



RECONSTRUCTION WEEKLY UPDATE

October 28, 2005



Female students in an Iraqi classroom began a new school year earlier this month. USAID programs are working to increase enrollment in primary, intermediate, and secondary schools through refurbishing old schools, training teachers, helping develop innovative programs, and assisting the Ministry of Education with capacity development projects.

- Photo by Tom Hartwell

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USAID assists Iraqis in reconstructing their country by working with Iraq’s Interim Government. Programs are implemented in coordination with the United Nations, country partners, nongovernmental organizations, and private sector partners.

This report highlights USAID’s overall accomplishments and recent reconstruction efforts in Iraq. For more information, please visit www.usaid.gov/iraq.

MAJOR ACCOMPLISHMENTS TO DATE

- Assisted the Government of Iraq to develop and submit the first filing in the WTO accession process - the Memorandum of Foreign Trade Regime.
- Provided technical assistance and information on contracting opportunities for Iraqi businesses and entrepreneurs through business centers.
- Worked with the Ministry of Finance to introduce the new Iraqi dinar.
- Created more than 77,000 public works jobs through the National Employment Program.
- Provided technical assistance and capacity building to three private sector banks to develop their own lending programs.
- Trained over 700 Iraqis in International Accounting Practices.
- Assisted in management of \$21 million micro-credit program. Provided over 40,000 hours of microfinance training in 2004-2005.
- 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.
- Evaluated and updated commercial laws on private sector and foreign investment.
- Assisted in developing the 5 percent reconstruction levy on imports; built capacity of customs officials to implement levy.
- Developed a government-wide IT strategy to automate planning, budgeting and reporting processes across ministries.
- Developing the Iraqi Investment Promotion Agency with the Government of Iraq.

USAID works with Iraqi institutions to establish an environment for sustainable economic growth. Assistance empowers policy makers to formulate and execute decisions based on economic data, and to implement modern best practices in economic governance. USAID projects provide a framework for private sector trade, commerce, and investment throughout Iraq.

HIGHLIGHTS THIS WEEK

Over 1,600 Iraqi business leaders have benefited from training programs offered by USAID's Izdihar project since the beginning of 2005. As part of its economic growth initiatives, Izdihar conducts business skills training and public awareness seminars on a variety of economic topics for members of Iraqi business associations, training business leaders in management skills, nurturing the development of business associations, and strengthening the private sector.



"Many of the people have completely changed their way of thinking after attending the Izdihar training sessions," said one officer of an Iraqi business association.

"All the training events we attended were of great benefit to our members," said the vice president of one business association. "Previously, Iraq was a big jail for Iraqis, especially the industrialists. Through these training sessions, we get advanced and scientific information."

"I am 60 years old, but I have gained precious information equal to my whole life through these trainings," remarked one participant who participated in recent training sessions on business planning, the World Trade Organization (WTO), tariffs and customs, intellectual property, and trade in services.

Another association member added, "The information totally enriched our knowledge and allowed us to become acquainted with the commercial world, the rights of industrialists, and intellectual property rights."

"The benefits achieved from these trainings are great," the head of a Baghdad-based business association stated. "I hope they will be continued and generalized to all the business segments."

Nearly 30 Iraqi businesspeople, lawyers, and government officials receive training in intellectual property rights. Led by Izdihar, the training was designed to increase awareness about intellectual property rules, part of the WTO multilateral trading system. Intellectual property rights include copyrights, trademarks, geographical indications, industrial designs, patents, integrated circuits layout designs, and trade secrets. They usually give the creator an exclusive right over the use of his creation for a certain period of years.

Iraq currently has protection for only three types of these rights – copyrights, trademarks, and patents. In order to join the WTO, Iraq will need to protect all intellectual property rights.

MAJOR ACCOMPLISHMENTS TO DATE

- **Wheat Seed Cleaners:** 169 seed cleaners have been distributed to nine NGOs working in 18 governorates, and 175 people have been trained in their use. Cleaning and treating wheat seed has the potential to increase wheat production by up to 25 percent, while also increasing the percentage that can be used for bread making.
- **Water Strategy:** Phase One, coordinated by the Ministry of Water Resources, has begun to develop a national water and land use strategy with participation by six ministries. Data collection and analysis will be complete within a year.
- **Veterinary Clinic Rehabilitation:** To date, 51 veterinary clinics have been rehabilitated that serve over 130,000 farmer families.
- **Irrigation Infrastructure Rehabilitation:** Numerous grants have been given to increase the amount of water available to irrigate crops by cleaning and/or renovating canals. So far, productivity of nearly 870,000 farmers on 185,000 acres has been increased due to better availability of water.
- **Farm Machinery Mechanics:** Fully trained 28 mechanics in farm machinery repair, and supplied them with tools to set up their own independent shops.
- **Date Palm Nurseries:** Date palm nurseries established in 13 governorates that will produce 410,000 off shoots for new trees a year. The new trees will begin to pump millions of dollars into rural incomes in about five years when they begin to produce.

USAID's goals are to work in conjunction with Iraqi ministries, the private sector, and higher education institutions to revitalize agricultural production, stimulate income and employment generation, nurture rural development initiatives, and rehabilitate the natural resource base.

HIGHLIGHTS THIS WEEK

Grant approval introduces modern beekeeping technology to 51 people in the Ninawa governorate. The project will include 20 existing beekeepers as well as 31 widows and handicapped people. Participants will receive extensive training and the equipment necessary to set up and maintain an apiary to produce honey. Beekeeping and honey production has historically been an important economic activity in Ninawa, but the sector has suffered in recent years from violence, industrial fires, and disease.



Beekeepers receive training in a similar grant earlier this year. ARDI has introduced a total of 316 Iraqi beekeepers to modern practices and technology.

Technical teams consisting of bee experts from the extension center and a local non-governmental organization (NGO) will conduct a seven-day training for the project participants covering the basics of maintaining an apiary and use of supplied equipment. The project will provide an immediate source of income from the sale of honey for the 51 project participants and their families. The new technologies in beekeeping will also be used as a model for other farmers or beekeepers living in the area.

A nine-week training course for 17 extension staff from the Ministry of Agriculture (MoA) begins. The program will prepare these staff members to train additional MoA field staff in a new extension service focusing on participatory methods to engage farmers and respond to their needs. Until now, MoA extension activities have largely relied on demonstrations, formal training courses, and media outreach. The course focuses on new communications skills for participatory training in improved crop cultivation. When the 17 trainees have completed the nine-week course, they will be ready to train other extension field staff. They will lead a new round of training courses for 90 field staff in January 2006.

USAID works with the State Board for Agricultural Lands to create and implement an updated and secure digital system of land registration. Such a system is critical to the success of an emerging private agriculture sector in Iraq, ensuring that land ownership and use is clearly defined for continued sustainability and growth in agricultural production. Although a legal framework for the distribution of state-owned agricultural land to farmers has been established, the MoA lacks the management tools to ensure an efficient process. Additionally, many State Board records were damaged in 2003.

USAID's Agriculture Reconstruction and Development for Iraq (ARDI) program has given the State Board the equipment necessary to create a new land and property registration system, including computer work stations, digital mapping equipment, satellite imagery, and software. ARDI is also working with the State Board to prepare a plan for a national strategy for information gathering and processing.

PROGRAM OBJECTIVES

- USAID has supported over 3,300 projects with not more than 25 percent of total funding coming from Iraqi communities. CAP has established over 600 community action groups (CAGs) in 17 governorates. Five U.S. NGOs each concentrate on a region: north, Baghdad, southwest central, southeast central, and south.
- The northern program focuses on the conflict prone areas of the Sunni Triangle, Mosul, Kirkuk and the Iran-Iraq border. The partner NGO has completed 651 projects with over \$20 million in project commitments including improving the Tikrit water supply, and developing income generation projects in the north.
- In the southwest central region, the partner NGO has established a strong presence in Hillah and the Shi'a holy cities Najaf and Karbala. Emphasis on critical infrastructure needs has improved community water/sanitation services and schools, and repaired vital social infrastructure. The NGO has completed 365 projects and has over \$21 million in project commitments.
- Income generation is an important emphasis in the Baghdad program where 543 projects have been completed through CAGs. A marketplace for over 700 vendors is being constructed, and crews are cleaning up medical waste dumps. Total project commitments are \$21 million.
- In the southeast central region, 201 projects are complete with a total of \$18.5 million in commitments. In the Shi'a heartland, these projects address needs resulting from decades of government neglect and focus on water, sewerage, community clean-up, and school rehabilitation.
- The southern program has completed 765 projects with total commitments of \$23 million. Projects have focused on immediate community needs such as sewage clean up, water treatment and distribution, public health, and girls' access to education.

The Community Action Program (CAP) works in rural and urban communities to promote democracy and prevent and mitigate conflict. Working directly through partner NGOs and in consultation with local government representatives, USAID is creating representative participatory community groups to identify critical priorities and implement programs to address those needs.

HIGHLIGHTS THIS WEEK

USAID partners complete construction of a new school in Qadisiyah governorate. The area, previously underserved by dilapidated buildings, has suffered from poor primary school enrollment. The new building should help improve local enrollment and provide students with both a place for learning and socialization. Additionally, the program has helped to establish a Parent-Teach Association (PTA) at the new school to encourage community interest in primary education and to provide a means for resolving any future problems. The project should directly benefit 122 individuals, including 82 female teachers and pupils.

CAP is rehabilitating a 10km road in the Wassit governorate in coordination with a local municipality. The road is both a vital conduit for moving local produce and the primary connection between a major city and the surrounding villages and farms. CAP has assisted in the planning, procurement, and management of the rehabilitation project, while assisting the local municipality to take on a larger management and maintenance role in the future. The rehabilitated road will directly benefit 4,400 individuals.

Work continuing on street mural project in the Qadisiyah governorate. The project, working with local painters to decorate urban areas with positive images of Iraq, hopes to improve the look of public places. Increasing numbers of amateur and professional artists have become involved in the project, and leaders hope to work with a total of 120 artists and talented students.

Construction continues on secondary school for girls in the Maysan governorate. The current school, the only local institution for women, consists of 12 crowded rooms and one working toilet. The construction is adding five expanded classrooms and renovating the latrines. Additionally, the school is being supplied with 10 computer systems, desks, and chairs. Upon completion, the project will benefit over 450 female students, teachers, and staff. This project is part of CAP's efforts to improve educational infrastructure and increase student enrollment throughout the country.

Two universities in central Iraq begin planning to establish new Centers for Excellence (CFE) on campus. The CFEs will offer top-quality training to selected university students and staff, as well as facilitate a connectivity program linking Iraqi students with their peers in the United States. Discussions are also underway to secure internet service, as well as highly qualified trainers, for each CFE to establish computer skills programs for students. The connectivity program will be designed to enhance cross-cultural understanding and break down barriers between the two cultures.

MAJOR ACCOMPLISHMENTS TO DATE

- Awarded 4,480 small grants totaling \$307 million for quick impact activities that support good governance, civil society, conflict management and mitigation, human rights and transitional justice.
- Funded 144 grants totaling over \$5 million that focus on women's issues, including supporting the rehabilitation of 40 women's centers in Iraq. Rehabilitated over 264 Iraqi national ministries, schools, clinics and other municipal buildings. Supporting 65 Iraqi groups in documenting human rights abuses of the Ba'athist regime and promoting peace, tolerance, and reconciliation.
- Met critical needs during and immediately after the conflict by providing short-term employment, restoring basic government and community services, increasing Iraqi access to information and communication and encouraging protection of human rights.

USAID's Office of Transition Initiatives (OTI) supports the transition to a participatory, stable, and democratic country. OTI provides quick-dispensing, high-impact grants meeting critical needs—providing short-term employment, restoring basic government and community services, increasing access to information and communication, and encouraging protection of human rights.

HIGHLIGHTS THIS WEEK

Telephone network in the industrial section of a central Iraqi city repaired with the help of an Iraq Transition Initiative (ITI) grant. Despite the dilapidated and unreliable condition of the city's telephone network, it remained the community's primary system of communication. The local council prioritized improvements in essential infrastructure including the out-dated telephone network. The ITI grant provided cables and telephone poles as well as other necessary equipment and services. As a result of the repairs, more than 15,000 area residents can now communicate dependably with one another and the outside world.

Northern Iraqi children in some of the country's most under-equipped schools receive basic school supplies through a series of ITI grants. Students from 15 primary, intermediate, and secondary schools were given notebooks, pencils, pens, erasers, and other items. The grants directly benefit students, help ease the financial burden on local parents and schools, and help instill a sense of pride and respect for scholarly ambitions among the children. Parents and the broader community will also benefit indirectly from the improvements in their children's education.

A northern Iraqi NGO works to overcome ethnic tensions through public education campaigns that promote gender equality and women's rights. Supported with materials and supplies through an ITI grant, the NGO worked to help the region overcome its difficult past and ethnic tensions exacerbated by the former regime. The organization facilitated a three-week course for 30 teachers on topics related to women's rights. Following training, teachers designed and produced posters which were distributed throughout a town and to 10 surrounding villages, expanding the training's lessons to the public in a region of approximately 250,000 people.

A local community hall rehabilitated, and over 50 local people find employment through ITI grant. Local authorities identified the construction as a critical project to help promote local economic development and employment of local residents. The hall, originally the primary recreation facility in the area, was looted and burned in 2003. Local investors were able to repair nearly 20 percent of the building, but lack of security and resources prevented the local government from finishing the rehabilitation.

The community hall now provides steady employment for 50 people and is again accessible for social events and community gatherings. With the facility rehabilitated, local authorities are planning further site renovations, including repairing games and rides, creating a children's library, and renovating the swimming pool. Restorations such as these help recreate a sense of normalcy among the recently traumatized community.

COMPLETED PROGRAMS

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Since the cessation of the 2003 conflict, USAID has completed its planned work at Umm Qasr Seaport, re-stored significant portions of Iraq's telecommunications network, rebuilt three major bridges and restored the rail line connecting Umm Qasr with Basra city and points north. USAID also helped avert a humanitarian crisis during the conflict by providing assistance to the United Nations World Food Program. USAID advisors continue to assist with management and distribution of food rations to Iraqi citizens.

SEAPORTS

- The \$45 million program to rehabilitate and improve management at Umm Qasr seaport was completed in June 2004.
- Port reopened to commercial traffic on June 17, 2003; completed first passenger vessel test July 16, 2003.
- Up to 50 ships offload at the port every month.
- Completed dredging to open all 21 berths to deep-sea ships.
- Applied port tariffs on June 20, 2003.
- Renovated the grain-receiving facility to process 600 MT of grain an hour.
- Renovated the administration building, passenger terminal, customs hall, and electrical substations.

TELECOMMUNICATIONS

- Audited more than 1,200 km of the fiber optic backbone network and performed emergency repairs, reconnecting 20 cities and 70 percent of the population.
- Reconstituted Baghdad area phone service by installing switches with 240,000 lines at 12 sites.
- Installed and fully integrated 13 new switches with 14 existing switches.
- Worked with the Ministry of Communications to reactivate more than 215,000 subscriber lines.
- Installed a satellite gateway system at Baghdad's largest telecom exchange and restored international service.
- Trained telecom engineers and technicians in the operation and maintenance of the satellite gateway system and the new switches.

BRIDGES AND ROADS

- Rebuilt three major bridges—Khazir, Tikrit and Al Mat bridges—critical to moving people and commercial products throughout the country.
- Rebuilt a substantial portion of the Iraqi Republican Railway line connecting Basrah with the port of Umm Qasr including physical track construction, installing culverts, and repairing gatehouses. The remainder of the work has been handed over to the Ministry of Transportation (MOT). This work allows shipments of bulk cargo from the port to Baghdad and throughout the country.

FOOD SECURITY

- Worked directly with the World Food Program (WFP) and Coalition Forces to re-establish the Public Distribution System (PDS) in less than 30 days, avoiding a humanitarian food crisis and providing food security throughout the country.
- With Iraqi food distributors, Food for Peace, the WFP, and Coalition Forces maintained deliveries from June through December 2003 in all 18 governorates.
- Played a key role in an agreement between the WFP, CPA, and the MoT that provided the WFP with the resources and authority to continue to support the PDS through June 2004.
- Completed a rapid food security field assessment from 17 impoverished districts in May 2005 and presented assessment findings in the USAID food security forum in August 2005. Forum participants reviewed data to better understand food security in Iraq and recommended actions to reduce risk among Iraq's vulnerable populations.

PROGRAM FINANCIAL SUMMARY

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FY 2003-2006*			
Implementing Partner	Sector	Regions	Obligation
Reconstruction USAID/ANE		Subtotal: \$4,000,978,993	
Abt Associates	Health	Countrywide	\$23,031,886
AFCAP	Logistics	Countrywide	\$91,500,000
America's Development Foundation	Civil Society	Countrywide	\$42,880,157
Army Corps of Eng.	Architecture and Engineering Services	Countrywide	\$38,086,393
BearingPoint	Economic Governance	Countrywide	\$79,583,885
BearingPoint	Economic Governance II	Countrywide	\$103,500,000
Bechtel	Airports, buildings, power, railroads, roads, bridges, port, water and sanitation	Countrywide	\$1,029,833,259
Bechtel	Infrastructure II: Airports, buildings, emergency communications, power, railroads, roads and bridges, Umm Qasr seaport, water and sanitation, Basra Hospital	Countrywide	\$1,319,911,678
CAII	Education	Countrywide	\$56,503,000
CAII	Education II	Countrywide	\$51,809,000
CEPPS I	Iraq Governing Council	Countrywide	\$675,000
CEPPS II	Domestic Observation/Vote	Countrywide	\$68,595,000
CEPPS III	Voter Education	Countrywide	\$45,310,000
CEPPS IV	Elections Administration Support	Countrywide	\$41,000,000
Community Action Program	Development in impoverished communities	Countrywide	\$258,820,000
DAI	Marshlands	South	\$4,000,000
DAI	Agriculture	Countrywide	\$101,352,912
Futures Group	Health	Countrywide	\$30,000
Logenix	Health	North/Central	\$108,506
Louis Berger	Vocational Education	Countrywide	\$30,016,115
Louis Berger	Private Sector Development II	Countrywide	\$95,000,000
MACRO Int'l.	Health	Countrywide	\$2,000,000
Partnership for Child Healthcare	Health	Countrywide	\$2,000,000

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FY 2003-2006			
Implementing Partner	Sector	Regions	Obligation
RTI	Local Governance	Countrywide	\$241,910,757
RTI	Local Governance II	Countrywide	\$85,000,000
RTI	Health Training	Countrywide	\$22,015,750
SkyLink	Airport Management	Bag., Bas., Mos.	\$27,200,000
SSA	Port Management	Umm Qasr	\$14,318,985
UNDP	Trust Fund Contribution	Countrywide	\$5,000,000
UNESCO	Textbook Printing & Distribution: Math & Science	Countrywide	\$10,000,000
UNICEF	Health, Water and Sanitation	Countrywide	\$36,700,000
UNICEF	Education	Countrywide	\$19,600,000
University Partners	<ul style="list-style-type: none"> The Research Foundation of the State University of New York/Stony Brook and the Universities of Chicago, Boston and Oxford The Human Rights Institute, DePaul University College of Law and Italy's International Institute of Higher Studies in Criminal Sciences University of Hawaii, the International Center for Agricultural Research in Dry Areas, University of Jordan and the American University in Beirut Jackson State University, Tougaloo College, Alcorn State University, Mississippi Valley State University, University of Mississippi Medical Center, Benetech, US-Iraq Business Resources University of Oklahoma, Oklahoma State University, Cameron University and Langston University 	Countrywide	\$20,730,000
VEGA	Business Skills Training	Countrywide	\$12,089,702
VFH	Elections Support	Countrywide	\$1,000,000
WHO	Strengthen Health System	Countrywide	\$10,000,000
WHO	Health	Countrywide	\$4,808,858
World Bank	Trust Fund Contribution	Countrywide	\$5,000,000
Yankee Group	Telecoms Planning	Countrywide	\$58,150
Emergency Relief USAID/DCHA/OFDA.....			Subtotal: \$182,794,981
ACTED	Water and sanitation, health/hygiene, education	Eastern Iraq	\$2,995,793
Administrative	Administrative Costs	Countrywide	\$8,991,845
AirServ	Logistics	Countrywide	\$5,309,876
ARC	Capacity Building	Central and Southern Iraq	\$537,746
CARE	IDP Assistance, Quick-impact Projects, Water and Sanitation, Health, Emergency Relief Commodities	Countrywide	\$9,043,148
The Cuny Center	Research Studies	Countrywide	\$40,260
GOAL	Coordination, Nutrition	Al Muthanna' and Dhi Qar	\$1,507,900
InterAction	Coordination	Countrywide	\$92,860
IDA	Health	Countrywide	\$1,318,437

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FY 2003-2006			
Implementing Partner	Sector	Regions	Obligation
IMC	Health, IDP Assistance, Food Security, Nutrition, Water and Sanitation, Capacity Building	Countrywide	\$34,832,887
IOM	IDP Assistance	Central and Southern Iraq	\$18,892,470
IRC	IDP Assistance, Health, Water and Sanitation	Countrywide	\$8,000,411
IRD	IDP Assistance, Health, Water and Sanitation, Livelihoods, Emergency Relief Commodities	Northern and Central Iraq	\$17,076,190
Logistics	Emergency Relief Commodities and USAID/DART Support	Countrywide	\$22,771,653
Mercy Corps	IDP Assistance, Health, Emergency Relief Commodities, Shelter, Water and Sanitation	Countrywide	\$25,251,114
SCF/US	Food Security, Health, IDP Assistance, Shelter, Nutrition, Emergency Relief Commodities, Water and Sanitation	Countrywide	\$8,638,652
UNICEF	Health, Nutrition, Water and Sanitation	Countrywide	\$4,000,000
OCHA	Coordination and Information	Countrywide	\$1,200,000
USAID/Jordan	Support for Emergency Water Activities	Countrywide	\$500,000
WFP	Food Security, Logistics	Countrywide	\$5,000,000
World Vision	Health, Logistics, Emergency Relief , Water and Sanitation	Countrywide	\$6,793,739
USAID/DCHA/FFP.....			Subtotal: \$425,571,000
WFP	Operations	Countrywide	\$45,000,000
WFP	Emerson Trust—81,500 MT	Countrywide	\$40,337,000
WFP	P.L. 48– Title II emergency food commodities—163,820 MT	Countrywide	\$140,234,000
WFP	Regional Purchase—330,000MT	Countrywide	\$200,000,000
USAID/DCHA/OTI.....			Subtotal: \$382,626,933
Administrative	Administrative Costs	Countrywide	\$10,669,468
IOM	Iraq Transition Initiative	Countrywide	\$6,462,167
DAI	Iraq Transition Initiative	Countrywide	\$354,500,376
Internews	Media	Countrywide	\$160,359
Radio SAWA	Media	Countrywide	\$400,000
NDI/IRI	National Governance	Countrywide	\$650,000
IFES	National Governance	Countrywide	\$1,042,315
ICNL	Civil Society	Countrywide	\$39,238
Spa War**	Inter-Ministry Communications	Countrywide	\$8,703,001
TOTAL USAID ASSISTANCE TO IRAQ FROM 2003-2006			\$4,991,971,907

* Figures in funding sheet are subject to change and do not represent a final official accounting of USG obligations.

** For accounting purposes, funding for this activity has been obligated by OFDA under an existing interagency agreement.