



1. CAS/CPS Data	
Country: Iraq	
CAS/CPS Year: FY13	CAS/CPS Period: FY13 – FY17
CLR Period: FY13 – FY17	Date of this review: December 6, 2017

2. Ratings		
	CLR Rating	IEG Rating
Development Outcome:	<i>Moderately Satisfactory</i>	<i>Moderately Satisfactory</i>
WBG Performance:	<i>Good</i>	<i>Good</i>

3. Executive Summary

i. This Completion and Learning Review for the World Bank Group (WBG) Country Partnership Strategy (CPS) for Iraq covers the period, FY 13-17. This is the first WBG CPS for Iraq following three Interim Strategy Notes (ISNs). At the Performance and Learning Review (PLR) in May 2015, the CPS was extended by one year to FY 17, to accommodate a shift in WBG’s strategic focus in response to the security and economic crisis and to support the government in macroeconomic stabilization and reconstruction.

ii. Iraq is an upper-middle income country with a GNI per capita income of \$5,430 as of 2016. Iraq’s economy has relied on oil for foreign exchange and public financing. During the CPS period, Iraq was hit by a sharp drop in the oil price in 2014 and the resurgence of internal conflict, reversing the small gains in poverty reduction that were attained between 2007 and 2012. By 2014, the poverty headcount was estimated at 22.5 percent, close to the level recorded in 2007. Since then, almost 3.5 million Iraqis have fled their homes due to violence. The Systematic Country Diagnostic (SCD) reports that multidimensional poverty in Iraq – poor health and education outcomes and limited access to essential services – is at 35 percent, which is higher than consumption poverty. After growing by 12.4 percent in 2013, non-oil GDP contracted by 20 percent between 2013 and 2016 and Iraq lost around \$33 billion in international reserves. The authorities launched a process of fiscal consolidation and macroeconomic stabilization with the support of the international community. Per the International Monetary Fund (IMF) 2017 Article IV, the process of consolidation has advanced, but at a slower pace than expected, due in part to the financing demands from efforts to stabilize the country. The forecast is that by the end of 2017 economic growth could return; and if the expected pace of fiscal consolidation holds and the primary deficit is reduced, public debt could begin to stabilize.

iii. At the time of the CPS preparation in late 2012, Iraq was at a crossroad. An Iraqi-led political consolidation was underway, with two national elections since 2003. Foreign troops had withdrawn in December 2011 and the international community was winding down grant support. Oil production was increasing and oil prices rising, buttressing public finances. Oil and non-oil growth over the previous three years exceeded 7 percent. The Government, through its National Development Plan (NDP), 2010-2014 had set ambitious goals of economic growth, poverty reduction, and diversification from oil, decentralization, overall economic reconstruction and better governance.

CLR Reviewed by:	Panel Reviewed by:	CLR Review Manager/Coordinator
Luis Alvaro Sanchez Consultant, IEGEC	Nils Fostvedt Consultant, IEGEC	Pablo Fajnzylber Manager, IEGEC
Igor E. Artemiev Consultant, IEGEC		Lourdes N. Pagaran CLRR Coordinator, IEGEC



iv. Against this background, the WBG prepared in November 2012 the first Country Partnership Strategy (CPS) for Iraq, built on three pillars: (i) improving governance, (ii) supporting diversification for broadly shared prosperity, and (iii) improving social inclusion and reducing poverty. The CPS was intended to be a turning point in the WBG's strategy in Iraq, reflecting a shift in strategy from reconstruction to development and leveraging government's resources to finance development efforts. Notwithstanding the optimism, the CPS noted the high risks associated with fragile political and security situation in the country and the region, the high dependence on oil, the limited government capacity, and the immense reconstruction needs. In 2014, circumstances changed drastically with the emergence of ISIS and the collapse of the oil prices later that year.

v. In September 2014, the new government launched a new strategy (recovery blueprint 2015-2018) that focused on economic stabilization and reconstruction in areas recovered from the conflict. In response, the WBG's 2015 Performance and Learning Review (PLR) extended the CPS period by one year to FY17 and proposed to support the government in macroeconomic stabilization and reconstruction. To that effect, the PLR dropped the original three pillars and consolidated the program to two new pillars. However, the PLR maintained the seven original objectives and 12 of the original 15 outcome indicators, and added two new ones. The new pillar 1 (strengthening public service delivery in Iraq) subsumed the infrastructure and social services objectives while the new pillar 2 (addressing the country's fiscal situation and increasing opportunities for the private sector) absorbed governance, finance, business environment and social assistance objectives). Thus, the resulting structure of objectives and indicators did not fully reflect the shift in strategy and changes in program interventions. While the IFC agenda was well articulated in both the CPS and PLR, it was not well captured, and only marginally in the results framework.

vi. The beginning of the CPS period was marked by the closure of the Bank's mature portfolio consisting of five IDA (\$550 million) and 14 grant-financed operations (\$ 326 million), with the expected closure of the Iraq Trust Funds (ITF) in FY 14. At that time, expectations of rising public revenues from oil called for less emphasis on the transfer of financial resources, and a shift in Bank interventions to Advisory Services and Analytics (ASA). To that effect, the CPS set an indicative lending envelope of \$ 600-900 million for FY13-FY16, complemented with ASAs including ESWs, TAs and RASs. The Bank delivered 60 ASA pieces, which supported the design of the policy content of the DPFs.

vii. Six operations were planned with total commitments of \$540 million. Of the planned six operations, only one transport operation was delivered in FY14. After the twin crises hit, the five remaining operations in the original pipeline were replaced by four operations, including two investment lending operations: a multi-sector investment operation (FY16) focused on priority investments in areas recovered from ISIS, and Modernization of Public Financial Management (FY17) and two Development Policy Financing (DPF) operations (FY16/FY17, respectively) supporting fiscal consolidation. In all, the Bank committed a total of IBRD financing of \$ 3.035 billion after the twin crises.

viii. IFC committed \$451 million investment in 11 projects with nine partners, in line with its annual target of \$ 100-150 million set in the CPS. IFC's engagement was concentrated in infrastructure and construction materials. During the CPS period, MIGA issued two guarantees for a total amount of \$18.7 million. During the review period, IFC initiated 12 advisory projects for \$ 17.23 million. Five AS projects were terminated or dropped, four of them in the financial sector.

ix. IEG rates the CPS overall development outcome as Moderately Satisfactory. Out of seven objectives, one objective was achieved and three mostly achieved. Achievements include around 1.5 million additional people connected to improved water and sanitation services in Baghdad and other urban areas; 640 MW additional electricity generation capacity, and close to 200,00 beneficiaries with access to rehabilitated irrigation services. An improved understanding of poverty incidence and its characteristics has informed policy making and social assistance rosters have been streamlined to sharpen eligibility for social transfers. Iraq has been Extractive Industries



Transparency Initiative (EITI) compliant since 2012, although it is not yet compliant with 2016 guidelines. The education outcomes were mostly achieved, and results delivered at the beginning of the CPS. No follow-on operation was discussed in the CPS, raising the issue of sustainability of results. RASs were planned for education and health at the CPS, but did not materialize. IFC's technical assistance has contributed to a reduction in the days taken to obtain a construction permit. Progress otherwise has been modest. Expected improvement of road conditions along the critical North-South highway did not happen due to effectiveness delays and lack of counterpart financing. While the health outcome as measured by the proportion of pregnant women receiving antenatal care was reported to be achieved, the information could not be verified from project documentation, while the delivery of iron supplements did not materialize. Expected achievements in improving the regulatory framework for the financial sector did not materialize. Progress in managing the large state-owned enterprise sector has been slow and difficult.

x. On balance, IEG rates the overall WBG performance as good. The rating of good is largely driven by implementation performance. The response to the 2014 crises was prompt. The new government took office in September 2014, the PLR was discussed at the Board in early FY 16 and the Board approved two operations soon thereafter. The Bank's financial response was significant, with total IBRD commitments reaching \$3.035 billion after the twin crises, which jointly with funds provided by the IMF and other donors supported the country's ongoing fiscal consolidation. The policy content of the two DPF operations is in line with the priorities of fiscal consolidation, and work on public investment, and SOE reform is aligned with the CPS agenda. A significant body of analytical work was provided by both the Bank and IFC to drive the dialogue with government and design the new operations. IFC kept up its commitment to mobilize annually between \$100 and \$150 million, and drove delivery of results in electricity and business environment, albeit the results in the financial sectors were weak. To implement the program, the Bank continued to use innovative approaches, such as satellite imagery, remote sensing, social media analysis and third parties, including communities of beneficiaries, to monitor project implementation, track delivery, and comply with safeguards requirements.

xi. Although the CPS program was aligned with the national strategy, and consistent with analytic work and the twin goals, the link between program design and interventions was uneven. Given the difficult implementation environment, the PLR could have streamlined the program objectives and indicators to enhance focus and effectiveness. Moreover, the results framework did not capture fully the IFC activities and it did not clearly articulate the mechanisms for WBG coordination to enhance impact and development effectiveness. Of the twelve projects closed and validated by IEG during the CPS period, nine triggered social and environmental safeguards policies in the education, water, and transport and energy sectors. During the CPS period, INT undertook three investigations into misconduct in World Bank-financed operations, and found evidence as well as indicators of corruption in all three projects, underscoring the challenges of maintaining integrity in the procurement process. Finally, Iraq's portfolio both active and closed performed less well than its comparators (MNA and Bank-wide) using different criteria including projects rated MS or better, disbursement ratio and projects at risk.

xii. IEG concurs with the following CLR lessons: (i) need for flexibility and timely responses in FCV context; (ii) use of innovative approaches to implement and monitor in fragile environment; (iii) effective service delivery to renew social contract between citizens and state.

xiii. IEG adds the following lessons:

- Significant strategic shifts in country engagement would need to be reflected not only in lending and ASA programs but also in the results framework. In the case of Iraq, the Bank's shift in strategy at the PLR was reflected through its lending program but not in the results-framework. The PLR is an important WBG instrument available to the team and could be used more effectively to realign programs to shifting realities and sharpen the results framework.



- There is significant scope for effective IFC and MIGA engagement in a middle-income-country even in the presence of conflict. In the case of Iraq, the two institutions helped mobilize private resources to achieve critical objectives in infrastructure. For instance, their potential to play a larger role could be enhanced by a more active and coordinated use of MIGA's Conflict-Affected and Fragile Economies Facility (CAFEF). Using this facility could help MIGA derive some comfort when operating in middle income countries in conflict environments.
- In an environment of sustained fragility and conflict, the DPF instrument is best anchored on a solid partnership with the Government and other development partners to manage risks and raise the odds of success. The experience in Iraq shows that the DPF instrument could potentially be a more effective instrument to build synergies with other donors to deliver financial resources rapidly with the aim of macroeconomic stabilization and helping the country gain its footing to resume growth. However, the significant infusion of financial resources with accompanying reform measures are not likely to deliver results immediately, calling for more time, persistence and additional resources, as has been the case with a second DPF during this CPS. The challenge going forward is how to monitor results and establish parameters for providing significant financial resources if fiscal consolidation and stability do not materialize in the medium term.

4. Strategic Focus

Relevance of the WBG Strategy:

1. **Congruence with Country Context and Country Program.** Iraq was at a crossroad in 2012 when the CPS was prepared. The foreign forces had withdrawn in 2011 and an Iraqi-led political consolidation was underway since 2003. Higher levels of oil production and rising prices were providing needed resources. The international community was phasing out grant support. The government's National Development Plan (NDP) 2010-2014 had set ambitious goals of economic growth, and poverty reduction. Nine strategic goals targeted growth centered poverty reduction, regional development, productivity, competition, and service delivery. The NDP built on the 2009 Poverty Reduction Strategy (PRS) that had set targets on poverty reduction and social outcomes, with gender as a cross-cutting theme.
2. Against this background, the WBG prepared in November 2012 the first Country Partnership Strategy (CPS) that was built on three pillars: (i) improving governance, (ii) supporting diversification for broadly shared prosperity and (iii) improving social inclusion and reducing poverty. The CPS design was well aligned with the country strategy and shared its optimism. In 2014, circumstances changed drastically with the emergence of ISIS (that conquered Mosul in June 2014) and the collapse of the oil prices later that year. These two developments dealt a sharp blow to non-oil economic growth that contracted 20 percent during the 2014 to 2016 period. Fiscal stability suffered and public debt escalated from 31 percent of GDP in 2013 to 61 percent in 2016. International reserves dropped from \$ 77.8 billion in 2013 to \$ 43 billion in 2016. Almost 3.5 million Iraqis have fled their homes since 2014 due to violence. Considering the previously displaced population and inflows of refugees from the region, mainly Syria, the total of displaced people in Iraq stands at around 4.3 million. Refugees have moved mostly to urban areas pressuring service delivery.
3. In September 2014, the new government issued a recovery blueprint for 2015-2018 and initiated a process of fiscal consolidation, but progressed at a slower pace than expected, partly because of the spending pressures stemming from the military campaign against ISIS. In response, the Progress and Learning Review (PLR) adjusted the CPS program and extended the CPS period by one year to FY 17 to accommodate the shift in strategy and changes in the program focus. First, the PLR sought to shift from medium term concerns with institution building and diversification to short-term priorities around macroeconomic stability and service delivery. Second, it committed to increase the financial resource envelope, at the request of the government. Third, it modified the lending



pipeline, by dropping the originally planned investment operations, to support new operations focused on the reconstruction of areas recovered from ISIS and budget support operations to help with macro and fiscal stabilization and advance the governance agenda.

4. **Relevance of Design.** The links between the CPS objectives and their supporting programs were uneven. Several of the objectives were well backed by lending operations, AAA and grant financing as was the case for water and sanitation, electricity, transport and EITI. In education, health, finance, and governance the link between objectives, indicators and programs was weak mainly because the supporting programs were ending early in the CPS period and continuing engagement in support of the objectives was not clearly outlined. RASs were envisaged in education and health but did not materialize. In some cases, it was unclear how the supporting program would deliver on the stated objectives, which had ambitious targets such as “compliance with Basel Core Principles.” In other cases, the program objective was difficult to measure (Objective 2.2). The PLR consolidated the program in two new pillars; however, the PLR kept the seven original objectives and 12 of the original 15 indicators and added two new ones. The new pillar 1 (strengthening public service delivery in Iraq) subsumed the infrastructure and social services objectives while the new second pillar and the second pillar (addressing the country’s fiscal situation and increasing opportunities for the private sector) absorbed governance, finance, business environment and social assistance objectives). By keeping the structure of indicators and objectives almost intact, the PLR missed the opportunity to tighten the link between objectives and supporting program and better reflect the strategic shift that took place.

5. Broadly, the IFC program was relevant to the program objectives but the results framework in the CPS and the PLR drew only sporadically on planned IFC activities. Except for the inclusion of construction permit reform, the CPS objectives and indicators did not reflect the contribution of the IFC program. Thus, indicators on expanding electricity generation capacity did not incorporate IFC investments that would end up making a significant contribution. IFC also contributed to attaining CPS objectives in infrastructure with investments in two cement plants, financial sector and telecom as well as advisory services, but not reflected in the results matrix.

Selectivity

6. The seven CPS objectives and 15 indicators do not appear overly dispersed for an upper middle-income country. The program, however, was demanding given the implementation environment, which included a difficult security situation, a fractured political environment, uneven government ownership, and low implementation capacity on the side of government. At the PLR, the twin crises further taxed the resources and capacity of government, pointing to the heightened need for selectivity and effectiveness. The PLR, reflecting on lessons from past implementation, put forth the need for selectivity: “Engage in fewer areas where needs are the greatest and where the WBG has the most comparative advantage and impact.” The PLR’s attempt to revamp the program by reducing the number of pillars from three to two pillars, while retaining the bulk of the objectives and indicators, came short in its stated commitment to enhance selectivity.

Alignment

7. The CPS program was relevant to the WBG’s twin corporate goals of reducing poverty and boosting shared prosperity in a sustainable manner. The CPS was aligned with the NDP, which targeted rapid economic growth, sharp poverty reduction, and more equitable regional outcomes. Several of the CPS indicators focused directly on poverty and inclusion (education, health, water and sanitation, measuring poverty, cleaning up the poverty registries), while other indicators did so indirectly (transport, electricity.) With hindsight, the CPF alignment fits well with the constraints for achieving the twin goals identified by the 2016 Systematic Country Diagnostic (SCD.)



5. Development Outcome

Focus Area 1 - Strengthening Public Service Delivery

Objective 1.1. Strengthened infrastructure services

8. This objective was supported by Transport Corridor Project (FY14); Emergency Community Infrastructure Rehabilitation Project (FY05); the Dokan & Derbandikhan Emergency Hydropower Project (FY07); the Emergency Electricity Reconstruction Project (FY07); the Emergency Operation for Development (FY16), and IFC MGES Power project (FY16.)

9. There are three outcomes supporting this objective: (i) improved road and transport connectivity on selected road sections along Expressway 1 and the North-South Transport Corridor in Iraq; beneficiaries from rehabilitated and drainage water systems and increased electricity available generation capacity.

10. Improved road and transport connectivity in selected road sections. The indicators (roads in fair condition, reduced traffic fatalities and female beneficiaries) under this outcome have not been met. Conflict has delayed implementation of the supporting Transport Corridor Project, which took one year and a half to become effective. The complementary contribution of the Islamic Development Bank was also delayed due to lack of counterpart financing as the economic downturn reduced the availability of local funds. Two IFC projects contributed to enhance transport connectivity, both consistent with the CPS objective but not included in the results framework. The first project supported the development of a logistics and oilfield supply facility through a repeat loan to a United Arab Emirates (UAE) freight and port services company. The second project, an equity investment, in 2014, is helping a Jordanian freight transportation services company implement a truck control system (TCS) that would facilitate cargo movement across the border at Umm Qasr port. Working with IFC, MIGA provided a political risk guarantee to the sponsor of the TCS. Other IFC engagements related to infrastructure, but not captured in the results framework, include its second largest investment in the country in the leading cellular telephone operator of Iraq. The loan allowed the operator to mobilize international capital and is helping replace older non-compliant 3,700 transmission towers scattered around the country. However, the impact of the project has been held back by the weak regulatory framework in the Iraqi telecom sector. Separately, MIGA issued a guarantee to a French investor in high speed mobile broad band data and internet service provider in the Kurdish Region of Iraq (KRI). On balance, this outcome was not achieved.

11. Beneficiaries from rehabilitated irrigation and drainage water systems. As of 2016, about 194,000 beneficiaries had access to rehabilitated irrigation and drainage water services, exceeding the target of 52,750 beneficiaries. The outcome was delivered under the Emergency Community Infrastructure Rehabilitation Project. This outcome was achieved.

12. Increased electricity available generation capacity (MW) in power plants supported by the World Bank. The Bank and IFC contributed to increasing additional generating capacity by 648 MW, exceeding the target of 510 MW. The Bank contributed to an additional capacity of 148 MW through the Dokan and Derbandikhan Emergency Hydropower plant. In addition, the Bank also supported the development of the Iraq National Energy Strategy (INS.) However, the expected contribution from the Emergency Electricity operation that supported restoring the base load generation capacity of the Hatha Power Station did not materialize. An additional 500 MW generating capacity was delivered with IFC's support. IFC MGES Power project, approved in December 2015, extended a debt and equity package to an Iraqi owner and operator of the 1000 Megawatt open-cycle gas-fired ("OCGT") independent power plant ("IPP") in the Kurdish Region of Iraq ("KRI"). The IFC investment helped to mobilize additional financing for the same project. The project is completed and is operational. This outcome was achieved.

13. On balance, Objective 1.1 is *Mostly Achieved*. Outcome targets on improving irrigation infrastructure and increasing electricity generation capacity have been met. Work on transport is yet to



deliver results due to difficult implementation environment that included the escalating conflict and tighter fiscal constraints.

Objective 1.2. Improved Delivery of Health, Education, and Water Supply Services

14. This objective was supported by the Second Emergency Primary Health Care Assistance Project (FY11); Emergency School Construction and Rehabilitation Project (FY05); the Third Emergency Education Project (FY06); Emergency Baghdad Water Supply Project (FY05); the Emergency Water Supply Sanitation and Urban Reconstruction Project (FY08); Emergency Reconstruction Operation (FY16) and IFC Suleymaniah Wastewater Treatment Plan AS Project.

15. This objective was to be measured by five indicators: (i) percent of pregnant women receiving antenatal care facilities in Southern Iraqi Marshlands and Babil Governorate; (ii) percent of pregnant women receiving iron supplements; (iii) students benefitting from improved conditions of learning in new school buildings and classrooms; (iv) number of additional seat available resulting from newly built schools to reduce overcrowding and (v) number of people benefitting from rehabilitated water supply systems.

16. Percent pregnant women receiving antenatal care facilities in Southern Iraqi Marshlands and Babil Governorate and (ii) iron supplements. The CLR reports that the share of pregnant women receiving antenatal care at primary health care facilities increased to 85 percent by May 2013, below the 90 percent target. The last ISR (May 2013) for the project reported that 66 percent of women received antenatal care and 84 percent as end target, specifying that the end result will be verified in a follow-up survey scheduled to be completed by May, 22nd 2013. The Completion Report for this project indicates that the outcome indicator related to the increase in the number of women per month receiving antenatal care was achieved, without specifying the actual rate. On iron supplements, the CLR reports that the distribution rate was 20.97 percent, below the baseline of 26.1 percent because supplier of drugs was unable to distribute the planned number of iron supplements. Additional support to deliver on health objective was approved in July 2015 through the Emergency Reconstruction operation to restore health services in ISIS liberated areas in the South. The latest ISR for the project does not report any progress on these two health indicators. On balance, the first health could not be verified and the second health outcome was not achieved. On balance, the overall outcome was not achieved.

17. Students benefitting from improved conditions of learning in new school buildings and classroom and number of additional seats. A total of 84, 899 students (exceeding the target of 72, 688) were reported to have benefited from school construction and rehabilitation per the ICRR of the Emergency School Construction & Rehabilitation project. On the second indicator, 31,680 additional seats were created from the newly built schools and extensions, as reported at project completion of the Third Emergency Education Project. It is noted that the two operations closed in the first two years of the CPS period; and with no follow-on operation, the sustainability of results is at risk. It is also noted that a higher education RAS was proposed at the CPS, but did not materialize. On balance, this outcome is considered mostly achieved.

18. Rehabilitated water supply. The number of people benefitting from rehabilitated water supply reached around 1.5 million, exceeding the target of 815,000. Although a follow-on project was dropped after the PLR, the water and sanitation agenda has been taken up under the Emergency Operation for Development (FY16). The latest ISR informs that an additional 120,000 people have access to improved water in urban areas. Although not included in the CPS results matrix, IFC supported improvements in water treatment through its Suleymaniah Wastewater Treatment Plan AS project (FY14) aimed at advising the Kurdish Regional Government (KRG) for the development and implementation of a greenfield wastewater treatment plant on a PPP basis. However, two years later the project was terminated due to KRG's budget constraints. KRG was also affected by the unexpected invasion of ISIS into Iraq that limited IFC's possibility to remain involved in this project in Kurdistan. This outcome was achieved.



19. On balance, Objective 1.2 was *Mostly Achieved*. Only the water sanitation targets were achieved. The education targets were mostly met, although they were delivered in the early part of the CPS coinciding with the closure of the ITF in FY 14. A RAS was planned for higher education, but it did not materialize. The health targets were not met or could not be verified.

20. Focus Area 1 is rated *Moderately Satisfactory*. Outcome targets on irrigation, electricity generation, and irrigation were met or surpassed. The education targets were mostly met; however, with no information on follow-up during the CPS period, raises the issue of sustainability. With two objectives rated as mostly achieved and another achieved, the overall rating for Focus Area 1 is *Moderately Satisfactory*.

Focus Area 2: Addressing the country's fiscal situation and increasing opportunities for private sector investment

Objective 2.1. Improved transparency of oil revenue management and efficiency of public spending

21. This objective was supported through the Extractive Industries Transparency Initiative (FY11); Public Expenditure Review (PER): Toward more efficient spending for better services (FY13); Water Sector Public Expenditure Review (FY14); Iraq Emergency Fiscal Stabilization, Energy Sustainability and State-owned enterprises DPF (FY16).

22. Two indicators were to measure to achievement of this objective: (i) Iraq conducting itself as an Extractive Transparency Initiative (EITI) compliant country and (ii) implementation of PER recommendation on improved efficiency of public spending.

23. Iraq conducting itself as an Extractive Transparency Initiative (EITI) compliant country. Iraq has remained in good standing since it became EITI compliant in December 12, 2012. The country has produced four consecutive Reconciliation Reports by December 30, 2016 covering 2013-2016; albeit Iraq has yet to comply with the 2016 guidelines. The CLR reports active participation of civil society in monthly EITI Council meetings. Additional information from the country team indicates sustained active civil society participation in EITI meetings with the latest held in January 2017. (<https://eiti.org/Iraq/Reports>). This outcome was mostly achieved.

24. Implementation of sector Public Expenditure Review (PER) recommendations focused on improved efficiency of public spending. The PER: *Toward more efficient spending for better service delivery in Iraq* was prepared in FY14. One of its recommendations was related to the need to carry out a PER and policy work in the water sector. In this respect, the WBG-supported Iraq PER Water Sector Public Expenditure Review (P143421, FY14) was delivered in FY16. Progress has also been made on capital budgeting with the support of the 2015 DPF. The CLR reports that by December 2016, 5 percent of capital projects valued at over US500 million were backed by a feasibility study including cost benefit analysis. The documentation for the 2016 DPF corroborates this information. This outcome was achieved.

25. Objective 2.1 was *Mostly Achieved*, given Iraq's compliance with the EITI agenda and implementation of one of the PER recommendations.

Objective 2.2. Achievement of one or more features of the Governance Action Plan

26. This objective was supported through the Technical Assistance and Capacity Building Fund (ITF, FY15). A single indicator was to measure the achievement of this objective.

27. Governance Action Plan to achieve greater transparency, accountability, participation under implementation. The final program implementation report (April 2015), indicates that the Government's Action Plan (GAP) for 2015-2017 has been prepared and that the Government has endorsed four of the 12 GAP recommendations. These four actions covered improved budget transparency, preparation of sector strategic plans, public consultations with private and social actors, and SOEs and Public Private Partnerships. The CLR reports on actions that were taken on these four areas during



the CPS, such as: (i) preparation for the launching of the Open Budget Initiative in 2015 and developing strategies to improve rankings, (ii) preparing annual budget strategic plans in two pilot ministries, (iii) holding regular and structured consultations between the government, civil society and the private sector about the preparation of new laws and regulations impacting private-sector development, and (iv) preparing four reports documenting progress in implementing the Government of Iraq SoE Reform Roadmap. However, the objective and the outcome indicator refer to achievement of one or more features of the Governance Action Plan and neither the CPS nor PLR provide concrete indicator or target against which to assess achievement of this objective. Information contained in the Program Document on the first DPF and second DPF do provide, however, a stocktaking on governance issues covered under the CPS. First, on transparency, the Open Budget Index shows deterioration from 2012 to 2015, confirmed by the 2016 update. Iraq's budget transparency is classified as scant to none, at the bottom of a 103-country ranking. Only the enacted budget was available to the public in 2016. Second, efforts at public private dialogue have been sporadic and their impact unclear. Third, the CLR reports that two pilot ministries have prepared strategic plans (2015-2017), but the impact and follow-up are not discussed. Fourth, progress in reforming the SOE sector and introducing PPP has been very limited, as reported under Objective 2.3 below. Thus, while government took actions to implement the Governance Action Plan in the four areas selected, there is no evidence of achievement in any of the four governance areas. This outcome is assessed as partially achieved.

28. The CLR also reports IFC's contributions to this objective through its corporate governance assessment for a local bank. The "United Bank for Investment", an IFC Advisory Services project, aimed at building sufficient institutional capacity to provide banking services more efficiently to Iraqi businesses. A Corporate Governance Assessment for this bank is not available, and, furthermore, the project was dropped in FY17, due to the deteriorating security situation, the financial weakening of the financial position of UBI, and the entry of new shareholders. Hence, this IFC advisory did not contribute to this objective.

29. On balance, Objective 2.2 was *Partially Achieved*.

Objective 2.3. Strengthened approaches to an improved business environment. This objective was supported by the IFC Construction Permit Reform Project approved (FY13); Iraq Private Sector Development TA; Governance Action Plan of the Government of Iraq (FY13-14); Iraq Emergency Fiscal Stabilization, Energy Sustainability and State-owned enterprises DPF (FY16).

30. Two indicators were to measure this objective: (i) time taken to obtain construction permits and (ii) strengthened capacity to restructure state owned enterprises (SOEs).

31. Time taken to deal with construction permits. The 2017 Doing Business Report reports the number of days to obtain a construction permit at 167, above the 128-target set in the CPS. However, the 2015 Doing Business Report had reported 119 days due to methodological changes. Using this new methodology, the number of days reported dropped from 229 to 167, and thus, Iraq's ranking for construction permits in the 2017 Doing Business improved from 130 in 2016 to 104. IFC's Iraq Construction Reform Project that supported the development of a simplified and effective construction permitting system at the national level (Baghdad) and sub national level (Erbil, Basra), was self-rated as Highly Successful. An external and independent evaluation confirmed the rating and recommended rolling out the system, going beyond the permitting process and introducing best-practice standards for urban planning, zoning and building code. This outcome was achieved.

32. Other IFC AS projects relevant to strengthening the business environment included IFC Business Edge training of entrepreneurs. However, the project is rated as unsatisfactory due to delays in implementation caused by the security and economic situation in Iraq, which has made it difficult for IFC to operate. The Iraq Investment Policy Project, aimed at improving the regulatory framework in Basra and started in August 2015, is reported to be progressing well.

33. Strengthened capacity to restructure State Owned Enterprises (SOEs) There is no evidence provided in the CLR that the outcome target "implementation of time bound Action Plan is on track"



has been met. The Bank supported efforts to improve the capacity to manage public enterprises including through the creation in 2014 of the Asset Evaluation Unit (AVU) at the Council of Ministers. Progress has been made in developing a data base to monitor fiscal risks as well as to improve comprehensive, accurate and timely collection of information. But the capacity of the state to manage the SOE sector remains weak per the information contained in the 2016 DPF Program Document. The CLR identifies low local implementation capacity and limited communications between ministries and between the government and the private sector as contributing to slow progress. This outcome was partially achieved.

34. Objective 2.3 is rated as *Partially Achieved*. While the target in the construction permit system was met, progress on strengthening the capacity to restructure SOEs has been slow.

Objective 2.4. Strengthened supervisory framework for financial intermediation and capacity of financial institutions

35. This objective was supported by the Banking Sector Reform Project (FY09) and the IFC Iraq Financial Infrastructure AS.

36. Compliance by the Central Bank of Iraq with Basel Core Principles (BCP). The supporting Banking Sector Reform Project, closed at the beginning of the CPS period. According to the ICRR of this project, the goal related to the strengthening of the supervisory framework for financial intermediation of the Central Bank of Iraq was substantially advanced through trainings (notably on international best practices) and TA and an action plan was prepared to address deficiencies related to its adherence to international codes and standards. In addition, the ICRR reports that the objective related to capacity-building of financial institutions in support of Phase 1 of the Banking Reform Strategy was substantially achieved. The CLR reports that the reforms supported under the project contributed to raising the capital adequacy ratio in January 2016. However, after the project was completed the Bank did not deliver any additional support towards achieving the objective. The security situation in Baghdad precluded a full Basel Core Principles assessment. The CLR informs that an ongoing independent audit, the first in 11 years, will assess the accuracy and sustainability of these gains. The CLR notes that the IMF is providing some technical assistance on these regulations. Since the Central Bank of Iraq is not yet compliant with the Basel Core Principles, the outcome was not achieved.

37. IFC supported the financial sector with weak results. First, in 2016 IFC terminated the IFC Iraq Financial Infrastructure Project aimed at enacting credit reporting laws and regulations and developing a credit registry, secured lending and leasing. Second, no information is available on the status of the Iraq Bank Advisory Services Project, launched in 2013 and aimed at expanding access to finance for SMEs. Third, the IFC terminated a project aimed at channeling the efforts of the Cooperative Housing Foundation (CHF), an international relief organization, to reach micro and small- business entrepreneurs in Iraq. On investments, an equity investment in one of the largest private banks in Iraq aimed at providing much-needed risk capital to grow their banking activities portfolio was rated as Mostly Unsuccessful based on valuation of the equity fair value. Another IFC investment into an existing private Iraqi financial institution with a 10-year history of IFC relations provided an important capital infusion with the objective of increasing medium-term finance for private enterprises, including many SMEs were also rated Mostly Unsuccessful. The limited success of IFC's engagement in the financial sector is due to a great extent to a highly risky operating environment.

38. Objective 2.4 was *Not Achieved*.

Objective 2.5. Strengthened capacity to develop, manage and monitor social protection reforms

39. This objective was supported by the Emergency Social Protection Project (FY06); Iraq: Household Survey and Policies for Poverty Reduction Project (FY07) Poverty and Inclusion in Iraq; Iraq Analytical Tools for Monitoring Poverty (FY15); Iraq Crisis Response (FY16).



40. There were two outcome measures to assess the achievement of this objective: (i) exclusion of ineligible households, and (ii) strengthened analytical foundations for poverty reduction

41. Social Safety Net Reforms: Ineligible households excluded based on use of the Central SSN Beneficiary Database. The CLR reports that by end 2016, 365,000 households deemed ineligible based on poverty targeting were removed from the eligibility database, reversing an increasing trend during the second half of the 2000s and early 2010s, which was weakly targeted. Although the main project support closed at the beginning of the CPS period, the effort was maintained through the enactment of the Social Protection Law in April 2014 (Law 11/2014) which abolished categorical targeting and replaced it with poverty based targeting criteria (means and proxy means-testing). This outcome was achieved.

42. Analytical foundations for poverty reduction strengthened. This outcome was supported by the Iraq: Household Survey and Policies for Poverty Reduction Project (FY07) which closed at the beginning of the CPS period. The ICRR reported the following achievements: (i) the production of data in connection with the completion of the IHSES-1, (ii) increased technical capacity in the data and statistical treatment, and (iii) the completion of a poverty assessment and a Poverty Reduction Strategy. All Governorates had high quality data on household income, expenditure and living standards when the project closed. Two surveys were completed in 2007 and 2012, and two National Household Surveys were completed in 2007 and in 2013, including data on poverty headcount estimate. Progress on this indicator continued through the Poverty and Inclusion in Iraq - (P147153, FY15,), the Analytical Tools for Monitoring Poverty and Vulnerability and Policy Design project (P148989, FY15) and the Iraq Crisis Response project (P154864, FY16) which, among others, permitted to prepare a mapping of the poor in Iraq. This outcome was achieved.

43. Objective 2.5 was *Achieved*.

44. Focus Area 2 is rated as *Moderately Unsatisfactory*. Out of 5 objectives, two were mostly achieved or achieved, and three were partially achieved or not achieved. Notable achievements were noted in weeding out ineligible beneficiaries from the social assistance registers and improving the analytical foundations for the analysis of poverty. Iraq has remained EITI compliant. Obtaining a construction license is now easier; however, there is only partial progress in strengthening the capacity to improve the business environment. First steps have been taken to tighten the criteria for selecting public investment projects. However, there is no indication that the regulatory capacity for financial institutions has improved. Likewise, only limited gains have been made on the governance agenda and strengthening capacity to restructure SOEs.

Overall Assessment and Rating

45. Of the seven objectives, four were either achieved or mostly achieved while three were either partially achieved or not achieved. Achievements include work on water and sanitation, irrigation and electricity. Around 1.6 million additional people are now connected to improved water and sanitation services in Bagdad and other urban areas, providing services to a rapidly growing urban population. The WBG contributed to 640 MW additional electricity generation capacity. As of 2016, about 194,000 beneficiaries had access to rehabilitated irrigation and drainage water services, exceeding the target of 52,750 beneficiaries. In addition, an improved understanding of poverty incidence and characteristics has informed policy-making. Social Assistance rosters have been streamlined to sharpen eligibility. Iraq has been EITI compliant since 2012. IFC work has supported a reduction in the days taken to obtain a construction permit. Advances regarding other objectives have been subdued. Progress in improving road conditions along the critical North-South highway has not met expectations due to delays in the effectiveness of the supporting Bank operation, the impact of the conflict on the ground, and shortfalls in complementary financing from local and foreign sources. Results from health did not materialize or could not be confirmed, while those from education were delivered early in the CPS period and raise the issue of sustainability. Expected achievements in improving the regulatory framework for the financial sector did not happen. Work in budget transparency and SOE



management and performance has progressed slowly. On balance, IEG rates the overall outcome of the CPS objectives as **Moderately Satisfactory**.

Objectives	CLR Rating	IEG Rating
Focus Area I: Strengthening Public Service Delivery:	Mostly Achieved	Moderately Satisfactory
<i>Objective 1.1. Strengthened infrastructure services:</i>	<i>Partially Achieved</i>	<i>Mostly Achieved</i>
<i>Objective 1.2. Improved Delivery of Health, Education, and Water Supply Services:</i>	<i>Mostly Achieved</i>	<i>Mostly Achieved</i>
Focus Area II: Addressing the country's fiscal situation and increasing opportunities for private sector investment:	Mostly Achieved	Moderately Unsatisfactory
<i>Objective 2.1. Improved transparency of oil revenue management and efficiency of public spending:</i>	<i>Achieved</i>	<i>Mostly Achieved</i>
<i>Objective 2.2. Achievement of one or more features of the Governance Action Plan</i>	<i>Achieved</i>	<i>Partially Achieved</i>
<i>Objective 2.3. Strengthened approaches to an improved business environment:</i>	<i>Partially Achieved</i>	<i>Partially Achieved</i>
<i>Objective 2.4. Strengthened supervisory framework for financial intermediation and capacity of financial institutions</i>	<i>Partially Achieved</i>	<i>Not Achieved</i>
<i>Objective 2.5. Strengthened capacity to develop, manage and monitor social protection reforms</i>	<i>Achieved</i>	<i>Achieved</i>

6. WBG Performance

Lending and Investments

46. At the beginning of the CPS period, five IDA financed projects were under implementation corresponding to a total commitment of \$550 million. In addition, a total of 14 trust-funded operations were under implementation with a total approved amount of \$326 million. This was a mature portfolio, with majority of the projects closing between FY 13 and FY 14 in line with the winding down of donor financing and closure of the Iraq TF in FY 14. By FY16, three of the original projects have closed. During the early part of the CPS, only one project, Trade and Transport Corridors (FY14) of the five in the pipeline, was approved. With the emergence of the twin crises, the remaining four projects in the CPS pipeline were dropped: Integrated Financial Management Information Systems, Irrigation Water Management/Water Resources, Water Supply and Sewerage in Baghdad, and Public FM and Governance. At the PLR stage, one project was proposed, Electricity and Distribution Reform and Investment Project, but later dropped. In response to the twin crises, two projects were approved in FY16. First, the Emergency Operation for Development (\$ 300 million) is an investment operation that supports restoring: (i) electricity infrastructure for distribution, (ii) municipal waste water and sanitation, (iii) transport infrastructure and housing reconstruction, and (iv) services. Second, the Iraq Emergency Fiscal Stabilization, Energy Sustainability and State-owned enterprises DPF (\$ 1.2 billion) to support: (i) public expenditure management, (ii) sustainability of energy supply and (ii) transparency of state-owned enterprises. With the extension of the CPS period to FY 17, two additional operations were approved by the Board: Iraq Second Expenditure Rationalization DPF (\$1.443.8 billion and an IPF on Modernization of PFM systems (\$42 million).

47. The five Bank projects approved during the review period (FY13-FY17) committed around \$3.4 billion, compared to the indicative envelope for FY13-FY16 period of \$ 600-900 million. The considerable increase in resources made available to Iraq after the twin crises was directed mainly to budget support with policy reform and reconstruction of target areas recovered from conflict, two



pressing needs for Iraq. The two DPFs accounted for \$2.6 billion or 77 percent of total commitments during the CPS period.

48. During the CPS period, Iraq's portfolio at closing performed less well than its comparators (MNA region) and the rest of the World Bank. Of the 13 projects that closed and validated by IEG, more than half (53.8 percent in terms of number of projects) and (50.7 percent in terms of commitments) were rated MS or above, compared to MNA (60 percent in terms of number and 72.7 percent in terms of commitments) and Bank-wide (72.7 percent in terms of number of projects and 84.7 percent in terms of commitments). The percentage of projects with Moderate Risk to Development Outcome was only 7.7 percent in terms of number projects, and 9.1 percent in commitments), compared to MNA (19 percent and 32 percent respectively) and the Bank (44.5 percent and 54.2 percent). With respect to the active portfolio during the review period, project at risk (44 percent) and commitments at risk (27 percent) were higher than MNA (31.7 percent and 18.4 percent, respectively), and Bank-wide (21.3 percent and 22 percent respectively). During the first two years, Iraq's disbursement ratio was high compared to its comparators coinciding with the closing of 19 projects and phasing out of the Iraq trust funds. However, Iraq's overall disbursement ratio during the CPS period was lower (15.2 percent) compared to its comparators (MNA, 21 percent and Bank-wide, 20.6 percent) with its first new operation approved only in FY 14.

49. During the review period, IFC committed \$451 million investment in 11 projects with nine partners. Thus, the IFC investment portfolio in Iraq grew to 21 active projects with 13 partners for about \$ 722 million. Investment in infrastructure (in the power generation project in KRI) accounted for more than half (56%) of the total investment in Iraq, followed by construction materials (25 percent, three projects in cement, including solid waste fuel for production of cement); transportation and warehousing (7 percent); banks (5 percent); dairy products (4 percent), and hotels (3 percent). Of the investments committed during the review period, 65 percent were loans and the rest was in equity. Sixteen percent of investment went to greenfield projects. Of the 13 partners, 8 have self-rating of Mostly Successful or better- in logistics and warehousing, a cement plant and two hotels. The Mostly Unsuccessful and Unsuccessful include investments in the telecom operator, two banks, and another cement plant. Notable is the contribution to increasing electricity generating capacity—500 MW. IEG has not validated any of the IFC investment projects in Iraq.

50. During the CPS period MIGA issued two guarantees for a total amount of \$18.7 million: one for \$10.4 million to a French investor in high speed mobile broad band data and internet service provider in KRI; the other for \$ 8.3 million, in unison with an IFC investment, for a Jordanian freight transportation services company to implement a truck control system (TCS) to facilitate cargo movement across the border at Iraq's Umm Qasr port.

Analytic and Advisory Activities and Services

51. A total of 60 pieces of Analytical and Advisory Work, including four Reimbursable Advisory Services (RASs) to KRG were undertaken during the FY13-FY17. Nine products corresponding to economic and sector work included analyses of public expenditure, poverty and inclusion, diversification and economic growth. The 51 pieces of technical assistance covered a wide range of areas. Consistent with the CPS and PLR emphasis on ASA, 43 pieces were initiated during FY15-FY17.

52. At the beginning of the CPS, there were several ongoing Reimbursable Advisory Services covering the areas of modernization of public procurement, capacity building, KRG economic growth diagnostics and KRG social protection framework. The CPS planned for five RASs during the CPS period including on health, higher education, public investment and justice reform in KRG. At the PLR stage, most of the proposed RASs were focused on KRG including on justice sector reform, health, higher education, public investment and support to statistical office. Delivery of RAS products fell below expectations, though. Only four RAS products for KRG were delivered in FY 16. The CLR reports that the RASs contributed to the preparation of the KRG Roadmap for Economic Recovery, which was delivered over two months by 42 Bank and IFC experts from 12 Global Practices.



53. ASA products have informed the design of operations during the CPS period. For instance, the FY16 DPF builds on analytical work that the Bank had undertaken, including the 2014 Public Expenditure Review, various pieces of work on public expenditure management during 2015, a stock-taking of social assistance programs undertaken in 2014, various reports on electricity and energy, and work on non-financial SOEs reform. The second DPF (FY17) also builds heavily on the analytical work that has been carried out. Poverty assessments have made an important contribution to policy design on inclusion. However, dissemination has been more difficult because of the security situation.

54. During the review period IFC initiated 12 advisory projects of which one was closed with a *Highly Successful* rating (construction reform) and one with *Mostly Successful* results (KRG PPP Program). Five AS projects were terminated/dropped (Suleymaniah Wastewater Treatment Plant, Iraq Financial Infrastructure, two projects in microfinance, corporate governance assistance to a bank). IEG has validated one Advisory Project in Iraq, i.e., KRG PPP Program and rated its outcome as *Mostly Unsuccessful* due to insufficient evidence to conclude that a significant change of behavior or improvement at the client level had occurred.

Results Framework

55. The pillars and objectives were aligned with the government program, and were consistent with the diagnostic work, and contributed towards the twin goals. However, the fit across objectives, indicators and supporting program interventions (lending, ASA and RASs) was uneven and was not well articulated. The indicator on the Central Bank reaching compliance with Basel Core indicators (Objective 2.4) was unrealistic. The objective to achieve one or more features of the Governance Action Plan (2.2) was imprecise and the target to measure its achievement is the same as the outcome indicator, and therefore vague. The remaining objectives were generally well defined and articulated with the indicators and the supporting program. The cross cutting issues of gender and governance lacked indicators. At the PLR, the move from three to two pillars to align the program with emerging priorities, left the seven objectives virtually unchanged and of the 15 outcome indicators, 12 remained and only two new ones were added, one reflecting the transport agenda and the other focused on strengthening the analytical foundations for poverty reduction. Thus, the PLR passed on the opportunity to recalibrate the objectives and indicators to what was feasible to deliver during the CPS period and reflect shift of emphasis in the program.

56. Only one IFC program out of a wide range of engagement areas was linked to a specific objective in the results framework — Construction Reform AS project under “Strengthened approaches to the business environment” (Objective 2.3). Neither the CPS nor the PLR acknowledged the potential contribution of the MGES Power Plant to increasing the electricity generation capacity in Iraq. Overall, the PLR missed the opportunity to align the IFC program to the results matrix.

Partnerships and Development Partner Coordination

57. The CPS provides extensive information on donor coordination. A salient instrument of cooperation was the Iraq Trust Fund that closed in December 31, 2014 and which served as an umbrella instrument to channel resources from development partners in support of priority objectives. The PLR emphasizes the collaboration with the Islamic Development Bank around the roads program. The CLR highlights the coordination with the IMF on macroeconomic issues and especially in the preparation and delivery of the DPFs through the Three-year Stand-By Agreement (SBA) for \$ 5.3 billion. Developing partners has been actively supporting the process of fiscal consolidation including Japan, UK and Canada, France, Germany and Italy.

Safeguards and Fiduciary Issues

58. Twelve projects were closed and validated by IEG during the CPS period, of which nine triggered social and environmental safeguards policies in the education, water, and transport and energy sectors. Information from the ICRs and ICRRs noted factors that complicated safeguards compliance and instances of non-compliance. Factors that affected compliance, included delayed



project effectiveness, inadequate preparation of relevant safeguard instruments, limited Bank staff access to project sites, extended use of third party monitoring to offset the security concerns and the absence of skilled in-country specialists. According to the ICRs, instances of non-compliance included lack of proper public disclosure of project documents, failure to compensate the population affected by infrastructure interventions and weak monitoring of the environmental and social frameworks. All major IFC investment projects in Iraq (combined cycle power plant, cement factories, the cellular phone towers) were assigned Category B.

59. During the CPS period, INT undertook three investigations into misconduct in World Bank-financed operations: (i) Emergency Baghdad Water Supply and Sanitation Project (P087912); (ii) Emergency Private Sector Development Project (P091344); and (iii) Emergency Road Rehabilitation Project (P087735). The identified misconduct occurred both prior and during the CPS. The investigations found evidence as well as indicators of corruption in all three projects, underscoring the challenges of maintaining integrity in the procurement process. The investigation into the Road Rehabilitation sought to clarify potential fraud in the contract implementation, but was obstructed by the legal representative of the winning joint venture. The contract, after having received several extensions of its completion, was terminated due to lack of progress.

Ownership and Flexibility

60. Despite the good fit between the CPS program and the government's agenda, the CPS warned that political infighting in the ruling coalition could weaken *de facto* the commitment to the program. Furthermore, the CPS noted that local ownership of the program could well be affected by the policies of the incoming government after the 2014 elections. The PLR stressed the leadership and reform orientation of this government elected in 2014, and anchored the scaling-up of support on it. Also, the PLR reiterated the importance of uneven ownership across government, as evidenced, for instance, in the slow pace of the SOE reforms. The WBG exercised flexibility by adjusting the pipeline of operations with government priorities and increasing significantly the availability of resources, which provided the opportunity to re-engage in critical areas of the reform agenda (governance, PFM, energy) that were lagging.

WBG Internal Cooperation

61. The CPS was a WBG product with program interventions from the three institutions (WB, IFC and MIGA). There was ample scope for cooperation between IFC and Bank as their engagements overlapped in areas such as logistics and transport, electricity generation and transmission, and business environment reforms. However, neither the CPS nor the PLR spelled out in detail mechanisms of coordination across the WBG institutions. IFC and Bank interventions in electricity were certainly complementary, but the IFC contribution was not reflected in the CPS results framework nor the PLR. WB and IFC work in the financial sector lacked a common platform for both institutions to operate IFC and MIGA work in logistics and telecommunications was not articulated with the work of the Bank and the overall strategy. That said, explicit efforts at working together are found, such as the targeted WB/IFC collaboration to prepare the KGR Roadmap for Economic Recovery which, per the CLR, was undertaken by 42 Bank and IFC experts. Arguably, the fragile and difficult environment makes coordination within the WBG even more necessary to improve performance and effectiveness.

Risk Identification and Mitigation.

62. The CPS and the PLR rated the risks to the program as high. The twin crises heightened the risks, which were appropriately identified: the vulnerability to oil price changes, the instability from the region, project management and fiduciary risks including environmental and social safeguard aspects. The mitigating measures, however, in both the CPS and the PLR appear vague and lacked precision. For instance, to address the macroeconomic risks the mitigating measure was policy advice. As the risks materialized, the Bank responded by redirecting lending operations from a mid-term to a short-term perspective. The engagement with the IMF and the development partners in support of fiscal consolidation is an adequate mitigation measure going forward. According to the CLR, to address implementation challenges, the Bank, used cutting edge technology like satellite imagery, remote



sensing, and social media analysis. Third parties, including communities of beneficiaries, were used to monitor project implementation, track delivery, and follow compliance with safeguards. The WBG also took steps to deliver technical assistance, for instance, by meeting parties outside Iraq or inside the safer zones in the country. Despite these efforts, the fragile internal situation impacted the delivery of parts of the program, such as investment in roads. For instance, the latest ISR for the Emergency Operation rates the project risk as high and the progress to development outcomes as moderately unsatisfactory.

Overall Assessment and Rating

63. IEG rates the WBG performance as good. The rating is driven by the implementation performance. The response to the 2014 crises was prompt. The new government took office in September 2014, the PLR was presented to the Board in May 2015, followed by the Emergency Operation for Development in June 2015 and first DPF in December 2015. The response has also been substantive, with Bank commitments reaching \$3.4 billion, exceeding the \$ 600-900 million notional envelop in the CPS. These resources, jointly with those of the IMF and other donors, have supported the ongoing fiscal consolidation process. The policy content of the two DPF operations is in line with the priorities of fiscal consolidation. A significant body of analytical work was available to drive the dialogue with government and design the new operations. IFC kept up its commitment to mobilize annually between \$100 and \$150 million, and engaged in a broad range of fields, driving delivery of results in electricity and business environment, albeit its investments in the financial sector did not fare well. To implement the program in this risky environment, the Bank has used technology like satellite imagery, remote sensing, and social media analysis. Although the CPS program was aligned with the national strategy, analytic work available and consistent with the twin goals, the relevance of design was uneven. Given the difficult implementation environment, the PLR could have streamlined it to enhance focus and effectiveness. Moreover, the RF did not capture fully IFC activities and how to measure progress in crosscutting issues. It also did not clearly articulate how the WBG could work together much more effectively to deliver on the proposed objectives. Out of the twelve projects closed and validated by IEG during the CPS period, nine triggered social and environmental safeguards policies in the education, water, and transport and energy sectors. Also, during the CPS period, INT undertook three investigations into misconduct in World Bank-financed operations, and found evidence as well as indicators of corruption in all three projects, underscoring the challenges of maintaining integrity in the procurement process.

7. Assessment of CLR Completion Report

64. The CLR informs the achievement of CPS results and the scope of the WBG engagement. It provides extensive information on objectives and indicators. CLR reporting was handicapped by the shortcomings of the results framework, especially regarding the contribution of IFC. The CLR often ends up listing IFC investment and advisory interventions with apparently quite random attributions to the CPS objectives. The CLR stresses the use of third-party monitoring mechanisms covering monitoring and safeguard concerns, but does not discuss the instances of non-compliance with safeguards and it does not address INT findings. It explains the changes to the Result Framework at the point of the PLR; however, it could have assessed the thoroughness and adequacy of these changes and their alignment with the shift of strategy to focus on the short-term challenges. The CLR could have addressed the dropping of gender as a crosscutting issue at the PLR. The CLR drew convincing and well-considered lessons.

8. Findings and Lessons.

65. IEG concurs with the following CLR lessons: (i) need for flexibility and timely responses in FCV context; (ii) use of innovative approaches to implement and monitor in fragile environment; (iii) effective service delivery to renew social contract between citizens and state.



66. IEG adds the following lessons:

- Significant strategic shifts in country engagement would need to be reflected not only in lending and ASA programs but also in the results framework. In the case of Iraq, the Bank's shift in strategy at the PLR was reflected through its lending program but not in the results-framework. The PLR is an important WBG instrument available to the team and could be used more effectively to realign programs to shifting realities and sharpen the results framework.
- There is significant scope for effective IFC and MIGA engagement in a middle-income-country even in the presence of conflict. In the case of Iraq, the two institutions helped mobilize private resources to achieve critical objectives in infrastructure. For instance, their potential to play a larger role could be enhanced by a more active and coordinated use of MIGA's Conflict-Affected and Fragile Economies Facility (CAFEF). Using this facility could help MIGA derive some comfort when operating in middle income countries in conflict environments.
- In an environment of sustained fragility and conflict, the DPF instrument is best anchored on a solid partnership with the Government and other development partners to manage risks and raise the odds of success. The experience in Iraq shows that the DPF instrument could be potentially be a more effective instrument to build synergies with other donors to deliver financial resources rapidly with the aim of macroeconomic stabilization and helping the country gain its footing to resume growth. However, the significant infusion of financial resources with accompanying reform measures are not likely to deliver results immediately, calling for more time, persistence and additional resources, as has been with a second DPF during this CPS. The challenge going forward is how to monitor results and establish parameters for providing significant financial resources if fiscal consolidation and stability do not materialize in the medium term.

Annex Table 1: Iraq Summary of Achievements of CPS Objectives

Annex Table 2: Iraq Planned and Actual Lending, FY13-FY16

Annex Table 3: Analytical and Advisory Work for Iraq, FY13-FY17

Annex Table 4: Iraq Grants and Trust Funds Active in FY13-17

Annex Table 5: IEG Project Ratings for Iraq, FY13-17

Annex Table 6: IEG Project Ratings for Iraq and Comparators, FY13-17

Annex Table 7: Portfolio Status for Iraq and Comparators, FY13-17

Annex Table 8: Disbursement Ratio for Iraq, FY13-17

Annex Table 9: Net Disbursement and Charges for Iraq, FY13-17

Annex Table 10: Total Net Disbursements of Official Development Assistance and Official Aid for Iraq

Annex Table 11: Economic and Social Indicators for Iraq, 2013 – 2016

Annex Table 12: List of IFC Investments in Iraq

Annex Table 13: List of IFC Advisory Services for Iraq

Annex Table 14: IFC net commitment activity in FY13 - FY16

Annex Table 15: List of MIGA Guarantee Projects, FY14-FY15



Annex Table 1: Iraq Summary of Achievements of CPS Objectives

	CPS FY13-17: Focus Area I: Strengthening public service delivery in Iraq	Actual Results (as of current month/year)	IEG Comments
Major Outcome Measures	1. CPS Objective: Strengthened infrastructure services		
	<p>Indicator 1: Improve road transport connectivity and safety on selected road sections along Expressway 1 and the North-South transport corridor in Iraq</p> <p>(i) Percentage of Roads in good and fair condition (along 280 km of Expressway No.1); Baseline: 0 Target: 35% (2017)</p> <p>(ii) Reduced and traffic fatalities on Expressway No. 1 Baseline: 113 Target: 100 (2017)</p> <p>(iii) Number of direct project female beneficiaries Baseline: 0 Target: 8500</p>	<p>Not Achieved.</p> <p>(i) The Transport Corridor Project (P131550, FY14) supporting the achievement of the first three outcomes, experienced significant implementation delay due late effectiveness. To date, two major contracts were awarded but no physical progress has been reported due to late start of the project, per the latest , ISR: S of June 2017. Not Achieved.</p> <p>(ii) As noted above, there are no actual results due to implementation delays of the Transport Corridor Project (P131550, FY14) Not Achieved.</p> <p>As noted above, there are no actual direct project female beneficiaries due to implementation delays of the Transport Corridor Project (P131550, FY14). Not Achieved.</p>	<p>(i.) The Focus Area “Strengthening public service delivery” was added during the PLR phase. The original Pillar I in the CPS “Improving Governance” was moved to Focus Area II of the PLR and renamed “Addressing the country’s fiscal situation and increasing opportunities for private sector investment”.</p> <p>(ii.) Under the objective “Strengthened infrastructure services”, the PLR replaced the CPS indicator “Improved clearance time of imports from transit trade” with three indicators with baselines and targets aligned with the newly approved Transport Corridor Project. The PDO indicators for project P131550 are different from the CPS indicators which based the indicators on the project’s indicators. The latest , ISR: S of June 2017 reports the following PDO indicators:</p> <ul style="list-style-type: none"> - The baseline and end target related to the share of roads in good and fair condition as a share of total classified roads are 70% and 95% - The end target for the indicator related to traffic fatalities is 87% - The end target of female beneficiaries is 9,900.
	<p>Indicator 2: Number of beneficiaries from rehabilitated irrigation and drainage water services Baseline: 0 Target: 52,750 (2016)</p>	<p>According to the ICRR for the Emergency community infrastructure rehabilitation project (P087881, FY05, IEG: S), 193,305 water users end beneficiaries were reached . Achieved.</p>	<p>The following 2 indicators (number of irrigation/water beneficiaries and for increased available generation capacity) were in the original CPS under Objective 2.3 “Strengthened infrastructure services”.</p>



	CPS FY13-17: Focus Area I: Strengthening public service delivery in Iraq	Actual Results (as of current month/year)	IEG Comments
	<p>Indicator 3: Electricity/Energy: Increased available generation capacity (MW) in power plants supported by WBG Baseline: 410 MW (2012) Target: 920 MW (2015)</p>	<p>An additional capacity of 148 MW was generated through the Dokan & Derbandikhan Emergency Hydropower project (P099059, FY07, IEG: MS) which supported an increase in available generation capacity for Dokan and Derbandikhan. The Emergency Electricity Reconstruction Project (P087734, FY0, IEG: U) supported the restoration of the Hartha Power Station Units to its original capacity (400 MW). At closing, only 30 percent of the installation works were completed and the objective was not completed.</p> <p>An additional 500 MW of capacity was delivered with IFC support. IFC MGES Power project, approved in 2015, financed an equity and loan package of US\$250 million and mobilized \$ 125 additional funds helped complete a 500 MW steam turbine expansion to combined cycle at an open cycle gas fired plant. The project is completed and operational.</p> <p>Overall, between the Dokan & Derbandikhan project and the IFC operation, 648 MW of additional power capacity was generated during the period under review, exceeding the CPS target of generating 510 MW of additional generation capacity. Achieved.</p>	<p>The WBG also supported improvement in the Government's capacity to develop an energy strategy, through the Integrated National Energy Strategy TA (P111074, FY10, IEG: S). As part of this TA, an Integrated National Energy Strategy was prepared, approved, disseminated to a large range of stakeholders and is currently being implemented.</p>
<p>2. CPS Objective: Improved delivery of health, education, and water supply services</p>			
	<p>Indicator 1: Percent pregnant women receiving:</p> <p>(i) antenatal care at primary health care facilities in Southern Iraqi Marshlands and Babil Governorate Baseline: 69.8% (2012) Target: 90% (2013)</p>	<p>Not Achieved.</p> <p>(i) This indicator is supported by the Second Emergency Primary Health Care Assistance project (P123689, FY11). The CLR reports that the share of pregnant women receiving antenatal care at primary health care facilities increased to 85% by May 2013. The</p>	<p>(i.) All objectives included under the original CPF's Pillar 3 "Improving Social Inclusion and Reducing Poverty" were moved to Focus Area I during the PLR phase. The original Pillar 3 was dropped.</p>



	CPS FY13-17: Focus Area I: Strengthening public service delivery in Iraq	Actual Results (as of current month/year)	IEG Comments
	<p>(ii) Iron Supplements Baseline: 26.1% (2012) Target: 50% (2013)</p>	<p>last ISR: S (May 2013) for the project reported that 66% of women received antenatal care (as current data) and 84% as end target, specifying that the end result will be verified in a follow-up survey scheduled to be completed by May, 22nd 2013. The Completion Report for this project indicates that the outcome indicator related to the increase in the number of women per month receiving antenatal care was achieved, without specifying the actual rate. Likewise, the Grant Reporting and Monitoring report does not report on this rate. Not Verified.</p> <p>(ii) According to the CLR, the supplier of drugs and vaccines was unable to fully distribute the planned number of iron supplements. The team reports a distribution rate of 20.97% for the provision of iron supplements by May 2013, which is below the baseline. Not Achieved.</p>	<p>The CLRR reports that this indicator was also supported by the Second Emergency Primary Health Care Assistance project (P123689, FY11). However, neither the Project Paper, the Grant Reporting and Monitoring or the Completion Report indicate that the distribution of iron supplements was part of the project.</p>
	<p>Indicator 2:</p> <p>(i) Students benefiting from improved conditions of learning in new school buildings and classrooms Baseline: 0 (2004) Target: 72,688 (2013)</p> <p>(ii) Number additional seats available, resulting from newly built schools to reduce overcrowding Baseline: 0 Target: 32,640 (2014)</p>	<p>Mostly Achieved.</p> <p>(i) A total of 84, 899 students were reported to have benefited from school construction and rehabilitation as per, (IEG:MU) of the Emergency School Construction & Rehabilitation project (P087907, FY05). Achieved.</p> <p>(ii) At project completion, through the Third Emergency Education Project (P096234, FY10), 31,680 additional seats were created from the newly built schools and extensions, Mostly Achieved.</p>	<p>The gender component was added to the “students benefitting” indicator during the PLR phase. The ICRR for the project does not report gender disaggregated data but the ICR reports that the percentage of female students is 43% in the rehabilitated schools in the 18 governorates, 53% in the newly constructed schools in the 18 governorates, 44% in the six-classroom block (and toilet) extensions, and 45% in the primary schools in the marshland areas.</p>
	<p>Indicator 3: Number of people benefitting from rehabilitated water supply systems under WBG supported program (number) Baseline: 0 (2005) Target: 815,000 (2013)</p>	<p>The number of people benefitting from rehabilitated water supply reached a total of 1,459,158 people. Three projects supported this objective: the Emergency Baghdad Water Supply (P087912, FY05, (IEG: MS) which provided water supply to 590,444 people (direct beneficiaries);the Emergency Water</p>	<p>As reported in the CLRR, a Public Expenditure Review of the Water Sector (Project P143421) was also delivered in FY196 (see document).</p>



	CPS FY13-17: Focus Area I: Strengthening public service delivery in Iraq	Actual Results (as of current month/year)	IEG Comments
		<p>Supply Sanitation and Urban Reconstruction Project (P087910, FY08, IEG: MS), which provided improved access of water to 192,438 people and the Emergency Water Supply project (P094650, IEG:MU) which provided water from new or improved water supply to 676,276 people. Achieved.</p>	
	CPS FY13-FY17: Focus Area II Addressing the country's fiscal situation and increasing opportunities for private sector investment	Actual Results (as of current month/year)	IEG Comments
<p>Major Outcome Measures</p>	<p>1. CPS Objective: Improved transparency of oil revenue management and efficiency of public spending</p> <p>Indicator 1: Iraq conducting itself as an Extractive Industries Transparency Initiative (EITI)-compliant country</p> <p>Baseline: 1 EITI report Target: 4 EITI reports issued by 2016 and active participation of civil society in monthly IEITI Council meetings as evidenced by participation lists and noted by Validator</p>	<p>This indicator was supported by the Extractive Industries Transparency Initiative project (P117511, FY11).</p> <p>As reported in the completion report prepared in December 2015, Iraq became a compliant country in 2012, with 4 EITI annuals reports were issued by 2016 – those were prepared for the years 2013, 2014, 2015 and 2016 (see IEITI website). Iraq has yet to comply with 2016 guidelines.</p> <p>As reported in the CLR, active participation of civil society in monthly EITI councils was also achieved. Additional information from the country team indicates that EITI Council meetings with active participation of civil society are ongoing, the latest having taken place in January 2017. the Iraqi EITI Team indicated that monthly meetings are scheduled, recorded and minutes are signed, including by the three or more members. These can be provided upon request and are filed at the Secretariat. Mostly Achieved.</p>	<p>(i.) Pillar I and its subsequent objectives and indicators under the CPS “Improving Governance” was moved to Focus Area II during the PLR and renamed as “Addressing the country’s fiscal situation and increasing opportunities for private sector development”.</p> <p>(ii.) The Project number for Extractive Industries Transparency Initiative was incorrectly marked as (P115711) in the CLR. The correct project number is P117511.</p>



	<p>CPS FY13-FY17: Focus Area II Addressing the country's fiscal situation and increasing opportunities for private sector investment</p>	<p>Actual Results (as of current month/year)</p>	<p>IEG Comments</p>
	<p>Indicator 2: Implementation of sector Public Expenditure Review (PER) recommendations focused on improved efficiency of public spending Baseline: None Target: At least one key recommendation implemented</p>	<p>The PER: Toward more efficient spending for better service delivery in Iraq was prepared in FY14. One of its recommendations was related to the need to carry out a PER and policy work in the water sector. In this respect, the WBG-supported Iraq PER Water Sector Public Expenditure Review (P143421, FY14) was delivered in FY16. In addition, as reported in the CLR, the recommendation on improving efficiency of capital budget spending was included as one of the policy reform areas (public investment management) of the Iraq Emergency Fiscal Stabilization, Energy Sustainability and State-owned enterprises DPF (P155962, FY15). A prior action was related to the need to adopt guidelines for project selection and one of the objectives of the DPF focused on implementing the guidelines. Per information provided by the Ministry of Planning Iraqi authorities met the prior action (before the disbursement of DPF in December 2016) of having by December 2016 5% of capital projects valued at over US\$500 million for which a feasibility study with cost-benefit analysis is done. Finally, as reported in the CLR, new budget instructions were approved and standard bidding documents were finalized and used by the target ministries. Achieved.</p>	<p>Under the PLR, the target was reduced from two key recommendations to one key recommendation.</p>
<p>2. CPS Objective: Achievement of one or more features of the Governance Action Plan</p>			
	<p>Indicator 1: Governance Action Plan to achieve greater transparency, accountability, participation under implementation</p>	<p>Progress toward this indicator was supported by the Iraq Technical Assistance and Capacity Building Fund (P147802, FY13), The final program implementation report (April 2015), indicates that the</p>	



	<p>CPS FY13-FY17: Focus Area II Addressing the country's fiscal situation and increasing opportunities for private sector investment</p>	<p>Actual Results (as of current month/year)</p>	<p>IEG Comments</p>
	<p>Baseline: Draft Governance Action Plan prepared Target: Achievement of one or more key features of the Governance Action Plan</p>	<p>Government's Action Plan (GAP) for 2015-2017 has been prepared and that the Government has endorsed 4 of the 12 GAP recommendations related to: 1) inactive State Owned Enterprises workers (SOE) reforms for commercially viable SOEs and reforms for PPP; 2) the promotion of a multi-media proactive disclosure of information related to Public Financial Management reform and creation of an open budget working group that is fully operational to develop an open budget module; 3) the adoption of a methodology for preparing annual budget strategic plans in two pilot ministries (Ministry of Industry & Minerals + Ministry of Construction & Housing and 4) regular consultations between the government, civil society and the private sector about the preparation of new laws and regulations impacting private-sector development. The objective and the target called for the achievement of one more features. CPS, PLR, CLR did not specify how the achievement would be measured. The information available shows slow progress in all fronts, although as documented by the CLR a variety of initiatives have been undertaken. Partially achieved.</p>	
	<p>3. CPS Objective: Strengthened approaches to an improved business environment</p>		
	<p>Indicator 1: Time taken to deal with construction permits Baseline: 187 days (Doing Business 2013) Target: 128 days by project completion in 2015</p>	<p>This indicator had the support of the IFC Construction Permit Reform project which supported the development of simplified and effective construction permitting system and regulatory framework. It improved the Government of Iraq capacity and efficiency in issuing construction permits. As reported in the CLRR, a national reform signed</p>	<p>(i.) This objective was located under the original CPF's Pillar 2: Supporting Economic Diversification for Broadly Shared Prosperity. Under the PLR, the first two objectives under Pillar 2 were integrated into the renamed Focus Area II. The Target of 128 days was added during the PLR.</p>



	<p>CPS FY13-FY17: Focus Area II Addressing the country's fiscal situation and increasing opportunities for private sector investment</p>	<p>Actual Results (as of current month/year)</p>	<p>IEG Comments</p>
		<p>at the end of the project, on March 31, 2016, required all cities in Ira to introduce the new standards for obtaining a construction permit and laying out the national requirements to do so.</p> <p>The 2013 Doing Business report reported that 187 days were needed to deal with construction permits; the 2015 Doing Business Report reported 119 days. Achieved.</p>	<p>After 2015 Doing Business, the time taken to obtain a construction permit increases in the 2016 Doing Business Report to 249 days. In the 2017 Doing Business Report it drops to 167 days.</p> <p>The CLR provides the following explanation: a revision of the Doing Business methodology for this indicator added the days required to connect to the water and sewage systems, which added 45 days to the process. This change added numbers of procedures and pushed Iraq back to 147 of 189 economies world-wide in the 2016 rankings. In 2017, Iraq's ranking went back up to 104.</p>
	<p>Indicator 2: Strengthened capacity to restructure State Owned Enterprises (SOEs)</p> <p>Baseline: Time-bound Action Plan to implement strategy to reform SOEs Target: Implementation of time-bound Action Plan on track</p>	<p>Progress toward this indicator was supported by the Private Sector Development TA (P114255); and by the Implementation of the Governance Action Plan of the Government of Iraq (2013-2014 GAP) (P148975). As reported in the September 2013 report produced under project P148975, the Government of Iraq has been implementing reforms to SOEs, and ensuring dialogue with the private sector to take part in PPPs. It also reports on the \ the establishment of the SOE Asset Valuation Unit (AVU), indicating that it requires further support and capacity-building. The November 2014 implementation progress report indicates that all activities planned in relation to the strengthening of SOEs including capacity-building for the AVU and the production of 4 reports related to SOE Reform Roadmap. However, as reported in the CLR, although private sector dialogue has been initiated and the law related to PPPs has been drafted, the PPP for selected SOEs was still at pilot stage and the report identified some issues</p>	<p>The CLR status and evaluation summary did not mention the target's time-bound component. The Iraq Emergency Fiscal Stabilization, Energy Sustainability and State-owned enterprises DPF (P155962, FY15) possesses a PDO related to improving the transparency of state-owned enterprises. As a prior action, the Prime Minister established a committee to set up, operate and supervise a database to monitor the fiscal risks of SOEs.</p>



CPS FY13-FY17: Focus Area II Addressing the country's fiscal situation and increasing opportunities for private sector investment	Actual Results (as of current month/year)	IEG Comments
	in the commercial viability of some SOEs. Partially Achieved.	
4. CPS Objective: Strengthened supervisory framework for financial intermediation and capacity of financial institutions		
<p>Indicator 1: Compliance by the Central Bank of Iraq with Basel Core Principles</p> <p>Baseline: No Target: Yes (2017)</p>	<p>As reported in the CLR, this indicator was supported by the Banking Sector Reform Project (P113337, FY09, IEG: MS). The completion date was 06/30/2013, at the beginning of the CPS period. According to the ICRR, the goal related to the strengthening of the supervisory framework for financial intermediation of the Central Bank of Iraq was substantially advanced through trainings (notably on international best practices) and TA and an action plan was prepared to address deficiencies related to its adherence to international codes and standards. In addition, the ICRR reports that the objective related to capacity-building of financial institutions in support of Phase 1 of the Banking Reform Strategy was substantially achieved.</p> <p>The Bank did not provide additional support towards delivering the indicator. As reported in the CLRR, the IMF is providing TA on regulations but indicates that it is very unlikely that the Central Bank will comply with all the Basel Core Principles by 2017.</p> <p>Not Achieved.</p>	
5. CPS Objective: Strengthened capacity to develop, manage and monitor social protection reforms		
<p>Indicator 1: Social Safety Net Reforms: Ineligible households excluded based on use of the central SSN Beneficiary Database</p> <p>Baseline: 0 (2011) Target: 57,000 (2013)</p>	<p>This indicator was supported by the Emergency Social Protection Project (P099295, FY06, IEG: MS). The closing date for the project was 4/30/2013</p> <p>The ICRR reported that, at project closing, 400,000 applicant households were registered in the</p>	<p>The indicator's target date was set at 2013, which is the beginning of the CPS period.</p> <p>Additional information reported in the CLRR indicates that by end 2016, 365,000 households deemed ineligible based on poverty targeting were removed from the eligibility database, and that this has been maintained through the enactment of the</p>



	<p>CPS FY13-FY17: Focus Area II Addressing the country's fiscal situation and increasing opportunities for private sector investment</p>	<p>Actual Results (as of current month/year)</p>	<p>IEG Comments</p>
		<p>system, with another 100,000 reviewed and deemed ineligible, thereby achieving the stated target of 57,000. Achieved.</p>	<p>Social Protection Law in April 2014 (Law 11/2014), which abolished categorical targeting and replaced it with poverty based targeting criteria.</p>
	<p>Indicator 2: Analytical foundations for poverty reduction strengthened</p> <p>Baseline: 2007 poverty estimates and poverty line Target: 2012 official poverty estimates and poverty line announced by government January 2015</p>	<p>Progress toward this indicator was supported by the Iraq: Household Survey and Policies for Poverty Reduction project (P098979, FY07, IEG: MU). The closing date for the project was 6/30/2013.</p> <p>The ICRR reported the achievement of this objective as substantial, noting the following achievements: (a.) the production of data in connection with the completion of the IHSES-1, (b.) increased technical capacity in the data and statistical treatment, and (c.) the completion of a poverty assessment and a Poverty Reduction Strategy. All Governorates had high quality data on household income, expenditure and living standards when the project closed. Two surveys were completed in 2007 and 2012, and two National Household Surveys were completed in 2007 and in 2013, including data on poverty headcount estimate. Progress on this indicator continued through the Poverty and Inclusion in Iraq - (P147153, FY15.), the Analytical Tools for Monitoring Poverty and Vulnerability and Policy Design project (P148989, FY15) and the Iraq Crisis Response project (P154864, FY16) which, among others, permitted to prepare a mapping of the poor in Iraq.</p> <p>Achieved.</p>	<p>During the PLR, the indicator, baseline and target for “analytical foundations for poverty reduction strengthened” replaced the second indicator included in the original CPF “Number of communities benefitting from CDD programs supporting core service provision.”</p>

Annex Table 2: Iraq Planned and Actual Lending, FY13-FY16

Project ID	Project name	Proposed FY	Approval FY	Closing FY	Proposed Amount	Proposed Amount	Approved IBRD Amount	Approved IDA Amount	Total Approved Amount	Outcome Rating
Project Planned Under CPS/PLR 2013-2016					CPS	PLR				
DROPPED	Integrated Financial Management Information systems (IFMIS) (FY14)	FY14			40				0	
P131550	Trade & transport Corridors	FY14	2014	2020	200		355		355	LIR: MU
DROPPED	Irrigation Water Management/ Water Resources Project	FY14			140				0	
DROPPED	Water supply & Sewerage (Baghdad)	FY15			100				0	
DROPPED	Public Financial Management /Governance	FY15			60				0	
DROPPED	Electricity and Distribution Reform and Investment Project	FY16				750			0	
Total Planned					540	750	355	0	355	
Unplanned Projects during the CPS Period										
P155732	Emergency Operation for Development		2016	2020			350		350	LIR: MU
P155962	Iraq 1st Fiscal Stabilization & Inclusive DPL		2016	2017			1200		1200	LIR: S
P151357	Modernization of PFM Systems		2017	2022					42	
P161167	IRAQ 2nd Expenditure Rationalization DPF		2017	2018					1443.8	
Total Unplanned					0		1550		3035.3	
On-going Projects during the CPS/PLR Period										
			Approval FY	Closing FY			Approved IBRD Amount	Approved IDA Amount	Total Approved Amount	
P094650	IQ - Emergency Water Supply		2008	2016				110	109.5	IEG: MS
P087734	IQ - Emergency Electricity (EERP)		2007	2015				124	124	IEG: U
P099059	IQ - Dokan & Derbandikhan Emergency Hydropower		2007	2014				40	40	IEG: MS
P087735	IQ - Emergency Road Rehabilitation		2006	2014				135	135	IEG: MU
P096234	IQ - Third Emergency Education Project		2006	2014				100	100	IEG: MU
Total On-going							0	509	509	

Source: Iraq CPS and PLR, WB Business Intelligence Table 2a.1, 2a.4 and 2a.7 as of 7/14/17

*LIR: Latest internal rating. MU: Moderately Unsatisfactory. MS: Moderately Satisfactory. S: Satisfactory. HS: Highly Satisfactory.



Annex Table 3: Analytical and Advisory Work for Iraq, FY13-FY17

Proj ID	Economic and Sector Work	Fiscal year	Output Type
P123555	Iraq Public Expenditure Review	FY13	Public Expenditure Review (PER)
P129855	Iraq AML Evaluation	FY13	Accounting and Auditing Assessment (ROSC)
P127848	IQ-Syria Turkey Economic Complementarities	FY14	Sector or Thematic Study/Note
P147153	Poverty and Inclusion in Iraq	FY15	Poverty Assessment (PA)
P152703	Economic and Social Impact Assessment	FY15	Sector or Thematic Study/Note
P154073	Economic Diversification	FY15	Sector or Thematic Study/Note
P143421	IQ-Water Sector Public Expenditure Review	FY16	Public Expenditure Review (PER)
P150601	KRG Economic Growth Diagnostics (RAS)	FY16	Sector or Thematic Study/Note
P159244	Iraq Decentralization JIT Assessment	FY16	Institutional and Governance Review (IGR)
Proj ID	Technical Assistance	Fiscal year	Output Type
P131737	Iraq Commission of Integrity Training	FY13	Technical Assistance
P133081	Policy and Regulation in Telecom Sector	FY13	Technical Assistance
P088247	IQ-TF Second Inst. Capacity Bldg Prog.	FY14	Technical Assistance
P121754	IQ Household Survey/Policies Poverty Red	FY14	Technical Assistance
P124367	IQ-PFMP-BETF-Budget and External Audit	FY14	Technical Assistance
P126621	Iraq CB2 - Public Sector Management	FY14	Technical Assistance
P126622	Iraq CB2 - Project Management	FY14	Technical Assistance
P126671	IQ-Provision of Affordable Housing	FY14	Technical Assistance
P126680	Iraq CB2 - Economic Reform	FY14	Technical Assistance
P126681	Iraq CB2 - Poverty and Social Sectors	FY14	Technical Assistance
P127760	Iraq: Public Sector Governance Reforms	FY14	Technical Assistance
P128652	IQ-Asset Valuation (EFO)	FY14	Technical Assistance
P130504	Iraq Customs Administration Reform	FY14	Technical Assistance
P143412	IQ- FM Support to Country Level Activity	FY14	Technical Assistance
P114255	IQ - Private Sector Development TA	FY15	Technical Assistance
P114647	IQ - Pension Reform Implementation TA	FY15	Technical Assistance
P118292	IQ - EITI Implementation	FY15	Technical Assistance
P130316	Iraq: Gas Pricing Study	FY15	Technical Assistance
P131710	International Gas Contracts Workshop	FY15	Technical Assistance
P148541	Improving Governance through FM	FY15	Technical Assistance
P148975	Implementation of Iraq GAP	FY15	Technical Assistance
P148986	IQ TA for Env Mgt in the Oil & Gas Secto	FY15	Technical Assistance
P148989	IQ Analytical Tools for Mon. Poverty	FY15	Technical Assistance
P148990	IQ Capacity Building Support TVET	FY15	Technical Assistance
P148991	IQ Support for Implementation of INES	FY15	Technical Assistance
P148992	IQ Capacity Building for SSN	FY15	Technical Assistance
P149044	IQ Support for KRG Education	FY15	Technical Assistance
P149045	IQ Modernizing Public Proc System in KRG	FY15	Technical Assistance



P149073	IQ TA for PFM Implementation Support	FY15	Technical Assistance
P149235	IQ TA Reform of Petroleum Dist Sector	FY15	Technical Assistance
P149236	IQ Emergency Medical Systems TA	FY15	Technical Assistance
P149450	Iraq Public Procurement Capacity Bldg.	FY15	Technical Assistance
P149451	Telecom Sector Capacity Building	FY15	Technical Assistance
P150054	KRG Shura Council Capacity Building Prog	FY15	Technical Assistance
P150331	Strengthening Capacity of Water Sector	FY15	Technical Assistance
P150482	IQ PRS & Macroeconomic Capacity Bldg TA	FY15	Technical Assistance
P152269	IQ KRG SP Capacity Building – Lrn Visit	FY15	Technical Assistance
P154072	Oil Revenue Management Policy Notes	FY15	Technical Assistance
P143115	IQ-Elect Dist Sector Reform Support	FY16	Technical Assistance
P148254	KRG Modernization of Public Procurement (RAS)	FY16	Technical Assistance
P148897	KRG Shura Council Capacity Building Prog (RAS)	FY16	Technical Assistance
P149970	KRG Support Devel SP Framework (RAS)	FY16	Technical Assistance
P154859	IQ Public Investment in Power Infrastruc	FY16	Technical Assistance
P154864	Iraq Crisis Response	FY16	Technical Assistance
P157639	Public Investment Management (PIM) - KRG	FY16	Technical Assistance
P159972	KRG Structural Economic Reforms	FY16	Technical Assistance
P156405	PFM, Transparency & Regulatory Reform	FY17	Technical Assistance
P157732	KRG-Action Plan to Mitigate Power Cuts	FY17	Technical Assistance
P158858	Energy Prices and Subsidies Reform	FY17	Technical Assistance
P158905	Strengthening AML/CFT	FY17	Technical Assistance
P160139	Communications Strategy on Energy in KRG	FY17	Technical Assistance

Source: WB Business Intelligence 7/13/17



Annex Table 4: Iraq Grants and Trust Funds Active in FY13-17

Project ID	Project name	TF ID	Approval FY	Closing FY	Approved Amount	Outcome Rating
P158493	SWIFT KRSO Kurdistan-Iraq	TF A3135	2017	2018	200,000	
P158492	SWIFT Iraq CSO	TF A3136	2017	2018	400,000	
P117511	Iraq: Extractive Industries Transparency Initiative Implementation	TF 97358	2011	2016	1,640,000	
P125102	IQ-Youth Livelihoods Development in Southern Iraq	TF 98667	2012	2015	2,730,000	
P129645	IQ-Iraq Consultative Service Delivery II	TF 10402	2012	2014	5,000,000	
P110862	IRAQ: Public Financial Mgmt Reform	TF 94552	2010	2014	16,000,000	IEG: MU
P123689	Second Emergency Assistance Program for Primary Health Care	TF 99542	2011	2013	1,200,000	
P111074	IQ: Integrated National Energy Strategy Technical Assistance	TF 95802	2010	2013	6,900,000	IEG: S
P113337	Iraq: Banking Sector Reform	TF 94193	2009	2013	10,000,000	IEG: MS
P109296	IQ-EMERGENCY COMMUNITY INFRASTRUCTURE REHAB ADDITIONAL FINANCING	TF 91663	2008	2013	27,000,000	IEG: S
P087734	IQ - Emergency Electricity Reconstruction Project (EERP)	TF 57818	2007	2013	6,000,000	IEG: U
P098979	Iraq: Household Survey and Policies for Poverty Reduction	TF 56441	2007	2013	7,000,000	IEG: MU
P099295	Emergency Social Protection Project	TF 56808	2006	2013	8,000,000	IEG: MS
P087910	IQ-TF EMERG. WATER, SANITATION & URBAN	TF 54455	2005	2013	110,000,000	IEG: MU
P087912	IQ-TF EMERG. BAGHDAD WATER SUPPLY	TF 54435	2005	2013	65,000,000	IEG: MS
P087907	Emergency School Construction and Rehabilitation Project	TF 53545	2005	2013	60,000,000	IEG: MU
Total					327,070,000	

Source: Client Connection as of 7/6/17

** IEG Validates RETF that are 5M and above



Annex Table 5: IEG Project Ratings for Iraq, FY13-17

Exit FY	Proj ID	Project name	Total Evaluated (\$M) *	IEG Outcome	IEG Risk to DO
2013	P087907	Emergency School Construction & Rehab.	60.0	MODERATELY UNSATISFACTORY	MODERATE
2013	P087910	IQ-TF EMERG. WATER, SANITATION & URBAN	110.0	MODERATELY UNSATISFACTORY	HIGH
2013	P087912	IQ-TF EMERG. BAGHDAD WATER SUPPLY	65.0	MODERATELY SATISFACTORY	HIGH
2013	P098979	IQ Household Survey/ Policies for Poverty	7.0	MODERATELY UNSATISFACTORY	SIGNIFICANT
2013	P099295	Emergency Social Protection Project	8.0	MODERATELY SATISFACTORY	SIGNIFICANT
2013	P111074	IQ: Integrated National Energy Strategy	6.9	SATISFACTORY	SIGNIFICANT
2013	P113337	IQ - Banking Sector Reform	10.0	MODERATELY SATISFACTORY	HIGH
2014	P087735	IQ - Emergency Road Rehabilitation	114.1	MODERATELY SATISFACTORY	SIGNIFICANT
2014	P096234	IQ - Third Emergency Education Project	68.5	MODERATELY UNSATISFACTORY	HIGH
2014	P099059	IQ - Dokan & Derbandikhan Emerg Hydropower	41.4	MODERATELY SATISFACTORY	SIGNIFICANT
2014	P110862	IQ-Public Financial Mgmt Reform	16.0	MODERATELY UNSATISFACTORY	HIGH
2015	P087734	IQ - Emergency Electricity (EERP)	63.1	UNSATISFACTORY	HIGH
2016	P094650	IQ - Emergency Water Supply	88.6	MODERATELY SATISFACTORY	HIGH
Total			658.6		

Source: AO Key IEG Ratings as of 7/13/17

Annex Table 6: IEG Project Ratings for Iraq and Comparators, FY13-17

Region	Total Evaluated (\$M)	Total Evaluated (No)	Outcome % Sat (\$)	Outcome % Sat (No)	RDO % Moderate or Lower Sat (\$)	RDO % Moderate or Lower Sat (No)
Iraq	658.6	13	50.7	53.8	9.1	7.7
MNA	3,213.5	79	72.7	60.3	32.4	19.0
World	85,926.5	1,008	84.7	71.4	54.2	44.5

Source: WB AO as of 7/13/17

* With IEG new methodology for evaluating projects, institutional development impact and sustainability are no longer rated separately.



Annex Table 7: Portfolio Status for Iraq and Comparators, FY13-17

Fiscal year	2013	2014	2015	2016	2017	Ave FY13-16	Ave FY13-17
Iraq							
# Proj	11	5	3	4	8	6	6
# Proj At Risk	4	1	1		5	2	3
% Proj At Risk	36.4	20.0	33.3	-	62.5	34.8	44.4
Net Comm Amt	539.7	588.0	462.1	1,907.2	2,194.0	874	1,138
Comm At Risk	252.2	124.0	104.9		747.1	160	307
% Commit at Risk	46.7	21.1	22.7		34.1	18.3	27.0
MNA							
# Proj	160	169	159	145	131	158	153
# Proj At Risk	47	39	61	51	44	50	48
% Proj At Risk	29.4	23.1	38.4	35.2	33.6	31.3	31.7
Net Comm Amt	9,082.0	12,335.1	13,628.7	16,492.2	17,151.1	12,885	13,738
Comm At Risk	1,817.0	2,284.4	2,931.5	2,060.3	3,567.7	2,273	2,532
% Commit at Risk	20.0	18.5	21.5	12.5	20.8	17.6	18.4
World							
# Proj	1,964	2,048	2,022	1,975	2,072	2,002	2,016
# Proj At Risk	414	412	444	422	453	423	429
% Proj At Risk	21.1	20.1	22.0	21.4	21.9	21.1	21.3
Net Comm Amt	176,202.6	192,610.1	201,045.2	220,331.5	225,192.7	197,547	203,076
Comm At Risk	40,805.6	40,933.5	45,987.7	44,244.9	52,330.6	42,993	44,860
% Commit at Risk	23.2	21.3	22.9	20.1	23.2	21.8	22.1

Source: WB BI as of 7/13/16

Annex Table 8: Disbursement Ratio for Iraq, FY13-17

Fiscal Year	2013	2014	2015	2016	2017	Overall Result
Iraq						
Disbursement Ratio	21.4	30.8	3.8	18.5	10.0	15.2
Inv Disb in FY	89.4	91.4	17.0	69.7	65.4	333.0
Inv Tot Undisb Begin FY	417.3	296.6	452.1	377.1	651.0	2,194.2
MNA						
Disbursement Ratio	18.6	21.2	21.6	21.8	24.6	21.6
Inv Disb in FY	1,090.1	1,250.9	1,334.0	1,466.8	1,455.3	6,597.0
Inv Tot Undisb Begin FY	5,866.7	5,892.5	6,176.3	6,718.4	5,914.4	30,568.3
World						
Disbursement Ratio	20.6	20.8	21.8	19.5	20.6	20.6
Inv Disb in FY	20,510.7	20,757.7	21,853.7	21,152.9	22,126.4	106,401.4
Inv Tot Undisb Begin FY	99,588.3	99,854.3	100,344.9	108,600.3	107,612.6	516,000.3

* Calculated as IBRD/IDA Disbursements in FY / Opening Undisbursed Amount at FY. Restricted to Lending Instrument Type = Investment.

Source: AO disbursement ratio table as of 7/13/17



Annex Table 9: Net Disbursement and Charges for Iraq, FY13-17

Period	Disb. Amt.	Repay Amt.	Net Amt.	Charges	Fees	Net Transfer
FY13	62,714,135.3	-	62,714,135.3	3,206,875.0	1,412,174.2	58,095,086.1
FY14	86,439,998.2	-	86,439,998.2	2,535,000.0	1,897,410.2	82,007,587.9
FY15	36,203,170.9	23,800,000.0	12,403,170.9	2,287,597.1	3,214,546.6	6,901,027.2
FY16	1,272,125,055.8	25,386,591.4	1,246,738,464.4	6,802,873.5	6,883,622.7	1,233,051,968.1
FY17	1,508,727,483.2	32,893,379.2	1,475,834,104.0	35,440,410.5	7,059,742.4	1,433,333,951.2
Report Total	2,966,209,843.4	82,079,970.6	2,884,129,872.7	50,272,756.1	20,467,496.1	2,813,389,620.6

World Bank Client Connection 7/13/17

Annex Table 10: Total Net Disbursements of Official Development Assistance and Official Aid for Iraq

Development Partners	2013	2014	2015	2016
All Donors, Total	1541.54	1371.06	1485.03	..
DAC Countries, Total	1343.15	1133.3	1204.91	..
Australia	13.58	9.75	13.75	..
Austria	0.52	2.93	3.22	..
Belgium	..	0.49	7.41	..
Canada	15.83	36.59	74.96	..
Czech Republic	0.44	0.52	1.53	..
Denmark	3.99	10.77	9.12	..
Finland	1.1	16.71	2.68	..
France	15	24.5	16.67	..
Germany	24.71	100.32	138.57	..
Greece	0.08	0.17	0.06	..
Hungary	0.01	0.15	0.71	..
Ireland	0.2	0.89	1.75	..
Italy	8.58	13.93	51.05	..
Japan	700.46	365.45	325.54	..
Korea	12.49	18.12	13.25	..
Luxembourg	0.27	1.26	0.76	..
Netherlands	0.4	16.3	40.31	..
New Zealand	..	0.83	..	..
Norway	10.55	36.12	29.84	..
Poland	0.04	0.09	0.09	..
Portugal	0	0.04	0.01	..
Slovak Republic	0.01	0.03	0.06	..
Slovenia	..	..	0.03	..
Spain	0.28	0.72	3.13	..
Sweden	32.57	42.75	24.15	..



Development Partners	2013	2014	2015	2016
Switzerland	7.26	14.12	15.54	..
United Kingdom	10.96	63.17	84.7	..
United States	483.82	356.59	346.03	..
Multilaterals, Total	166.36	174.83	170.77	..
EU Institutions	84.3	80.63	112.19	..
United Nations, Total	14.27	17.64	23.95	12.36
Food and Agriculture Organisation [FAO]	0.04	..	..	..
International Atomic Energy Agency [IAEA]	0.61	0.71	0.5	..
IFAD	..	0.32	..	..
International Labour Organisation [ILO]	0.23	0.24	0.27	..
UNDP	2.62	2.47	2.02	..
UNFPA	3.1	2.44	1.7	..
UNICEF	6.1	9.07	8.42	..
WFP	0.32	1.47	9.22	11.28
World Health Organisation [WHO]	1.25	0.91	1.8	1.07
World Bank Group, Total	62.8	73.15	27.99	..
World Bank, Total	62.8	73.15	27.99	..
International Development Association [IDA]	62.8	73.15	27.99	..
International Finance Corporation [IFC]	..	..	..	..
Other Multilateral, Total	4.98	3.42	6.65	..
Global Environment Facility [GEF]	0.65	1.05	0.92	..
Global Fund	4.34	2.37	5.73	..
Non-DAC Countries, Total	32.03	62.93	109.34	..
Bulgaria	..	..	0.03	..
Cyprus	..	0.01	..	..
Estonia	0.17	0.36	..	..
Kuwait (KFAED)	2.18	3.47	3.09	..
Lithuania	..	0.03	0	..
Romania	0.07	0.09	0.58	..
Russia	0.55	1.07	..	..
Turkey	27.74	39.02	5.69	..
United Arab Emirates	1.33	18.87	99.94	..

Source: OECD Stat. DAC2a as of 7/6/17

* Data only available up to FY16



Annex Table 11: Economic and Social Indicators for Iraq, 2013 – 2016

Series Name					Iraq	MNA	World
	2013	2014	2015	2016	Average 2013-2016		
Growth and Inflation							
GDP growth (annual %)	6.6	0.7	4.8	11.0	5.8	3.0	2.6
GDP per capita growth (annual %)	3.1	(2.5)	1.6	7.8	2.5	1.0	1.4
GNI per capita, PPP (current international \$)	15,540.0	15,410.0	15,780.0	17,240.0	15,992.5	18,191.4	15,398.6
GNI per capita, Atlas method (current US\$) (Millions)	6,850.0	6,700.0	5,960.0	5,430.0	6,235.0	8,330.1	10,656.5
Inflation, consumer prices (annual %)	1.9	2.2	1.4	..	1.8	2.7	2.2
Composition of GDP (%)							
Agriculture, value added (% of GDP)	..	..	..	..		6.4	3.9
Industry, value added (% of GDP)	..	..	..	..		45.0	27.7
Services, etc., value added (% of GDP)	..	..	..	..		47.9	68.3
Gross fixed capital formation (% of GDP)	26.9	32.7	30.5	24.8	28.7	24.5	23.5
Gross domestic savings (% of GDP)	30.6	30.1	18.4	11.8	22.7	31.1	24.8
External Accounts							
Exports of goods and services (% of GDP)	39.7	41.3	35.0	32.6	37.1	43.9	30.0
Imports of goods and services (% of GDP)	36.0	36.9	41.0	39.3	38.3	40.5	29.4
Current account balance (% of GDP)	9.6	10.4	2.3	..			
External debt stocks (% of GNI)	..	..	..	..
Total debt service (% of GNI)	..	..	..	..
Total reserves in months of imports	14.1	13.1	14.0	..		25.9	13.3
Fiscal Accounts ¹							
General government revenue (% of GDP)	42.187	38.152	30.26	33.726	36.1		
General government total expenditure (% of GDP)	47.971	43.42	42.57	41.987	44.0		
General government net lending/borrowing (% of GDP)	-5.784	-5.268	-12.31	-8.261	-7.9		
General government gross debt (% of GDP)	31.153	31.801	55.047	63.686	45.4		
Health							
Life expectancy at birth, total (years)	69.2	69.4	69.6	..	69.4	72.9	71.4
Immunization, DPT (% of children ages 12-23 months)	68.0	64.0	58.0	..	63.3	87.7	85.4
Improved sanitation facilities (% of population with access)	85.6	85.6	85.6	..	85.6	91.1	67.0



Series Name					Iraq	MNA	World
	2013	2014	2015	2016	Average 2013-2016		
Improved water source (% of population with access)	70.1	70.1	70.1	..	70.1	89.2	83.9
Mortality rate, infant (per 1,000 live births)	27.9	27.2	26.5	..	27.2	20.3	32.7
Education							
School enrollment, preprimary (% gross)	..	..	..	..		28.6	47.4
School enrollment, primary (% gross)	..	..	..	..		106.4	104.7
School enrollment, secondary (% gross)	..	..	..	..		78.9	76.1
Population							
Population, total (Millions)	33,883,145	35,006,080	36,115,649	37,202,572	35,551,862	424,913,924	7,312,300,570
Population growth (annual %)	3.3	3.3	3.1	3.0	3.2	1.9	1.2
Urban population (% of total)	69.3	69.4	69.5	69.6	69.4	64.0	53.6
Poverty							
Poverty headcount ratio at \$1.90 a day (2011 PPP) (% of pop)	..	..	..	..			10.7
Poverty headcount ratio at national poverty lines (% of pop)	..	..	..	..
Rural poverty headcount ratio at national poverty lines (% of rural pop)	..	..	..	..
Urban poverty headcount ratio at national poverty lines (% of urban pop)	..	..	..	..
GINI index (World Bank estimate)	..	..	..	..

Source: DDP as of 7/6/17

*International Monetary Fund, World Economic Outlook Database, April 2017

** Data only available up to FY16

Annex Table 12: List of IFC Investments in Iraq
Investments Committed in FY13-FY16

Project ID	Cmt FY	Project Status	Primary Sector Name	Greenfield Code	Project Size	Original Loan	Original Equity	Original CMT	Loan Cancel	Equity Cancel	Net Loan	Net Equity	Net Comm
37045	2016	Active	Electric Power	E	565,000	125,000	125,000	250,000	-	-	250,000	125,000	250,000
38106	2016	Active	Nonmetallic Mineral Product Manufacturing	E	35,000	35,000	-	35,000	-	-	35,000	-	35,000
32586	2015	Closed	Food & Beverages	G	41,600	12,000	-	12,000	12,000	-	-	-	-
34376	2015	Active	Food & Beverages	G	18,000	18,000	-	18,000	-	-	18,000	-	18,000
35896	2015	Active	Nonmetallic Mineral Product Manufacturing	G	48,282	-	8,190	8,190	-	-	8,190	8,190	8,190
32425	2014	Active	Transportation and Warehousing	E	5,000	-	2,200	2,200	-	-	2,200	2,200	2,200
32451	2014	Active	Accommodation & Tourism Services	G	42,900	14,000	-	14,000	-	-	14,000	-	14,000
34503	2014	Active	Finance & Insurance	E	7,079	-	7,079	7,079	-	-	7,079	7,079	7,079
30617	2013	Active	Finance & Insurance	E	23,942	-	12,222	12,222	-	-	12,222	12,222	12,222
31876	2013	Closed	Transportation and Warehousing	G	30,000	30,000	-	30,000	-	-	30,000	-	30,000
32206	2013	Active	Nonmetallic Mineral Product Manufacturing	E	70,000	70,000	-	70,000	-	-	70,000	-	70,000
32814	2013	Closed	Finance & Insurance	E	-	4,364	-	4,364	-	-	4,364	-	4,364
			Sub-Total		886,803	308,364	154,692	463,055	12,000	-	451,055	154,692	451,055

Investments Committed pre-FY13 but active during FY13-16

Project ID	CMT FY	Project Status	Primary Sector Name	Greenfield Code	Project Size	Original Loan	Original Equity	Original CMT	Loan Cancel	Equity Cancel	Net Loan	Net Equity	Net Comm
28953	2012	Active	Nonmetallic Mineral Product Manufacturing	E	80,000	50,000	-	50,000	-	-	50,000	-	50,000
32459	2012	Active	Finance & Insurance	E	886	-	886	886	-	-	886	886	886
29002	2011	Active	Information	E	1,825,000	155,000	-	155,000	-	-	155,000	-	155,000
29869	2011	Active	Finance & Insurance	E	1,550	-	1,524	1,524	-	-	1,524	1,524	1,524
30111	2011	Active	Accommodation & Tourism Services	G	500	500	-	500	-	-	500	-	500
28566	2010	Active	Accommodation & Tourism Services	G	14,000	14,000	-	14,000	-	-	14,000	-	14,000
28376	2009	Active	Finance & Insurance	E	1,875	-	1,875	1,875	-	-	1,875	1,875	1,875
			Sub-Total		1,923,810	219,500	4,284	223,784	-	-	223,784	4,284	223,784
			TOTAL		2,810,613	527,864	158,976	686,839	12,000	-	674,839	158,976	674,839

Source: IFC-MIS Extract as of end July 31, 2016



**Annex Table 13: List of IFC Advisory Services for Iraq
Advisory Services Approved in FY13-16**

Project ID	Project Name	Impl Start FY	Impl End FY	Project Status	Primary Business Line	Total Funds, US\$
600883	Iraq Investment policy project	2016	2018	ACTIVE	TAC	1,633,539
600817	Suleymaniah Wastewater Treatment Plant	2015	2017	TERMINATED	CAS	1,259,802
586587	Iraq CntryOffice	2014	2018	ACTIVE	CAS	3,204,549
599488	KRG PPP Program - Memorandum of Understanding	2014	2015	CLOSED	CAS	243,388
599580	Corporate Governance Iraq	2014	2020	ACTIVE	ESG	2,010,000
592767	Iraq Financial Infrastructure	2013	2017	TERMINATED	A2F	1,400,000
594067	Iraq - Dairy Sector Development	2013	2016	ACTIVE	MAS	779,328
594127	FAST Iraq	2013	2017	ACTIVE	CAS	1,730,000
598247	Iraq Construction Reform Project	2013	2016	ACTIVE	TAC	2,248,297
599071	ACSI CHF Iraq MF Commercialization	2013	2016	TERMINATED	A2F	1,540,000
599072	Relief International Iraq MF Capacity Building	2013	2015	TERMINATED	A2F	1,522,210
599398	Iraq Bank Advisory Services Project	2013	2016	ACTIVE	FIG	400,000
599839	United Bank for Investment	2013	2017	HOLD	FIG	2,499,060
	Sub-Total					20,470,173

Source: IFC AS Data as of 7-31-16

Annex Table 14: IFC net commitment activity in FY13 - FY16

		2013	2014	2015	2016	Total
Financial Markets		12,309,547	7,053,660	85,026	(256)	19,447,976
Trade Finance (TF)		-	4,363,556	-	-	4,363,556
Agribusiness & Forestry	Packaged Food & Beverages	-	-	12,000,000	(12,000,000)	-
	Animal Protein	-	-	18,000,000	-	18,000,000
Manufacturing	Construction Materials	70,000,000	-	6,710,100	34,977,500	111,687,600
Tourism, Retail, Construction & Real Estates (TRP)	Tourism	-	14,000,000	-	-	14,000,000
Infrastructure	Transportation & Warehousing	30,000,000	2,200,000	-	-	32,200,000
	Electric Power	-	-	-	250,000,000	250,000,000
Total		112,309,547	27,617,215	36,795,126	272,977,244	449,699,132

Source: IFC MIS as of 12/8/16



Annex Table 15: List of MIGA Guarantee Projects, FY14-FY15

ID	Contract Enterprise	FY	Project Status	Sector	Investor	Max Gross Issuance
11370	Regional Telecom, Iraq	2014	Active	Telecommunications	France	10
9170	Nafith Logistics - Iraq Branch	2014	Active	Services	United Kingdom	8
Total						18

Source: MIGA 9/13/16