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**IRAQ**

**PROPOSED TRUST FUND GRANT**

**OF US\$60.0 MILLION**

**FOR AN**

**EMERGENCY SCHOOL CONSTRUCTION AND REHABILITATION  
PROJECT**

**TECHNICAL ANNEX**

**October 7, 2004**

**Human Development Sector  
Middle East and North Africa Region**

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# IRAQ

## EMERGENCY SCHOOL CONSTRUCTION AND REHABILITATION PROJECT

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**IRAQ  
EMERGENCY SCHOOL CONSTRUCTION AND REHABILITATION PROJECT**

**GRANT AND PROJECT SUMMARY**

<b>Grant Recipient:</b>	Ministry of Education, Iraq
<b>Beneficiary:</b>	Ministry of Education
<b>Implementing Agency:</b>	Ministry of Education
<b>Loan/Credit/Grant:</b>	Grant
<b>Amount &amp; Terms:</b>	US\$60.0 million on grant terms
<b>Objectives &amp; Description:</b>	The objective of the Project is to improve conditions of learning in primary and secondary schools through the construction of new buildings for existing schools in unsafe or shared facilities, and the rehabilitation of schools in need of urgent repair.
<b>Project Appraisal Document:</b>	This Project has been prepared in accordance with Emergency Recovery Assistance procedures (Operational Policy 8.50). There is no Project Appraisal Document for this Project.
<b>Disbursement:</b>	The grant is expected to be fully disbursed by May 31, 2007.
<b>Closing Date:</b>	June 30, 2007
<b>Project ID Number:</b>	P087907
<b>Map No.</b>	IBRD 32954



## **IRAQ**

### **EMERGENCY SCHOOL CONSTRUCTION AND REHABILITATION PROJECT**

#### **Technical Annex**

##### **A. BACKGROUND AND STRATEGY**

###### **Country background**

1. Abundant natural and human resources enabled Iraq to attain the status of a middle-income country in the 1970s. The country developed good infrastructure and well-performing education and healthcare systems, widely regarded as the best in the Middle East. Income per capita rose to over US\$3,600 in the early 1980s. Since that time, successive wars and a repressive, state-dominated economic system have stifled growth and development and debilitated basic infrastructure and social services. International trade sanctions imposed in 1991 took a toll on the economy. Despite the country's rich resource endowment, Iraq's human development indicators are now among the lowest in the region, and income per capita dropped to about US\$770-1,020 by 2001, with continued decline thereafter. Although there is a paucity of reliable economic data, 2003 GDP is estimated at about US\$13-17 billion, or about US\$480-630 per person, assuming a population of about 26.3 million.

###### **Current Challenges and International Response**

2. Following the recent war, Iraq faces enormous challenges and the situation is still evolving. In addition to a complicated political transition, Iraq needs to rebuild social cohesion and implement a transition from a centrally planned economy to a diversified market economy. It will be particularly important to mitigate the temporary adverse effect of reforms on the poor and vulnerable.

3. A Needs Assessment covering fourteen sectors, prepared jointly in 2003 by the World Bank and United Nations Development Group (UNDG), and with the participation of the International Monetary Fund, estimated that Iraq requires about US\$36.0 billion over four years, and the Coalition Provisional Authority (CPA) estimated separately that Iraq requires about US\$19.0 billion over four years for areas such as security and oil which are not covered by the Needs Assessment.

4. At an International Donors' Conference for Iraq in Madrid on October 23-24, 2003, donors expressed support for the Needs Assessment and pledged about US\$32.0 billion for the four-year period covered by the Needs Assessment. Donors also asked the World Bank and UNDG to set up an International Reconstruction Fund Facility for Iraq to ensure swift, flexible, and coordinated donor financing for priority investments consistent with the Need Assessment. The Facility consists of two trust funds—a World Bank Iraq Trust Fund and a UNDG Trust Fund—each with its own internal governance procedures and a management structure that ensures close coordination. Donors in a

follow-up meeting in Abu Dhabi (February 18-29, 2004) allocated US\$100 million for the education sector to finance the Emergency Textbook Provision Project (ETPP) and the current Emergency School Construction and Rehabilitation Project (ESCRP).

### **Education Sector**

5. The education system in Iraq was widely regarded as one of the best in the Middle East region until the 1980s. Between the 1960s and the 1980s, Iraq made great progress in enrollment at all levels of education and achieved near universal primary enrollment by 1980. For the last decade of the twentieth century, the system deteriorated seriously as Iraq engaged in three major conflicts and experienced over a decade of international sanctions.

6. Primary school enrollment fell to 93 percent in 2000, while secondary school enrollment went from 47 percent to 38 percent. More serious, however, was the large drop in attendance. A UNICEF Multiple Indicator Cluster Survey (MICS) reported in 2000 that as many as 23 percent of primary school-aged children were not attending school, with significantly higher rates among girls and in rural areas. This deterioration created or exacerbated existing gender, urban/rural and regional inequities. Other sub-sectors, especially technical and vocational education, also experienced stagnation or decline.

7. Quality also declined at all levels of the education system: teaching and learning conditions deteriorated; teacher quality eroded; curriculum content was distorted or became outdated; and policy and system development came to a standstill. This decline in quality was reflected in deteriorating internal efficiency, made worse by growing poverty. Indeed, poverty emerged as the major cause of non-attendance, as households assumed more of the direct costs of provision despite the official policy of free education.

8. Behind these developments was a substantial collapse in public expenditure in the education system. In 1988/1989 the education budget was US\$2.5 billion (about 6 percent of GDP) and expenditure per student was approximately US\$620. Over the 1993-2002 period, the annual average expenditure per student stood at approximately US\$47, funded largely from the Oil-for-Food Program.

9. The need for repair and rehabilitation of schools is substantial. The Ministry of Education (MOE) Situation Analysis, building on the UN/WB Joint Needs Assessment, identified almost US\$700 million in urgent repair and reconstruction needs over the next three years, and US\$80.0 million per year in textbook requirements. In 2004, 18,181 schools in Iraq are operating in 14,120 buildings creating a need for over 4,000 new buildings (Annex 7, Table 1). More than 30 percent of schools are operating in double or triple shifts in shared premises (Annex 7, Table 2). Of the 12,000 schools requiring repair, almost 2,600 require minor repairs (less than US\$10,000 per school), over 9,400 require major repair and reconstruction, and around 1,300 need to be demolished and rebuilt. UNICEF is committed to repairing and rehabilitating 300 schools in 2004; USAID will commit to repair and reconstruct a portion of the US\$87.0 million from the

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US\$18.6 billion Supplemental Allocation in 2004. The MOE is also looking to the Bank for support in meeting its target, based on the UN/WB Joint Needs Assessment, to repair and reconstruct damaged schools.

10. The priorities identified in the UNDG/WB Joint Needs Assessment were endorsed by the Minister of Education at a meeting in Amman in October 2003 attended by senior officials from the MOE, the World Bank, UNICEF, UNESCO, USAID and the CPA. These priorities are included in the MOE Situation Analysis ("Education in Iraq: Current Situation and New Perspectives") of December 2003.

11. In the Amman consultation, agreement was reached between the MOE and Iraq's major development partners on the following priorities: (i) capacity building for the development of a strategic framework for the sector, (ii) providing emergency reconstruction and supplies (including textbooks), (iii) initiating curriculum reform process, (iv) addressing immediate needs in teacher training, and (v) initiating policy dialogue on technical/vocational education and training (TVET).

12. International experience of education reform and reconstruction in postconflict societies underlines the importance of quick and visible high impact activities to address the most urgent system needs backed by intensive capacity building for the education authorities. This is necessary to lay the groundwork for the development of a comprehensive education strategy that is aligned with the emerging wider development vision of the new political authorities. The successful resumption of schooling in Iraq in September 2003 was an important achievement. However, the education sector remains fragile, and recent momentum can only be maintained if minimum conditions for learning are established in schools for the 2004/2005 school year. This priority needs to be part of a more comprehensive process of capacity building for wider system reform and modernization.

## **B. BANK RESPONSE AND STRATEGY**

13. In January 2004, the World Bank's Board of Executive Directors discussed an Interim Strategy Note of the World Bank Group for Iraq and authorized the Bank to act as administrator of the World Bank Iraq Trust Fund.

14. The World Bank Group's interim strategy, which initially covers the period February-October 2004, focuses on: (i) *building Iraqi capacity* which is urgently needed for the reconstruction program; (ii) *preparing and implementing emergency operations* to generate employment and restore essential infrastructure and services; and (iii) *laying the foundation for the medium-term program*, through studies and policy advice.

15. The strategy relies on the World Bank Iraq Trust Fund to finance projects, and on Bank budget for economic and sector work and policy advice. The interim work program includes four proposed projects amounting to US\$400-600 million. These will be financed from the Iraq Trust Fund (ITF) to the extent resources are available (projects will be phased if insufficient resources are available). A multi-sectoral institutional capacity building program has already commenced. The Interim Strategy originally

provided for a single Emergency Education Rehabilitation Project (EERP) that incorporated textbook provision in the ETPP, together with school rehabilitation activities in the present ESCRP. In order to ensure delivery of textbooks at the start of the 2004-2005 school year, the EERP was split into the latter two education projects. Other projects under fast-track preparation include emergency community-based rural infrastructure and emergency infrastructure reconstruction. The interim strategy also includes building blocks of analytical work to support the transition to a diversified market economy and the development of a social protection system. Analytical work has been grouped into three clusters: economic reform and transition, public sector management, and poverty and safety nets; and two sectors: health and education.

16. The Bank was the lead agency for education in the UNDG/WB Joint Needs Assessment, and has worked closely with UNICEF, UNESCO, USAID, and the CPA. It is well positioned to play a significant role in repair and reconstruction as well as capacity building for reform. The Bank has considerable accumulated experience in supporting large scale construction and rehabilitation projects in post-conflict settings. The support for school rehabilitation is complemented by a range of capacity building activities in key policy areas such as education reform, education management, teacher policy, curriculum development, TVET and Higher Education.

17. Lessons from Postconflict Experience Applied. Based on the World Bank's recent experience in post-conflict countries such as East Timor, Bosnia, Algeria, Sierra Leone, West Bank/Gaza and Kosovo, a number of important lessons have been learned and factored into the design of the project. First, experience has shown the value of early and visible impact, and the importance of rapid resumption of normal schooling operations to permit the education authorities to focus energy on wider system reform. This project targets that issue directly. A second lesson is the importance of capacity building in the ministry. This project is complemented by a range of capacity building activities in the ITF Capacity Building Project. A third lesson is the importance of early and effective collaboration with other development partners coordinated by the government. The project draws upon the extensive collaboration with other development partners that have been active in Iraq, and builds on complementary activities coordinated by the MOE. Finally, because of the particular difficulties of implementation and supervision where security conditions make access to the country very difficult, the project draws on experience gained in other comparable post-conflict countries, such as Algeria.

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## **C. DETAILED PROJECT DESCRIPTION**

### **Objectives**

18. The principal objective of the Project is to improve conditions of learning in primary and secondary schools through the construction of new buildings for existing schools in unsafe or shared facilities, and rehabilitation of schools in need of urgent repair.

### **Component 1: Construction and Rehabilitation of Primary and Secondary Schools (US\$58.57 million)**

19. The grant will finance the construction of new buildings for about 110 primary and secondary schools in unsafe or overcrowded facilities, and the rehabilitation of about 140 schools. The project will construct and rehabilitate schools in all 18 governorates. Schools selected for the construction of new buildings will be (i) those in unsafe structures; (ii) schools sharing facilities in double or triple sessions; (iii) schools that have clearly identified sites that meet the environmental and social safeguard criteria. The grant will also finance services of consulting firms for design and supervision of civil works. Where rehabilitation projects have to be implemented during school terms, the MOE will transfer students to other nearby schools or buildings and/or use double shifts. For works with adverse impacts, a limited Environmental Analysis will be done before the sub-project approval.

20. School buildings constructed under the project (110) will address less than 3 percent of the backlog and will be undertaken in all the governorates of Iraq. Most of the governorates will have five to seven new school buildings each and the large Baghdad governorate will have ten buildings. The construction of new buildings will provide spaces for 42,000 students in primary and secondary schools at an average cost of US\$1,150 per student place. The buildings will be constructed in three phases at a total cost of US\$48.4 million at an average cost of US\$414,000 per school.

21. The number of schools to be rehabilitated is quite small compared to the needs of the country. There are about 9,400 schools that need major rehabilitation or reconstruction (85 percent of the total schools). Project schools make only 2 percent of the total number of schools that need to be rehabilitated.

22. A large number of the schools (32 schools) to be rehabilitated under the project are in Baghdad governorate and most of the other governorates have a share of about 10 schools each. The rehabilitation of schools will benefit 45,700 primary and secondary students at a total cost of US\$7.6 million and an average cost of US\$181 per student. A large number of benefited students will be in large governorates such as Baghdad governorate (13,600 students) and in other high demand governorates like Najaf (2,700 students) and Babylon (2,300 students). The average rehabilitation cost per student is reasonable compared to the benefits of increasing access and improving the learning conditions for about 45,700 students.

## **Component 2: Project Management and Capacity Building (US\$1.43 million)**

23. The grant will finance the basic costs of the Project Management Team (MOE-PMT) to manage the project, together with the technical assistance and capacity building to ensure transfer of skills to the MOE staff. The MOE will cover the costs of the staff of the MOE-PMT, except for up to five consultants employed from project funds to fill key capacity gaps. The grant will finance equipment, vehicles, furniture and operating costs necessary to manage the project. Operating costs include (i) the maintenance of office equipment purchased by the grant; (ii) transportation and travel, including per diem allowances for Project staff in travel status; (iii) rental of office space; (iv) office supplies, utilities and office administration, including translation, printing and advertising; (v) fuel costs; (vi) communication costs; (vii) costs for production of bidding documents; (viii) commercial bank charges; and (ix) any other Project management support costs as agreed by the MOE and the Bank, but excluding salaries of the civil servants. It will also finance TA and training in project management, procurement and financial management, as well as audit costs. Further details of the arrangements for project management are provided in Section D.

### **D. INSTITUTIONAL ARRANGEMENTS AND PROJECT IMPLEMENTATION**

24. Project scope. The physical reconstruction component will cover all 18 governorates: Each governorate has one MOE directorate, except Baghdad which has four, making a total of 21 directorates in the project.

#### **Project Management Structure**

25. The Project will adopt the Management Structure put in place for ETPP (Annex 2).

26. The MOE suffered major dislocation and loss of human, technical and institutional resources as well as its physical infrastructure and is in a transitional phase. It has major logistical and sectoral challenges and needs time to reorganize, restructure and build its capacity to manage the sector. In view of this situation, it was agreed that a "core team" of senior MOE staff and hired consultants (where expertise is lacking) will constitute the Project Management Team (MOE-PMT) responsible for day-to-day implementation of both the ETPP and the ESCRP. The MOE will have overall responsibility for the coordination and execution of all project activities, and will be guided by a Project Advisory Committee (PAC) as described below.

27. MOE directorates at the governorate level suffered less dislocation and there is sufficient technical expertise to serve most project needs. Therefore, these Directorates will be fully engaged in the implementation of the project and will be expected to provide information and assistance to the MOE-PMT. Project coordinators will also be assigned

at the school level, especially in those schools that are major beneficiaries. The functions and responsibilities of these coordinators are described in the Project Implementation Manual (PIM) scheduled for completion in December 2004.

28. Proposed Staffing of the MOE-PMT. The MOE-PMT will be headed by a Project Team Leader and include at least 10 professional-level staff depending on project requirements. It is expected that five MOE-PMT staff will be senior MOE officials and five will be consultants hired to bring external expertise for the life of the two projects (ESCRP and ETPP) while transferring capacity to MOE staff. The staff of the MOE-PMT will receive special training and orientation in the critical aspects of project management. The MOE-PMT will be responsible for planning and coordination of all project activities, financial management (accounting and disbursements), procurement of works, goods and consulting services (and related contract management), environmental analysis and monitoring and evaluation to ensure timely implementation and coordination of all project activities.

29. The MOE-PMT will work closely with the School Building Departments of the Directorates which are staffed with competent planners and engineers to assist in planning, coordination and supervision at their respective governorates.

30. Use of Consulting Firms for Design and Supervision Services. The MOE-PMT will hire consulting firms to assist in modifying standard designs in accordance with the findings of the soil investigation of each site. The consultants will modify a foundation and site plans to suit the conditions of each site where necessary. In addition, the consultants may be required to support the work of the DEO engineers in contract administration and supervision of contracts. It is strongly recommended that the hiring of these firms begin as soon as possible.

31. Project Advisory Committee (PAC). Project oversight will be provided by the PAC, chaired by a representative of the MOE, comprising members from the Ministries of Planning and Development Cooperation (MOPDC), Finance (MOF), and Construction and Housing (MOCH). The Committee will meet at least quarterly to: (i) ensure accomplishment of the project objective, (ii) oversee and guide project design, (iii) facilitate coordination with key ministries and donors, (iv) monitor key project progress, and (v) ensure adequate operational and maintenance funding. The PAC will endorse annual plans and budget allocations.

## **Procurement**

### ***General***

32. Procurement for this project will be carried out in accordance with the World Bank's "Guidelines: Procurement Under IBRD Loans and IDA Credits" dated May 2004; and "Guidelines: Selection and Employment of Consultants by World Bank Borrowers" dated May 2004, and the provisions stipulated in the Trust Fund Grant Agreement. The general description of various items under different expenditure categories is given

below. For each contract to be financed by the grant, the procurement methods or consultant selection methods, the need for prequalification, estimated costs, prior review requirements, and time frame are agreed between the Recipient and the Bank project team in the Procurement Plan (PP). The PP will be updated as required to reflect the actual project implementation needs and improvements in institutional capacity. A general procurement notice was published in the UNDB on March 26, 2004 and will be revised after approval.

33. Procurement of Works. Works procured under this project will include school construction and rehabilitation. Due to the small value of each contract and to the volatile security conditions in Iraq, it is not expected that international contractors will be interested in the works contracts. All procurement of works will follow National Competitive Bidding (NCB) or Shopping. Thus no contract is expected to be procured using International Competitive Bidding (ICB) procedures; however, international contractors would be eligible to bid on NCB contracts if they choose to participate. The procurement based on NCB procedure will be done using the Bank's Standard Bidding Document (SBD) for small works. Once an NCB bidding document for works is prepared (currently under preparation as part of the master implementation manual), reviewed and found satisfactory to the Bank, it will be used instead of the Bank's SBD for NCB procurement.

34. Procurement of Goods. The estimated cost of goods under the project is US\$400,000. Goods procured under this project will include vehicles, office furniture, computers and engineering equipment and office supplies needed by the MOE-PMT and the DEOs for the project implementation. The procurement will be done using NCB, Shopping procedures, and in exceptional cases, Direct Contracting may be used for procurement of goods of small values such as office supplies and equipment as described in the procurement plan. No contract is expected to be procured using International Competitive Bidding (ICB) procedures; however, international suppliers would be eligible to bid on NCB contracts if they choose to participate. The procurement based on NCB procedure will be done using the Bank's SBD for procurement of goods. Once an NCB bidding document for goods is prepared (currently under preparation as part of the master implementation manual), reviewed and found satisfactory to the Bank, it will be used instead of the Bank's SBD for NCB procurement.

35. Selection of Consultants. Consultant services procured under this project will include: (i) selection of an international procurement consulting firm to build MOE-PMT and DEOs capacities to carry out and manage procurement activities; (ii) selection of individual consultants and/or firms to provide training; (iii) capacity building in financial management; (iv) and selection of local consulting firms to provide consultancy services in school design and construction supervision. The procurement consulting firm (estimated cost US\$250,000) will be selected based on Consultants' Qualifications (CQ) procedures.

36. Operating Costs: The grant will finance expenditures directly related to the management of the project such as: (i) maintenance of office equipment and vehicles; (ii)

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transportation and travel, including per diem allowances for Project staff in travel status; (iii) rental of office space; (iv) office supplies, utilities and office administration, including translation, printing and advertising; (v) fuel costs; (vi) communication costs; (vii) costs for production of bidding documents and drawings; (viii) commercial bank charges. No salaries of the Recipient's civil servants will be financed under the project. The operating costs that will be financed by the project will be procured using the MOE administrative procedures for shopping satisfactory to the Bank.

*Assessment of the agency's capacity to implement procurement*

37. Procurement activities will be carried out by the MOE. The MOE Engineering and Schools Building General Directorate (ESBGD) has 23 engineers. There are 74 civil engineers distributed across School Buildings Directorates (SBDs) of all the governorates, with 12 in Baghdad and a minimum of 3 in every governorate. In Baghdad-center there are three engineers who are familiar with procurement, and training in WB procurement has been provided by the MOE-PMT to the staff of five governorates. In Sulaymaniyah, a general tender committee is responsible for all procurement in the governorate. The ESBGD staff and the SBDs staff in the governorates have experience in school construction and rehabilitation. During 1993 and 1994, the MOE rehabilitated more than 5,000 schools with an estimated value of more than the equivalent of US\$120,000,000. To strengthen the procurement capacity of the MOE staff, a procurement officer is already working on the ETPP and has received training on procurement and procurement plan preparation. He is qualified to handle and follow procurement aspects of this project and the ongoing ETPP. A simple PIM is under preparation (it is expected that the manual will be ready by December 31, 2004) and the MOE-PMT will use this manual in the implementation of the project. The PIM will be aligned with the Master Implementation Manual (MIM) as soon as the later becomes available.

38. *Private Sector Assessment.* The private sector, local and foreign, participate in public procurement of goods and services. Registration of national contractors by the MOPDC, is a routine practice. Contractors are classified and ranked against criteria including experience, performance, and financial status. A procuring entity may limit the invitation to bid to certain classes of contractors. There are some 160 local contractors with class A rating. Class A is considered the highest in the classification system of contractors union in Iraq.

39. A significant number of contractors expressed their interest to participate in the ESRP in response to one advertisement published in July 2004 in a local newspaper in Baghdad. This response reveals that all the governorates have a minimum of 15 contractors and a maximum of 20 contractors (class 1-5). Baghdad Governorate received responses from 130 contractors (class 1-5). Except for Baghdad, no governorate has more than 7 contracts for building new schools in this project. One of the biggest contracts will be in Thiqr governorate for an amount of US\$950,000, for which the governorate received responses from 18 contractors (class 1-5). The design of the procurement plan of the project in dividing the work into different phases will also allow qualified contractors

with capacity to participate in bidding for more than one contract at different phases. On the basis of the above information and analysis, it can be assumed that private sector contractors will be able to complete and execute the contracts under this project.

40. A generic assessment of MOE's capacity to implement project procurement was conducted in March 2004. Given that the security conditions prevented the Bank project team from traveling to Iraq at the time of project preparation, a quick assessment of the capacity of the MOE to implement procurement actions for the project was also carried out by the team's Senior Procurement Specialist during March-April 2004 and October 2004 through discussions with MOE staff in Jordan during the pre-appraisal and appraisal of the project. Subsequently, the generic assessment has been revised to reflect the MOE's capacity to implement procurement.

41. The Bank procurement specialist has already provided training to the MOE procurement staff who will conduct procurement as well as other MOE staff. The training included procurement planning, bidding document preparation, procurement guidelines, procedures and methods for procurement of works, goods and selection of consultants. Further procurement training on bid evaluation was conducted during the Project appraisal mission and MOE-PMT Training Workshop (June 2004) and through a video conference with Baghdad and will continue throughout project implementation by the procurement consulting firm and during the Project launch workshop.

42. The overall project risk for procurement is rated as high. Most of the issues and risks concerning the procurement component for implementation of the project have been identified in the generic assessment of the MOE's capacity to implement project procurement and include: (i) the lack of sound laws and regulations, of modern standard documentation, and the habits acquired by procurement staff in the previous era which will take time to change; (ii) weakness of procurement staff in use of Bank procurement guidelines and international sound procurement practices; (iii) inability of Bank procurement staff to supervise the project in the field; (iv) delays in implementing the procurement plan due to lack of experience in procurement planning and the volatile security conditions in Iraq; (v) increase of prices of construction raw materials due to high demand and unavailability of these material which may impact subprojects completion due to the unwillingness of contractors to continue working based on old contract prices; (vi) possible looting of construction sites and (vii) due to deteriorated security conditions in some areas in Iraq, delays could be expected in the implementation of some contracts as well as in bid submission.

43. The corrective measures which have been agreed upon are: (i) a procurement officer is already hired as part of the MOE-PMT; (ii) simplified bidding documents and methods such as shopping and NCB, a Bank bidding document for simple works, and the US Dollar as currency of bids for NCB and shopping will be used; (iii) in the contract, a statement will be included that contractors will be responsible for guarding school sites during construction and an inventory of school fixtures will be documented before the contractor starts working, and the contractor will be responsible for these fixtures at the time of final handover of the project; (iv) to mitigate the problem of inability of some

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contractors to work in certain areas in Iraq being from a different locality due to the security conditions, a clause in the works bidding document would be added requesting bidders to provide a methodology for accessing the school site and his ability to work; and (v) a decree was issued in April 2004 by the Minister of Education to rectify the shortcomings in the current procurement practice. In addition, an international procurement consulting firm will be hired by the MOE to build MOE/DEOs capacities to: carry out and manage procurement activities, to set up within the MOE and DEOs a procurement monitoring and reporting system, assist the MOE-PMT in preparing bidding documents and bid evaluation reports, carry out and build procurement capacity in the MOE, consultants and consulting firms. The consulting firm will also be available to respond to ad hoc requests for advice or training. Until security conditions in Iraq improve, training workshops may take place outside the country (preferably in a neighboring country). At least three workshops for all DEOs and MOE-PMT staff to prepare bidding documents and bid evaluation reports will be organized as soon as possible. An action plan will also be prepared by the MOE-PMT to train the DEO staff on procurement.

#### *Procurement Plan*

44. The MOE, at appraisal, developed a PP (Annex 3) for project implementation which provides the basis for the procurement methods. This plan was agreed between the MOE and the Bank project team on October 7, 2004, and is available at the MOE-PMT in Baghdad. It will be available in the project's database and on the Bank's external website. The PP will be updated in agreement with the Project Team as required to reflect the actual project implementation needs and improvements in institutional capacity.

#### *Frequency of Procurement Supervision*

45. In addition to the prior review supervision to be carried out from Bank offices, and based on the capacity assessment of the Implementing Agency, at least one supervision mission is planned every three months to visit the field to carry out post reviews of procurement. While security conditions prevent Bank presence in the country, two firms employed as Monitoring Agents, and consultants, will help the Bank supervise the project, including spot checks. In addition, the Bank will rely on reports from a local procurement consultant that will work for the Bank from within Iraq. During the interim period, Bank staff and the concerned Iraqi procurement staff will meet outside Iraq to do off-site supervision as well as use of videoconference facilities.

#### **Disbursement**

46. The proposed grant of US\$60.0 million will be disbursed over a period starting November 1, 2004 and up to the closing date June 30, 2007. Annex 4 describes the allocation of the grant proceeds according to each expenditure category.

47. Grant proceeds will be disbursed in accordance with the appropriate policies and procedures of the World Bank. In emergency projects under OP 8.50, such as emergency

postconflict situations where there is limited knowledge of country systems and often limited access to review systems, the Bank accelerates project implementation by putting in place mitigating financial controls often through a stand alone "ring fenced" Project Implementation Unit (PIU). The Bank's strategy in Iraq is to implement projects through the Iraqi ministries (rather than a stand alone PIU), working together to strengthen the Ministries controls, at the same time putting in place other measures to provide assurance such two firms employed as Monitoring Agents, technical support and supervision arrangements. As part of the compensating controls, disbursements will be made primarily by direct payments by the Bank to the contractors, consultants and vendors. Once authorized by the MOE, direct payments will be made by the World Bank directly into the account of the contractor, consultant or vendor in a commercial bank capable of receiving funds transferred from the international banking system. The project management component and payments below the threshold of US\$10,000 will be made through payments by the Recipient from its own resources. These payments made from the Recipient's own resources will be reimbursed, on a periodical basis, by the Bank to the MOE upon presentation of proof of payment and a signed withdrawal application. The MOE-PMT and the main financial counterparts from the MOE will be subject to intensive training in Bank disbursement procedures.

### **Financial Management**

48. Financial Covenants. Bank policies require that grant proceeds are used only for the purposes for which they were granted, with due regard to economy, efficiency, and the sustainable achievement of the project's development objectives. In terms of this, MOE is required to maintain an appropriate and adequate financial management system, including records and accounts, and prepare financial statements adequate to separately reflect the operations, resources, and expenditures. The Trust Fund Grant Agreement also commits the Recipient to have the accounts, records, and financial statements of the grant audited for each fiscal year by a qualified auditor acceptable to the Administrator.

49. Risk Assessment Summary. Taking into consideration the Bank policy mentioned in the previous paragraph, the financial management risk associated with this operation is considered as high. Critical risk factors are: (i) limited knowledge in the Bank about the Iraq government financial systems, controls, and procedures; (ii) limited knowledge among the Iraqi authorities about the Bank and its policies and guidelines; (iii) lack of a validation process for the schools selected under the project; (iv) the distance between Baghdad and the school sites, which complicates information transfer and confirmation of work done between the field and the paying entity; (v) the need for validation of any variation order that may be identified during the implementation of the work; (vi) variation order requests which may exhaust grant funds before all schools scheduled for repair can be covered; (vii) difficulties with the evacuation of schools where construction runs into the school year; (viii) problems in coordination of implementation arrangements in the northern governorates; and (ix) the security situation hampering on-site Bank work and financial or other assessments. The above risks are partially mitigated through the project design while the remainder will require

close monitoring and supervision during project implementation. A detailed risk assessment is included in Annex 4.

50. Project Financial Management Arrangements. The project financial resources will be managed within the framework of the Iraqi government systems. The grant funds will be made available to the MOE who, assisted by the MOE-PMT, will enter into contractual agreements with construction companies and contractors, consultants and vendors for the rehabilitation and construction activities financed under the project.

51. Due to the security risk, the project financial management assessment was carried out in Amman by interviews with Iraqi officials from various ministries including the MOE, the MOF, and the MOPDC. These interviews concentrated on: (i) identifying the applicable procedures to introduce the grant proceeds as a supplement to the MOE fiscal year 2004, 2005, and 2006 budgets and the procedures to be followed in case the grant funds are not allocated within the ministry budget; and (ii) assessing the current financial management practices at the MOE in order to identify the risks associated with the control environment, the accounting, reporting and auditing procedures in place and propose actions to reduce and manage such risks. Despite the limited knowledge of the Recipient's systems and processes, this assessment showed that the systems in place at MOE are based on principles and procedures defined by the legal framework and operational decrees applicable to the public sector. The control environment and accounting systems would however require strengthening and close monitoring to be able to generate timely project reports for project management and monitoring purposes.

52. Accordingly, the control risks will be mitigated by putting in place additional controls and procedures: (i) the MOE-PMT will verify and authorize payments under the project; (ii) the MOE-PMT has assigned competent financial staff from the MOE who will be supported, as needed, by financial management consultants; (iii) the MOE has identified the champions from the MOE finance department, including the internal auditor, who will track the project activities. This will ensure that the MOE team is well informed about Bank guidelines and policies to follow on the project transactions and provide support to the MOE-PMT; (iv) disbursements by the Bank will be made primarily by direct payments supported by documentation; and (v) the Monitoring Agent will review Project expenditures.

53. The accounting and reporting risks will be managed by putting in place a simple parallel accounting system able to record all project expenditures and follow on the project commitments at any moment during the implementation period and generate project reporting including the Bank required Financial Monitoring Reports (FMRs).

54. With respect to project auditing arrangements, an external independent auditor with international experience will be engaged to perform the project audits and issue an independent opinion on project financial statements. This external audit report will encompass all project activities and will be in accordance with internationally accepted auditing standards. The audit report along with the related financial statements should be

submitted to the Bank not later than two months after December 31, 2005, December 31, 2006 and following the closing date of the Grant.

55. All the above activities and procedures will be documented within a chapter of the PIM. The project Financial Management arrangements and identified risks are detailed in Annex 4.

### **Project Supervision**

56. Project activities should be completed by May 31, 2007. Supervision will include visits to the MOE, MOF, MOPDC, and to school sites for the purpose of reviewing implementation progress, impact of project activities, and related documentation.

57. The MOE-PMT will prepare and send to the Bank a quarterly progress report. The first report will be due by March 31, 2005. The format of the report has been agreed during appraisal and will be included in the PIM.

58. The Bank, as the Iraq Trust Fund (ITF) Administrator, will supervise ITF-funded operations in accordance with the Bank's applicable policies and procedures. While staff travel to Iraq is restricted, supervision of recipient-executed operations will be carried out through two firms employed as Monitoring Agents and supervision consultants. Each ITF-funded operation is required to include a results-based supervision plan that reflects realities on the ground. A results-based supervision plan is attached as Annex 5.

59. Reporting to Donors. The Bank will maintain separate records and ledger accounts in respect of the funds deposited by the donors with the Bank under the ITF. Within ninety (90) days of each March 31, June 30, September 30, and December 31, the Bank will prepare, on a cash-basis, an unaudited statement of receipts, disbursements, and fund balance with respect to the ITF and forward a copy to each donor. Each such statement will be expressed in United States Dollars, the currency in which the ITF funds will be maintained by the Bank. In addition, within one hundred and eighty (180) days of the completion of all disbursements relating to activities financed from the ITF, the Bank will prepare on a cash basis an unaudited financial statement of receipts, disbursements, and fund balance with respect to the ITF and forward a copy to each donor.

60. The Bank will furnish the donors:

- (a) on a semi-annual basis (starting February 2005), a consolidated report describing the operations of the ITF (including contributions, disbursements, and implementation progress) in the preceding six months; and
  - (b) on an annual basis (starting February 2005), a management assertion, together with an attestation from the Bank's external auditors, concerning the adequacy of internal control over cash-based financial reporting for trust funds as a whole.
-

61. The Bank will require a financial statement audit of the ITF to be performed by the Bank's external auditors on an annual basis. The costs of such an audit, including the internal costs of the Bank with respect to such an audit, will be charged to the ITF. The Bank will provide each donor with a copy of the auditors' report.

62. The Bank will maintain close consultation and coordination with the donors. The Bank will provide each donor to the ITF with semi-annual reports on its quarterly ex-post evaluation of the activities undertaken by the Monitoring Agents. Within six months of completion of the activities, or of full disbursement of the contributions, whichever comes later, the Bank will provide a final progress report to each donor, together with a copy of the independent review of the performance of the Monitoring Agents. Upon request by any donor, the Bank will send to such donor the draft and final reports received by the Bank from the Monitoring Agents on the activities financed by the contributions.

### **Environmental and Social Safeguards**

63. Environmental Safeguards: The Project is rated category "B". Impacts would be those associated mainly with (i) construction works (e.g. safety, dust, noise, pesticides, waste material, traffic) (ii) provision of sanitary services, water supply and waste management; and (iii) maintenance of facilities. Because of the emergency conditions, the requirement to carry out limited Environmental Analysis as part of project preparation will be waived but, for works with adverse environmental impacts, a limited Environmental Analysis will be done during project implementation but before sub-project approval. The Environmental and Social Screening and Assessment Framework (ESSAF) was disclosed in the country and in the Infoshop on April 26, 2004. Based on the ESSAF, the following standards will be applied during implementation: (i) inclusion of standard environmental codes of practice (ECOP) in the repair and reconstruction bid documents of all sub-projects (Annex 6(i)); (ii) use of Safeguard Procedures for Inclusion in the Technical Specifications of Contracts (Annex 6(ii)); (iii) use of the Checklist of likely Environmental and Social Impacts of Subproject (Attachment 2); (iv) review and oversight of any major reconstruction works by specialists; (v) implementation of environmentally and socially sound options for civil works; and (vi) provision for adequate budget and satisfactory institutional arrangements to monitor effective implementation and adequately maintain sanitary facilities after completion. Capacity building on Safeguards and on the implementation of the ESSAF has already been undertaken with the Ministry of Environment and other line Ministries. During the MOE-PMT Training mission in June 2004 special training on safeguards and on the ESSAF for school rehabilitation was provided by a Safeguards Specialist.

64. Resettlement and Land Acquisition: New construction will be limited only to vacant sites that are on public property assigned by the relevant authorities for the use of MOE. OP 4.12 is not expected to be triggered since neither displacement of populations nor new land acquisition are planned. However, the Bank approved *Environmental and Social Screening and Assessment Framework*, specifically elaborated for due diligence in the case of Iraq, will be used to ensure that this is indeed the case and should there be any

need for land acquisition or population resettlement, the same guidelines will be followed.

65. Selection of any new sites will require filing with the MOE-PMT documentary evidence that (a) the site is on public land that has been assigned for sole use by the MOE, and (b) the site is vacant and has no persons residing either legally or illegally. The first three new reports have been reviewed by the Bank.

66. Under the overall supervision of the MOE-PMT specialist who has been trained in WB safeguards policies, site supervision by MOE engineering staff (or consultants where capacity is lacking) will include checking on compliance of contractors with environmental and social safeguards. Site supervision reports will include a section on environmental and social safeguards which will be filed with the MOE-PMT. The first three site supervision reports will be sent to the Bank for review.

## **E. FINANCIAL AND ECONOMIC JUSTIFICATION**

67. This project is prepared as part of the interim strategy of the World Bank in addressing the pressing needs of the sector and according to the emergency recovery assistance procedure (OP 8.50). The lack of reliable statistics, the limited economic information, and the speed at which the project is prepared prevent more detailed analysis, a familiar constraint in such operations. However, the benefits of the project's investment are expected to be substantial compared to its costs as it addresses urgent needs in an environment of devastated infrastructure, deteriorating quality, and escalating needs. The project will support the construction of 117 school buildings and will create 42,000 spaces for primary and secondary students at an average cost of US\$1,150 per student space and will rehabilitate 144 schools with 45,700 students at an average cost of US\$181 per student. This will expand the capacity, reduce double and triple shift schools, improve the conditions of learning, and enhance the quality of education.

68. Recurrent costs of the project schools will be met from the MOE operational budget. The MOE budget provides for furniture and equipment for the new school buildings. Future maintenance costs of the new school buildings and the rehabilitated schools will be a relatively small share of the overall MOE budget and do not constitute a sustainability problem. However, the sustainability of maintenance costs of the 14,000 schools could become an issue during the medium term. But, the expected resumption of oil exports in Iraq and the economic reform policies that are being introduced are expected to stimulate sustainable growth over the medium term and provide resources for such types of expenditure.

## **F. RISKS**

69. This Project is being undertaken in an uncertain and highly risky environment. The table below summarizes the key project risks identified, and indicates which measures are being taken to mitigate these risks. The major risk for the project is the inability of the MOE to complete rehabilitation activities on time because of security

issues, as highlighted below. The Environmental Category is B and therefore safeguard measures have been put in place.

Risk	Rating	Mitigation Measures
<b>From Components to Outputs</b>		
Schools for rehabilitation may be situated on land with disputed ownership.	L	MOE agreed to exclude from the project schools on land where the ownership is disputed.
Contractors may not understand or comply with environmental safeguards measures in their contracts or the code of practice.	M	MOE has assigned a senior engineer to be responsible for providing guidance and monitor contractors. All MOE-PMT members have received training in WB safeguards, and will provide training to MOE staff who supervise sub-projects in each governorate.
Difficulty in managing evacuation of schools for rehabilitation.	M	MOE will work closely with its Planning Offices in Baghdad and governorates to plan for rehabilitation projects.
Difficulty in hiring expatriate TA consultants wherever local expertise is lacking.	S	Capacity building will focus on local staff. Where possible support from international TA will be provided through virtual meetings, and meetings in Amman. In the event that local capacity is initially not adequate for rapid implementation, the MOE has agreed to the use of agents for relevant aspects of implementation and monitoring in the early stages.
The Bank's inability to carry out in-country supervision.	S	Consultants will be contracted to assist in supervision. In addition, special monitoring instruments will be designed for ITF-financed projects and used by MOE implementation staff, supervision consultants and the Monitoring Agents.
<b>Procurement Risks</b>		
The lack of adequate laws and regulations, of modern standard documentation, and persistence of habits acquired by procurement staff in the previous era may take time to change.	H	A decree was issued by the Minister of Education rectifying shortcomings in the current procurement practice at the MOE. Continuous training will be provided by an international procurement consulting firm.
Lack of experience of procurement staff in procurement using Bank procurement guidelines and international sound procurement practice.	H	The international procurement consulting firm will provide training and support to the MOE-PMT on World Bank procurement guidelines, bidding document preparation, bid evaluation. Close supervision by Bank staff, including Bank appointed procurement consultant based in Baghdad.
Inability of Bank procurement staff to supervise the project in the field.	H	Post reviews and other procurement matters will be covered in the first instance by the local procurement consultant working for the Bank.
Delays in implementing the procurement plan due to lack of experience in procurement planning and the volatile security conditions in Iraq.	H	The international procurement consulting firm will provide training and support to the MOE-PMT and relevant MOE governorate staff.
Possibility of high prices due to high demand on local construction industry.	H	Provision has been made in the Project budget for price and physical contingencies.
Contractors lack experience of Bank procurement procedures.	M	Provision has been made to hire local consultants who may support training to contractors provided by MOE-PMT. A pre-bid meeting will be planned before bidders submit bids and MOE would stress on the requirement for responsive bids in this meeting.

<b>Risk</b>	<b>Rating</b>	<b>Mitigation Measures</b>
Security conditions deteriorate, making access by contractors to sites and supervision difficult.	H	Use of local contractors and local staff for supervision, plus monitoring arrangements by governorate/directorate MOE assigned staff as well as local consulting firms. A clause in the bidding document will be introduced requesting bidders to provide a methodology for accessing the site and conduct work in the school site.
<b>Overall Procurement Risk</b>	<b>H</b>	
<b>Financial Management Risks</b>		
Undetermined financial management capacity in the MOE.	H	The Bank engaged a consulting firm to assess the current Iraq institutional structure and propose mitigating measures (ongoing). Meanwhile, knowledge was built through interviews with the MOE, MOF and MOPDC.
Limited capacity to manage financial requirements of the Project.	M	A MOE-PMT staffed with a qualified Financial Officer will follow up on the project accounts and generate the project reports.
Lack of familiarity with Bank guidelines and regulations in MOE.	H	Training has been provided to MOE and MOE-PMT staff on Bank guidelines and regulations.
Difficulties in making payments to suppliers inside and outside Iraq; possible risks associated with Iraq banking sector.	H	All major payments will be made through direct payment.
The MOE not being able to provide funds from its own resources to cover expenditures below US\$10,000	M	The minister's commitment to provide the funds will be sought during negotiations
Staffing: Lack of financial management skills in MOE-PMT.	H	An experienced FO in MOE-PMT will be responsible for the project accounting.
Accounting policies and procedures: may not meet Bank management and reporting requirements.	M	The Financial Operations chapter of the PIM will define financial policies and procedures. The control policies applicable to the MOE will be used to follow on the project accounts.
Internal audit: Existing arrangements for internal audit may not be adequate and officials may not be familiar with project requirements.	M	The Minister will assign one internal auditor (champion) to focus on the project transactions. This auditor was introduced to the project and received training on Bank guidelines in the MOE-PMT Training Workshop (June 12 – 21, 2004).
External audit: Unknown capacity of auditing firms in Iraq. There was no capacity assessment for the audit profession in Iraq to determine capability to perform audits as per ISA.	H	External audit will be carried out by an independent auditor acceptable to the Bank with international experience. TORs require international experience in auditing.
Reporting and Monitoring: Current MOE systems do not generate required reports.	H	A "ring-fenced" project accounting system, initially based on spread sheet applications, will be used to generate the data for the FMRs.
Information systems: Not functioning reliably in MOE	H	Simple spreadsheet-based reporting format was agreed at MOE-PMT Training Workshop (June 2004)
Validation of variation orders	H	Samples of variation orders need to be subject to verifications by the Monitoring Agent.
High value of variation orders may exhaust project resources and limit the number of schools for rehabilitation.	H	The MOE-PMT accounting system will be able to record the project commitments at any moment in time.
<b>Overall Risk</b>	<b>H</b>	

## SUMMARY COST TABLES

**Iraq****Emergency School Construction and Rehabilitation Project**

Components by Financiers

(US\$ '000)

	MOE	TF	Total
	Amount	Amount	Amount
<b>A. School Construction and Rehabilitation</b>			
1. Sadr City	0	1,293	1,293
2. Risafa 1 Directorate	0	1,232	1,232
3. Risafa 2 Directorate	0	1,224	1,224
4. Karkh 1 Directorate	0	1,171	1,171
5. Karkh 2 Directorate	0	1,244	1,244
6. Anbar Directorate	0	3,311	3,311
7. Babylon Directorate	0	2,799	2,799
8. Basra Directorate	0	3,432	3,432
9. Dahuk Directorate	0	2,438	2,438
10. Diwaniyah Directorate	0	3,054	3,054
11. Diyala Directorate	0	2,723	2,723
12. Erbil Directorate	0	2,526	2,526
13. Karbala Directorate	0	3,557	3,557
14. Missan Directorate	0	3,237	3,237
15. Muthanna Directorate	0	3,412	3,412
16. Najaf Directorate	0	3,303	3,303
17. Ninewa Directorate	0	3,502	3,502
18. Salah al-Din Directorate	0	2,419	2,419
19. Sulaymaniyah Directorate	0	2,537	2,537
20. Tameen Directorate	0	3,470	3,470
21. Thi-Qar Directorate	0	3,777	3,777
22. Wassit Directorate	0	2,902	2,902
<b>Subtotal</b>	<b>0</b>	<b>58,565</b>	<b>58,565</b>
<b>B. Project Management &amp; Capacity Building /a</b>	<b>114</b>	<b>1,435</b>	<b>1,549</b>
<b>Total PROJECT COSTS</b>	<b>114</b>	<b>60,000</b>	<b>60,114</b>

<sup>a</sup> MOE's contribution: salaries of MOE staff appointed by MOE to PMT

NOTE: Sadr City is not a Directorate, but is part of Risafa 1 Directorate.

There are 21 Directorates in Iraq, in 18 Governorates.

**Iraq****Emergency School Construction and Rehabilitation Project**

Project Components by Year -- Totals Including Contingencies

(US\$ '000)

	Totals Including Contingencies			
	2005	2006	2007	Total
<b>A. School Construction and Rehabilitation</b>				
1. Sadr City	704	589	-	1,293
2. Risafa 1 Directorate	308	924	-	1,232
3. Risafa 2 Directorate	286	702	236	1,224
4. Karkh 1 Directorate	599	572	-	1,171
5. Karkh 2 Directorate	307	938	-	1,244
6. Anbar Directorate	602	2,370	339	3,311
7. Babylon Directorate	610	1,953	236	2,799
8. Basra Directorate	623	2,677	133	3,432
9. Dahuk Directorate	186	1,914	339	2,438
10. Diwaniyah Directorate	636	2,182	236	3,054
11. Diyala Directorate	641	1,950	133	2,723
12. Erbil Directorate	252	1,965	310	2,526
13. Karbala Directorate	627	2,562	369	3,557
14. Missan Directorate	541	2,386	310	3,237
15. Muthanna Directorate	607	2,436	369	3,412
16. Najaf Directorate	440	2,450	413	3,303
17. Ninewa Directorate	574	2,559	369	3,502
18. Salah al-Din Directorate	528	1,788	103	2,419
19. Sulaymaniyah Directorate	260	1,968	310	2,537
20. Tameen Directorate	638	2,435	398	3,470
21. Thi-Qar Directorate	580	2,755	442	3,777
22. Wassit Directorate	607	2,089	206	2,902
<b>Subtotal</b>	<b>11,155</b>	<b>42,162</b>	<b>5,248</b>	<b>58,565</b>
<b>B. Project Management &amp; Capacity Building /a</b>	<b>852</b>	<b>421</b>	<b>275</b>	<b>1,548</b>
<b>Total PROJECT COSTS</b>	<b>12,008</b>	<b>42,583</b>	<b>5,523</b>	<b>60,114</b>

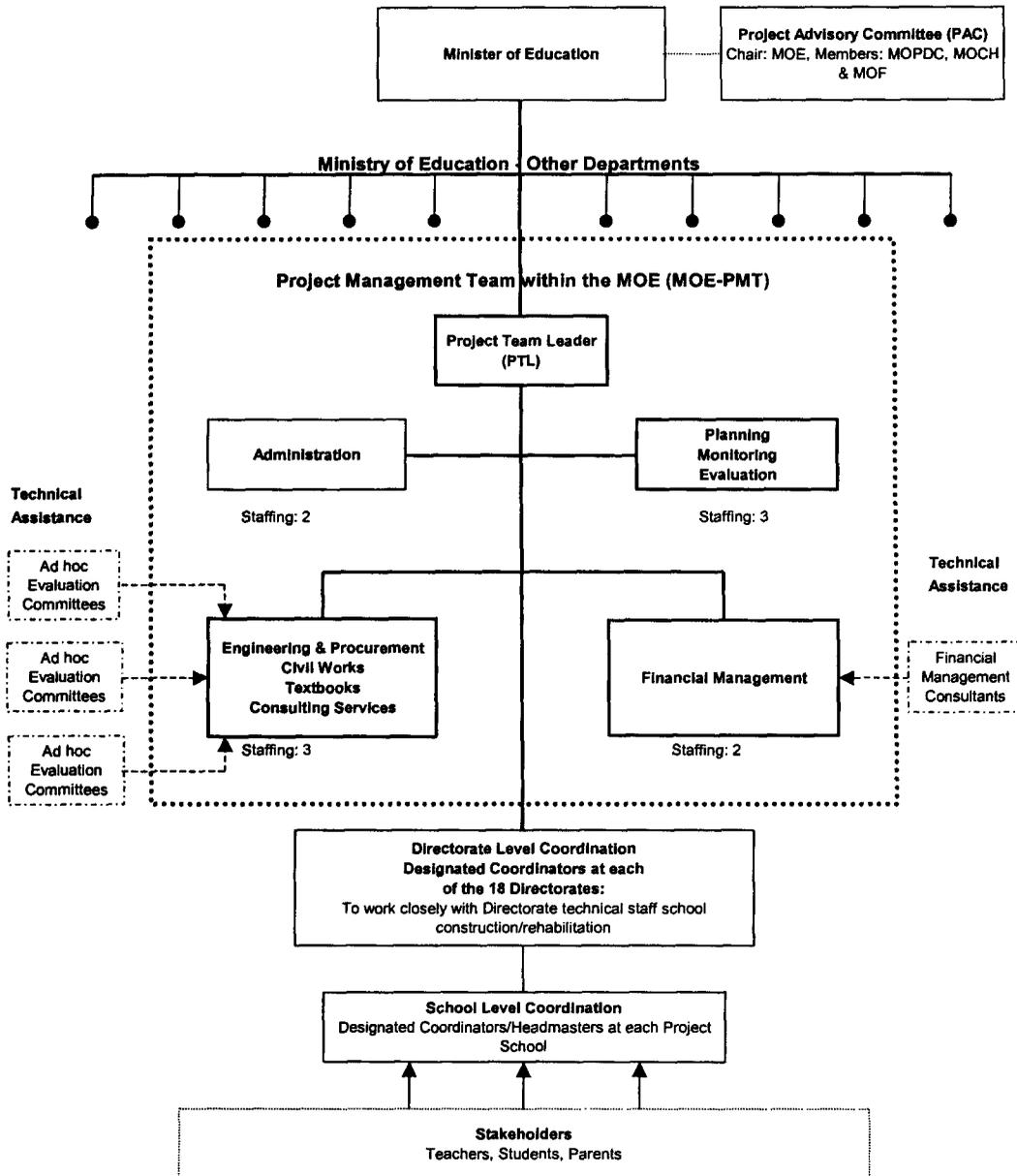
<sup>a</sup> MOE's contribution: salaries of MOE staff appointed by MOE to PMT

NOTE: Sadr City is not a Directorate, but is part of Risafa 1 Directorate.

There are 21 Directorates in Iraq, in 18 Governorates.

**PROJECT MANAGEMENT**

**A. Project Management Structure**



## B. Responsibility Matrix

No.	Activities	Agencies/Bodies Involved								
		MOF	MOE	PAC	PMT	DIR	SCH	AUD	PRO	WB
<b>1.00</b>	<b>Financial Management</b>									
1.01	Make available funds from own resources		E		N					N
1.02	Launch Workshop	N	E		E					E
1.03	Document Accounting, Reporting & Auditing Procedures	N	N		E					R
1.04	Appoint Project Auditor	N	E		E					R
1.05	Appoint Consultants <sup>1/</sup>				E					R
1.06	Remit Specimen of signatures	N	E		N					N
1.07	Request for reimbursement of own funds from the WB	N	N		E					R
1.08	Prepare requests for Direct payments	N	R		E					
1.09	Review claims and authorize payments		N		N					E
1.10	Make payments within 10 days of payment authorization		N		N					E
1.11	Monitor payments for timeliness				E					N
1.12	Keep project accounts		E		E					
1.13	Prepare monthly Financial reports	N			E					N
1.14	Supervise FM aspects	N	N		N					E
<b>2.00</b>	<b>Planning, Monitoring &amp; Evaluation</b>									
2.01	Establish project preparation, implementation, technical monitoring (supervision) & reporting procedures at center and at the Directorate level		N		E	S			S	R
2.02	Review MOE's RA		S		E					
2.03	Review MOE-PMT's procurement procedures		E		N	N		S	S	
2.04	Conduct Annual audits	R	R	R	S	S		E		R
2.05	Review implementation progress		E		N	N			S	
2.06	Review Technical Documentation and Contracts		N		S	S			E	
2.07	Compare Project Estimates with Actual Prices		N		E	S		N	S	
2.08	Recommend improvements to quality of construction		N		N	N			E	
2.09	Review timeliness of implementation		N	E	S	S	N			N
2.10	Conduct site visits to assess progress of work and quality				E	S			S	
2.11	Prepare Quarterly Progress Reports for the MOE and the World Bank	N	N	R	E	S				R
<b>3.00</b>	<b>Procurement</b>									
3.01	Prepare and revise a Procurement Plan in consultation with each Directorate/Governorate		A		E	S			S	A

<sup>1</sup> Financial Management consultants

No.	Activities	Agencies/Bodies Involved									
		MOF	MOE	PAC	PMT	DIR	SCH	AUD	PRO	WB	
3.02	Appoint Consultants <sup>2/</sup>	N	R		E	S				R	
3.03	Establish a procurement monitoring system at the MOE		R		R				E	R	
3.04	Prepare simplified bidding documents for shopping procedures for smaller contracts		R		R	S			E	R	
3.05	Prepare and revise a project operational manual		R		E	S	S	S	S	R	
3.06	Prepare Standard Bidding Documents for Works and Goods		R		R	S			E	R	
3.07	Prepare specific contract documents for each school package/lot.		N		E	S			S	R	
3.08	Invite bids/quotes		N		E	S		N	N		
3.09	Evaluate bids				E	S			S		
3.10	Obtain WB No objection if required		N		E						
3.11	Award and sign contracts	N	N		E	N		N	S		
3.12	Monitor progress of works under construction		S		E	S	S	S	S		
3.13	Conduct physical inspection of completed schools				S				E		
3.14	Coordinate procurement training to MOE and PMT staff	N	N	N	E				S	N	
3.15	Conduct training on procurement to Iraqi staff	N	N	N	N	N			E		
3.16	Keep records on procurement for all projects. Directorate will keep a copy too of its project				E	S					
3.17	Follow up on complains		N		E	S				N	

**Key:**

R=Review/Clear E=Execute S=Support A=Approve N=Notified

**Legend:**

**MOF:** Ministry of Finance; **MOE:** Ministry of Education; **PAC:** Project Advisory Committee; **MOE-PMT:** Project Management Team (in MOE); **DIR:** Directorate of Education at Governorate level; **SCH:** School; **AUD:** Financial Auditor; **PRO:** Procurement Consultant (in the case of civil works, PRO includes the private consultants hired to prepare construction documents and provide design & supervision services); **WB:** World Bank (Administrator of the Trust Fund);

<sup>2</sup> Consultants hired to (a) supervise projects; (b) prepare contract documents & supervise the works; and (c) provide full design & supervision services, in accordance with the Procurement Plan.

## PROCUREMENT ARRANGEMENTS AND PROCUREMENT PLAN

### I. GENERAL

#### 1. Project information:

Country: Iraq  
 Recipient: The Iraqi Ministry of Education  
 Project Name: Emergency Schools Construction and Rehabilitation Project  
 Project No.: P087907  
 Grant Amount: US\$60,000,000 from the World Bank Iraq Trust Fund  
 Project Implementing Agency (PIA): The Ministry of Education

2. **Bank's approval Date of the Procurement Plan:** October 7, 2004

3. **Date of General Procurement Notice:** March 26, 2004

4. **Period covered by this procurement plan:** two years.

### II. GOODS AND WORKS AND NON-CONSULTING SERVICES.

1. **Prior Review Threshold:** Procurement Decisions subject to Prior Review by the Bank as stated in Appendix 1 to the Guidelines for Procurement:

	<b>Procurement Method</b>	<b>Prior Review Threshold</b>	<b>Comments</b>
1.	Shopping (Works, Goods)	First three purchase orders/contracts All $\geq$ US\$100,000	See Procurement Plan for selected contracts
2.	NCB (works, goods)	First three contracts regardless of value and then all contracts $\geq$ US \$ 250,000 per contract for works and $\geq$ US \$ 100,000 per contract for goods	See Procurement Plan for selected contracts
4	Direct Contracting/Purchase	All	

#### 2. Reference to Project Implementation Manual

The Project Management Team (MOE-PMT) will prepare a simple Project Implementation Manual (PIM) by end-December 2004. The PIM will be adapted to conform to the Master Implementation Manual (MIM) when it is finalized. The MIM is being prepared by an international consulting firm financed under the capacity building trust fund for Iraq, and is planned to be finalized by November 2004.

### 3. Any Other Special Procurement Arrangements

Not applicable

### 4. Procurement Packages with Methods and Time Schedule

It is not expected that international contractors would be interested in the works contracts under this project specially under the current security situation in Iraq and the scattering of the locations of the subprojects. Thus no contract is expected to be procured using ICB procedures. There is no domestic preference under the project. A detailed procurement plan is attached.

## III. SELECTION OF CONSULTANTS

1. **Prior Review Threshold:** Selection decisions subject to Prior Review by Bank as stated in Appendix 1 to the Guidelines Selection and Employment of Consultants:

	Selection Method	Prior Review Threshold	Comments
1.	Services from firms or individuals	First three contracts regardless of value.	
1.	Competitive Methods (Firms)	>=US\$100,000	
2.	Single Source (Firms)	All	
3.	Individual Consultants	>=US\$50,000	
4.	Single Source (individual)	All	

### 2. Short list comprising entirely of national consultants

A short list of consultants for services, estimated to cost less than US\$100,000 equivalent per contract, may be comprised entirely of national consultants in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines.

### 3. Any Other Special Selection Arrangements

The selection of a procurement consulting firm will be based on CQ. The volatile security conditions in Iraq may not attract international consultants to work in Iraq. It is also expected that international consulting firms may not be interested in the modification of standard designs and supervision of school construction while the security situation is volatile. Based on that, short lists for all consulting services for design and supervision of school construction may be composed entirely of national consulting firms. It is also expected that consulting offices associated with local universities may be included in the short lists. University-based consultants shall not have preference over private consultants.

### 4. Consultancy Assignments with Selection Methods and Time Schedule

These are indicated in the attached procurement plan.

#### IV. IMPLEMENTING AGENCY CAPACITY BUILDING ACTIVITIES WITH TIME SCHEDULE

The agreed Capacity Building Activities are listed with time schedule

Expected outcome / Activity Description	Estimated Cost	Estimated Duration	Start Date	Comments
<p>Training and support to MOE on: procurement, setting up a procurement monitoring system, filing system, bidding document preparation, bid evaluation, preparation of RFP, proposal evaluation, reporting and spot physical inspection.</p> <p>Three workshops outside Iraq will be designed as follows:</p> <ol style="list-style-type: none"> <li>1. Document preparation, RFP preparation, Bid/RFP invitation, Bid/proposals opening procedures (10 days)</li> <li>2. Bid evaluation, proposals evaluation, awarding contracts (10 days)</li> <li>3. Contract Administration/Supervision (1 week)</li> </ol> <p>One workshop for contractors and one for consultants in Iraq will be planned on bid preparation and proposals preparation.</p>	<p>US \$ 250,000</p>	<p>24 months</p>	<p>January 2005</p>	<p>International consulting firm with local Iraqi staff in Iraq. Most workshops would be conducted outside Iraq until security conditions is improved.</p>

## ESCRP Procurement Plan for Goods and Works

As Agreed with the PMT on October 7, 2004

Sl. #	Procurement System Ref. #	Location/ Description	Estimated Cost (US\$) /c	Estimated No. of Packages	Procurement Method	Review By Bank (PRIOR / Post)	Invitation Date	Expected Bid-Opening Date	Contract Award Date	Start Date	Completion Date
	A	B	C	D	E	F	G	H	I	J	K
1	<b>1. WORKS</b>										
2	<b>1.1 Rehabilitation of Schools - Phase I</b>										
3	ESCRP.WR.NCB1.BAG.SD.PH-I	Baghdad/SD	\$ 215,000	1	NCB	PRIOR	31-Jan-05	1-Mar-05	20-Apr-05	1-Jun-05	15-Sep-05
5	ESCRP.WR.NCB1.BAG.R1.PH-I	Baghdad/R1	\$ 209,000	1	NCB	PRIOR	31-Jan-05	1-Mar-05	20-Apr-05	1-Jun-05	15-Sep-05
7	ESCRP.WR.NCB1.BAG.R2.PH-I	Baghdad/R2	\$ 187,000	1	NCB	PRIOR	31-Jan-05	1-Mar-05	20-Apr-05	1-Jun-05	15-Sep-05
9	ESCRP.WR.NCB1.BAG.K1.PH-I	Baghdad/K1	\$ 160,000	1	NCB	Post	31-Jan-05	1-Mar-05	20-Apr-05	1-Jun-05	15-Sep-05
11	ESCRP.WR.NCB1.BAG.K1.PH-I	Baghdad/K2	\$ 171,000	1	NCB	Post	31-Jan-05	1-Mar-05	20-Apr-05	1-Jun-05	15-Sep-05
13	ESCRP.WR.NCB1.ANB.PH-I	Anbar	\$ 154,000	1	NCB	Post	31-Jan-05	1-Mar-05	20-Apr-05	1-Jun-05	15-Sep-05
15	ESCRP.WR.NCB1.BAB.PH-I	Babylon	\$ 204,000	1	NCB	Post	31-Jan-05	1-Mar-05	20-Apr-05	1-Jun-05	15-Sep-05
17	ESCRP.WR.NCB1.BAS.PH-I	Basrah	\$ 171,000	1	NCB	Post	31-Jan-05	1-Mar-05	20-Apr-05	1-Jun-05	15-Sep-05
19	ESCRP.WR.NCB1.DIW.PH-I	Diwaniyah	\$ 209,000	1	NCB	Post	31-Jan-05	1-Mar-05	20-Apr-05	1-Jun-05	15-Sep-05
21	ESCRP.WR.NCB1.DIY.PH-I	Diyala	\$ 193,000	1	NCB	Post	31-Jan-05	1-Mar-05	20-Apr-05	1-Jun-05	15-Sep-05
23	ESCRP.WR.NCB1.KAR.PH-I	Karbala	\$ 187,000	1	NCB	Post	31-Jan-05	1-Mar-05	20-Apr-05	1-Jun-05	15-Sep-05
25	ESCRP.WR.NCB1.MIS.PH-I	Missan	\$ 127,000	1	NCB	Post	31-Jan-05	1-Mar-05	20-Apr-05	1-Jun-05	15-Sep-05
27	ESCRP.WR.NCB1.MUT.PH-I	Muthanna	\$ 209,000	1	NCB	Post	31-Jan-05	1-Mar-05	20-Apr-05	1-Jun-05	15-Sep-05
29	ESCRP.WR.NCB1.NAJ.PH-I	Najaf	\$ 154,000	1	NCB	Post	31-Jan-05	1-Mar-05	20-Apr-05	1-Jun-05	15-Sep-05
31	ESCRP.WR.NCB1.NIN.PH-I	Ninawa	\$ 143,000	1	NCB	Post	31-Jan-05	1-Mar-05	20-Apr-05	1-Jun-05	15-Sep-05
33	ESCRP.WR.NCB1.SAL.PH-I	Salah Al Din	\$ 154,000	1	NCB	Post	31-Jan-05	1-Mar-05	20-Apr-05	1-Jun-05	15-Sep-05
35	ESCRP.WR.NCB1.TAM.PH-I	Tameem	\$ 165,000	1	NCB	Post	31-Jan-05	1-Mar-05	20-Apr-05	1-Jun-05	15-Sep-05
37	ESCRP.WR.NCB1.THI.PH-I	Thi Qar	\$ 182,000	1	NCB	Post	31-Jan-05	1-Mar-05	20-Apr-05	1-Jun-05	15-Sep-05
39	ESCRP.WR.NCB1.WAS.PH-I	Wassit	\$ 209,000	1	NCB	Post	31-Jan-05	1-Mar-05	20-Apr-05	1-Jun-05	15-Sep-05
41	<b>Subtotal 1.1</b>		<b>\$ 3,403,000</b>	<b>19</b>							
43	<b>1.2 Rehabilitation of Schools - Phase II</b>										
44	ESCRP.WR.NCB1.BAG.SD.PH-II	Baghdad/SD	\$ 213,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
46	ESCRP.WR.NCB1.BAG.R1.PH-II	Baghdad/R1	\$ 134,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
48	ESCRP.WR.NCB1.BAG.R2.PH-II	Baghdad/R2	\$ 134,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
50	ESCRP.WR.NCB1.BAG.K1.PH-II	Baghdad/K1	\$ 145,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
52	ESCRP.WR.NCB1.BAG.K2.PH-II	Baghdad/K2	\$ 185,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
54	ESCRP.WR.NCB1.ANB.PH-II	Anbar	\$ 213,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
56	ESCRP.WR.NCB1.BAB.PH-II	Babylon	\$ 157,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
58	ESCRP.WR.NCB1.BAS.PH-II	Basrah	\$ 218,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
60	ESCRP.WR.NCB1.DIW.PH-II	Diwaniyah	\$ 185,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
62	ESCRP.WR.NCB1.DIY.PH-II	Diyala	\$ 157,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
64	ESCRP.WR.NCB1.DAH.PH-II	Dahuk	\$ 151,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
66	ESCRP.WR.NCB2.DAH.PH-II	Dahuk	\$ 101,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
68	ESCRP.WR.NCB1.ERB.PH-II	Erbil	\$ 201,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
70	ESCRP.WR.NCB2.ERB.PH-II	Erbil	\$ 140,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06

Sl #	Procurement System Ref. #	Location/Description	Estimated Cost (US\$) /c	Estimated No. of Packages	Procurement Method	Review By Bank (PRIOR / Post)	Invitation Date	Expected Bid-Opening Date	Contract Award Date	Start Date	Completion Date
	A	B	C	D	E	F	G	H	I	J	K
72	ESCRP.WR.NCB1.KAR.PH-II	Karbala	\$ 201,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
74	ESCRP.WR.NCB1.MIS.PH-II	Missan	\$ 168,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
76	ESCRP.WR.NCB1.MUT.PH-II	Muthanna	\$ 145,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
78	ESCRP.WR.NCB1.NAJ.PH-II	Najaf	\$ 190,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
80	ESCRP.WR.NCB1.NIN.PH-II	Ninawa	\$ 190,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
82	ESCRP.WR.NCB1.SAL.PH-II	Salah Al Din	\$ 112,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
84	ESCRP.WR.NCB1.SUL.PH-II	Suleimaniyah	\$ 179,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
86	ESCRP.WR.NCB2.SUL.PH-II	Suleimaniyah	\$ 173,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
88	ESCRP.WR.NCB1.TAM.PH-II	Tameem	\$ 101,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
90	ESCRP.WR.NCB2.TAM.PH-II	Tameem	\$ 145,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
92	ESCRP.WR.NCB1.THI.PH-II	Thi Qar	\$ 145,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
94	ESCRP.WR.NCB1.WAS.PH-II	Wassit	\$ 145,000	1	NCB	Post	15-Jul-05	15-Aug-05	30-Sep-05	15-Oct-05	15-Feb-06
96	<b>Subtotal 1.2</b>		<b>\$ 4,228,000</b>	<b>26</b>							
98	<b>1.3 Construction of New Schools - Phase I</b>										
99	ESCRP.WN.NCB1.BG.SD.PH-I	Baghdad/SD	\$ 824,000	1	NCB	PRIOR	15-Apr-05	15-May-05	30-Jul-05	1-Aug-05	31-Jul-06
101	ESCRP.WN.NCB1.BG.K1.PH-I	Baghdad/K1	\$ 824,000	1	NCB	PRIOR	15-Apr-05	15-May-05	30-Jul-05	1-Aug-05	31-Jul-06
103	ESCRP.WN.NCB1.AMB.PH-I	Anbar	\$ 721,000	1	NCB	PRIOR	15-Apr-05	15-May-05	30-Jul-05	1-Aug-05	31-Jul-06
105	ESCRP.WN.NCB1.BAB.PH-I	Babylon	\$ 721,000	1	NCB	PRIOR	15-Apr-05	15-May-05	30-Jul-05	1-Aug-05	31-Jul-06
107	ESCRP.WN.NCB1.BAS.PH-I	Basrah	\$ 721,000	1	NCB	PRIOR	15-Apr-05	15-May-05	30-Jul-05	1-Aug-05	31-Jul-06
109	ESCRP.WN.NCB1.DIW.PH-I	Diwaniyah	\$ 721,000	1	NCB	PRIOR	15-Apr-05	15-May-05	30-Jul-05	1-Aug-05	31-Jul-06
111	ESCRP.WN.NCB1.DIY.PH-I	Diyala	\$ 824,000	1	NCB	PRIOR	15-Apr-05	15-May-05	30-Jul-05	1-Aug-05	31-Jul-06
113	ESCRP.WN.NCB1.KAR.PH-I	Karbala	\$ 721,000	1	NCB	PRIOR	15-Apr-05	15-May-05	30-Jul-05	1-Aug-05	31-Jul-06
115	ESCRP.WN.NCB1.MIS.PH-I	Missan	\$ 721,000	1	NCB	PRIOR	15-Apr-05	15-May-05	30-Jul-05	1-Aug-05	31-Jul-06
117	ESCRP.WN.NCB1.MUT.PH-I	Muthanna	\$ 721,000	1	NCB	PRIOR	15-Apr-05	15-May-05	30-Jul-05	1-Aug-05	31-Jul-06
119	ESCRP.WN.NCB1.NAJ.PH-I	Najaf	\$ 361,000	1	NCB	PRIOR	15-Apr-05	15-May-05	30-Jul-05	1-Aug-05	31-Jul-06
121	ESCRP.WN.NCB1.NIN.PH-I	Ninawa	\$ 721,000	1	NCB	PRIOR	15-Apr-05	15-May-05	30-Jul-05	1-Aug-05	31-Jul-06
123	ESCRP.WN.NCB1.SAL.PH-I	Salah Al Din	\$ 721,000	1	NCB	PRIOR	15-Apr-05	15-May-05	30-Jul-05	1-Aug-05	31-Jul-06
125	ESCRP.WN.NCB1.TAM.PH-I	Tameem	\$ 721,000	1	NCB	PRIOR	15-Apr-05	15-May-05	30-Jul-05	1-Aug-05	31-Jul-06
127	ESCRP.WN.NCB1.THI.PH-I	Thi Qar	\$ 721,000	1	NCB	PRIOR	15-Apr-05	15-May-05	30-Jul-05	1-Aug-05	31-Jul-06
129	ESCRP.WN.NCB1.WAS.PH-I	Wassit	\$ 721,000	1	NCB	PRIOR	15-Apr-05	15-May-05	30-Jul-05	1-Aug-05	31-Jul-06
131	<b>Subtotal 1.3</b>		<b>\$ 11,485,000</b>	<b>16</b>							
133	<b>1.4 Construction of New Schools - Phase II</b>										
134	ESCRP.WN.NCB1.BG.R1.PH-II	Baghdad/R1	\$ 846,000	1	NCB	PRIOR	1-Oct-05	31-Oct-05	6-Jan-06	15-Jan-06	15-Jan-07
136	ESCRP.WN.NCB1.BG.K2.PH-II	Baghdad/K2	\$ 846,000	1	NCB	PRIOR	1-Oct-05	31-Oct-05	6-Jan-06	15-Jan-06	15-Jan-07
138	ESCRP.WN.NCB1.AMB.PH-II	Anbar	\$ 846,000	1	NCB	PRIOR	1-Oct-05	31-Oct-05	6-Jan-06	15-Jan-06	15-Jan-07
140	ESCRP.WN.NCB1.BAB.PH-II	Babylon	\$ 740,000	1	NCB	PRIOR	1-Oct-05	31-Oct-05	6-Jan-06	15-Jan-06	15-Jan-07
142	ESCRP.WN.NCB1.BAS.PH-II	Basrah	\$ 740,000	1	NCB	PRIOR	1-Oct-05	31-Oct-05	6-Jan-06	15-Jan-06	15-Jan-07

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A	B	C	D	E	F	G	H	I	J	K	
144	ESCRP.WN.NCB2.BAS.PH-II	Basrah	\$ 951,000	1	NCB	PRIOR	1-Oct-05	31-Oct-05	6-Jan-06	15-Jan-06	15-Jan-07
146	ESCRP.WN.NCB2.DAH.PH-II	Dahuk	\$ 846,000	1	NCB	PRIOR	1-Oct-05	31-Oct-05	6-Jan-06	15-Jan-06	15-Jan-07
148	ESCRP.WN.NCB1.DIW.PH-II	Diwaniyah	\$ 951,000	1	NCB	PRIOR	1-Oct-05	31-Oct-05	6-Jan-06	15-Jan-06	15-Jan-07
150	ESCRP.WN.NCB1.DIY.PH-II	Diyala	\$ 951,000	1	NCB	PRIOR	1-Oct-05	31-Oct-05	6-Jan-06	15-Jan-06	15-Jan-07
152	ESCRP.WN.NCB1.ERB.PH-II	Erbil	\$ 951,000	1	NCB	PRIOR	1-Oct-05	31-Oct-05	6-Jan-06	15-Jan-06	15-Jan-07
154	ESCRP.WN.NCB1.KAR.PH-II	Karbala	\$ 951,000	1	NCB	PRIOR	1-Oct-05	31-Oct-05	6-Jan-06	15-Jan-06	15-Jan-07
156	ESCRP.WN.NCB1.MIS.PH-II	Missan	\$ 951,000	1	NCB	PRIOR	1-Oct-05	31-Oct-05	6-Jan-06	15-Jan-06	15-Jan-07
158	ESCRP.WN.NCB1.MUT.PH-II	Muthanna	\$ 846,000	1	NCB	PRIOR	1-Oct-05	31-Oct-05	6-Jan-06	15-Jan-06	15-Jan-07
160	ESCRP.WN.NCB1.NAJ.PH-II	Najaf	\$ 951,000	1	NCB	PRIOR	1-Oct-05	31-Oct-05	6-Jan-06	15-Jan-06	15-Jan-07
162	ESCRP.WN.NCB1.NIN.PH-II	Ninawa	\$ 951,000	1	NCB	PRIOR	1-Oct-05	31-Oct-05	6-Jan-06	15-Jan-06	15-Jan-07
164	ESCRP.WN.NCB1.SAL.PH-II	Salah Al Din	\$ 951,000	1	NCB	PRIOR	1-Oct-05	31-Oct-05	6-Jan-06	15-Jan-06	15-Jan-07
166	ESCRP.WN.NCB1.SUL.PH-II	Suleimaniyah	\$ 951,000	1	NCB	PRIOR	1-Oct-05	31-Oct-05	6-Jan-06	15-Jan-06	15-Jan-07
168	ESCRP.WN.NCB1.TAM.PH-II	Tameem	\$ 740,000	1	NCB	PRIOR	1-Oct-05	31-Oct-05	6-Jan-06	15-Jan-06	15-Jan-07
170	ESCRP.WN.NCB1.THI.PH-II	Thi Qar	\$ 951,000	1	NCB	PRIOR	1-Oct-05	31-Oct-05	6-Jan-06	15-Jan-06	15-Jan-07
172	ESCRP.WN.NCB1.WAS.PH-II	Wassit	\$ 951,000	1	NCB	PRIOR	1-Oct-05	31-Oct-05	6-Jan-06	15-Jan-06	15-Jan-07
174	<b>Subtotal 1.3</b>		<b>\$ 17,862,000</b>	<b>20</b>							
176	<b>1.5 Construction of New Schools - Phase III</b>										
177	ESCRP.WN.NCB1.BG.R2.PH-III	Baghdad/R2	\$ 858,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
179	ESCRP.WN.NCB1.AMB.PH-III	Anbar	\$ 751,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
181	ESCRP.WN.NCB2.AMB.PH-III	Anbar	\$ 483,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
183	ESCRP.WN.NCB1.BAB.PH-III	Babylon	\$ 858,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
185	ESCRP.WN.NCB1.BAS.PH-III	Basrah	\$ 483,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
187	ESCRP.WN.NCB1.DIW.PH-III	Diwaniyah	\$ 858,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
189	ESCRP.WN.NCB1.DIY.PH-III	Diyala	\$ 483,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
191	ESCRP.WN.NCB1.DAH.PH-III	Dahuk	\$ 751,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
193	ESCRP.WN.NCB2.DAH.PH-III	Dahuk	\$ 483,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
195	ESCRP.WN.NCB1.ERB.PH-III	Erbil	\$ 751,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
197	ESCRP.WN.NCB2.ERB.PH-III	Erbil	\$ 375,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
199	ESCRP.WN.NCB1.KAR.PH-III	Karbala	\$ 375,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
201	ESCRP.WN.NCB2.KAR.PH-III	Karbala	\$ 966,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
203	ESCRP.WN.NCB1.MIS.PH-III	Missan	\$ 751,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
205	ESCRP.WN.NCB2.MIS.PH-III	Missan	\$ 375,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
207	ESCRP.WN.NCB1.MUT.PH-III	Muthanna	\$ 375,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
209	ESCRP.WN.NCB2.MUT.PH-III	Muthanna	\$ 966,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
211	ESCRP.WN.NCB1.NAJ.PH-III	Najaf	\$ 751,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
213	ESCRP.WN.NCB2.NAJ.PH-III	Najaf	\$ 751,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
215	ESCRP.WN.NCB1.NIN.PH-III	Ninawa	\$ 966,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07

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	A	B	C	D	E	F	G	H	I	J	K
217	ESCRP.WN.NCB2.NIN.PH-III	Ninawa	\$ 375,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
219	ESCRP.WN.NCB2.SAL-III	Salah Al Din	\$ 375,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
221	ESCRP.WN.NCB1.SUL.PH-III	Suleimaniyah	\$ 375,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
223	ESCRP.WN.NCB2.SUL.PH-III	Suleimaniyah	\$ 751,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
225	ESCRP.WN.NCB1.TAM.PH-III	Tameem	\$ 482,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
227	ESCRP.WN.NCB1.TAM.PH-III	Tameem	\$ 966,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
229	ESCRP.WN.NCB1.THI.PH-III	Thi Qar	\$ 751,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
231	ESCRP.WN.NCB2.THI.PH-III	Thi Qar	\$ 858,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
233	ESCRP.WN.NCB1.WAS.PH-III	Wassit	\$ 751,000	1	NCB	PRIOR	1-Jan-06	31-Jan-06	7-Apr-06	15-Apr-06	15-Apr-07
235	Subtotal 1.4		\$ 19,094,000	29							
237	Total for 1		\$ 56,072,000	110							
239	<b>2. GOODS</b>										
240	ESCRP.G.SH.COP.PROJ/04	21 Copiers & Fax.	\$ 56,500	1	SH	PR	3-Nov-04	17-Nov-04	3-Dec-04	6-Dec-04	5-Jan-05
242	ESCRP.G.SH.PRI.PROJ/04	21 Printers & Scar	\$ 33,900	1	SH	PR	3-Nov-04	17-Nov-04	3-Dec-04	6-Dec-04	5-Jan-05
244	ESCRP.G.SH.ENG.PROJ/04	Engineering Equip	\$ 53,800	1	SH	PR	3-Nov-04	17-Nov-04	3-Dec-04	6-Dec-04	5-Jan-05
246	ESCRP.G.SH.COMP.PROJ/04	21 Sets of Compu	\$ 62,000	1	SH	PR	17-Nov-04	1-Dec-04	1-Jan-05	4-Jan-05	3-Feb-05
248	ESCRP.G.SH.CAM.PROJ/04	25 Digital Camera	\$ 10,800	1	SH	PR	3-Nov-04	17-Nov-04	3-Dec-04	6-Dec-04	5-Jan-05
250	ESCRP.G.SH.VEH.PROJ/04	10 Vehicles	\$ 161,000	1	NCB	PRIOR	17-Nov-04	1-Dec-04	1-Jan-05	4-Jan-05	3-Feb-05
252	Subtotal for 2		\$ 378,000	6							
254	GRAND TOTAL /c		\$ 56,450,000								

**Legend:**

- ICB = International Competitive Bidding (in accordance with section 2 of the Guidelines)  
 NCB = National Competitive Bidding (in accordance with section 3.3 of the Guidelines)  
 SH = Shopping (in accordance with section 3.5 of the Guidelines)  
 NA = Not applicable

**Notes:**

- a/ Interval for preparation or clearance (in days)  
 b/ Number of days to execute the contract  
 c/ Estimates include physical and price contingencies

Initial Procurement Plan for Consultants' Services  
As Agreed with the PMT on October 7, 2004

No. /	Procurement System Ref. #	Location/ Description of Assignment	Estimated Cost (US\$) /c	Selection Method	Review by Bank Prior / Post	Invitation for RFPs Date	Expected Proposal Submission Date	Contract Award Date
A	B	C	D	E	F	G	H	
1	<b>3. CONSULTANTS' SERVICES</b>							
2	<b>3.1 Procurement Training and Support Consultant</b>							
3	ESCRP.CQS1.PROC	Procurement Training and Support	\$ 250,000	CQS	PRIOR	8-Nov-04	8-Dec-04	12-Jan-05
12	<b>3.3 Services for Design &amp; Supervision of New Schools</b>							
13	<b>Phase I (for 15 Governorates)</b>							
14	ESCRP.CQS-D&S1-16.PH-I	About 16 Contracts	\$ 580,000	CQS	PRIOR <sup>*/</sup>	23-Dec-04	7-Jan-05	29-Jan-05
16	<b>Phase II (for 18 Governorates)</b>							
17	ESCRP.CQS-D&S1-20.PH-II	About 20 Contracts	\$ 900,000	CQS	Post	22-May-05	6-Jun-05	28-Jun-05
19	<b>Phase III (for 18 Governorates)</b>							
20	ESCRP.CQS-D&S1-29.PH-III	About 29 Contracts	\$ 955,000	CQS	Post	22-Aug-05	6-Sep-05	28-Sep-05
22	<b>Subtotal for 3.3</b>		<b>\$ 2,435,000</b>					
24	<b>3.4 Consultants for Project Management (PMT Team) &amp; Auditing</b>							
25	ESCRP.IC.PMTSUP1-3	Multiple Individual Consultants to assist PMT (if needed)	\$ 30,000	IC	Post	21-Jan-05	5-Feb-05	28-Feb-05
27	ESCRP.CQS.AUDIT/04	Auditing Firm	\$ 30,800	CQS	PRIOR	21-Jan-05	5-Feb-05	28-Feb-05
29	<b>Subtotal for 3.4</b>		<b>\$ 60,800</b>					
31	<b>GRAND TOTAL /c</b>		<b>\$ 2,495,800</b>					

**Legend:**

CQS = Selection Based on consultants' Qualifications (in accordance with section 3.7 of the Guidelines)

IC = Selection of Individual Consultants (in accordance with sections 5.1 - 5.4 of the Guidelines)

NA = Not Applicable

**Notes:**

c/ Estimates include physical and price contingencies

\*/ Prior review for the first three contracts of Phase I

## FINANCIAL MANAGEMENT AND DISBURSEMENT

### I. Executive Summary and Conclusion

1. Bank policies require that grant proceeds are used only for the purposes for which they were granted, with due regard to economy, efficiency, and the sustainable achievement of the project's development objectives. As an aspect of this requirement the Recipient (MOE), among other things, is requested to maintain an appropriate and adequate financial management system, including records and accounts, and prepare financial statements adequate to separately reflect the operations, resources, and expenditures. The Trust Fund Grant Agreement also commits the recipient to have the accounts, records, and financial statements of the grant audited for each fiscal year by a qualified auditor acceptable to the Administrator with scope and standards accepted internationally.
  2. Due to the security risk, the project financial management assessment, was carried out in Amman by interviewing Iraqi officials from various ministries including MOE, MOF, and MOPDC. These interviews concentrated on: (i) identifying the applicable procedures to introduce the grant proceeds as a supplement to the MOE FY05, FY06 and FY07 budgets and how to proceed in case the grant funds are not allocated within the ministry budget; and (ii) assessing the current financial management practices at the MOE in order to identify the risks associated with the control environment, the accounting, reporting and auditing procedures in place and propose actions to reduce and manage such risks. Despite the limited knowledge of the Recipient's systems and processes, this assessment showed that the systems in place at MOE are based on principles and procedures defined by the legal framework and operational decrees applicable to the public sector. The control environment and accounting systems would however require strengthening and close monitoring to be able to generate timely project reports for project management and monitoring purposes. Therefore, "ring-fencing" accounting arrangements will be implemented by the MOE-PMT.
  3. Accordingly, the control risks will be mitigated by putting in place additional controls and procedures including: (i) the MOE-PMT will verify and authorizing payments under the project; (ii) the MOE-PMT will assign competent financial staff from the MOE who will be supported, as needed, by expert financial management consultants; (iii) the MOE will identify the champions (they have been identified) from the MOE finance department, including the internal auditor, who will track the project activities. This will allow for a well-informed team about Bank guidelines and policies from the ministry to follow on the project transactions and provide support to the MOE-PMT; (iv) disbursements by the Bank will be made primarily by direct payments supported by documentation; and (v) the Monitoring Agent will review Project expenditures.
  4. The accounting and reporting risks, will be managed by putting in place a simple parallel accounting system able to record all project expenditures and follow on the project commitments at any moment during the implementation period and generate project reporting including the Bank required Financial Monitoring Reports (FMRs). The
-

project accounting system will be installed after the project is declared effective as the grant funds will finance such system.

5 In addition, and as per grant agreement an external independent auditor with international experience will be engaged to perform the project audits and issue an independent opinion on the project financial statements.

6 All the above activities and procedures will be documented within a chapter of the project operational manual.

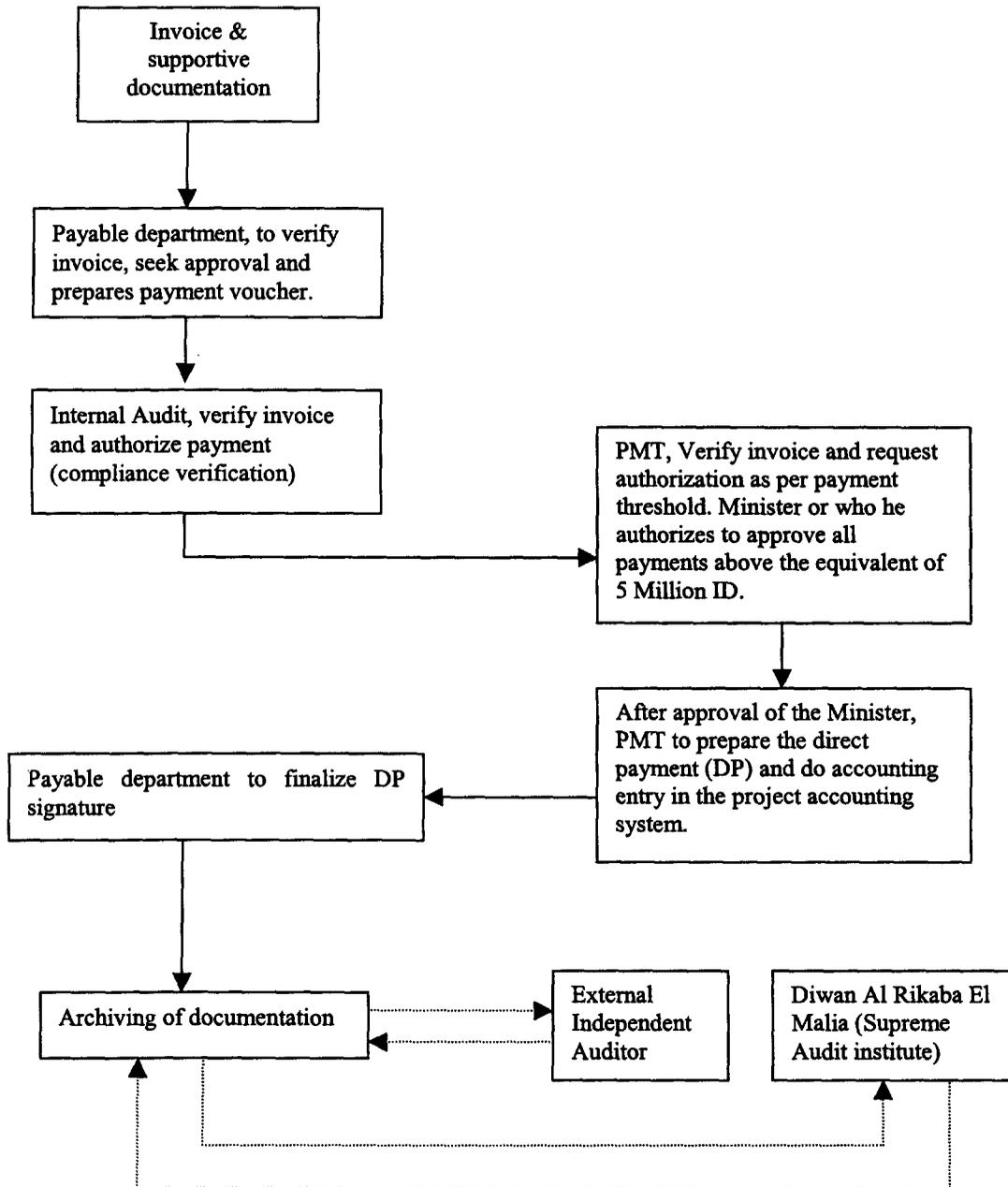
## **II. Identified Project Risk**

7 Taking into consideration the Bank policies and regulations, the financial management risk associated with this operation is considered as high due to various factors being: (i) the limited knowledge about the Iraq government financial systems, controls, and procedures; (ii) the limited knowledge about the Bank and its policies and guidelines by the Iraqi authorities; (iii) the lack of a validation process for the schools selected under the project; (iv) the distance between Baghdad and the school sites thus increasing the risk of information transfer and work delivered confirmation between the field and the paying entity; (v) the validation of any variation order that may be identified during the implementation of the work; (vi) variation order requests which may consume the grant funds, financing 100% of the project activities, prior to rehabilitating the planned total number of schools; (vii) possible disagreement on the implementation arrangements for the rehabilitation of the schools in the northern governorate; and (viii) the security situation rendering the on-site Bank work and assessments, financial or other, not possible. The above risks will be partially mitigated during the project preparation while the residual will require close monitoring and supervision during project implementation.

## **III. MOE Project Arrangements**

8. All payments will be subject to the applicable controls, rules and regulations in addition to the MOE-PMT verifications and approvals. These controls will be applied to the grant transactions and payments even if the grant funds are disbursed from outside the MOE budget. These controls, plus the engagement of an external independent auditor with international experience, will be used to follow on the grant funds. the MOE will post all signed contracts as commitments, while all verifications and controls will be performed by the payable department, the MOE's internal audit unit, the Director General or the Minister (depending on the payment value), and the MOE-PMT. The chart below presents the invoice approval process.

### Invoice Processing Chart



9. **Accounting System.** To avoid the risk of the MOE not being able to generate timely reports for project management and monitoring purposes, parallel arrangements are being implemented to overcome this system shortcoming. The project accounting and reporting activities will be undertaken by the MOE-PMT but in conjunction with MOE control procedures and applicable laws. To that end, the MOE-PMT will seek the services of a full time Financial Officer (identified) and an accountant. This financial team within the MOE-PMT will coordinate closely with the MOE financial department and will follow on the project accounts and the generation of projects report including the Bank required FMRs. An accounting system needs to be installed at the MOE-PMT to reduce the book keeping risk since the project will generate over the project life over 920<sup>3</sup> financial transactions. This system should be able to follow on the project accounts and generate the financial reports needed for monitoring and decision making. Until the accounting system is installed at the MOE-PMT, spread sheet applications will be used to record project transactions.

10. **Flow of Information.** The rehabilitation of schools will take place in Baghdad and the governorates. As per applicable laws all invoices, or BOQs, will be signed and approved by the planning departments in the provinces and will be remitted to Baghdad for payment under cover letter signed by the provincial Director General of Education.

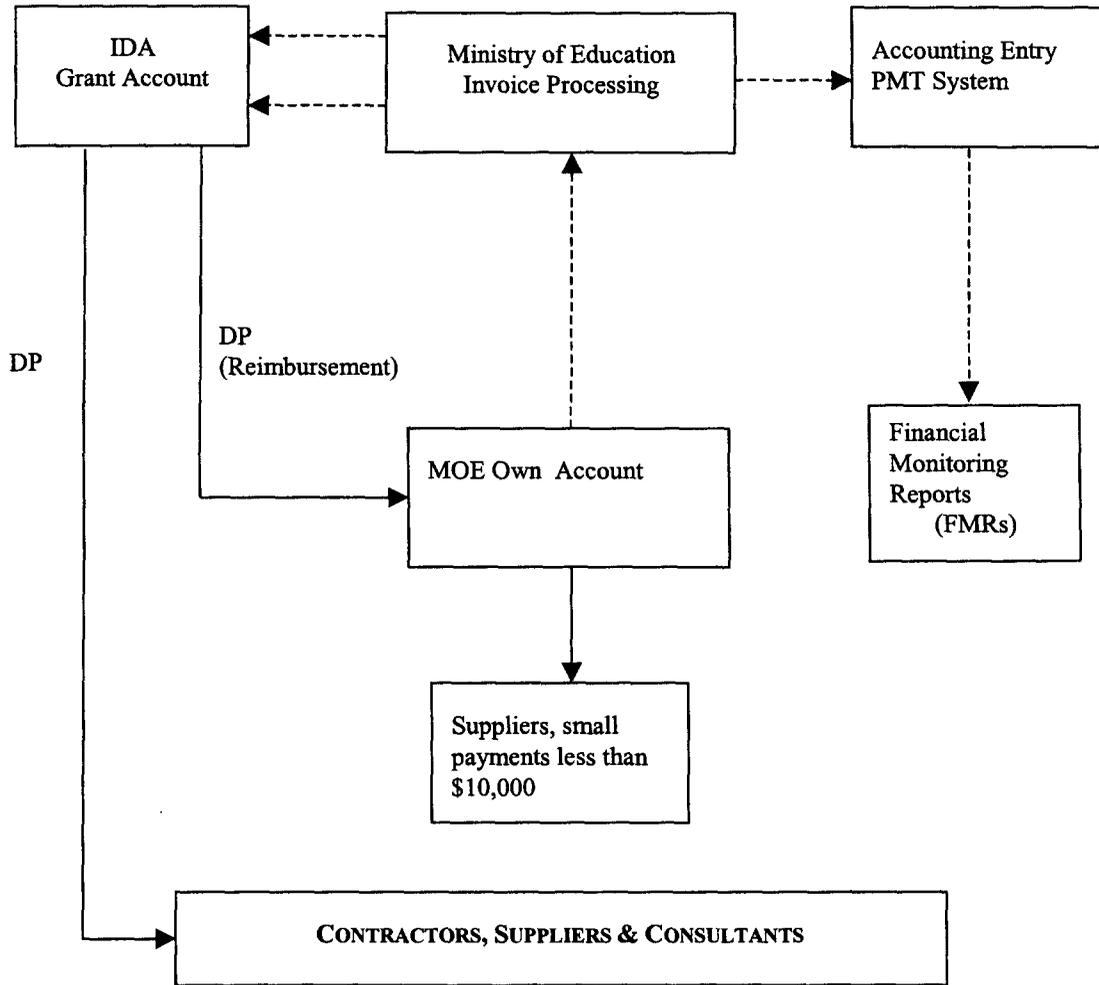
11. **Manual of Financial Procedures.** The project procedures and the parallel accounting system that are managed by the MOE-PMT are not reflected in the MOE legal framework. In order to ensure the accuracy and completeness of the parallel system data and to define the relation between all departments involved with the project implementation and thus facilitate the flow of project information, the MOE-PMT financial officer, assisted by an external financial consultant, will prepare the Project Financial Manual. This will be a chapter within the PIM, which integrates the applicable laws and outlines the parallel system.

### III. Flow of Funds and Controls

12. All invoices, either for advance payments or for actual incurred expenditures will be subject to applicable controls and procedures in addition to the MOE-PMT verification and approval. These invoices will be approved by the appropriate MOE departments and will be honored through direct payment requests signed by the MOE authorized staff and supported with copies of the invoices. With respect to the project management component and payments below the threshold of US\$10,000, they will be honored through payments made available by the recipient of the grant financed from its own resources. However, these payments made from the recipient own resources will be reimbursed, on periodical basis, by the Bank to the MOE upon presentation of a proof of payment<sup>4</sup> and a signed withdrawal application.

<sup>3</sup> As per the procurement plan 120 civil works and goods contracts are expected to be signed under the project with an average of about 4 payments per contract, plus 440 transactions related to consultants and PMT staff contracts.

<sup>4</sup> Copy of the check or copy of the bank statement identifying the payments claimed



DP: Direct Payment  
---- : Document Flow  
: Cash Flow

#### IV. Project reports

13. **Quarterly**: The MOE will generate FMRs and submit them to the Bank as part of the project progress report, or separately. These reports are made up of:

- **Financial Reports**: to include a cash flow statement, beginning and ending project cash balances and an expenditure report by activity or contract comparing actual and planned expenditures. Also, a narrative report explaining all variances that exceed 15% when compared to plan and the proposed corrective actions should be included as an annex to the financial reports.
- **Contracts Reports**: providing information on the major rehabilitation and construction contracts, showing contract financial status against plan, including information on all authorized contract variations.

These reports should be remitted to the Bank within 45 days from the end of the period. The proposed format of the reports is in the project files and have been agreed upon with the MOE representatives during appraisal.

14. **Annually**: Audited Project Financial Statements (PFS) will be submitted to the Bank. PFS, will include:

- (i) Statement of sources and utilization of funds, indicating funds received and expenditures.
- (ii) Appropriate schedules classifying project expenditures by activity and by governorate, showing cumulative balances.
- (iii) Statement of payments made using SOEs procedures as defined in the legal agreement.

#### V. Auditing Arrangements

15. An external independent auditor with international experience will be engaged to perform the project audit and issue an independent opinion on the project financial statements. The external audit report will encompass all of the Project's activities and will be in accordance with internationally accepted auditing standards. MOE will remit a project audit report to the Bank not later than two months after December 31, 2005, December 31, 2006 and following the closing date of the Grant. The auditor selection process will be launched directly after the grant agreement is signed. An Escrow account will be used to pay the auditor after the project closing date. The audit report of the project accounts shall include an opinion on the PFS and shall include a separate opinion for the payments made using SOEs procedures. In addition to the audit reports, the auditor will prepare a "management letter" identifying any observations, comments, and deficiencies in the system and controls that the auditor considers pertinent, and will provide recommendations for their improvements.

## VI. Disbursement Arrangements and Associated Risk

16. In emergency projects under OP 8.50, such as emergency postconflict situations where there is limited knowledge of country systems and often limited access to review systems, the Bank accelerates project implementation by putting in place mitigating financial controls often through a stand alone "ring-fenced" PIUs. The Bank's strategy in Iraq is to implement projects through the Iraqi ministries (rather than stand alone PIUs), working together to strengthen the Ministries controls, at the same time putting in place other measures to provide assurance such as two firms employed as Monitoring Agents, technical support and supervision arrangements. As part of the compensating controls, disbursements will be made primarily by direct payments by the Bank to the contractors, consultants and vendors. Direct payment applications will be prepared by the MOE-PMT and submitted to the Bank through the MOE. Authorized signatories, names and corresponding specimens of their signatures will also be submitted to the Bank.

17. The project management component costs and payments below the threshold of US\$10,000 be honored through payments made available by the recipient of the grant from its own resources. These payments made from the recipient's own resources will be reimbursed, on periodical basis, by the Bank to the MOE upon presentation of a proof of the payment and a signed withdrawal application. The MOE-PMT and the main financial counterparts from MOE will be subject to intensive training in the Bank disbursement procedures.

### Disbursement Arrangements

18. It is expected that the grant will be disbursed by June 30, 2007. Managing the project funds and all related financial transactions, including preparation and submission of direct payment applications throughout the project, will be the responsibility of MOE supported by the MOE-PMT. The allocation of grant proceeds by expenditure category are as follows:

	Category	Amount of the Grant Allocated (Expressed in U. S. Dollars Equivalent)	% of Expenditures to be Financed
(1)	Civil works	52,800,000	100%
(2)	Goods	400,000	100%
(3)	Consultants' services	2,900,000	100%
(4)	Training	200,000	100%
(5)	Operating Costs	500,000	100%
(6)	Unallocated	3,200,000	
	<b>Total</b>	<b>60,000,000</b>	

### Use of Statements of Expenditures (SOEs)

19. During implementation, SOEs will be used for all expenditures relating to: (a) works and goods under contracts costing less than US\$10,000 equivalent each; (b) services under consultant firms contracts and individual consultant contracts costing less than US\$10,000 equivalent each; (c) project operating cost; and (d) training, under such terms and conditions as the Bank shall specify by notice to the Borrower. The supporting documentation will be maintained by MOE and made available for review by Bank representatives upon request; documentation relating to SOEs will be retained for up to one year from the date the Bank receives the second grant audit report.

<b>Action</b>	<b>Due Date</b>
Finalize Financial Officer Contract	After grant Agreement Signature
Launch the Auditor Selection Process	After grant Agreement Signature
Launch Accounting Software Purchase bid	After grant Agreement Signature
Send Authorize Signatory letter to Bank	After grant Agreement Signature
Finalize Project Financial Manual	December 31, 2004

### **VII. Financial Risk Analysis**

20. The following summarizes the financial risk assessment findings for the project:

	<b>Risk</b>	<b>Comments</b>
Undetermined financial management capacity in the MOE.	H	The Bank engaged a consulting firm to assess the current Iraq institutional structure and propose mitigating measures (ongoing). Meanwhile, knowledge was built through interviews with the MOE, MOF and Ministry of Planning.
Limited capacity to manage financial requirements of the Project.	M	A MOE-PMT staffed with a qualified Financial Officer will follow up on the project accounts and generate the project reports.
Lack of familiarity with Bank guidelines and regulations in MOE.	H	Training will be provided to MOE and MOE-PMT staff on Bank guidelines and regulations.
Difficulties in making payments to suppliers inside and outside Iraq; possible risks associated with Iraq banking sector.	H	All major payments will be made through direct payment.
The MOE not being able to provide funds from its own resources to cover expenditures below US\$10,000	M	The minister's commitment to provide the funds will be sought during negotiations
Staffing: Lack of financial management skills in MOE-PMT.	H	An experienced FO in MOE-PMT will be responsible for the project accounting.
Accounting policies and procedures: may not meet Bank management and reporting requirements.	M	The Financial Operations chapter of the Project Implementation Manual will define financial policies and procedures. The control policies applicable to the MOE will be used to follow on the project accounts.
Internal audit: Existing arrangements for internal audit are not adequate and officials may not be familiar with project requirements.	M	The Minister will assign one internal auditor (champion) to focus on the project transactions and will report to the Minister. This auditor was introduced to the project and received training on Bank guidelines in the PMT Training Workshop (June 12 – 21, 2004).

External audit: Unknown capacity of auditing firms in Iraq. There was no capacity assessment for the audit profession in Iraq to determine capability to perform audits as per ISA.	H	External audit will be carried out by an independent auditor acceptable to the Bank with international experience. TORs require international experience in auditing.
Reporting and Monitoring: Current MOE systems do not generate required reports.	H	A "ring-fenced" project accounting system, initially based on spread sheet applications, will generate the data for the FMRs.
Information systems: Not functioning reliably in MOE	H	Simple spreadsheet-based reporting format was agreed at PMT Training Workshop (June 2004)
Validation of variation orders	H	Samples of variation orders need to be subject to verifications by the Monitoring Agent.
High value of variation orders may exhaust project resources and limit the number of schools for rehabilitation.	H	An accounting system will be installed at the MOE-PMT able to record the project commitments at any moment in time.
<b>Overall Risk</b>	<b>H</b>	

### VIII. Bank Financial Management Supervision

21. The first supervision mission after effectiveness will take the form of a training workshop where further training on Bank rules, regulations and guidelines will be presented. Supervision will intensify initially in order to ensure that the MOE-PMT and the MOE finance champions are well-trained on Bank guidelines and procedures. While security conditions prevent Bank presence in the country, two firms employed as Monitoring Agents, and consultants, will help the Bank supervise the project.

**RESULTS-BASED SUPERVISION PLAN  
EXPECTED PROJECT OUTPUTS**

**Summary for all Directorates (see PIP For Breakdown by Directorate)**

<i>Activity Description</i>	<i>Date</i>	<i>Quantity</i>		<i>VALUE IN US\$ MILLION</i>		
		<i>Plan</i>	<i>Actual</i>	<i>Plan</i>	<i>Actual</i>	
<b><u>1.0 Rehabilitation of 144 Existing Schools in 18 Governorates</u></b>						
<b><i>1.1 Phase I – 64 Schools in 15 Governorates (US\$3.4 million, including contingencies)</i></b>						
A	Contracts Awarded	June 15, 2005	19		3.4	
B	Schools Rehabilitated & Handed over to MOE	Nov. 15, 2005	64		3.4	
<b><i>Phase II – 80 Schools in 18 Governorates (US\$4.2 million)</i></b>						
A	Contracts Awarded	Nov. 15, 2005	26		4.2	
B	Schools Rehabilitated & Handed over to MOE	April 15, 2006	80		4.2	
<b><u>2.0 Construction of 117 New Schools in 18 Governorates</u></b>						
<b><i>2.1 Phase I - 31 Schools in 15 Governorates (US\$11.5 million)</i></b>						
A	Contracts Awarded	Sept. 31, 2005	16		11.5	
B	Schools Constructed & Handed over to MOE	Sept. 31, 2006	31		11.5	
<b><i>2.2 Phase II – 40 Schools in 18 Governorates (US\$17.8 million)</i></b>						
A	Contracts Awarded	Mar. 15, 2006	20		17.8	
B	Schools Constructed & Handed over to MOE	Mar. 15, 2007	40		17.8	
<b><i>2.3 Phase III – 46 Schools in 18 Governorates (US\$19.1 million)</i></b>						
A	Contracts Awarded	Apr. 15, 2006	29		19.1	
B	Schools Constructed & Handed over to MOE	May 31, 2007	48		19.1	

**CODES OF PRACTICE FOR PREVENTION AND MITIGATION OF ENVIRONMENTAL IMPACTS**

<p>PROJECT TITLE</p>	<p>LOCATION</p>
<p>Disease caused by poor water quality:</p> <ul style="list-style-type: none"> <li>• contamination by seepage from latrines, municipal waste or agricultural areas.</li> <li>• high mineral concentrations.</li> <li>• creation of stagnant pools of water.</li> </ul>	<ul style="list-style-type: none"> <li>• Prioritize leak detection and repair of pipe networks.</li> <li>• Chemical and bacteriological testing of water quality from adjacent comparable sources prior to installation of new sources.</li> <li>• Redesign to prevent contamination if adjacent comparable sources are found to be contaminated.</li> <li>• Subsequent monitoring of installed or rehabilitated sources.</li> <li>• Appropriate location, apron and drainage around tubewells and dug wells to prevent formation of stagnant pools.</li> <li>• Provision of cover and hand-pump to prevent contamination of dug wells.</li> <li>• Where pit latrines are used, they should be located more than 10m from any water source. The base should be sealed and separated by at least 2m of sand or loamy soil from the groundwater table.</li> <li>• Where nightsoil latrines or septic tanks are built, they should be sealed. Outflows should drain either to a soak away located at least 10m from any water source or be connected to a working drain.</li> </ul>

Potential Impacts	Prevention and Mitigation Measures
<p><b>Social Risks:</b></p> <ul style="list-style-type: none"> <li>• Lack of clear division of rights/ responsibilities may result in maintenance problems of wells/pumps.</li> <li>• Lack of clear definition of user rights for wells and pumps may create exclusion of vulnerable groups.</li> <li>• Access to water may be captured by interest groups.</li> <li>• Use of foreign equipment/ materials may hinder maintenance of pumps/wells.</li> <li>• Potential impacts to cultural property.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure sufficient community participation and organization for effective planning and management of infrastructure.</li> <li>• Include downstream water users (e.g. water supply, irrigation, livestock watering) in planning of water storage reservoirs.</li> <li>• Identify proper mechanism of rights and responsibilities over well/pump/reservoir usage through participatory village focus groups.</li> <li>• Ensure that local accessible materials are used when developing/rehabilitating wells in order to provide maintenance.</li> <li>• For each pump/well/reservoir/ borehole establish clear guidelines of user rights through participatory focus groups; Ensure that access to water pumps/reservoirs is equitable to prevent capture by interest groups.</li> <li>• Use archaeological chance find procedures and coordinate with appropriate agencies.</li> </ul>
<p><b>Contamination of water supplies:</b></p> <ul style="list-style-type: none"> <li>• contamination of groundwater because of seepage.</li> <li>• contamination of surface waters due to flooding or overflowing.</li> </ul>	<ul style="list-style-type: none"> <li>• Where pit latrines are used, they should be located more than 10m from any water source. The base should be sealed and separated vertically by not less than 2m of sand or loamy soil from the groundwater table.</li> <li>• Where nightsoil latrines or septic tanks are built, they should be sealed. Outflows should drain either to a soak away located at least 10m from any water source or be connected to a working drain.</li> <li>• Maintenance training to be delivered along with new latrines.</li> </ul>
<p><b>Disease caused by poor handling practices of nightsoil.</b></p>	<ul style="list-style-type: none"> <li>• Training and health education to be provided to nightsoil handlers where affected by interventions.</li> <li>• Protective clothing and appropriate containers for nightsoil transportation to be provided.</li> </ul>

<p>Disease caused by inadequate excreta disposal or inappropriate use of latrines.</p>	<ul style="list-style-type: none"> <li>• Nightsoil should be handled using protective clothing to prevent any contamination of workers skin or clothes.</li> <li>• Where nightsoil is collected for agricultural use, it should be stored for a sufficient period to destroy pathogens through composting. At the minimum it should be stored in direct sunlight and turned regularly for a period of at least 6 weeks.</li> <li>• Septic tanks should not be constructed nor septic waste collected unless primary and secondary treatment and safe disposal is available.</li> <li>• Health and hygiene education to be provided for all users of latrines.</li> <li>• Awareness campaign to maintain sanitary conditions.</li> </ul>
<p>Disease caused by inadequate collection and disposal, including health risks from:</p> <ul style="list-style-type: none"> <li>• insects, rats.</li> <li>• burning of waste.</li> <li>• Odors during operation.</li> </ul>	<ul style="list-style-type: none"> <li>• Sufficient frequency of collection from transfer stations.</li> <li>• Containment of waste during collection and transfer.</li> <li>• Promote separation at source to reduce spreading by rag-pickers during recycling.</li> <li>• Minimize burning.</li> <li>• Assess requirement for additional investment in final disposal site.</li> <li>• Provide daily soil covering.</li> </ul>
<p>Contamination of water supplies:</p> <ul style="list-style-type: none"> <li>• lateral seepage into surface waters.</li> <li>• seepage of contaminants into aquifers.</li> <li>• contamination from clandestine dumping.</li> </ul>	<ul style="list-style-type: none"> <li>• Site transfer stations should have sealed base and be located at least 15m away from water sources with the base separated vertically by not less than 2m of sand or loamy soil from the groundwater table.</li> <li>• Assess requirement for additional investment in final disposal site to protect water sources.</li> <li>• Monitoring of site to prevent illegal dumping.</li> </ul>
<p>Deforestation caused by:</p> <p>Wood-firing of bricks.</p>	<ul style="list-style-type: none"> <li>• Ensure fired bricks are not wood-fired.</li> </ul>

Potential Impacts	Prevention and Mitigation Measures
Injury and death from earthquake.	<ul style="list-style-type: none"> <li>• Apply low-cost seismic structural designs.</li> </ul>
Disease caused by inadequate provision of water and sanitation.	<ul style="list-style-type: none"> <li>• Ensure designs include adequate sanitary latrines and access to safe water.</li> </ul>
Damage to historical buildings.	<ul style="list-style-type: none"> <li>• Ensure actions involving historical buildings are reviewed/designed by qualified specialists.</li> </ul>
Rehabilitation of Schools and Classrooms	
<p>Environmental Impacts:</p> <ul style="list-style-type: none"> <li>• Improper disposal of wastes.</li> <li>• Sanitation problems.</li> <li>• Some construction related problems but usually minor in nature.</li> <li>• Storage of hazardous materials.</li> <li>• Spread of disease from incoming laborers.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure inclusion of adequate sanitation facilities and maintenance.</li> <li>• Ensure planning, design and maintenance of infrastructure is appropriate to local needs, traditions, culture and desires.</li> <li>• Proper disposal of all solid wastes, containers, infectious wastes.</li> <li>• Public health awareness.</li> <li>• Priority given to rehabilitation of toilets in rehabilitation of schools.</li> </ul>
<p>Social Impacts:</p> <ul style="list-style-type: none"> <li>• The vulnerable groups (women, poor children, migrants, pastoralists and the poor) may not benefit from infrastructure construction and rehabilitation.</li> <li>• Schools/health posts may become abandoned due to the lack of commitment.</li> <li>• Building infrastructure system alone without needs assessment may not benefit the community.</li> <li>• Infrastructure investments may be misappropriated by governments.</li> </ul>	<ul style="list-style-type: none"> <li>• Before the start of each infrastructure project, develop comprehensive organizational and maintenance plan, commitment from local government and public to maintain school supplies, etc.</li> </ul>

**SAFEGUARDS PROCEDURES FOR INCLUSION IN THE TECHNICAL  
SPECIFICATIONS OF CONTRACTS**

**I. General**

1. The Contractor and his employees shall adhere to the mitigation measures set down and take all other measures required by the Engineer to prevent harm, and to minimize the impact of his operations on the environment.
2. The Contractor shall not be permitted to unnecessarily strip clear the right of way. The Contractor shall only clear the minimum width for construction and diversion roads should not be constructed alongside the existing road.
3. Remedial actions which cannot be effectively carried out during construction should be carried out on completion of each Section of the road (earthworks, pavement and drainage) and before issuance of the Taking Over Certificate:
  - (a) these sections should be landscaped and any necessary remedial works should be undertaken without delay, including grassing and reforestation;
  - (b) water courses should be cleared of debris and drains and culverts checked for clear flow paths; and
  - (c) borrow pits should be dressed as fish ponds, or drained and made safe, as agreed with the land owner.
4. The Contractor shall limit construction works to between 6 am and 7 pm if it is to be carried out in or near residential areas.
5. The Contractor shall avoid the use of heavy or noisy equipment in specified areas at night, or in sensitive areas such as near a hospital.
6. To prevent dust pollution during dry periods, the Contractor shall carry out regular watering of earth and gravel haul roads and shall cover material haulage trucks with tarpaulins to prevent spillage.

**II. Transport**

7. The Contractor shall use selected routes to the project site, as agreed with the Engineer, and appropriately sized vehicles suitable to the class of road, and shall restrict loads to prevent damage to roads and bridges used for transportation purposes. The Contractor shall be held responsible for any damage caused to the roads and bridges due to the transportation of excessive loads, and shall be required to repair such damage to the approval of the Engineer.
  8. The Contractor shall not use any vehicles, either on or off road with grossly excessive, exhaust or noise emissions. In any built up areas, noise mufflers shall be installed and maintained in good condition on all motorized equipment under the control of the Contractor.
-

9. Adequate traffic control measures shall be maintained by the Contractor throughout the duration of the Contract and such measures shall be subject to prior approval of the Engineer.

### **III. Workforce**

10. The Contractor should whenever possible locally recruit the majority of the workforce and shall provide appropriate training as necessary.

11. The Contractor shall install and maintain a temporary septic tank system for any residential labor camp and without causing pollution of nearby watercourses.

12. The Contractor shall establish a method and system for storing and disposing of all solid wastes generated by the labor camp and/or base camp.

13. The Contractor shall not allow the use of fuelwood for cooking or heating in any labor camp or base camp and provide alternate facilities using other fuels.

14. The Contractor shall ensure that site offices, depots, asphalt plants and workshops are located in appropriate areas as approved by the Engineer and not within 500 meters of existing residential settlements and not within 1,000 meters for asphalt plants.

15. The Contractor shall ensure that site offices, depots and particularly storage areas for diesel fuel and bitumen and asphalt plants are not located within 500 meters of watercourses, and are operated so that no pollutants enter watercourses, either overland or through groundwater seepage, especially during periods of rain. This will require lubricants to be recycled and a ditch to be constructed around the area with an approved settling pond/oil trap at the outlet.

16. The contractor shall not use fuelwood as a means of heating during the processing or preparation of any materials forming part of the Works.

### **IV. Quarries and Borrow Pits**

17. Operation of a new borrow area, on land, in a river, or in an existing area, shall be subject to prior approval of the Engineer, and the operation shall cease if so instructed by the Engineer. Borrow pits shall be prohibited where they might interfere with the natural or designed drainage patterns. River locations shall be prohibited if they might undermine or damage the river banks, or carry too much fine material downstream.

18. The Contractor shall ensure that all borrow pits used are left in a trim and tidy condition with stable side slopes, and are drained ensuring that no stagnant water bodies are created which could breed mosquitoes.

19. Rock or gravel taken from a river shall be far enough removed to limit the depth of material removed to one-tenth of the width of the river at any one location, and not to disrupt the river flow, or damage or undermine the river banks.

20. The location of crushing plants shall be subject to the approval of the Engineer, and not be close to environmentally sensitive areas or to existing residential settlements, and shall be operated with approved fitted dust control devices.

## V. Earthworks

21. Earthworks shall be properly controlled, especially during the rainy season.
22. The Contractor shall maintain stable cut and fill slopes at all times and cause the least possible disturbance to areas outside the prescribed limits of the work.
23. The Contractor shall complete cut and fill operations to final cross-sections at any one location as soon as possible and preferably in one continuous operation to avoid partially completed earthworks, especially during the rainy season.
24. In order to protect any cut or fill slopes from erosion, in accordance with the drawings, cut off drains and toe-drains shall be provided at the top and bottom of slopes and be planted with grass or other plant cover. Cut off drains should be provided above high cuts to minimize water runoff and slope erosion.
25. Any excavated cut or unsuitable material shall be disposed of in designated tipping areas as agreed to by the Engineer.
26. Tips should not be located where they can cause future slides, interfere with agricultural land or any other properties, or cause soil from the dump to be washed into any watercourse. Drains may need to be dug within and around the tips, as directed by the Engineer.

## VI. Historical and Archeological Sites

27. If the Contractor discovers archeological sites, historical sites, remains and objects, including graveyards and/or individual graves during excavation or construction, the Contractor shall:

Stop the construction activities in the area of the chance find.

Delineate the discovered site or area.

Secure the site to prevent any damage or loss of removable objects. In cases of removable antiquities or sensitive remains, a night guard shall be present until the responsible local authorities and the Ministry of Culture take over.

Notify the supervisory Engineer who in turn will notify the responsible local authorities and the Ministry of Culture immediately (less than 24 hours).

Contact the responsible local authorities and the Ministry of Culture who would be in charge of protecting and preserving the site before deciding on the proper procedures to be carried out. This would require a preliminary evaluation of the findings to be performed by the archeologists of the Ministry of Culture (within 72 hours). The significance and importance of the findings should be assessed according to the various criteria relevant to cultural heritage, including the aesthetic, historic, scientific or research, social and economic values.

Ensure that decisions on how to handle the finding be taken by the responsible authorities and the Ministry of Culture. This could include changes in the layout (such as when the finding is an removable remain of cultural or archeological importance) conservation, preservation, restoration and salvage.

Implementation for the authority decision concerning the management of the finding shall be communicated in writing by the Ministry of Culture; and

Construction work will resume only after authorization is given by the responsible local authorities and the Ministry of Culture concerning the safeguard of the heritage.

## **VII. Disposal of Construction and Vehicle Waste**

28. Debris generated due to the dismantling of the existing structures shall be suitably reused, to the extent feasible, in the proposed construction (e.g. as fill materials for embankments). The disposal of remaining debris shall be carried out only at sites identified and approved by the project engineer. The contractor should ensure that these sites (a) are not located within designated forest areas; (b) do not impact natural drainage courses; and (c) do not impact endangered/rare flora. Under no circumstances shall the contractor dispose of any material in environmentally sensitive areas.

29. In the event any debris or silt from the sites is deposited on adjacent land, the Contractor shall immediately remove such, debris or silt and restore the affected area to its original state to the satisfaction of the Supervisor/Engineer.

30. Bentonite slurry or similar debris generated from pile driving or other construction activities shall be disposed of to avoid overflow into the surface water bodies or form mud puddles in the area.

31. All arrangements for transportation during construction including provision, maintenance, dismantling and clearing debris, where necessary, will be considered incidental to the work and should be planned and implemented by the contractor as approved and directed by the Engineer.

32. Vehicle/machinery and equipment operations, maintenance and refueling shall be carried out to avoid spillage of fuels and lubricants and ground contamination. An 'oil interceptor' will be provided for wash down and refueling areas. Fuel storage shall be located in proper bunded areas.

33. All spills and collected petroleum products shall be disposed of in accordance with standard environmental procedures/guidelines. Fuel storage and refilling areas shall be located at least 300m from all cross drainage structures and important water bodies or as directed by the Engineer.

## ANALYSIS OF SCHOOL CONSTRUCTION AND REHABILITATION

Table 1: School Buildings Needs in 2003/04

	Buildings			Schools			Needed Buildings			Project Schools			% Project Sch to needs		
	Primary	Secondary	total	Primary	Secondary	total	Primary	Secondary	total	Primary	Secondary	total	Primary	Secondary	total
Neneva	1,024	245	1,269	1,202	297	1,499	178	52	230	3	4	7	1.7	7.7	3.0
Saladen	591	157	748	784	289	1,053	193	112	305	2	2	4	1.0	1.8	1.3
Kirkuk	547	128	675	861	186	847	114	58	172	4	3	7	3.5	5.2	4.1
Diyala	640	183	823	727	287	1,014	87	104	191	1	4	5	1.1	3.8	2.6
Baghdad	1,388	623	2,011	1,636	799	2,435	248	176	424	5	5	10	2.0	2.8	2.4
Alanbar	577	167	744	803	274	1,077	226	107	333	5	2	7	2.2	1.9	2.1
Babil	459	112	571	742	191	933	283	79	362	5	1	6	1.8	1.3	1.7
Karbala	219	81	300	380	110	470	141	29	170	4	4	8	2.8	13.8	4.7
Najaf	293	98	391	410	135	545	117	37	154	4	4	8	3.4	10.8	5.2
Dewaniya	400	86	486	467	110	577	67	24	91	3	3	6	4.5	12.5	6.6
Muthanna	238	53	291	266	61	327	28	8	36	3	4	7	10.7	50.0	19.4
Wasit	490	111	601	502	129	631	12	18	30	4	2	6	33.3	11.1	20.0
ThiQar	623	115	738	892	264	1,156	269	149	418	4	4	8	1.5	2.7	1.9
Missan	343	65	408	369	82	451	26	17	43	4	4	8	15.4	23.5	18.6
Basrah	500	158	658	787	320	1,107	287	162	449	4	4	8	1.4	2.5	1.8
Duhok	687	84	771	745	170	915	58	86	144	3	2	5	5.2	2.3	3.5
Arbil	968	117	1,085	1,054	254	1,308	86	137	223	3	2	5	3.5	1.5	2.2
Sulaimaniya	1381	169	1550	1,509	327	1,836	128	158	286	1	1	2	0.8	0.6	0.7
<b>Total</b>	<b>11,368</b>	<b>2,752</b>	<b>14,120</b>	<b>13,916</b>	<b>4,265</b>	<b>18,181</b>	<b>2,548</b>	<b>1,513</b>	<b>4,061</b>	<b>62</b>	<b>55</b>	<b>117</b>	<b>2.4</b>	<b>3.6</b>	<b>2.9</b>

Obtained by mission from MOE delegation October 2004

Table 2: Percentage of School Buildings with Double and Triple Shifts in 2003/04

	Primary				Secondary				Primary and Secondary			
	one shift	double	triple	dbl&trip	one shift	double	triple	dbl&trip	one shift	double	triple	dbl&trip
Nenava	79.9	19.5	0.6	20.1	85.3	14.3	0.4	14.7	80.9	18.5	0.6	19.1
Salahidn	63.5	32.8	3.7	36.5	61.8	33.8	4.5	38.2	63.1	33.0	3.9	36.9
Kerkuk	77.7	21.4	0.9	22.3	69.5	29.7	0.8	30.5	76.1	23.0	0.9	23.9
Dyala	82.5	17.5	0.0	17.5	50.8	49.2	0.0	49.2	75.5	24.5	0.0	24.5
Bag-Res1	79.1	19.5	1.5	20.9	85.1	14.9	0.0	14.9	81.0	18.0	1.0	19.0
Bag-Res2	64.5	34.9	0.7	35.5	83.3	15.9	0.7	16.7	70.4	29.0	0.7	29.6
Bag-Krkh1	89.7	9.6	0.7	10.3	88.2	11.3	0.5	11.8	89.2	10.1	0.6	10.8
Bag-Krkh2	64.0	36.0	0.0	36.0	75.2	24.8	0.0	24.8	67.3	32.7	0.0	32.7
Alanbar	53.4	44.4	2.3	46.6	64.1	34.1	1.8	35.9	55.8	42.1	2.2	44.2
Babel	36.6	59.9	3.5	63.4	54.5	42.9	2.7	45.5	40.1	56.6	3.3	59.9
Karbala	39.3	54.8	5.9	60.7	71.6	27.2	1.2	28.4	48.0	47.3	4.7	52.0
Najaf	59.4	40.6	0.0	40.6	67.3	32.7	0.0	32.7	61.4	38.6	0.0	38.6
kadsia	81.8	18.3	0.0	18.3	83.7	16.3	0.0	16.3	82.1	17.9	0.0	17.9
Muthana	87.0	13.0	0.0	13.0	86.8	13.2	0.0	13.2	86.9	13.1	0.0	13.1
Waset	95.7	4.3	0.0	4.3	84.7	15.3	0.0	15.3	93.7	6.3	0.0	6.3
ThieKaar	54.3	35.5	10.3	45.7	39.1	46.1	14.8	60.9	51.9	37.1	11.0	48.1
Massan	89.8	10.2	0.0	10.2	96.9	3.1	0.0	3.1	90.9	9.1	0.0	9.1
Basrah	38.8	47.0	14.2	61.2	50.0	43.0	7.0	50.0	41.5	46.0	12.5	58.5
Duhok	47.8	52.2	0.0	52.2	68.8	31.2	0.0	31.2	50.1	49.9	0.0	49.9
Arbil	61.6	38.1	0.3	38.4	51.6	48.4	0.0	48.4	60.5	39.3	0.3	39.5
Sulaimaniya	68.5	25.5	6.0	31.5	40.7	51.1	8.3	59.3	65.4	28.3	6.2	34.6
<b>Total</b>	<b>67.3</b>	<b>30.1</b>	<b>2.7</b>	<b>32.7</b>	<b>68.6</b>	<b>29.3</b>	<b>2.2</b>	<b>31.4</b>	<b>67.5</b>	<b>29.9</b>	<b>2.6</b>	<b>32.5</b>

Obtained by mission from MOE delegation October 2004

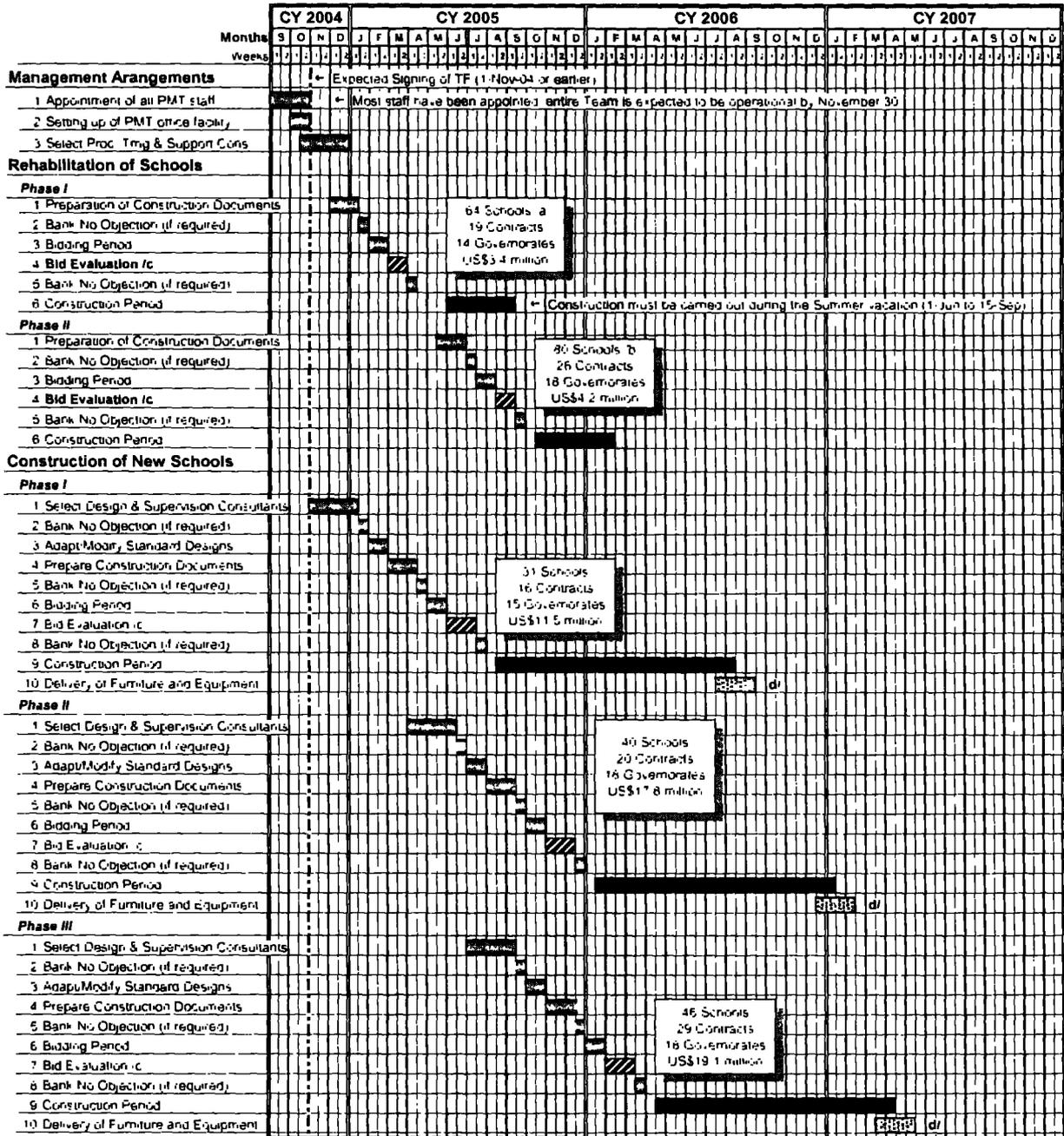
Table 3: School Buildings Conditions by Governorate in 2003/04

Governorate	Primary					Secondary					Primary and Secondary					Prim & Secondary		
	acceptab condition	major rehab*	minor rehab	total major & minor	total buildings	acceptab condition	major rehab*	minor rehab	total major & minor	total buildings	acceptab condition	major rehab*	minor rehab	total major & minor	total buildings	% major	% minor	% major & minor
Nanava	218	689	117	806	1024	49	178	18	196	245	267	867	135	1002	1289	66.3	10.6	79.0
Slahdeen	72	420	99	519	591	22	107	28	135	157	94	527	127	654	748	70.5	17.0	87.4
Kerkuk	76	403	88	471	547	9	104	15	119	128	85	507	83	590	675	75.1	12.3	87.4
Diyala	89	457	94	551	640	45	122	16	138	183	134	579	110	689	823	70.4	13.4	83.7
Baghdad- Resafa/1	67	223	49	272	339	23	117	21	138	161	90	340	70	410	500	68.0	14.0	82.0
Baghdad- Resafa/2	73	185	46	231	304	16	104	18	122	138	89	289	64	353	442	65.4	14.5	79.9
Baghdad-Kark/1	67	303	58	361	428	14	165	16	181	195	81	488	74	542	623	75.1	11.9	87.0
Baghdad- karak/2	72	195	50	245	317	8	106	15	121	129	80	301	65	386	446	67.5	14.6	82.1
Alanbeer	138	345	94	439	577	24	109	34	143	167	182	454	128	582	744	61.0	17.2	78.2
Babel	87	249	123	372	459	12	79	21	100	112	99	328	144	472	571	57.4	25.2	82.7
Karbala	19	164	38	200	219	3	75	3	78	81	22	239	39	278	300	79.7	13.0	92.7
Najaf	6	230	57	287	293	3	82	13	95	98	9	312	70	382	391	79.8	17.9	97.7
Kadisia	115	251	34	295	400	1	73	12	85	86	116	324	46	370	486	66.7	9.5	76.1
Muthana	5	185	68	233	238	0	45	8	53	53	5	210	78	286	281	72.2	26.1	98.9
Waset	48	336	106	442	490	4	89	18	107	111	52	425	124	549	601	70.7	20.6	91.3
ThiKaar	7	402	214	616	623	4	79	32	111	115	11	481	246	727	738	65.2	33.3	98.5
Massan	34	181	148	309	343	1	43	21	64	65	35	204	169	373	408	50.0	41.4	91.4
Basrah	83	327	90	417	500	20	107	31	138	158	103	434	121	555	658	66.0	18.4	84.3
duhok	150	424	153	577	687	9	83	12	75	84	159	487	165	652	771	63.2	21.4	84.6
Arbil	148	640	180	820	968	13	88	17	104	117	180	728	197	925	1085	67.1	18.1	85.2
Sulimiyia	271	813	297	1110	1381	18	127	24	151	169	289	940	321	1261	1550	60.6	20.7	81.3
<b>Total</b>	<b>1845</b>	<b>7382</b>	<b>2181</b>	<b>9563</b>	<b>11368</b>	<b>298</b>	<b>2062</b>	<b>393</b>	<b>2454</b>	<b>2752</b>	<b>2142</b>	<b>9444</b>	<b>2574</b>	<b>12018</b>	<b>14120</b>	<b>66.9</b>	<b>18.2</b>	<b>85.1</b>

\* includes schools that need reconstruction.

Obtained by mission from MOE delegation October 2004 and UNIDEF School Survey 2003/04, MOE (October 2004)

IMPLEMENTATION SCHEDULE



**Notes:**  
 a/ These schools can be rehabilitated during the 90-day summer vacation  
 b/ These schools would need to be evacuated for rehabilitation  
 c/ Shaded Columns above indicate critical PMT activity periods that should not overlap  
 d/ Procurement of school furniture & equipment would be undertaken and financed by MOE

**TIMETABLE OF KEY PROJECT PROCESSING EVENTS**

<b>Sequence</b>	<b>Timing</b>
Time taken to prepare and process the project	10 months
Identification and preparation mission	November 2003
Appraisal	September 2004
Negotiations	October 7, , 2004
Grant approval	October 2004
Planned Effectiveness	October 2004
Planned Closing Date	June 30, 2007

## NAMES OF STAFF/CONSULTANTS WHO WORKED ON THE PROJECT

### Project Team

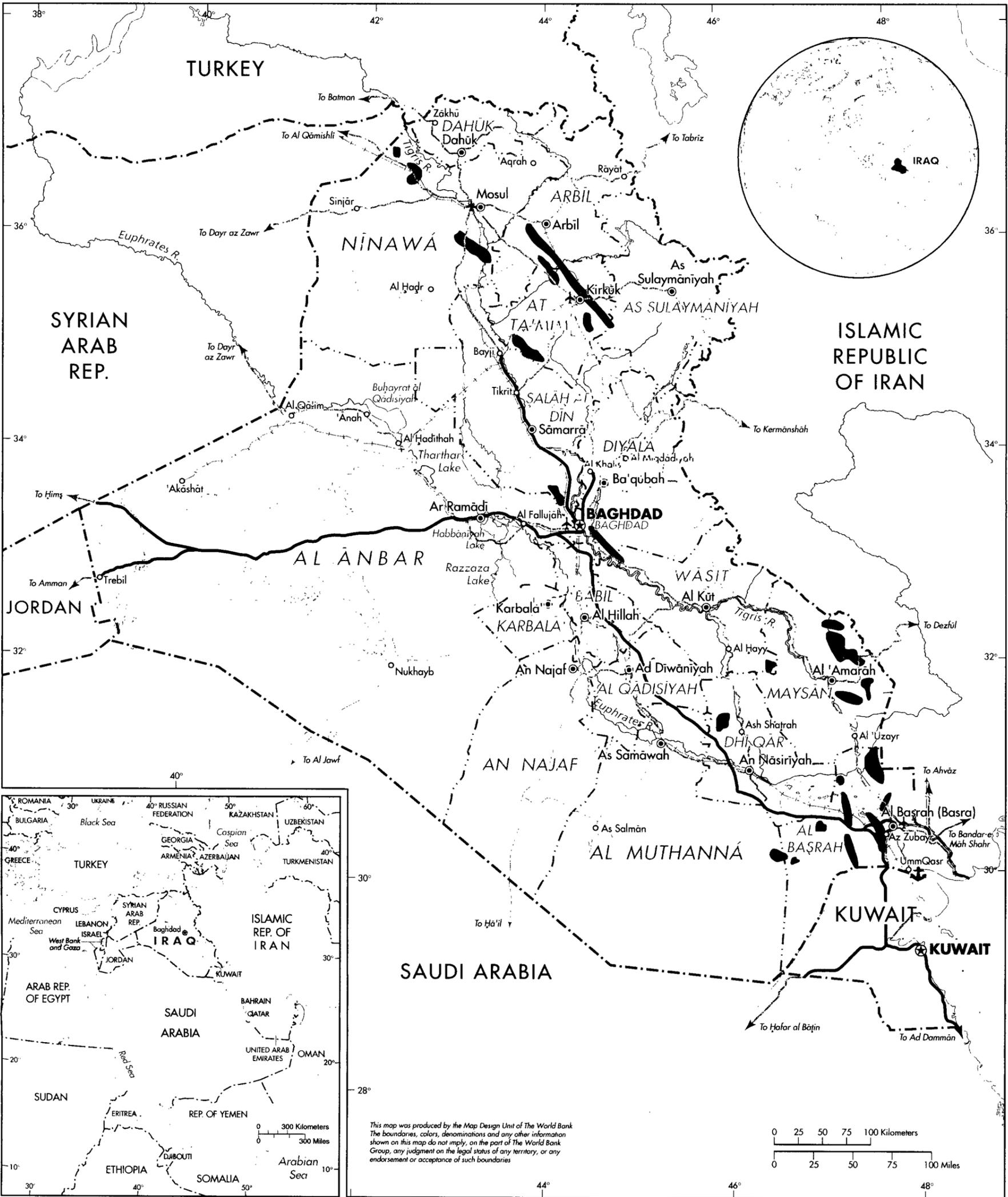
Name	Function
Peter Buckland	Task Team Leader, Sr. Education Specialist
Mohammed Allak	Sr. Education Economist/Consultant
Celine Gavach	Operations Analyst
Vasilios Demetriou	Sr. Implementation Specialist/Consultant
Majed El-Bayya	Sr. Procurement Specialist
David Webber	Lead Financial Management Specialist and Finance Officer
Hadi Abushakra	Lead Counsel
Ali Awais	Counsel
Robert Bou Jaoude	Sr. Financial Management Specialist
Stefanie Brackmann	Environmental Specialist
Concepcion Esperanza del Castillo	Sr. Social Scientist
Nancy-Jean Seigel	Team Assistant

### Ad Hoc Advisory Committee

Name	Function
Joseph Saba	Country Director
Regina Bendokat	Education Sector Manager
Alfred Nickesen	Manager, OPCS Representative
Nadjib Sefta	Regional Procurement Advisor
Sherif Arif	Regional Environmental and Safeguards Advisor
Tufan Kolan	Portfolio Manager
Aloysius Ordu	Regional Quality Advisor
Samia M'sadek	Regional Financial Management Manager
Faris Hadad-Zervos	Sr. Operations Officer
Kathryn Funk	Sr. Country Officer
Hadi Abushakra	Chief Counsel Middle East and North Africa and South Asia
David Webber	Lead Financial Management Specialist and Finance Officer
Hiba Tahboub	Sr. Procurement Specialist
James Stevens	Sr. Operations Officer, Peer Reviewer, ECSHD
Christine Allison	Lead Human Development Specialist, Peer Reviewer, SASHD

# IRAQ

-  MAJOR OILFIELDS
-  AIRPORTS
-  PORT
-  SELECTED TOWNS
-  GOVERNORATE CAPITALS
-  NATIONAL CAPITALS
-  SECONDARY ROADS
-  MAIN ROADS
-  EXPRESSWAYS
-  RAILROADS
-  GOVERNORATE BOUNDARIES
-  INTERNATIONAL BOUNDARIES



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