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Highlights of this Quarter

- **On 13/03/2011** Dr. Ali Sindi, KRG Minister of Planning received the Japanese Ambassador to Iraq to discuss the Japanese government's projects in Iraq.
- **On 07/03/2011** in a one-day conference; the RAND Corporation announced the outcomes of its research in Kurdistan. RAND Corporation is a leading USA research organization with extensive knowledge, expertise and research experience in public sector in many countries around the world. In the conference, the ministers of planning, education, health and labor as well as many high level officials in the government participated.



- **On 18/01/2011** Dr. Ali Sindi, KRG Minister of Planning, received a large delegation of Turkish officials and business people. The delegation was accompanied by the Turkish Consul General in Erbil and representative of the State Planning Agency from the Turkish Prime Minister's office, the Tigris Development Agency and heads and member of municipal councils from Tigris Region (made of cities of Mardin, Shernak, Siirt and Batman).



- **On 17/01/2011** Dr. Ali Sindi, KRG Minister of Planning, received Mr. Chris Bowers, Consul General of the United Kingdom in Erbil. Mr. Bowers talked about the future cooperation after their Embassy Office was officially upgraded to a fully operational Consular General.



International Cooperation

1. Donor Meeting on Private Sector Development

By now the bi-monthly donor meeting has become a regular meeting, where the KRG's international partners gather to exchange ideas and discuss project concepts. MoP highly values the international partners' contributions to the Kurdistan development and sees such meetings as opportunity to further develop the partnership.

The sixth donor meeting on 06/02/2011 addressed private sector development in the Kurdistan Region. Dr. Ali Sindi, MoP Minister of Planning, highlighted KRG's attempts to encourage the private sector involvement in the economic development of the Region. The participants agreed that a vibrant private sector is fundamental for sustainable economic development.



2. Public Finance Management Workshop

Public Finance Management project is a multi-year project carried out by the KRG with the assistance of UN and WB. The objective of this project is to better the public finance management and attain transparency, accountability and systematize the budget execution process.

In the 17/02/2011 workshop Dr. Ali Sindi, KRG Minister of Planning, Mr. Rashid Tahir Deputy Minister of Economic and Finance, and representatives of UN and WB and the consultancy firms working on the project participated.

Both KPMG and PWC, hired consultants to work on some components of the project, delivered their first sets of deliverables.



3. Corporate Social Responsibility

Corporate Social Responsibility (CSR) is a new concept to Kurdistan Region. Thus the Ministry of Planning and UNDP thought it is important to hold a brainstorming meeting on the subject.

The 20/02/2011 meeting introduced the concept as a driver behind sustainable development and durable public-private partnership.

Dr. Ali Sindi, KRG Minister of Planning, highlighted the importance of such a concept to the ongoing development process in the Kurdistan Region.



Human Development

1. International Training and Scholarship Program

In recent years our international partners have contributed greatly to the development process in our Region. Important projects have been implemented by donor countries as part of the rebuilding process of Kurdistan. However, what is equally important is our international partners' support in human development and capacity building. Countries like the USA, Japan, Korea, EU member states and others have made their individual contribution in this area. For example many KRG employees were given the opportunity to study postgraduate courses and short courses in many countries, particularly Japan and Korea.

In addition to this valuable assistance provided by our international partners, the KRG thought it is vital for KRG to invest in the future, through an impressive and unprecedented scholarship program. The program provides over 1000 fully-paid postgraduate posts. (Continue to the next page)



One part of the program is managed by the Ministry of Higher Education and Scientific Research for applicants from higher education institutes and for non-employees. The second part, particular to the government employees, is managed by the Ministry of Planning.

In a fair and transparent way the application process started in the relevant ministries and agencies and the Ministry of Planning made the final selection. Right now some of the successful candidates are studying at prestigious universities in Europe, the USA and many other countries.

This is truly an investment in the future. Once this great number of skillful employees returns the administration culture of our country will change beyond recognition and of course it will change for better.

2. Training of Trainers Workshops

As part of the MoP's initiative to develop the KRG human resources and develop capacity of the civil servants, the MoP has contracted the National School of Government, the leading UK government's training institute, to deliver training courses in various areas of administration. A series of workshops was devoted to training of the trainers, in which trainers from various KRG ministries and governorates participated. The aim of the workshops was to develop the capacity of the trainers and expose them to the modern tools and techniques of training.



3. Quality Assurance Workshops

When reviewing the services provided to the public by the government institutions, what matters is the quality of the services. To insure quality, institutions need to be aware of the methods and techniques of the new phenomenon called Quality Assurance (QA).

The UK National School of Government is assisting the KRG to establish QA directorate and procedures to achieve a good level of customer satisfaction. MoP is leading this initiative and has been successful in coordinating the various aspects of the project. (Continue to the next page)



Now all the KRG ministries and agencies have established QA directorate and assigned directors for them. The MoP and National School provide training to the directors and their staff.

The aim of the project is to make QA part and parcel of the everyday administration to satisfy the public and insure that the public resources are utilized for the public good.

Regional Strategic Plan 2012-2016

Drafting the KRG five-year Strategic Plan

The Regional Development Plan (RDP) aims to develop the economic and social sectors, based on the results of the strategic analysis of the socio-economic circumstances, and the consequences of the diagnostic process of present and future challenges expected to face the development efforts during the next five years. The most important pillars of the (RDP) are:

- Macroeconomics
- Financial Sector
- Population and Manpower
- Agriculture and Water Resources
- Industry and Energy Sector
- Transportation Sector
- Communications Sector
- Water and Sanitation Sector
- Education and Higher Education
- Health
- Housing Sector
- Tourism, Culture and Heritage
- Social Dimensions (Gender, Youth, Vulnerable Groups, Poverty, Families of martyrs' and genocide victims)
- Spatial Development and Environment
- Good Governance
- Private Sector



The draft RDP is now nearing completion; once completed it will be submitted to the Kurdistan Parliament for enactment. It is worth mentioning that the draft RDP is the Fruit of wide Consultations within the KRG ministries and agencies and with the KRG's international partners.

Four: Annual Budget

1. Preparation of Annual Investment Budget

During budget preparation, trade-offs and prioritization among programs must be made to ensure that the budget fits government policies and priorities. Next, the most cost-effective variants must be selected. Finally, means of increasing operational efficiency in government must be sought. None of these can be accomplished unless financial constraints are built into the process from the very start. Accordingly, the budget formulation process has four major dimensions:

- Setting up the fiscal targets and the level of expenditures compatible with these targets. This is the objective of preparing the macro-economic framework.
- Formulating expenditure policies.
- Allocating resources in conformity with both policies and fiscal targets. This is the main objective of the core processes of budget preparation.
- Addressing operational efficiency and performance issues.

MoP is mandated to prepare the annual investment budget (capital budget). As MoP staff gains more skills in this area, one can notice differences between this year's draft budget in comparison with the previous years. In other words MoP is moving away from budget preparation as formalistic exercises towards a budget preparation as long-term strategic planning.

This year MoP has attempted to address such objectives as public expenditure management–fiscal discipline, strategic resource allocation, and operational efficiency.

Right now the draft budget is under discussion in the Kurdistan Parliament and is expected to be enacted soon.

2. Procurement

Public contracting is a very important and sensitive area in both law and administration. Almost all public works and services are handled by local and foreign contractors. The level and volume of public works and services provided through contractors are growing rapidly. That is why the Ministry of Planning thought it is important to take two steps:

First, amending the Regulation for Contractors Registration, Classification and Grading; the new Regulation provides for the establishment of a Directorate of Company Classification in the MoP to register, classify and grade local and foreign companies and contractors. The Regulation empowers the Directorate of Company Classification to blacklist companies, upon request, if proven that the company is incompetent or in breach of contractual obligations. The Regulation also establishes an administrative court to resolve conflict between parties to public contracts. (Continue to the next page)

The second step was issuing the Procurement Regulation (came to force on 01/04/2011), which provides for the establishment of the Directorate of Procurement within MoP. The new Regulation makes the public contracting and tendering processes much clearer and easier. It provides for the establishment of an administrative court to deal with contractors' grievances and complaints.

These two Regulations tighten up the public contracting process and decrease the chances of abuse and misuse of public resources.

We welcome your comments and suggestions:

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