

United Nations Development Group Iraq Trust Fund
Project #: E4-19
Date and Quarter Updated: July-September 2010 (Quarter 3)

Participating UN Organisation: UNIDO **Sector:** Economic Reform & Diversification (ERDSOT)
Government of Iraq – Responsible Line Ministry:
 Ministry of Industry, Specialized Institute for Industrial Engineering (SIEI)

Title	Rehabilitation of the Specialized Institute for Engineering Industries				
Geographic Location	Bagdad				
Project Cost	US\$ 4,237,722 (excluding US\$ 600,000 in kind contribution from the SIEI)				
Duration	24 months				
Approval Date (SC)	04 June 2009	Starting Date	9 June 2009	Completion Date	09 June 2011
Project Description	<p>The present project intends to assist Iraq in its endeavours for the reconstruction of its economic infrastructure. It will particularly provide support for the rehabilitation of the Specialized Institute for Engineering Industries (SIEI), which due to the war and subsequent sanctions has suffered extensive damage, including the total or partial destruction of its laboratories and production workshops. The successive conflicts have also hindered its technical capacities and access to new information on modern technologies, international standards and quality assurance systems.</p> <p>Under this project, assistance will be provided to rebuild the capacity of the SIEI to assist the Iraqi industries with the application of national standards and adaptation of international standards to their needs, to carry out proper quality assurance activities and testing of industrial products and to seek international recognition of its competence through accreditation. The project will particularly provide assistance in: (i) Training a substantial number of SIEI managerial and technical staff on standardisation, quality assurance, and conformity assessment (testing, inspection and certification) subjects; (ii) Acquiring appropriate instrumentation, equipment and reference materials for its testing/calibration laboratories and production workshop; and (iii) Initiating testing and other product quality assurance activities for the local manufacturing industry, service sector and consumers. The project will include significant emphasis on technology transfer related to operational techniques, procedures and policies issues.</p>				

Development Goal and Immediate Objectives

In line with the international, national and UN Country Team strategies for Iraq, this project is working towards the achievement of the following medium term outcomes:

1. Enhanced capacity of the SIEI/Ministry of Industry to respond to the needs of the manufacturing industry, service sector and consumers and facilitate industrial development in Iraq.
2. Industry has access to improved services that would enable precision manufacture and quality improvement of their products.

Outputs, Key Activities and Procurement

Outputs	<ul style="list-style-type: none"> • A comprehensive framework developed for the SIEI to support the development of the industries in Iraq through the provision of technical and information support, quality assurance and conformity assessment services (testing, inspection, certification, etc.). • The managerial and technical staff of the SIEI has acquired the knowledge and skills to meet the needs of the manufacturing industry, service sector and consumers. • The SIEI testing and calibration laboratories, production workshop and information facilities (library) are rehabilitated to adequately respond to the demands of the manufacturing industry, service sector and consumers.
Activities	<p>Policy, legal and regulatory framework: Under this component, the project will:</p> <ul style="list-style-type: none"> • Evaluate, review and update the policies and procedures that address the operation of the SIEI and its related activities and services (testing & calibration, product certification, import/export inspection, product design, training, etc.). • Review and update the legal and regulatory framework covering the institutional setting and the mandate of SIEI, to fit the international best practice. • Carry out a sensitization/awareness programme for representatives of SIEI/MoI, the

	<p>public and private sector, and structures cooperating with SIEI (Central Organization for Standardization and Quality Control - COSQC, etc.) on the role of standardization and conformity assessment in the compliance of local products with international standards and market requirements and protection of consumers from sub-standard products.</p> <ul style="list-style-type: none"> • Conduct a specific training programme for the SIEI/MoI, representatives of the Central Organization for Standardization and Quality Control (COSQC), and the private sector, on the dev. of national and int. standards, adaptation of international standards to local needs, and inspection and certification of industrial products and systems. • Evaluate the internal and external communication policies of SIEI and develop: (i) recommendations to generate better understanding of the institute's objectives throughout the Iraqi industries; (ii) Publicity material (promotional brochures, web pages, etc.) aimed at increasing SIEI services visibility among consumers. <p>Capacity building – skills development: The project will allow for know-how transfer and training in quality (SMTQ), production and economy related areas to a substantial number of SIEI managerial and technical staff. The development of technical and managerial skills will focus on, but will not be limited to, the following areas:</p> <ul style="list-style-type: none"> • Knowledge and skills in the fields of standardization, quality assurance, and conformity assessment services (testing and material analysis, inspection, certification, etc.). • Knowledge and skills in the fields of heat treatment, modern welding technologies, general industrial maintenance, and production workshop management, etc. • Knowledge and skills in the fields of project management; preparing business plans and feasibility studies; network administration, etc. <p>Capacity building – SIEI facilities upgraded: The project will acquire appropriate equipment, instrumentation, and reference materials for the SIEI testing/calibration labs and production workshop, and assistance will be provided in preparing the laboratories towards international accreditation of their services. The project will further rehabilitate and provide the SIEI library with up-to-date facilities, engineering and technical periodicals, test reports, etc. to serve the industrial information needs of the local industries.</p>
Procurement (major items)	<p>Major items under procurement are the following:</p> <ul style="list-style-type: none"> • Laboratory testing equipment for various products; • Laboratory furniture equipments; • Production workshop equipments • Sub-contract for specialized training in selected fields (advanced welding technology; testing procedures; etc.).

Funds Committed	USD 1,430,707	% of approved	34
Funds Disbursed	USD 587,157	% of approved	14
Forecast final date	9 June 2011	Delay (months)	0

Beneficiaries	Number of Beneficiaries	% of planned
The primary beneficiary is the SIEI, which will benefit from enhanced capacity both in terms of skills development and in terms of equipment for testing and calibration laboratories, production workshop, information facilities, etc. The capacity of the SIEI would be strengthened to conform to accepted international practices.	35 staff from the SIEI and COSQC (management and engineers)	60%
The secondary beneficiaries of the project are the line Ministry for the SIEI (MoI) and the apex institutions dealing with Standards, Accreditation, Metrology and Testing in the country.	MoI and the Central Organization for Standardization and Quality Control – COSQC	35%
The tertiary beneficiaries are the local manufacturing and service facilities that would benefit from having access to standards information, calibration and testing facilities, inspection and certification services that would enable precision manufacture and quality improvement of their products.	Industrial sector	-

Quantitative Achievements against Objectives and Results

1	A comprehensive framework developed for the SIEI to support the development of the industries in Iraq through the provision of technical and information support, quality assurance and conformity assessment services (testing, inspection, certification, etc.).	% of planned	45
2	The managerial and technical staff of the SIEI has acquired the knowledge and skills necessary to meet the needs of the manufacturing industry, service sector and consumers	% of planned	50
3	The SIEI laboratories, production workshop and library are rehabilitated to adequately respond to the demands of the manufacturing industry, service sector and consumers.	% of planned	50

Qualitative Achievements against Objectives and Results

Activity	Results	Status
Output 1: A comprehensive framework developed for the SIEI to support the development of the industries in Iraq through the provision of technical and information support, quality assurance and conformity assessment services (testing, inspection, certification, etc.).		
Evaluate, review and update the policies and procedures that address the operation of the SIEI and its related activities and services (testing & calibration, product certification, product design, etc.).	<ul style="list-style-type: none"> Report completed and submitted for the SIEI management 	completed
Review and update the legal and regulatory framework covering the institutional setting and the mandate of SIEI, to fit the international best practice.	<ul style="list-style-type: none"> Report completed and submitted for the SIEI management 	completed
Conduct a sensitization/awareness programme for representatives of SIEI/MoI, the public and private sector, and structures cooperating with SIEI (COSQC, etc.) on the role of standardization and conformity assessment in the compliance of local products with international standards and market requirements and protection of consumers from sub-standard products.	<ul style="list-style-type: none"> Awareness Training on ISO 14000, 18000 and 9000 took place in Amman from the 10-15 of April 2010 Training on ISO 17025 (Laboratory accreditation) to take place in Beirut/Lebanon in October 2010 for 7 days. 	Ongoing
Conduct a specific training programme for the SIEI/MoI, representatives of COSQC, and the private sector, on the development of national and inter. standards, adaptation of inter. standards to local needs, and inspection and certification of industrial products and systems.	<ul style="list-style-type: none"> Planned for the first quarter of 2011, after the finalization of video conferencing facilities in SIEI 	Ongoing
Evaluate the internal and external communication policies of SIEI and develop recommendations to generate better understanding of the institute's objectives.	<ul style="list-style-type: none"> Issued the SIEI technical brochure describing its services both in English and Arabic. Final report on the internal and external communication policies of SIEI expected third quarter of 2010. Survey on the need of local enterprises for certification services developed, to be finalized last quarter of 2010 	Ongoing
Develop publicity material (promotional brochures, web pages, etc.) aimed at increasing SIEI services visibility among industries and consumers.	<ul style="list-style-type: none"> Issued the SIEI technical brochure describing its services both in English and Arabic. Laboratory services specific technical brochures are under preparation and expected to be issued in the forth quarter of 2010 	Ongoing
Monitor the framework developed and take corrective measures.	<ul style="list-style-type: none"> Ongoing 	Ongoing

Output 2: The managerial and technical staff of the SIEI has the knowledge and skills necessary to meet the needs of the manufacturing industry, service sector and consumers.		
Confirm the SIEI human resources skill gaps in the light of the project purpose, and plan the overall training program for the identified gaps.	<ul style="list-style-type: none"> • SIEI human resources skills gap analysed and overall training program identified for both management and technical subjects. 	completed
Organize the training program for the SIEI Quality Department: <ul style="list-style-type: none"> - Development and implementation of QMS and EMS (ISO 9001 and ISO14001) and auditing procedures; - Water treatment and pollution control; - Materials testing and analysis - Modern measurement techniques; - Testing of electrical components and motors; - Calibration of measuring instruments/equipment; - Inspection and certification of selected prod./services. 	<ul style="list-style-type: none"> • Overall training program for the SIEI Quality Department defined, including potential training institutes. • Awareness/training program on ISO 9001 and ISO 14001 took place in April 2010. • ISO 9001 and ISO 14001, Lead auditor course, planned for the last quarter of 2010 or first quarter of 2011 • ISO/IEC 17025, Laboratory accreditation training, planned for October 2010 • NDT training, ToR finalized, request for proposals launched, planned for the last quarter of 2010 • Metrology training, ToR finalized, request for proposals launched, planned for the last quarter of 2010 	Ongoing
Organize the training program for the SIEI Production Department: <ul style="list-style-type: none"> - Heat treatment; - Advanced welding technology; - General industrial maintenance; - Production workshop management. 	<ul style="list-style-type: none"> • Overall training program for the SIEI Production Department defined, including potential training institutes. • 1st training programme on advanced welding technology completed in June. • 2nd training program on TiG welding to take place in Lebanon on the 11th of October for two weeks. 	Ongoing
Organize the training program for the SIEI Economy Department: <ul style="list-style-type: none"> - Project management; - Preparing business plans; - Preparing feasibility studies; - Network administration. 	<ul style="list-style-type: none"> • Overall training program for the SIEI Executive Management, including potential training institutes. • 1st training program on "Management for success" organized with the participation of 6 SIEI Executive Managers. • Second Training on (Strategy and Strategic Marketing) took place in April with the participation of 5 SIEI Executive Managers. • Third Training on Art of Management and Leadership for 3 DGs of the ministry of Industry and 2 of SIEI staff members, planned to take place in end of October in Vienna/Austria. • Training on business planning and negotiations skills for administrative departments planned to take place in Lebanon on the 25th of September 2010 for one week fourth quarter 2010. • Training of the administrative supporting staff to take place in Iraq and planned to take place in fourth quarter 2010. 	Ongoing

Output 3:		
The SIEI laboratories, production workshop and information facilities are rehabilitated to adequately respond to the demands of the manufacturing industry, service sector and consumers.		
Assess the SIEI existing laboratories/production workshop and identify equipment and training needs.	<ul style="list-style-type: none"> • Assessment of the SIEI existing laboratories/production workshop finalized. 	completed
Design technical specifications for identified equipment gaps (together with reference materials/spare parts).	<ul style="list-style-type: none"> • Technical specifications for identified equipment completed. • Final Recommendation for the Technical specification of the laboratories design has been finalized. 	completed
Order, purchase and install the equipment and train the users for operation and maintenance in the: <ul style="list-style-type: none"> - Laboratory for materials and metallurgical products testing; - Laboratory for electrical products testing; - Laboratory for engines testing; - Laboratory for plastics and rubber testing; - Production and maintenance workshop/Metrology laboratory - Network – IT - Production Workshop - Software 	<ul style="list-style-type: none"> • Metrology lab equipment under procurement. • NDT laboratory equipment under procurement. • IT equipment under procurement. • Building Materials laboratory equipment under procurement. • Workshop equipments under procurement. • Laboratories furniture under procurement, expected to be delivered by end of October. • Software under procurement. 	Ongoing
Plan and organize study/fellowship training overseas for key laboratory staff.	<ul style="list-style-type: none"> • 1st study-tour to Engineering and industrial products testing companies in Germany carry-out 	Ongoing
Assist in preparing for and obtaining international accreditation for the laboratories.	<ul style="list-style-type: none"> • The mechanical and the Material testing labs have been selected for accreditation. Scope of accreditation to be determined in October-November 2010. • Preparatory work for lab accreditation under process. 	Ongoing
Assess the SIEI library needs in terms of office equipment & software, periodic/books and management.	<ul style="list-style-type: none"> • Upgrading needs of the SIEI library identified. • Proposal for upgrading the library presented to- and approved by the SIEI management. 	Completed
Assemble a library of current national and inter. periodicals and test reports to provide background information for the SIEI and their partners or consumers.	<ul style="list-style-type: none"> • Experts recruited • Training programme for national staff under preparation • Books and others under procurement 	Ongoing
Continuously supervise and advise on the use of supplied equipment/laboratories.	-	Ongoing
Monitor the operation of SIEI and adjust if necessary.	-	Ongoing

Main Implementation Constrains & Challenges

Movement and activities in the project area are limited and security is a concern at all times. Delays in reply from the national counterparts due the security situation. Difficulties in getting travel visas for training organized aboard.