Outcome Indicators (Revised and/ or suggested)	<i>Baseline</i>	<i>Target</i>	<i>Status as of 3/2009</i>
● Number of national and local planning documents integrating MDGs adopted by GoI	0	2008: 0 2009: 3 2010: NA	5 in process
● Active labour market programme (ALMP) adopted by MoLSA and corresponding budget allocations made (2009)	NO	2008: N/A 2009: YES 2010: YES	No
● Social Safety Net Reformed for better targeting and extended coverage (SSN), feeds into Social Security System	No	2008: LOW income families identified in the WB LSMS 2009: N/A 2010: Yes	No
● Policy framework, including measures to ensure social inclusiveness and gender-equality perspectives, adopted for SME development	NO	2008: N/A 2009: YES 2010: YES	No
● Access of SMEs to financial and non financial services increased (Baseline will be produced through SME survey, refer to output 1.3)	TBD	2008: TBD 2009: TBD 2010: TBD	Financial Services: 1,241 people Non Financial Services: 1,593 people
● Regulation for industrial/free zones adopted (2010)	NO	2008: N/A 2009: N/A 2010: YES	N/A
● Number of events promoting FDI and local investment facilitated	0	2008: 3 2009: 5 2010: 4	IPP Conference
Overall analysis of progress:			
<ol style="list-style-type: none"> 1. UNDP is currently working with the Ministry of Planning and Development Cooperation to integrate MDGs into the 5-year National Development Plan in addition to other 4 plans. 2. Adoption of ALMP by MoLSA was assisted through IOM's PHSS 1 and Intermediary Phase of PHSS projects, and through IDP Programme in general as MoLSA is the main counterpart of IOM PHSS programme 3. Pubic Distribution System Reform Programme is being designed and will include reform of SSN and social security system. 4. Micro- and small businesses in Iraq have still limited access to financial services, especially outside major urban centers, and the opportunity to receive a loan from the formal banking sector is very weak particularly for low income and vulnerable families. According to the SME's survey conducted by ILO/UNOPS in 2008 under LADP, the majority of Iraqi entrepreneurs (89% of surveyed MSEs in Hillah, 70% - in Marshlands, and 52% in rural areas of Sulaymaniyeh Governorate) consider a limited access to credit as the major factor hampering economic development, income generation and employment creation. In order to improve the situation in this area and to develop the network of microfinance institutions, ILO/UNOPS LADP has launched the micro-lending program in rural districts of Sulaymanieyh Governorate, in Hillah city – in the 			

Center and in the Sothern Marshlands from which it has supported 1,241 people. To achieve sustainability, ILO and UNOPS has partnered with CHF, who through locally established MFIs will revolve the micro-lending fund beyond the life of the project.

5. The UNIDO project C10-07 with its enterprise creation component has established Enterprise Development Units (EDUs) in three governorates: Erbil, Thi-Qar and Baghdad. EDUs are designed to facilitate the creation of new enterprises and support existing companies in expanding their businesses. A number of training programs for institutional capacity building have been conducted, with nominees coming from the various partner institutions. These are, namely: Training of Trainers for Enterprise Creation, Training of Business Counsellors, Training of Consultants for Enterprise Up-grading and Training on Investment Project Preparation & Appraisal. In total the project has trained 77 staff from 17 different institutions in providing business development services for SMEs. The project has also provided business counsellor training for all governorate-nominees and full scale business counselling has started for the trainees graduating from the training of entrepreneurs in Erbil and Thi-Qar. The enterprise creation component of project C10-07 has contributed to the sustainable establishment of 3 business development services contributing to output 1.3 indicator of “number of financial and non financial service provided supported technically and financially”. The enterprise upgrading component of project C10-07 completed two brief sector surveys on agro-industry and preliminary assessments of 77 SMEs in the governorates of Erbil and Thi Qar contributing to output 1.3 indicator “Survey of formal and informal sector implemented”.

The project C10-07 supported the KRG Board of Investment with a study tour of Industrial Zones as part of KRG plan to revitalise economic and investment environment in the Kurdistan Region. The scope of the three day tour was to understand the viability of Industrial Zones and their associated legislative modalities. As such the study tour contributed to the indicator of output 1.4 “ Feasibility assessment with recommendation of industrial and free zones” as well as “ Number of Investment promotion supported”.

Finally, project C10-07 supported the Ministry of Industry and Minerals in promoting its investment files through the UNIDO-ITPO network, contributing to Output Indicator 1.4.3

The E10-04 project performed a detailed survey of the agro-industrial sector. The survey covered all medium and large agro-industrial establishments defined as establishments with 10 or more workers. A total of 1,621 manufacturing establishments were surveyed. In addition the survey covered small agro-industrial establishments on a sample basis. 1,020 small establishments were selected from an existing listing of 8,987 of such establishments located in 18 Governorates of the republic of Iraq. Agro-industrial establishments are those establishments engaged in a variety of manufacturing and processing activities based on agricultural raw materials as well as activities and services that constitute agriculture inputs. Therefore this project contributed heavily to output 1.3 “Strengthened capacity of public authorities and other service providers for SME development” and its indicator “ Survey of formal and informal sector implemented” with a total of 2,641 SMEs surveyed.

6. Based on Prime Ministry’s Office request, legislative and institutional assessment of the current laws relating to industry and the private sector have been indicated as a priority. These activities will be executed under newly approved project C11-08 (Private Sector Development Programme for Iraq). To this end, UNIDO has organized a Rountable discussion for legislative assessment to be held in June 2009. The full Legislative

Assessment activity, including the review and amendment of pertinent laws, is expected to be completed by end 2009.

7. In November 2008, UNDP-Iraq facilitated the "Opportunities for Independent Power Producer (IPP) Investments in Iraq" Conference at the Dead Sea, Jordan. The two day conference which was led by the Deputy Prime Minister, accompanied by the Minister of Electricity was an excellent opportunity for the GoI to meet IPP investors and present the investment opportunities. The Conference aimed at establishing an effective public-private partnership in the IPP sector leading to future investment in a number of projects with a total value of approximately USD 18 billion.
8. All the UN Agencies within the Private Sector Development Programmes joint programme are in start up and recruitment at the end of 1st Q 2009. A review on stockpile of laws and legislation is ongoing with the Working Group within the Task Force. This programme emerged through a series of structured discussions with the key Government stakeholders in the field of private sector development and is designed to address the economic challenges that were outlined. High level policy roundtables supported by the ERDSOT have a clearly defined framework of critical upstream and downstream interventions in line with the provisions of the National Development strategy and the International Compact with Iraq. Through this intervention the expected results within 36 months are a national private sector development strategy as well as three governorate economic development strategies, supported in their initial implementation through the downstream pilot activities, providing direct support to small business in the three selected governorates as well as a comprehensive survey and analysis of existing relevant legislation to identify gaps and the development of new legislation as needed.

SECTOR OUTCOME 2

Enhance key sectors of local economy in most deprived areas

Outcome Indicators (Revised and/ or suggested)	Baseline	Target	Status as of 3/2009
● Number of selected governorates executing more than 70% of allocated budget	0	2008: 0 2009: 2 2010: 2	2
● Number of jobs created annually for both men and women (Baseline and targets to be identified through SME survey [Reference to output 1.3], GoI SME data and social security data)	TBD	2008: TBD 2009: TBD 2010: TBD	ILO/ UNOPS: Total no of sustainable jobs created is 1241 people 975 are men and 266 are women. UNIDO: 138

Overall analysis of progress:

1. The UNDP leads ERDSOT work in budget execution and public financial management. In 2008, two Governorates executed more than 70% which were Diwaniya and Misan. Moreover, during 2008 UNDP initiated three Budget Execution Projects in Al-Anbar, Basrah and KRG. The Basrah Budget Execution project aims at building the capacity of Basrah provincial and sub-provincial authorities enabling the authorities to plan and execute the Governorate's capital budget for reconstruction and development projects. The Anbar Budget Execution Support project aims at building capacity in the Central Governorate of Al-Anbar for local authority institutions (the Provincial Council and the Governor's Office) to execute Al-Anbar budget for priority investments in service delivery and reconstruction and development of essential infrastructure. The Budget Execution Support Programme in Northern region aims at building capacity in the northern governorates (KRG) for local authorities (the provincial council and the governor's office) to execute budget,

aiming at strengthening the capacities in budget policy, planning, execution, and control. Providing budget execution support is key to accelerate the development efforts in the Northern Region (KRG).

2. ILO and UNOPS were able to support in 2008 750 new and existing small businesses in key sectors of the economy and to also benefit locally defined vulnerable segments of the population in all the target districts. By the end of the 2008, \$203,100 loans were distributed in Hillah, \$150,200 – in Marshlands, and \$204,900 – in Sulaymanieh governorate. The repayment rate was equal to 100%. Through these loans people were given the opportunity to open new business and/or develop existing ones which, in turn, created new jobs for unemployed. Access to training, counseling and other business development services in the three areas is being improved; ILO and UNOPS had already established 2 Business Information Centers in partnership with the Chambers of Commerce and Industry of Sulaymaniyah, and Basrah
3. Through IOM's project, PHSS; 4,494 In-Kind Grants for self-employment were distributed; 733 received vocational training and received Tool Kits; As for continuation, during PHSS 2, as of April 2009, it is planned to create additional 3.500 new jobs further on (2009-10); In-Kind Grant Packages ranged in amount from 400 USD to 2.000 USD per beneficiary depending on the needed materials/equipment to start the businesses etc
4. Through the UNIDO project C10-07, Enterprise Development Units have been established and are operational in three governorates. They are designed to facilitate the creation of new enterprises and support current entrepreneurs. To date, 3 training of entrepreneurs have been conducted in KRG, training 81 entrepreneurs, while in Thi-Qar 3 trainings have been completed with 79 entrepreneurs already trained. The Baghdad governorate has, to date, completed 1 training of entrepreneurs with 15 participants. 25 enterprises have been created/diversified/expanded in Erbil. 138 employment generated in Erbil.

SECTOR OUTCOME 3

Strengthened electricity and transportation sector plans for rapid economic growth

Outcome Indicators (Revised and/ or suggested)	Baseline	Target	Status as of 3/2009
■ 1. Electricity supply sector plans adopted by the GoI	0	2008: 0 2009: 2 2010: 1	2
■ 2. Civil aviation sector plans adopted by the GoI	0	2008: 0 2009: 2 2010: 1	0
■ 3. The difference narrows between the amount from capital budget requested by MoE and amount allocated	4.1 trillion ID allocated in 2008	2008: 4.1 trillion ID allocated 2009: Requested 7 trillion ID, Allocated: 1.4 trillion ID 2010: 7 trillion ID	IN 2009: Requested 7 Trillion ID Allocated 1.4 Trillion ID
■ 4. Ratio of budget received by MoE actually executed	72%	2008: 90% 2009: 92% 2010: 94%	87%

Overall analysis of progress:

UNDP has made good gains within the electricity and transport projects over the past 18 months.

1. Electricity

The average demand and production of electricity continues to require attention with an increase noted in power supply. The MSS December 2008 from the US Embassy Iraq Transition Assistance Office states that as of November 2008 the Baghdad Governorate has on average 17 hours of electrical per day.

Over the past eighteen months multiple projects have completed within the electricity. The majority of these projects have included rehabilitation of electric power plants. Completed projects and the respective wattage include: (1) Mussayb Stage I increasing output by an estimated 100 MW. (2) Hartha Stage II increasing output by an estimated 340 MW (3) Taji increasing output by an estimated 55 MW (4) Mosul increasing output by an estimated 38 MW. This additional wattage has increased the National Electricity Grid by 533 MW.

The National Electricity Grid is being monitored by the National Dispatch Centre. Stage I completed the construction and initiated training. Stage II of the National Dispatch Center is expected to complete during 2009 and establishes a series of connections of Remote Terminal Units with 28 connected and of those 14 tested and fully functional with the remaining 14 to be tested in 2nd Quarter 2009. One hundred (100) persons have experience with the new technology and the software systems are developed and field tested.

Extensive capacity has been built at the national level within the Ministry of Electricity with UNDP providing 104.3 person months of training with an additional 51 employees at the Ministry of Electricity benefitting by international specialized training.

Additionally, three projects have provided 171 generators with 83.63% placed at water and health facilities. One of the operationally closing projects has facilitated major electricity refurbishment in key locations including the port town, a key border town and at a major water plant in Baghdad.

Upstream

Ongoing projects are Muthana Governorate Capacity Building which is building capacity in a governorate and, Mussaib Unit I which is a partnership with government funding and the Electricity Sector Reconstruction in KRG that is a partnership with regional funding that are reflected in outcome 2. Additionally, an Electricity Master Plan has been developed and is being updated to include renewable energy and environmental issues. Building capacity has been a focus within all projects. In 2008 the Ministry of Electricity executed 87% of their budget of 4.7 Trillion ID.

2. Transport

Transport has expanded and includes both civil aviation and a ports project on navigational aids.

Civil Aviation

The Master Planning and Capacity Building for the Iraq Civil Aviation Sector initiated during 2008 and runs till the end of 2009. This project will address the structure of civil aviation, safety issues and airspace in accordance to international standards and works with the Ministry of Transportation and the Iraq Civil Aviation Authority. Additionally this project has an agreement with the International Civil Aviation Organization (ICAO). At present there is a draft report developed by the ICAO specialist team that endorses over 200 recommendations to comply with key international regulations. Extensive consultations have resulted in H.E. Minister of Transportation forming a Legal Drafting Group to finalize a Civil Aviation Bill for 2009. Provision of equipment, training plans, a conference on aviation development for Iraq and an abridged Master Plan are in process.

Navigational Aids

Iraq has six commercial ports but Umm Qasr is the only “deep” water port and thus central to Iraq’s maritime trade. Like all ports in Iraq, Umm Qasr is situated on a major riverine estuary which leads to the Arabian Gulf. Three wars have left deep scars on the port: including wrecks, unexploded ordnance and silted waterways. As a result many Iraqi imports transit through neighboring countries creating distorted and costly transportation patterns which are detrimental to the Iraqi economy. This project focuses on the deficiency and absence of proper visual navigation aid signalization in accordance with international standards. During this period the location for a workshop has been identified as well as the identification of spare parts required. A study tour has been conducted and buoy technical specification drafted with a call for bid in place.

During 2008 the MoE was allocated 4.7 Trillion ID. For 2009 the MoE requested 7 Trillion ID and it appears that MoE will be allocated 1.4 Trillion which is 20% of submission. Capital budget was not yet released end of March.

And finally, during 2008 the MoE executed 87% of budget.

C) RECOMMENDED ADJUSTMENTS IN UNCT AND/ OR SECTOR OUTCOMES (WITH RATIONALE)

D) KEY ASSUMPTIONS, RISKS AND OPPORTUNITIES

Assumptions:

1. Political will is maintained. Government is supportive, collaborative and are willing for mutual coordination of efforts and to make relevant co-partnership contributions
2. Enabling environment as security deterioration may hamper ability to move in Governorates, donor support and private investment.
3. Financial crisis has not negatively impacted the country’s economy
4. Inflation rate is stable and level of currency devaluation is not volatile
5. Unemployment rate is down
6. Political situation is stable and parties and fractions are fully functional
7. Local sub-contractors are willing to participate
8. Coupling downstream economic recovery interventions with policy, legislative and institutional reform at the national level.

Risks:

1. Project management by remote control from Amman has been the biggest challenge in effective project implementation.
2. Local governmental and security concerns, specifically in the Baghdad governorate, has caused delays for the governorate as it continues to fall behind in project implementation vis a vis Erbil and Thi-Qar.
3. Funding for enterprise creation/upgrading for local entrepreneurs has been difficult to come by due to high interest rates and a general lack of interest in SMEs on the part of financial institutions.
4. Strategic-Programme Alignment: change in central and local government's priorities with the new local government going into place in 2nd Q 2009 and/or lack of cooperation between various level of government and departments.
5. Legal instruments drafted but not adopted, nor accepted nationally.
6. Reluctance of NGOs and contractors to work with the UN and hesitation on the part of communities.
7. Political dispute and developments of tension between certain parties may affect work and ability to perform.

Opportunities:

A key enabling factor to proceed in outcome 1.6 is availability of funding to proceed in the activity. UNIDO has been asked to complete a legislative review for industrial zones, but due to a lack of funding it has not been able to carry out any activities in this regard. Conversely, the Kurdish Investment Board has shown interest in funding UNIDO – to the amount of 150,000 USD – to begin a legislative assessment of Industrial Zones legislation.

E) JOINT PROGRAMMES, UN CONVERGENCE AND SYNERGIES

1. The Private Sector Development Programme is a joint programme that involves multiple UN Agencies including: UNDP, ILO, UNIDO, FAO, UN-HABITAT, UNIFEM and UNOPS. This Programme is conceived and designed with Iraqi stakeholders (public and private), various UN organizations and other international stakeholders in an effort to create and enable an effective, coherent, and comprehensive framework for private sector development in Iraq at both the national and governorate levels in three priority Governorates.
2. UNDP in the Civil Aviation Project has contracted with the International Civil Aviation Organization (ICAO) to build partnership and ensure that obligations will be met under the Standards and Recommended Practices and the Chicago Convention within the Civil Aviation Master Plan.
3. UNDP and UNESCO are involved in a joint programme to increase tourism and build tolerance at heritage sites.
4. ILO and UNOPS work under a joint execution modality where ILO assumes the lead technical role while UNOPS provides specific project delivery expertise as required and administrative and logistical support. This model builds on respective strengths and comparative advantage of ILO and UNOPS, namely large international experience, pool of skilled specialists in the area of employment promotion on the one hand, and strong outreach to the field and delivery infrastructure in Iraq.

F) LESSONS LEARNED

1. To-date Iraq has been the beneficiary of the largest level of international support for a post-conflict reconstruction environment. Over the past five years most of the reconstruction efforts related to Iraq have relied upon sometimes poorly tested and conceived down-stream activities. Since 2003, a considerable body of knowledge has been gathered in an effort to design more contextualized, effective, and informed downstream efforts. ILO and its partners in the ERDSOT will be building upon this body of knowledge in implementing this work in this sector. It has established a strong relationship with national level stakeholders (MoLSA, MoPDC, IFI) as well as a detailed knowledge of work at the local level in the North, Centre and South of the Country. This includes work with Governors, Provincial Councils and key non-governmental stakeholders (Chambers of commerce and industry, unions and associations, NGOs). On the substantive side, the lack of significant progress in developing a strong private sector in Iraq stems from insufficient efforts being placed on reforming and strengthening the institutional and legal framework. A legal and institutional vacuum persists in Iraq that hampers decisive efforts towards economic development and to harness the development potential of Iraq's human and natural resources
2. Constant Mentoring – It has been observed that to ensure effective and timely implementation of project activities, continuous mentoring of the project teams in the field is required. Regular advice and monitoring from the PMU to the project teams has resulted in desired outcomes.
3. Ad hoc Missions to Iraq – Managing a project with remote control from Amman also presents a number of challenges that impact the effectiveness of the free flow of information between the centre and field staff. It has been observed that ad hoc missions to Iraq should occur more regularly to ensure effective management over project activities.
4. Lack of SME credit facilities in Iraq – During the business advisory and counseling activities, the counselors reported that major upcoming needs would be finding suitable financing schemes for small and medium enterprises. The existing credit mechanism is either hardly interested in SMEs or requires exorbitant collateral or very high interest rates. This non-availability of credible sources of financing is a major dampener in enterprise creation and growth.
5. Phase wise approach to implementation of projects – meaning that project activities to be planned and implemented according to the stage that the project team reaches in each governorate. This approach gives the field teams the opportunity to get fully prepared before implementing activities. This ensures that the field teams are not taking actions that the beneficiaries are not ready to absorb, nor leading to a situation in which the project team is over-burdened and fails to deliver.
6. Agencies to pursue activities that are closely aligned with governorate and national economic strategies and implement in close partnership with local and national authorities and key non-governmental stakeholders.
7. UN implementing projects have networks; local capacities and operational arrangements already in place and should build upon these.
8. There has been lack of significant progress in building SMEs and in the absence of appropriate legislation and adequate legal provision the GoI will be hampered in implementing economic reforms.
9. The transition to a healthy private sector based economy requires not only substantial legislative reforms but successful institutional reform as well.
10. Strengthening sectors are foundations to encourage economic growth.
11. The importance of promoting a participatory approach by involvement of the local population at two levels: decision making and labor (workforce) during planning and implementation, besides MoLSA and MoDM and other partners