

INTERNATIONAL SUPPORT FOR IRAQ

SIGIR continues to note the challenges in reporting on international contributions to Iraq reconstruction. As Iraq shifts to normalized bilateral relations with the international community, the United States is less able to track international funding.

Donor Assistance to GOI

As of September 30, 2008, the Department of State (DoS) reported a total of \$17 billion in donor pledges,¹ including \$5.26 billion in grants and \$11.75 billion in loans.²

The total of grants committed to Iraq through contracts, budget actions, or dedicated international agreements is \$5.56 billion—approximately \$308 million greater than the total of grants pledged.³ Another \$3.72 billion has been committed in soft loans—approximately \$8.03 billion less than loans pledged. Iraq continues to focus more on reducing its debt burden from the Saddam era than on adding new debt.

Development Assistance Database

U.S. advisors have joined with the United Nations Development Programme (UNDP) and the European Union to help the Ministry of Planning and Development improve its tracking of donor contributions to Iraq reconstruction. Initial efforts focused on developing the Development Assistance Database (DAD). Recent efforts involve establishing a broader Capital Budget Request and Tracking System that would capture all efforts for reconstruction, including those funded by Iraq's national and provincial budgets. However, the efforts to integrate the two systems continue to cause logistical and organizational issues.⁴

There is no standard reporting requirement for donors to provide data and no set time frame to complete updates to the DAD. Thus, comparing DoS donor pledge figures to data available in the DAD does not provide an accurate or complete picture of the status of donor support.

As of October 10, 2008, the DAD reported total commitments of \$5.56 billion—an increase of approximately \$146.5 million from last quarter.⁵ Disbursements rose \$115 million this quarter, now totaling \$2.64 billion.⁶ For an overview of Iraqi donor spending reported in the DAD, see Table H.1 and Table H.2.

International Reconstruction Fund Facility for Iraq

In early July, the Donors Committee of the International Reconstruction Fund Facility for Iraq (IRFFI) met in Baghdad and confirmed the decisions to align IRFFI activities in support of the goals of the Compact and to schedule the end date of the IRFFI for December 31, 2010.⁷

As of August 31, 2008, 25 IRFFI donors had committed \$1.85 billion for Iraq reconstruction.⁸ Of this commitment, the UN Development Group Iraq Trust Fund (UNDG ITF) totals \$1.36 billion, and the World Bank Iraq Trust Fund (WB ITF) totals \$497 million,⁹ including a recent commitment of \$20 million from Italy. Currently, 157 IRFFI projects (141 UNDG, 16 World Bank) are completed or ongoing.¹⁰

Since 2003, the UN has played a sustaining role in supporting Iraq's relief and reconstruction efforts. For more information, see *Governance*.

APPENDIX H

TABLE H.1

SNAPSHOT OF TOP DONOR-FUNDED PROJECTS

DONOR	PROJECT COST (\$ MILLIONS)	TITLE	PROJECT IMPLEMENTATION STATUS	SECTOR	PROVINCE
Japan	\$118.71	Construction of a diesel power station (60 MW) in Al-Samawa	Ongoing	Infrastructure	Muthanna
Japan	\$68.45	Project for rehabilitation of four general hospitals in the northern region of Iraq	Completed	Health	Dahuk, Ninewa, Tameem, Erbil
Japan	\$65.04	Project for improvement of trunk communications network	Completed	Infrastructure	Nationwide
World Bank Iraq Trust Fund	\$65.00	Emergency water supply and sanitation project	Ongoing	Environment; Housing, Labour and Social Affairs	Baghdad
UN Development Group Iraq Trust Fund	\$61.31	Provision of logistical and geo support to IECI (phase ii)	Ongoing	Governance and Democracy Development	Nationwide
Japan	\$55.17	Project for improvement of water treatment facilities	Completed	Housing, Labour and Social Affairs	Baghdad
Japan	\$53.00	Project for provision of ambulances	Completed	Health	Nationwide
Japan	\$50.58	Project for rehabilitation of four general hospitals in the southern region of Iraq	Completed	Health	Najaf; Qadissiya; Muthanna; Thi-Qar
UN Development Group Iraq Trust Fund	\$46.43	Cholera outbreak—early detection and mortality reduction	Ongoing	Health	Nationwide
Japan	\$45.86	Project for rehabilitation of three general hospitals in the central region of Iraq	Completed	Health	Baghdad
Total	\$629.55				

Notes: Data not formally reviewed, audited, or verified. Numbers affected by rounding. Data excludes U.S.-funded projects. Committed and disbursed are the international terms used; this terminology is comparable to the SIGIR terms obligated and expended.

Source: GOI, Development Assistance Database, www.mop-iraq.org/dad, accessed 10/10/2008.

TABLE H.2

SNAPSHOT OF DONOR PROJECTS BY SECTOR (\$ MILLIONS)

SECTOR	COMMITTED	DISBURSED
Agriculture, Food and Fishing	\$261.54	\$176.16
Economic Development	\$195.97	\$44.45
Education, Science, and Culture	\$402.06	\$237.41
Energy	\$26.16	\$23.33
Enterprise and Industry	\$1.05	\$.37
Environment	\$250.85	\$155.84
Governance and Democracy Development	\$575.34	\$460.65
Health	\$561.90	\$428.98
Housing, Labour and Social Affairs	\$328.29	\$226.00
Infrastructure	\$1,023.56	\$686.64
Security	\$189.84	\$147.98
Unspecified/Unclassified	\$92.63	\$42.71
Unallocated	\$8.73	\$4.76
Total	\$3,917.93	\$2,635.28

Note: Numbers affected by rounding.

Source: GOI, Development Assistance Database, www.mop-iraq.org/dad, accessed 10/10/2008.

World Bank

The World Bank funds several programs to support the GOI in addressing primary reconstruction needs:

- restoring basic services
- supporting private-sector development
- enhancing social safety nets
- improving public-sector governance

This support for Iraq reconstruction is funded primarily through the WB ITF. However, the World Bank also assists through loan programs and projects with international partners.

World Bank IDA Loans

The World Bank has provided assistance to Iraq to develop social services through its

International Development Association (IDA). Five IDA loans have been approved for Iraq, totaling \$508.5 million. For the status of these projects, see Table H.3.

Endnotes

1. NEA-I, response to SIGIR data call, 10/2/2008.
2. NEA-I, response to SIGIR data call, 10/2/2008.
3. NEA-I, response to SIGIR data call, 10/2/2008.
4. DoS, Section 2207 Report, 4/2008, p. II-4.
5. GOI, *Development Assistance Database*, 10/10/2008.
6. GOI, *Development Assistance Database*, 10/10/2008.
7. NEA-I, response to SIGIR data call, 10/2/2008.
8. IRFFI, "Donor Commitments to the World Bank Iraq Trust Fund and United Nations Development Group Iraq Trust Fund," 8/31/2008.
9. IRFFI, "Donor Commitments to the World Bank Iraq Trust Fund and United Nations Development Group Iraq Trust Fund," 8/31/2008.
10. NEA-I, response to SIGIR data call, 10/2/2008.

TABLE H.3

WORLD BANK IDA LOANS

NAME	PRODUCT AMOUNT (\$ MILLIONS)	APPROVAL DATE	IMPLEMENTING AGENCY	DESCRIPTION	STATUS
Third Emergency Education Project	\$100	November 2005	Ministry of Education	Helps alleviate school overcrowding through construction of 82 new schools in 15 provinces. The project directly benefits about 57,000 students.	The project was delayed for two years; therefore, no funds have been disbursed since October 2007. The World Bank is discussing the possibility of restructuring the project to ensure effective use of IDA funding for the education sector.
Emergency Road Rehabilitation Project	\$135	June 2006	Ministry of Construction	Assists in the rehabilitation of highways and village access roads in central and southern Iraq. Three floating bridges will also be replaced with permanent structures.	The World Bank has signed for the \$57 million contract in the Kurdistan region and in the Central and South regions. Contracts for eight projects are expected to be ongoing by December 2008.
Dokan and Darbandihkan Emergency Hydropower Project	\$40	December 2006	KRG Ministry of Electricity	Part of Iraq's overall Electricity Master Plan, providing electricity in the Kurdistan region and to the national grid. The project will directly impact an estimated 490,000 households and provide benefit for industrial consumers.	Contracts are being negotiated for urgent rehabilitation of power plant excitation systems and overhaul of switchyard and compressor spare parts.
Emergency Electricity Reconstruction Project	\$124	March 2007	Ministry of Electricity	Aims to restore the base-load generating capacity of the Hartha power plant and build capacity at the MOE.	Preparations for rehabilitation work to restore capacity are underway. Negotiations on security arrangements and final pricing of the contract are ongoing and expected to be completed by January 2009.
Emergency Water Supply	\$109.5	June 2008	Ministry of Municipalities and Public Works	Intends to improve the quantity and quality of water availability in four selected high-priority provinces. Assists GOI in developing a sustainable policy for the water sector.	The project was approved on June 10, 2008.
Total	\$508.5				

Source: IRFFI, World Bank Operations in Iraq Data Sheet, 7/31/2008.