

OUR COMMITMENT Ba'qubah Mandali Khorramabad Bamadi Al Fallujah Baghdad Karbala Al Hillah AL Hindiyah Dezful marah An Najaf horrannshahr badan Rafha Kuwait NOVEMBER 2005









IRAQI TESTIMONIALS

"I will put it briefly: we have been living in a dark cave. Now we are just starting to see the first small rays of light."

"It's making a big difference. Before, we were begging for money from the government. Now, organizations come to us and ask to reconstruct our school."

"About two months ago the computers were installed. It was a good achievement for the Americans to set it up. The Internet is important for our work. If there were three times as many computers here at school, they would be used."

"With \$800 financial help from USAID, I was able to rent vehicles, provide food for election workers, buy stationary, and other basics—the U.S. help was very important for carrying out the election."

"I saw that Americans are here to help us and take us from the pits. Saddam the criminal did nothing for us. The Americans gave us food and gave us elections in the neighborhood. The people chose me to be on the council."

~

"For too long many nations, including my own, tolerated, even excused, oppression in the Middle East in the name of stability. Oppression became common, but stability never arrived. We must take a different approach. We must help the reformers of the Middle East as they work for freedom, and strive to build a community of peaceful, democratic nations."

President George W. Bush

"To check the forces of terror and bring peace and stability to this dangerous region of the world, USAID is committed to the President's goal of seeing democratic governments come to Afghanistan and Iraq. It is a historic commitment that is rivaled only by the Marshall Plan, to which the Agency traces its origins."

Andrew S. Natsios, Administrator of USAID, 2001-2006



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OVERVIEW

In 2003, USAID framed its assistance program for Iraq around the minimum conditions the country must attain if it were to have a stable government and economy. With a portfolio valued at \$5.2 billion, USAID supports the transition of Iraq to a stable, democratic, and prosperous state.

DEFEAT THE INSURGENCY

USAID works with U.S. and multinational units to help cities recover from the effects of battle and to gain a sense of balance after the insurgency has departed. Projects are funded with combinations of military and USAID money. Projects are aimed at a combination of small, rapid programs that are followed by more complex projects that return public services to operation, promote representative local government, and reactivate the economy. Military patrols do much of the project monitoring.

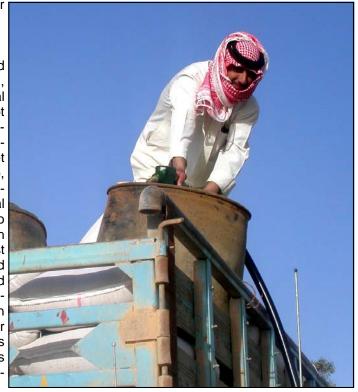
TRANSFORM THE IRAQI GOVERNMENT

USAID-managed programs enable the democratic transformation in Iraq. USAID worked with the United Nations, the World Bank, and the European Community in 2004 to gain a successful January 30, 2005 election and again for the October 15, 2005 constitutional referendum. The same approaches are being used to achieve the best possible national election on December 15, 2005. USAID programs have provided expert assistance, drawing from the international community and Iraqi civil society to assist the Iraqi Constitutional Drafting Committee. USAID continues to support decentralization, empowering provincial and city authorities to provide essential services so that Iraq will be less likely to return to authoritarian national government. In the field, assistance teams work with the Provincial Reconstruction and

Development Councils to help them shoulder the burden of decentralized power.

CREATE A MARKET ECONOMY

Assistance to the Iraqi Central Bank helped stabilize the dinar, prevented hyperinflation, and enabled Iragis to qualify for International Monetary Fund (IMF) resources and debt reduction. At the Ministry of Finance, a financial management information system is beginning to track the Iraqi government's budget and expenses. USAID supports agriculture, which employs 25 percent of the Iraqi workforce, and seek to better target the social safety net, the Public Distribution System, to reach those who cannot purchase enough food. Infrastructure repairs plugged the first gaps in power and water delivery. By the end of 2005, USAID projects will have added 1,400 of new or rehabilitated generation capacity to the national grid. Further generation increases are planned by contractors under the Department of the Army. USAID partners provide operation and maintenance programs that will safeguard the investment of U.S. assistance.



PREPARE FOR THE FUTURE

A demographic bulge threatens Iraq's future. In 2004, half of all Iraqis were under the age of 20 years; the population will double by 2030. Despite vast oil reservoirs, Iraq currently has some of the lowest literacy rates and poorest health statistics in the region. USAID's education and health projects smoothed the way for the United Nations (UN) to work with schoolchildren and administer vaccinations against polio. The World Bank expanded a USAID pilot program for textbooks — our 8 million books leveraged their program of 70 million books. Poor girls bear the greatest burden of discrimination, reinforcing the need for equal education and adequate health programs for young mothers.



TEN STRATEGIC ACCOMPLISHMENTS

Ensuring Economic Stability. USAID programs assist Iraq's Ministry of Finance, COSIT, and Central Bank in meeting IMF requirements. These efforts have helped Iraq earn a \$480 million IMF loan (the Stand-by Arrangement) in December 2005 as well as expected debt forgiveness of \$27 billion from the Paris Club by March 2006. Working with the Ministry of Finance, USAID introduced the new dinar to promote national unity and a sound monetary policy. Currently, 4.62 trillion new Iraqi dinars are circulating.

<u>Connecting Iraq to the Global Economy.</u> The private sector is the engine for sustainable job creation and economic growth. To help guide policy reform, USAID's Investor Roadmap analyzes constraints to investment. The Investment Promotion Agency, recently established with USAID assistance, will serve as a resource to international investors. USAID worked with the MoF to develop a Competitiveness Study, helping integrate efforts to create a robust private sector that fosters job creation.

Assisting Local Government and Community Development. Democracy must prove itself through service delivery and local solutions to local problems. With USAID assistance, representative provincial and municipal governments are more capable of delivering essential services to their constituents. Countrywide, USAID has supported 670 community action groups focused on civic education, women's advocacy, and anti-corruption projects. Working through local NGOs, USAID has supported over 8,000 quick impact projects in throughout Iraq, providing short-term employment and restoring basic services.

<u>Expanding Political Inclusion.</u> USAID assistance has helped prepare Iraq for two national elections, numerous provincial council elections, and the Constitutional Referendum of October 15. In preparation for the January 2005 election, USAID helped the IECI set up the voter registration system, and worked with the UN on balloting procedure. USAID-supported NGOs distributed election materials, televised debates, and led over 22,000 town meetings to educate voters. USAID and a local NGO trained over 8,000 election monitors. Over 15,000 monitors in the December 2005 elections received training.

<u>Supporting the New Constitution</u>. The January 2005 election put into place a National Assembly to frame a constitution emphasizing democracy and the rule of law. USAID partners provided constitutional specialists to the Drafting Committee while input from over 111,000 national surveys kept the Committee in touch with national sentiment. The Iraqi Women's National Coalition, supported by USAID, developed a 10 point statement adopted in the constitution. USAID-supported NGOs televised debates and distributed information. Nearly 9,500 monitors, trained by USAID, helped ensure a successful referendum.

Transforming Primary Education. USAID assistance has helped Iraq move away from rote learning in decrepit, unsanitary classrooms to interactive learning in rehabilitated buildings. Since 2003, USAID has rehabilitated nearly 3,000 schools. Over 20 million new textbooks have been supplied by USAID (8.6 million) and UNESCO (12 million). By 2006, more than 133,000 primary school teachers – a third of Iraq's educators in all – will have received training and technical assistance. Already, the most recent primary school enrollment numbers show a 19 percent increase from pre-war levels.

Improving Primary Health Care. USAID is helping strengthen essential primary health care services throughout Iraq. In 2005 alone, USAID-supported emergency campaigns immunized 98% of children between 1-5 years old (3.62 million) against measles, mumps, and rubella, and 97% of children under five (4.56 million) against polio. In all, USAID partners have trained more than 2,500 primary health care workers to expand access to essential primary health care services.

Expanding Access to Electricity. In 2002, Baghdad had access to electricity on a near continuous basis while the rest of Iraq was limited to 3-6 hours daily. The U.S. government has made significant progress in improving electricity supply in Iraq and distributing it more equitably throughout the country. USAID has added over 1,200 MW of new or rehabilitated capacity to the electrical grid.

<u>Providing Potable Water.</u> Over 2.4 million Iraqis who had no clean drinking water in 2002 now have safe, potable water following USAID efforts to refurbish and expand 19 water treatment plants in five cities. USAID is also providing plant-level operations and maintenance (O&M) training at major water and wastewater plants nationwide to ensure that these plants remain functioning.

Restoring Sewage Systems. Before 2003 Iraq suffered from inadequate sewage systems; backed-up sewage created pooled in neighborhoods or emptied directly into nearby rivers. Now, USAID's rehabilitated sewage treatment plants throughout Iraq process a total of 351.3 million gallons daily. These plants alone provide 5.1 million Iraqis current access to functioning waterborne sewage treatment, greatly improving sanitation and helping decrease waterborne disease.



TRANSITION INITIATIVES

USAID's Iraq Transition Initiatives (ITI) program supports critical actions that build and sustain Iraqi confidence in the transition to a participatory, stable, and democratic country. One of USAID's first projects on the ground in Iraq, ITI complements other U.S. government programs and helps build support for the reconstruction effort in local Iraqi communities nationwide. ITI activities are implemented through a contract that allows for fast and flexible disbursement of small grants to local organizations.

Since April 2003, ITI has initiated more than 4,700 small grants across Iraq. ITI's activities focus primarily on areas crucial to the development of democracy such as civic education, civil society, media, women's participation, good governance, conflict mitigation, human rights, and transitional justice.

Conflict Mitigation

Many ITI activities help to mitigate sources of tension in current or potential conflict areas, such as Sadr City and Tal'Afar. Recent ITI grants have focused on repairing community infrastructure, like water and

sewer systems, and employing Iragis to clean-up their neighborhoods. ITI has initiated approximately 2,800 small grants with a conflict mitigation focus at a value of over \$238 million.

grant restored the community's streets, Civil society groups, espeeliminated unsanitary conditions, and cially women's and youth provided over 3,000 temporary jobs.

ITI has established a close working relationship with the U.S. military, Civil Affairs, and other Coalition Forces present in volatile areas. ITI maintains the flexibility to target resources in different geographic areas as priorities and needs change. For example, working with the U.S. Army's First Cavalry Division —and now with the U.S. Army's 3rd Infantry Division-ITI identified priority areas and projects in Baghdad. Over 2.000 grants, worth more than \$196 million, have been approved in support of these and similar military partnership activities.

Civil Society Development and Promoting Good Governance

Countrywide, ITI efforts support good governance and local participation in Irag's new institutions. Civic education and media outreach initiatives inform the public about the constitutional process, election planning, and the transition to democracy. Locally, the program enhances citizen par-

ticipation in governance by identifying and supporting A road repair project funded by an ITI new local government and groups, and human rights

organizations. ITI has supported these initiatives through more than 1,200 grants totaling over \$32 million.

The ITI program also is working to expand the capacity of the new Iraqi government. Grant activities have helped ensure that government entities have the proper facilities, equipment and supplies to carry out their functions. Over 570 ITI good governance projects totaling over \$40 million engage communities and emerging leaders, encouraging them to address local priority needs cooperatively.

Human Rights and Transitional Justice

ITI supports a wide range of activities related to human rights and transitional justice, coordinating closely with the U.S. Embassy and the U.S. Department of Justice's Regime Crimes Liaison Office to support activities that assist the Iraqi people in accounting for and moving beyond past atrocities. ITI grants helped establish the Iragi Special Tribunal and continue to support nascent human rights organizations in Iraq. The program also bolsters participation in public life of women, youth, minorities, and the disabled.





SUCCESS STORY: USAID/MILITARY COOPERATION

Facing a deteriorating security situation in March 2004, USAID/Iraq and the 1st Cavalry Division initiated collaborative efforts in al-Thawra (Sadr City). The joint program was overwhelmingly successful, contributing to the rapid success of the stabilization mission, reduction of costs, and quick delivery of program benefits. Reconstruction benefits, delivered in conjunction with political negotiations, helped to restore the peace and strengthen the position of the Iraqi Provisional Government negotiators. USAID gained greater access to the needy population while benefiting from added security for the projects.

In March 2004, the Commanding General of the 1st Cavalry Division (1st Cav.), Major General Peter Chiarelli, responsible for counterterrorism operations in northern and eastern Baghdad and USAID/Iraq agreed on a method of operation to stabilize local political and economic situations in post-battle environments. Militias were attempting to control the Baghdad suburb of al-Thawra (Sadr City) and taking control of the southern cities of Najaf and Kut. The open environment that had allowed USAID programs to operate rapidly faded, yet a reconstruction presence was essential to political stability. Collaboration between USAID and 1st Cav. in al-Thawra eventually disbursed \$41 million for reconstruction work, covering both short term (60 days) projects that showed concrete improvements in the lives of Iraqis, while opening the way for long term (270 days) development.

Coordinated priorities and processes were communicated throughout both organizations. A 1st Cav. liaison officer was placed on USAID's staff to ensure good communications. Military patrols monitored projects, freeing USAID staff to manage program obligation. Patrols were briefed on implementation arrangements. To the Iraqi population, projects appeared to be implemented by soldiers, although the design of the projects conformed to sound development criteria provided by USAID.

Small grants for rapid impact after military operations were awarded using USAID and CERP funds. Iraqi staff, supervised by an American USAID employee, met with neighborhood leaders to negotiate arrangements. A joint 1st Cav.-USAID review panel vetted proposals for sustained community stabilization (USAID's priority) and conflict reduction (the 1st Cav's priority). The projects were often labor intensive clean-up or refurbishment, draining pools of sewage from streets, and light construction.

Complex infrastructure projects were divided according to the limitations on USAID and CERP funding and comparative advantage in procurement (CERP funds are limited to projects that enhance military tactical objectives). U.S. troops provided physical and personnel security, with some site security by the Iraqis. USAID oversaw major water and sewer repair – trunk lines and feeders – with a commercial Iraqi contractor. Individual connections to homes were funded by CERP, allowing soldiers to have direct, positive contact with Iraqis in the neighborhood.

Economic development activities took advantage of detailed the 1st Cav. knowledge of the urban population, allowing USAID's civilian specialists to work in an otherwise non-permissive area. Iraqis used small grants to rehabilitate irrigation systems for near-by fields and gardens, and to provide seed and fertilizer. Market structures for food and general merchandise were repaired or built. When possible, U.S. business advisors met with Iraqi entrepreneurs in "safe zones". USAID and the 1st Cav. provided funds for 238 grants to start small businesses and reviewed 647 additional grant applicants.

Major General Peter Chiarelli described this cooperation as "the perfect marriage." These efforts have continued with the 3rd Infantry Division, which replaced the 1st Cav. in the area. USAID briefed the 3rd ID on these efforts prior to its deployment in Iraq, and continues to maintain close contact with Major General Webster and his staff and commanders.

USAID has since been able to draw from this model, pursuing post-conflict reconstruction efforts in conjunction with military representatives in Falluja, Najaf, Samarra, and Tal 'Afar. In Najaf, the USAID team worked in coordination with the U.S. State Department, Civil Affairs teams in the area, PCO, and local government officials to develop a rapid and flexible political transition strategy to support stabilization efforts in the area. USAID quickly began clearing funds for short-term employment clean-up projects in strategically targeted neighborhoods as well as school and clinic rehabilitations. Since then, additional projects have been funded for a total of 76 grants totaling \$10 million in assistance to the strategic city of Najaf. USAID/Iraq anticipates similar coordination with the Multinational Forces Iraq in the future.



SUPPORTING IRAQ'S CONSTITUTION

The January 2005 election installed a National Assembly charged with drafting a new constitution—emphasizing democracy, rule of law, the private sector, and human rights. USAID provided foreign and Iraqi constitutional specialists to the drafting committee. Input from over 111,000 national surveys kept the Committee in touch with national sentiment. The Iraqi Women's National Coalition, supported by USAID, developed a 10 point statement adopted by the drafting committee. Public outreach through Iraqi NGOs and international partners introduced over 140,000 ordinary Iraqis to the constitutional process. Supported by USAID, local NGOs televised debates and distributed 1.5 million printed information pieces. Nearly 9,500 referendum monitors, trained by USAID partners, and close coordination with the United Nations helped ensure a successful referendum in October 2005.

USAID partners in supporting Iraq's constitution included America's Development Foundation (ADF) and members of the Consortium for Elections and Political Party Strengthening (CEPPS): National Democratic Institute (NDI), International Republican Institute (IRI), and IFES.

TECHNICAL ASSISTANCE TO THE CONSTITUTIONAL DRAFTING COMMISION

Provision of International Constitutional Expertise to Support Drafting Process. At the request of the Iraqi Transitional Government, USAID supported the Iraqi Constitutional Drafting Committee, providing expertise in legislative and constitutional issues, national surveys, and in-depth issue studies. (NDI)

- Provided 13 international constitutional experts to the Constitutional Committee.
- Provided 71 topical papers and commentaries to the Constitutional Committee.
- Held consultations, seminars, and workshops with members of the Constitutional Committee, INA, and Executive and Judicial branches on constitutional development and public education.
- Established a remote International Advisory Group composed of 30 prominent Middle Eastern, European, and American constitutional law and Islamic law experts to provide advice on substantive issues and processes throughout the constitutional development process.
- Provided results from over 111,000 national surveys covering key issues. (NDI, IRI)
- Provided comparative research and background materials on constitutional law issues to the Constitutional Committee, including the briefing book *Constitutional Studies: Fundamental Issues for the New Iraq Constitution* that addresses key questions such as federalism, women's rights, and the relationship between religion and state.

Government Communications and Outreach. USAID assisted in the development of a public communications strategy for the Constitutional Committee, trained public relations officers, and helped produce press releases on the constitutional process. (IRI)

WOMEN AND THE CONSTITUTION

Supporting Women's Advocacy and the Constitution. USAID provided program support to assist organizations and women leaders to advocate for stronger legal rights in the Constitution.

- Supported the Engendering the Constitution project that assisted women leaders from the INA (including members of the Constitutional Committee), Provincial Councils, and civil society to ensure that fundamental rights of women were included in the Constitution. Ten key points calling for equity clauses, internationally recognized human rights, and female representation – drafted and advocated by the group – were adopted in the draft Constitution. (NDI)
- Assisted the Minister of Women's Affairs to produce Women in the Constitution. (NDI)
- Supported national workshops on "Women and the Constitution" for women leaders throughout government agencies, NGOs, and the private sector. (IRI, NDI, ADF)
- Provided advocacy training to women's groups focused on strengthening gender equality provisions in the constitution, including property, marriage, and inheritance rights. (NDI)

Provide Technical Assistance to the Constitutional Drafting Process: Provided constitutional and legislative advisors to speak to the Constitutional Committee on the role of women and human rights in the constitution. (NDI)

Building Public Awareness of Women in the Constitution. Outreach efforts and local advocacy groups, supported by USAID, helped ensure that the role of women in the Constitution was openly discussed by the Iraqi public.



- Provided a grant to support the Rafadin Women's Coalition (RWC) a local Iraqi group of more than 30 women's organizations – to host conferences, distribute leaflets, and release television and radio spots promoting women's rights in a constitutional democracy. (IRI)
 - Workshops and conferences on women and the constitution in Baghdad, Hillah, and Basrah.
 - Launched campaign entitled Hand in Hand for a Fair Constitution, including televised ads.
 - Produced two talk show episodes on the United Nations Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW). Participants included Iraqis involved in civil society, National Assembly members (both Islamic and secular), and other Iraqi figures.
- Supported extensive training on the CEDAW to women leaders and organizations across Iraq to raise awareness of international standards on women's issues. (NDI, ADF)
- Hosted national conferences, workshops, and seminars to promote women's political participation and discuss ways to promote gender equality. (NDI, IRI, ADF)
- Provided small grants to women advocacy CSOs in support of engendering the constitution. (ADF)

PUBLIC OUTREACH AND CIVIC EDUCATION ON THE CONSTITUTIONAL PROCESS

Workshops on the Constitution. USAID supported constitutional workshops. A total of 4,770 workshops were conducted across Iraq, with nearly 150,000 participants. (ADF, NDI, IRI)

- Under the Constitutional Awareness initiative, over 3,000 sessions were conducted in all 18 governorates benefiting over 140,000 participants, over one-third women. (NDI)
- Both the Constitutional Dialogues and the Our Constitution program distributed questionnaires and surveys to participants on key constitutional issues including federalism, the role of Islam, and the rights of women. The analyzed results of over 111,000 of these surveys were presented to the Constitutional Committee members, keeping them in touch with national sentiment. (NDI, IRI)

Public Outreach. USAID efforts produced and disseminated 1.5 million printed materials.

- Produced and distributed pamphlets in Arabic (575,000) and in Kurdish (150,000) with the assistance of the Civic Coalition for Free Elections (CCFE), a network of 63 Iraqi NGOs. (IRI)
- Produced and disseminated 200 training presentations in Arabic and Kurdish. (IRI)
- Produced 500,000 constitutional supplements in Arabic and Kurdish with a foreword by the Chairman of the Constitutional Committee. The supplement was inserted into national, regional, and local newspapers, reaching Shi'a, Sunni, Kurdish communities nationwide. (IRI)
- Produced 150,000 posters in Arabic and Kurdish distributed throughout Iraq. (IRI)
- Developed and distributed 75,000 copies of the Guide to Women and the Constitution. (NDI)
- Released a third edition of the policy journal *Iraqi Papers* discussing the constitutional drafting process, the role of civil society in democracy, political culture, and economic problems in Iraq. Distributed 50,000 copies as supplements with the *Al Sabah* newspaper throughout Iraq. (IRI)

Media and the Constitution. Iraqi NGOs, supported by USAID grants and program activities, produced and broadcasted a series of television and radio programs. Public debates, issue ads, and voter education programs reached the entire country.

- Produced weekly public broadcast television programs (90-minutes) with national coverage to promote the constitutional process, including updates on the drafting process, panel experts, and installments devoted to women's issues in the constitution. Programs were also broadcasted on the national Iraqi Media Network radio stations. (ADF/IREX)
- Broadcasted three airings of a Town Hall meeting on the constitution that involved three members of the Constitutional Committee, reaching 90 percent of Iraq. (IRI)
- Aired three talk shows with the four members of the Constitutional Committee members (including the Constitutional Committee Chair, Sheikh Hamoudi) on prime time television. (IRI)
- Conducted public opinion polls on elections and the constitutional process to track public attitudes, shared with Iraq's political leadership and the constitutional committee. (IRI)

REACHING OUT TO SUNNI ARABS

USAID programs reached out to Sunni Arab areas, working with tribal and religious leaders on outreach efforts. USAID facilitated the delivery of 5,000 Constitutional Committee posters to Fallujah. Over 860 workshops were conducted in Sunni Arab communities, reaching over 25,000 participants. (NDI, IRI)



ELECTIONS ASSISTANCE

Two national elections, numerous provincial elections, and a constitutional referendum have been held in Iraq since January 2005. Supporting Iraqis in the development and implementation of free and fair elections is a principal component of USAID's support and assistance in Iraq. In preparation for the January 2005 election, USAID helped the Independent Electoral Commission of Iraqi (IECI) set up the voter registration system, and worked with the UN on ballots and procedures. USAID support helped Iraqi NGOs distribute election materials, televise political debates, and lead over 22,000 democracy dialogues, educating voters and democracy and the political transition. USAID's partnership with a local NGO helped train and field over 8,000 election monitors. Currently, USAID is providing continued support to the IECI, encouraging comprehensive voter education campaigns, and assisting Iraqi civil society groups in preparing 15,000 monitors for the December 15th election.

USAID's international partners include America's Development Foundation (ADF), National Democratic Institute (NDI), International Republican Institute (IRI), Research Triangle Institute (RTI), and IFES.



ACCOMPLISHMENTS: JANUARY 2005 ELECTIONS

Iraq's elections on January 30, 2005 were a resounding success. USAID provided technical assistance and commodities to the IECI, extensive voter education and mobilization, and training of domestic monitors and political party agent observers. Over 22,000 democracy dialogues were held throughout the country, educating citizens on democracy and the political transition. USAID's partnership with a local NGO helped train and field over 8,000 election monitors.

- Election Preparation and Technical Assistance: Pre pared a comprehensive operational concept and cost esti mate for voter registration in 2004 and three election events in 2005. Technical expertise, equipment, and logistical sup port helped establish the IECI and the electoral frame work.
- **Election Administration:** Developed the IECI's field plan ning and operations of public information and commodity

procurements. Embedded 14 technical experts with the IECI. (IFES)

- Monitoring the Polls: USAID support help establish Election Information Network (EIN), a nationwide group of Iraqi NGOs which trained and deployed over 8,000 accredited monitors throughout all governorates. (NDI)
- Political Party Agent Observers: Trained 15,000 political party agent observers. (IRI)
- **Mitigating Conflict:** Established the Iraq Without Violence network of NGOs to monitor violence and mitigate conflict related to the elections.
- **Voter Education:** In partnership with civic groups, USAID launched a massive voter education campaign providing televised debates, get-out-the-vote activities, and materials on the election process.
 - Implemented a comprehensive, country-wide voter education and get-out-the-vote campaign, including special programming for Sunni areas. (IRI)
 - ° Over 790,000 Iraqis participated in 22,000 Democracy Dialogues town meetings that educated citizens on democracy and the political transition. (NDI)
 - Through a year-long civic dialogue program and a comprehensive voter education initiative familiarized Iraqis with concepts of democracy, the issues facing Iraq, and actual voting mechanisms, greatly contributing to the positive turn-out. (RTI)
 - Helped establish and supported the Civic Coalition for Free Elections (CCFE) a non-partisan movement of 76 civic organizations from across Iraq to promote a countrywide voter education campaign (using television and print media).
 - Working with the Rafadin Women's Coalition (RWC), which includes more than 10 women's groups across the country, to assist them in conducting advocacy campaigns, workshops, and conferences on women's rights issues with a particular emphasis on advocating for women's participation in the electoral process.



NEXT STEPS: DECEMBER 2005 ELECTIONS

Building on the successes of the January national and provincial elections, and the constitutional referendum in October, USAID continues to coordinate with the IECI and to support Iraqi civil society groups reaching out to voters. Comprehensive voter mobilization and public awareness campaigns are underway. Working with EIN, USAID is helping train nearly twice the election monitors used in January 2005.

Supporting the IECI. At the request of the IECI, USAID is providing technical election assistance in cooperation with the United Nations. This assistance includes training of commissioners and IECI employees on election administration, logistics, voter education, public outreach, and conflict mitigation.

Voter Education and Public Awareness. Expanding on public education and voter mobilization efforts in past elections, Iraqi coalitions and NGOs are pursuing a wide-reaching public awareness campaign with USAID support. CCFE is again reaching out to educate Iraqis about the upcoming elections and the importance of voting. With USAID support, the group is distributing over 200,000 posters (one design per governorate) and 200,000 copies of election pamphlets that detail the new multi-district electoral system. Pamphlets on party platforms (300,000 copies) and ballot fliers (one per province, 400,000 total) also are being handed-out nationwide. Over November and early December, CCFE will broadcast 11 scheduled political debates.

In the lead up to the election, CCFE and other USAID partners will also be holding 743 town-hall meetings throughout Iraq. These town-hall meetings will reach out to Iraqi voters on issues related to the new electoral law, polling procedures, "six steps to choosing a right political party", and reasons for voting.

Civic Coalitions and Advocacy. Iraqi civil society groups, a vital component of a strong democracy, are engaging the public, working throughout the country to encourage political participation. USAID provides support and technical assistance to a broad group of politically active civic groups seeking to expand democracy and human rights. (IRI)

- The Participate... Protect Your Future advocacy campaign, run by the Rafadin Women's Coalition (RWC), encourages women nationwide to become politically active. Advocating the repeal of article 139 (personal status), the addition of human rights amendments, and an increased role for women in government, the RWC's campaign has reached out to voters countrywide, producing TV and radio ads, posters, flyers, and hosting conferences. Previously, during the constitutional drafting period, RWC successfully advocated the inclusion of 10 equal rights provisions in the draft constitution.
- Pledge for Iraq, a local advocacy group calling for constitutional amendments on human rights, is working to reach Iraqis in every governorate through publications, radio ads, and town hall meetings.
- The Ma'an Coalition, a group of organizations representing religious minorities in Iraq, has worked with USAID advisors in advocating religious tolerance, equal rights, and broad participation in the December 2005 elections.



Election Monitoring. EIN is working to train and deploy up to 15,000 election monitors for the Dec. 15 parliamentary elections. Working with USAID partners, EIN is training hundreds of team leaders and officials in election monitoring based on international best practices, emphasizing changes in election regulations and the new multi-district system. Earlier, EIN deployed over 8,134 trained monitors during the January elections and over 9,474 during the October referendum. (NDI).



NATIONAL GOVERNANCE

Following the successful elections of January 2005 and constitutional referendum of October 2005, lraqis are guiding the establishment of a new government and Iraqi citizens are actively voicing their opinions on the country's political situation. To help continue these successes, USAID provides extensive technical assistance to Iraq's national government, emphasizing support for elections, the interim and transitional national governments, constitutional development, and civil society.

ACCOMPLISHMENTS

Supported the Iraqi Interim Governing Body through the transition period. USAID technical
assistance helped ensure a smooth and functioning transition, working closely with the Iraqi Transition Government (ITG) to provide logistical support to the governing bodies and to aid in the institutionalization of government processes.

- Trained Iraqi National Assembly (INA) members and staff. Assisted members and staff of the INA, providing orientation sessions and trainings to improve the functioning of the newly established parliament. Trainers emphasized structural concepts and constructive engagement strategies.
- Worked with the Ministry of Municipalities & Public Works (MMPW) to develop strategic goals. USAID assistance included an initial institutional audit of the Ministry with a survey of directors, senior managers, general staff, and customers to gain feedback on performance. The planning session worked with MMPW leaders to define the mission, values, strengths, and weakness.
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- Supported the MMPW decentralization task force. Performed a study on the municipal service
 delivery structure and existing authorities, discussing the current division of responsibilities and outlining steps for delegating further responsibility for municipal services. The MMPW task force will
 use the report as guidance for the pilot project to improve municipal service delivery through developing capacity in the local branches of the Ministry.
- **Provided MMPW staff with a series of intensive, multi-day management workshops.** Training topics—based on organizational assessments—provided management fundamentals necessary to promote the efficient and effective delivery of public services in a transparent and participatory manner, covering management roles, responsibilities, and duties. Supervisors received training on effective management practices, and performance measurement and strategic planning.
- Supported the development of the Independent Election Commission of Iraq (IECI). Prepared
 a comprehensive operational concept and cost estimate for voter registration in 2004 and three election events in 2005. Technical expertise, equipment, and logistical support helped establish the IECI
 and the Iraqi electoral framework.

NEXT STEPS

Possible future programs, dependent on funding, include:

Providing advisors to central ministries. These advisors would help build capacity in key ministries, developing management, technical and administrative skills of staff and officials.



- Working with Iraqi universities to develop programs in public administration. These programs could serve to build a new generation of civil servants and revitalize current government agencies.
- Assisting the Ministry of Women's Affairs in producing educational and outreach materials.



LOCAL GOVERNANCE

Democracy must prove itself through service delivery and local solutions to local problems. USAID program efforts advance local governance in Iraq, empowering community organizations to hold local governments accountable for their performance and actions. With USAID assistance, representative provincial and municipal governments are more capable of delivering essential services to their constituents. The Local Governance Program also supports the U.S. Government's Provincial Reconstruction Teams' (PRTs) initiative to coordinate at the provincial level to strengthen political and economic lines of operation. Countrywide, USAID has supported 670 community action groups focused on civic education, women's advocacy, and anti-corruption projects.

Promoting Community Development and Local Government

To help establish democratic local governance in Iraq, USAID programs support community organizations, helping them to build the capacity to hold local governments accountable for performance and actions. USAID's Local Governance Program II strengthens post-election, local government institutions to improve efficiency, representation, responsiveness, transparency, and accountability.

ACCOMPLISHMENTS

- Over 790,000 Iraqis participated in 22,000 democracy dialogues conducted by the Local Governance Program (LGP) to educate citizens on democracy and political transitions.
- The LGP established or rebuilt 16 governorate councils, 90 district councils, 194 city or sub-district councils, and 437 neighborhood councils.
- The program trained 2,000 council members (15 percent women), 28 governors, 42 deputy governors, 420 Director Generals, and key staff in 380 departments.
- The LGP supported the Women's Associations that defeated Resolution 137 (Sharia'h Law).
- Throughout Iraq the LGP organized elections for governors, mayors, and local councils.
- To clarify and reinforce their roles in Iraq's developing democracy, the LGP held National Agenda Dialogue Conferences that engaged stakeholders such as academics, journalists, women, lawyers, health professionals, tribal leaders, community leaders, and civil society organizations.
- The LGP awarded \$17.3 million in rapidresponse grants to enable local authorities to deliver services, including agriculture, education, health, electricity, sanitation, and water.
- Over 500 new provincial council members elected in January 2005 received LGP training.
- The LGP held regional constitutional conferences for Provincial Councils (PCs) about the role of local governments in the draft Constitution.
- The LGP assessed Provincial Reconstruction Development Committees and, with citizen participation, assisted them in identifying and prioritizing local development projects.
- Drafted action plan to support overall PRTs local governance efforts in Irag.

NEXT STEPS: October 2005 – September 2006

- During the first ninety days of the new constitution, the LGP teams will establish three PRT sites and mobilize staff. They will collect governance and service delivery baseline data, conduct PC core training modules and establish a process to foster public participation.
- In 2006, the LGP team will continue core training and project oversight, use incentive grants to implement action learning, and build four regional Institutes of Public Administration for sustainability.
- Mentoring, technical assistance and tiers of training for PCs, local councils, and line departments will
 continue throughout the lifetime of the program.



CIVIL SOCIETY AND MEDIA DEVELOPMENT

Through USAID's Iraq Civil Society Program, civil society organizations (CSOs) have promoted an informed, sustainable, and active Iraqi civil society and an independent media – key components of a prosperous and democratic Iraq- through focused training and technical assistance to media groups and CSOs. With USIAD's help, Iraq now boasts over 125 different media outlets. The program's efforts in voter education, community dialogues, and constitutional development helped expand public awareness and participation in the January election and October constitutional referendum.

CIVIL SOCIETY

The civil society program focuses on civic education, women's advocacy, anticorruption, and human rights: it undertakes three core activities:



- 1. Establishing four Civil Society Resource Centers staffed and managed by Iraqis, to act as regional hubs that deliver training and technical assistance to Iraqi CSOs.
- Providing training and technical assistance for Iraqi CSOs in order to directly impact Iraq's emerging democratic processes and institutions.
- 3. Providing a small grants program to CSOs to reinforce training and technical assistance and support advocacy and public awareness projects and activities.

MEDIA DEVELOPMENT

The media support component provides technical assistance to Iraq's emerging commercial media and emphasizes independent news and public affairs reporting capacities. It develops outlets throughout the country that provide quality media information in response to public needs. Training and technical assistance is being provided in:

- 1. Professional media skills development for journalists, editorial staff, and sales/marketing staff.
- 2. Media business development, including technical assistance in audience analysis.
- 3. Media law advocacy assistance to facilitate the establishment of a legal, regulatory, and policy environment that supports the development of an independent media sector.
- 4. Roles and responsibilities of media and journalism practitioners in promoting and fostering the development and maintenance of a democratic and civil society.

ACCOMPLISHMENTS

- Established four Civil Society Resource Centers in Basrah, Hillah, Baghdad, and Arbil.
- Trained and assisted 561 Iraqi CSOs and 31,000 individuals, and awarded 173 grants for women's advocacy, anti-corruption, constitutional awareness and human rights and media.
- Completed needs assessment of 1,183 civil society organizations.
- Prepared the shadow report on the Convention for the Elimination of Discrimination Against Women (CEDAW) which will be tabled at the United Nations in January 2006.
- Provided 15 recommendations from a national conference on transparency and anti-corruption which were included in the October 15th constitution.
- Provided 10 recommendations from a national conference on women's advocacy which were included in the constitution.
- Provided 11 human rights recommendations which were incorporated into the constitution.
- Laid the foundation for a public broadcasting culture in the Iraq Media Network.
- Supported the broadcast of nine episodes of the "Our Constitution" television program at IMN's allraqiya TV that debates on the content of the constitution.
- Established an independent National Iraqi News Agency (NINA) news agency, which has covered the referendum, Saddam Hussein's trial, and the December elections.

NEXT STEPS

By the end of 2005, the Civil Society and Media program will have organized and conducted 512 conferences, workshops, and public forums that support citizen participation in the democratic process, the new constitution, and decentralized governance. Another 460 small grants will reinforce training.



COMMUNITY ACTION PROGRAM

The USAID Iraq Community Action Program (CAP) works at the grassroots level throughout every governorate to foster citizen involvement in meeting local development needs. Coordinating with Iraqi communities, CAP assists local groups identify needs, developing and implementing responsive projects. CAP helps mitigate violence, providing citizens with an opportunity to participate in decision-making and local development initiatives that affect their everyday lives. Iraqi youths and others benefiting from the employment and development projects are turning away from violence to settle local conflicts.

Working directly with communities and in consultation with local government representatives, the CAP facilitates the creation of Community Associations that identify and prioritize critical, local needs and work to develop projects in response. The program provides water systems, roads, schools, clinics, and other priorities depending on needs determined by the community. Project procurement occurs locally, pumping millions of dollars into local economies in all 18 governorates. Projects create short and long-term jobs and mitigate conflict by empowering people across gender, ethnic, tribal, and religious lines.

CAP focuses on three major areas: community mobilization; social and economic infrastructure development employment and income generation; and environmental protection and management.

ACCOMPLISHMENTS

Through CAP, USAID has committed over \$258 million to a three-year program leveraging over 25 percent of costs in community contributions. To date, 3,475 projects have been completed and CAP has established over 1,300 Community Associations in 18 governorates. Five USAID partners each concentrate on a regional area:

- Northern Iraq and Al-Anbar Region: The NGO partner in this region focuses on the conflict-impacted areas of the Sunni Triangle, Mosul, Kirkuk and the Iran-Iraq and Syria-Iraq border areas. To date, 797 projects have been completed with over \$49 million in project commitments.
- South-Central Region: The NGO partner in this region has established active Community Associations in the Shia'a areas of Najaf, Karbala, and Babil governorates. The program has been well received by local government and religious leaders. The NGO partner in this region has completed 433 projects.
- <u>Baghdad Region:</u> The NGO partner has completed 1,250 projects through its Community Associations in Baghdad. Income generation is an important emphasis due to the high levels of unemployment in the city. To date, 174 small business grants have been issued, while 158 grants have been contracted and another 92 approved. This program generates 1,082 long-term jobs, of which 31 percent will target females. Total project commitments are \$64 million.
- <u>Southeast-Central Region:</u> The NGO partner has completed 335 projects and has committed over \$49 million in the predominately Shia'a areas of the Qadisiyah, Maysan, and Wasit governorates. Projects are addressing problems stemming from decades of governmental neglect.
- <u>South Region:</u> The NGO has completed 1,044 projects through 138 Community Associations; women's participation has averaged over 40 percent. Total project commitments are \$64 million.

NEXT STEPS

- Increase coordination with the USG's Provincial Reconstruction Committees and local authorities to ensure program implementation to help strengthen the accountability and transparency of Provincial Reconstruction Development Committees.
- Continue to support Community Associations and community projects to encourage increased citizen participation in local political processes.
- Become more engaged in conflict mitigation.
- Expand short and longterm job creation.





Before and after pictures of a community's main street, restored through a CAP project.



SUPPORT TO IRAQI WOMEN

With the help of USAID's capacity building activities, Iraqi women have strengthened their political voice and continue to improve their economic status. USAID partners have worked with female politicians both local and national, journalists, and NGOs that advocate women's interests. Programs support women entrepreneurs, business leaders, employees, and professionals to ensure they benefit from increased economic growth and increased public and private sector capacity building. USAID continues to educate Iraqi men and women about the importance of securing equal rights for all Iraqis.

Iraq's 1970 constitution made Iraqi women nominally equal with men, guaranteeing them the right to vote, hold political office, and work outside of the home. However, this legislation was frequently not enforced and by 1990, laws protecting women were repealed. Despite active discrimination, Iraqi women still struggled to participate in the workforce, earn and education, and remain political sphere. This provides a ready context for renewed support for women's rights and their increased participation in society.

ACCOMPLISHMENTS

Economic Growth. USAID programs support Iraqi women as entrepreneurs, employees, business leaders, and professionals. Nearly 60 percent of the small business development grants administered by USAID in the reconstruction effort have been awarded to women. The newly-formed Iraq Investment Promotion Agency (IIPA) is composed entirely of women trained in economic development and investment promotion. A grant for nearly \$1.3 million is being finalized for a women-focused international Micro Finance Institute, combining loans with one-on-one technical assistance to develop business ideas.



Democracy and Governance. USAID partners are working with female politicians in the Iraqi National Assembly (INA), female journalists, and community organizations that advocate for women's interests, training them on gender concepts and analysis, advocacy efforts, and developing legislative platforms. An *Engendering the Constitution Committee*, including members of government and NGOs, was organized by a USAID partner to ensure the inclusion of women's rights in the draft constitution. Since the Constitutional Referendum, the Committee has transformed itself into *The National Coalition* to continue to advocate for women's rights in the legal arena. They came to an agreement on a 10-point statement on women rights they wanted included in the draft constitution and conducted a successful advocacy campaign. To assist in the advocacy effort, a *Popular Guide to Women and the Constitution* was published in both Arabic and Kurdish and distributed throughout Iraq.

Elections. USAID's efforts to promote women's participation as elected government officials contributed to Iraqi women securing 31 percent of the seats in the INA in the January 30, 2005 elections. In addition, thousands of women were among the nearly 10,000 elections monitors trained by USAID partners in preparation for the elections.

Women and Governance. USAID's Local Governance Program (LGP) has actively recruited and trained women to serve on governorate, municipal, and neighborhood advisory councils throughout Iraq. The program also works with city councils to design and implement projects that meet the needs of women in their communities. Finally, the LGP enhances the advocacy skills of women by providing them with training and advice in media relations, advocacy campaigning and communications.

Education. USAID's education programs are tailored to enhance the enrollment of girls in school, reduce the substantial gender gap in primary school enrolment, and increasing girl's literacy in rural areas. USAID's accelerated learning program condenses six years of primary school into three years, giving girls the opportunity to receive a primary school education. Girls learn life skills and gain the academic background necessary to return to formal schooling. USAID is also rehabilitating the water and sanitation facilities at 800 primary schools, and improving female teachers and administrators through training programs that will reach about 75,000 women by the end of 2005-2006 school year.



OPERATIONS AND MAINTENANCE

USAID's ongoing water and sanitation O&M programs provide the training and management tools necessary to ensure Iraqi personnel adequately operate and maintain the sectors. Also in development are programs that will provide technical assistance and training to the Government of Iraq (GOI) in establishing appropriate operations and maintenance systems at the ministerial and plant levels in other sectors.

PROTECTING THE INVESTMENT

The Operations and Maintenance (O&M) initiative that accompanies the Iraq Infrastructure Reconstruction (IIR) program protects \$2.6 billion invested since 2003 in Iraqi infrastructure. In Iraq, USAID pairs investment in equipment and infrastructure with investment in human resources to prevent new and improved equipment from being misused or destroyed through neglect. As the newly constructed or renovated systems and facilities are turned over to the Iraqis, the workers are given fundamental training in O&M, laying the groundwork for sustainable investments.

O&M Training Tiers

Tier 1 – Five senior Ministry of Electricity staff members are taking executive management courses and leadership essentials courses at Georgia Tech

Tier 2 – 36 power plant senior managers are taking courses in electrical business development, leadership essentials, and advanced power plant management at Georgia Tech

Tier 3 – 83 power plant middle management members are taking courses in electrical business development, combustion power plant operations, thermal power plant operations, and 'Train-the-Trainers' instruction at the University of Jordan in Amman.

Tier 4 – 115 power plant operators and maintenance staff are taking courses in safety training, instrument calibration, plant system maintenance, optimum plant operations, distributive control systems, boiler chemistry, and water clarifier and filtration at the University of Jordan in Amman.

IIR has provided project-specific O&M training since the program began in 2003, teaching Iraqis the fundamental O&M for constructed facilities, equipment and systems.

TRAINING ACTIVITIES

USAID is implementing a power sector O&M program that consists of performing facility condition assessments, training-including on-the-job training (OJT)- coaching, mentoring, providing maintenance and plant outage support, and furnishing test equipment, special tools, permanent plant equipment, materials, services and parts for use in support of the electrical generation facilities in Iraq.

As part of this project, USAID has provided approximately 60,000 hours of O&M technical and management training for 239 ME staff that were divided into tiers corresponding to their management level.

In the water and sanitation sector, USAID's O&M program entails onsite O&M training and management as well as the direct purchase of consumables (e.g., chlorine and diesel fuel).

Although O&M training takes place on a particularly large scale for power, water, and sanitation plants, it also provides for a range of other facilities. Training has benefited airport firefighters receiving new fire equipment, stevedores and customs officials at Umm Qasr seaport, and workers at Baghdad International Airport.

NEXT STEPS

The Capacity Development Working Group is designing an O&M program that will assist the GOI in establishing appropriate systems at the ministerial and plant level to adequately operate and maintain significant infrastructure. This program will, among other

things,

- Strengthen key GOI counterparts through training and technical assistance in O&M best practices, budgeting, tariff development, metering, collections, capital expenditure forecasting, management, and supervisory training;
- Provide plant-level O&M training at major water, wastewater, and power plants nationwide with an emphasis on plants with prior USAID infrastructure investments;
- Develop national and regional training programs for technician-level skills and operator training; and
- Develop apprenticeship and certification programs.





ELECTRICITY

In 2002, Baghdad had access to electricity 24 hours a day; the rest of Iraq was limited to 3-6 hours of electricity daily. Currently, all 18 governorates receive roughly 13 hours of electricity daily on average, an incredible improvement for a country emerging from decades of conflict and neglect. USAID programs have added over 1,200 MW of new or rehabilitated generation capacity to the national grid, increasing availability to over 4 million Iraqis. Access to electricity – powering hospitals, machinery, and homes – improves the lives of ordinary Iraqis and enables local business and industries to take succeed.

Expanding Access to Electricity

Restoring and improving Iraq's electricity supply has been USAID's biggest and most costly challenge. In April 2003, Iraq's usable electrical generation capacity was 2,500 MW — 58 percent of the pre-conflict level. Before the conflict, access to power was unreliable and varied greatly throughout the country. USAID is restoring electricity to homes, public facilities, and business throughout Iraq.

USAID has helped increase electrical generation to an average daily peak of approximately 4,500 MW. However, estimated total demand in Iraq is 8,500 MW and the looting of cables, destruction of high-tension towers, and sabotage of fuel lines persist. Decades of operation without regular maintenance

have resulted in increased breakdown and a need for significant rehabilitation.

ACCOMPLISHMENTS

- Repaired thermal units, replaced/ added turbines, rehabilitated the transmission network, and installed and restored generators.
- Returned to pre-war daily generation levels of 3,958 MW by October 2003 and reached a peak of 4,584 MW during July 2004.
- USAID has added 1,086 MW of generation capacity through new generation, maintenance and rehabilitation work, and repaired the 400 KV Khor az Zubayr-Nasiriyah transmission line.
- USAID and partners are rehabilitating or constructing 25 distribution
 - substations in Baghdad to improve the distribution and reliability of electricity for more than two million residents. Eight critical substations were energized early in anticipation of the summer peak.
- USAID has also begun an Operations and Maintenance Program (O&M) at the 19 generation sites throughout Iraq to improve the output and reliability.





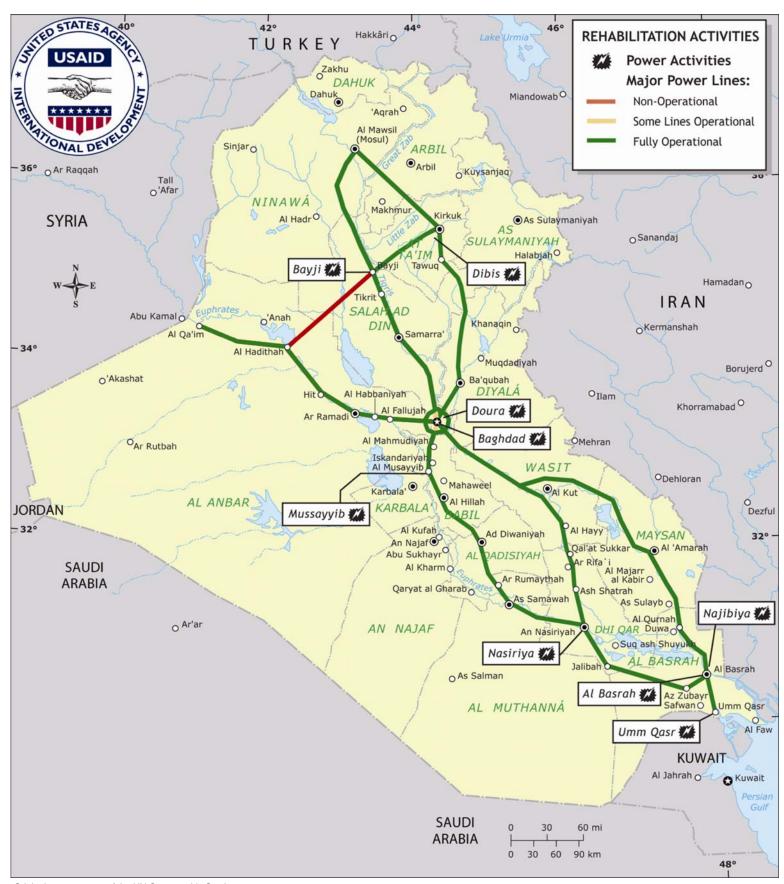
NEXT STEPS

USAID and partners will continue to improve power generation capacity and stability.

Short term: Continue with maintenance and rehabilitation work to increase generation. By October 2006, USAID and the Ministry of Electricity will have added an additional 712 MW to the national grid for a total of 1500 MW increase in new or rehabilitated generation capacity.

Longer term: Continue training Iraqi workers on plant O&M to ensure project sustainability.

IRAQ - RESTORING POWER



Original map courtesy of the UN Cartographic Section The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the United Nations.



PRIVATE SECTOR DEVELOPMENT

Developing a vibrant private sector in Iraq is essential to the establishment of long-term economic growth, employment, and the creation of a nation of stakeholders. Complying with IMF commitments and ameliorating the economic effects of Saddam-era policies requires a sustained reform agenda. USAID supports this agenda through its Private Sector Development Program, "Izdihar" ("prosperity" in Arabic), coordinating with Iraqi government officials and business leaders on a range of activities to build a flourishing, market-driven economy to generate employment and sustainable economic growth.

Historically a society with a strong merchant class, Iraq's private sector was devastated by decades of Ba'athist mismanagement, sanctions, and conflict. Since September 2004, the Private Sector Development Program has helped promote a market-based economy across six areas:

- 1) <u>Privatization.</u> The majority of economic activity in Iraq is funneled through over 500 state-owned enterprises (SOEs), creating an unsupportable system. Through technical assistance and support, USAID is helping the Government of Iraq (GOI) privatize much of the economy, removing a major burden from the national budget and revitalizing the private sector.
- 2) <u>Trade and Market Access.</u> Through sector studies and regulatory guidance, USAID is helping reconnect Iraq with the international market, allowing the country to benefit from management acumen, capital, and technology as well as goods and services.
- 3) <u>Investment Promotion.</u> By promoting foreign investment and removing the barriers to private sector-led growth, USAID helps create a dynamic, market-driven economy that will generate employment.
- 4) <u>Capital Markets.</u> USAID is helping the GOI reform the legal, regulatory, and structural elements of Iraq's non-bank financial markets (e.g., insurance, pension, equity, and commercial debt). To date, USAID has worked with other U.S. government agencies to establish the Iraq Stock Exchange and Iraqi Securities Commission, essential to attracting foreign direct investment and privatizing SOEs.
- 5) <u>Business Skills.</u> USAID support for accounting reform helps integrate Iraqi businesses into the global financial system. By December 2005, USAID will have delivered over 40,000 hours of training in international accounting standards, enabling businesses to secure loans and manage accounts.
- 6) <u>Micro, Small and Medium Enterprise.</u> USAID is working with private banks and microfinance institutions to develop their lending capacity. The availability of loans is essential for private sector growth.

ACCOMPLISHMENTS

- Provided technical assistance for Coalition Provisional Authority's \$21 million micro-credit program.
- Evaluated and updated commercial laws on private sector and foreign investment.
- Drafted a privatization law and provided assistance to create a Privatization Committee that presented a privatization strategy to the High Economic Council in October 2005.
- Established the Iraq Investment Promotion Agency, a one-stop-shop for international investors.
- Developed an Investor Roadmap, analyzing investment constraints and outlining corrective policies.
- Developed a Competitiveness Strategy to help integrate efforts in revitalizing the private sector.
- Established a sustainable micro-finance grant program for small and medium size business seeking access to capital. To date, four micro-finance institutions, operating on the national level, have been selected to participate.
- Providing assistance to the Iraqi Ministry of Trade in developing business registry procedures for foreign and domestic companies seeking to register in Iraq. Since 2003, over 30,000 new businesses have been registered.
- Assisted the GOI in submitting the Memorandum on Foreign Trade Regime, the first step in joining the World Trade Organization (WTO), in May 2005. The accession process will oblige Iraq to reform its trade regulations and establish an open, market based economy.

NEXT STEPS

- Working to develop an Iraqi Loan Guarantee Corporation in February 2006 that will sell loan guarantees to private banks and microfinance institutions.
- Working with the military and the Iraqis to create and support regional micro-finance institutions (MFIs) throughout the country.
- Working towards revitalizing Iraq's own high-stakes professional assessment exam—the Iraqi Certified Professional Accountant (CPA) exam.



ECONOMIC GOVERNANCE

In July 2003, USAID began a program to build the capacity of the Iraqi Government to manage the transition from a command economy to that of one that is market-driven. USAID's program helps the Iraqis develop policies, laws, and institutions that better regulate trade, commerce, and investment, and provide support to 10 government ministries and the Central Bank, key components of the Iraqi economy.

USAID programs are assisting Iraq's Ministry of Finance (MoF), Central Organization for Statistics and Information Technology (COSIT), and Central Bank in meeting IMF requirements. These efforts are expected to return \$480 million in the IMF Standby Agreement in December 2005 as well as debt forgiveness of \$27 billion from the Paris Club by March 2006. Working with the MoF, USAID introduced the new dinar to promote national unity and promote a sound functioning monetary policy.

Building on the macroeconomic and fiscal reforms initiated under the first economic governance contract that ended in 2003, the Economic Governance II (EG II) program continues reforms necessary to help Iraq establish a policy-enabling environment that fosters private sector led growth. With its Iraqi partners, examples of USAID assistance efforts include developing legislation to implement key commercial, fiscal, institutional, and regulatory reforms; building the capacity of the Central Bank of Iraq; completing a banking sector reform assessment; enabling policy makers to formulate and implement decisions based on sound economic data; providing assistance in electricity and communications; and offering technical assistance for a government wide IT strategy. In addition to building capacity across the government, many of the reforms with which USAID is helping in the area of economic governance will help Iraq meet the conditions of the International Monetary Fund (IMF) and, in turn, substantial sovereign debt relief from the Paris Club and others.

ACCOMPLISHMENTS

- Developed a government-wide strategy to support the automation of budget planning and reporting across ministries, including the creation of a Financial Management Information System (FMIS), a new accounting and reporting system for all ministries.
- Worked with the MoF to introduce the new Iraqi dinar. An estimated 4.62 trillion new dinar are now circulating in Iraq.
- Provided technical assistance on accounting, budgeting, and lending activities at Iraq's commercial banks and improved statistical analysis, monetary policymaking, and bank supervision procedures at Iraq's Central Bank.
- Evaluated and updated commercial laws on private sector and foreign investment.
- Assisted in developing sources of non-oil revenue in the country, including the continuation of the reconstruction levy and development of a mobile phone tax.
- Worked with the MoF to trained over 700 Iraqis in International Accounting Standards.
- Improved statistical analysis, monetary policymaking, and bank supervision procedures at Iraq's Central Bank; offered a two-week banking course to Central Bank staff with the Federal Reserve Bank of New York.
- Provided technical assistance to the government to draft Iraq's National Development Strategy and to establish a donor assistance coordination unit.

NEXT STEPS

- Providing technical assistance to the Iraqi Government's budgeting process to ensure its compliance with IMF Government Financial Statistic formatting.
- Providing technical support for tax and customs administration.
- Developing a business registry for foreign and domestic companies operating in Iraq.
- Developing a sustainable and means-tested social safety net targeting poor families.



Members of the Iraqi WTO National Committee receive training on WTO issues and the accession process at the World Trade Organization in Geneva, Switzerland.



AGRICULTURE

Agriculture is Iraq's largest employer, the second largest value sector, and an effective engine for promoting stability through private sector development, poverty reduction, and food security. The revival of a dynamic, market-driven agricultural sector will strengthen private business, increase income and employment opportunities, and meet the food requirements of the Iraqi people. Since 2003, USAID's agriculture program has restored veterinary clinics, introduced improved cereal grain varieties, repaired agricultural equipment, and trained farmers and ministry staff.

Food Security. Iraq currently imports almost \$3 billion in food commodities annually. USAID programs are helping expand production of wheat, the most costly component of the Public Distribution System food basket, to minimize food imports. Already, efforts on select Iraqi farms have doubled wheat production, from 0.8 metric tons per hectare (MT/ha) to between 1.5 and 2.0 MT/ha. Over 360 crop demonstrations nationwide have introduced farmers to improved production technologies for wheat, barley, rice, and maize. In 2004 alone, the USAID program imported 4,000 tons of certified wheat seed, greatly improving crops on over 30,000 hectares.

Private Sector Development. Decades of conflict and mismanagement have resulted in a severe lack of functioning agricultural machinery. USAID programs will repair 20 percent of Iraq's tractor and combine harvester fleet by September 2006. The nationwide program will establish networks of trained technicians to support continued maintenance. Expanded wheat production from repaired equipment alone could easily reach an additional \$36 million in revenue in the first year of this continuing program. USDA has also funded a U.S. Feed Grains Council private sector initiative to develop a private Iraqi credit facility for poultry producers for operational expenses and capital improvements.



Poverty Reduction. Development and growth of the agricultural sector, currently employing 25 percent of the Iraqi workforce, will reduce poverty and improve household incomes. USAID supports the development of high value crops like date palms, tomatoes, and olives. In the south, USAID works with impoverished farmers to improve broad-bean production; in the north, vulnerable groups are participating in workshops on beekeeping, a traditionally profitable business. USAID-sponsored date palm nurseries across 13 governorates will produce 410,000 offshoots annually, eventually contributing \$40 million to the Iraqi economy annually. Through Department of Defense funds, Multi-National Force-Iraq (MNF-I) commanders also support local agricultural projects such as livestock vaccinations.

Livestock improvement programs benefit the poorest sectors of society. USAID is renovating 70 veterinary clinics and providing training across Iraq, benefiting over 180,000 breeders. Fertility treatments will increase water buffalo herds by 20 percent. USAID assisted farmers to expand domestic feed grain production to revitalize the domestic poultry industry, previously a major source of income.

Irrigation. Over half the irrigated area in southern Iraq is affected by water-logging and salinity, diminishing crop production and farmer incomes. USAID and the Ministry of Agriculture (MoA) are working to establish an integrated soil-water-crop management approach, including demonstrations illustrating efficient water use. USAID also assists Iraqi ministries in preparing a National Water Strategy to manage water allocation, storage capacity, hydro-dam reservoirs, and flood control.

NEXT STEPS

Integrated Pest Management (IPM). USAID is currently working with the MoA to increasing wheat, maize, and rice production, and to expand cash crops such as dates, grapes, honey, and olives.

Soil and Water Resources Management Program. In close collaboration with the Ministry of Water Resources and other ministries, USAID is developing a National Land and Water Resources Strategy Plan for improved water allocation, flood control, reservoir management, and water use efficiency.



MARSHLANDS

Since 2003, USAID has helped restore Iraq's marshlands and develop the local economy. Reflooding as much as 25 to 30 percent of the original marshlands has been directed by local tribes and MWR. USAID-funded activities include national level as well as local marshland level activities.

From 1991 to 2003, the Ba'athist regime nearly destroyed the Mesopotamian Marshlands, one of the largest wetland systems in the world. Massive drainage structures diverted water from 8,000 square miles of marshes. The drainage targeted the unique, 5,000-year-old Marsh Arab society, seen as disloyal and unmanageable after the Shi'a insurrection of 1991. The Ba'athists raided settlements, killed tens of thousands, burned houses, and killed livestock. Already some of the poorest people in Iraq, the Marsh Arabs were exiled or internally displaced. Many escaped to cities, but the fewer than 100,000 that remained were forced to relocate, some as many as 18 times. Currently, water supply is diminishing due to dam construction and expanding irrigation schemes in the Tigris and Euphrates headwaters in Turkey and Syria.



Restoration of the Mesopotamian Marshlands at the confluence of the Tigris and Euphrates in southeastern Iraq carries political, cultural, and economic significance beyond the ecology of the wetland areas. Evidence of the atrocities committed against the marsh dwellers is still apparent. As a consequence of the drainage and destruction, the largely displaced and widely persecuted marsh dwellers still suffer from economic loss, inadequate nutritional intake, and absence of primary health care and acceptable drinking water.

In February 2004, an Iraqi and international team, mobilized by USAID's prime contractor, convened in Basra to design an action plan for the Marshlands Restoration Program. The pro-

gram, led by the Ministry of Water Resources (MOWR) in cooperation with USAID and other donors, will restore the marshland ecosystem through improved management and strategic re-flooding in addition to providing social and economic assistance to Marsh Arabs including health, education, and rural development.

ACCOMPLISHMENTS

- Development of Hydrologic Model of Tigris and Euphrates River Basins. A reservoir simulation model for water allocation and flood control was completed by the U.S. Army Corps of Engineers/ Hydrologic Engineering Center where MOWR engineers were trained and can train others in turn. Trainings have also been conducted on stream gauging equipment.
- Equipping Ministry of Water Resources Soil and Water Laboratory. Soil testing and water quality equipment is being installed; staff will receive training on operating the equipment.
- Monitoring and Development of an Integrated Marsh Management Plan. Rehabilitated the University of Basra laboratory, which monitors four marsh locations and collects data.
- **Livestock Improvement.** Established 30 alfalfa farms in the marshes to provide livestock feed. Established a veterinary service and supply of medicine to treat livestock diseases in marsh settlements. Surveyed animal diseases and treated more than 14,000 animals.
- **Agriculture Development.** Established 72 demonstration farms in the marshes, introducing new crops and improved management practices for sorghum, wheat, barley, and broad beans. Established eight date palm nurseries with 4,500 trees with a 90 percent survival rate.
- **Fish Restocking.** Rehabilitated the Marine Science Center hatchery facilities. Currently breeding high value fish (bunni) to produce native species for release into the marshes.



FOOD SECURITY

Before the 2003 conflict, many Iraqis were highly dependent on monthly food rations, a system that collapsed with the fall of Saddam. USAID, working with the United Nations World Food Program (WFP) and Coalition Forces, reestablished the Public Distribution System in fewer than 30 days, avoiding a humanitarian food crisis and providing food security throughout the country. USAID contributed more than \$425 million in food and cash to ensure the continued successful delivery of food aid in post-conflict Iraq.

USAID advisors continue to assist with improving the management and distribution of food rations through Public Distribution System (PDS) for all Iraqi citizens. Prior to 2003, PDS rationed out food commodities through the United Nations Oil-for-Food program. Today, USAID and WFP continue to support the Ministry of Trade in managing the countrywide network of storage warehouses, grain silos, trucking contractors, food distributors or agents, and a centralized database and ration card system designed to provide rations among all 26 million Iragis.

ACCOMPLISHMENTS

- Planned extensively and worked directly with the WFP and Coalition Forces to reestablish the PDS in less than 30 days, avoiding a humanitarian crisis. Contributed more than \$425 million in food and cash to ensure the continued successful delivery of food aid in post-conflict Irag.
- Placed food specialists in key locations in Iraq, Kuwait, and Cyprus to support food operations immediately after the conflict. In cooperation with Iraqi food distribu-
- - tors, USAID, WFP, and Coalition Forces maintained the food pipeline from June through December 2003 in all 18 governorates.
- Provided support in Baghdad and Washington for ongoing PDS operations through 2003 and 2004.
 This included technical advice, monitoring, reporting, and helping coordinate efforts of the U.S. Government to assist Iragis with the PDS.
- Played a key role in negotiating an agreement between the WFP, Coalition Provisional Authority (CPA), and Ministry of Trade that provided the WFP with the resources and authority to continue to support the PDS through June 2004.
- Assisted the CPA with technical expertise during the successful transfer of United Nations programs to the Iraqi government through the June 2004 Transfer of Sovereignty.
- Drafted a food security strategy for that focuses on vulnerable groups and establishes objectives to
 promote short-term food security and capacity building for sustainable community based food security, assisting the Government of Iraq to develop a social safety net strategy, and promoting longterm economic and agricultural reforms.
- Sponsored the Food Security Forum on Iraq in August 2005. Invitees from the Iraqi and U.S. Governments, international organizations, and non-governmental organizations gathered to discuss food security issues in Iraq, identify priorities and present possible future courses of action.

NEXT STEPS

USAID will continue to monitor and report on the status of food insecure populations in Iraq.



HUMANITARIAN ASSISTANCE

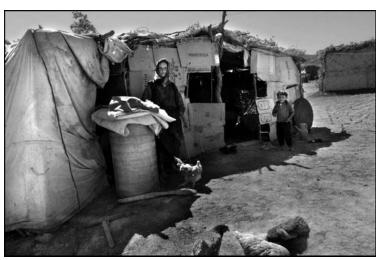
USAID's Office of U.S. Foreign Disaster Assistance (OFDA) and its implementing partners are continuing to prioritize humanitarian assistance for internally displaced persons (IDPs) throughout Iraq. In FY 2005 and FY 2006, USAID/OFDA is providing more than \$69 million to support humanitarian needs in Iraq, including delivering essential medicines to healthcare facilities, providing emergency health services, and rehabilitating water treatment and sewage plants, clinics, hospitals, and schools.

In 2005, fighting between Coalition/Iraqi Forces and insurgents continues to lead to the internal displacement of Iraqis, particularly in the Euphrates River Valley. In response, USAID/OFDA's non-governmental organization (NGO) and international organization (IO) provide rapid assistance to IDPs in the areas of livelihoods, shelter, emergency relief supplies, health, and water and sanitation.

ACCOMPLISHMENTS:

Haditha District, Al Anbar Governorate

- Provided livelihood asset packages, including blankets, mattresses, stoves, water tanks, kerosene, water containers, generators, and plastic sheeting to 1,097 IDP families.
- Installation of elevated water storage tanks and construction of water outlet points in IDP settlements
- Establishment and operation of three field health facilities for IDPs.
- Refurbished and strengthened three existing primary health care centers; rehabilitated hospitals.
- Provision and support of health services, via health clinics, to benefit 2,350 IDP families.
- Conducted minor rehabilitation to public infrastructure.



Al-Qaim, Al Anbar Governorate

- Distributed emergency relief sup plies, intermediate food, and water to 11.819 IDP families in 45 locations.
- Provided water trucking services to 2,415 families in 45 locations.

Sammara and Ad Dawr District, Salah Al Din Governorate

 Provided 1,700 livelihood asset packages, for 10,200 IDPs.

Tel Afar , Ninewa Governorate

- Provided shelter materials, water containers, emergency pharmaceuti cals, and health kits.
- Distributed emergency relief supplies, including tents, blankets, mattresses, kitchen utensil kits, cooking stoves, hygiene kits, and lanterns.
- Provided potable water and water containers to facilitate transport and storage. Water is delivered door-to-door to host family storage units; provided 15 water storage units with water outlet points.
- Established a fully equipped and staffed static healthcare clinic and provided basic medical equipment and furniture.

UNITED NATIONS ORGANIZATIONS. To date, USAID has worked with the International Organization for Migration, the United Nations (U.N.) Children's Fund, the U.N. Office for the Coordination of Humanitarian Affairs, the U.N. World Food Program, and international NGOs to support emergency water and sanitation activities, contingency preparations and support for IDPs, emergency preparedness, and the pre-positioning of emergency food commodities in neighboring countries.

NEXT STEPS

USAID will continue to offer support to the Government of Iraq Ministries and to help monitor and report on IDPs, and to ensure that humanitarian needs will be met as they arise.



COMPLETED PROJECTS: SKILL TRAINING

To support the expansion of a competitive and efficient private sector in Iraq, two USAID programs partnered with local business centers to provide thousands of Iraqis with essential business and vocational skills. The Business Skills Training program established professional skills centers throughout Iraq to provide essential and specialized business training. Over 300 grants supported small and medium-sized enterprises (SMEs) throughout Iraq. The Vocational Education program directly addressed unemployment, providing basic vocational and technical training to over 12,000 Iraqis.

BUSINESS SKILLS TRAINING

Volunteers for Economic Growth Alliance (VEGA), a consortium of 14 non-governmental organizations (NGOs), partnered with seven regional business centers to provide training in essential business skills. From July 2004 to December 2005, VEGA supported Iraq's nascent private sector through training and technical assistance to business centers, start-up businesses, and executives in target industries. The



VEGA program has emphasized business basics training, business plan development, and in-house mentoring as well as improvements in access to business and market information.

Accomplishments

- Trained 1,400 Iraqis in business basics and over 720 in customized courses (e.g. quality control, warehouse management).
- Awarded \$2,711,062 in grants to 323 small and medium-sized enterprises throughout Iraq.
- Provided training and technical assistance in areas like business planning and procurement.
- Trained and placed Iraqi business case manag ers in four local business service providers.

VOCATIONAL EDUCATION

From September 2004 to September 2005, the Iraq Vocational Training and Employment Services Project coordinated with the Ministry of Labor and Social Affairs (MOLSA) to provide basic vocational and technical training, working to rehabilitate and develop 13 Vocational Training and Technical Centers (VTTCs). The program also provided extensive training to MOLSA staff.

Curriculums were developed and handed over to VTTCs for the following courses:

- Welding
- Lathe work
- Carpentry
- Electrical functions
- Auto mechanics

- Tailoring
- Cosmetology
- Plumbing
- Small appliance repair
- Elevator repair

The project was suspended in September 2005 to meet the changing needs of the Iraqi Government. As development and reconstruction progressed throughout the country, the Iraqi Government saw a renewed need for Operations and Maintenance (O&M) training for government employees in essential services sectors, such as power and water.

Accomplishments

- During the life of the project 12,107 Iragis received training, 34 percent of whom were women.
- 6,441 trainees have graduated from various training courses as of September 30, 2005.
- The outreach program placed 7,000 people in short-term jobs.
- Over 400 MOLSA trainers and managers received training.



EDUCATION

Assistance has helped Iraq move away from rote learning methodology in decrepit, unsanitary class-rooms to interactive learning in rehabilitated buildings. Since 2003, USAID has rehabilitated nearly 3,000 schools. Over 20 million new textbooks have been supplied by USAID (8.6 million) and UNESCO (12 million). By 2006, more than 133,000 primary school teachers – a third of Iraq's educators – will have received training and technical assistance. Already, the most recent primary school enrollment numbers show a 19 percent increase from pre-war levels.

Through the Higher Education and Development (HEAD) more than 1,500 Iraqi faculty and students have participated in workshops, trainings, conferences, and courses all over the world since January 2004. Also, HEAD has helped rehabilitate university facilities throughout the country.

Revitalizing Education

As a result of two decades of wars and economic hardship brought on by misrule, Iraqi schools fell into disrepair, enrollment dropped, and literacy levels stagnated. Iraq's adult literacy rate is now one of the lowest in all Arab countries; UNESCO estimates literacy rates to be less than 60 percent, or 6 million illiterate Iraqi adults. Rural residents and women have been hit hardest; only 37 percent of rural women can read, and 30 percent of Iraqi girls of high school age are enrolled in school compared with 42 percent of boys.

USAID and the Ministry of Education are working together to improve access to quality education in Iraq at the primary, secondary, and university levels. Programs have provided essential supplies and training to support schools nationwide. A series of model schools have been established where Iraqi educators implement new and innovative teaching methods while giving students access to improved equipment. USAID also developed partnerships between U.S. and Iraqi universities, which has helped re-equip and revitalize Iraq's higher education system.

ACCOMPLISHMENTS

- Through September 2005, over 2,800 schools have been rehabilitated, and 45 constructed.
- Internet access and computers have been installed at the Ministry of Education and in all 21 Directorates of Education. To improve planning and resource management, official baseline data has been gathered and an Education Management Information System (EMIS) is being developed.
- Over 47,500 secondary school teachers and administrators nationwide have received training.
- More than 80 primary and secondary schools are being established to serve as model schools. At these "centers of excellence," teachers will receive up to five weeks of training, and schools will be equipped with computer and science laboratories.
- Hundreds of thousands of desks and chalkboards have been distributed countrywide.
- USAID edited, printed, and distributed 8.7 million Iraqi math and science textbooks.
- More than 550 out-of-school youths completed a pilot accelerated learning program. An expanded program, targeting more than 11,000 youths, is being implemented during the 2005–06 school year.
- School supplies have been distributed to one million primary school children and two million secondary; sports equipment has been distributed to every school.
- An early childhood learning television series is currently being developed.
- Through university partnerships, more than 1,500 Iraqi faculty and students at 10 Iraqi universities have participated in workshops, trainings, confer-

ences, and courses in Iraq, the greater Middle East,

Europe, and the United States.

 At 10 Iraqi universities, USAID has rehabilitated and equipped 23 specialist libraries, 23 computer laboratories, 20 specialist science labs, and 17 auditoriums or classrooms. These efforts have benefited approximately 50,000 university students in colleges of law, engineering, medicine, archeology, and agriculture. In addition, books and electronic resources have been provided to university libraries.





HEALTH

USAID is helping strengthen essential primary health care services throughout Iraq. USAID-supported emergency campaigns in 2005 alone immunized 98% of children between 1-5 years old (3.62 million) against measles, mumps, and rubella (MMR) and 97% of children under five (4.56 million) against polio. USAID partners have trained 11,400 staff at over 2,000 community-based centers in almost every province to managing malnutrition in children. Over 600 primary health care centers have been provided with 'clinic in a box' kits of key equipment and furniture; over 2,500 primary health care workers have been trained to expand the availability of essential primary health care services to children under five.

Strengthening Essential Primary Health Care Services

Once considered the best in the region, Iraq's health system currently has some of the worst health statistics. Diarrhea, measles, respiratory infections, and malaria – compounded by under-nutrition affecting 30 percent of children under five – contribute to excessive rates of infant and child mortality. Lack of care during pregnancy contributes to high maternal mortality rates. Tuberculosis and cholera have reemerged.

USAID and partners are helping the Ministry of Health (MoH) build capacity to enhance policy, increase access to health care, and improve essential services for mothers and children. Technical specialists work closely with communities to increase participation and improve primary health care services. USAID also supports the design and construction of a pediatric hospital in Basrah.

ACCOMPLISHMENTS

Reestablishing essential primary health care services:

- 2005 emergency campaigns supported the immunization of 98 percent of children 1-3 years (3.62 million children) against measles, mumps, and rubella. As a result, there has been a 90 percent reduction in laboratory confirmed cases of measles between 2004 and 2005.
- 97 percent of children under five (4.56 million) immunized against polio during the 2004-05 national polio immunization campaign, enabling Iraq to maintain its polio-free status.
- Vaccinated 3.2 million children under five and 700,000 pregnant women, with UNICEF and WHO.
- Provided supplementary doses of vitamin A for more than 1.5 million nursing mothers and 600,000 children under two, and iron folate supplements for over 1.6 million women of childbearing age.
- Trained 11,400 staff at over 2,000 community child care units to screen for malnutrition and to provide monthly rations of high protein biscuits to malnourished children and pregnant mothers.
- Renovated 110 facilities and equipped 600 centers with basic clinical and lab equipment.
- Trained over 2,500 primary health care workers, improving access to essential primary health care.

Building Capacity and Strengthening Health Services:

- Provided skills training to 3,200 primary care providers and physicians, improving service delivery.
- Trained 2,000 health educators, teachers, religious leaders, and youths to assist in mobilizing communities on hygiene, diarrhea, breastfeeding, nutrition, and immunization issues.
- Established training and education centers in five governorates to support local health care training.
- Vaccines and cold chain equipment provided to selected remote health centers along with training of staff and social mobilization has increased routine immunization coverage from 60 to 74 percent.
- Minimized epidemics by re-establishing Irag's disease surveillance and response system.

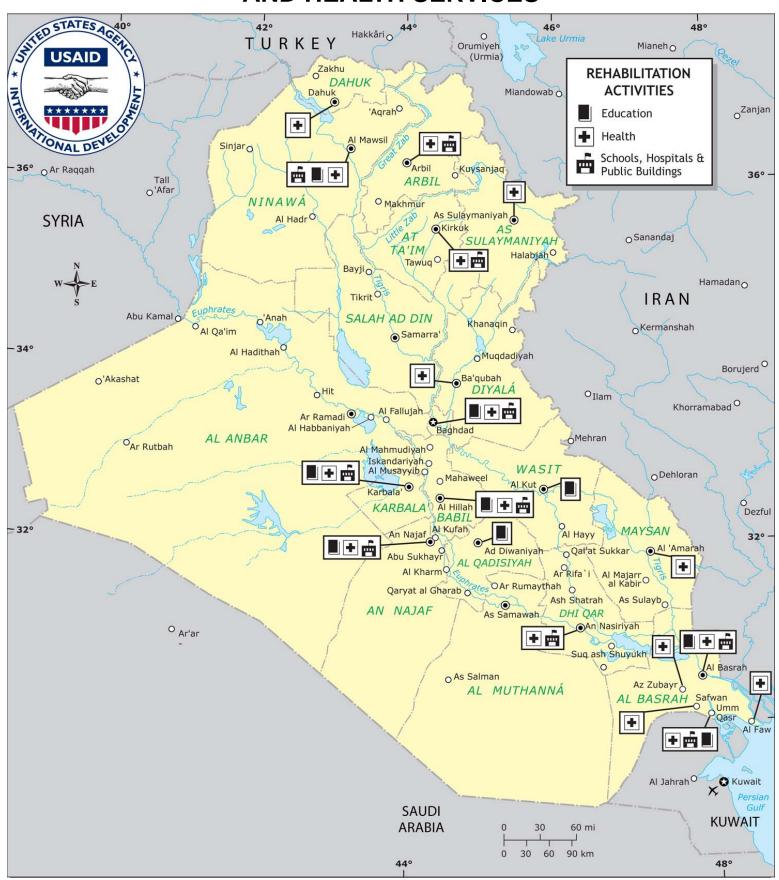
Addressed urgent water and sanitation service needs to prevent disease outbreaks:

Other USAID programs, particularly in water and sanitation, have immensely contributed to improvements in Iraqi health. USAID partners have repaired 1,700 breaks in Baghdad's water distribution network. Key supplies have been procured to service water treatment facilities in Baghdad and other cities. Water treatment facilities across four governorates have been rehabilitated. Over 100 sewage pumping stations, rainwater stations, and collapsed sewer lines have been repaired countrywide.

NEXT STEPS

Assist the MoH in building capacity at the national and governorate levels to make the transition to a decentralized healthcare system, expanding the availability of primary health care services. USAID is constructing a pediatric hospital in Basrah with Project Hope.

IRAQ - SUPPORTING ESSENTIAL EDUCATION AND HEALTH SERVICES



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WATER AND SANITATION

USAID has rehabilitated sewage treatment plants, expanding access to sewage treatment to over 5.1 million urban Iraqis, processing 315.3 million gallons daily. Over 2.4 million Iraqis who had no clean drinking water in 2002 now have access to safe, potable water following USAID efforts to refurbish and expand 19 water treatment plants in five cities. By 2006, water treatment service will be provided to over 3.3 million Iraqis. Providing clean water and efficient sewage treatment has greatly improved sanitation and contributed to a decrease in waterborne disease. USAID is also providing plant-level operations and maintenance (O&M) training at major water and wastewater plants nationwide to ensure that these plants remain functioning.

Restoring Essential Services

In 2003, Iraq's 140 major water treatment facilities were operating at about 35 percent of their design capacity (3 billion liters a day) due to inadequate maintenance, lack of plant operators, power shortages, and looting. USAID is helping improve the efficiency and reliability of existing treatment facilities, and is constructing several new facilities, especially in the south where water quality is particularly poor.

Iraq has 13 major wastewater treatment facilities, operating at about a quarter of their design capacity. Baghdad's three sewage plants, comprising three quarters of the nation's total sewage treatment capacity, were not treating waste for more than six years before the conflict, allowing raw waste to flow into the Tigris River. In the rest of the country, most wastewater treatment facilities were only partly operational before the conflict, and a shortage of electricity, parts, and trained staff exacerbated the situation.

ACCOMPLISHMENTS

Nationwide:

Restored/provided new water treatment to over 2.4 million, sewage treatment to 5.1 million Iraqis.

Baghdad:

- Expanded Sharq Dijlah water plant by 50 MGD and rehabilitated three sewage plants, which serve 80 percent of Baghdad's population, thus eliminating dumping raw sewage into the Tigris.
- Kerkh wastewater treatment plant (WTP) began operating on May 19, 2004, the first major Iraqi plant to operate at full capacity in more than 12 years.
- Standby generators have been procured and installed at 27 Baghdad water facilities, ensuring continued supply of treated water in the event of power outages.
- Refurbished existing sewage lines and pump stations serving Kadhamiya area, western Baghdad.

South:

- Rehabilitated the Sweet Water Canal system: repairing breaches, cleaning and repairing the main water storage and settling reservoir and refurbishing 14 water treatment plants around Basrah city.
- Treated water production increased by over 100 percent, serving over 1.1 million additional people.

South Central:

- Rehabilitated two water plants and four sewage plants.
- Najaf, Diwaniyah, Hillah, and Karbala sewage plants serve nearly 1 million people.
- Water treatment plants in Najaf and Karbala serve more than 375,000 residents and pilgrims near one of Iraq's holiest shrines.

North:

Provided major equipment for Mosul Water and Sewer Directorates. Refurbished the Kirkuk WTP.

NEXT STEPS

- Complete refurbishment of Baghdad's Sharkh Dijlah water plant to serve 432,000 additional people.
- Complete construction of a water treatment plant in Baghdad's Sadr City to provide potable water to 192,000 residents in one of the city's poorest areas.
- Complete the rural water project to provide potable water systems serving small rural communities of up to 5,000 people throughout Iraq.
- Complete rehabilitation of the Zafaraniyah sewage networks in eastern Baghdad, relieving backed up sewage on the east side of the river.
- Continue to support O&M through onsite training and plant management, as well as direct purchasing of consumables such as alum, chlorine, and diesel fuel.

IRAQ - REBUILDING WATER AND SANITATION INFRASTRUCTURE



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COMPLETED PROJECTS: AIRPORTS

USAID's Infrastructure Reconstruction program restored two of Iraq's most important international airports. As conduits for humanitarian supplies, commercial goods, or personnel, the airports at Baghdad and Basrah serve as vital links both within Iraq and to the outside world. Since July 2003, Baghdad International Airport (BIAP) has processed over 5,000 flights. Currently, BIAP services over 60 civilian flights daily. Two airlines—AirServ and Royal Jordanian—operate daily international flights.

Two of Iraq's three major airports assessed by USAID needed extensive rehabilitation, having suffered decades of neglect and weeks of looting. As part of the greater efforts to rebuild key infrastructure, USAID's Infrastructure Reconstruction Phase I contract repaired and refurbished airports, seaports, roads, bridges, and railways throughout Iraq. Beginning in May 2003, emergency infrastructure work began to restore the Baghdad and Basrah airports, enabling both international airports to return to operations. Baghdad International Airport (BIAP) reopened as a commercial airport in July 2003.

USAID and implementing partners also initiated a substantial operations and management (O&M) training program, helping the airports meet international standards necessary to handle commercial traffic. Technical specialists conducted a large-scale training and equipping exercise to prepare Iraq staff to provide fire and rescue functions, training both on-the-job and at fire training facilities outside of Iraq. Staff also received training on security and equipment handling procedures. Training, system modernization, and some construction continued until February 2005.

ACCOMPLISHMENTS

Completed work preparing Al Basrah International Airport for commercial operations. Projects included:

- Rehabilitation of the airport's wastewater and water treatment plants.
- Restoration of the runway, taxiway, and apron striping.
- Installation of two baggage x-ray units.
- Replacement of the perimeter security fence.
- Rehabilitation of control tower and building.
- Installation of toilets, passenger lounges, signs, and baggage carts.
- Installation of VSAT satellite and a radio communication system for airport administration.



Completed infrastructure work at Baghdad International Airport for civil air operations, including:

- Rehabilitation and modernization of the Air Traffic Control Tower
- Repair of Terminal C and administration offices
- Construction of a security checkpoint and 240-car parking lot.
- Installation of VSAT communications systems and 6.5-megawatt power generators.
- Repair of perimeter security fence.
- Restoration of substation transformers and generators.

USAID partners also assessed the Mosul International Airport and found the facilities in good repair; resources were redirected to the rehabilitation of the Basrah and Baghdad airports.



COMPLETED PROJECTS: UMM QASR SEAPORT

Immediately following the spring 2003 conflict, USAID began work to refurbish and reopen the Port of Umm Qasr, Iraq's primary commercial port that had become inoperable due to neglect. The USAID program both dredged the port and helped the Iraqi Port Authority build key capacity, providing extensive equipment and support. Two Iraqi dredgers, rehabilitated by USAID, will ensure continued maintenance.

The port reopened to commercial traffic mid-June 2004, servicing the first passenger vessel a month later. Since then, as many as 80 ships offload cargo at the port every month. Cargo volume continues to increase across a range of commodities, including cement, sugar, and wheat.

The Port of Umm Qasr, on Iraq's border with Kuwait, is the country's only deepwater ocean port. Although the facilities were not damaged during the conflict, they had not been maintained for several years and were extensively looted. Much of the port's infrastructure required repair, refurbishment, and in many situations substantial replacement and updating.

USAID removed silt, unexploded ordinance, and sunken ships left since the Iran-Iraq War. In coordination with the Iraqi Port Authority, USAID restored the port's capacity to process food and commercial shipments. Activities included



establishing electrical power, repairing cargo handling equipment, and rehabilitating grain silos, the customs house, and administrative offices. The navigation channel and berths for deep-draft ships were dredged in coordination with the United Nations.

ACCOMPLISHMENTS

- All 21 berths were dredged for deep-draft ships; the entire port was dredged to an average depth of 12.5 meters. Two Iraqi dredgers, rehabilitated by USAID, perform ongoing maintenance dredging the harbor.
- Applied port tariffs on June 20, 2003, contributing to financial sustainability of port operations. Port revenues now outpace costs associated with handling cargo, and will help support capital repairs.
- The grain-receiving facility was renovated, allowing it to process up to 600 metric tons of grain an hour, thus unloading a standard grain freighter in 3 1/2 days. Maintenance and management of the grain-receiving facility have been handed over to the IZ Grain Board.
- Renovation of the administration building, passenger terminal, customs hall building, and near-by the electrical substations has been completed.
- Installed generators, energizing all three 11-kV ring mains for power distribution and restoring power to critical parts of the port.



COMPLETED PROJECTS: ROADS AND BRIDGES

Iraq's transportation networks are vital supports of Iraqi commerce, culture, and infrastructure. By 2004, USAID had rebuilt a series of crucial bridges, reconnecting Iraqi cities and provinces while reestablishing key commercial links to neighboring countries. A new railway connects Iraq's only deep water port to a faster and more reliable distribution system, improving the movement of goods and equipment throughout the country while befitting local exporters.

ACCOMPLISHMENTS: BRIDGES

USAID completed 36 detailed assessments and demolished irreparable bridge sections in the rebuilding of three key bridges: the Al Mat Bridge, the Khazir Bridge, and the Tikrit Bridge.

- The Al Mat Bridge is a key link on the main highway between Baghdad and Jordan used by more than 3,000 trucks daily. Work was completed and the bridge was reopened to two-way traffic on March 3, 2004.
- The Khazir Bridge is critical to the flow of fuel and agricultural products in northern Iraq. The bridge's four lanes were completed on May 1, 2004.
- The Tikrit Bridge is an important link for passengers and commerce over the Tigris River between Tikrit and Tuz Khurmatu. This two-lane bridge was reopened to traffic on September 15, 2004.

In addition, USAID also repaired a floating bridge over the Tigris River at Al Kut, improving traffic for 50,000 travelers a day.

ACCOMPLISHMENTS: RAILROADS

USAID's partner completed an assessment of over 1,100 kilometers of railroad track and rail facilities throughout the country to identify priority projects. Proper rail construction and maintenance is vital in Iraq; rails can expand

significantly during the heat of the day. If not done correctly, the rails will bow in the heat and cause trains to derail.



USAID also assisted with the construction of 72 kilometers of new track and rail facilities between the Port of Umm Qasr and Shuaiba Junction, located west of Basrah, and connecting to the Baghdad



trunklines. This project was a joint US-Iraqi effort; USAID constructed the civil facilities and provided project management and materials, and the Iraqi Republic Railways contributed project designs and materials, and supervised construction. Reconstruction of the line was completed in April 2004 and will increase the reliability of grain and other cargo shipments from Umm Qasr Port to storage silos and warehouses throughout the country.

IRAQ - RESTORING TRANSPORTATION INFRASTRUCTURE



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TELECOMMUNICATIONS

Since early 2003, telephone subscriptions in Iraq have increased almost four-fold, rising from 1.2 million land lines to 4.6 million land and cell lines. USAID has worked extensively to restore and expand Iraq's vital telecommunications network, connecting government agencies, businesses, and Iraqi citizens to each other throughout the country and to the outside world. In 2004, emergency repairs to the wired network reconnected 20 major cities and 70 percent of Iraqi subscribers. Key equipment was replaced and expanded. Iraqi engineers also received the training necessary to operate and maintain the equipment. Currently, USAID is helping the Ministry of Electricity consolidate communications, a move that will improve electrical service nation-wide.

Reconnecting Iraq

Prior to the conflict, 1.2 million Iraqis subscribed to landline telephone service and much of the telecommunication network was centralized in Baghdad. However, many of the network's switches were damaged during the conflict and service was disrupted. In Baghdad, 12 telephone exchange switches (out of 38 total) serving 240,000 out of 540,000 telephone lines were out of service. These switches connect main telephone trunk lines to individual consumer lines.



As part of USAID's effort to restore critical infrastructure and services, USAID's partner worked with the Iraq Telecommunications and Postal Commission (ITPC) to restore the national fiber optic telecommunications network, repair the telephone switching system in Baghdad, and restore international telecommunications capability. USAID relied on ITPC personnel to perform much of the reconstruction activities and handed over operation and maintenance of all switch sites in mid-March 2004.

ACCOMPLISHMENTS

- Audited more than 1,200 km of the national fiber optic backbone network.
- Performed emergency repairs to the national fiber optic network from Mosul to Umm Qasr, connecting 20 cities to Baghdad and the 70 percent of Iraqis that have landline telephone accounts.
 - Purchased tools, equipment, and parts and provided management oversight to assist ITPC in the restoration of the fiber optic network.
 - Replaced obsolete transmission equipment between Baghdad and Basrah in collaboration with the ITPC.
- Reconstituted Baghdad area phone service by installing switches with 240,000 lines at 12 sites.
 - In total, USAID installed 12 domestic switches and one international switch, fully integrating the new equipment with the existing switches. The switches provide connection points for ITPC to connect subscribers.
 - Installed a satellite gateway system and restored international calling service in December 2003.
 - Trained ITPC engineers and technicians in the operation and maintenance of the satellite gateway system and the new telephone switches.

NEXT STEPS

In June 2005, USAID contractors began the installation of a \$51.8 million consolidated fiber optic network which will connect electricity and communications sectors, allowing Ministry of Electricity officials to monitor and control the electrical grid from a central location. The network will also provide for inter-bank electronic transfers, and essential for commerce nationwide. This move, scheduled to finish in June 2006, will vastly improve the delivery of service to Iraqis throughout the country.





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