



United Nations in Iraq



الأمم المتحـدة – العـراق United Nations Iraq

This Common Country Analysis (CCA) is a condensed version of the full version published in 2021. It contains updated facts, figures, and analysis. To download the full version with more details and analysis, please visit https://iraq.un.org/en/179199-iraq-common-country-analysis-2021





©iStock.com/FotoGablitz

Foreword

Iraq's gross domestic product should qualify it as a 'middle-income country'. Yet, efficient provision of public services and an overall good standard of living remain an unfulfilled government promise for most Iraqis. With a high percentage of its 40 million population under the age 25, the youth are calling for improved governance and state institutions that promote economic growth, accountability and jobs.

Additionally, high operational costs related to security forces come at the cost of investments and public services. When Iraq finally emerged from the prolonged fight against the Islamic State of Iraq and the Levant (locally known as 'Daesh'), public grievances started to be expressed openly. Nationwide demonstrations began in 2019, driven primarily by young people calling for meaningful political reforms to improve governance, counter corruption and strengthen accountability.

The inadequate and disproportionate response to the protests, including instances of excessive use of force and violent reprisals by armed actors, led to the resignation of the former Prime Minister Adel Abdul Mahdi, and the formation of a new government led by Mustafa al-Kadhimi. That government and the next one will face many overlapping challenges, including a political stalemate in implementing urgent political and economic reforms, a precarious security environment exacerbated by regional tensions, inadequate investment in infrastructure and public services; and a rentier economy vulnerable to the collapse of global oil prices.

Unfortunately, five years after the defeat of ISIL, Iraq still ranks in the top 10 globally for Internally Displaced People, who still need sustainable and durable solutions to become fully productive members of society and the economy. Access for humanitarian and development partners is key to implementing the durable solutions framework, and eight Area Based Coordination Groups have been set up to promote an enabling environment for returns.

Achieving reconstruction and restoration goals, improving access to essential services, taking action to support environmental sustainability and mitigating the impacts of climate change are crucial to achieving the Sustainable Development Goals (SDGs). Such issues are reflected in the country's National Framework for Reconstruction and Development. The Iraqi National Development Plan (NDP) includes priorities on sustainable rural development, spatial development as well as reconstruction, thereby aligning national agendas more closely with the SDGs.

The United Nations Country Team (UNCT) is assisting the Government of Iraq in addressing these challenges. The 2020-2024 United Nations Sustainable Development Cooperation Framework (formerly known as 'UNDAF') supports the people of Iraq in achieving the National Development Plan targets by aligning those targets with the SDGs. Although, in principle, the Government of Iraq is committed to achieving the 2030 Agenda, in practice the many challenges that the country faces make articulating a coherent pathway quite difficult.

This Common Country Analysis (CCA) identifies strategic development priorities through data and analysis, while applying United Nations programming principles. The CCA identifies strategic development opportunities, while recognizing capacity limitations facing the realization of these goals. It is also a useful starting point for determining long-term development goals for a more secure, stable, prosperous and equitable Iraq.

Contents

Fo	reword	iii
Ab	breviations and Acronyms	vi
1.	Introduction	1
	1.1 Country background and trends	1
	1.1.1 Humanitarian situation	1
	1.1.2 The economic situation	1
	1.2 Leaving no one behind	2
	1.2.1 Human rights	3
	1.2.2 Persons with disabilities	4
	1.2.3 Displacement	5
	1.3 Gender equality and the empowerment of women	6
	1.3.1 Situational analysis	6
	1.3.2. Key actors and factors affecting gender equality and the empowerment of women in Iraq	7
2.	Progress towards the 2030 Agenda	11
_	2.1 The Sustainable Development Goals	11
	2.2 Resilience	12
	2.2 Resilience 2.2.1 Understanding multi-dimensional risks and contexts – towards a national risk register	12
	2.2.3. Interconnected systems	13
2	Review of Multi-dimensional Risk and Financial Flows	15
9.	3.1 Multi-dimensional risk	15
	3.2 Fiscal and financial risks	21
		21
	3.2.1 Fiscal landscape in Iraq 3.2.2 Policy recommendations	21
	5.2.2 Policy recommendations	22
4.	Underlying Risk Factors and Dynamics	25
	4.1 Governance and institutions	25
	4.1.01 Enhancing legitimacy	25
	4.1.02 Decentralization	25
	4.1.03 Public administration reform	26
	4.1.04 Security sector reform	26
	4.1.05 Infrastructure repair	27
	4.1.06 Housing needs	27
	4.1.07 Education gaps	27
	4.1.08 Food insecurity	28
	4.1.09 WASH needs	29
	4.1.10 Electricity outages	30
	4.1.11 Explosive ordnance contamination	30
	4.1.12 Destruction of shared cultural heritage	31
	4.1.13 Endemic corruption	31
	4.1.14 Judicial reform	33
	4.1.15 Adolescents and youth	33
	4.1.16 Child protection	35
	4.1.17 Civil society	35
	4.1.18 Freedom of the press	36
	4.2 Current political economy	36
	4.2.1 Economic activities of armed groups outside state control	37
	4.2.2 Disputed internal boundaries as barriers to trade	37
	4.2.3 Employment	37

	4.2.4	Economic challenges	38
	4.2.5	The private sector	39
	4.2.6	Agribusiness and small and medium enterprises	39
		Agriculture	39
	4.3 Oil ma	arket dynamics and rentierism	41
	4.4 Econo	mic transformation	43
	4.5 Electio	ons and the democratic process	44
	4.6 Health	n system in Iraq	44
	4.6.1	Background	44
	4.6.2	Health status	45
	4.6.3.	Health system response	46
	4.7 Enviro	nment and climate change	47
	4.7.01	1 Environmental restoration	48
	4.7.02	2 Climate change	48
	4.7.03	3 Air pollution	49
	4.7.04	4 Sand and dust storms	49
	4.7.05	5 Water resources	50
	4.7.06	6 Chemicals and waste	50
	4.7.07	7 Environmental impacts of conflict	51
	4.7.08	3 People and the environment	51
	4.7.09	O Towards a green economy	52
	4.7.10	D Environmental governance	52
5.	Common (Country Analysis: Key Findings	54
	5.1 Social	cohesion	54
	5.2 The ed	conomy	54
	5.3 Gover	nance	55
	5.4 The er	nvironment	56
	5.5 Durab	le solutions	56

v

Abbreviations and Acronyms

AML	Anti-Money Laundering
APMBC	Anti-Personnel Mine Ban Convention
CBI	Central Bank of Iraq
CCA	Common Country Analysis
CCM	Convention on Cluster Munitions
CEDAW	Convention on the Elimination of all Forms of Discrimination against Women
CFSVA	Comprehensive Food Security and Vulnerability Analysis
CFT	Combatting Financial Terrorism
СРЈ	Committee to Protect Journalists
Col	Commission of Integrity
CRC	Convention on the Rights of the Child
CRPD	Convention on the Rights of Persons with Disabilities
CRSV	Conflict-Related Sexual Violence
CSO	Civil Society Organization
DMA	Directorate for Mine Action
DNA	Designated National Authority
DSTF	Durable Solutions Task Force
DU	Depleted Uranium
EIA	Energy Information Administration
EO	Explosive Ordnance
EORE	Explosive Ordnance Risk Education
ERW	Explosive Remnants of War
ESCWA	Economic and Social Commission for Western Asia
EU	European Union
FFS	Funding Facility for Stabilization
FY	Fiscal Year (locally same as calendar year)
GAR	Global Assessment Report
GBV	Gender-Based Violence
GCSD	Governorate Commission on Sustainable Development
GDP	Gross Domestic Product
GII	Gender Inequality Index
HC	Humanitarian Coordinator
HLP	Housing, Land and Property
HNO	Humanitarian Needs Overview
HRC	Human Rights Council
ICSSI	Iraqi Civil Society Solidarity Initiative
IDP	Internally Displaced Person
IEA	International Energy Agency
IED	Improvised Explosive Device

IHCHR	Iraqi High Commission for Human Rights
IHEC	Iraqi High Electoral Commission
IMF	International Monetary Fund
ILO	International Labour Organization
IOM	International Organization for Migration
IPU	Inter-Parliamentary Union
IQD	Iraqi Dinar (1,400 IQD = \$1)
ISIL	Islamic State of Iraq and the Levant (locally known as 'Daesh')
ISIS	Islamic State of Iraq and Syria (locally known as 'Daesh')
ITC	International Trade Centre
km ²	Square Kilometre or 250 acres (locally known as a '1,000 donum')
KRI	Kurdistan Region of Iraq
KRSO	Kurdistan Regional Statistics Office
kWh	kilowatt hour
MCNA	Multi-Cluster Needs Assessment
MENA	Middle East and Northern Africa
MENARO	Middle East and Northern Africa Region Office
MICS	Multi-Indicator Cluster Survey
NCSD	National Committee on Sustainable Development
NDI	National Democratic Institute
NDP	National Development Plan
NESAP	National Environmental Strategy Action Plan
NGO	Non-Governmental Organization
No.	Number
OCHA	Office for the Coordination of Humanitarian Affairs
OHCHR	Office of the High Commissioner for the Human Rights
OPEC	Organization of the Petroleum Exporting Countries
PCB	PolyChlorinated Biphenyls (a common pollutant in Iraq)
PDS	Public Distribution System (locally known as 'welfare')
PMCs	People's Mobilization Committees
PMFs	Popular Mobilization Forces (locally known as PMCs)
PRS	Poverty Reduction Strategy
RC	Resident Coordinator
RCP	Regional Collaborative Platform
REACH	Renewable Energy, Energy Efficiency and Climate Change
Res.	Resolution
RICCAR	Regional Initiative for the Assessment of Climate Change in the Arab Region
SCD	Systematic Country Diagnostic
SDGs	Sustainable Development Goals
SIDA	Swedish International Development Agency
SMEs	Small and Medium Enterprises
SPN	Social Protection Network

SSR	Security Sector Reform
STR	Scientific and Technical Reports
SWOT	Strengths, Weaknesses, Opportunities and Threats
TRW	Toxic and hazardous Remnants of War
U5MR	Under Five Mortality Rate
UN	United Nations
UNAMI	UN Assistance Mission for Iraq (as per UNSC Res. 1500)
UNCAC	UN Convention Against Corruption
UNCCD	UN Convention to Combat Desertification
UNCT	UN Country Team
UNCTI	UN Country Team in Iraq
UNDP	UN Development Programme
UNEP	UN Environment Programme
UNFCCC	UN Framework Convention on Climate Change
UNFPA	UN Population Fund
UNGA	UN General Assembly
UNHCR	UN Refugee Agency
UNICEF	UN Children's Fund
UNMAS	UN Mine Action Service
UNODC	UN Office for Drugs and Crime
UNSC	UN Security Council
UNSDCF	UN Sustainable Development Cooperation Framework (formerly UNDAF)
US	United States
USAID	US Agency for International Development
USD	US Dollar (\$1 = 1,400 IQD)
WASH	Water and Sanitation Hygiene
WB	World Bank
WBG	World Bank Group
WHO	World Health Organization
WFP	World Food Programme
WPP	World Population Projects
WTI	West Texas Intermediate Oil Quality
WTO	World Trade Organization

1. Introduction

1.1 Country background and trends

Iraq, one of the founding members of the United Nations, has experienced prolonged conflicts over the past four decades. Deepened public mistrust in state institutions has contributed to instability, violence and a near breaking point of the social contract, as demonstrated by the recent mass youth protests that resulted in a change of government.

Unless the Government of Iraq takes steps to implement meaningful reforms that meet the aspirations of the Iraqi people, the country will face another cycle of instability. Furthermore, the socioeconomic deterioration has been amplified by the COVID-19 pandemic, current devaluations, armed actors operating outside state control, a large internally displaced persons (IDPs) population and wider regional tensions.

Official Name: Republic of Iraq

Geography: Bordered by Turkey (north), Iran (east), Kuwait (southeast), Saudi Arabia (south), Jordan (southwest) and Syria (west). See map below.

Capital: Baghdad

Ethnic Diversity: Arabs, Kurds, Assyrians, Turkmen, Shabakis, Yazidis, Armenians, Mandeans, Circassians and Kawliya and African-Iraqis.

1.1.1 Humanitarian situation

The 2022 edition of the Humanitarian Needs Overview (HNO-2022) comprehensively identifies the critical barriers that face finding durable solutions and transitioning from humanitarian assistance into self-reliance.¹ These include the need to make large investments in critical infrastructure and housing, reestablish basic services, create employment opportunities and enforce social cohesion and security.

Political divisions among different government actors are likely to strain the capacities of humanitarian partners. The politicization of displacement, the continued need for IDP camps, in addition to other challenges relating to social cohesion and stabilization, have the potential to exacerbate the vulnerability of IDPs and returnees.

The transition from dependency on humanitarian assistance to durable solutions and sustainable development is accelerating, and the Humanitarian Country Team is finalizing a timeline and roadmap to hand over most humanitarian responsibilities to the government. In this respect, investing in priority sectors (e.g., access to quality services, documentation, socioeconomic inclusion, recovery and reconstruction) is key for achieving inclusive development in Iraq.

1.1.2 The economic situation

The economic crisis resulting from both COVID-19 and the decline in oil prices in 2020-21 created serious challenges for Iraq and highlighted deeper problems. Iraq is extremely dependent on oil prices, and the

1 United Nations Office for the Coordination of Humanitarian Affairs (OCHA) (2021). *Iraq Humanitarian Response Plan 2021*. Available at https://reliefweb.int/report/iraq/iraq-humanitarian-response-plan-2021-february-2021.

country has little diversification to compensate for revenue lost when prices go down. The recent oil price increase caused by the post-COVID-19 demand surge and the war in Ukraine is a temporary windfall that represents a window of opportunity to invest in diversification and other reforms before prices sink again.

Small and medium enterprises (SMEs) are marginalized in an economy where large state-owned enterprises and public sector jobs dominate. The absence of a strong legal framework to protect the private sector, along with low utilization of banks for savings and transactions, continue to deter investment in SMEs.

Poverty remains a constraint to growth and a serious challenge for many Iraqis, especially women. Iraq already has the highest poverty rate in all upper-middleincome countries.

In December 2020, the Central Bank of Iraq (CBI) devalued the Iraqi currency by 20 per cent against the United States dollar. The CBI's decisions, motivated by the fiscal constraints, resulted in price increases for all imports, as well as some market upheaval. In the longterm, devaluation may improve domestic competitiveness, but deeper reforms are required if such improvements are to be sustained.

Delays in budget approvals and chronic shortcomings in financial management created further complications, which were compounded by the former Governments' failure to submit the 2020 and 2022 budget to the Parliament. The Government also lacks basic public financial management mechanisms. Without an integrated financial information management system, the Government has no control over all the data and information related to its financial resources and cash balances.

1.2 Leaving no one behind

The principle of leaving no one behind is particularly important in Iraq, where many suffer from extreme poverty, health and education inequalities and other forms of discrimination. COVID-19 worsened the situation and reversed many development gains. The political situation adds to the difficulty of addressing the root causes of injustice, beginning with certain laws that lead to further marginalization.²

Several social groups in Iraq are identified as vulnerable, including women; children and youth; ethnic and religious minority groups; people with disabilities; internally displaced persons; foreign migrants; victims of trafficking; refugees; and stateless persons. It should be noted that many of these groups are not vulnerable per se. However, their unique situations may put them at a higher risk of experiencing vulnerability.

Iraq also consists of several ethnic, religious and linguistic minority groups. Despite several constitutional provisions, these minority communities suffer from serious direct and indirect discrimination in access to services. Christian, Yazidi and Shabak communities, in particular, have faced severe violence and trauma that still hinder their desire to return home.³

These minority communities have little confidence in the government's ability to ensure their safety and security or put in place reconciliation initiatives.⁴ Ensuring the safety and security of these displaced minorities is essential to leaving no one behind.

2https://www.unescwa.org/sites/www.unescwa.org/files/publ ications/files/leaving-no-one-behind-integratingmarginalized-groups-english.pdf.

marginalized-groups-english.pdf. 017/603859/EXPO_ST 3 Mansour, R, 2018. *Rebuilding the Iraqi State: Stabilisation*, 4 Ibid.

Director-General for External Policies. Available at http://www.europarl.europa.eu/RegData/etudes/STUD/2 017/603859/EXPO_STU(2017)603859_EN.pdf.

Mansour, R, 2018. *Rebuilding the Iraqi State: Stabilisation*, 4 Ibid *Governance, and Reconciliation*. European Parliament Families with a perceived affiliation with ISIL face many of the same obstacles to return as other IDPs, including destroyed homes, the lack of livelihoods or lack of the documentation and financial means needed to return.

The additional complication of IDPs remaining in closed camps, now classified as informal settlements, adds further vulnerabilities to people unwilling or unable to return home for several reasons, while remaining in an environment without essential services.

Iraq hosts around 250,000 refugees from Syria, the majority of whom are in the Kurdistan Region of Iraq (KRI). Outside of KRI, refugees must go through a registration process with the Ministry of Interior in order to work, which creates additional barriers resulting in most being employed in the informal private sector.

Trafficking in persons is a multi-faceted problem for both Iraqis and foreigners. There is fertile ground for this phenomenon with large vulnerable populations, coupled with a weak rule of law. However, Iraq has made headway to address this problem by signing a number of international instruments relating to combating trafficking and supporting its victims.

Iraq has also demonstrated its commitment to upholding these obligations through several national laws and corresponding actions. Iraq has also set up a Central Committee on Combating Human Trafficking in 2012, and there are also specialized agencies.

However, there remains fundamental issues with the operationalization of these measures resulting in policy gaps. Another deficiency is a persistent lack of understanding for the concept of trafficking in persons, or who may be classified as a trafficking victim under international law. As a result, victims are continuously seen as offenders and may have to spend time in jail for violations or pay steep fines while they wait for their exit clearance.

To conclude, ensuring that no one is left behind in Iraq requires the development efforts to be inclusive and to address the risks of all the above-mentioned vulnerable and marginalized groups. It is of note that women and girls often fall within the most deprived and disadvantaged groups, making gender mainstreaming in key to leaving no one behind.

Development-related policies, programmes and strategies should address the different factors and dimensions leading to exclusion, while being tailored to the national, sub-national and local contexts. It is imperative to undertake an evidence-based analysis to determine who is being left behind; identify development priorities; devise solutions within the Iraqi context, and decide how to measure and monitor progress towards leaving no one behind while also advancing national and local accountability to fulfil this principle.

1.2.1 Human rights

As a founding member of the United Nations, Iraq has committed itself to the Universal Declaration of Human Rights. The country's compliance with its human rights obligations is crucial for achieving the SDGs, observing the principle of leaving no one behind and rebuilding trust. However, although Iraq has ratified several international human rights instruments and conventions,⁵ these have yet to translate into a domestic legal framework. A number of draft laws remain pending with the Council of Representatives or are at various stages in the legislative process.

In 2008, the Council of Representatives passed Law No. 53 of 2008 to establish the Iraq High Commission for Human Rights (IHCHR), mandated to promote and protect human rights for all Iraqis.⁶ However, the IHCHR

5 See Annex 8.2 in the 2021 full CCA for a table of conventions to which Iraq is a party/signatory.

⁶ United Nations Iraq, 2012. *Iraq's First Independent High Commission for Human Rights, Landmark Achievement.* [press release] 9 April 2012. Available at

is only *partially* compliant with the Paris Principles.⁷ It is, therefore, imperative to focus on a formal, transparent and participatory legislation for the selection and appointment of its membership, taking into account meritocracy, pluralism and gender-balance. Iraq still needs the legal provisions to address conflicts of interest, outreach to remote populations, funding to deliver on mandates, and a more robust relationship with local human rights institutions.⁸

The endorsement by the Federal Parliament of the Yazidi Female Survivors and Other Components Draft Law on assistance and reparations for survivors of ISIL's sexual violence focusing on Yazidis and other minority groups, is a positive development on transitional justice in addressing the needs of survivors. However, it fails to include provisions on children born of sexual violence, which will require further legislation.

Children are also at high risk, especially those suffering from the collective punishment of families with perceived or actual affiliation with ISIL and other extremist groups. While Iraq has ratified the Convention on the Rights of the Child (CRC)⁹ in 1994, it did that with reservations concerning children's freedom of religion. In 2008, Iraq acceded to the Optional Protocols on children in armed conflict and on the sale of children, child prostitution and child pornography.

In 2015, the United Nations Committee on the Rights of the Child welcomed some of the measures taken by

the Iraqi Government, such as the enactment of the Combating Trafficking in Persons Act No. 28 (2012), the creation of an Aftercare and Family Integration Programme, and the establishment of two child helplines. However, the Committee also noted that existing policies and programmes were insufficient to address the root causes of the sale of children, including child prostitution, discrimination of minority children, IDPs, and those living in the streets.¹⁰

In its recent reports on the Right to Education in Iraq, UNAMI/OHCHR has documented how traditional gender roles and norms, family levels of education, poverty, perceived protection concerns, and trauma continue to create barriers for girls' access to education. In these reports, OHCHR/UNAMI made recommendations that are aligned with Iraqi pledges as part of the 2030 Agenda for Sustainable Development and with the implementation of relevant recommendations of the Universal Periodic Review.

1.2.2 Persons with disabilities

In Iraq, persons with disabilities are disproportionately affected by armed conflict, violence and other emergencies, compounded by access barriers to services, including development, transitional, and humanitarian programming. Women with disabilities are particularly isolated due to social customs and the stigma and discrimination associated with their disability.¹¹ Deaf people face significant discrimination,

https://www.uniraq.org/index.php?option=com_k2&view =item&id=221:iraq-s-first-independent-high-commissionfor-human-rights-landmarkachievement&Itemid=605&Iang=en.

- 7 The Paris Principles outline international benchmarks for national human rights institutions along six pillars of criteria: mandate and competence; autonomy from the government; independence; pluralism; adequate resources; and adequate powers of investigation.
- 8 International Coordinating Committee of National Institutions for the Promotion and Protection of Human Rights, United Nations, 2015. *Report and Recommendations of the Session of the Sub-Committee on Accreditation (SCA).* Geneva: International Coordinating

Committee of National Institutions for the Promotion and Protection of Human Rights. Available at https://www.ohchr.org/Documents/Countries/NHRI/GAN HRI/SCA%20MARCH%202015%20FINAL%20REPORT%20-%20ENGLISH.pdf.

- 9https://www.ohchr.org/en/professionalinterest/pages/crc.as px.
- 10 Vilardo, V., Bittar, S., 2018. Gender Profile: Iraq. A situation analysis on gender equality and women's empowerment in Iraq. Oxfam International.
- 11 iOM Iraq, 2021. Persons with disabilities and their representative organisations: Barriers, challenges and priorities https://iraq.iom.int/resources/persons-

and internally displaced persons and returnees with disabilities experience many barriers to accessing durable solutions. ^{12 13}

Persons with disabilities experience difficulties in accessing education, public places, transport and healthcare due to inaccessibility and negative attitudes. Additionally, they experience challenges accessing assistive devices and accessible communication due to unavailability and high cost.¹⁴

Many persons with disabilities are unemployed with limited access to skills training, opportunities for employment or business development support. ^{15 16} In addition, many are not able to access social protection payments. This means that they have little to no income and struggle to afford their basic needs.¹⁷

The Federal Government of Iraq ratified the Convention on the Rights of Persons with Disabilities (CRPD) in January 2012 and adopted the Law No. 38 of 2013. The Iraqi Commission for Care of Persons with Disabilities and Special Needs also operates to support this community under the fiscal and administrative authority of the Ministry of Labour and Social Affairs.

In order to reduce the barriers experienced by persons with disabilities, it will be essential to facilitate an active, empowered, and central role for persons with disabilities and their representative organisations (organizations of persons with disabilities) in development, transitional and humanitarian programming and government services. ¹⁸

1.2.3 Displacement

Iraq has faced, and continues to face, recurrent displacement from war and conflict. This means that large segments of the population remain in protracted vulnerability. The state of displacement affects populations in a variety of ways, including prolonged cycles of poverty and lack of basic documentation, decent residential conditions, basic services, health care, education and livelihood opportunities.

The fragility of the state in the aftermath of conflict meant that many Iraqis are not covered by government services. Problems relating to access, of both services and opportunities, are worse for those affected by displacement. Consequently, displacement-affected households are highly likely to remain in heightened and protracted vulnerability.

A higher incidence of monetary poverty is not the only indicator of cross-cutting protracted vulnerability among displacement-affected population groups. Another recent study looking at multidimensional poverty in Iraq across the four dimensions of resources, human security, power and voice, and opportunity and choice, identified IDPs, refugees, and single-headed households (the majority of the latter being headed by

disabilities-and-their-representative-organizations-iraqbarriers-challenges-and-priorities

- 12 IOM Iraq, 2022. Deaf people in Iraq, a cultural-linguistic minority: Their rights and vision for the future report https://iraq.iom.int/resources/deaf-people-iraq-culturallinguistic-minority-group-their-rights-and-vision-future
- 13 IOM Iraq, 2022. Barriers to durable solutions experienced by persons with disabilities in Iraq: a rapid consultation report. https://iraq.iom.int/resources/barriers-durablesolutions-experienced-persons-disabilities-rapidconsultation
- 14 IOM Iraq, 2021. Persons with disabilities and their representative organisations: Barriers, challenges and priorities https://iraq.iom.int/resources/personsdisabilities-and-their-representative-organizations-iraqbarriers-challenges-and-priorities
- 15 Economic and Social Commission for Western Asia (ESCWA), 2018. Disability in the Arab Region 2018.
- 16 IOM Iraq, 2021. Persons with disabilities and their representative organisations: Barriers, challenges and priorities

17 Ibid.

18 Ibid.

women) as the most vulnerable population groups in the country.¹⁹

At the same time, the lack of civil documentation among displacement-affected households limits the prospects for their financial and human security.²⁰ This is particularly marked in households headed by single women, who are already constrained in their ability to secure sustainable livelihoods. Similarly, children may also be forced to leave school as resources become scarce, and access to school becomes increasingly difficult for several reasons, such as lack of financial means for transport to school.

Evidence indicates that displacement-affected groups often live in precarious conditions, marked by overcrowded or illegally occupied houses with poor infrastructure and limited access to basic services. This also leaves them more vulnerable to disease, leading to poor health outcomes. Additionally, livelihood opportunities for displaced people are often unpredictable, as most of them find work on a temporary basis in informal markets.

With persistent political and fiscal fragilities in Iraq, displacement-affected population groups, including both IDPs and refugees from other countries (mainly Syria), will remain vulnerable. Their vulnerabilities, needs and conditions, therefore, need to be consistently assessed, highlighted, and represented to prevent their long-term deprivation, which would eventually affect the rest of the country as well.

1.3 Gender equality and the empowerment of women

1.3.1 Situational analysis

The 2005 Constitution stipulates that all Iraqis are equal before the law and prohibits discrimination based on sex (Article 14). The preamble states that "we, the people of Iraq, ... have resolved with the determination of our men, women, elderly, and youth ... to pay attention to women and their rights". Article 20 specifically says that "Iraqi citizens, men and women, shall have the right to participate in public affairs and to enjoy political rights including the right to vote, elect, and run for office".

However, by stipulating that "no law may be enacted that contradicts the established provisions of Islam," the Constitution opens the door for more conservative interpretations that could limit women's rights. As a result, the status of women in Iraq can greatly depend on the implementation of Islamic law and on the priorities, interpretations and preferences of maledominated religious authorities.

The Constitution provides guarantees for the implementation of all international instruments to which Iraq is a party. Iraq ratified the Convention on the Elimination of all Forms of Discrimination against Women (CEDAW) in 1986 with reservations to Article 2 (f) and (g), which call on states to modify or abolish existing laws and penal codes that discriminate against women; Article 16, on the elimination of discrimination in marriage and family relations; and Article 29, Paragraph 1, with regard to the principle of international arbitration on the interpretation or application of the Convention.

Iraq has yet to sign or ratify its optional protocol, which establishes complaint and inquiry mechanisms for CEDAW, and has yet to ratify the Optional Protocol on violence against women.

20 According to Sida's framework, being poor in terms of human security means that violence and insecurity are constraints to different groups' and individuals' possibilities to exercise their human rights and find paths out of poverty. See Swedish International Development Cooperation Agency, 2020.

¹⁹ Swedish International Development Cooperation Agency, 2020.

Significantly, Iraq was the first Arab country to launch a National Action Plan on United Nations Security Council Resolution 1325 in February 2014, which was, in fact, a significant step toward enabling women's participation and protection in the processes of conflict resolution and peacebuilding in Iraq.

The second National Action Plan (2020-24) was launched in 2020 by the Council of Ministers in partnership with UN Women. Iraq has still to implement the other resolutions on women, peace and security, which address sexual violence in conflict.²¹

Iraq participated in the third Universal Periodic Review cycle in 2019 (34th session). Recommendations supported by the Government of Iraq related to gender equality and women's empowerment included amending key domestic legislation; re-establishing the ministries of human rights and the status of women; criminalizing all forms of domestic violence against women; improving the gender balance in the recruitment of public officials; and establishing a national institution for women's empowerment.

In 2011, the Law on Protection against Domestic Violence was drafted by a Committee of Experts in partnership with civil society organisations. Ten years later, the Parliament has not yet approved the draft law, impeding the implementation of the CEDAW and other international commitments.²² Continued delays in approving this law, particularly given the fluid political situation, is hampering gender equality and women's empowerment.²³

To take action, the Government launched the National Strategy to Combat Violence Against Women in Iraq in

21 By ratifying the Optional Protocol, a state recognizes the competence of the Committee on the Elimination of Discrimination against Women—the body that monitors states' parties' compliance with the convention—to receive and consider complaints from individuals or groups within its jurisdiction.

22 UN Women provided its technical support to the UNCT Confidential Report to the Convention on the Elimination 2018 as a critical step to protect women from domestic violence. Many amendments to the current Penal Code that have an impact on women's rights are being currently discussed and waiting to be enacted.

1.3.2. Key actors and factors affecting gender equality and the empowerment of women in Iraq

(a) Women's machineries in Iraq

In 2017, the Directorate of Women's Empowerment was officially established by the General Secretariat of the Council of Ministers, by Resolution No 4, which defines its composition and role. In addition, the Higher Committee for the Advancement of the Status of Iraqi Women and the Higher Committee for the Advancement of Rural Women Status have been restructured. However, these institutions, mandated to promote and protect women and girls' rights, have no decision-making power.

The Kurdistan Region of Iraq (KRI) has made improvements showing a political will to advance the gender equality agenda with laws and regulations that are more compatible, albeit not fully, with the principles of CEDAW. Further ahead of the Government of Iraq, the KRI has created some legal mechanisms to safeguard female survivors of violence.

In February 2009, several amendments were made to Kurdistan's election law to increase the legal minimum quota of female parliamentarians from 25 per cent (the current quota at the federal level) to 30 per cent of the legislature.

of all forms of Discrimination Against Women Committee in February 2019, jointly with UN agencies members of the Interagency Task Force.

23 Specifically, UNSCR 1820 (2008), 1888 (2009), 1960 (2010) and 2106 (2013), 2122 (2013), and 2242 (2015); and 2379 (2017).

(b) Women's leadership and participation in systems of governance

The October 2021 national elections saw an unprecedented performance of women. The final results of the elections indicate that Iraqi women got 95 out of 329 seats, demonstrating a remarkable increase in their representation from 25% in 2018 to 29%. An analysis of the data shows that 57 women won outside the quota by garnering the highest number of votes in their respective electoral constituencies. While women's representation in the new Council of Representatives has increased beyond the stipulated 25% minimum constitutional quota seen in previous parliaments.

Female candidates in the October 10 elections faced similar challenges as in 2018, namely online genderbased attacks, gender stereotyping, inadequate financial resources to run effective campaigns, and negative patriarchal-based attitudes.

Since October 2019, women have played an increasingly significant role in the political sphere. In particular, their involvement in the protest movement that demands political, economic and social reforms, may encourage future inclusion of women in decisionmaking processes. However, the security situation, which had improved in 2019, deteriorated significantly in the in the context of the protests and the leadup to the October 2021 national election, when many women activists and candidates were subjected to attacks and threats for their public participation.

(c) Economic empowerment of women

The gender gap in economic participation and opportunity placed Iraq as the second worst country worldwide. The female labour force participation (FLFP) rate in Iraq is one of the lowest in the world at 13 per cent and the labour force participation (LFP) gender gap is ranked at 155 out of 156 countries. $^{\rm 24}$

The unemployment rate for female adults (calculated as % of labour force 15-64) is more than 3 times the rate for male adults (31.07 for female and 10.27 for male) while no information is available on the gender pay gap (i.e. wage equality for similar work). Women and girls over 10 years of age spend more than 24 per cent of their time on unpaid care and domestic work²⁵.

Moreover, Iraqi women face challenges to participate in the country's economic recovery due to discriminatory laws that violate women's rights, limited opportunities in employment; harassment in the public sphere, and domestic violence²⁶. These factors all contribute to persistent negative social norms that keep women out of the workforce.

Despite certain advancements for rural women, the prevalence of traditional practices limits the extent of their involvement in development programmes and their access to credit, which prevents them from inheriting or acquiring land, accessing health care and social services and participating in decision-making processes at the community level.

Women make essential contributions to the local economy in general and to the rural economy in particular. Yet, their access to productive resources and employment opportunities remains limited, which holds back their ability to improve their lives and to better contribute to the economic growth, food security and sustainable development of their communities and country.

Another challenge facing women and girls in Iraq, especially gender-based violence survivors and female heads of household, is their limited access to housing, land and property rights. Even though the Constitution and laws related to land and property recognize gender

24 WEF, Global Gender Gap Index 2021

25 https://data.unwomen.org/country/iraq

26 Impact of COVID-19 on Women's Economic Participation in Iraq (United Nations, 2021)

equality with respect to ownership rights, women are still subject to illegal traditional and cultural norms that exclude them from land inheritance.

(d) Violence against women and girls

Women and girls face additional challenges rooted in discriminatory gender-related practices intrinsic in Iraqi cultural and societal norms. Although Iraq lacks reliable data on violence against women, in 2021 the Ministry of the Interior recorded 14,000 cases of domestic violence in Federal Iraq, compared with 15,000 cases in 2020. With regards to the Kurdistan Region of Iraq (KRI) the 2021 Annual Report of the KRI 'General Directorate of Combatting Violence Against Women and Family' documented 14,449 incidents of domestic violence, including 45 murders, 74 suicides, 93 incidents of burnings or self-immolation and 178 cases of sexual violence.

Gender-based violence (GBV) is common in Iraq, as well as a deeply rooted social stigma towards survivors of such violence, particularly sexual violence. Stigma often leads to "honour" killings/crimes, including the maiming or burning of hundreds of women and girls yearly. Commonly, these crimes are not reported to the authorities. If survivors do report GBV, the judicial system seldom prosecutes the perpetrator. GBV survivors face challenges in accessing quality basic essential services, including social, economic and legal assistance. Challenges are also noted with regards to affordable access to health-care services, including sexual and reproductive health, and severe lack of protection and referral mechanisms.

Female IDPs in Iraq are particularly vulnerable to domestic violence. Female heads of household, comprising an estimated 13 per cent of all IDP and returnee households, are at high risk because, as managers of the home, they must interact with men outside the family, or in domains traditionally dominated by males. IDP women are also at heightened risk of sexual exploitation and abuse and collective punishment if they are perceived to be affiliated with ISIL or other extremist groups.²⁷

Broadly, the ongoing impunity around sexual and gender-based crimes leads to continued violence, with few mechanisms for gender justice. Policy and legal reforms must accompany new strategies to make a significant impact. It is essential to mainstream gender equality and women's empowerment at the institutional and local, regional and national levels. Accompanying such efforts, and in the absence of a formal ministry for women's affairs, Iraq needs to strengthen women's roles in decision-making forums, like ministries and governorate offices.

Conflict-related sexual violence (CRSV) remains underreported due to entrenched gender inequality, lack of trust in the justice system, fear of reprisals and social stigma codified in the law, which permits "honour" as a defence and allows perpetrators to marry their victims to avoid criminal charges. Services for CRSV survivors remain extremely limited, which also contributes to the high rate of underreporting. Survivors of CRSV have been further exposed to the risk of sexual exploitation by Iraqi security forces due to their vulnerabilities and a lack of basic services.

(e) Elements of causal analysis

Decades of repression caused by a strong conservative culture, economic sanctions and armed conflicts have led to deterioration in the lives of women and girls in Iraq and an associated loss to the country. Iraqi women, including women refugees, today lack sufficient educational and economic opportunities and

²⁷ UNAMI and UN Office of the High Commissioner for Human Rights, *Report of Human Rights in Iraq*, July to December 2017, p. 12 (2018).

health care, have limited access to the labour market, and experience high levels of violence and inequality.

A significant contributory factor has been the declining literacy rate in Iraq amongst rural women and the increased number of girls in the south not attending secondary school, combined with the high fertility rate associated with early marriage, and low levels of access to contraception.

These conditions are often exacerbated by misinterpretation of religious texts, cultural and social norms, and lack of awareness of women's rights and potential, as well as institutional and legal barriers. Violence and lack of security and stability constrain Iraqi women and girls to traditional reproductive roles, limiting their access to employment and education. Violence against women and girls, and, most notably, domestic violence, have been consistently prevalent in Iraq in the last few decades while sociocultural norms limit the participation of women and adolescent girls in their community, including in decision-making processes that are important to the community. Women also suffer from discriminatory laws, social norms and attitudes that promote inequality and women and girls' low levels of decision-making in sexual and reproductive health issues. Other barriers they face relate to the accessibility and bias often found in services. For example, low numbers of women in managerial positions are linked to social norms and public discourse that do not value women as leaders in the same way as they do men.

2. Progress towards the 2030 Agenda

2.1 The Sustainable Development Goals

Several initiatives are underway with international donors and development partners that are aligned with the SDGs, including the National Development Plan (NDP) 2018-2022, the Poverty Reduction Strategy (PRS), the Reconstruction and Development Framework (2018-2027), and its Vision 2030.

A National Committee on Sustainable Development (NCSD), chaired by the Minister of Planning, was mandated to monitor the progress on the SDGs, and to submit reports on the country's growth to a "high-level follow-up group".²⁸ The operational work of the NCSD is supported by specialized thematic committees (technical teams) that cover the various dimensions of sustainable development.

To better facilitate the localization of the SDGs, the coordination and institutional arrangements for the 2030 Agenda in Iraq foster a multi-level governance approach and the work of the NCSD is also supported by a committee on sustainable development at the level of each governorate. The Governorate Level Committees on Sustainable Development (GSDC) are chaired by the respective territorial governors and are comprised of local experts of line ministries, universities, CSOs and private sector representatives. GSDC monitor progress on the SDGs and specific needs at the level of each governorate and provide regular reporting to the NCSD. The SDG monitoring in Iraq represents joint efforts of the Central Statistical Organization (CSO) and relevant line ministries with support provided by the UN agencies and other international organizations. Out of the 231 global SDG indicators considered relevant for Iraq, only 36% were readily available in 2021. Data disaggregation by dimensions and categories is another setback impacting the proper measurement of progress towards the SDGs for different sub-populations and vulnerable groups.

There is no periodic, integrated (vertical, allowing for analysis of sub-national performance towards local development goals and priorities; and horizontal, including sectoral plans) or results-oriented national reporting mechanism on the implementation of the Iraq Vision 2030/NDP cycles, *inter alia*, focused periodic evaluations (mid-term/final) to review and assess the effectiveness and efficiency of the key strategic development policy outcomes of Iraq.

Iraq submitted two Voluntary National Reviews (VNRs) in 2019 and 2021, with the first one serving as a baseline for the SDG progress and the latter reflecting the progress made since the first VNR. It should be noted, however, that after the submission of the first VNR, the country's focus shifted due to the public demonstrations and political instability.

The 2021 VNR report put a greater emphasis on local ownership of the 2030 Agenda and noted some progress on improving the data accessibility and availability (data for the SDG indicators increased from 29.1% in 2018 to 35.9%²⁹ in 2020). It also identified the adverse effects of the Covid-19 pandemic, the disrupted SDG progress in recent years, and a number of concrete actions to improve performance across SDGs.

The 2021 VNR proposed possible new solutions, such as strengthening the funding process and explore

29 2021 VNR report of Iraq, pp. 24

²⁸ Iraq's Voluntary National Review 2019. Available at https://sustainabledevelopment.un.org/memberstates/ira q.

additional revenues for resource mobilization; support government reforms towards program-based budgeting, which would make the integration of SDGrelated targets into budget programs much easier; facilitate gender mainstreaming in policies and planning frameworks; and bring the youth to the center of the development process as a potential catalyst for change across systems.

There remain significant challenges for the Government to fully integrate the SDGs into the operationalization of the National Development Plan, as well as other national planning and strategy development processes, with the necessary complementary monitoring and reporting mechanisms. Furthermore, understanding the financing gaps and identifying models for financing the achievement of the SDGs in Iraq remain challenging. The Government has acknowledged this, and there has been a request for continued assistance from the United Nations in this regard.

2.2 Resilience

Iraq has faced four decades of upheaval, dictatorship, sanctions, several major wars and civil strife. Such calamities all sapped the nation's strength. Indeed, it is easy to focus on the country's prolonged instability, but it is the resilience of Iraq that has kept the country together.³⁰

2.2.1 Understanding multi-dimensional risks and contexts – towards a national risk register

Although Iraq has shown great capacity for resilience in the face of a long series of unrelenting shocks, many more crisis are emerging or may emerge. Iraq remains vulnerable to external dynamics, particularly geopolitical tensions and competing political agendas, as well as global health emergencies and economic crises.³¹ The situation is further constrained by internal fragmentation.

While future potential shocks depicted remain a serious concern, the current risks facing the country are equally troublesome. Table 1, derived from the INFORM risk index, captures current natural and human made risks, demonstrating that risks are at their highest from six sources: projected conflict, forced displacement, disarmament, demobilization and reintegration, and governance.

A precondition to effectively deal with current risks and future shocks is to urgently address social and institutional fragility at the local and national levels. Such a pathway will very much depend on an allinclusive national reconciliation process and the mainstreaming of good governance, as stipulated by SDG 16. The civil service should be meritocratic, productive, transparent and accountable. An uncompleted reconciliation process is unconducive to resilience. The need for such governance has been loudly demonstrated by the protests calling for better essential services and a conducive environment that meets the aspirations of the Iraqi people. Of great concern are the killings of youth activists who voiced popular dismay with the chronic governance deficit in the country.

stakeholders, (iii) interconnected systems, and (iv) resilience capacities.

31 For an overview, see Fanar Haddad (ed), Jan. 2020 'The Statecraft of Small States: Foreign Policy and Survival Strategies', Insights, Middle East Institute.

³⁰ Building resilience in Iraq is advanced using the four key elements for resilience building as elaborated in the UN Resilience Guidance. Those four elements are (i) multidimensional risks and contexts, (ii) multiple



Table 1. Components of the INFORM Global Risk Index (2021)

Source: INFORM Global Risk Index 2021.

Note: Colours denote ascending scale of risk, green representing a lower level of risk and red the highest level of risk.

Building resilience at home will strengthen Iraq's capacity to diversify its international relations and enable it to better navigate the regional and global geopolitical tensions that threaten its sovereignty and stability. Furthermore, going beyond the ramifications of geopolitical polarization that plays out in many countries, including Iraq, the socioeconomic, political and security challenges resulting from the Syrian conflict will continue to have serious manifestations on the Iraqi people, in particular as relates to the large sways of ungoverned spaces along the Syrian-Iraqi border that serve as safe havens or bases for non-State actors and illicit trade networks. The war economy of Syria, combined with that of Iraq, and the resulting illicit trade network, will further undermine the resilience of Iraq in the years to come.

2.2.3. Interconnected systems

A country cannot build resilience piecemeal; it rather requires a holistic, long-term vision that addresses all

32 United Nations Development Programme (UNDP), Iraq, Impact of the Oil Crisis and COVID-19 on Iraq's Fragility facets of state and societal resilience (figure 1). Otherwise, gains made in one area will be undermined by neglect in another. The scale of the challenges is greater than the capacity of the Government of Iraq.

Furthermore, emerging complex risks can now affect whole systems and spread across them, as demonstrated by the impact of COVID-19 that has emerged from an environmental concern to become one that is undermining health, to economic, financial and social systems, both in Iraq and indeed in the world.³² This requires developing the necessary institutional governance arrangements and related

Impact of the oil crisis and COVID-19 on Iraq's fragility | UNDP in the Arab States.

capacities to manage and reduce these emerging complex systemic risks.³³

Figure 1. A conceptual diagram illustrating national resilience on multiple pillars of society



There is a pressing need for Iraq to move away from perpetual crisis management towards a more sustainable and productive approach that builds resilience at the state and societal levels. This would allow it to enhance its absorptive, adaptive, anticipative, preventive and transformative³⁴ capacities to manage and reduce emerging, complex and systemic risks. This requires a comprehensive, long-term structural reform programme based not on short-term political calculations, but on the future sustainability of the Iraqi State and society. The challenges being addressed are more extensive than the capacities of any single government, and so too should be the response. Civil unrest, insurgency, political instability, geopolitical tensions and economic and ecological collapse are not hypothetical risks but salient, and in some cases structural, threats.

33 The UNDRR Global Assessment Report (GAR 2019), Report2019 | GAR (undrr.org).

34 As elaborated in the draft UN Common Guidance on Helping Build Resilient Societies.

3. Review of Multi-dimensional Risk and Financial Flows

3.1 Multi-dimensional risk

In 2019, the United Nations in Iraq updated its risk assessment exercise to analyze the different multidimensional risk areas facing Iraq, with an elaboration of the consequences of each risk area on different real-life events, and a scope of the responses needed to address each risk while taking into account the SDGs relevant to addressing that risk when applicable. The number and severity of these risks actually occurring will impact the ability of both the UNSDCF to be fully implemented and the Government of Iraq to achieve its SDGs by 2030. While some specific conditions have changed since 2021, the analysis still accurately describes fundamental structural risks in each of these areas. A summary of the main risks in each area is provided in the table below.

Table 2. Multidimensional risks facing SDG implementation in Iraq

Risk area	Description of Possible Impacts
1. COVID-19 (and Future Pandemics)	 Increases in the number of cases and deaths. Health system overwhelmed and cannot cope. Disruption in delivery of routine (non-COVID-19) services; resources diverted to respond to COVID-19 increasing other health vulnerabilities. Government re-introduces mitigating measures, such as movement restrictions, partial/full lockdowns, reduction in working hours and staffing, border closures, etc. (This contributes to further deterioration of economic situation, loss of income and jobs). Continued infection of health workers, which further reduces health workforce capacity.

Risk area	Description of Possible Impacts
2. Oil Price Fluctuations	Iraq is the third largest oil exporter globally, where hydrocarbons account for 60 per cent of GDP and 90 per cent of central government revenue.
	Iraq therefore remains very vulnerable to fluctuating oil prices, severely exposing the country to the risk of major financial and economic crises.
	Throughout 2020, oil prices were forecasted to average around \$30 per barrel, whereas the government budgeting for that year expected \$56 per barrel.
	The impact of a budgetary deficit caused by oil prices resulted in a weakened financial position from which to address other risks, such as confronting the challenges of COVID-19.
	However, even if the price of oil recovers, the risk of further budgetary fluctuations will remain, while the oil market undermines economic diversification by the state.
	Furthermore, to mitigate against the risk presented by a volatile oil market, major reductions in government spending will be needed, even if financing is identified.
3. Political Instability	A lack of political stability in Iraq can manifest itself in many ways across the Iraqi population and can adversely impact UN activities.
Risks to the stability of established political and government structures resulting from politically driven	Political stability will directly increase the adherence to UN principles, including combating corruption, as well as the continued advocacy and advisory assistance to promote inclusive and democratic political processes.
	The erosion of political stability would damage the impact of UN activities in most aspects. Technical assistance and support for improved capacities in service delivery on behalf of, or through the Government, would suffer. For instance, this could negatively impact the work of election monitors or the role of conflict resolution mediators at the community level.
factors.	Additionally, for the Government of Iraq itself, a deterioration of political stability would lead to fewer steps being taken to address public grievances and improve governance at the sub-national level.
	However, a stabilized political landscape will allow the Government to encourage political reforms, with a focus on resource management and anti-corruption measures. It will also strengthen the government's ability to review national security architecture and finalize the National Security Strategy and SSR Programme.
4. Youth Protests	Mass protests might disrupt some education/transportation/government services.
	Protests could increase tension in the post-election stalemate, even if ministers are appointed but cannot deliver results.
	Government response might lead to human rights violations, including the right to peaceful assembly and to protest.
	Protesters may be targeted by non-State armed groups, further compromising the social fabric and civil peace.
	Potential for legitimate public protest to be perceived by some actors as public disorder.

Risk area	Description of Possible Impacts
5. Democratic Space Risks to democratic and human rights institutions, and to civil and political rights resulting from shrinking civic space, exclusion, repression and intimidation.	The risk of a reduction in the democratic space can manifest itself in multiple ways. For example, it could perpetuate mistrust between the State and the people of Iraq, which may in turn lead to the collapse of the public administration, impacting the delivery of services. A lack of democratic freedom may also result in a political stalemate and increased sectarian tensions, marginalization of communities with perceived affiliations, including harassment or violence against human rights defenders and journalists. It may also lead to the reduced impact of durable solutions for the forcibly displaced people by the deterioration of much-needed protection services. A clear undemocratic event, such as delayed elections beyond the constitutional timeline or non-transparent electoral process, could trigger political instability and social unrest, which can lead to continued demonstrations.
6. Social cohesion, gender equality and non- discrimination Risks to social unity and equality resulting from direct and indirect discrimination, horizontal inequalities and demographic trends.	Social cohesion, gender equality and non-discrimination would be eroded if governance actors take actions that would further exclude marginalized or vulnerable groups. If community level social cohesion initiatives are reduced, it would cause a further lack of trust between communities and groups. Prevalence of distrust would risk having a negative impact on vulnerable groups and would create, for instance, further obstacles to the return of IDPs to areas of origin, and protracted displacement would continue.
7. Regional and global influences Risks to the integrity, stability, safety and prosperity of the country and its people as a result of the actions of external actors or the influence of external events.	Broader geopolitical tensions and the continued absence of inter-state dialogue to ease these tensions could impact Iraq, risking its territory becoming an arena for international disputes.

Risk area	Description of Possible Impacts
8. Internal Security Risks to the security of the country, its people and infrastructure, and to the ability of the international community to operate effectively due to security issues.	The complexity of factional security services remains a potential area of severe risk, particularly the continued operations of armed actors operating outside State control and the continued need to professionalize state security forces. Multiple armed actors present ongoing security challenges and undermine government efforts to reform the security sector and impede accountability for violations against the Iraqi people. Weak government control over the entire security apparatus could lead to excessive use of force or killings by security services or other armed actors, with little to no judicial accountability.
9. Justice and Rule of Law Risk to the fair, effective and comprehensive implementation and application of the principles of justice, the rule of law and accountability.	Without structural reforms to strengthen and modernize state institutions and applicable legal frameworks, there remains a risk of weakened due process and rule of law. This may well manifest itself by reducing the chances and regularity of efficient, transparent and accountable justice and rule of law institutions and service delivery. There is a small risk that the Government of Iraq may become unable to maintain the rule of law altogether. However, the risk of declining justice systems will most likely continue to result in the lack of access to legal services for refugees, IDPs, returnees and marginalized groups, including those of perceived affiliations with ISIL.
 10. Infrastructure and access to social services Risks to society and the population resulting from a lack of, or limited access to, physical infrastructure, and/or basic social services. 	Should already poor governance systems continue to deteriorate, many areas of everyday lives will be negatively affected. Increased restrictions on the availability, use and accessibility to services, such as transport, roads, electricity and internet services, risk becoming ever more frequent in the face of weakened infrastructure. Adverse effects of poor social services would risk impacting the spread of meaningful education services and the quality of adequate provisions offered in the areas of returnees.

Risk area	Description of Possible Impacts
11. Displacement and Migration Risks to the population and to the stability of the country resulting from pressures associated with displacement and/or migration.	As Iraq continues to pursue durable solutions, the successful protection, inclusion and integration of displaced persons, including refugees, in relevant national programmes and frameworks, face different risks and a broad scope of possible negative consequences. The possible deterioration of the political or security situation may lead to disruptions in access to protection, assistance and other programming for displaced populations, and therefore increase their vulnerability and protection needs. Further deterioration in the political, security and economic situation in the country may likewise upend the capacity of relevant line ministries to adequately ensure the protection and delivery of services to displaced populations. Gaps in the promotion and support for social cohesion between displaced persons and host communities, and the absence of sufficient livelihood and economic opportunities, may contribute to tensions over access to limited support and resources, which may in turn compromise integration, reintegration and durable solutions overall, and lead to discrimination, disenfranchisement and negative coping mechanisms.
12. Public Health Risk to the population, economy and stability of the country resulting from actual and emerging health emergencies.	 Beyond the risks posed by the COVID-19 pandemic, further public health risks are threatening the population of Iraq. In particular, children and mother mortality rates may increase, alongside a general increase of malnourishment rates. A rise in mental and psychosocial cases across the country is also likely and risks causing a further economic and mental strain placed on the population in the wake of the pandemic.
 13. Food security, agriculture and land Risk to people, agriculture, and/or production in the country resulting from lack of crop, food production, livestock and related issues. 	Risks to food security fall into three main areas: production, competition and disease. The risk of more weakened local production would lead to rising prices as the availability and access to food diminish. This can be exacerbated by any further disruption to value chains or to the public distribution system. More issues pertaining to housing, land and property, such as compensation mechanisms or land disputes, may well upscale competition over access to arable or grazing land risks. This may be compounded by explosive remnants of war, resulting in further lack of access to farmland that can, in turn, affect production. The risk of transboundary animal diseases or pests decimating crops remains an eminent threat that would continue to have a severe impact on food production. Impacts of climate change are a major threat on food security in Iraq including exerting pressures on the available natural resources such as water.

Risk area	Description of Possible Impacts
14. Environment and climate change	Risks caused by a deteriorating environment and climate situation in Iraq manifest themselves in multiple ways, from energy and water shortages to land degradation and extreme weather events.
Risks to the ecology of the country, its ecosystem and its	Low capacity for water and energy infrastructure management and maintenance will increase the chances of water and energy shortages. The risk caused by a decrease in systematic dam safety and management is particularly noticeable, alongside any potential river flow restrictions caused by transboundary restrictions.
people resulting from issues associated with	In addition, toxic and chemical pollution, such as medical waste, would impact natural resources, such as land and water.
the environment, climate and	Meanwhile, if land degradation and the loss of biodiversity continue, the risk of climate change-induced displacement would increase.
natural resources.	Additionally, as climate change continues, it is expected that the intensity of natural disasters will rise. This could mean that damage caused by earthquakes, droughts, floods, fires and sand and dust storms will cause increased damage to the population, necessitating country-wide adaptation.
15. Economic Stability	Significant risks to economic stability exist beyond the severe risks faced by the oil market and the fall in oil prices.
	The risk of augmented levels of corruption continues to erode public trust in the economic infrastructure of Iraq.
	Fiduciary risk management remains poor, as investment remains lacking in non-oil sectors and as the State fails to fully fund national development programmes.
	Additionally, no functioning financial and banking system is in place, and a breakdown of the national financial system is the main hurdle preventing the generation of job opportunities.

3.2 Fiscal and financial risks

3.2.1 Fiscal landscape in Iraq

The COVID-19 pandemic and subsequent declining oil price had a devastating impact on Iraq, which remains extremely dependent on the price of oil, a risk in and of itself. In 2021, Iraq's economy grew by 5.9 per cent driven by several factors, including the economic reform plan announced by the government in October 2020 (the white paper) and the recovery in hydrocarbon markets and investments in reconstruction since 2021.³⁵ Increase in oil prices in 2022 are expected to strengthen growth prospects further.

Oil has persistently generated 80 per cent or more of the government's revenues (figure 2). Although the share of non-oil revenues in total revenues has been increasing, it remains negligible. This makes it difficult for Iraq to finance the bare minimum current expenditures and poses substantial risks for financing the SDGs.

For Iraq to achieve sustainable development, the State must harness sufficient financial resources to propel the country forward in the post-conflict environment. Transparent public financial management is key to achieving sustainable development and the State's reconstruction goals, including the \$88 billion needed to rebuild areas affected by ISIL. It is also crucial for establishing the legitimacy of the State; ensuring accountability and efficiency in managing public resources; delivering basic services; achieving gender equality and women's empowerment; and stimulating job growth to counter the spread of radicalism among youth and disadvantaged populations. The Iraqi National Development Plan prioritizes the need to achieve economic reforms, including financial, fiscal and trade reforms, that are linked to SDG 8 on decent work and economic growth, SDG 9 on industrial development and SDG 12 on responsible production and consumption.³⁶

A structural imbalance between the bloated public payroll – estimated to have captured as much as 44 per cent of overall government expenditures (figure 3) – the provision of goods and services, and investment expenditure, which encompasses infrastructure investment and research, has undermined economic progress for years. In addition, high operational costs related to the security forces in response to ISIL and other security matters came at the expense of investments and public services. There is an urgent need for a realignment of public expenditure, focusing on improved basic services, as indicated by the recent protests and demonstrations by young people, and growth-enhancing sectors that have higher potential for generating jobs.

In other resource-rich countries, oil revenues usually lead to the development of ancillary industries. However, Iraq has not yet seen such spillover from oil into the local economy.³⁷ The lack of upstream and downstream industrial chains aggravates the vulnerability of the Iraqi economy. The rigid public sector wage bill remains the single largest budget item, accounting for a whopping 9 per cent of GDP, which is enormous, even by regional standards.³⁸

37 Ibid.

³⁵ ESCWA, "Survey of Economic and Social Developments in the Arab Region 2020-2021." Available at https://www.unescwa.org/sites/default/files/pubs/pdf/surve y-economic-social-developments-arab-region-2020-2021english.pdf

³⁶ United Nations Development Programme (UNDP), 2018. Support to the Government of Iraq for the Implementation and Monitoring of SDGs: Project Annual Report. Baghdad: UNDP.

³⁸ World Bank Group 2021, Iraq Economic Monitor. Available at

https://openknowledge.worldbank.org/handle/10986/347 49#:~:text=Iraq's%20GDP%20shrank%20by%206.8,y)%20in %20Q2%2D20.

The cost of the war with ISIL depleted financial resources for priorities related to development, reconstruction and social spending. For example, the 2018 federal budget law allocated more than \$18 billion to security and defence, or an estimated 21 per cent of the total public expenditure, compared to 9.5 per cent to education and 4 per cent to health. Additionally, the dominance of the public sector wage bill in government expenditure and the political incentives within the State to maintain its current spending levels have over time resulted in a lack of investment in non-oil infrastructure and other sectors of the economy as a means to diversify.³⁹

This structural imbalance in the economy between operational and investment expenditure exposes the country to external shocks. In response to the fall in the price of oil in 2014 and the start of the war with ISIL that year, the government cut investment spending while simultaneously increasing defence and military spending. A lack of sophisticated borrowing or credit operations and a climate that is non-conducive to borrowing have further contributed to the government's tendency to trim investment spending to benefit other sectors, such as the bloated public sector wage bill. Furthermore, any surpluses generated over time, fuelled in part by continued borrowing from the IMF in 2016, have gone unspent; it was estimated that Iraq would accumulate between \$22 and \$25 billion by the end of 2018, but political and economic constraints impeded the government's ability to spend it.40

While the government received an estimated \$30 billion in loans and bank credits to help cover the \$88 billion it needs to finance reconstruction in liberated areas, greater capital is needed to fill the fiscal gaps. The debt burden is not currently a concern for Iraq as it remains within sustainable levels. The ratio of public debt to GDP stood at 84 per cent in 2020.⁴¹ However, elevated oil prices are temporarily aiding the country in achieving a fiscal surplus.

3.2.2 Policy recommendations

Improving fiscal space to finance recovery efforts from COVID-19 would require a number of policy reforms that Iraq may consider urgently, especially in the area of raising revenues and improving efficiency of expenditures. These include:

(a) Generate fiscal space through tax reforms

The gradual diversification of revenues is key to improving sustainable fiscal space. In the short term, Iraq would need to look for potential opportunities through widening the tax base, including reforms in the customs administration and the tax system in general.

(b) Generate fiscal space through rationalizing spending and improving efficiency of expenditures

Rationalizing subsidies, particularly fuel subsidies, and reforming financial management systems to enable institutions to manage state finances in an effective and sustainable manner, is a priority.⁴² Establishing a "Social Expenditure Monitor"⁴³ can be a useful enabler

39 Tabaqchali, A., 2018. Iraq's Investment Spending Deficit. [Institute for Regional and International Studies. Available at

41 IMF World Economic Outlook April 2022.

42 Republic of Iraq, General Secretariat of the Council of Ministers, *White Paper for Economic and Financial Reform,* 2020.

https://auis.edu.krd/iris/sites/default/files/Investment_Spen ding_Deficit_Final_for_Publication.pdf.

⁴⁰ Ibid.

⁴³ Economic and Social Commission for Western Asia (ESCWA) 2019. *Social Expenditure Monitor for Arab States*. Available at

https://www.unescwa.org/sites/www.unescwa.org/files/publi cations/files/social_expenditure_monitor_for_arab_states_en g.pdf.

for supporting decisions for "smart spending" to improve fiscal space.⁴⁴

(c) Developing a well-strategized medium to long-term macro-fiscal framework

Iraq needs to consider developing a well-strategized macro-fiscal framework to enhance fiscal space, which can help achieve its National Development Plan targets and objectives.⁴⁵ Debt financing is an important instrument of fiscal expansion, but it should be considered in the context of fiscal sustainability. Fiscal sustainability, after all, is an accounting exercise. It is good as long as the data is good and transparent. A transparent public finance management system is a top priority to assess the risks and vulnerabilities of fiscal sustainability.

44 Economic and Social Commission for Western Asia (ESCWA) Policy Brief on "Limited Fiscal Space Puts the Arab Region Recovery from COVID-19 at Risk". Available at https://www.unescwa.org/sites/www.unescwa.org/files/20-00230 covid-19 limited-fiscal-space-en june30 f.pdf.

⁴⁵ Economic and Social Commission for Western Asia (ESCWA) and Ministry of Planning, Iraq, 2019. 'Macro-Fiscal Policy toward Economic Diversification and Employment Generation in Iraq'. Available at https://www.unescwa.org/file/93943/download?token=J10J OREc.



Figure 2. Oil and non-oil revenues, 2006-2021

Source: Annual Federal Budget Law (Ministry of Finance of Iraq).



Figure 3. Composition of Operating Expenditures (percentage)

Source: Iraq Budget 2021 Analysis.

4. Underlying Risk Factors and Dynamics

4.1 Governance and institutions

4.1.01 Enhancing legitimacy

Surveys indicate that Iraqi citizens see their political leaders and government officials as corrupt, driven by individual or partisan interests and lacking commitment to national interests and citizen rights. The National Democracy Institute⁴⁶ found in 2019 that 75 per cent of Iraqis did not believe the country is heading to the right direction. In their 2021 report, they noted that there is "simmering dissatisfaction and an undercurrent of suspicion about politicians and the political process in general. ..many people expressed a belief that the elections will be corrupted and not credible, or that the results will be suspect."⁴⁷

Despite a comparative decrease in violence compared with previous elections, voter turnout during the October 2021 elections hit an all-time low, with only 43 per cent, reflecting continued mistrust in the country's electoral and political systems.

The drawn-out government formation process that followed the October 2021 elections, which were held in response to large-scale popular protests two years earlier, has compounded mistrust in the political elite. In this context, there have been limited protests specifically against the lack of a government which might increase, while concerns over corruption, rising

46 National Democratic Institute (NDI), 2019 and 2021. NDI

prices, lack of jobs and poor infrastructure remain and could lead to further protests during the summer of 2022.

4.1.02 Decentralization

Decentralization is highlighted by the Iraqi National Development Plan as one of seven core priorities for "good governance". Article 116 of the Constitution established that the Republic of Iraq is a decentralized, federal state. Still, the issue of decentralization continues to be ambiguous. This is complicated by the fact that Iraq has four levels of formal government.⁴⁸

Decentralization is perceived as a threat to national unity and identity. Additionally, there are no legal definitions of the powers and jurisdictions linked to each level of government and/or providing dispute resolution mechanisms. Although article 116 describes the regions and governorates as "decentralized", article 122 defines this decentralization as "administrative", limiting their capabilities and scope of action.

Humanitarian and development actors need multiple sets of permissions from differing authorities, causing delays in service provision. This is sometimes referred to as a "deconcentrated administration," meaning the central government is merely transferring power to an administrative unit at the local level, instead of actually "devolving" the power to the sub-national entities. This

47 Ibid.

Poll: Improved Social Cohesion, but Iraqis Remain
Dissatisfied with Government. Available at
https://www.ndi.org/sites/default/files/NDI%20Poll%20-
%20July%202019%20%28English%29.pdf and
https://www.ndi.org/sites/default/files/NDI%20Iraq%20-
%20Political%20Distrust%20Research%20Report%20FINAL
%20_EN.pdf48

⁴⁸ The levels are: central/federal, governorate, district and sub-district. The central government consists of 36 ministries, constitutional bodies, independent bodies, central government agencies and several commissions.

allows the central government to control the administration and service delivery at the governorate and district levels.⁴⁹

4.1.03 Public administration reform

Challenges relating to expenditures include inadequately designed budgets that increase the already-inflated wage bill, while under-financing critical spending for human capital. The plunge in oil prices and COVID-19 pandemic in early 2020 significantly widened the public deficit, underpinning the need for reforms to the financial management system.

Most financial and administrative functions are performed by central ministries that, in theory, delegate power to directorates based in each governorate, which in turn are supposed to delegate to offices in districts and sub-districts. The result, however, is an overlap in the functions, competencies and jurisdictions of different ministries and administrative units. Contributing factors to the challenges include:

- 1. The lack of proper data collection and analysis systems.
- 2. Inconsistent policy planning.
- 3. Poor financial management.
- 4. The lack of monitoring and evaluation mechanisms.

These challenges have led to over-employment of public staff, an inflation of public expenses and a slowdown in bureaucratic procedures. The attempts made by successive governments to address these challenges have been largely hindered by a lack of political will to implement needed administrative reforms. Much of the reform needed was addressed in the White Paper for

federalism-in-iraq-a-critical-perspective/; Siegle, J. and O'Mahony, P., 2005. Assessing the merits of decentralization as a conflict mitigation strategy. Washington, D.C.: Development Alternatives Inc. Available economic and financial reform that was presented by Prime Minister al-Kadhemi's Government in October 2020. However, implementation plans remain vague.

4.1.04 Security sector reform

The security environment in Iraq is complex and challenging. Reform of the security sector is crucial for long-term stabilization efforts and peace. Enhanced security and justice, are key for the country's transition to long-term stability.

Several gaps need to be addressed, such as judicial and legal reform, correctional services and improving gender equality in essential public security services such as local police. The most pressing challenges include:

- The Government's inability to consolidate and control the Popular Mobilization Forces (PMF) and other militia groups;
- Lack of coordination and capacity within and between security and justice;
- Continued presence and/or re-emergence of ISIL;
- Inefficient and untimely service delivery compromised by destroyed infrastructure;
- Lack of sufficient capacity development for security and justice in most provinces;⁵⁰ and
- Slow policy decision-making due to recurring political instability.

While progress has been made in rebuilding liberated areas, these efforts are often undermined by the lack of accountable and transparent security and justice services. Reforming the security and justice sectors and restoring the rule of law are key for short and long-term stability and peace. State and non-State security actors

at https://africacenter.org/wpcontent/uploads/2016/02/Assessing-the-Merits-of-Decentralization-as-a-Conflict-Mitigation-Strategy.pdf.

50 It is worth noting the leadership training provided by UN Women in 2019 to 150 magistrates and general prosecutors from all governorates.

 ⁴⁹ Al-Mawlawi, A., 2018. Functioning Federalism' in Iraq: A Critical Perspective. *LSE Middle East Centre Blog [blog]* 11 March. Available at https://blogs.lse.ac.uk/mec/2018/03/11/functioning-

should be included in the reform efforts, with a focus on holding security actors accountable for any abuse.⁵¹

4.1.05 Infrastructure repair

The scale of the destruction caused by the war against ISIL was estimated by the World Bank to be \$88 billion before the 2018 Kuwait International Conference for Reconstruction of Iraq. For a variety of reasons, very few of the pledges from the Kuwait International Conference for Reconstruction of Iraq have materialized, making this an unlikely source of support for reconstruction in the future.

In the meantime, Iraq could use its newfound oil wealth revenue to repair or replace this damaged infrastructure, but budget execution for non-oil spending, including reconstruction, stood at a meagre 18 per cent, which is not sufficient. In early 2022, the Ministry of Planning announced that there would be no new additional investment projects added to the long queue of unfished projects. There are also systemic governance challenges facing rebuilding and renewing the infrastructure such as mismanagement and corruption.⁵²

Immediate reconstruction and restoration, particularly of infrastructure critical to basic service delivery and economic activities, must be addressed. One model is the success of the UNDP Funding Facility for Stabilization, which by December 2021 completed 3,060 projects across liberated areas, including in the electricity, education, health, livelihoods, municipality, transport and sewage and water sectors at a cost of over \$1 billion.

4.1.06 Housing needs

Iraq has been suffering a significant housing shortage for many years. Large-scale migration from rural to urban areas, caused by sectarian violence and lack of livelihood opportunities, combined with typically low density residential urban growth, have exacerbated the shortage of affordable land for housing in urban areas and resulted in a rise in rents and real estate prices. In addition to the 2 million housing shortage that was stated in 2016, the World Bank estimated that the armed conflict with ISIL resulted in the loss of 138,000 residential buildings. Combining the shortage legacy and destruction, it is estimated that the housing sector will need investments of approximately \$17.4 billion.

In addition to the shortage of housing, complicated management systems and procedures for allocating land for housing purposes, limited availability of housing loans, and outdated master plans for major cities are resulting in the uncontrolled spread of informal settlements and under-serviced areas.

Addressing housing needs in post-conflict Iraq requires an area-based, multi-sectoral, participatory and inclusive approach. An interim strategy would suggest for development agencies and NGOs to continue addressing the needs of residents of partially damaged housing that can be repaired quickly. In the mediumterm (two- to five-year timeframe), the government should devise a detailed strategy of how to rebuild destroyed houses, in partnership with the private sector and commercial banks.

4.1.07 Education gaps

The COVID-19 pandemic resulted in over 11 million children missing 25 weeks of access to face-to-face education between 2020 and 2021 (Central Statistical Office estimates). Although alternative learning approaches were introduced, many students without access to the Internet could not benefit.

⁵¹ Human Rights Watch (HRW), 2017. *Flawed Justice: Accountability for ISIS Crimes in Iraq*. Available at https://www.hrw.org/report/2017/12/05/flawedjustice/accountability-isis-crimes-iraq.

⁵² Al-Khatteb, L., 2018. *Iraq's Post-Government Formation Economic Outlook*. Available at https://research.sharqforum.org/2018/10/24/iraqs-postgovernment-formation-economic-outlook/.

To ensure continuity of learning for school-age children, United Nations agencies supported the Federal Ministry of Education in the production and broadcast of video lectures for the uncompleted curricula through the TV Education Channel. They also supported the Ministry of Education of the Kurdistan Regional Government by improving the capacity of servers to launch a new elearning platform, EWANE. Further, UNICEF is supporting the institutionalization of innovative approaches and strengthening the quality of remote learning through building teachers' - E-pedagogy skills.

Moreover, to address the psychological impact of COVID-19, United Nations agencies provided online psychosocial support sessions to help students develop and improve coping skills and greater resilience.

The government currently spends an average of only 9 per cent of general government expenditure (GGE) and 3.1% of GDP on education, far below the international and regional benchmarks of 15-20 per cent of GGE, and 4-6 per cent of GDP. Moreover, there are shortages and/or inefficiencies in the allocation of teaching staff, textbooks, and learning materials, and a reliable education management information system to support planning is under development.

4.1.08 Food insecurity

Despite its status as an upper middle-income country, Iraq's multiple crises and conflicts over the past two decades, including severe climatic anomalies, have increased food security in Iraq.

One of the most important drivers of food insecurity is the more than one million Iraqis who remain displaced since 2017. According to a Humanitarian Needs Overview (HNO) published in March 2022, around 740,000 IDPs and returnees face challenges meeting their daily food needs, resulting in poor food consumption, household hunger, spending a high percentage of income on food expenditure and relying on negative coping strategies. Of these, 224,000 are in acute need and require immediate assistance. Compared to 2021, a 48 percent drop in acute need is primarily attributed to camp closures in federal Iraq, leading to a drop in the number of in-camp IDPs who rely on humanitarian assistance to meet their basic food needs. Additionally, relaxing the COVID-19 related movement restrictions resulted in improving access to livelihoods that somehow improved COVID-19 induced transitory food insecurity.

Iraq is also host to 257,974 refugees from Syria (UNHCR Iraq, 2022). Almost all the Syrian refugees are living in the Kurdistan Region of Iraq (KRI), mainly in Erbil (50.5 percent), Duhok (33.3 percent) and Sulaymaniyah (12.9 percent) governates. According to Regional Refugee and Resilience Plan (3RP) Country Chapter for Iraq 2021/22, around 231,938 people from the impacted host communities should also be included in the overall refugee response planning.

The devaluation of the Iraqi dinar in December 2020 and price increases of essential food and non-food items has eroded purchasing power of the poorest guintile. Furthermore, sporadic, and insufficient precipitation during the cropping season (2020-2021) in the northern governorates especially crop failure in the areas of return, and subsequent loss of income, has led to the adoption of negative coping strategies, particularly among out-of-camp IDPs and returnees. Furthermore, water scarcity led to reduced cropping area to 50 percent for the 2021-22 season. Increase in prices and low production is impacting the food security at household level. Therefore, the needs of the vulnerable populations remain, as negative coping strategies are still being used. Low yield increased the import bill of the government. The recent global food/energy crisis because of unavailability of Ukraine and Russian agricultural/energy inputs impacted the net food importing countries like Iraq.

According to the recent poverty estimates for Iraq's Second National Voluntary Review on the achievements
of the SDGs⁵³ conducted by the Central Statistics Organization (CSO) in 2021, poverty in Iraq increased from 20.7% in 2018 to 31.7% in 2020 because of COVID-19. In 2021 the situation slightly improved to 12.27 million (29.6 percent) Iraqis under the poverty line. The poverty rates are higher in southern governorates.

Reduction in rainfall, increased water and soil salinity, drought-like situations, and the increasing temperature have worsened the livelihoods of the vulnerable population. An increase in food prices and the inability to afford food costs has forced vulnerable households to move to urban locations in search of job/non-farmbased livelihoods. Households faced challenges with coping strategies related to working multiple or alternative jobs and relocation, lack of skills to find a suitable job, and financial constraints to acquire employable skills. This results in poor quantity and quality food consumption by the household and compromised food security.

The war in Ukraine is expected to have a big impact on global price development in energy and food commodities. However, because the government is gaining from high oil prices, for now, it is likely to offset higher prices on agricultural inputs and food imports. It is also increasing strategic food reserves, expanding social safety nets, and reducing tariffs on food items, building materials and consumables. Unfortunately, these measures will not be sufficient to protect IDP's, returnees, and poor Iraqi households; farmers and SMEs in agricultural value chains not covered by state subsidies (livestock, vegetables, etc.); and informal and casual laborers.

4.1.09 WASH needs

Over 1.6 million people across Iraq are in critical need of sustained, equitable access to safe and appropriate water, sanitation, and hygiene (WASH) services. Of these, 52 per cent are women, 47 per cent are children, and 4 per cent are elderly. Protracted displacement from homes and places of origin can increase levels of vulnerability found in a population.⁵⁴

The WASH sector has seen significant damage amounting to IQD 1.6 trillion.⁵⁵ Despite rehabilitation efforts by several governmental and international development agencies, the bulk of the infrastructure still suffers from partial or total damage. The extensive damage of assets deeply affects their functionality in the cities and governorates, thereby affecting households' daily usage and service of water.

According to the Multiple Indicator Cluster Survey (MICS) 2018 report, 85.7 per cent of households across all governorates have access to basic water services. However, only 40 per cent have access to safely managed water and around 23 per cent to safely managed sanitation.

The weakness and instability of electrical power needed for operations; Lack of citizen awareness on conservation, Trespasses to the network along with the Insufficient technical and administrative staff are the main challenges facing the water sector

Existing water and sewage infrastructure in Iraq, including treatment plants and pipe networks, is largely in disrepair. Trespasses on the sanitation and rainwater networks, Lack of awareness and misuse of sanitation networks, and the Scarcity and instability of electrical

53

https://sustainabledevelopment.un.org/content/documen ts/279412021_VNR_Report_Iraq.pdf

54 Humanitarian Needs Overview (HNO) 2019.

55 World Bank, 2018. Iraq Reconstruction & Investment: Damage and Needs Assessment of Affected Governorates. World Bank. Available at

http://documents1.worldbank.org/curated/en/60018152000 0498420/pdf/123631-REVISED-Iraq-Reconstruction-and-Investment-Part-2-Damage-and-Needs-Assessment-of-Affected-Governorates.pdf. power needed for pumping stations are the main challenges facing the sanitation sector.

Policies and practices of Iraqi authorities since the 1980s have been the principal cause of the river water quality degradation, but there are also other factors. Damming projects in Iran, Syria, and Turkey have impacted waterflow into the Tigris and Euphrates.⁵⁶ At the same time, local authorities, individuals and businesses have been dumping significantly more industrial, agricultural and human waste into the rivers.⁵⁷ The over-stretched community WASH systems cannot often cope with the additional burden of displaced populations, particularly if there has been damage to the infrastructure.

4.1.10 Electricity outages

Inadequate supply of electricity is one of the top concerns in Iraq, negatively impacting daily life, national development, economic growth, private sector regeneration and job creation. Prior to the emergence of ISIL, the country's electricity sector suffered from a series of simultaneous and complex challenges After years of sanctions and conflict, investments in reconstruction, rehabilitation and expansion of generation, transmission and distribution infrastructure were insufficient to cope with growing demand, leading to a dilapidated national electricity grid and poor supply reliability.

This chronic problem in electrical power supply forced the people to either buy their own household generators or to resort to privately owned-andoperated neighbourhood generators, with high supply costs and considerable noise and air pollution. Private generators owners charge about \$0.4/kWh⁵⁸ to residential consumers.

4.1.11 Explosive ordnance contamination

Iraq is one of the world's most explosive ordnance (EO) affected countries with approximately 2,850 km² of recorded contaminated land. This includes contamination with mines, cluster munition, improvised explosive devices (IEDs) and other explosive remnants of war (ERW). This contamination has been left behind following conflicts including the 1980-1988 war with Iran, the 1991 Gulf War, the United States-led coalition invasion in 2003 and the conflict with ISIL between 2014-2017. Mine action plays a pivotal role in enabling stabilization, reconstruction and development efforts in Iraq, namely to: resume basic services; contribute to agricultural and economic development; allow for the safe return of internally displaced persons (IDPs) to their areas of origin; and prevent harvesting of components to produce new IEDs.

Between 2016 and 2021, UN efforts in Iraq contributed in clearance of 15,876,252 square metres and removed over 76,030 items of EO, including over 1,485 IEDs, 2,637 IED main charges, 2,772 victim-operated IEDs, 1,370 explosive components, 1,229 suicide belt/vest, 66,294 ERW and 243 landmines. The United Nations has surveyed 2,744 and cleared 1,869 infrastructure sites, including hospitals, bridges, schools, residential units and water treatment and power plants previously contaminated with unprecedented quantities of EO. Yet, despite these achievements, EO still block reconstruction efforts and hinder livelihood recovery, including in urban centres, residential and agricultural

56 Human Rights Watch. Iraq's Failure to Manage the Water Crisis, July 2019. Available at https://www.hrw.org/news/2019/07/22/iraq-water-crisisbasra#:~:text=Basra%20is%20Thirsty&text=The%20128% 2Dpage%20report%2C%20%E2%80%9C,outbreaks%20an d%20continued%20economic%20hardship.

57 Nadhir Al-Ansari, Hydro-Politics of the Tigris and Euphrates Basins, Engineering, 2016.

58 World Bank Project Appraisal Document on a Proposed Loan in the Amount of \$200 Million to the Republic of Iraq for an Electricity Services Reconstruction and Enhancement Project on April 19, 2019. Available at http://documents.worldbank.org/curated/en/5040015571 08087756/pdf/Iraq-Electricity-Services-Reconstructionand-Enhancement-Project.pdf. areas, and continue to deter people from returning home.

About 13 percent of IDPs in camps and seven per cent of IDPs out of camps cited the presence of EO as one of the main reasons for not intending to return to their areas of origin.⁵⁹ The returnees encounter various obstacles to reintegrate in areas of return including those related to their safety and access to basic needs. In an International Organization for Migration (IOM) report, the number of returnee households living in locations with concerns of EO increased from 43,437 (October 2020) to 52,095 (September 2021), indicating how returnees are concerned with the perceived risk.⁶⁰

4.1.12 Destruction of shared cultural heritage

During its occupation, ISIL undertook a systematic iconoclastic program that saw the razing of countless cultural and religious sites. Especially affected was the once diverse and multi-cultural city of Mosul. Over four years, more than 80% of the old city was reduced to rubble and twisted debris. This destruction deprived local communities of their places of worship, cultural exchange, communal trust, dialogue, and social cohesion.

Restoration and rehabilitation of cultural heritage, including religious heritage, started in the Old City of Mosul in 2019 with some historical landmarks and 120 historic houses. So far more than 7,218 historical fragments have been recovered. The rehabilitation of 44 heritage houses is nearly completed with majority of them already handed over to the owners, while work on the rehabilitation of 75 additional houses is ongoing along with the reconstruction in all targeted landmarks.

Rehabilitation of heritage is a multi-faced intervention that goes beyond the physical reconstruction of landmarks that includes activities to support the revival of cultural life in Mosul, such as music festivals, art exhibitions, filmmaking, supporting cultural and creative industries, as means to restore mutual trust, social cohesion and preservation of Iraqi cultural heritage for future generations.

Support is also needed for Iraqi stakeholders in the implementation of the cultural conventions ratified by Iraq such as the 1972 World Heritage Convention, 2003 Convention for the Safeguarding of Intangible Cultural Heritage, and the 1970 Convention against the Illicit Import, Export and Transfer of Ownership of Cultural Property.

4.1.13 Endemic corruption

One of the recurring demands of youth demonstrations has been ending corruption and merit-based job appointments. Iraq was ranked 157th out of 180 on Transparency International's (TI) 2021 Corruption Perceptions Index, which ranks countries based on indices that measure the prevalence of political, economic and administrative corruption within its various institutions.

TI reports that the volume of public funds looted from since 2003 amounts to \$300 billion. Moreover, around 5,000 projects were not implemented because of poor planning, at a time when the country was going through an internal and external debt crisis that exhausted its economy, despite all its material and human wealth.

Even though the country has the second largest oil reserves in the world, such corruption created a protracted economic and social crisis as many Iraqis suffer from high unemployment, poor public services and extreme poverty.

In March 2008, Iraq acceded to the United Nations Convention Against Corruption (UNCAC).⁶¹ The first

Multi-cluster needs assessment, REACH Initiative, 2021
 OM, Obstacles to Returnee Reintegration in Iraq: Safety,

Security and Social Relations Report, 2022

⁶¹ This convention, the first and only legally-binding international anti-corruption instrument with a mandatory character of many of its provisions, covers five main areas: corruption preventive measures;

UNCAC review report encouraged the anti-corruption authorities to enact laws pertaining to the mandatory provisions of the Convention, including laws on active bribery of foreign public officials, obstruction of justice, and the seizure and forfeiture of converted and intermingled property. The report also urged the country to consider enacting laws related to the UNCAC provisions on trading in influence, bribery in the private sector, abuse of functions, embezzlement of property in the private sector, participation and attempt (in terms of preparation to commit an offence), the protection of witnesses and reporting persons, and the cooperation with law enforcement authorities and the Commission of Integrity (Col).

The Col is the main anti-corruption body in Iraq, tasked to detect, investigate and prosecute cases of corruption, including those forwarded by the Board of Supreme Audit and the Inspectors General for further criminal investigation. The Col is also mandated to work on preventing corruption and ensuring that adequate preventive measures are applied in the public and private sectors.

Article 10 of the Col law provided for the establishment of a committee mandated to recover stolen assets.⁶² However, not much has been achieved in this area to date due to a lack of specialized technical capacity. Iraq has a robust domestic framework to enable asset restraint and confiscation, including provisions to freeze and confiscate assets in absentia. The framework to facilitate international cooperation to recover the proceeds of corruption appears less well developed.

Senior public officials in Iraq are obligated by law to submit an annual asset declaration form to the CoI; however, the submission rates are very low, and the COI

criminalization and law enforcement; international cooperation; asset recovery; and technical assistance and information exchange.

62 Commission of Integrity Law. Available at http://ar.parliament.iq/2011/09/24/%D9%82%D8%A7%D 9%86%D9%88%D9%86-%D9%87%D9%8A%D8%A6%D8%A9has not developed clear mechanisms for the CoI staff to monitor and verify asset disclosures.

Like corruption, money laundering is endemic in Iraq. The Iraqi economy is primarily cash-based; hence, many financial transactions do not enter the banking system, which provides opportunities to make illegal money, including criminal activities that go undetected. The use of paper-based traditional financial analysis techniques and insufficient capacities of financial and non-financial reporting further complicate the detection and tracing of money laundering, including terrorism financing cases.

Recently, considerable efforts have been made to enhance the anti-money laundering (AML) legal and regulatory framework, with some positive results. For instance, Iraq is no longer subject to the Financial Action Task Force's ongoing global anti-money laundering and combating the financing of terrorism (AML/CFT) compliance process.⁶³ The amendments are still insufficient to effectively counter money laundering and further improvements are needed.

The primary entity tasked with combating money laundering is the Anti-Money Laundering and Countering Finance of Terrorism Office in the Central Bank of Iraq. The AML/CFT Office still processes suspicious transaction reports (STRs) manually, which delays the time and efforts exerted by the financial analysts. Therefore, it needs to shift towards a robust intelligent analysis system and an integrated database that allows the direct receipt of STRs made by the reporting entities and using advanced electronic features.

%D8%A7%D9%84%D9%86%D8%B2%D8%A7%D9%87%D8 %A9/.

⁶³ Improving Global AML/CFT Compliance: On-going Process 29 June 2018. Available at https://www.fatfgafi.org/fr/publications/juridictions-haut-risques-et-soussurveillance/documents/fatf-compliance-june-2018.html?hf=10&b=0&s=desc(fatf_releasedate).

4.1.14 Judicial reform

Chapter three of the 2005 Constitution lays out clear terms for judicial power, particularly in articles 87 and 88. Despite this, the judiciary struggles to maintain full independence. Access to court information is limited, and judges encounter pressures, including political and personal threats. Substantial court backlogs and poor documentation and archiving systems need solutions conducive to justice administration. International ratified instruments are not fully integrated into the legislation, which, in turn, impacts the legal system and institutional structure, including the access to pro-bono legal aid.

Law enforcement is adversely affected by the factors undermining the independence of the judiciary and the integrity commission, and by the impunity of non-State actors, including paramilitary groups. The factors obstructing the proper functioning of the judiciary provide fertile grounds for continued corruption. There is also a need for greater capacity-development of the judicial sector to better equip it when dealing with ISIL trials. Regaining public trust in the rule of law and justice institutions will remain essential foundations for Iraqi peace, stability and development.

4.1.15 Adolescents and youth

The changes in the population age structure in Iraq present a historic window of opportunity to invest in the

human capital and rights of young people and ensure a demographic dividend. However, young people in Iraq, both girls and boys, face significant barriers in their transition to adulthood.

Children currently represent 48 per cent of the population, and youth aged 15-24 account for 20 per cent. Around, 43 per cent (8 million) are adolescents below the age of 15 years, and 31 per cent are young people between the ages of 10 and 24 years.⁶⁴ The number of Iraqi adolescents and youth is expected to reach 16.4 million by 2030 – (31 per cent of the overall population), and 23 million by 2050.⁶⁵

Rates of youth participation in the labour force are considerably lower than the rest of the world, standing at 24 per cent overall, with a gender gap of over 38 per cent as 52.8 per cent of young men participate in the labour market versus 14.3 per cent for young women.⁶⁶ According to the International Labour Organization (ILO), the estimated youth unemployment rate in Iraq in 2019 was at 16.5 per cent.⁶⁷ The underemployment of youth was estimated at 28 per cent in 2018.⁶⁸

The main challenges impeding labour force participation, youth employment and equal opportunities include high labour force growth (i.e. the youth bulge), the inability of the Government and the private sector to capitalize on the demographic dividend, nepotism, corruption and lack of accountability, limited private sector development, low enterprise creation, and gender inequalities affecting.⁶⁹

- 64 United Nations, Department of Economic and Social Affairs, Population Division, World Population Prospects: The 2017 Revision (UN WPP), United Nations, New York, 2017. Available at https://esa.un.org/unpd/wpp/.
- 65 MENA Generation 2030, UNICEF, 2019. Available at https://www.menayouthhub.org/sites/menayouthhub.or g/files/eman/Mappercent20Factpercent20Sheets/templa te_IRQ_rev.pdf.
- 66 World Bank Data, 2017. Iraq. Available at https://data.worldbank.org/country/iraq.
- 67 See https://www.statista.com/statistics/812116/youthunemployment-rate-in-iraq/.
- 68 Republic of Iraq, Ministry of Planning, 2018. National Development Plan 2018-2022. Baghdad: Republic of Iraq. Available at https://www.iraqjccme.jp/pdf/archives/nationaldevelopmentplan2018_20 22.pdf.
- 69 The World Bank, 2017. Economic Outlook of Iraq. [online] World Bank. Available at http://www.worldbank.org/en/country/iraq/publication/ economic-outlook-april-2017; United Nations Children's Fund Middle East and North Africa Office (UNICEF MENARO), 2018. Youth Unemployment in the Middle East and North Africa, Background paper. Available at https://www.unicef.org/about/annualreport/files/MENAR O_ROAR_2017.pdf.

The bloated public sector and poorly targeted social transfers, declining quality of health and education services, and patronage networks favouring older workers impact youth labour participation by constraining them from productive activities.⁷⁰

Poverty, impeding educational attainment, skills acquisition, and health outcomes, has limited the potential of many Iraqi youth.⁷¹ Girls and older adolescents (15-19) are more vulnerable to poverty. Girls have been particularly affected by movement restrictions that impact access to education, healthcare and jobs.⁷² Girls, particularly in IDP or refugee communities, or whose mobility outside the household is constrained, face massive disengagement and isolation, impacting their mental well-being.

A crucial concern affecting Iraqi youth is the quality of education. According to the recent Iraqi Women Integrated Social and Health Survey (2021), primary school enrolment for girls and boys is 91%, however, it drops to 53.6% for boys and 56.6% for girls in intermediate schools and further down to 30.5% and 36% for higher education.

A significant gender gap exists in individual education attainment. Girls are less likely to finish intermediate school than boys. Partially, this fact is due to the growing child marriage practice in Iraq. In the last ten years, child marriage increased by 18 % among women married before 18 years old, and by 6% - before age of 15. Marriage is commonly a replacement for education, especially in displaced communities.⁷³ Decision-making about marriage and forming a family is rarely made by young women. IWISH2 indicated that 67% of marriages were decided by families. In rural areas, this indicator is higher than in urban areas (70.8% and 68.8%, respectively).

The adolescent birth rate among 15-19 years is 75 per 1,000 live births in rural areas and 68 per 1,000 live births in urban areas in Iraq. Adolescents and youth have fragmented access to sexual reproductive health services and information. Young people in KRI have more means to obtain information on sexual and reproductive health than young people in the central south through the helpline on adolescents' health, youth networks and youth centres. According to IWISH2 results, 43 % of evermarried women in Iraq have used modern methods of family planning, however, only 12% of married adolescents and youth used contraceptives.

Adolescents and youth have a limited voice, which has led to disillusionment and disengagement, as demonstrated in low levels of civic engagement.⁷⁴ Fifty-five per cent of youth feel that life has deteriorated over the last decade, and only half of young Arabs have confidence in their government in dealing with unemployment, with that number decreasing to 24 per cent in Iraq.⁷⁵ Evidence shows that when young people are empowered to play meaningful roles within their communities and are given

70 World Bank Group, 2020. Iraq Economic Monitor. Available at https://openknowledge.worldbank.org/handle/10986/3474 9#:~:text=Iraq's%20GDP%20shrank%20by%206.8,y)%20

in%20Q2%2D20.

- 71 UNICEF, Ministry of Planning (MoP), Child Poverty in Iraq: An Analysis of Child Poverty Trends and Policy Recommendations for the National Poverty Reduction Strategy 2017-2021.
- 72 The World Bank's Iraq Economic Monitor (-2018).
- 73 UNICEF, Situation Analysis of Women and Children, 2018.

- 74 Iraq Country Report: Evidence Generation: Participatory Action Research (PAR) with Young People in the Middle East and North Africa, UNICEF MENA Regional Office, 2020.
- 75 United Nations Children's Fund Middle East and North Africa Office (UNICEF MENARO), 2017. The Situation for Adolescents and Youth in the Middle East and North Africa: What We Know for Sure, Evidence Brief. UNICEF MENARO. The rise in poverty is more worrying when considering that the social protection system in Iraq remains fragmented and ineffective in addressing needs of the vulnerable and the poor. Before COVID-19, data shows that the various social protection schemes benefited only 20 per cent of the poor.

a sense of purpose, they make positive/healthy choices and transcend violence and discrimination.

4.1.16 Child protection

Violence directed at women and girls within the family is often normalized and legitimized by survivors, perpetrators, and communities by referencing cultural and religious norms. Forty per cent of women and girls aged 15 to 49 are still unfamiliar with the legal provision and their legal rights. sexual violence and exploitation and family violence, persists. Child marriage rate has increased between 2011 and 2018, from 24 to 28 per cent for females aged 20 to 24 married before the age of 18; and from 5.7 to 7.9 per cent for the same age group married before the age of 15.

Movement restriction and the of fear due to COVID-19 have negatively impacted health and well-being, leading to increased child protection risks. There is still no child protection unit or directorate within the Ministry of Labour and Social Affairs, and the juvenile justice system remains retributive rather than restorative.

Gender inequality also persists – families report being more inclined not to seek outside care when a girl is ill (44 per cent) than when a boy is ill (38 per cent). In addition, overall access to basic healthcare remained limited. Even when open, services are frequently of poor quality; a recent Quality of Care survey showed that in camp Primary Healthcare Centres, 54 per cent of patients cited only partial availability of prescribed medications.⁷⁶

4.1.17 Civil society

Civil society organizations (CSOs) have existed in Iraq since its formation as a nation-state in 1921, although they were affiliated with political parties. During the

Coalition Provisional Authority period, there was a resurgence of NGOs/CSOs, as the country dealt with significant political and social upheaval and reform. Iraq is estimated to have as many as 10,000 CSOs, although most are not formally registered.⁷⁷

Some CSOs maintained their independence, though a continued reliance on Government funding and fear of security forces, resulted in many continued CSO affiliations with political parties. Overall, it is widely felt that while civil society has made gains and provides essential partners for international and national actors to deliver assistance, many organizations are aligned to political ideologies. It would be advisable to create an enabling legislative and policy environment for civil society and volunteer groups that impacts their activities, registration, database and relations with the Government.

The allure of funding from donors, either directly or through pass-through arrangements as implementing partners for larger organizations, such as the United Nations, has led to the creation of a large number of small unsustainable organizations that live from grant to grant without always being able to deliver in full capacity. Without standards regarding the most recent issues, such as psychosocial counselling, such organisations may risk causing harm even if they deliver their services with good intentions.

Finally, most NGOs are relegated to service delivery activities, with localized work in advocacy and policy. Research by the National Democratic Institute showed that CSOs face barriers in influencing policy due to "A dismissive, and occasionally hostile, political class; lack of internal focus and structure; and organizational connections to political parties, damaging the sector's desired reputation for independence".⁷⁸ The number of

⁷⁶ HNO, Health, 2019.

⁷⁷ Iraqi Research Foundation for Analysis and Development (IRFAD), 2014. Iraq Civil Society. Available at http://www.irfad.org/iraq-civil-society/.

⁷⁸ National Democratic Institute for International Affairs (NDI), 2011. The Voice of Civil Society in Iraq. Available at https://www.ndi.org/sites/default/files/Civil_Society_Ass essment_Iraq.pdf.

CSOs representing the interests of women in the political sphere has dramatically reduced over the years.

4.1.18 Freedom of the press

Freedom of the press is guaranteed in the Iraqi Constitution, but legal instruments contain vague and unclear terminology that gives space for abusive interpretations. Some older legislations are still enforced, such as the 1968 Publications Law that prohibits insulting the government. The law allows for up to seven years in prison for those found guilty of the offence, but its implementation is arbitrary as it does not define what constitutes an insult.⁷⁹ Authorities also use the 1969 Penal Code that allows journalists to be prosecuted for libel and defamation. While the Constitution explicitly prohibits the establishment of special courts, the Supreme Judicial Council created one to prosecute journalists in 2010. In 2011, a law aimed at protecting journalists entered into force, but had been deemed by many to be ineffective. An article within the legislation that outlaws "an incitement to violence" has been frequently misused by authorities to arrest journalists.

According to the Committee to Protect Journalists (CPJ), 186 journalists have been killed in Iraq since 1992. It is believed that 112 of those were targeted murders and 111 were committed with impunity.⁸⁰ Iraq has featured in the CPJ Impunity Index since its inception, and ranked third on it in 2018.⁸¹ While Iraq has a high number of media organizations, the majority are linked to or funded by different political parties. Trust in the media is low; 75 per cent of the population state they trust television as a source of information, while only 5 per cent trust radio and only 2 per cent trust newspapers and magazines.⁸² Despite support by the civil society, such as the Iraqi Women Journalists Forum formed in 2014, women in the media are often restricted to writing on "women's issues".

While it has been on the political agenda for several years, a draft bill on this issue has yet to be put to the legislature. The draft law and all following amendments still include a clause that would punish a person who uses any information gained in a way that 'adversely affects the country'.⁸³ The interpretation of such a vague and undefined clause is open to abuse of power.

4.2 Current political economy

Elected in May 2020 in the wake of large-scale protests in October 2019, the interim government of Prime Minister Mustafa al-Kadhimi presented a White Paper for economic and financial reform in October 2020. This set out a three-year strategy (2021-2023) to address a wide range of issues, including the financial and banking sector, economic diversification through agriculture sector development, the private sector, basic infrastructure and services, social protection and governance. Some aspects of the White Paper would address factors behind protests that have continued in a limited form since 2019, however, progress has been limited.

- 79 Freedom House, 2021. Freedom of the Press Iraq. Available at https://freedomhouse.org/country/iraq/freedomworld/2021.
- 80 Committee to Protect Journalists, 2019. Journalists killed in Iraq since 1992. [online] CPJ. Available at https://cpj.org/mideast/iraq/.
- 81 Witchel, E., 2018. Getting Away with Murder. [online] Committee to Protect Journalists. Available at https://cpj.org/reports/2018/10/impunity-index-gettingaway-with-murder-killed-justice.php.
- 82 National Democracy Institute, 2011. *The Voice of Civil Society in Iraq.* NDI. Available at https://www.ndi.org/sites/default/files/Civil_Society_Ass essment_Iraq.pdf.
- 83 ICSSI, 2017. Freedom of Expression and Access to Information: The Iraqi Women Journalists Forum Works to Promote Essential Rights. *Iraq Civil Society Solidarity Initiative*. Available at https://www.iraqicivilsociety.org/archives/7493.

A key priority for Kadhimi's government was delivery of early elections, which were conducted successfully in October 2021. However, while the economy gradually recovers from the impacts of COVID-19 and low oil prices in 2020, a stalled post-election government formation process has led to Iraq to enter 2022 without a federal budget which further hampers efforts to address pre-existing social grievances and economic weaknesses.

4.2.1 Economic activities of armed groups outside state control

The war against ISIL left a highly fragmented security landscape dominated by hybrid and informal armed actors. Chief amongst these are groups affiliated with the Popular Mobilization Forces (PMF). Since 2014, the Government made several attempts to regulate and restructure the PMF, from a loose amalgam of non-State armed groups (some affiliated to foreign influences) into a consolidated organization operating under Iraqi state control.

The PMF budget allocation, which is set out in the Federal Budget Law, was \$2.6 billion in 2021, which is more than is being spent on social services such as health or education. Practically, however, the PMF continues to retain political influence, economic clout and access to illicit financial revenues.

The proliferation of arms outside of State control has weakened the Government's authority at the subnational level and further impeded its ability to provide security and services. The lack of State authority in some parts of Iraq has also led to the reinforcement of the informal justice system and a parcelling of the economy, further eroding State legitimacy, and therefore its resilience. ISIL retains the capability to exploit security vacuums, as demonstrated by regular attacks targeting the civilian population and security forces, including a January 2022 attack in which 11 Iraqi soldiers were killed in Diyala Governorate.

4.2.2 Disputed internal boundaries as barriers to trade

The status of the disputed internal boundaries (remains a point of contention, resulting in disagreements over resource issues, considering the vast oil and gas deposits in these areas. These boundaries are also affected by the diverse ethnic and religious communities and the presence of different security actors who may impeded trade, as well as the interests of international actors.

In Kirkuk, obstacles include the lack of agreement on what constitutes a disputed area (Article 140 refers to the oil-rich province of Kirkuk 'and other disputed areas'), and the fact that many of those displaced by the previous campaigns do not want to return to their areas of origin. In Ninewa, tensions continue to play out, especially in Sinjar, with implications for the Yezidi community. Other disputed areas possess fertile lands suitable for agricultural development, such as the Nineveh Plains and the Al-Jazeera region.

4.2.3 Employment

Job opportunities available for youth are more likely to be in the informal sector than the formal sector. Workers in the informal sector often lack formal contracts and social protection. Furthermore, given the lack of stable regulations and effective governance measures, the informal sector lacks the necessary social safety measures that could easily frustrate the youth and lead to a massive protest against any government. It is worth noting that this age group has been the main driver of the recent protests and demonstrations.

In addition to reduced employment prospects for the youth, women, persons with disabilities and IDPs also suffer from some of the highest unemployment rates. The ILO estimates that while female labour force participation in Iraq is low – estimated at 20 per cent – Iraqi women who participate in the labour market are more likely to be under-employed or employed only part-time. Young women in particular struggle to find

employment: In 2021, 65 per cent of young women aged 15 to 24 were unemployed, compared to 23.5 per cent of young men.⁸⁴ According to the World Bank, approximately 27 per cent of IDPs are unemployed, and within that group, the most vulnerable are women and children, 49 per cent of whom are less than 18 years old.

Figure 4. Unemployment rate in Iraq



Source: ILO database, 2021.

Oil is not a labour-intensive industry, and the hydrocarbons sector of Iraq employs only 3 per cent of the workforce in a country where chronic youth unemployment is a constant threat to political stability and state-society relations. Figure 4 shows youth unemployment is very high and will represent a significant challenge for the upcoming government.

4.2.4 Economic challenges

Despite the abundance of human capital and oil wealth, it has been difficult for Iraq to create job opportunities. Job pressures are more than economics; future peace and social cohesion rely on re-establishing a social contract where Iraqis can sustain themselves through gainful employment. Prospects for employment creation are a litmus test for progress on this social contract. While addressing youth unemployment must be a central part of the country's economic reform plan, youth entrepreneurship and industrial development will be two critical methods regarding job creation.

The Ukraine conflict has already had an adverse economic impact on Iraq, which imports 50% of its food supply from global markets. Although the country does not rely on wheat imports from Russia or Ukraine, rising

⁸⁴ International Labour Organization 2019.

global prices have had a spillover effect, and have already triggered public protests. The Ukraine conflict also threatens to impact the delivery of humanitarian assistance, as rising food prices will have to be covered within the same funding ceiling, resulting in fewer food rations available for distribution. Fortunately, the government has the means to avoid food shortages and subsidize commodity prices through its public distribution system due to a windfall in oil revenue, which reached \$11 billion in March, a 50-year high.

4.2.5 The private sector

The private sector potential in Iraq remains underdeveloped. Inhibiting factors for investment and hiring in the private sector include public payroll patronage and the dominance of State-owned enterprises as large employers due to the weakness of the investment climate. Additionally, high public sector wages and guaranteed job security provide little incentive to work in the private sector. Iraq does not provide incentives for private-sector employment or outside investment.

4.2.6 Agribusiness and small and medium enterprises

The country's food and agribusiness sector, including the supply of agricultural inputs, processors, traders and others active along the value chain outside of production, makes a significant contribution to the country's non-oil economy and is an important link in expanding and increasing value added from agriculture.⁸⁵

According to the International Trade Centre (ITC),⁸⁶ each additional investment in the agribusiness sector could

85 Imported demand is estimated at over \$5 billion for selected sub-sectors, including horticulture, animal products and processed food in Iraq.

86 International Trade Centre (ITC) (2021). "Identifying agricultural and processed food products with potential for production and commercialization in Iraq". Unpublished. create around 140-150 jobs in the Iraqi economy. If reforms would allow the agribusiness sector to achieve a stable growth rate of 3 per cent over the next years, this could lead to the creation of more than 170,000 additional jobs by 2030. However, the development of this sector has been constrained by a combination of factors such as conflict and underinvestment. Now it faces the additional burden of the COVID-19 pandemic, the conflict in Ukraine, and its impacts on the economy.

Challenges facing the agribusiness value chain are not limited to farming; the commercialization of agriculture and agro-processed products is hampered by the underdevelopment of the value chain in manufacturing and services, including logistics, storage, processing, digitalization and e-commerce, marketing and quality assurance.⁸⁷ Moreover, worker skills are needed to directly support improvements in productivity and facilitate technological upgrading. Furthermore, the structure and organization of the sector can hinder new and small firms.

4.2.7 Agriculture

Iraq classifies around 16 per cent of its land (7 million hectares) as arable. Of this, six million hectares are rainfed crops or under irrigation. Rain-fed farming is concentrated mainly in northern Iraq, where cereals are the main crops. In central and southern Iraq, where agriculture depends mainly on irrigation from the Tigris and Euphrates rivers and their tributaries, mixed farming systems are predominant. In the central provinces, fruit trees, mainly citrus, are inter-planted in date palm orchards. Vegetables, mainly tomatoes and potatoes, are important irrigated crops More than 64 per cent of cultivated land in Iraq is irrigated.

⁸⁷ According to the International Trade Centre "Iraq agribusiness market research and consumer insights: a technical brief – Report (2022)", Iraqi consumers are concerned about quality, tend to prefer local products and are willing to pay more for local products.

Agriculture is also the largest employer, especially in rural areas. However, the sector has suffered from low productivity, inefficiency and neglect. Poor yields and post-harvest management have made Iraq dependent on imports to meet its domestic food needs, making it a major importer of agricultural products.

Experts anticipate that upstream riparian developments and climate change, among other natural and manmade drivers, will decrease water availability and increase the likelihood of extreme weather events (i.e. drought and floods), thus increasing water scarcity and reducing agricultural productivity.

The backbone of the agricultural sector are the staple crops of wheat and barley, which are key to national food security. Large resources are allocated to support domestic production through subsidization of agricultural inputs (seeds, fertilizer) and outputs (the Government buys produce from farmers at almost twice the world market price), while also the purchased barley is then sold to the livestock sector at subsidized prices. The resources available attract mainly large established farm holdings to grow cereals every year, while alternative crops find little following, as it is difficult to compete with the available subsidies.

Livestock production has been an essential pillar of the Iraqi agriculture sector, representing one third of the total value of the output. Cattle, goats and sheep are the primary livestock in Iraq, supplying meat, wool, milk and skins.

Moreover, there are significant gaps in the institutional capacities within the agriculture sector. Support by the Government and non-governmental and development

88 UN Office of the Coordination of Humanitarian Affairs (UNOCHA), 2018. *Iraq: 2018 Humanitarian Response Plan* – Advance Executive Summary UNOCHA. Available at https://reliefweb.int/report/iraq/iraq-2018humanitarian-response-plan-advance-executivesummary-enar.

89 UN Office for the Coordination of Humanitarian Affairs (UNOCHA), 2018. 2019 Humanitarian Needs Overview. partners can help establish well-developed farmer associations and organizations. In turn, a more robust network would provide collective supplies and offer new approaches that would enable smallholder producers to be more commercially competitive.

As a food security priority, the Government may have to provide agricultural inputs and services to help restore fragile livelihoods and assist returning or vulnerable families.⁸⁸ Efforts to rehabilitate the country's destroyed silos, storage and crop processing facilities, especially in crisis-affected areas, must continue to absorb the local wheat harvest.⁸⁹ Wheat is the backbone of the Public Distribution System helping all categories of beneficiaries; thus, rehabilitation assistance is a priority. However, the current system does not address food insecurity and is expensive to implement, and there are inefficiencies and leakages in the supply and delivery mechanisms.⁹⁰

Agriculture uses 85 per cent of the surface water, making it by far the country's largest consumer. Water losses in irrigation schemes are substantial. By and large, water is conveyed to farming fields through very poorly maintained distribution systems made of earth canals and ditches that suffer significant water losses because of infiltration, seepage, leakage and evaporation. Therefore, reform of these systems and the introduction of new technology and equipment and water management practices are necessary.

A growth strategy for the sector would include diverse elements, including using the country's domestic market as an immediate consumer base to expand production of grain (wheat), fresh fruits and vegetables, dairy products and meat. Exports offer opportunities for

UNOCHA. Available at

https://reliefweb.int/sites/reliefweb.int/files/resources/irq_2019_hno.pdf.

⁹⁰ World Food Programme (WFP), 2018. Iraq Zero Hunger Strategic Review (ZHSR). [online] WFP. Available at https://www1.wfp.org/zero-hunger-strategic-reviews.

agribusiness development, spearheaded by dates and other high-value crops (fresh fruits and vegetables), to the region in the short-term, and to Europe in the medium/long-term. Moreover, the foremost opportunity for creating jobs lies within the value chains further downstream, including the processing of agriculture commodities, as current agribusiness value chains are under-developed, with a low ratio of product processing from primary agriculture.⁹¹

4.3 Oil market dynamics and rentierism

Although oil accounts for 92 per cent of government revenues, its extraction and production represent no more than approximately 1 per cent of total employment, with few links to non-oil activities.⁹² Even though recent developments on the global hydrocarbons markets are favourable for exporters, such as Iraq, the prospects of job creation in the sector is low since it is highly capital intensive.

Over 2021 Iraqi oil sector benefited from increase of oil prices as well as resurgence of demand after the COVID-19 pandemic. Over the medium term, Iraqi oil revenues are expected to gradually increase in line with OPEC production quotas. Expected sanctions on Russian oil following the Russian invasion on Ukraine will further contribute to rising demand and prices of energy commodities extracted in other countries. This will contribute to fiscal and current account surpluses and push the oil revenues well beyond 40% of GDP. This opportunity should be used to invest in better infrastructure as well as in human capital through health and education system. Since the mid-twentieth century, Iraq's oil abundance led to the neglect of other sectors of the economy. The need to diversify is particularly crucial considering the colossal task of rebuilding the areas destroyed by conflict. Although oil revenues enabled the rapid expansion of the public sector, they did not create enough jobs to absorb new entrants into the labour market, nor did they address the high rate of unemployment, which stood at around 14 per cent in 2020 and was pushed beyond 23 per cent following the COVID-19 pandemic. Iraq expects that non-oil economic growth will benefit from increased investment for reconstruction, but higher non-oil growth will be short-lived in the absence of structural reforms.⁹³

Even though the price of oil has recently increased to the levels not seen for a long time, its fluctuations pose a significant threat for Iraqi budget. The public sector revenues of Iraq are among the most oil-dependent in the world. In 2020 and 2021, the share of oil revenues is estimated at around 93 per cent of total government revenues (figure 5). With these number in mind and estimated 52 per cent of total revenues spent on public sector salaries, such dependence presents significant threat for the sustainability of public finances. Recent efforts to boost non-oil revenues through directives on customs and tax administration reforms are steps in the right direction, but with just 3.4% of GDP non-oil government revenues, Iraq is well behind other Arab and UMIC oil-exporters.

The oil and gas sector will remain a driving force in the Iraqi economy for the coming years. Iraq possesses one of the largest proven oil reserves and the largest proven gas

91 World Bank, 2020 *Iraq Economic Monitor*. Available at https://openknowledge.worldbank.org/handle/10986/347 49#:~:text=Iraq's%20GDP%20shrank%20by%206.8,y)%20in %20Q2%2D20. 37593726857/pdf/lraq-Economic-Monitor-The-Slippery-Road-to-Economic-Recovery.pdf

93 World Bank Group, 2018. Jobs in Iraq: a primer on job creation in the short-term. Available at http://documents1.worldbank.org/curated/en/25511152 9495871846/pdf/Jobs-in-Iraq-a-primer-on-job-creationin-the-short-term.pdf.

World Bank Group, 2021. Iraq Economic Monitor. Fall
 2021. Available at https://documents1.worldbank.org/curated/en/9810716

deposits in the world.⁹⁴ Leveraging on these reserves, would however require significant investments, as the Iraqi oil industry is entering a new phase of production, one that is more expensive and complex than the upstream development of the past decade. A growing number of fields are entering the secondary recovery stage, which requires the sourcing of more water to sustain reservoir pressure. Irag currently needs approximately 1.3-1.5 barrels of injected water for every barrel of oil extracted, which places considerable strain on its ecological resources, with knock-on effects on water supplies and agriculture. The broader operational focus is now shifting to more complex reservoirs, which

are more costly to exploit. Domestic and regional security concerns, in addition to political uncertainty, could jeopardize the prospects of such mega-projects and increase the difficulties associated with investing in Iraq.95

Over the longer run, the important determinant of the country development path is climate change challenge. Desertification and water shortages are ones that have already materialized. In addition to that, the green transition over the world could lead to fall in demand and prices of oil. Excessive gas flaring as well as abundance of solar energy pose opportunities for the country to reduce its reliance of oil export and diversify the economy.

Figure 5. Iraq's government budget, 2018-2023



Source: The World Bank (2021)

94 Organization of the Petroleum Exporting Countries (OPEC), 2018.

95 Ahmed Mehdi, "Iraqi Oil: Industry evolution and short and medium-term prospects", The Oxford Institute for

Energy Studies, OEIS Paper 79, Oct. 2018. Available at https://www.oxfordenergy.org/wpcms/wpcontent/uploads/2018/10/Iraqi-Oil-industry-evolution-andshort-and-medium-term-prospects-WPM-79.pdf, p. 4-6.

4.4 Economic transformation

Resilient, inclusive and sustainable growth in Iraq will require economic diversification through the development of the non-oil economy and the private sector for job creation and enhanced productivity. In addition, digitalization and improved governance will be among other critical approaches that are likely to play an important role in supporting economic transformation, export development and trade policy reform.

Job creation has been a priority, but also an enormous challenge for Iraq. There has been a continuous increase in the number of employees in the public sector which results in a significant increase in government spending on salaries and wages. The current economic structure undermines the private sector's role as the main engine of job creation, and hence needs to be prioritized in any new reform plan.

In addition to security and related challenges, Iraq suffers from an overwhelming lack of access to credit, high entry and exit barriers to starting a business and a slow and ambiguous legal and regulatory system. Prolonged conflict and infrastructure underdevelopment mean that firms often suffer from unreliable essential services, including water, electricity, sewage and telecommunications. In 2018, the total cost of reconstruction and recovery was estimated at \$88.2 billion, most of which remains unfunded. Industry, commerce and agriculture were the most severely damaged productive sectors, while infrastructure in the power, oil and gas sectors sustained the most severe damages. Within the social sector, the World Bank's Damage and Needs Assessment report of 2018 found that housing, social protection, employment and livelihoods were severely impacted.

Faster productivity growth, particularly in the non-oil sector, is critical to economic diversification. By economic activity contributing to GDP, the commodities

activities ranked first with a contribution of 55.4% of GDP in the first half of 2021, the distribution activities came in the second rank with a contribution of 20.7%, while the service activities ranked third with a contribution of 23.7%, according to the Ministry of planning.

The poor private investment climate has also contributed to the proliferation of small-scale economic activities in the informal economy, which has not received adequate attention at the policy and decisionmaking level in Iraq. Effective formalization strategies, in most of the cases, combine interventions to increase the economy's ability to absorb informal economy workers and enterprises, as well as to strengthen the ability of individuals and enterprises to enter into the formal economy.

Digitalization has the potential to support economic transformation in Iraq by improving access to information, lowering transaction costs and improving access to new markets. Remote work, online platforms and e-commerce have demonstrated their importance, particularly during the pandemic. Gaps remain in the use of these tools, however; in 2018, 25 per cent of the population of Iraq did not the Internet. Improvements in



infrastructure, access to technology and digital skills are needed to harness the potential of digital technologies.

Transformation would require going beyond investing in neglected sectors. The Government of Iraq should also reduce its footprint on the economy by cutting back on public wages and follow through on other much-needed transformations. A holistic approach would tackle corruption and foster institutional reform.

4.5 Elections and the democratic process

On 10 October 2021, Iraq held elections to the Council of Representatives. The elections were conducted ahead of the constitutional deadline in response to widespread public calls in October 2019 for more inclusive representation, accountability and good governance.

The Council of Representatives passed legislation in December 2019 mandating an organizational restructuring of the Independent High Electoral Commission and adopting a single non-transferable vote system and smaller constituencies. Subsequent legislation was passed to delineate electoral districts, complete membership of the Federal Supreme Court and allocate a budget for electoral preparations.

Following a period of candidate registration and vetting process, IHEC certified the final list of 3,249 candidates, including 951 women (29 per cent). Overall, 21 coalitions presented 959 coalition candidates, 167 parties presented 1,501 candidates, while 789 candidates ran as independents. Out of 22.1 million voters in the final voter list, a total of 9.6 million voters voted on election day and on the advanced special voting day that took place 48 hours to E-day. This translates to a voter turnout of 43.54%.

The final results announced by the Commission on 30 November showed that women had won 95 seats, 12 more than the minimum quota of 83 seats (25 per cent of seats) specified in the Constitution. The Federal Supreme Court of Iraq eventually ratified the results on 27 December 2021, after ascertaining that all complaints and appeals have been addressed by the IHEC and the Election Judicial Panel.

For the 2021 CoR elections, IHEC implemented several measures that improved the efficiency, outreach and transparency of the elections. These included mechanisms for auditing the election IT systems and for speedy and more accessible announcement of results.

IHEC also took steps to intensify its outreach to educate and motivate voters to participate in the elections. The elections is thus seen as a better organized elections as compared to earlier Iraq electoral processes.

Moving forward, IHEC and UNAMI engaged in a lessonslearning process after the elections, with the aim of harnessing lessons, identifying recommendations and implementing capacity development activities as part of deepening reforms to improve electoral processes and institutions. That learning exercise took place in March 2022 with a total of 134 recommendations identified for implementation. The Electoral Support project being implemented by UNAMI, with UNDP support, is now focused on implementing capacity development activities in line with these recommendations. The areas of focus include, legal, public outreach, improved electoral operations (including training, logistics, IT, field coordination and procurement), and election security.

4.6 Health system in Iraq

4.6.1 Background

The health system in Iraq has been exposed to exceptional challenges and damages in the past two decades. Infrastructure has been damaged and many of the skilled health professionals have fled the country leaving behind a population with inadequate access to the basic health care services they need. The country is facing complex challenges and still recovering from long periods of conflict and political turmoil. Over the past decade, Iraq has witnessed some improvements in its health outcomes, despite the conflicts.

The ministry is committed to a primary health care (PHC) system based on family practice. Therefore, increasing the number of family physicians is currently a priority and needs to be accelerated to support PHC service delivery.⁹⁶ The essential package of services for primary care was developed in 2008, and reviewed and updated in 2016, yet an essential package for secondary and tertiary services is still needed. The MoH highlights PHC as a priority as it is the core of health service provision within an integrated health service delivery system, yet PHC facilities are inequitably distributed, with large differences between and within governorates. Operational rules, regulations and performance standards are either absent or outdated and poorly implemented. There is one PHC centre for every 10 000–45 000 people, 12 hospital beds per 10 000 population, and 9.68 physicians and 22.4 nurses/midwives per 10 000 population.⁹⁷

The MoH of Iraq has 10-year National Health Policy (2014–2023) and a 4-year National Health Strategic Plan (2018–2022). While modernization of the public sector remains a top priority, limited focus on good governance is affecting the implementation of laws, provision of services and effective management of the country's resources (1).

On 24 February 2020, Iraq recorded its first COVID-19 case in the country. This followed the WHO declaration of SARS-CoV-2 as a Public Health Emergency of International Concern on 30 January 2020. The COVID-19 pandemic presented unprecedented challenges to Iraq, requiring the Iraqi Government to respond quickly amidst significant disruptions within the health care system, which was already struggling from previous armed conflicts and other economic sanctions that further disrupted economic activity and livelihoods. In response to the pandemic, Iraq instigated a total lock down including closing all its borders for more than 1 month. These measures included restrictions on commercial activity as well as civilian movement across the country, and at international airports and points of entry. $\ensuremath{^{98}}$

4.6.2 Health status

Life expectancy at birth in Iraq was reported at 71.5 years in 2020 compared with 73 years globally.

Iraq is progressing slowly towards achieving the SDG targets on reducing the premature mortality from noncommunicable diseases (NCDs) by a third by 2030 relative to 2015 levels, and by 2020 to halve the number of global deaths and injuries from road traffic incidents. In 2020, mortality from NCDs in Iraq was reported at 610.8 deaths per 100 000 population compared with 611.7 per 100 000 in 2015. Mortality from road traffic injuries increased from 61 deaths per 100 000 population in 2020. In the same year, mortality in Iraq from communicable diseases was reported at 44.6 deaths per 100 000 population, close to the rate in Egypt, Libya, Saudi Arabia and Syrian Arab Republic.

Slow progress has also been seen in meeting the SDG target of reducing by one third premature mortality from NCDs through prevention and treatment and promoting mental health and well-being. Negligible changes in the probability of dying between 30 and 70 years from any of the four main NCDs (cardiovascular disease, cancer, diabetes or chronic respiratory disease) in Iraq between 2016 (24%) and 2020 (23.5%). In 2019, Iraq reported suicide mortality at 4.74 deaths per 100 000 population. The regional rate was reported at 6 deaths per 100 000 population which is lower than the global rate of 9 per 100 000 population.

No progress has been achieved in meeting the SDG target of ending epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combatting

https://apps.who.int/iris/handle/10665/325488.

March 2019. Available at:

97 WHO (2019). Joint external evaluation (JEE) of IHR core capacities of the Republic of Iraq: mission report: 12-17

98 WHO (2021). Iraq Country Office Annual Report.

⁹⁶ WHO. The global health observatory, 2020. Available at: https://www.who.int/data/gho/data/indicators.

hepatitis, waterborne diseases and other communicable diseases. With the exception of malaria, which was reported at 0 new cases per 100 000 population in 2020, Iraq reported and incidence of HIV of 0.52 cases per 100 000 population of tuberculosis for 7 per 100 000 population and of hepatitis B of 1.43 per 100 000 population.

4.6.3. Health system response

The government health expenditure was reported at 7.6% of the general governmental budget in 2020, which a little higher (for covid response) than 2019 where the percentage was reported at 6%. In comparison, the general government health expenditure was reported at 13% of the general governmental budge in Jordan in 2019. Financing health system in Iraq needs a lot of investment.

There were only modest changes in the availability of physicians, nurses and midwives in Iraq between 2015-2020. The ratio increased from 7 to 9 per 10,000 population. Iraq is among seven countries of the eastern Mediterranean Region that are experiencing a critical shortage of health workers, with a ratio of physicians, nurses and midwives below 23 per 10,000, while about 40% of countries are below the threshold level of 44.5 physicians, nurses and midwives per 10 000 population needed to advance UHC. A workforce strategy for health is not in place. Iraq has a unit that manages continuous training for health workforce; however, the selection of areas for training and the modality of training is not informed by comprehensive risk assessment.

In health facilities, each service is managed independently of other closely interrelated services. Most of the data come from the various programmes that operate concurrently with a vertical management

 99 WHO (2019). Comprehensive assessment of Iraq's health information system 2019. Available at: https://applications.emro.who.int/docs/9789290223160eng.pdf information system. The service delivery systems and sub-information systems are fragmented.

There is no e-health in Iraq. In a comprehensive assessment of Iraq's HIS in 2019, it was found that the current components of the HIS only have about 24% of the attributes of a functioning HIS. To a large extent, subsystems of the HIS are not interoperable (exchanging information) nor are they integrated into the health management information system.⁹⁹ Recently, important steps have been taken to strengthen the national HIS at various levels.

The MoH in Iraq has a central system for procurement of medicines and medical equipment and other needs through the State company for marketing drugs and medical appliances (KIMADIA). Usually, the procurement process is lengthy and results in delays in meeting the provisions for routine services. Several public health events and emergencies, including the COVID-19 pandemic, have occurred in the country and necessitated the procurement of additional medical countermeasures. KIMADIA has a fast-track system in place to expedite the procurement process, and this was helpful for the procurement of COVD-19 polymerase chain reaction (PCR) tests and different medicines needed for case management at the beginning of the pandemic.

However, the Iraqi pharmaceutical sector has several challenges.¹⁰⁰ These include procurement procedures, quality testing, and sustainable local production.

Based on the scores collected from the joint external evaluation of the IHR capacities that was conducted in 2019, the average score of Iraq is 47% compared with a regional average score of 60%. The country capacity for prevention health emergencies was scored at 54%. Iraq capacity to detect and respond to health emergencies

¹⁰⁰ Pharmaceutical regulations in Iraq: from medicine approval to post-marketing. Available at: http://www.emro.who.int/inpress/reports/pharmaceutical-regulations-in-iraq-frommedicine-approval-to-post-marketing.html

was much lower. These capacities scored at 45% and 47% respectively.

Projection of needs with the impact of COVID-19 is likely to extend several years beyond 2021. An Expanded Programme on Immunization ought to be supported to ensure quality and quantity of COVID-19 vaccinations of the Iraqi population, including prioritization based on risk assessments. Concerted efforts should focus on mitigating the risks for future epidemics and outbreaks and build resilience of health systems in preparedness and response. Strengthening health systems is key for a full functional and operational universal health coverage in Iraq.

4.7 Environment and climate change

Iraq's environment has been subject to several pressures stemming from population growth, which has contributed to economic stress, political challenges, and pressure on the country's ecological and natural resources. Increasing demand for water, coupled with poor hydro-management, climate change, protracted conflict, severe environmental degradation due to weak institutional frameworks and policies, as well as natural and human made factors, are all pushing Iraq close to absolute water scarcity, where 18 per cent of the people live in water-scarce areas.¹⁰¹

Iraq greatly relies on its water resources in the Tigris and Euphrates rivers as a surface water resource, and several productive groundwater aquifers. The Euphrates-Tigris basin represents a vital source of socio-economic development for 54 million people in one of the world's most water-scarce regions.¹⁰²

During the past 30 years, Iraq has shifted from being a water-secure to a water-stressed country due to a combination of factors, including:¹⁰³

- Neighboring countries' development projects upstream from the Tigris-Euphrates, affecting quality and quantity of the water flow.
- Centralized and complicated governance of water, together with inadequate regulatory framework and enforcement.
- Reduced water use efficiency, with a staggering 75 per cent used in irrigation.
- Seventy-five per cent of central and southern Iraq under irrigation affected by salinity.¹⁰⁴
- Water contamination due mainly to untreated municipal and industrial wastewater discharge.

Extreme weather events, including prolonged droughts and shortage in rainfalls have become the norm rather than the exception in over the past four decades. Recent analysis of climate impacts shows that Iraq will suffer from increasing temperatures, intense heat waves, variable annual rainfall with increased intensity, and decreased runoff and sea-level rise in the Gulf.

101 Water Scarcity Clock. Available at https://worldwater.io/?utm_source=google&utm_medium =search&utm_campaign=WaterscarcityData&campaignid =6444167483&adgroupid=77198318295&adid=3768084 82554&gclid=CjwKCAjwgbLzBRBsEiwAXVIygMsNa_ 96jBe7oUaxRWue4Rduxb7QsZRPITCP1oBDbuuI5yomf WZhrxoCANkQAvD BwE 103 Radhwan K. Abdulhaleem, "Water Research Consultancy in southern Iraq", Final Report to IOM-FAO Project, May 2019.

¹⁰² Pasqua, Irene. "The Euphrates-Tigris Basin : A Fragile Geopolitical Landscape", ISPI, February 2020. https://www.ispionline.it/en/pubblicazione/euphratestigris-basin-fragile-geopolitical-landscape-25168

¹⁰⁴ Waters of the Tigris and Euphrates Rivers contain large amounts of salts. Flooding, poor irrigation practices, and intrinsic location characteristics, such as a high water table and poor surface and subsurface drainage, tend to concentrate the salts near the surface of the soil. This results in salinity intrusion, which reduces soil quality and leads, in some cases, to plant mortality.

While Iraq ranks 130 out of 181 countries in the Notre Dame Global Adaptation Initiative (ND-GAIN) Index that measures climate vulnerability (with a ranking of 1 being the least vulnerable), Iraq ranks as the 16th least ready country.¹⁰⁵ According to the Iraq National Adaptation Plan (NAP), the primary climate-risks factors are likely to be from extreme heat/humidity combined with changes in extreme rainfall as well as the threat posed by sea level rise and related saltwater intrusion. By 2050, the southernmost districts of Iraq, including the secondlargest city, Basrah, could be partially submerged as a result of rising sea waters.¹⁰⁶

As expected, environmental stress has contributed directly to political instability. Water shortages and increases in water salinity were the immediate triggers for the mass protests in Basra in 2018 and started to raise tensions among local communities. In the north of Iraq, the devastation of water scarcity on the agricultural sector facilitated terror recruitment amongst destitute farmers searching for alternate sources of income.¹⁰⁷

As Iraq moves forward, there is a need to address the management and protection of its natural resources and implement disaster risk management strategies that are key to economic revitalization, social well-being and cohesion for the future of Iraq as a whole.

4.7.01 Environmental restoration

The changes in Iraq's climate and environment are at a critical level, which affects the implementation of the sustainable development agenda 2030 and has daunting

implications for livelihoods of people. Land degradation and loss of biodiversity pose significant threats to the socioeconomic and environmental well-being of Iraq. World Bank data from 2018 estimates land degradation at 26 per cent. Iraq suffers from increasing rates of desertification and soil erosion due to the combined impact of climate change, unsustainable farming practices and freshwater use, and the increased occurrence and severity of droughts, heatwaves, dry spells, and dust storms

However, the Government of Iraq is acting on this by identifying environmental restoration as a priority. As such, the government declared Teeb a protected area in early 2022 and is in the final stages of declaring a second area, Dalmaj. The National Protected Areas Network will be expanded through a GEF-funded and UNEP implemented project focusing on biodiversity conservation and land degradation neutrality.

4.7.02 Climate change

Iraq's location as a riparian country in an arid and downstream region makes it particularly exposed to several hydrological, meteorological, and climatological threats.¹⁰⁸ Upper riparian countries also have intensified their efforts to construct large dams over the past decade, which will have significant adverse impacts downstream.

Projections suggest that Iraq will suffer from severe climate change impacts.¹⁰⁹ Between 1970 and 2004, the annual mean temperature increased by one to two

105 Ministry of Foreign Affairs of the Netherlands, "Climate Change Profile, Iraq", April 2018.

106 Kulp, S.A. and Strauss, B.H. (2019). New elevation data triple estimates of global vulnerability to sea-level rise and coastal flooding. Nature Communications, Vol. 10, Art no. 4844 (2019). Available from https://doi.org/10.1038/s41467-019-12808-z (accessed December 2020).

107 Peter Schwartzstein, "Climate Change and Water Woes Drove ISIS Recruiting in Iraq", National Geographic, 14 November 2017. Available at https://www.nationalgeographic.com/news/2017/11/climat e-change-drought-drove-isis-terrorist-recruiting-iraq/.

- 108 UNDP. "How Law and Regulation Support Disaster Risk Reduction: Iraq Country Case Study Report". June 2014, http://www.undp.org/content/dam/undp/library/crisis prevention/UNDP+CPR_DRRLaw_Iraq.pdf
- 109 United Nations Economic and Social Commission for Western Asia (ESCWA) and others, 2017. Arab Climate Change Assessment Report – Main Report. Beirut.

degrees Celsius.¹¹⁰ Temperatures in Iraq are rising up to seven times faster than the global average. Average temperatures are expected to have risen by at least 2°C by the year 2050 compared to the average during the 1995-2014 period.¹¹¹

By 2050, based on a 1°C temperature increase scenario, annual precipitation is expected to decrease by 10% and cause a 20% reduction in available freshwater. Droughts have been recurrent in 1970–2013, with the most severe events occurring in 1998–99 and 2008–09. In those periods, droughts covered approximately 87 % and 82 % of Iraq in those periods respectively.¹¹² The southern and central parts of Iraq have witnessed more frequent, but shorter droughts, while the most severe and longer events have been recorded in the north-east.

Prolonged drought has also taken a toll on rain-fed crops in the north. Variable precipitation, particularly during the wet season (October-May), whereby mean annual average rainfall is expected to decrease by up to 11 per cent by mid-century, coupled with increased rainfall intensity, can compound adverse impacts on agriculture. Localized runoff to recharge aquifers may decrease up to five per cent annually, resulting in more prolonged and severe droughts, which may further result in climateinduced displacement.

4.7.03 Air pollution

Iraq suffers from high levels of air pollution caused by a variety of factors, including the use of low-quality fuel in transport, power generation and the industrial sectors; a significant increase in the number of personal cars in

110 K4D Helpdesk, 2018. Environmental Risks in Iraq. [pdf] UK Department for International Development. Available at

111 International Committee of Red Cross. "Iraq's perfect storm – a climate and environmental crisis amid the scars of war", July 2021. https://reliefweb.int/report/iraq/iraqs-perfect-storm-climate-and-environmental-crisis-amidscars-war the last decade or so; the absence of an adequate public transport system; emissions from industrial facilities; and open burning of waste due to a lack of sufficient waste management facilities and services.

Continual flaring of associated and natural gas in oil fields leads to high levels of emissions that contribute to a deterioration of air quality. Currently, Iraq is flaring around 40 per cent of the natural gas that it produces, releasing approximately 20 million tons of carbon dioxide per year to the atmosphere.¹¹³ Strategies focusing on control and prevention of air pollution from these sources will improve the air quality in Iraq.

4.7.04 Sand and dust storms

Iraq is one of the countries in the region most vulnerable to sand and dust storms. One of the main reasons behind the development of sand and dust storms is the climatic changes within the region, especially the decrease in the annual rate of rainfall in the west, and other environmental changes, such as drying of the marshes, land degradation, and desertification.

The country is witnessing a significant increase in the frequency of these sand and dust storms. During the period 1951-1990, Iraq experienced on average 24 days of dust storms per year, but by 2012, there were 283 dusty days, and it is estimated to hit 300 days in the next 10 years according to the Iraqi Ministry of Environment, with significant adverse implications for human health as well as crops and infrastructure.

- Hameed, M., Ahmadalipour, A. and Moradkhani, H.
 (2018). Apprehensive Drought Characteristics over Iraq: Results of a Multidecadal Spatiotemporal Assessment. Geosciences, Vol. 8, Issue 2 (2018), pp. 58. Available from https://doi.org/10.3390/geosciences8020058 (accessed December 2020)
- 113 World Bank Group, 2017. Iraq Systematic Country Diagnostic. Available at http://documents1.worldbank.org/curated/en/5428114872 77729890/pdf/IRAQ-SCD-FINAL-cleared-02132017.pdf

https://assets.publishing.service.gov.uk/media/5b3b63a3e 5274a6ff466faa5/Environmental_risks_in_Iraq.pdf.

By mid-2022 there were already ten major dust storms recorded, some causing the airports in Baghdad, Erbil, and Najaf to shut down temporarily while hospitals were overwhelmed with thousands of patients suffering from respiratory ailments. Transport and commercial activities were suspended, and many crops were impacted.

Some mitigation measures that Iraq should pursue include reducing disturbances of the soil surface, soil conservation and rehabilitation, increasing water use efficiency, and planting green belts around cities.

4.7.05 Water resources

The issue of water is steadily deepening in Iraq due to 2.3%¹¹⁴ population growth, an increase in economic and urban development, and reduction of water flow in the Tigris and Euphrates by 29% and 73% respectively.¹¹⁵ This issue caused many challenges, including soil salinity, the loss of productive cropland, and negative impacts on manufacturing.

The threats of water shortages can be attributed to internal and external factors. Externally, the water policies of neighbouring countries, of which Iraq is dependent on, combined with the lack of international agreements, as well as the expanding development of irrigation projects by these countries, all contribute to this critical matter. The lack of transboundary water agreements with riparian states makes Iraq particularly vulnerable to upstream damming in neighbouring Turkey and Iran.¹¹⁶ Internally, Iraq lacks proper water resource management and adequate regulations for water usage. It also has weak enforcement and deteriorating water networks, which alongside the lack of water and sewage treatment facilities, all contribute to the deepening of the country's water crisis.

The damage caused by ISIL has severely impacted the water sector. Damage to barrages, pumping stations, water bridges, dams, dikes, and levees, are estimated at a value of IQD 134 billion, or \$115 million.¹¹⁷ Public spending on the water sector increased rapidly between 2007 and 2012, and the average annual public expenditure on water, as a proportion of total federal spending in 2012, was almost four per cent, the equivalent of 1.8 per cent of GDP.¹¹⁸

4.7.06 Chemicals and waste

Improper waste management practices will not only pollute land, air and water, but will also impede the provision of public health necessities, such as clean water and air and safe food. These practices disproportionally affect vulnerable groups, such as recent migrants, unemployed, disabled elderly persons and women and children. At the national level, municipal solid waste generation increased from 11.4 million tons in 2010 to 14.9 million tons in 2016. Only 64 per cent of this waste is collected. Besides, the country is also generating more than 9,000 tons of industrial waste every year. This is also lost economic opportunities that may have been generated from waste prevention, efficient resource use and recycling.

114 World Bank data – Population Growth (annual %).

115 UNICEF – Running Dry: Water Scarcity threatens lives and development in Iraq

¹¹⁶ Arab Center for the Studies of Arid Zones and Dry Lands (ACSAD) and United Nations Economic and Social Commission for Western Asia (ESCWA). 2021. Impact of Climate Change on Shared Water Resources in the Euphrates River Basin. RICCAR Technical Report 11, Beirut. E/ESCWA/CL1.CCS/2021/RICCAR/TECHNICAL REPORT.11.

¹¹⁷ World Bank, 2018. Iraq Reconstruction & Investment: Damage and Needs Assessment of Affected Governorates. Available at https://openknowledge.worldbank.org/bitstream/handle/109 86/29438/123631.pdf?sequence=4&isAllowed=y.

¹¹⁸ World Bank Group, 2017. Iraq – Systematic Country Diagnostic. Available at Diagnostic. Available at http://documents1.worldbank.org/curated/en/54281148727 7729890/pdf/IRAQ-SCD-FINAL-cleared-02132017.pdf.

Since the establishment of the Ministry of Environment, the Government of Iraq made considerable efforts to mitigate impacts of hazardous waste and harmful substances. The Ministry established a department to work on chemical management, including a Chemicals Synergies Committee, and initiated many directives and regulations throughout the lifecycle of chemicals. In addition, Iraq is also a party to major multilateral environmental agreements (MEAs) related to chemicals and waste such as Stockholm and Minimata Conventions. Implementing these MEAs and operationalizing a holistic approach for waste management are vital challenges for environmental management in Iraq.

4.7.07 Environmental impacts of conflict

Military operations and sabotage and looting of oil and mining facilities, military-industrial sites, chemical and pharmaceutical facilities, power plants and nuclear research facilities were signal features of conflicts since 2003. Oil well fires, stockpiles and munitions disposal sites, depleted uranium (DU) and other toxic remnants of war (TRW), and military scrap metal (containing PCBs, heavy metals, asbestos, DU and mineral oils) have all created a toxic environment at the local level in many conflict-affected areas. This led to the direct exposure of civilians to poisonous and sometimes radioactive materials and contaminated soil and groundwater and will likely have a long term environmental and public health impact.¹¹⁹

A major environmental problem created by the ISIL conflict is massive quantities of debris, not only in major

119 Toxic Remnants of War Project, 2014. Pollution Politics: Power, Accountability and Toxic Remnants of War. Toxic Remnants of War Project. Available at https://ceobs.org/wpcontent/uploads/2018/01/WEB_READY%E2%80%93TR W_Pollution_Politics_Report.pdf.

120 In 2018, 118,000 residents of Basra province were hospitalized with symptoms brought on by drinking contaminated water. Source: Human Rights Watch. "Basra urban centres such as Mosul, Kirkuk and Ramadi, but also in secondary towns and villages in Ninewa, Anbar, Salah El-Deen, and Diyala governorates. Over 55 million tons of debris were created by the conflict. For example, in Mosul city alone, it is estimated that the conflict created around 8-10 million tons of debris. The International Organization of Migration (IOM) cites destroyed houses as the most critical obstacle for the return for the estimated 1.5 million displaced persons in the country.

In Kirkuk, the United Nations Environment Programme (UNEP) has initiated a pilot programme, with the help of UNAMI's Development Support Office and IOM, that demonstrates the potential for debris recycling by applying a circular economy to the problem and transforming the colossal volumes of rubble that currently litter the city into part of the solution. This pilot programme facilitates safe returns of IDPs and generates livelihood opportunities through cash for work projects and promotes better environmental stewardship.

4.7.08 People and the environment

While over 85% of Iraqis have access to safe drinking water, it is estimated that up to 70% of Iraq's industrial waste is dumped directly into water, leaving three in five Iraqi children without a reliable and safe source of potable water.¹²⁰ In 2013, only 77 percent of the Iraqi population had access to improved drinking water sources in rural areas.¹²¹ Marsh Arabs, a historically marginalized community of about 20,000 people,¹²² are particularly exposed to serious health and

Is Thirsty: Iraq's Failure to Manage the Water Crisis", July 2019

- 121 UN Iraq. "Water in Iraq Factsheet", March 2013 https://reliefweb.int/sites/reliefweb.int/files/resources/W ater-Factsheet.pdf
- 122 Following the 1991 Gulf War, thousands of Shi'ite rebels took refuge in the Marshlands. Saddam Hussein drained the marshes and exposed their hiding place. Source: UNEP.
 "Iraq's Marsh Arabs more optimistic after World Heritage status", November 2016 https://www.unep.org/news-and-

environmental risks caused by saline or polluted groundwater.¹²³ Population growth, water mismanagement, damming projects in upstream Euphrates and Tigris riparian states, and high levels of water pollution further compound the effects of climate change on water scarcity and security.

While conflict remains the primary cause of displacement in Iraq – 6 million people were internally displaced during the fight against ISIL and around 1.2 million remain in a protracted state of displacement – climate-related disasters have forcibly displaced at least 140,000 people between 2010 and 2020.¹²⁴ Climate change also has a profound effect on the living conditions of displaced communities, irrespective of the cause of displacement, and reduces their chances of returning to their homes.

4.7.09 Towards a green economy

Iraq is a rentier state, heavily dependent on fossil fuels as the main source of revenue and power. This dependency has resulted in extensive damage to the environment and public health, from limiting the supplies of drinking water to pollution caused by extraction gas flaring.

After joining the Paris Agreement, Iraq started seeking ways to diversify its energy sources to fulfil its Nationally Determined Contribution commitment (lowering emissions by 14% by 2035).¹²⁵ This includes Iraq's intention to meet 10% of its energy needs from renewable sources by 2028. This transition can have a positive socio-economic impact and can shift the country towards a greener economy.

4.7.10 Environmental governance

Since the 1972 Stockholm Conference on the Human Environment, Iraq has enacted more than 60 environmental policies and laws. The protection of the environment was inscribed in the Iraqi Constitution of 2005, and subsequently Law 37 on the Ministry of Environment (2008) and Law 27 on Environmental Protection and Improvement (2009) were passed.

Iraq's National Development Plan 2018-2022 identified several challenges facing environment in Iraq including lack of proper policies and legislation that provide the institutional framework attentive to these challenges.

Recognizing the need to develop an integrated environmental strategy for Iraq, the Ministry of Environment launched the National Environment Strategy and Action Plan (NESAP) in 2013 as well as the first State of Environment and Outlook Report in 2014, which are now being updated. Iraq also prepared a National Biodiversity Strategy and Action Plan (2015-2020) designed to spread knowledge and awareness about biodiversity and sustainable use of its natural resources by 2050, under the Convention on Biological Diversity.

Since 2001, Iraq accessed, signed, or ratified 16 Multilateral Environmental Agreements (MEAs) related to climate change (UNFCCC, Kyoto Protocol, Paris Agreement), biodiversity (CBD, UNCCD, Biosafety, Ramsar, CITES & CMS), chemicals (Basel, Stockholm, Rotterdam, Minamata).

The government has recently ratified the Paris Agreement and is in the process of developing the National Adaptation Plan on climate change. Iraq is also in the final stages of updating its NDCs and is

stories/story/iraqs-marsh-arabs-more-optimistic-afterworld-heritage-status 124 Global Internal Displacement Database (IDMC). https://www.internal-displacement.org/ 125 https://unfccc.int/NDCREG

123 UNEP. "Assessment of Environmental Hot Spots in Iraq", 2005.

https://postconflict.unep.ch/publications/Iraq_ESA.pdf

applying for a significant amount of climate related finance from the international community.

5. Common Country Analysis: Key Findings

5.1 Social cohesion

Iraq needs to build human capital while also providing social protection, promoting inclusion and strengthening social cohesion.

At the upstream level, there is a need to reform the social safety net/social protection system to address the needs of vulnerable populations in Iraq and enhance coordination across all social protection instruments. To ensure effective use of resources, it is necessary to move away from regressive subsidies and benefits. Reform should aim at ensuring broad coverage of poor and vulnerable groups that are most at risk of being left behind, providing them with predictable and regular income support, as a foundation for a solid social protection floor.

It is also critical to extend a comprehensive social insurance package to a larger share of the workforce, particularly to private sector workers, including those in the informal economy. This would better integrate social security regimes for private and public sectors to facilitate labour market mobility and formalization and to enhance medium-term financial sustainability of the social protection system.

Another element of this process is the need to create space for youth, women and other marginalized segments of the population, such as those affected by displacement, whose voices are not heard in decisionmaking processes that impact their lives. This includes peacebuilding, economic empowerment and opportunities, volunteering opportunities and access to basic services essential for their safety, dignity and quality of life. From a protection standpoint, it also includes services to those who have suffered trauma during the conflict, and protection against violence based on gender, ethnicity, religion or age.

Building human capital requires a people-centred and inclusive approach that recognizes and embraces diversity and the unique contributions, capacities and potentials everyone brings to the successful development of the family, community and country. Reforms to relevant legislation, policies and mechanisms that ensure inclusive governance can be achieved through enhanced partnerships between the State and civil society, an enabling environment for civil society and volunteer groups to contribute to social cohesion, an improved adherence to international obligations, such as CEDAW and those related to Children in Armed Conflict, as well as other frameworks to which Iraq is signatory, and responsive national budgeting that supports programmes targeting those who were left behind.

5.2 The economy

Overreliance on oil sector revenue makes Iraq highly vulnerable to shocks. Diversification of national economy and encouraging private sector investment, will make Iraq more resilient and boost employment in productive sectors.

Significant infrastructure damage impacting economic production and livelihood opportunities must be addressed. This will take significant investment through the national budget and external contributions, and will also require a restructuring the economy along the lines of diversification of revenue streams. Partnering with the private sector, particularly in reconstruction activities and employment creation, will be necessary. This needs to be complemented by a reform of the public sector, which garners a significant portion of the national budget. More investment and support should be channelled to growing non-oil sectors that promote regional and international partnerships, such as agriculture, tourism and export/import trades. In this regard, activities geared towards trade policy improvements and Iraq's accession to the World Trade Organization should be a priority.

Application of information and communications technology, entrepreneurship and investment promotion will also produce opportunities for job creation and economic and industrial diversity. Diversification of industries needs time and needs more inclusive and sustainable industrial and economic development framework.

At the same time, considering the significant unemployment rates that could create flashpoints for discontent and unrest, particularly in underserved areas of the country, more concerted efforts are crucial to link education to employment and link investments to the opportunities and constraints felt by increasingly scarce natural resources. This can be at the level of formal education, with curricula that reflect the technical needs of the non-oil economy, as well as technical and vocational training the provides new skills and opportunities for out-of-school youth, women, and new-opportunity seekers. Promoting and supporting entrepreneurship is key to an accelerated recovery process in many parts of the country.

5.3 Governance

Poor governance has undermined trust, quality of service delivery, and marginalised the recipients of the services. The Government needs to implement transparent, responsive, and inclusive structural reforms of state and civil institutions.

Poor governance has undermined trust and the quality of service delivery. Most importantly, it increasingly disenfranchised the recipients of the services – the citizens. The linkages between State and people, weakened by conflict and weak governance structures, should be reinforced. The Government needs to implement transparent, responsive and inclusive structural reforms of state and civil institutions.

Perhaps the most compelling evidence of this challenge is the state of basic service delivery nationwide. Impacted by conflicts over the years, compounded by underinvestment in development and by legislation that is no longer relevant or supportive in the current environment, it is from improved service delivery that the State must rebuild its relationship with the people.

A starting point should be essential services – ensuring that all people in the country receive continued access to quality services, regardless of their background or socioeconomic status. Improving essential services will require developing new, and enhanced, mechanisms that benefit the end-user and prevent corruption. Additionally, the Government needs to resolve civil documentation challenges that many Iraqis, particularly those impacted by the conflict, face daily.

Similarly, focusing on existing State obligations, such as international conventions and national strategies, will show political commitment to the welfare of the people, especially if the new Government can work with the civil society to deliver on those obligations. This can be done by creating platforms for dialogue with volunteer groups and civil society organizations to build trust, engagement and ownership of governance mechanisms.

Finally, any trust-building process must emphasize the rule of law, address corruption and recognize the positive aspects of cultural diversity as part of promoting national heritage and identity for peaceful societies. Creating a rights-based and gender equality culture, with respect for its different components as equal contributors to the success of all, will be essential to the sustained success of these processes.

5.4 The environment

Iraq is very vulnerable to climate change and needs to address several issues regarding climate resilience, the management of natural resources and environmental protection, including risk and disaster management.

Iraq is both rich in natural resources, particularly oil, and vulnerable to environmental hazards, such as pollution, flooding, drought and conflict-related contamination. The impact of climate change is already widely felt in Iraq, with higher temperatures leading to increasing levels of evaporation and loss of water use by farmers and general consumers. While some hazards require preparedness and mitigation measures, others require management, political intervention and proactive planning. Issues such as pollution, for example, impact health, economic production and the ability to live in safety. Air and water pollution can result from industry, conflict, as well as poor infrastructure, leading to improper waste and water management.

Natural resource-related conflict must also be mitigated. Clearance of unexploded ordinance and other conflictrelated contamination can revive productive land for agriculture and allow for safe returns to liberated areas. Similarly, transboundary cooperation with neighbouring countries regarding shared resources, such as water, will be essential for the long-term welfare of Iraq. Engagement of the private sector to promote greener technologies can also play a significant role.

Addressing the management and protection of natural resources, biodiversity and productive lands not only ensures sustainable use of those resources, but also contributes to enhancing preparedness response and management of disaster risks. Planning for risk-resistant human settlement expansion, while also sustainably managing the environment, is essential for the future of Iraq. Environmental degradation created by unplanned

126 International Organization for Migration (IOM), March 2022, *Displacement Tracking Matrix (DTM)*. Available at http://iraqdtm.iom.int/.

settlements can be the catalyst for floods, deforestation, soil salinity and other negative effects on the environment. Community education and raising awareness, combined with legislative and policy frameworks, can provide a sustainable approach that meets the needs of the population without unduly damaging the environment and natural resources necessary for the quality of life.

5.5 Durable solutions

Durable solutions coordination architecture tackles displacement from an area-based approach, and brings together humanitarian, stabilization, peacebuilding and development actors. Achieving durable solutions for all returnees, totalling roughly 4.9 million as of 31 March 2022,¹²⁶ and sustaining a favourable protection environment for refugees and other displacenebt-affected population is complex and will require time, human and financial resources and long-term commitments from the Government of Iraq, donors and humanitarian and development actors.

Prevailing challenges can prevent resolutions. For example, gaps in the housing sector (such as the lack of social housing solutions for the poorest) were exacerbated by the conflict and years of systematic under-resourcing, leading large numbers of people to live in informal settlements with insecure tenure. Addressing structural poverty in Iraq is no less crucial than resolving the future of IDPs, and sustainable return, relocation and local integration mechanisms or displacement will contribute to the resilience of the whole community and to the country's shock-responsive capacities in the future. The Government's ability to include refugees in national social protection schemes, their inclusion will, in the long run, be more conducive to the country's overall prosperity. In 2020, stakeholders began to pivot towards jointplanning, specifically towards durable solutions and areabased programming, and a Durable Solutions Network. As of 31 March 2022, there are 8 Area-Based Coordination groups in five conflict affected governorates. But the crucial and underlying issues related to security, social cohesion, re/integration and, eventually, reconciliation, are more challenging; they are nonetheless essential to the sustainability of IDP return and the population's resilience.

The complicated, protracted type of displacement in Iraq calls for a new approach, one that transitions from emergency care to solving the root causes of displacement and its consequences, particularly sustainable return and durable solutions. The Iraq Inter-Agency Durable Solutions Strategic and Operational Framework is a comprehensive, responsive framework that provides continuous support to the forcibly displaced and wider displacement-affected communities.

Success requires bringing together key humanitarian, stabilization, peacebuilding and development actors *delivering as one,* building on each other's *comparative advantage* and delivering *collective outcomes*, in line with the National Plan for Solving Displacement and the country's development framework.¹²⁷

Localised durable solutions plans have been developed through consultations with authorities and concerned communities and are implemented through area-based projects to address barriers to resolving displacement. The plans are supported by an integrated and multistakeholder approach to reconstruction, rehabilitation and recovery, through infrastructure rehabilitation, support to social and economic inclusion, and local (national) capacity development for effective service delivery. However, resources still need to be made available.

The Government has been taking a leading role in resolving the problem of internal displacement in the country and has approved its support for local integration and relocation of those who cannot and do not wish to return to their areas of origin. During the transitional phase from humanitarian to development in 2022, the United Nations is supporting the government in this shift with humanitarian-development peace nexus approach. Since the government's fiscal constraints is predicted to improve, it is encouraged to promote co-funding of durable solutionrelated programmes and eventually to the government-led development programme.

As of June 2022, approximately 1.2 million people remain displaced in Iraq due to the conflict with ISIL. The majority of the remaining IDPs are in out-of-camp situations. While most IDPs are in relatively stable living situations, either staying with host families or being able to afford accommodation rent, around 8 per cent of them remain in precarious living conditions, generally referred to as "critical shelters," such as informal settlements and unfinished or abandoned buildings.

Remaining IDPs, both in and out of camp, face a series of challenges that prevent them from returning home, integrating locally or settling in new locations. These challenges are complex, overlapping, and often interrelated. They are also often gendered, and accordingly, the rights of women and girls must be at the forefront of durable solutions.

Obstacles to IDPs' return can be conceived of in three broad categories: (1) service or material challenges, such as housing damage, lack of livelihood opportunities, lack of basic services and other issues; (2) issues around documentation, social cohesion, ethno-religious tension and needs for reconciliation; and (3) issues related to security and political challenges preventing return. Frameworks in line with human rights and protection standards are needed to resolve these issues, and the Durable Solutions Technical Working Group, established by the United Nations in Iraq, can help in establishing such frameworks.

Strategy for the Reduction of Poverty in Iraq (2018-2022), as well as the SDG 2030 Agenda.

¹²⁷ The National Development Plan 2018-2022, National Reconstruction and Development Framework for 2018-2027, Iraq Vision 2030, KRI 2020 – A Vision for the Future,