



DRAFT

Sector Midterm Review Report

Sector: Housing and Shelter Sector Outcome Team
Reporting period: January 1, 2008 – March 31, 2009

A) OVERALL ASSESSMENT OF PROGRESS TOWARDS UNCT OUTCOME

UNCT OUTCOME			
● Improved access to essential social services and assistance to vulnerable groups			
Suggested Indicators	<i>Baseline</i>	<i>Target</i>	<i>Status as of 3/2009</i>
● Percentage of vulnerable population benefiting from improved shelter conditions (provide gender segregated data)	1.27 million households	5%
● Existence of an enabling policy and legal environment	No	Yes	No
● Number of local jobs created within the housing sector	1.0 million person-days

Narrative Analysis of progress:

Beneficiaries targeted through the sector activities are among vulnerable groups like IDPs, refugees, returnees, hosting communities, disabled and other vulnerable groups. The housing needs of these groups have been addressed through shelter rehabilitation and NFI distribution. The sector is also addressing durable solutions, security of tenure and property rights issues. Through the different publications and reports on the situation of these groups a better information database is available to facilitate the rapid response to address the needs of these groups. This is contributing in strengthening the protection system and services.

The housing and shelter sector is also contributing to the economic reform and development. The National Housing Policy, which will be developed under the sector, will emphasize on the importance to engage the private sector in real estate development. Also, a better infrastructure and services will create a suitable environment for international investments.

Agencies have been contracting local contractors for shelter rehabilitation. This has created job opportunities and also enhanced capacities of local contractors and labours.

The sector has been working towards policy and strategy formulation, and institutional reforms for the Ministry of Construction and Housing which is contributing to a strengthened governance system in Iraq.

B) OVERALL ASSESSMENT OF PROGRESS TOWARDS SECTOR OUTCOMES

SECTOR OUTCOME 1			
Improved housing delivery system			
Outcome Indicators (Revised and/ or suggested)	<i>Baseline</i>	<i>Target</i>	<i>Status as of 3/2009</i>
● Laws and regulations enacted	NA	Revised legislation by Nov. 09	work is on going by the international consultant and a work plan has been agreed to achieve the set deliverables
● Housing policies endorsed and implemented	NA	Nov. 09	work is on going and a work plan has been agreed to achieve the set deliverables
● # and % of housing produced by government and non government partners per year	NA	GOI provides an enabling environment for private entities to invest in the Housing sector.	work is on going and a work plan has been agreed to achieve the set deliverables
Overall analysis of progress:			
<p>Technical Assistance for Policy, Strategy Formulation and Knowledge Generation.</p> <p>An international consultancy firm has been commissioned to provide technical advisory inputs to the Ministry of Construction & Housing for the formulation of a National Housing Policy and related legislations. Towards this end, a number on inter ministerial working groups to look at issues of land management, provision of infrastructure and services, slum upgrading and housing finance have been established.</p> <p>Pilot Housing strategies for Erbil, Babil and Najaf are completed and have been reviewed and endorsed by the respective governorate councils and the Ministry of Construction and Housing. Among other benefits, the production of these strategies have led to a better understanding of local housing supply constraints and issues and potential approaches to maximize returns from local investments in housing. Following the development of strategies, a project was developed for supporting the implementation of the housing strategy for Erbil Governorate which helped in not only securing support from the local authorities but also their commitment to co-finance the project. The shortage in sector funding is yet to allow for similar pilot programmes to support slum improvement and implementation of the housing strategies of Babil and Najaf.</p> <p>In partnership with the International Finance Corporation (IFC, The World Bank Group), a comprehensive study in six cities (Erbil, Babil, Najaf, Basrah, Ninewa, Thi-Qar) in mid 2008 was carried out looking at the feasibility of locally addressing issues relating to expanding availability of serviced land, cost effective building materials, services of private sector real estate developers and housing finance, as well as introducing municipal business process improvements to accelerate supply of affordable housing.</p> <p>Support for the development of simplified, easily and equitably accessible pro-poor housing and shelter loan disbursement models remains a challenge due to the shortage of funds in the sector. However, this has been partially developed and operationalized by some NGOs through other sources of funds. Similarly, the 'Improving Housing Delivery in Erbil' project will make available micro finance services for house construction and home improvements in the pilot upgrading sub projects.</p> <p>In-country Capacity Enhancement</p> <p>The sector continued to support the Training & Knowledge Centre at the Ministry of Construction and Housing (MoCH) to provide customized training, advisory and information services to a wide set of actors such as functionaries of the Ministries of Housing, Municipalities, and Finance, local authorities, private sector and voluntary organizations. This was achieved through support in the production of specialized training manuals and in the training of trainers through international technical advisory inputs from the Institute of Housing Studies (IHS), The Netherlands. Twenty-three MoCH staff were trained as trainers on the following areas: a) Housing Policies and Strategies; b) Building Materials and Construction Management; and c) GIS for Real Estate Development. Two training courses for eight MoCH staff on strategic planning and general contracting in the construction sector were provided. Subsequently and during the reporting period, the Training & Knowledge Centre organized six training workshops for 102 staff representing various ministry staff in the mentioned fields.</p> <p>Support from IHS has helped in the finalization of the Three-year Business Plan for the Training and Knowledge Centre, based on the Training Needs Assessment carried out under the first phase of the Housing Sector Strengthening Project. Specialised IT equipment and software have also been supplied.</p>			

SECTOR OUTCOME 2

Reduced number of people living without adequate shelter in the most vulnerable areas

Outcome Indicators (Revised and/ or suggested)	Baseline	Target	Status as of 3/2009
● % of population living in vulnerable areas benefiting from improved shelter conditions	12.3% (new)	50% (new)	

Overall analysis of progress:

Shelter Rehabilitation and Construction

During the reporting period, resources have been largely limited to those available under the Consolidated Appeals Process (CAP). The focus of intervention has been partially redirected to support rehabilitation of homes to prevent further displacement and facilitate durable solutions. The 2008 CAP featured USD 38.1 million worth of projects under shelter and housing.

During the period Jan 2008 to March 2009, sector members assisted some 5,156 families (35,869 ind.) under the emergency shelter program, and 1,112 families (6,483 ind.) benefited from shelter upgrading and associated activities; another 10,308 families (61,716 ind.) were assisted with the distribution of shelter kits. Baghdad, Anbar, Dyala and Thi-Qar were the governorates with relatively higher allocations respectively. Assessment of housing conditions for the damaged houses during the Sadr City emergency in Baghdad was completed for rehabilitation of another 165 houses.

Under a UNDG ITF supported project, efforts continued to secure land for building demonstration housing (400 low-cost self-help shelter units) to serve 800 IDP, and returnee households. Except in Erbil, land in other three governorates (Babylon, Thi-Qar and Wassit) remain to be allocated. To that end, consultations with concerned governorates and MMPW on land allocation are still ongoing. Two governorates namely Najaf and Baghdad failed to allocate land for the housing units and their shares are to be proportionately distributed across the other four governorates.

Technical Assistance for Strategy Development

The procurement process for selecting an international agency to support the development of an Emergency Shelter Strategy is underway. International technical advisers for the National Housing Policy have been commissioned and the proposed policy is envisaged to address issues related to security of tenure.

Slum upgrading strategy and energy efficient housing practices will be introduced to Erbil governorate, through the implementation of the decentralized housing strategy. The project will be launched in May 2009

Surveys and Studies

Reports on the status of IDPs and returnees within Iraq are frequently released. The focus is now shifting to the status of returnees within the country and the intentions of IDPs. Publications include Returnee Reports, Displacement Assessments and Statistics, Reports, Governorate Profiles, Returnee Tabulation Reports, Camp Assessments as well as Yearly and Mid-Yearly Displacement Reviews. A review of Iraqi shelter prototypes has been carried out.

NFI Distribution:

NFI kits distribution benefited 120,565 IDP, returnee and host community families. Apart from this, individuals were assisted through projects targeting 98,577 individuals, such as heaters and kerosene in schools and winter clothing for children. During the reporting period, approximately 3,000 NFI kits in stock around country were maintained at any time. In 2009, arrangements are in place to assist 36,500 families with NFIs.

In addition in 2008, some sector members revised content of their NFI kits to standardize the content across the country and to have better operational coherence. Also, focus is more on expensive items, ones that families often can't afford, rather than on small items that are affordable. Often, non-food distributions are combined with food distributions. To facilitate the procurement process, some members will directly procure items and deliver to implementing partners as per their allocated targets.

Beneficiaries are selected according to the agencies' household vulnerability criteria taking into consideration adequacy of shelter, presence of pregnant / lactating women in the family, presence of handicapped members, illiterate adults, stability of income, female or child-headed household etc.. The standard family size for planning is 6 members.

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

NA

D) KEY ASSUMPTIONS, RISKS AND OPPORTUNITIES

Assumptions:

1. Improving security trends will continue and consequently displacements will stabilize and pave the way for more durable solutions. There have been recently some security gains in areas of Central and Western Iraq, including Baghdad and Al Anbar, Though linked to developments in Mosul and Kirkuk, as well as other Article 140 areas, and the rising tensions at the Iraqi-Turkish border, security in the North is remarkably better than elsewhere in the country at the current time. If the tensions are contained and the Kirkuk referendum is further postponed, easing of current UN security regulations, including the expanded UN operational presence, would be a logical response. Such development will also greatly facilitate operational management.

Although, some of the Southern and Central Governorates have stabilized as violence has been decreasing since mid-2007, insecurity arising out of inter-factional strife and banditry has excluded so far the establishment of a permanent international presence there. At the same time, the SOT was able to undertake more frequent international staff missions throughout the reporting period;

2. Housing will continue to remain high on the Gol developmental agenda and the National Housing Policy and related legislative reforms will provide the institutional framework towards "adequate housing for all". The Government hosted its first ever National Housing Conference in early 2009 that attracted wide participation from the private sector and the international community. That workshop also marked the start u of the Housing Ministry's work on formulating a National Housing Policy;

3. Gol reform efforts will not be compromised by: a) reforms fatigue; and b) budgetary constraints (as is presently the case following the reduction in the international price of crude oil);

4. International community support for housing sector reforms will increase and translate into more resources for the sector. The international community by and large has remained shy of adequately supporting this sector, presumably not considering Housing as much a public good as other essential services. However the SOT has embarked on a major advocacy campaign, which will hopefully help to expand donor support;

5. Wider civil service reform that need to underpin housing sector reforms will be invested upon in a timely manner. The UNCT is currently upon request from the Prime Minister's Office working to design a Public Sector reforms programme and which among others will look at wider civil service and planning, budgeting reforms; and finally

6. Commercial private sector development, with efforts to this end already initiated by the Government of Iraq with support from the United Nations, The World Bank Group and the United States State Department will complement Gol housing sector reforms.

Risks:

Increased Returns: With the current improved security situation in Iraq in addition to a concerted move by the Government to encourage returns have resulted in increased homecoming of previously displaced families (49,432 returnees identified across the country as of March 2009, IOM report). With increased returns, new challenges especially on land and property issues have emerged. These challenges include claims of ownership and usage rights by the current occupants of their homes, and a general lack of affordable housing units, destroyed and damaged properties and business infrastructure that had fallen into disrepair. At the same time, there are concerns that inappropriate implementation of the Prime Ministerial Order 101 and Decree 262, on evacuating occupied houses that belong to displaced persons, may potentially aggravate the problem by causing another form of displacement.

Access to Development Resources: Despite acute needs in the housing sector, and shelter being an expressed top priority of most poor and displaced communities, the sector remains largely deprived of assistance to improve housing delivery from the international community. So far, less than 1% of the total International Reconstruction Fund Facility for Iraq (IRFFI) resources has been available for housing and shelter. Similarly, Consolidates Appeals Processes failed to generate adequate interest in the sector amongst the international community. While the Government of Iraq is in principle in favour of co-financing development projects, international assistance to the sector continued to be negligible, even for supporting

technical assistance and capacity building efforts. If further funds will not be generated the shortfall in the housing sector in Iraq will increase.

Access to Land: The lack of developable land is the single biggest constraint to housing development in urban Iraq today. Urban land markets have stagnated as a result of state control over land. Ministry of Municipalities and Public Works (MoMPW) has frozen land allocation pending completion of new urban development plans in Iraqi cities. As a result, little new urban land is entering the market. A shift toward decentralized urban and land management was partially legislated, but has not yet taken root.

The allocation of land in Iraq still remains within the jurisdiction and control of the central government, who need to be appropriately involved in practically every aspect of project design and implementation. Adding to that, although the governorate level structures are deconcentrated units of the central ministries, there is a significant variance in the level of understanding of procedures and practices between the two levels. As a result unless directives from the central ministry to the local directorates are absolutely specific, actions get delayed or remain unattended to. Further, the problem becomes acute in situations where land is required for purposes other than already established in the statutory plans or when required by new ministries such as the Ministry of Displacement and Migration (MoDM) who are yet to have well developed and institutionalized processes and structures to deal with such issues. As a result, the identification and allocation of land, for IDP housing, by the concerned local authorities is taking longer than expected.

Crude Oil Prices: On the economic front, the sharp fall in the international price of crude oil is affecting Iraq disproportionately. Severe budget deficits are foreseen and the mammoth establishment expenditure, mainly related to civil service salaries, will squeeze out capital investments. This in turn will not only affect investments in basic services in existing settlements but also the expansion of new areas for housing.

Centralization at the Government Level: Decision-making in the Ministry of Construction and Housing continues to be highly centralised with practically all decisions making authority vested only in the top management. This in turn have an impact on the delivery rate of the ongoing sector reform projects.

Access to international Technical Assistance Advisory Services: Availability of international technical advisory services continues to be restricted by: a) security perceptions of international experts, in turn impairing their willingness to travel into Iraq, and b) the limitations in slots for travel and other logistical support especially in Baghdad

Opportunities:

The improved security situation is allowing more accessibility to IDP and returnee communities within Iraq. This improvement in security has allowed the SOT to shift towards direct implementation activities, using staff in the field. In the long run, this allows for a more cost-efficient approach and direct contact with the beneficiaries.

The Private Sector Development and Public Sector Development umbrella programmes will be looking at land issues and housing reforms.

The outcomes of the recent provincial elections clearly indicate that the mandate is for improved service delivery, a political lesson that is likely to even influence the upcoming parliamentary elections. Potentially this would manifest in more concerted efforts for strengthening delivery of basic services and housing is unlikely to be an exception.

E) JOINT PROGRAMMES, UN CONVERGENCE AND SYNERGIES

Throughout the reporting period, the SOT not only served as a forum for coordination, but also provided opportunities for greater partnerships, maximizing synergies and convergence and also learning from each other's experiences. While UNHCR and IOM have continued to use NGOs as execution partners, UNDP, UN-HABITAT teamed up with CHF International for a project in Erbil. In 2009, agencies started to seek to further diversify its cooperation with NGOs who have expertise in displacement crisis and, in particular, intends to work more directly with the Iraqi National NGOs with demonstrated implementation capacity. The

approach intends to increase the agency's access to IDPs, implement projects in a more cost-effective manner, and capacitate the local, civil society entities. Agencies have also started to take forward the recommendations of the January 2008 UNHCR workshop on assistance, protection and coordination issues related to interventions involving Palestinian and Ahwazi refugees.

In addition, the SOT has unanimously agreed that all future initiatives that foster partnerships between NGOs and UN agencies will be accorded a higher priority. Recent multi year programming carried out by UN-HABITAT also included consultations within the SOT to enable more joined up working, wherever possible. Since this and similar initiatives by other members, namely UNHCR and IOM also included extensive consultations with GoI, KRG partners, the entire SOT benefited from an improved understanding of national/local priorities.

With UN-HABITAT as the Lead for Shelter and Deputy Lead for the WATSAN SOT, and UNHCR as the Lead for Protection and Deputy Lead for Shelter, makes this SOT extremely well placed for maximizing inter SOT convergence and synergies. IN addition, UNHCR is the co-lead with IOM for the IDP Working Group, which includes UN agencies and international and national NGOs. Also UNHCR attends the Humanitarian Working Group (HWG) headed by OCHA, which facilitates cross-sectoral coordination of humanitarian interventions of the six relevant SOTs. Similarly, IOM represents the SOT in the Technical Review Committee of the ERF program, and contributes comments and recommendations on a number of emergency grants, many of which cover distribution of NFIs.

During the reporting period, the SOT also undertook additional steps to harmonize approaches. This includes: 1) a move towards standardizing NFI packages and sharing information on unit costs and beneficiary details; 2) UN-HABITAT adopting the UNHCR beneficiary selection criteria for provision of IDP and Returnee housing; and 3) agreement to move towards a common vulnerability 'shelter related' indicators. Wherever possible, all SOT members also rely on each other's studies and survey data to plan, design, monitor and evaluate interventions.

F) LESSONS LEARNED

Lesson Learned on Lessons Learned: in every workshop or report, lessons learned are compiled and shelved, i.e. never taken advantage of. Members of this SOT hope that the lessons learned in this document will be compiled, shared and followed up on

Partnerships with NGOs and Civil Society: Thanks to the improvements in security, staff of the sector members are able to cover more areas, access more areas and thus monitor better the activities implemented. This has led to some revisions of partnerships; some sector members are expanding their work with national partners or doing an 'umbrella' arrangement where an international NGO oversees the performance of several national partners. Other members are expanding direct implementation through its national staff and gradually limiting implementation through NGO partners. Whether working directly or through national partners, such arrangement improves cost effectiveness of programs and brings closer beneficiaries and the humanitarian organizations. Overall, the goal is to invest into local capacity – whether that of the national NGOs or national staff of the sector members – through training and mentoring

Monitoring and Evaluation: Sector members are monitoring their activities and increasingly so, as their staff can travel to places which were previously impossible to visit due to security. As with other components of the remote management, M&E especially requires creative approach to make sure that activities implemented directly or through partners are monitored and checked. Many organizations carry out evaluations of their programs but **the results are not shared and no analysis is done** to ensure that others doing similar programs can learn from it. **Possible a role for the M&E section at IAU?**

UN Coordination mechanisms (SOTs, planning processes etc): Close and effective cooperation within the sector outcome teams (SOTs) is crucial for successful planning and delivery capacity. SOTs have been established but work 'vertically' with no horizontal, cross-sectoral coordination. There is a continuous need for the SOTs to receive adequate and timely feed back and analysis on inter-agency activities inside Iraq for effective coordination. **Coordination within the Sector:** Shelter SOT has proven essential in setting standards and sharing information on members' activities, lessons learned etc. However, it has yet to reach

its full potential when it comes to coordination, namely that of NFI distributions. More collaboration from members to share information on activities is required to support coordination of activities. The **coordination with counterparts** is a crucial element. On job learning is the surest way to secure counterparts' approval; being present on the ground with first hand information.

Iraq Trust Fund: sector has received limited funds through the ITF resources. These funds were not used for humanitarian interventions. However, it was a useful tool to meet some of the sector needs

Vulnerability: There is no unified vulnerability assessment. Each sector member has its own vulnerability criteria used for selection of beneficiaries OR is using one of the existing ones presented in the SOT. While there are no unified criteria, the vulnerability criteria of each member was shared with the rest of SOT to get familiar with the beneficiary selection. Many of the vulnerability questions are repeated in the various questionnaires. Questionnaires differ due to the difference in mandate and difference in assistance provided (shelter construction/ rehabilitation vs. NFI kit which combines household items with a food ration)

Reporting: Agencies feel that reporting can be more streamlined than it currently is. Agencies currently report bi-weekly or monthly to various entities: to KRG, OCHA, SOTs (to feed into HRD reports), compile quarterly or six-months report etc. Despite this extensive reporting, we still do not get feedback for our own programming, i.e. information about the activities of others in the same sector / geographic area to avoid duplication and ensure better synergy of programs.

Information management: Every member has its own information management system which serves information needs of its own organization. Members feel that more awareness on the IAU activities is needed to take full advantage of the data available.