



## Iraq Briefing Book Conference

مؤتمر كتاب ملخص أوضاع العراق

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### **SPEECH**

## **OF THE SPECIAL REPRESENTATIVE OF THE UNITED NATIONS SECRETARY-GENERAL FOR IRAQ**

Your Excellency, Mr. Nuri Al-Maliki, Prime Minister of Iraq  
Distinguished Guests,  
Ladies and Gentlemen,

I am very pleased to join you here today on the occasion of the launch of the Iraq Briefing Book. This is a significant publication in that it represents the collaborative efforts of international development partners in Iraq who have jointly developed policy options for the Government as a means to inform discussions on key development issues. This was achieved through the Iraq Partners' Forum, an active consultative body and support network that coordinates development cooperation flows to Iraq, and consists of the United Nations, the World Bank and donors. The Briefing Book represents one of the many initiatives that development partners use to provide support to the Government and people of Iraq.

Such an endeavour fully embraces the principles articulated through The Paris Declaration on Aid Effectiveness endorsed by Ministers, Heads of Agencies and other Senior Officials in 2005, and to which Iraq is a signatory. It is a means to increase efforts towards the ownership, harmonisation and the alignment of development cooperation flows to ensure the highest development impact. Aid effectiveness can be further promoted through strong government leadership, clear institutional and organizational frameworks and consistent tracking and monitoring of resources through aid management systems which are nationally managed.

Government Ownership is the keystone of aid effectiveness through sovereign and democratic processes that determine development goals, policies, strategies and plans. Ownership further implies that the government leads in managing and coordinating development cooperation, determines delivery modalities as well as managing development work in local practice. This is essential for aid to be sustainable. It is the role of partners to support the government in its

efforts to build the capacity required to exercise this kind of leadership by strengthening expertise, institutions and management systems.

Iraq's National Development Plan of 2010-2015, and its subsequent ratification by the Council of Ministers provides a roadmap for development policy direction and action throughout the country in the coming five years. Based on a participatory approach that included key national stakeholders, it clearly articulates national development priorities, and is a mechanism through which partners can firmly align development activities. Wherever possible, partners should use local institutions and procedures for managing aid in order to build sustainable structures.

Complementing the National Development Plan is the Iraq Development Management System, which is a universally-accessible, online, capital investment management system that records development cooperation flows to Iraq. This enables the Government to effectively integrate assistance into national budgeting processes, and is a means to further harmonise and align development efforts. Through such a system, mutual accountability is further promoted as donors and partners are held responsible for development results.

Iraq has achieved positive developments in the past few years despite its legacy of conflict and war. The number of security incidents may have fallen, and people's overall perception of security may have improved, still many victims of violence are counted on an everyday basis. Iraqi civil servants and development partners continue to operate in a fragile and often unpredictable security environment. Armed opposition groups continue to display an ability to disrupt the lives of citizens and incite sectarian violence. I have been particularly disturbed by the trend of assassinations of dozens of governmental officials, academics, journalists and other professionals, security officers and tribal figures.

Given all of this, I would like to state my deep respect and admiration for Iraqi Government officials and other civil servants. These are individuals who operate daily in extremely challenging circumstances. There will be no lasting development without restoring basic security. This requires leadership by the Government on the basis of a broadly supported political commitment. That is why I would like to reiterate, as an expression of concern and encouragement, the finalization of decisions still pending since the government formation is an urgent prerequisite for building trust in the government's overall effectiveness in the broad range of areas that will be discussed today.

Like many countries transitioning from a centralised state system to an open market economy, Iraq faces a critical period during which economic diversification and development of the private sector must be undertaken while also maintaining the delicate balance of access and opportunity for vulnerable groups. The challenge is to build a strong state and an enabling environment for civil society with independent institutions, as a means to ensure stability, security, basic rights, and freedom for Iraqi citizens. A well managed reform process will counterbalance the widening of the economic divide in the country and will protect marginalised populations from food insecurity and poverty.

The need for more accountable and transparent public financial management is at the forefront of the reform agenda, especially for oil revenues and other public resources, and this

can be achieved through strengthened governance, reform of public finance systems and human resource management.

For Iraq's state-building agenda it will be important to focus on strengthening participatory governance, the primacy of rule of law, a strong legal framework for human rights protection, and state delivery of regulatory functions and services for the people of Iraq. These interventions will increase opportunities to promote entrepreneurial initiative as a necessary condition to create many more jobs – especially since the current demand for labor cannot absorb large numbers of unemployed and new entrants to the labor market. Youth and women in particular comprise the largest sector of the work-age population. If many of them cannot find work the consequences will weigh heavily on society. For it is crucial to note that Iraq's petroleum sector does not generate employment opportunities in proportion to its role in the economy. The oil sector accounts for around 65 per cent of GDP yet employs just 1 per cent of the workforce. Also the public sector cannot offer more jobs; on the contrary there is a need to be more efficient in order to spend public money wisely. Therefore new jobs will need to be created by the private sector in order for employment rates to be meaningfully improved.

Enhancing private sector development requires movement towards a rules-based system of government with strengthened legal systems and institutions, the reform of state-owned enterprises and especially better access to business finance. Reforms are needed in specific sectors such as agriculture, water resource management, energy, telecommunications and transport. Here the state should be a reliable partner of the private sector, particularly through protecting private property rights for mutually reinforcing benefits.

Institutionalizing social dialogue between the Government and social partners – employers and unions – is an effective means to ensure necessary reforms and that the governmental agenda is attuned to people's expectations. There is still a way to go to recognize essential rights of association and collective bargaining as the way forward to an economy that meets the interests of all stakeholders.

The government's ability to effectively deliver essential social services – particularly education, health care, decent housing, safe and clean water, sanitation and other municipal services – is crucial in establishing legitimacy in the eyes of the population. Expectations are very high within the community, and while progress has been made in a number of areas, significant additional efforts are needed, in both physical asset investment and human resources development, in all of these sectors. The quality and reliability of electricity and water services has declined sharply in the past decade; access to sanitation is very unevenly spread.

Whilst states should remain responsible for overall policies and delivery targets Iraq can learn from the infusion of private sector management and performance through public-private partnerships particularly in countries in transition from state dominated systems. Furthermore, reducing wasteful allocation of public funds through targeting distribution of food and of other social benefits will not only contribute to fiscal stability, but will also restore public confidence that the Government is addressing real needs. Without reform, universal social protection represents dysfunctional redistribution at the expense of other key sectors currently insufficiently funded.

In this period of transition Iraq's partners stand ready to support the Government with the protection, return and reintegration of over 1.5 million internally displaced persons and hundreds of thousands of Iraqis who fled to neighbouring countries. Failure to do so effectively would undermine any other national effort towards economic recovery, national stability and reconciliation.

Finally I would like to mention perhaps the biggest challenge and opportunity of all: opening up the economy and culture to women and girls.

Countless analyses demonstrate that in order to accelerate progress and enhance the achievement of development outcomes inclusive development empowering women and promoting gender equality are key. In many countries in the world, also in this region, the number of girls succeeding at universities surpasses the number of boys. This is indicative for the future if there is recognition that all talents should be equally engaged in the building of society. Families, communities and nations will benefit as a consequence. Yet, in Iraq the numbers of girls staying out of primary or secondary education is of high concern. It does take a strong convincing effort by the Government to turn this around.

I encourage development partners to fully live up to their responsibilities under the Paris Declaration, and to implement development activities that fully align with the development priorities of Iraq as articulated through the National Development Plan. In closing I would like to congratulate the government for their efforts in the management and cooperation of development activities in Iraq and to thank the Prime Minister for organizing this important conference. You can count on our collective commitment to be here and to stay as partners deeply engaged with the people of Iraq in overcoming decades of suffering and finding the path towards a future of justice and prosperity.