UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

Project of the Republic of Iraq

Project number: 180207
Project title: Promotion of social stabilization and acceleration of economic recovery in Nineveh Governorate in Iraq

Thematic area code: HC1 Creating Shared Prosperity
HC 13 Human Security and Post-crisis Rehabilitation

Starting date: February 2019, upon receipt of funds
Project site: Nineveh Governorate, Iraq

Government Coordinating Agency: Nineveh Governorate with support of related line ministries, Ministry of Labor and Social Affairs (KRG and Government of Iraq, Baghdad)

Government Cooperating Agency: Ministry of Planning (KRG and Government of Iraq, Baghdad), Ministry of Agriculture – Research Center Erbil, as well as Nineveh Governorate

Executing Agency: United Nations Industrial Development Organization

Donor: Government of Japan (USD 892,857)

Project Inputs:

- **UNIDO inputs** USD 790,139
- **Support costs (13%)** USD 102,718
- **Counterpart inputs** In-kind (as specified in D.1.)
- **Grand Total** USD 892,857

Brief description:

In the fall of 2016, two years after ISIL claimed the Nineveh territory, Iraqi forces made
significant military gains and finally liberated the Nineveh Plains in January 2017. Many scattered families were able to return to their towns with high hopes for the future. There are, however, many challenges, as reconstruction, unemployment and limited access to livelihoods remain areas of high concern.

As public safety appears to be one of the main barriers for return and resettlement, the project will work with national institutions to build capacity in this domain. This may include working with Civil Defense and linking vocational training as well as equipment resource support as means to strengthen national protective measures to safeguard citizens returning to the conflict-affected areas. This aspect of the project will be achieved through partnership with private sector companies and institutions working in the domain of public safety and civil emergency response.

In synergy with the above, in Nineveh Governorate, there is a need to revive the local economy and generate local employment, which is necessary to ensure sustainable resettlement, long-term economic development and political reconciliation. The revitalization of micro- and small enterprises that were operational prior to the conflict and the support of economic and livelihood activities can play a crucial role in this process. In this view, the project will provide support to IDPs and returnees in order for them to gain technical and employable skills. By restarting micro- and small households and supporting the upgrading of Vocational Training Centers and national institutions, return to Nineveh will be facilitated and sustainable livelihoods, economic recovery and social stability promoted.

A. CONTEXT

In 2014, the Nineveh Plain territory (lying between the city of Mosul, Iraq’s second largest city, and the Kurdistan Region of Iraq) was overtaken by the Islamic State of Iraq and the Levant (ISIL). Close to one million people are estimated to have fled their homes, and at least 20,000 commercial and Government buildings, including schools and training institutions, have been destroyed only in Mosul. The majority of those displaced are from vulnerable ethnic and religious minority groups including Yezidi, Christians and the Shabak people. Many civilians from these communities have been specifically targeted by ISIL because of their religious beliefs.

In the fall of 2016, two years after ISIL claimed the Nineveh territory, Iraqi forces made significant military gains and finally liberated the Nineveh Plains in January 2017. Many scattered families were able to return to their towns with high hopes for the future. The challenges, however, are formidable. There are still 14,000 registered families (approximately 90,000 people) who fled from Mosul and the Nineveh Plains living in Erbil, nearly 13,000 homes to be rebuilt, security concerns in the villages, infrastructure concerns (water, electricity, roads, schools and clinics), all while families try to move to the restored villages.
Out of all Iraqi Governorates, Nineveh hosts the most IDPs (613,000 out of 1,986,000), the most returnees (1,481,000 out of 3,923,000) and the largest host communities (101,000 out of 389,000). Together with 4,000 refugees in Nineveh, this makes it the Governorate with the highest amount of people in need (2,168,000 out of 6,650,000). For returnees, the situation in Nineveh Governorate is especially worrisome, as the lack of livelihoods, services, social cohesion and security is amongst the most pronounced when compared nationally; Nineveh is also one of the Governorates where returnees in need of protection assistance are primarily located. Some of the highest country-wide poverty rates exist in Nineveh (in 2011, 26% of the Governorate’s population lived under the poverty line), exacerbating the hardships faced by host communities, IDPs, returnees and refugees together.

Nineveh hosts one of the highest proportions of returnees that are food insecure (162,000) and has observed food consumption gaps, high expenditure on food and negative coping strategies. Across Iraq, 2.4 million people are estimated to be in need of food and livelihood assistance, with Nineveh being one of the Governorates where they are most concentrated. Nationally, almost half of both returnees and IDPs identify employment as their main livelihood need; in fact, Nineveh has the highest rate of unemployed out-of-camp IDPs seeking work (45%), the second-highest rate of unemployed in-camp IDPs seeking work (37%), and together with Anbar and Salah al-Din, the highest rate of unemployed returnees seeking work (41%).

In conjunction with the material reconstruction of the area, there is a need to revive the local economy and generate local employment, which is necessary to ensure sustainable resettlement, long-term economic development, political reconciliation and the bridging of the humanitarian-development divide. The revitalization of micro- and small enterprises that were operational prior to the conflict and the support of economic/livelihood activities can play a crucial role in this process. Also, it is imperative to provide support to IDPs and returnees for them to gain technical and employable skills to enable them to re-establish their livelihoods and consolidate households. This will require a major reconstruction effort, especially in the vocational and technical training sector.

The project will leverage the experience of collaborating with the Ministry of Labor and Social Affairs (MoLSA) as part of the UNIDO project funded by the Government of Japan and completed in July 2018, “Integrated stabilization, economic recovery and reconstruction support for displaced persons and returnees in Iraq”. In providing training for trainers of VTCs, the project will utilize the training institutions and facilities reinforced by the said project.

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1 UN OCHA, “2019 Humanitarian Needs Overview”, November 2018, p. 17
3 UN OCHA, “2019 Humanitarian Needs Overview”, November 2018, p. 16
4 Ibid. (MCNA VI, 2018; CARI Analysis, 2018; Comprehensive Food Security and Vulnerability Assessment, 2016), p. 40
5 Ibid., p. 51
B. REASONS FOR UNIDO ASSISTANCE

The project will extensively draw on UNIDO’s expertise in harnessing the productive capacities of returnees and host communities through entrepreneurship and upgrading of technical skills which are keys to better employability and livelihoods. UNIDO has implemented technical assistance projects targeting returnees, IDPs and host communities in numerous conflict-affected countries globally. With financial support from the Government of Japan, UNIDO implemented from 2017 to 2018 an employment and food security project in the Kurdistan Region of Iraq for Syrian refugees, IDPs and host communities through the development of the confectionery value chain in Shaqlawa. A follow-up project is currently being implemented in the same region, this time focusing on youth employability of IDPs, amongst other beneficiary groups.

Other than in Iraq, UNIDO has also supported IDPs and returnees in countries such as Somalia and Liberia, both in the framework of projects funded by Japan. In Somalia, UNIDO has focused on providing marketable vocational skills trainings to IDPs in order to facilitate their reintegration in the local labor market (project “Community stabilization for returnees, internally displaced persons and host communities in Dhobley and Afmadow, southern Somalia”, 2017 - 2018). In Liberia, UNIDO provided entrepreneurship development and skills training programmes with the objective of facilitating the process of economic reintegration of forced migrants returning from neighboring West African countries (“Reintegration for Liberian Returnees through Skills Training and Job Creation”, 2013 - 2014). A 2016 follow-up study of this project showed that the overall employment conditions and the socio-economic status of training beneficiaries significantly improved, with 76% of all study participants engaged in a job or an income-generating activity.

C. THE PROJECT

C.1. Objective of the project

To contribute to social stabilization and economic resilience in Nineveh Governorate in Iraq.

C.2. UNIDO approach

• The overall approach

The project will contribute to reviving the local economy of Nineveh Governorate and to improving employability through a two-pronged approach. The first approach is to revitalize micro- and small enterprises that were operational before the conflict and also to assist the establishment of new household income-generating activities for the returnees in a view to provide them with immediate incomes. The second approach is at the institutional level, where it will contribute to upgrading a vocational training center (VTC) and/or a national institution, build up its capacity to ensure long-term assistance to civil society as well as provide skills
training for the youth and finally to contribute to the overall resettlement and stabilization of the local economy.

The strategy is guided by the UNIDO thematic area of poverty reduction through productive activities and its special initiative of human security and post-crisis rehabilitation. Lessons learned from past UNIDO and UN interventions in livelihood interventions in conflict-affected environments will be taken into account.

The project also seeks to address the objectives of ‘Security-Development Nexus Program in Iraq’ as developed by the Japanese Government, which recognizes that security and economic opportunities are inevitably interlinked. By restarting micro- and small households and supporting the upgrading of Vocational Training Centers and national institutions, the present project aims to facilitate return to Nineveh and sustainable livelihoods, and to promote economic recovery and stability; thus building on the correlation between jobs and social cohesion that the ‘Security-Development Nexus Program in Iraq’ underlines.

- Capitalising on lessons learned from other UNIDO projects and evaluation reports

One lesson learned in the UNIDO Thematic Evaluation of Post-Crisis Interventions is the consideration of conflict sensitivity and ‘do no harm’ as well as gender-sensitive approaches during project preparation and implementation. One other lesson from a former UNIDO project in Ghana, which assisted Liberian refugees in Buduburam Refugee Settlement, is the need to include local community members hosting the displaced as the project beneficiaries.

This project is envisioned to contribute to long-term development gains such as capacity-building of the Government counterparts, project stakeholders, and empowerment of the project beneficiaries, in particular youth, young adults and women. However, capacity-building is a long process – hence this may not be fully achieved during the given project duration of one year. The limited project duration of UNIDO’s past interventions funded through the Japanese Supplementary Budget has posed a big challenge in ensuring efficiency and sustainability of the projects. Therefore, the project is meant to provide a quick support to address the most immediate livelihood/employment needs of the project beneficiaries.

The evaluation of recent UNIDO interventions in Iraq indicates that overall effectiveness and ownership and capacity have been largely enhanced by basing projects on Government institutions and their staff, i.e. trainers. The project therefore will attempt to reinforce the efforts of its main national counterparts.

- Other project partners

The proposed project will be implemented in cooperation with other UN agencies including IOM, UNHCR, FAO, and UNDP as well as other national/international NGOs and religious organizations. Cooperation with industry or the private sector, will be explored to implement
Output 2 so that the project will become a stepping stone for other private sector companies to follow.

UNIDO will in particular consult and if possible work together with humanitarian organizations, i.e. UNHCR, UN-OCHA, WFP and NGOs, so as to ensure the complementarity of its development activities. Building on the immediate response of these actors, it is essential that the project provides long-term and sustainable solutions for the vulnerable groups targeted so as to address the humanitarian-development nexus and to foster resilience.

- **Project design and inception phase**

The project’s operational area is a highly restricted zone in terms of security arrangements for travel. UNIDO came to know about the approval of the concept on 21 December 2018. Due to a very tight deadline for the preparation and submission of the project document, it was not realistic to carry out a separate project formulation mission whereby in-depth consultations with the Government counterparts as well as project stakeholders normally take place.

The first activity of the project will therefore be the inception phase where the project approach will be verified, based on data gathered on the reality on the ground and workable in close consultation with the Government counterparts, project stakeholders and potential project beneficiaries. The project approach and its activities may be revised based on the findings but maintaining the project objectives and outcomes.

Activities during this phase will include: identification of specific operational area(s) and mapping of work sites; assessment of reconstruction/rehabilitation needs, training and technical assistance needs; markets and labour requirements and equipment needs.

- **Project intervention by outputs**

*Output 1: Micro- and small enterprises re-established and income-generating activities for returnees supported.*

Beneficiaries under this output are micro- and small entrepreneurs who have resumed their business operations but are operating at a very low capacity for lack of resources. Enterprises will be verified during the inception mission and subsequently be assisted. Criteria for selection of the beneficiaries will consider employment generated among youth and women.

Other beneficiaries are also returnees who will be assisted in establishing agro-based and/or food processing income-generating activities that will provide them with immediate cash incomes, such as backyard poultry to produce semi-organic eggs; dairy goat production with cheese and yoghurt processing.

Project interventions will consist of training programs on food processing and hygiene, entrepreneurship; technical assistance, small equipment support and rehabilitation.
Output 2: Accelerated return of communities to areas affected by the conflict over strengthened Vocational Training Centers (VTCs) and supported National Institutions.

Beneficiaries under this output are men and women currently employed by a National Institution or seeking a job covered by the activities carried out by the latter, for the benefit of civil society in the Nineveh region. In both cases, throughout this output, the beneficiaries will receive trainings in the identified domain in line with the needs and priorities explored during the inception phase. This will be oriented in order to cover the most urgent needs identified in synergy with the Nineveh Governorate, its affiliated bodies and project stakeholders.

Throughout Output 2, the project will aim to support the upgrading of capacities to the identified VTCs and/or National Institutions. This will be achieved by building partnership with identified private sector entities working in the domain of public safety and civil emergency response, which will contribute to providing the necessary resources, equipment and technical assistance in light of sustainable approaches to ensure its long-term viability and benefits to civil society. Particularly, this may include working with Civil Defense and linking vocational training to strengthen national protective measures to safeguard citizens returning to the conflict-affected areas.

- **Target beneficiaries**

Output 1: 30% of the direct and indirect beneficiaries will be women.

**Direct Beneficiaries:** 25 micro- and small entrepreneurs who operated their businesses prior to the conflict; 50 returnee households establishing their agro-based/food processing income-generating activities

**Indirect Beneficiaries:** 50 returnees employed by the micro- and small enterprises assisted

Output 2: 30% of the direct and indirect beneficiaries will be women.

- **Direct Beneficiaries:** 1 to 2 VTCs and/or National Institution strengthened with equipment improvements and associated training skills capacities.
- **Indirect Beneficiaries:** 50 to 100 employees and potential employees of the National Institution are trained and operational to provide assistance to the population in the Nineveh region.

- **Gender mainstreaming and inclusive development strategy**

Iraq is home to a plethora of gender disparities, exacerbated by the ISIL insurgency and its imposition of radical rules on women. ISIL enforced various norms by brutal means, which included the strict separation of women from unrelated men in public spaces and rules about
attire and daily practices\textsuperscript{5}. These traumatizing experiences add to an already unfavourable pre-existing environment for women, who are exposed to forced and illegal marriage, unequal job opportunities and low engagement in political processes and thus experience marginalization in Iraqi society\textsuperscript{7}.

In Iraq, gender norms tend to assign men the role of protector and provider, while women are burdened with ensuring the well-being of their families and primarily domestic roles\textsuperscript{8}. Women’s limited access to livelihoods, imposed restrictions on movement and changes in power relations within the household fuel violence against women, including domestic violence\textsuperscript{9}. Sexual violence, exploitation and abuse, forced marriage and the denial of resources are especially pronounced among female IDPs, returnees and host communities\textsuperscript{10}. Female-headed host households are considered to be the most vulnerable in terms of food insecurity, livelihoods and unemployment\textsuperscript{11}. The latter is especially pronounced for female Iraqi youth (15 – 24 years of age), whose unemployment rate (56%) is almost double that of their male counterparts (29\%)\textsuperscript{12}.

Research has shown that the experience with ISIL means that women have valuable experience, first-hand accounts, ideas and contributions to an inclusive peacebuilding and reconstruction process of their country\textsuperscript{13}. Equal and equitable access to assistance can allow meaningful participation of women in carrying out effective interventions that contribute to community cohesion\textsuperscript{14}. In order to ensure sustainable economic growth and social stability in Iraq, it is paramount to include them in all recovery and resilience efforts.

The project will build on the experiences and numerous lessons learned from the earlier UNIDO projects targeting returnees and their host communities on gender mainstreaming where women were encouraged to proactively participate in the trainings and to become trainers, consultants and committee members in the project.

By doing so, these projects resulted in helping countervail gender inequality by developing women’s skills and capacities and more than doubling their weekly income. These projects also proved that the women were more receptive of the new training opportunities provided by UNIDO. On the contrary, men were initially reluctant to take part in the training but after

\begin{thebibliography}{99}
\bibitem{6} DIETRICH, Luisa and CARTER, Simone E., “Gender and Conflict Analysis in ISIS Affected Communities of Iraq”, OXFAM, May 2017, p. 5
\bibitem{7} ALI, Ala, “Security, Religion, and Gender in Nineveh Province, Iraq”, Peace Insight, 17 September 2015
\bibitem{8} DIETRICH, Luisa and CARTER, Simone E., “Gender and Conflict Analysis in ISIS Affected Communities of Iraq”, OXFAM, May 2017, p. 5
\bibitem{9} Ibid., p. 35
\bibitem{10} UN OCHA, “2019 Humanitarian Needs Overview”, November 2018, p. 22
\bibitem{11} Ibid., p. 40, 52
\bibitem{12} Ibid., p. 52
\bibitem{13} DIETRICH, Luisa and CARTER, Simone E., “Gender and Conflict Analysis in ISIS Affected Communities of Iraq”, OXFAM, May 2017, p. 9
\bibitem{14} Ibid., p. 35
\end{thebibliography}
observing their wives and female friends making a successful business, they also started to sign up for the training.

Due to flight and experience in exile, men are affected in their roles as fathers, husbands, protectors and providers. Thus, in many displacement situations women, sometimes even girls and boys, are assuming the primary role of the breadwinner. They take responsibility for their families often because men are absent, disabled or unwilling to do lower status and lower paid jobs that are available. Therefore, it is important to promote gender mainstreaming in conflict-affected environments.

During the inception phase, gender-specific vulnerability and needs will be identified and special consideration shall be given in planning of technical and entrepreneurship training to encourage the participation of women. The project will remove potential barriers for their engagement and increase the efficiency of their activities. 2% of the project’s total budget ($15,802.78) will be used for this purpose.

The project aims to have a beneficiary proportion that is 70% male and 30% female. Considering the above mentioned situation of women and cultural norms present in Iraq, this can be considered as significant female participation in a male-dominated society like Iraq’s. Similar previous projects of UNIDO in Iraq (SAP numbers 160047 and 160157) confirmed this assertion. Both projects initially proposed 30% of the beneficiaries to be female, while project 160157 managed to have 43% female participants but 160047 only 27%.

- **Expected contribution to the achievement of SDGs**

The proposed project is designed in compliance with and to contribute to the achievement of the Sustainable Development Goals (SDGs); namely Goal 1: “End poverty in all its forms everywhere,” Goal 4: “Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all,” Goal 9: “Build resilient infrastructure, promote sustainable industrialization and foster innovation,” and Goal 16: “Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.”

- **Donor visibility**

UNIDO makes efforts to increase the visibility of the contribution of the Government of Japan. UNIDO will disseminate the progress and achievements of the proposed project through various ways. It will post regular updates on the UNIDO Open Data Platform; Project Affiliated Platforms, local media and social networking accounts though videos/pictures, special feature stories focusing on particular beneficiaries demonstrating successful project interventions, strategic messages across the project locations and participant demographics; communiqués, media coverage for special events and other means. Logos and stickers which help identify the project as a contribution of the Government of Japan will be displayed.
C.3 RBM code and thematic area code

HC1    Creating Shared Prosperity
HC13   Human Security & Post-crisis Rehabilitation

C.4. Expected outcomes

Outcome 1 – Micro- and small enterprises restarted for sustainable livelihoods and economic recovery in the Nineveh Plains.

Outcome 2 – Vocational Training Centers (VTCs) and/or National Institutions strengthened to improve conditions allowing for return in conflict-affected areas.

C.5. Outputs and activities

<table>
<thead>
<tr>
<th>Output 1. Micro- and small enterprises re-established and income-generating activities for returnees supported.</th>
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<tbody>
<tr>
<td><strong>Activities</strong></td>
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<tr>
<td>1.1 Conduct the inception phase – identification of specific operational area(s); assessment of reconstruction/rehabilitation needs, training and technical assistance needs; markets and labour requirements; and equipment needs of target beneficiaries.</td>
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<td>1.2 Develop selection criteria and implementation modalities.</td>
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<td>1.3 Provide entrepreneurship and technical training to MSEs.</td>
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<td>1.4 Assist MSEs to rehabilitate their factories/workshops; and provide equipment required and other in-kind inputs that may be required.</td>
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<td>1.5 Provide training to returnee households to establish their agri-based or food processing income-generating activities.</td>
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<td>1.6 Provide tools and in-kind support to returnee households to establish their income-generating activities.</td>
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<tr>
<th>Output 2: Accelerated return of communities to areas affected by the conflict over strengthened Vocational Training Centers (VTCs) and supported National Institutions.</th>
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<tr>
<td><strong>Activities</strong></td>
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<tr>
<td>2.1 Conduct VTC and national institution needs assessment and identify priorities.</td>
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<tr>
<td>2.2 Planning for capacity-building according to needs and priority assessment.</td>
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</table>
2.3 Identify and develop partnerships with Japanese private sector to establish a programme to address issues of safety.

2.4 Procurement of identified equipment, installation and commissioning.

2.5 Planning of TOTs and capacity building activities.

2.6 Implementation of capacity building activities.

2.7 Supporting VTCs in providing assistance to returnees and ensuring skills development.

**Regular monitoring, Terminal Self-evaluation, and public relations**

<table>
<thead>
<tr>
<th>Activities</th>
<th>Responsibility</th>
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<tbody>
<tr>
<td>1. Conduct regular monitoring of the project as per the monitoring tool developed by the project including the collection of baseline data.</td>
<td>Project Team and subcontractor</td>
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<td>2. Conduct a Terminal Self-evaluation to draw lessons learned.</td>
<td>Project Team and HQ</td>
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<tr>
<td>3. Extract and disseminate the progress, achievements and lessons of UNIDO activities on human security, post-crisis rehabilitation and migration.</td>
<td>Project Team</td>
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C.6. Timeline of the Activities

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<tr>
<th>Outcomes, Outputs and Activities</th>
<th>1 Apr</th>
<th>2 May</th>
<th>3 Jun</th>
<th>4 Jul</th>
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</tr>
<tr>
<td>2.7 Supporting VTCs in providing assistance to returnees and ensuring skills development.</td>
<td></td>
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</tr>
<tr>
<td>Conduct regular monitoring of the project as per the monitoring tool developed by the project including the collection of baseline data.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Conduct a Terminal Self-evaluation to draw lessons learned.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Extract and disseminate the progress, achievements and lessons of UNIDO activities on human security, post-crisis rehabilitation and migration.</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
C.7. Risks

The following are the possible risks that might affect the project.

<table>
<thead>
<tr>
<th>Risk</th>
<th>Mitigating Factors</th>
<th>Likelihood of Occurrence</th>
<th>Impact if Risk Occurs</th>
</tr>
</thead>
<tbody>
<tr>
<td>The security and political situation in the Nineveh Governorate can be a challenge to the project activities and an unexpected stability and security situation can pose a risk to the project implementation.</td>
<td>To mitigate these risks, the project staff will work closely with the Iraqi authorities and UNDSS to be able to react swiftly against security risks. Also, a regular monitoring and assessment of the project environment will be carried out by the project team on the ground to minimize such risks on the project implementation.</td>
<td>Medium</td>
<td>High</td>
</tr>
<tr>
<td>Internal conflict between beneficiaries given the different religious backgrounds and ethnicity</td>
<td>This risk will be minimized by using the participatory approach in the design, implementation and monitoring of the project. Also, training activities will include social cohesion events that will minimize internal conflict.</td>
<td>Medium</td>
<td>Medium</td>
</tr>
<tr>
<td>Local culture prevents women from participating in the project.</td>
<td>This will be mitigated by including all local communities in the different phases of the project starting from the planning phase until the evaluation of the project.</td>
<td>Medium</td>
<td>Medium</td>
</tr>
<tr>
<td>The Government counterpart does not provide the inputs as agreed with UNIDO.</td>
<td>UNIDO will coordinate closely with the Coordinating Agency to ensure the inputs from the Iraqi Government as agreed.</td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>International project staff and consultants will not be able to travel to Iraq because of visa requirements</td>
<td>UNIDO will work closely with the Iraqi Embassy to ensure that all project personnel travelling to Iraq have the required visa</td>
<td>Medium</td>
<td>Medium to High</td>
</tr>
</tbody>
</table>
D. INPUTS

D.1. Counterpart inputs

In order to guarantee ownership of the project, UNIDO will work closely with the Nineveh Governorate in the implementation of the project activities in close coordination with the Ministry of Planning in Baghdad.

The Iraqi Government and in particular the Nineveh Governorate will create all conditions for the proposed project activities such as: providing relevant data, information and statistics required in the selecting the operational area; designation of key contact person of the project; coordinating with relevant stakeholders, facilitating project implementation to include custom clearances of imported tools and equipment and government approval of any kind, etc.) and other support as required for smooth project implementation.

The Nineveh Governorate will assign from its staff, without any costs to UNIDO, a Senior Officer to be the focal point to work with the UNIDO team in the overall implementation of the project.

D.2. UNIDO inputs

UNIDO’s responsibility is to provide technical and administrative assistance for the successful implementation of the project, including:

- Two UNIDO HQ-Based Project Managers
- UNIDO HQ-Based Industrial Development Expert
- UNIDO administrative and technical support services at HQ
- Services of the UNIDO Regional Division – Arab Region at HQ
- Two NPCs and their project teams in Erbil
- Short-term international and national experts

E. BUDGET

The project follows the results-based management budget structure. In order to be able to respond to changing conditions and so as to ensure swift implementation, UNIDO may make budgetary adjustments, not foreseen in the project document, according to its rules and regulations: UNIDO will inform the donor about changes between budget components. In the case that shifts between outputs greater than 15 per cent become necessary, UNIDO will submit a revised budget for approval by the donor, showing and explaining the required changes. Changes between budgetary components are not to affect the total budget made available for the project.
### Budget Table

<table>
<thead>
<tr>
<th>BL</th>
<th>Description</th>
<th>Total USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>International experts</td>
<td>90,373</td>
</tr>
<tr>
<td>15</td>
<td>Project travel</td>
<td>3,000</td>
</tr>
<tr>
<td>16</td>
<td>Staff travel</td>
<td>6,000</td>
</tr>
<tr>
<td>17</td>
<td>National experts &amp; admin staff</td>
<td>84,845</td>
</tr>
<tr>
<td>21</td>
<td>Subcontracts</td>
<td>42,500</td>
</tr>
<tr>
<td>30</td>
<td>In-service training, conferences, workshops</td>
<td>70,000</td>
</tr>
<tr>
<td>43</td>
<td>Premises</td>
<td>11,700</td>
</tr>
<tr>
<td>45</td>
<td>Equipment</td>
<td>64,000</td>
</tr>
<tr>
<td>51</td>
<td>Miscellaneous</td>
<td>22,652</td>
</tr>
</tbody>
</table>

**Sub-Total Output 1** | **395,070**

**Output 1. Micro- and small enterprises re-established and income-generating activities for returnees supported.**

<table>
<thead>
<tr>
<th>BL</th>
<th>Description</th>
<th>Total USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>International experts</td>
<td>89,506</td>
</tr>
<tr>
<td>15</td>
<td>Project travel</td>
<td>20,000</td>
</tr>
<tr>
<td>16</td>
<td>Staff travel</td>
<td>5,000</td>
</tr>
<tr>
<td>17</td>
<td>National experts &amp; admin staff</td>
<td>68,000</td>
</tr>
<tr>
<td>21</td>
<td>Subcontracts</td>
<td>52,500</td>
</tr>
<tr>
<td>30</td>
<td>In-service training, conferences, workshops</td>
<td>35,000</td>
</tr>
<tr>
<td>43</td>
<td>Premises</td>
<td>-</td>
</tr>
<tr>
<td>45</td>
<td>Equipment</td>
<td>100,000</td>
</tr>
<tr>
<td>51</td>
<td>Miscellaneous</td>
<td>25,063</td>
</tr>
</tbody>
</table>

**Sub-Total Output 2** | **395,069**

**Output 2. Accelerated return of communities to areas affected by the conflict over strengthened Vocational Training Centers (VTCs) and supported National Institutions.**

**TOTAL** | **790,139**

**PSC Cost UNIDO (13%)** | **102,718**

**GRAND TOTAL PROJECT** | **892,857**
E.1. Remaining funds

Upon submission of the final financial statement, any surplus remaining in the trust fund will either be returned to the donor or disposed of as requested by the donor.

E.2. Auditing

The trust fund will be subject exclusively to the internal and external auditing procedures laid down in the financial regulations, rules and administrative instructions and directives of UNIDO. Whether or not an audit of a specific project will be performed is usually subject to risk assessments by either the External Auditor or UNIDO’s Internal Oversight Services.

F. MONITORING, REPORTING AND EVALUATION

UNIDO in consultation with the Nineveh Governorate will develop a work plan during the inception phase including agreement on the quantifiable outputs of the project. It will include a monitoring mechanism for the indicators in the log frame. The inception phase will approximately be one month. During the inception phase, UNIDO and the direct counterpart organization will reach an agreement on the project in-kind inputs and lay the foundation for the immediate implementation of the project activities.

Monitoring will be carried out through periodic progress reports and visiting the project sites by the project team, the Nineveh Governorate, the project management team at UNIDO HQ in Vienna and a donor representative. Monitoring will be conducted in accordance with the logical framework in (Annex 1). All project data will be aggregated by age and sex.

- Reporting

The project will produce two reports:

1. Progress Report: UNIDO will prepare a progress report within six months after starting the project implementation.
2. Terminal Report: The terminal report will be submitted with a financial report within six months after the project declares “financially completed”15.

- Terminal self-evaluation

A terminal self-evaluation will be conducted at the end of the project. The evaluation report will include assessments on efficiency, effectiveness, sustainability, relevance and impact as well as on environmental friendly approaches and conflict/gender sensitivity of the implementation to draw lessons learned.

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15 The project is “financially completed” after clearing all project commitments and transferring/writing off the project assets.
H. PRIOR OBLIGATIONS AND PREREQUISITES

UNIDO will work closely with the Nineveh Governorate in the implementation of the project activities in close coordination with the Ministry of Planning in Baghdad to ensure national ownership of the project.

In order to guarantee smooth project implementation, all conditions for the proposed project activities will be created by the Iraqi Government and the Nineveh Governorate. This includes: providing relevant data, information and statistics required in the selecting the operational area; designation of key contact person of the project; coordinating with relevant stakeholders, facilitating project implementation to include custom clearances of imported tools and equipment and government approval of any kind and other support as required.

A Senior Officer will be assigned by the Nineveh Governorate from its staff to be the focal point for the UNIDO team in the overall implementation of the project. This assignment will come at no cost to UNIDO.

I. LEGAL CONTEXT

The present project is governed by the provisions of the Standard Basic Cooperation Agreement between the Government of Iraq and UNIDO, signed on 30 June 2017.
### Annex 1 – Logical Framework

<table>
<thead>
<tr>
<th>Results</th>
<th>Indicators</th>
<th>Means of verification</th>
<th>Assumptions &amp; Risks</th>
</tr>
</thead>
</table>
| **Development Objective**                                              | To contribute to social stabilization and economic resilience in Nineveh Governorate in Iraq.                                                                                                               | Baseline data, Surveys and interviews | Security situation does not deteriorate.  
Conflicts in the region and in the country do not affect the economic activities in the target areas. |
|                                                                        | After the completion of the project, number of micro- and small enterprises assisted by the project and employment generated by them; number of returnee families who have established their income generating activities increased. |                       |                                                                                               |

### Outcome

<p>| 1. Micro- and small enterprises restarted for sustainable livelihoods and economic recovery in the Nineveh Plains. | After the completion of the project, at least 70% of the micro- and small enterprises assisted by the project are fully operational and at least 75% of the returnee families are sustaining the income-generating activities they were assisted to establish | Baseline data, Surveys and interviews | Conflicts in the region and in the country do not drastically affect the economic activities in the target areas.                                                                                             |
| 2. Vocational Training Centers (VTCs) and/or National Institutions strengthened to improve conditions allowing for return in conflict-affected areas. | After the completion of the project, at least 1 national institution/VTC is fully operational in the field of intervention of the project and at least 75% of the required staff have received trainings on the equipment supplied | Evaluation report |                                                                                               |</p>
<table>
<thead>
<tr>
<th>Outputs</th>
<th>Baseline data</th>
<th>Commitment of project beneficiaries in attending the training programs and coaching sessions does not change during the project period.</th>
</tr>
</thead>
</table>
| 1. Micro- and small enterprises re-established and income-generating activities for returnees supported. | □ Baseline data  
□ Training reports; training completion and records  
□ Training modules  
□ Field visits  
□ Equipment purchases  
□ Interviews with beneficiaries | Support and ownership from the related Government institutions remain the same. |
| By the end of March 2020, a minimum of 25 micro- and small enterprises directly benefit from the training, technical assistance and material support (30% of who are female owned enterprises) |                                                                                 | Commitment of Government counterpart in the training and monitoring/follow-up process does not change. |
| By the end of March 2020, a minimum of 50 returnee households have been assisted to establish their own agri- or food processing income-generating activity (30% of who are female headed households) |                                                                                 | The security situation in the target area does not drastically deteriorate. |
|                                                                       |                                                                                 | Severe internal conflict between beneficiaries with different backgrounds is not present. |
|                                                                       |                                                                                 | Local culture does not affect much the participation of women in project activities. |
2. Accelerated return of communities to areas affected by the conflict over strengthened Vocational Training Centers (VTCs) and supported National Institutions.

<table>
<thead>
<tr>
<th></th>
<th>By the end of 2020, 1 to 2 National Institution(s) and/or VTCs strengthened via equipment, resources and training skills capacities.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>By the end of 2020, between 50 and 100 men and women received specific trainings in line with the identified needs and priorities in the assistance of the returnees to the Nineveh region.</td>
</tr>
<tr>
<td></td>
<td>□ Baseline data</td>
</tr>
<tr>
<td></td>
<td>□ Training reports; training completion and records</td>
</tr>
<tr>
<td></td>
<td>□ Training modules</td>
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<tr>
<td></td>
<td>□ Field visits</td>
</tr>
<tr>
<td></td>
<td>□ Equipment purchases</td>
</tr>
<tr>
<td></td>
<td>□ Interviews with beneficiaries</td>
</tr>
<tr>
<td></td>
<td>Full support and ownership from the related Government institutions is ensured.</td>
</tr>
<tr>
<td></td>
<td>Commitment of Government counterpart in the training and monitoring/follow-up process is not changed.</td>
</tr>
<tr>
<td></td>
<td>The security situation in the target area does not drastically deteriorate.</td>
</tr>
</tbody>
</table>

**Note:** Data of project beneficiaries disaggregated by sex and age as well as by resident status will be collected.
Annex 2 – Map of the Nineveh Plain

Annex 3 – Letters of Request

REPUBLIC OF IRAQ
MINISTRY OF PLANNING

Republic of Iraq
Ministry of Planning
International Cooperation Directorate
Department of Grants and Loans

Ref. 1/4/18114
Date: 9/8/2018

To: UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION (UNIDO)

Subject: Project Proposal to support IDPS and Returnees in Ninavah Plains

Reference to your letter number 132 and dated 16/7/2018, our ministry believes that the implementation of the project through the assessment of small scale industries and workshops that used to function and owned by the returnees to the governorate in addition to identify the ways of assistance and required support is a proper method to achieve equity. The project should consider reliable data and baseline to design its components and ensure that there is no overlap with other funds and loans. Similarly, to specify its priorities depending on the scale of damage and focusing on small industries and workshops that were destroyed. Considering the safety and prevention training, we propose that only limited groups be included and to specify the partners that will provide logistical support and coordination.

With best regards
(Signed and Stamped)
Dr. Daham Muhamed Daham
DG of International Cooperation Directorate
9/8/2018

Cc:
- Ministry of Industry and Minerals/ Department of Planning
- Department of Grants and Loans
- International Cooperation Directorate/ secretariat office


I, Mahmood N. Hassan, certified translator at the Ministry of Justice, Erbil, Iraq (License #27/2002), certify that the foregoing is an accurate translation of the original document issued in Arabic.

Signature: [Signature]
Date: 13/08/2018
Email: mahmoodkhoshnaw@yahoo.com
P.O. Box: Iraq/ Erbil/ 0845/51 Mobile: +964 750 451 4933

[Certified Legal Translator]
Mahmood N. Hassan
Registration No. 508972 imp, Erbil
Attention: - United Nations Industrial Development Program (UNIDO) - Mr. Stavros

Greetings

In reference to the meeting has been held in our directorate in Sep. 12, 2017 with Eng. Saifaldin (UNIDO representative).

We would like to inform you that we are looking forward to reach strong partnership between the vocational training directorate and UNIDO.

In light of the mentioned meeting discussions, we propose to start preparing a concept note in in accordance with the following objectives which have been discussed in the meeting:

- Reconstruct Nineveh vocational training center
- Training the trainers of Nineveh training center in recognized institutions to be certified or licensed trainers.
- The future orientation of vocational training is training driven by demand.
- Popularize the environment friendly occupations.

Thanks for your continuous cooperation and looking forward to hear from you

Eng. Sadiq khaz’l Ibrahim
Director General
Sep. 19, 2017

E-Mail: molsavoc@yahoo.com
molsavoc@gmail.com
To / Mr. Stavros Papastavrou / Industrial Development Officer/Project Manager / UNIDO  
Vienna International Center  
Wagramerstrasse 5 A-1400  
Vienna, AUSTRIA

**SUBJECT:** Request for establishment of a national unit dedicated to improving the management of dams and other water resources in Iraq

Dear Mr. Papastavrou,

The repercussion of three decades of war and international sanctions has resulted in great challenges for Iraq’s water sector. Water is a key strategic resource for the entire region, yet due to the ensuing conflict and natural disasters dams have become increasingly dilapidated; some to the point of potential national disasters such as what we face in Mosul. Although the Government is working hard to maintain Iraq’s water infrastructure, and has set an ambitious plan to do so, the country’s various technical capacities gaps makes this a challenging task. Urgent technical support and technology transfers are required to strengthen the sector’s capacity.

Building on UNIDO longstanding engagement with Iraqi government institution to enhance their technical capacities, the Iraqi Ministry of Water Resource wishes to partner with UNIDO in developing a programme meant to established a National Dam Monitoring and Safety Unit to monitor water resources, map and supervise existing national water infrastructure and advise on new water infrastructure developments. The aim is to improve the country’s ability to manage water infrastructure by providing much needed technical skills training and equipment and acts as a tool to implement the Iraqi National Water Strategy 2015-2035.

We strongly believe that strengthening the capacity of the water sector will greatly contribute to the government’s effort in ensuring secure, safe and sustainable operational management of water infrastructure and dams in the future.

We look forward to hearing from you.

Regards.

[Signature]

Mahdi Rashid Mahdi  
D.G  
2018/5/16

[Signature]

Kadhim Mohsin Ahmed
Mr. Stavros Papastavrou  
Industrial Development Officer/Project Manager  
UNIDO  
Vienna International Center  
Wagramerstrasse 5 A-1400  
Vienna, AUSTRIA

Dear Mr. Papastavrou,

In view of the ongoing cooperation between the Ministry of Labor and Social Affairs (MoLSA) and United Nations Industrial Development Organization (UNIDO) in Project No. 160138 entitled "Support for Integrated Stability, Economic Recovery and Reconstruction for Displaced Persons and Returnees in Iraq", We are fully prepared and ready to participate and support all UNIDO projects in Iraq and Kurdistan Region in terms of vocational training for trainers and Trainees.

Kind regards.

Sincerely,

Dr. Arif Hito  
Director General,  
General Directorate of Labor and Social Insurance  
Ministry of Labor and Social Insurance  
Kurdistan Regional Government  
Phone: +964-750 455 1276

Email: socialinsurance.2007@yahoo.com  
Erbil, the building of the ministry of labor