



The Small Business Development Center opened in Hilla on November 24th.

IZDIHAR announces four Small Business Development Centers

USAID's Iraq Private Sector Growth and Employment Generation Project, IZDIHAR (prosperity in Arabic) provides business development assistance in Iraq by raising professional standards, supporting business associations, offering business management skills training, introducing Iraq's first Knowledge Portal (www.izdihar-iraqknowledgeportal.com) and, as of November 2006, launching four new regional Small Business Development Centers (SBDCs) to be located in the provinces of Babil, Baghdad, Erbil, and At-Ta'mim.

At the first microfinance summit, IZDIHAR unveiled that it is establishing four SBDCs. These new Centers, one each in the cities of Kirkuk, Erbil, Hilla, and Baghdad, build on relationships that IZDIHAR has solidified with businesses associations throughout Iraq. By establishing the SBDCs, IZDIHAR is laying the foundation for future small business capacity building operations throughout Iraq. The Business Development Services component is currently making plans to open a fifth SBDC in Ninewa province in the near

future. The SBDCs will offer business consulting and specialized courses on how to start up a business and will provide links to microfinance institutions and banks. The first course **How to Start-up or Improve a Business** began in Hilla on November 24. As of the first week of December, subsequent courses have started in the cities of Baghdad, Erbil and Kirkuk.

For more information contact Dr. Jalbert at sjalbert@izdihar-iraq.com.

Business Management Services Launches Major Training Initiative on International Auditing Standards

The Accounting and Auditing Group of IZDIHAR, part of the Business Management Team, will launch a major education event on International Auditing Standards. This will bring over 700 students and accountants together for lectures over a two month period.

The initiative is in co-operation with ten universities from all over Iraq and with seven local chapters of the Iraqi Union of Accountants and Auditors (IUAA). Universities and chapters were selected to support efforts in the Strategic Cities to bring assistance to areas where results provide more evidence of the continuing efforts the

accounting and auditing group has to helping all Iraqis.

The seminar titled Auditing Methods, Methodology and Standards, will be consist of 20 sessions – three per week, totaling 60 hours of education making it equal to a college level class and fully compliant with international education standards established by both the United Nations and the International Federation of Accountants. This seminar will enable the participants to present and apply a good understanding of modern auditing methods, methodology, and standards. The participants will be equipped with an "auditor's toolkit".

This will include audit programs, internal control questionnaires and a number of other items to assist them in practicing the profession of auditing.

The training buildings on previous activities developed by IZDIHAR in co-operation with universities and with the IUAA. The courses will be delivered and overseen by professors who are graduates of the "Training of Trainers" session organized by the project. It also follows on the successful completion of a course on International Accounting Standards, attended and graduated from by 429 students from eight universities.

IZDIHAR Newsletter

Third Edition, December 2006

National Summit outlines strategies for microfinance industry in Iraq

The Iraq National Microfinance Summit organized by the USAID-funded IZDIHAR project in November, turned Erbil into the capital of the microfinance industry in the country. During the summit, over 100 participants gathered for deliberation on the significance of microfinance to economic development and job creation in Iraq. The participants included Iraqi and international microfinance practitioners, private sector partners, government officials, international financial institutions, and representatives of USAID and IZDIHAR.

"The Summit for the first time brings together all the stakeholders to take stock of the industry as it exists today", said IZDIHAR's Chief of Party,

Mr. Baljit Vohra, in the opening speech of the Summit. "Microfinance, as defined in Iraq, creates employment and self-employment opportunities. We look forward to the deliberations of this summit helping to outline a strategy for this sector that will lay the foundation for a thriving microfinance industry in Iraq", said Mr. Vohra.

The event was organized in seven working sessions with topics ranging from "Developing Local Iraqi Microfinance Institutions" to "Microfinance Practice" to "Strategies to Support the Iraqi Microfinance Industry". The collegial and practical debates shed light on a wide range of issues. The presentations and the discussions illustrated the global trends in

microfinance, clarified the specific traits of microfinance in Iraq, and highlighted the challenges and opportunities that the sector is facing.

"Given the unique environment in which microfinance institutions operate in Iraq, there are no real precedents to draw on for guidance. This Summit assisted donors in formulating practical programs with realistic expectations for microfinance in Iraq", said Mr. Greg Howell of the USAID Mission.

Details on the recently concluded Iraq National Microfinance Summit and IZDIHAR's microfinance activities are available at www.izdihar-iraq.com and www.izdihar-iraqknowledgeportal.com

Visit the new "Iraq by Sector" section of the IZDIHAR Knowledge Portal and get a thorough knowledge of Iraq's wealth of resources and vast array of development opportunities in:

- * Agriculture & Livestock;
- * Construction Materials;
- * Financial & Professional Services;
- * Logistics & Transport;
- * Oil & Gas;
- * Petrochemicals & Plastics;
- * Pharmaceuticals & Medical Equipment;
- * Telecommunications; and
- * Tourism.

For details on IZDIHAR's Knowledge Portal see story on page 2.

IZDIHAR means Prosperity.

IZDIHAR is funded by the United States Agency for International Development (USAID) and implemented in partnership with the Iraqi private sector and government.

Technical Areas:

- Sustainable Microfinance
- SME Development / Bank Lending
- Investment Promotion
- Trade Policy and Market Access
- Restructuring and Privatization
- Business Management Services
 - * Accounting and Auditing
 - * Associations and Training

For additional information:
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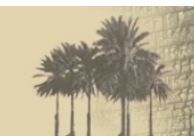
Participants in the Iraq National Microfinance Summit attend the opening session.



IZDIHAR's Chief of Party, Mr. Baljit Vohra, delivers the opening speech at the Summit.



The Iraq National Microfinance Summit occasioned collegial and practical debates.



IZDIHAR rolls out New Strategic Alliance with the Provincial Reconstruction Teams (PRTs)

To build strategic alliances for the benefit of the economic development of Iraq, the experts of IZDIHAR developed the Iraq Knowledge Portal as a one-stop-shop for Provincial Reconstruction Teams (PRTs), partners and stakeholders. The primary goal of the IZDIHAR Iraq Knowledge Portal is to assist PRTs with their strategic plan by providing an in-depth menu of services including timely and relevant information on the Iraqi economy, a PRT outreach package, and forums to encourage dialogue between USAID, the PRTs, and development practitioners throughout the country. Through the Knowledge Portal IZDIHAR's programs and services can be leveraged throughout Iraq.

The Knowledge Portal premiered at the USAID compound in Baghdad on

November 7 and launched to an enthusiastic audience in Erbil at the Microfinance Summit on November 15. PRTs, USAID, microfinance practitioners, and NGO representatives alike expressed keen interest, evidenced by the upsurge in registrations to the site immediately following the two presentations.

Visit the Knowledge Portal to view our comprehensive IZDIHAR Services Menu and the IZDIHAR/PRTs Strategic Alliance PowerPoint presentation. This presentation outlines how IZDIHAR can begin the process of engagement with the PRTs, and be an integral part of the economic transformation strategy for the provinces.

More than 40 training programs and numerous other resource materials on Association

Development, Intellectual Property Rights for SMEs, Banking, Foreign Direct Investment, Privatization, Training of Training, The World Trade Organization and many Business Management topics are now available in IZDIHAR's new Knowledge Portal.

Register at our new Knowledge Portal:

Enter: www.izdihar-iraqknowledgeportal.com

From the Home page Register (see the right panel next to Login button)

To view IZDIHAR's Services and the PowerPoint Presentation, see **Materials Available** (lower right side); then click on **IZDIHAR Services**.

Welcome!

Trade Team organizes training on intellectual property rights

The Trade Policy and Market Access Component of the IZDIHAR project organized a two-day training course in Erbil on copyright and conformity of Iraqi intellectual property

rights legislation with the Agreement on Trade-Related aspects of Intellectual Property rights (TRIPS) of the World Trade Organization (WTO). The course was the first WTO accession-related training event for

the northern part of Iraq. The business community, intellectuals, authors, singers and artists of the region have all expressed a strong interest in having this kind of training.



Members of the Trade Policy and Market Access Team of IZDIHAR delivered the course on intellectual property rights.

Indigenous microfinance institutions award 51 Loans

The number of loans awarded by the two indigenous microfinance institutions that started operations this Fall with the support and

assistance of IZDIHAR increased to 51 by the end of November. Ten of 51 are women-owned businesses. The estimated number of job

created by the small and medium size businesses that received funding through these institutions is 115 - including self-employment.

IZDIHAR co-hosts the second Annual Kurdistan Trade Show

IZDIHAR and the Iraqi-American Chamber of Commerce recently co-hosted a high-profile trade and investment promotion event that stirred significant interest in the Kurdistan Region and attracted thousands of visitors. It was the Second Annual Kurdistan Trade Show, and the first time the event was hosted in Sulaymaniah.

The event was preceded by a one-day conference attended by some 400 participants - businesspeople, government officials, and representatives of chambers of commerce. At this conference, IZDIHAR's experts discussed issues related to foreign direct investment. IZDIHAR hosted a special evening event for the organizers, the foreign exhibitors and the leaders of the Sulaymaniah business

community to discuss Iraq's access into the World Trade Organization and the implications of the evolving global trading system on the Iraqi economy. 200 companies set up booths in the trade show, which was inaugurated by the Prime Minister of the Kurdistan Region, Mr. Nejervan Barazani. IZDIHAR represented the activities of the project, as well as the services of the Iraq Investment Promotion Agency (IIPA), the Iraq Trade and Information Center (ITIC) and the Iraq Company for Bank Guarantees (ICBG). All three organizations were established with the support of IZDIHAR and have benefited from the assistance of the project.

The representatives of the IIPA, ITIC, and ICBG had excellent opportunities to become acquainted with high officials of the

government of the Kurdistan Region and of Kurdistan's Investment Board. They also made first-hand assessments of the business and investment conditions in the region. They got exposure to a broad array of traders doing business with, or in Iraq, as the participants in the Trade Show covered a broad spectrum of industries such as constructions, motor vehicles, piping, electrical equipment, and telecommunications.

The high-level government officials that visited the booth - which included Prime Minister Barazani and several other members of the Cabinet - and the members of the business community were interested in learning more about the services that IZDIHAR, ICBG, IIPA, and ITIC provide.



The Director of the Trade Policy and Market Access Team of IZDIHAR, Mr. Drew Sundberg (left) talking to visitors during the Trade Show.



IZDIHAR's Chief of Party, Mr. Baljit Vohra (center), welcomes the Prime Minister of Kurdistan Region, Mr. Nejervan Barazani (left).



Officials of the Government of Kurdistan Region visit IZDIHAR's booth at the Trade Show.

Credit Officers Learn About the Iraqi Company for Bank Guarantees

Nineteen credit officers from seven private banks attended a two day seminar organized by IZDIHAR at the Center for Development and International Dialog (CEDID). The event

familiarized the participants with the goals, policies and documentation of the Iraqi Company for Bank Guarantees (ICBG), which opened for business at the end of

October. The various presenters focused on modern banking practices (particularly cash flow lending) which form the basis of the ICBG's policies.

"We warmly present our gratitude to USAID for actively participating in the rebuilding of Iraq and Kurdistan", wrote the Minister of Trade of the Kurdistan Region, Mr. Mohamed Raoof, in the guest book hosted by IZDIHAR at the Second Annual Kurdistan Trade Show in Sulaymaniah.