UNDP Iraq

Funding Facility for Economic Reform-Federal

The United Nations Development Programme (UNDP) is assisting Iraq in its efforts towards implementing key economic reform initiatives. To this end, UNDP and the Office of the Prime Minister of Iraq signed a project document establishing the FFER-Federal on 29 January 2017.

The objective of this Funding Facility is to diversify the economy, improve the management of national assets, combat corruption, and meet the loan conditionality set by international financial lending institutions such as the International Monetary Fund (IMF) and the World Bank (WB).

Deputy Chief of Staff of the Prime Minister, Dr. Naufel Al-Hassan, and UNDP Country Director for Iraq, Mr. Mounir Tabet after announcing the establishment of FFER-Federal. Photo: Abdulhadi Hameed/UNDP Iraq/2017

FFER-Federal Engagement

Under the leadership of the Office of the Prime Minister of Iraq, UNDP is channeling high-caliber international expertise to support top priority reform initiatives through FFER-Federal.

MATTERS OF FACT

• 85% of the Offices of the Inspectors General (OIGs) assessed through questionnaires, field visits, and review of the legal framework under which they operate
• 5% of the actual assets recovered by the OIGs as a result of anti-corruption efforts allocated to the Offices budget
• Asset recovery coordination mechanism introduced, and procedures upgraded
• Customs processes and procedures reviewed to undertake re-engineering and modernization to increase revenue collection
• 3 international investigators deployed to support local investigators in handling complex corruption cases

UNDP technical support targets economic reforms, and will expand in the future to include leading reform and anti-corruption initiatives led by government ministries and independent constitutional entities.

Key Results

In the few months since its launch, the FFER-Federal achieved the following tangible outcomes:

• Impact assessment of the effectiveness of over 85 percent of the Offices of the Inspectors General (OIGs) in preventing corruption completed through questionnaires, field visits, and review of the legal framework under which the Offices operate. Conclusions and recommendations for the OIGs endorsed by the Prime Minister, and the Supreme Board of Audit is to play a critical role in assessing their annual performance.
• Five percent of the actual assets recovered by the
OIGs as a result of anti-corruption efforts allocated to the Offices budget.

- New internal asset recovery coordination mechanism introduced, and procedures upgraded to meet the international requirements in terms of cross border mutual legal assistance. This followed a comprehensive review of the existing mechanism and capacity assessment of all the involved government bodies.

- Customs processes and procedures reviewed to undertake re-engineering and modernization, with the aim of increasing revenue collection.

- International experts deployed to assist the government to recover assets acquired through corruption and are physically outside of Iraq.

- Three international investigators deployed to support local investigators in handling complex corruption cases. Local investigators benefited from international-standard investigation techniques to strengthen cases under investigation before processing them for prosecution.

- Two-day high-level national consultations to step up the fight against corruption organized in Baghdad in April 2017, focusing on areas such as customs revenue collection and provision of health services. Recommendations and action plans drafted to enhance the score of Iraq on the global Corruption Perception Index (CPI).

- An outline communications strategy and action plan for anti-corruption elaborated, with a specific focus on promoting good governance and restoring trust of the people of Iraq in the overall public sector.

**FFER-Federal Funding**

FFER-Federal has a total budget of US$1,977,123 that is funded by generous donors and partially by UNDP.

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<th>Donor</th>
<th>Amount</th>
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<td>United States Agency for International Development (USAID)</td>
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**About UNDP Iraq**

Present in Iraq since 1976, the United Nations Development Programme (UNDP) is committed to supporting the Government and people of Iraq during transition towards reconciliation, reform and stability. UNDP’s support ranges from promoting emergency livelihoods and community dialogue in districts impacted by the crisis, to prevention of sexual and gender based violence (SGBV) amongst Syrian refugees and internally displaced people (IDPs), to helping stabilize newly liberated areas through the Funding Facility for Stabilization (FFS). Further support includes inclusive area-based planning, governance reforms, decentralization, rule of law, and environment and climate change.

UNDP is a major partner contributing to democratic process and good governance in Iraq. UNDP has provided technical assistance in support of the 2010 national Parliamentary elections and 2013 provincial elections. Its support to the Government, at both Federal and Regional levels, has been instrumental in prioritizing the Millennium Development Goals (MDGs) and safeguarding development gains achieved. UNDP is further committed to help the country to reach the Sustainable Development Goals (SDGs). Well positioned with a track record in different areas, UNDP is moving towards a cutting-edge resilience agenda with a gender dimension and a specific focus on economy, social cohesion and national reconciliation, in order to help the people of Iraq recover and build a brighter future.

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