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ANNEX VIII

of the Commission Implementing Decision on the financing of the multiannual action plan in favour of Asia-Pacific region for 2023-2024 for migration, forced displacement and mobility

Action Document for Durable solutions for displaced and vulnerable populations in Iraq

ANNUAL PLAN

This document constitutes the annual work programme within the meaning of Article 110(2) of the Financial Regulation, within the meaning of Article 23 of the NDICI-Global Europe Regulation.

1 SYNOPSIS

1.1 Action Summary Table

1. Title CRIS/OPSYS business reference Basic Act	Durable solutions for displaced and vulnerable populations in Iraq ¹ OPSYS number: ACT-62201 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
2. Team Europe Initiative	Yes TEI for Iraq: ‘TAEUFIQ: TeAm EUrope For IraQ’, together with Germany, France, the Netherlands, Italy, Sweden and Finland
3. Zone benefiting from the action	The action shall be carried out in Iraq
4. Programming document	Regional Multiannual Indicative Programme for Asia and the Pacific (2021-2027) (RIP)
5. Link with relevant MIP(s) objectives / expected results	<i>Regional Multiannual Indicative Programme (RIP) for Asia and the Pacific</i> Priority area 3 of the Regional Multiannual Indicative Programme for Asia and the Pacific 2021-2027 focuses on <i>Migration, Forced Displacement and Mobility</i> . The overall objective of this priority area is to <i>contribute to inclusive growth and sustainable development in countries of origin, transit, and destination by fostering well-managed migration and mobility</i> . Specific Objective 1 – <i>Support durable solutions to existing and future forced displacement situations</i> . Expected result 1.1 <i>Policy dialogue on durable solutions to forced displacement and policy development addressing forced displacement is enhanced within the concerned region</i> . Expected result 1.3 <i>Partner countries’ capacities to ensure protection space, human rights and empowerment of uprooted people and host communities as well as the sustainable integration and reintegration of refugees, returnees, Internally Displaced Persons (IDPs) and other categories of migrants are strengthened</i> .

¹ Please note that across this Action document the terms “displaced populations” and “displaced persons” always refer to Internally Displaced Persons (IDPs) and Syrian refugees in line with the EU commitment of the Syria Conferences and EU commitment to the triple Nexus, as well as always refer to returnees from Europe and elsewhere in line with the commitment to supporting their integration.

	<p>Expected result 1.4 <i>Access to basic services and livelihood opportunities, living conditions, resilience, self-reliance, and social cohesion of refugees, IDPs and host communities are improved.</i></p> <p><i>Multiannual Indicative Programme (MIP) for Iraq 2021-2027</i></p> <p>The Action equally contributes to the Iraq Multi-Annual Indicative Programme (MIP) and its three priority areas (Green job creation and economic diversification; Human development and social contract; Digital participatory governance and democracy).</p> <p>Specific objective 1.1 <i>Promote an economic transformation that creates decent jobs and increases productive capacity.</i></p> <p>Specific objective 1.2 <i>Create a macro-fiscal, business, investment environment conducive to develop the non-oil economy and promote an inclusive green recovery.</i></p> <p>Specific objective 2.1 <i>Improve quality, equality and digitalisation of the education system including technical education and vocational training.</i></p> <p>Specific objective 3.1 <i>Improved capacity, efficiency and effectiveness of Iraqi democratic institutions including increased institutional oversight and accountability;</i></p> <p>Specific objective 3.2 <i>Improved protection of the rights and dignity of migrants, displaced people and returnees through effective migration and durable solutions governance, management and capacity.</i></p> <p>Expected result 1.1.1: <i>Increased formalisation of businesses and increased productive and quality employment with focus in the green economy and agribusiness.</i></p> <p>Expected result 1.1.3 <i>Increased capacity for business innovation, financial services and entrepreneurship, including on sustainable and digital solutions with focus on women and youth in the green economy.</i></p> <p>Expected result 1.2.2 <i>Improved competitiveness and sustainability of the Iraqi private sector, complemented by green economic, fiscal policies and measures.</i></p> <p>Expected result 1.2.3 <i>Enhanced enabling framework for an Inclusive Green Economy in place in Iraq that addresses Iraq's vulnerability to climate change and dependence on fossil fuels.</i></p> <p>Expected result 2.1.1 <i>Improved access and completion of inclusive and equitable primary and secondary and TVET education with focus on IDPs, refugees, returnees girls and children with disabilities and direct link to labour market (for TVET).</i></p> <p>Expected result 2.1.3 <i>Improved quality of education and learning outcomes at each level of education (primary, secondary and TVET).</i></p> <p>Expected result 2.1.4 <i>The access to skills and jobs for returning and prospective migrants is enhanced in the context of an improved migration management.</i></p> <p>Expected result 3.2.1 <i>Protected rights and dignity of migrants, displaced people and returnees, as well as effective migration and durable solutions governance, management and capacity.</i></p> <p>Expected result 3.2.2 <i>Increased cohesion at national and local levels between migrants, displaced people, returnees and the host communities.</i></p>
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	<p>RIP Priority area 3 Migration, Forced Displacement and Mobility (DAC 15159)</p> <p>MIP Priority area 1 <i>Job creation and economic diversification - sector Decent jobs for Youth and Private Sector development (DAC 250) and sector Economic governance and green recovery (DAC 230 and DAC150)</i></p> <p>Priority area 2 <i>Human development and social contract – sectors Inclusive education and Technical and Vocational Education and Training (TVET) (DAC 110)</i></p> <p>Priority area 3 <i>Digital participatory governance and democracy – sector Migration governance and durable solutions (DAC 151)</i></p>

7. Sustainable Development Goals (SDGs)	Main SDG: 10 Reduced inequalities Other significant SDGs: 1 End poverty 4 Quality education 5 Gender equality 8 Decent work and economic growth 11 Sustainable cities and communities 12 Responsible consumption and production 13 Climate action 16 Peace, justice and strong institutions			
8 a) DAC code(s)	DAC 16020 – <i>Employment creation – 50%</i> DAC 11330 – <i>Vocational training– 25 %</i> DAC 15190 - <i>Facilitation of orderly, safe, regular and responsible migration and mobility – 25 %</i>			
8 b) Main Delivery Channel	90000 Other (EU Member States Agencies) 41000 United Nations Agencies 60000 Private sector institution			
9. Targets	<input checked="" type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input checked="" type="checkbox"/> Education <input checked="" type="checkbox"/> Human Rights, Democracy and Governance			
10. Markers (from DAC form)	General policy objective @	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

11. Internal markers and Tags:	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	digital connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	digital governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	digital entrepreneurship	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	digital skills/literacy	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	digital services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Connectivity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
energy	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
transport	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
health, education and research	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Migration @ (methodology for tagging under development)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Reduction of Inequalities @ (methodology for marker and tagging under development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BUDGET INFORMATION				
12. Amounts concerned	Budget line (article, item): 14 02 01 30 NDICI Middle East and Central Asia Total estimated cost: EUR 40 million Total amount of EU budget contribution: EUR 40 million (The total project volume of TAEUFIQ stems from 19 core projects with a financial volume amounting to EUR 177 million.)			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing	Direct management through Procurement Indirect management with the entities to be selected in accordance with the criteria set out in section 4.3.2			

1.2 Summary of the Action

Following two decades of conflict, but despite improved security conditions since the territorial defeat of Da'esh, Iraq (Upper Middle-Income Country with substantial resources) is still fragile and challenged by both internal and external political instability, economic instability, poor public service delivery and low institutional capacity. The Iraqi population in general, and in particular groups in vulnerable situations such as displaced populations (refugees, internally displaced persons, returnees), youth, women and children are affected by significant poverty and unemployment. Distrust in state institutions, a lack of basic services including education, but also very importantly, the lack of decent jobs remain a threat to Iraq's social cohesion. The full integration of the relatively small remaining caseload of displaced persons (refugees, IDPs, returnees) remains a driver of conflict at community level.

Migration including displacement remains a sensitive issue in Iraq – EU relations. By reinforcing the ongoing support for the integration of displaced populations, this Annual Action Plan (AAP) aims to promote a sustained

cooperative approach on migration between the Iraqi authorities, the EU and EU Member States. It is in the EU and its Member States' interest to address the integration of displaced populations into national Iraqi systems to advance civic and socio-economic stability in the extended European neighbourhood.

The action aims at assisting the Iraqi Government in the integration of displaced populations, while strengthening the overall national governance capacities, and addressing the root causes of fragility and forced displacement. It ensures the EU's position as a key strategic partner of the Government of Iraq, including with respect to Iraq's international commitments on migration, including those under the EU – Iraq Partnership and Cooperation Agreement (PCA).

As the 5th most affected country in the world by climate change, 2023 saw a new momentum in the climate change agenda of the Iraqi Government, with climate change designated as a top priority of the Government programme, the first Iraq Climate Conference and Iraq's access to the UN Transboundary Water Convention, and further commitments to increasing Iraq's level of ambition expected ahead of and at the COP28 of end-2023. Unlocking the potential of the green economy and supporting the economic transition from fossil fuels, while duly balancing this with the preservation of the environment and biodiversity for climate change resilience, will help meet the objective of fostering jobs for all, deliver on Iraq's climate change commitments and comply with EU priorities and interests. Contributing to climate change adaptation and mitigation, this proposed action also aims at limiting climate-induced forced displacement.

Against a backdrop of political pressure to improve service provision for all Iraqis, and end the displacement crisis, the action focuses on the three critical aspects for the integration of displaced persons which constitute equally key root causes for Iraq's fragility and forced displacement: 1) creating decent jobs and entrepreneurship opportunities in high potential green economy sectors, 2) supporting green and digital economy skills demanded by the labour market, and 3) ending trafficking in human beings and smuggling of migrants, as well as enabling housing land property rights.

As such, the Action contributes to the specific objective of the RIP when it comes to durable solutions for displaced populations, but also the objectives of the three priority areas of the MIP for Iraq, notably through its foci on job creation for youth (priority area 1 of the MIP); human development including skills education (priority area 2 of the MIP); and digital migration governance reforms (priority area 3 of the MIP) and the commitment of gender transformative programming in the three priority areas and support to persons with disabilities in priority area 2 of the MIP. The Action contributes to the Team Europe Initiative (TEI) "*TAEUFIQ – TeAm EUrope for Iraq*" through its components of job creation as well as skills development, adding and complementing existing TEI projects.

This Action is aligned with the Union priorities of Migration and Mobility, Sustainable Growth and Jobs, the Green Deal and Digitalisation. The proposed action contributes to meeting the aggregate target for migration and forced displacement for the Asia-Pacific region. By tackling the challenges of protracted displacement and creating the conditions for the displaced populations' integration into national systems, the action also responds to the EU's pledges at the Conferences on *Supporting the Future of Syria and the region*.

Creating the conditions for access to national systems for displaced persons ensures the sustainability of EU efforts in line with the durable solutions agenda and promotes the transition to a long-term development approach. Applying the Humanitarian-Development-Peace (HDP) Nexus approach, the action capitalises on prior and ongoing EU's interventions. It places Iraq people's needs at the centre of policy decisions. The Action focuses on mutually reinforcing interventions, maximising innovation, fostering synergies and engaging communities and civil society as well as leveraging private investment. To ensure effectiveness, the action proposes the continuation of programmatic approaches with trusted partners that demonstrate a strong absorption and implementation capacity.

2 RATIONALE

2.1 Context

Following two decades of conflict, Iraq remains fragile despite Iraq's designation as an Upper Middle-Income Country (UMIC) with substantial resources. Iraq ranked only 115 out of 165 in the SDG Index Dashboard Report of 2022, mainly as a result of past conflict and structural deficiencies. The country is challenged inter alia by political instability, economic recessions and poor public service delivery. Iraq's economy remains heavily dependent on oil exports, which accounts for 90% of Government revenue, and is therefore strongly affected by

the sharp fluctuations in oil prices. The fragmented political landscape undermines effective Government action, security, and transparent governance.

With continuous popular demonstrations since 2019, it is imperative for the Iraqi Government to deliver faster on political and socio-economic reforms, in order to avoid a resurgence of violence. In 2023, the global recession, high inflation, and the global food crisis affect the wellbeing of the population, notably vulnerable and displaced populations, despite the high oil price. The Iraqi Government struggles to provide adequate basic services ranging from access to justice, to safe drinking water, electricity, health services, but also a just comprehensive social safety net, employment and educational opportunities for the growing youth population. Poverty is rising (estimated 36% in 2021²), severely affecting the Iraqi population and in particular groups in vulnerable situations such as women and children, and displaced populations. This shows in the increase in the number of people in need of humanitarian assistance (2.5 million³).

At the same time, the effects of climate change in Iraq, on top of existing natural hazards, have already an impact on the country's overall stability and prosperity with continued water shortages and constantly rising temperatures that are placing considerable pressure on basic resources and reducing opportunities for livelihoods in sectors that used to be very productive, such as agriculture. The consequences are that people are abandoning rural areas (especially in the South) to move to cities in search for jobs and better services. In this context, women are particularly vulnerable: environmental degradation is putting women at further risk of exposure to violence, physical and psychological threats, and diminishing educational and economic opportunities.

One of the most important risk factors for the social stability and social cohesion in Iraq is the lack of jobs and skills for Iraq's vulnerable populations, notably youth. Iraq has seen a continuous increase in un- and underemployment in a country marked by a predominantly informal private sector (confirmed key international indicators⁴). The situation for Iraqi youth is particularly dire with an unemployment rate for youth at 35.8% and specifically for young women at 62.1%, while the proportion of youth not in education, employment or training (NEET) is at 36.7% and for young women at 52.3%.

These difficulties in delivering basic services and providing decent work to the fast-growing and vulnerable population, are further compounded by the continued challenge of displacement. Whilst the number of IDPs has drastically reduced since the defeat of Da'esh in 2018 from 5.8 million (16% of the population) to 1.17 million in 2022⁵, the number of Syrian refugees in the Kurdistan region remains stable at around 245,000 persons since 2015. As a result, national authorities and international partners are increasingly focussed on addressing protracted displacement and finding durable solutions for displacement-affected groups.

This situation of deteriorating socio-economic conditions for the Iraqi population, the lack of perspectives for Iraq's Youth and women, in turn has the potential of fuelling violence thereby perpetuating the conflict cycle. Moreover, the conditions and lack of perspectives in Iraq motivates thousands of Iraqis, including IDPs, to leave their country in pursuit of better living conditions. The burden of this protracted crisis is particularly affecting the most vulnerable: female-headed household, women, and girls who are socio-economically exposed compared to male populations⁶. Children too are exposed to threats⁷. While statistics are uncertain, it is likely that persons with disabilities represent at least 15% of the Iraqi population⁸.

² Estimate of the Ministry of Planning of Iraq

³ Humanitarian Needs Overview for Iraq of March 2023: <https://www.humanitarianresponse.info/en/operations/iraq/document/iraq-humanitarian-needs-overview>

⁴ Iraq National Statistics Organisation's and ILO *National Labour Market Assessment of 2022* compared to ILO World Employment Report 2022: In Iraq as of 2022, the employment to population ratio that indicates how efficiently an economy provides jobs for people willing to work stands at 33% which is striking when compared to Iraq's peer upper middle income countries (59.9%). This translates into a high unemployment rate at 16.5% (UMIC average 6.3%).

⁵ IOM Displacement Tracking Matrix (3% of the population) versus 242,000 by national authority surveys (0.5% of the population) Ministry of Migration and Development displacement survey of 2021

⁶ According to the GBVIMS 3rd Quarter Analysis Report (2022), this results in higher food insecurity, and more frequent use of harmful coping strategies, which also compromises women and girls' mental, sexual, and reproductive health with life-threatening consequences, including child marriage. Women have also reported limited /restricted access to protection, cash, livelihood, shelter, specialized mental health, and legal assistance while for example 2022 recorded a significant increase of gender-based violence reported incidents (63% more compared to the same period in 2021).

⁷ According to UNICEF (press release June 2023), since 2008 to the end of 2022 in Iraq, over 9 000 children were killed or maimed. Despite the considerable reduction on the number of reported cases in the last years, the overall number represents, on an average, more than one child killed every other day and one child maimed daily over the reported period

⁸ Given that the rate of disability is likely higher in humanitarian settings, it is probable that Iraq's estimate exceeds the global average of 15%. Similarly, in 2019, the Committee on the Rights of Persons with Disabilities stated that Iraq has one of the largest populations of persons with disabilities in the world (IOM, 2021 Persons with disabilities and their representative organizations in Iraq: barriers, challenges, and priorities)

This action is aligned with the policy priorities of the Commission for 2021-2027, notably the Migration and Mobility, Sustainable Growth and Jobs, Green Deal, and Digitalisation priorities, and contributes to implementing the EU Pact on Migration and Asylum. There is a strong coherence between this Action with the policy priorities of the New European Consensus on Development of ‘People’ (2.1 - strengthen the sustainable provision of essential services), ‘Prosperity’ (2.3 – create decent jobs) and ‘Peace’ (2.4 – promote good governance). The action contributes to the EU-Iraq informal migration dialogue and to the operationalisation of the external dimension of the EU Pact on Migration and Asylum⁹. The Action reinforces and leverages the EU’s role on climate change in a country that is both particularly vulnerable to the impacts of climate change, a key producer of fossil fuels as well as a key emitter of methane. The Action will aim at increasing Iraq’s capacity to seize the potential of green economy and it raises the legitimacy of the Iraqi Government that is expected by its population to deliver on climate change action.

The action equally contributes towards SDGs 8 (decent work and economic growth), but also SDGs 13 (climate action), 10 (reduced inequalities and specifically 10.7), 11 (sustainable cities and communities), 12 (responsible consumption and production), 4 (quality education) and 16 (peace, justice and strong institutions). Crosscutting principles, such as the rights-based approach, gender-transformative approach and conflict sensitivity to programming are also key in the implementation of this Action. Climate action is promoted throughout the objectives when it comes to job creation in green economic sectors and skills development for decent work in green sectors. At the same time, these interventions address environmental degradation as a driver of displacement. In this sense, the action is based on the EU Gender Action Plan III for 2021-2025 (GAP III¹⁰), the EU Action Plan on Human Rights and Democracy 2021-2024, applicable Human Rights covenants and the international conventions. It also aligns with the EU’s objectives under the PCA with Iraq.

At the same time, through its objective of job creation, this action contributes to the TEI ‘*TAEUFIQ – TeAm EUrope For IraQ*’ with Germany, France, Italy, the Netherlands, Finland and Sweden as participating EU Member States. The foreseen support also responds to the EU’s commitments to assisting Iraq in regional challenges, such as those made in the context of the Conferences on *Supporting the Future of Syria and the region*. The EU therefore continues with the humanitarian-peace-development nexus approach (triple nexus) through this new support.

Public Policy of the partner country

This Action is based on Iraq’s National Development Plan (NDP 2018). To date, structural challenges identified in the NDP continue to hamper the development process include low efficiency of institutional performance, an inflated public sector, administrative and financial corruption, and a myriad of economic shortcomings such as the deterioration of the investment climate, a lack of access to finance, the distortion of sectoral structure, trade imbalance, and an imbalanced budget structure. A number of sector strategies complements the NDP. The NDP ensures the mainstreaming of gender strategies into national policies and the inclusion of programmes aimed at protecting and promoting the rights of persons with disabilities. The action specifically supports the implementation of the National Migration Strategy (2020)¹¹, the National Returns Plans (2021), as well as the draft National Refugee law. At sectorial level, the action supports the implementation of the White Paper on Economic Development (2020), Private Sector Development Strategy (2014), Decent Work Country Programme (2019), Iraqi National TVET Strategy (2021), as well as Iraq’s international commitments.

Until recently, the lack of an Iraqi vision for economic diversification and lack of determination for structurally addressing climate change compounded by political instability and institutional weakness were at the core of the timid national commitments under the Nationally Determined Contributions (2021)¹² and the delay of any decisive action for climate change adaptation and mitigation. However, 2023 saw a new momentum with the National Climate Conference under the auspices of the Prime Minister, and the related endorsement of a climate change

⁹ COM(2020) 609 final of 23.09.2020. <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0609&from=EN>

¹⁰ The Gender Action Plan III is a Joint communication by the Commission and the High Representative of the Union for Foreign Affairs and Security Policy which was welcomed through EU Presidency Conclusions of 16 December 2020. Drafting was led by European Commission in close consultation with EU Member States, EEAS, civil society organisations, partner governments, and international organisations (UN entities, International Finance Institutions among others). The different parties contributed to the drafting of the document through meetings and through responses to a survey conducted during the process.

¹¹ The National Migration Strategy was prepared and endorsed with EU support in 2020 as the national policy framework to implement the Global Compact for Migration (GCM) in Iraq based on Iraq’s Migration Profile.

¹² UNFCCC NDC registry: <https://unfccc.int/NDCREG>

policy document prepared by the Ministry of Planning. Ahead of COP28, a further extension of the national climate change policy is expected, thus solidifying the policy framework for this Action.

Complementarity, synergy and donor coordination

The international cooperation landscape in Iraq still encompasses humanitarian, stabilisation and development programmes. However, with increasing donor fatigue, humanitarian and classical stabilisation are phasing out. There is a strong momentum for the international community to engage with the Government in a coherent, coordinated partnership to implement a broad reform agenda for sustainable development, structural reforms and durable solutions for displaced populations on the basis of Iraq's new policies.

In light of this challenging yet changing context, the EU is concluding its shift from post-crisis recovery support through Special Measures to long-term development programming through a dedicated MIP and AAPs. The action is linked to all three priority areas of the MIP for Iraq 2021-2027¹³. This action builds on and is fully complementary to EU bilateral and regional actions in the field of migration management and forced displacement implemented in Iraq, as well as with EU Member States' actions with whom a division of labour is in place. A close collaboration is in place with all European Commission services operating in Iraq based on the triple Nexus strategy for Iraq. Concrete synergies with other EU interventions are sought notably with the Annual Action Plans of 2021 and 2022¹⁴. More specifically, in the framework of the Team Europe Initiative (*TAEUFIQ: Team Europe For Iraq*)¹⁵, this Action's intervention for creating jobs for Iraq's youth (as well as IDPs, refugees), and returnees, is linked to priority area 2 of the TEI. The TEI and therefore the Action's contribution to the TEI can provide essential added value and respond to Iraq's interest in European best practice at the macro and micro socio-economic levels.

2.2 Problem Analysis

The Iraqi population, and in particular groups in vulnerable situations such as youth, women and children as well as displaced populations (internally displaced persons, refugees) and returnees and their host communities, have been severely affected by a significant rise in poverty (from 20% in 2018 to an estimated 36% by 2021), an increase in the number of people in need of humanitarian assistance (2.5 million in 2023), and an increase in unemployment and underemployment in a country marked by a predominantly informal private sector. Risks of radicalisation are still present, especially among marginalised youth. Equally, the EU conflict analysis (2021) suggests that an important risk factor for the social stability and social cohesion in Iraq is the lack of jobs for Iraq's youth.

The pending full **integration of displaced people** remains a key driver of conflict. In 2023, displacement affects a remaining 1.17 million in 2022¹⁶ an estimated 245,000 Syrian refugees, as well growing numbers of Iraqi returnees. Following the IDP camp closures of 2020-2023 in federal Iraq, it is estimated that only 180,000 Iraqi IDPs remain in displacements camps in the Kurdistan autonomous region (25 camps) while 234,000 Iraqi IDPs are living in out-of-camp areas¹⁷. The majority of Iraqi IDPs have returned to their communities of origin, sought to resettle elsewhere in Iraq, or found themselves in secondary displacement, and still face severe hardship. To this adds the prospect of eventual IDP and Syrian refugee camp closures in the Kurdistan autonomous region, as well as the repatriation of Iraqis from northeast Syria. The challenges of displaced populations (internally displaced persons, refugees) and returnees must also be considered against the backdrop of the tensions between state and society. Angry about a lack of employment opportunities, dysfunctional public services, corruption, and political elites beholden to foreign powers, Iraqis continue to take to the streets in Iraq since 2019.

But Iraq is also globally the 5th country most affected by **climate change** and is thus both particularly vulnerable to the impacts of climate change, while also a key producer of fossil fuels and thus largest emitter of methane. Iraq's population has been severely affected by the direct and imminent consequences of natural hazards,

¹³ i) Green Job creation and economic diversification; ii) Human development and social contract; and iii) Digital participatory governance and democracy

¹⁴ AAP 2021 "Support to durable solutions for Iraq's displaced populations: integration into the national labour market and national systems for education and social protection"; AAP 2022 "Sustainable Social and Economic Re-integration, and improved migration governance in Iraq"

¹⁵ Together with Germany, France, the Netherlands, Italy, Sweden and Finland, the total project volume of TAEUFIQ stems from 19 core projects with a financial volume amounting to EUR 177 million.

¹⁶ IOM Displacement Tracking Matrix (3% of the population) versus 242,000 by national authority surveys (0.5% of the population) Ministry of Migration and Development displacement survey of 2021

¹⁷ All numbers: UN OCHA Iraq Humanitarian Transition Overview of 2023 <https://reliefweb.int/report/iraq/iraq-humanitarian-transition-overview-2023-february-2023>

environmental degradation and exacerbating climate change (e.g. sand storms and desertification, salinisation of rivers and agricultural lands, erosion of coast lines, soil degradation due to pollution and abandonment, rising temperatures, reduced agricultural productivity) but also a significant rise in poverty. The effects of climate change in Iraq, on top of existing natural hazards, have already an impact on the country's overall stability and prosperity that are placing considerable pressure on basic resources and reducing opportunities for livelihoods in sectors that used to be very productive, such as agriculture. By consequence, climate change induced internal migration is increasing with people abandoning rural areas (especially in the south of Iraq particularly exposed) to move to cities in search for jobs and better services. In this context, women and youth are particularly vulnerable. Environmental degradation diminishes educational and economic opportunities, while putting women at further risk of exposure to violence, physical and psychological threats.

With the momentum of 2023, EU action is needed and requested by the Iraqi authorities to support the Government agenda on climate change adaptation, mitigation, and the green economic transition. This in turn helps to address the root causes of fragility, irregular and climate-induced migration, to consolidate stabilisation gains, to restore the trust between citizens and institutions, to reinforce the population's right to a clean, healthy and sustainable environment for current and future generations.

The action supports in an integrated manner the Iraqi authorities in addressing three main challenges facing the Iraqi population and specifically displaced populations (IDPs, refugees, returnees) by: 1) creating decent jobs and entrepreneurship opportunities in the high potential green economic sectors of agri-value chains and critical urban rehabilitation, 2) supporting green and digital economy skills demanded by the labour market, and 3) ending trafficking in human beings and smuggling of migrants, as well as enabling housing land property rights.

With regards to the ***Iraqi labour market***, the strong lack of decent work for youth, women and people in vulnerable situations including displaced persons, constitutes a significant challenge that risks further undermining the stability and social cohesion of the country. The lack of opportunities for Iraqi youth – as demonstrated by the proportion of youth not in education, employment or training (NEET) at 36.7% and for young women at 52.3% - also leads to irregular migration. Iraq must transition to an economy that can provide decent work for its vulnerable as well as young population. A long-term reform approach to the labour market must address the challenges of unemployment, under-employment, informality and unsafe working conditions against the backdrop of Iraq's demographic challenge of 450,000 new labour market entrants per year. At the same time, Iraq's oil dependent economy remains vulnerable to climate change, which emphasises the need to accelerate the green transition.

The formal labour market is dominated by the public sector while private sector employment is largely informal where protection is poor and job quality is low. Despite the decline in employment prospects in the public sector, employment in the private sector or starting a business is still not an attractive alternative for young Iraqis. At the same time, the private sector but also the digital economy are underdeveloped and thus poorly positioned to play their role as engine of decent work creation. In addition, the Iraqi financial sector is still unable to provide access to finance to the private sector, entrepreneurs and start-ups. Together with cyclical economic crises, this translates into a particularly dire situation for Iraqi youth with an unemployment rate among youth in 2022 at 35.8% and specifically among young women at 62.1%¹⁸. Labour force participation in Iraq stands at 10.6%, which is comparatively very low to the UMIC average of 55% but also the Middle East average of 19%. In addition, women who do participate in the labour market are also more likely to become unemployed, under-employed or are employed in part-time jobs and there is a concentration of women in the informal sector and such women continue to be excluded from labour and social security protection, including pension benefits. Displaced populations are particularly affected, lack economic opportunities as they seek to rebuild their lives.

EU action is needed and requested by the Iraqi authorities to create concrete opportunities for private sector led growth with focus on the green economy. The Iraqi authorities are particularly interested in further developing employment opportunities in the agri-food value chains, facilitating and strengthening of trade, and improvements in basic services in poorly serviced urban areas. The overarching impact sought by the intervention is the promotion of inclusive economic growth and decent jobs, progress towards national food security but also the reduction of inequalities.

With regards to ***Education***, the sector is suffering from lack of public funding. Less than 6% of the national budget is spent on education and more than 90% of this is an operational expenses. As a result, Iraq's education sector is facing major constraints for access to education and quality of education. These challenges are affecting all

¹⁸ ILO and Iraq National Statistics Organisation's National Labour Market Assessment of 2022 compared to ILO World Employment Report 2022

education levels starting from early childhood education, to secondary education and up to higher education. Technical Education and Vocational Training (TVET) in particular is facing serious challenges. Formal TVET education is offered at secondary school level through some 400 TVET schools providing 3-year training in some 30 specialisations managed by the Ministry of Education; and at higher education level with some 45 institutes and colleagues at polytechnic universities offering a 2-year diploma course or a 4-year bachelor degree managed by the Ministry of Higher Education. Enrolment rates in formal TVET institutions at secondary or higher education level is very low with only 70,000 Iraqi students (out of 10 million Iraqi students) deciding to pursue their secondary or higher education in TVET institutions. In addition, the mismatch between the TVET offer and the needs of the labour market, the quality of training, curricula and learning environment remain concerning because they lead inter alia to subpar learning outcomes. The lack of Government funding for the TVET sector poses a constraint on modernisation, adaptation to labour market needs as well as teaching capacity and quality. This is further compounded by a missing understanding of the potential of this type of education when it comes to the development of skills required by the labour market. Furthermore, the fragmentation of responsibilities for the formal TVET sector between the Ministry of Education (secondary education) and the Ministry of Higher Education (higher education) adds to the challenges of the sector. The certified short-term skills trainings offered by the Ministry of Labour and Social Affairs vocational training centres and largely un-certified courses by non-governmental organisations compound the complexity.

However, despite the challenges, there is a strong commitment from the national authorities to reform the TVET system in line with the national TVET strategy (2014) and the joint efforts supported by the EU since 2011 show results with its focus on setting up the governance framework from strategy to legislation to management. But much remains to be done and EU support is required – notably directly in TVET schools and TVET institutes / colleges - to ensure that Iraqi Youth, displaced populations and returnees from Europe and elsewhere) benefit from formally recognised skills trainings that are aligned to the needs of the Iraqi labour market, benefit from job intermediation and ultimately find remunerated decent jobs. The national labour market assessment of 2022 and the detailed sectorial assessments of the hospitality and construction sectors¹⁹ illustrate the job-creation potential of the hospitality and construction sectors, while they point to the need for skills development measures.

EU action is needed and requested by the Iraqi authorities to support the upgrade of the national TVET framework for the hospitality and construction sectors, both at the level of higher education TVET (compliant with the Bologna process) as well as at school level.

Concerning the larger topic of *migration governance*, this Action focuses on tackling trafficking in human beings and smuggling of migrants, as well as housing land property rights.

Iraq is a source and destination country for women and children subjected to sex trafficking, and men, women and children subjected to forced labour. Over the last years, thousands of victims, including from the Yazidi community, have suffered sexual and other violent crimes under Da'esh. Recruitment of child soldiers is another significant pattern of trafficking in human beings linked to the conflict in Iraq while there are reports that men and women from throughout Asia and East Africa have been subjected to forced labour as construction workers, security guards, cleaners, handymen, and domestic workers, which is consistent with cases of labour exploitation of Indians and Bangladeshi nationals reported to the courts. Reports suggest that Syrian and Iraqi refugees have become victims of trafficking for the purpose of organ trafficking in refugee or IDP camps, or during their migration journeys, with or without their initial consent. Iraqis are smuggled to other Middle Eastern countries, from where they continue to South-East Asia and Australia. The use of fraudulent documents appears common along those routes. With EU support since 2019, significant progress has been made with the development of the new Smuggling of Migrants Law, the proposed amendment of the Trafficking in Persons Law, and the inclusion of Victims of Trafficking in the existing National Referral Mechanisms in Anbar and Erbil. However, continued EU action is needed and requested by the Iraqi authorities to continue in the same direction to tackling trafficking in human beings and smuggling of migrants in Iraq.

Housing Land and Property (HLP) rights in Iraq remains a complex and multifaceted issue, with a profound impact on legal certainty of land rights for individuals, the business climate and investments. All the Iraqi population and specifically displaced populations are amongst the most affected groups. Displaced populations continue to face substantial challenges in establishing ownership due to a loss of property records, damage/destruction of private property, secondary occupation of private property and administrative/security difficulties to retrieve documents,

¹⁹ Assessment of the labour market & skills analysis: Iraq and Kurdistan Region-Iraq: hospitality, UNESCO 2019 <https://unesdoc.unesco.org/ark:/48223/pf0000371372>; Assessment of the labour market & skills analysis: Iraq and Kurdistan Region-Iraq: construction, UNESCO 2019, <https://unesdoc.unesco.org/ark:/48223/pf0000371371>

address/verify occupancy claims and submit compensation claims. Moreover, lack of ownership documentation, lack of access to compensation schemes, secondary/illegal occupation, forced evictions, confiscations, and illegal sales of the properties represent major barriers for returning owners. With EU support since 2019, progress has been made in Iraq, with the decree on HLP rights for Yazidis and legal aid to individuals in Western Nineveh. However, continued EU action is needed and requested by the Iraqi authorities to continue in the same direction as well expand the engagement at national system level for the digitalisation of property registries (cadastres) that will benefit all Iraqis, displaced populations but equally businesses and investors seeking land tenure and property security.

Identification of main stakeholders and corresponding institutional and/or organisational issues to be covered by the action:

The main counterparts in the Government are the following:

- The Ministry of Planning (federal Iraq and Kurdistan Region of Iraq (KRI)) is the main government counterpart for international partners in Iraq and the national authority for development planning. It is equally mandated to lead on private sector development including through the High Committee for Private Sector Development chaired by the Minister of Planning.
- The Prime Minister’s Office with Iraq’s Climate Envoy, coordinates the implementation of economic and climate change reforms across Government entities.
- Ministry of Foreign Affairs (KRI and Federal) leads on the inter-ministerial coordination on migration, leads on the question of refugees (including Syria Conferences). Oversees the return and reintegration files.
- The Ministry of Migration and Displacement coordinates the implementation of the Iraqi National Returns Plan, the National Migration Strategy, and sets the policy directions and implements the National Referral Mechanism. It coordinates humanitarian and reintegration support services with other Ministries. The Joint Crisis Coordination Centre in KRI (sub-entity of the KRI Ministry of Interior) is responsible in KRI for coordinating with the federal Ministry of Migration and Displacement especially on camp management, return and reintegration angle in close coordination with the local branches of the federal Ministry of Migration.
- The Ministry of Labour and Social Affairs (federal Iraq and KRI) regulates the national labour market but also labour migration, monitors the respect of decent work provision in all sectors in Iraq, provides loans/grants for micro-business, but also manages social protection and social insurance schemes, as well as short-term vocational training and job placement.
- The Ministry of Higher Education (federal Iraq and KRI), the Ministry of Education (federal Iraq and KRI) and the Prime Minister Advisory Committee set and oversee the implementation of education policies and strategies including Technical Vocational and Education.
- The Ministry of Agriculture (federal Iraq and KRI) sets and oversees the implementation of agriculture policies and strategies including relating to value chain development and climate-smart irrigation.
- The Ministry of the Environment (federal Iraq and KRI) sets and oversees the implementation of environmental, biodiversity and climate change policies and strategies, in coordination with the Prime Minister’s climate change envoy.
- The Ministry of Construction, Housing and Public Municipalities (federal Iraq and KRI) sets and oversees the implementation of land, urban, housing and construction policies, including related to informal settlements and housing land property rights.
- The Central Bank of Iraq is the principal regulatory authority of the financial sector and authorised to set up loan mechanisms for Ministries, state and commercial banks to implement.
- The Women Empowerment Directorate at the Council of Ministers Secretariat leads on women affairs.
- The Central Statistics Organisation and Kurdistan Regional Statistics Office are responsible for collecting, processing and analysing national statistics, including migration data.
- The Ministry of Justice and the State Council (federal Iraq and KRI) are responsible for legal review of agreements and legislation.

Local and regional authorities in areas most affected by displacement and return are also key stakeholders of this action, as coordination with these actors ensures buy-in, legitimacy and sustainability. This includes for all above-mentioned decentralised Ministries under Law 21, the General Directorates at governorate level, whose capacities especially in those areas particularly affected by displacement are strengthened to more effectively manage the delegated powers at Governorate and local levels. Key stakeholder are equally communities and the civil society,

including women's organisations, organisations representing the rights of persons with disabilities, worker and employment representative organisations, chambers of commerce and business unions. Together with academia, these will be key actors in the social dialogue and benefit from capacity building, together with representatives of the private sector, including micro, small and medium entrepreneurs, microfinance institutions, emerging Fin-Techs, financial institutions (national, regional, international).

This action will benefit forcibly displaced populations including Syrian refugees and Iraqi IDPs, as well as returnees and other groups in vulnerable situations, including Iraqi Youth, women, children, minorities, persons with disabilities and people in Iraq in general.

3 DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

The **Overall Objective (Impact) of this Action** is: to support vulnerable populations and displaced persons become equal members of their societies²⁰

The Specific Objectives of this action are:

1. Improved economic inclusion and access to decent employment in climate-resilient, low-carbon and energy-efficient agri-food and construction sectors including for displaced persons (IDPs, refugees, returnees), youth, women and persons living in vulnerable situations¹³
2. Relevant labour market technical skills for the climate-resilient hospitality and low-carbon construction sectors acquired by students, including for displaced persons (IDPs, refugees, returnees), women and persons living in vulnerable situations²¹
3. Improved transparency, accountability, effectiveness and inclusiveness of institutions, including oversight by parliament and civil society²²

The Outputs to be delivered by this action contributing to the corresponding Specific Objectives are:

- 1.1 Increased decent employment – in climate-resilient agri-food businesses and low-carbon construction businesses that improved their competitiveness and integrated into global value chains - with EU support, for displaced persons (IDPs, refugees, returnees), youth, women and persons living in vulnerable situations.¹⁴
- 1.2 Increased investment and diversified trade, improved competitiveness and sustainability of the local private sector with a focus on climate-resilient agri-food businesses and low-carbon construction businesses.²³
- 1.3 In areas vulnerable to the effects of climate change and notably urban informal settlements, improved access to decent, affordable, climate-resilient housing and enhanced delivery of low-carbon municipal services, for displaced persons (IDPs, refugees, returnees), youth, women and persons living in vulnerable situations.²⁴
- 2.1 Strengthened capacity of TVET providers to offer inclusive access and quality services including for displaced persons (IDPs, refugees, returnees), girls, women and people with disabilities that respond to labour market needs, including for climate-resilient hospitality and low-carbon construction sectors.¹⁴
- 2.2 Increased availability of curricula, teaching and learning material appropriate to and compatible with learners' context, age, language, and development levels, that create awareness related to climate change, the causes and impacts of climate change and the role of adaptation, including for displaced persons (IDPs, refugees, returnees), girls, women and people with disabilities.²⁵

²⁰ EU results chain forced displacement, CAP4DEV

²¹ EU employment and TVET results chain, CAP4DEV

²² EU democracy results chain, CAP4DEV

²³ EU business environment reform results chain, CAP4DEV

²⁴ EU sustainable cities results chain adapted, CAP4DEV

²⁵ EU Education results chain adapted, CAP4DEV

- 2.3 Improved policies and regulations relating to technical, vocational education and training, including identifying labour needs for TVET focussed on promote skills and employability, and that create public awareness related to climate change, the causes and impacts of climate change and the role of adaptation, including for displaced persons (IDPs, refugees, returnees), girls, women and people with disabilities.¹⁶
- 3.1 Enhanced national capacity in developing and implementing sustainable, efficient, harmonised migration and integration policies, strategies and legislation.
- 3.2 Enhanced operational capacity of the government to steer and operate the migration and integration governance systems including an effective system for addressing trafficking in human beings and smuggling of migrants, as well as housing land property rights.

3.2 Indicative Activities

Activities related to Output 1.1 to 1.3 may include:

- Technical assistance for the review, adaptation, adoption and implementation of legislative and strategic framework for decent work, private sector development, trade, the business and investment enabling environment for climate-resilient agriculture value-chains and low-carbon energy-efficient construction as well as disaster risk reduction; to support the development and implementation of active labour market policies, active inequality policies and active urban settlement policies for displaced persons (IDPs, refugees) and returnees, youth, women and persons with disabilities; promotion of adoption of energy-efficiency standards and other environmental standards expected to reduce GHG emissions as part of trade-related assistance; promotion of agri-food business practices to less water consuming production technologies that reduce vulnerability against water shortage; Promotion of retrofitting of industrial facilities for construction material to enhance resilience to climate-related risks.
- Capacity strengthening for entrepreneurs, start-ups, existing MSMEs notably in the climate-resilient agri-food and low-carbon energy-efficient construction economic sectors through business incubator, business accelerator, business development programmes that promote the adoption of energy-efficiency standards and other environmental standards expected to reduce GHG emissions, as well as energy-efficient building techniques; this includes equally the provision short-term training on business-relevant soft skills and digital skills, career guidance and job placements; this includes providing advice to business in greening their practices and creating incentives for private sector to include climate change concepts in their strategies and guide their investment; and the promotion of MSMEs' efforts at switching to climate-resilient, low-carbon and energy-efficient practices for production, storage, distribution, etc.; this includes support to national authorities for upscaling and implementing their MSME grant and loan programmes that facilitate the adaptation to climate change for businesses .
- Fostering the role of Iraqi civil society, private sector and local communities notably establishing close collaborations with and supporting chambers of commerce, business associations, federations of industries, worker associations and community development committees, including those representing the rights of groups in vulnerable situations (e.g. women, persons with disabilities, minorities); this includes increasing these bodies capacity to promote climate-resilient energy-efficient low-carbon business practices with their members.
- Technical and financial assistance for the development of climate-resilient agri-food businesses and agri-value chains in pro-poor sectors involving groups in vulnerable situations, as well as development and provision of business support services. Activities may also include market and value chain assessments and feasibility studies; technical and financial assistance to small holder farmers; provision of technology and infrastructure upgrades; provision of mentoring and coaching to support enterprises improve production and service delivery, facilitation of twinning with international firms when possible; provision of training on food safety systems and interpretation/uptake of climate and other environmental data and services along the value chains. Activities to promote sustainable climate-smart farming practices may include introducing high-quality, and high-tech practices with climate change adaptation, risk reduction and environmental conservation co-benefits; soil and water resources management; activities to safeguard the local biodiversity; activities linking smallholder and vulnerable producers to the market.
- Technical and financial assistance for the municipalities' labour-intensive provision of basic services in in areas vulnerable to the effects of climate change, notably under-served urban areas and informal settlements. Activities may include the development of GIS dashboards for the monitoring of status;

preparation of neighbourhood profiles and area upgrading plans that are sensitive to the effects of climate change; identification of initiatives for labour-intensive low-carbon energy-efficient urban upgrading and labour-intensive basic service provision; implementation of labour-intensive low-carbon energy-efficient housing construction and municipal service (water, sanitation, transport, waste management, energy, education, health, public spaces) pilot initiatives; delivery of skill and capacity enhancement trainings for community members; coaching of private sector MSMEs engaged in the service provision; conduct of public awareness campaigns on climate-resilient low-carbon energy-efficient practices, sustainability, inclusiveness and equality. This also includes supporting authorities with the preparation and implementation of disaster risk reduction plans.

Activities related to Outputs 2.1 to 2.3 may include:

- Technical assistance for the development and the implementation of the national policies and strategic documents for technical vocational education and training in general and specifically for the hospitality and construction sectors that create awareness related to climate change, the causes and impacts of climate change and the role of adaptation, with special focus on access for displaced persons (IDPs, refugees) and returnees, youth, women and persons with disabilities;
- Capacity strengthening of national TVET institutions' teachers, trainers and administrators on modern teaching methodologies for TVET to ensure the sustainability. Capacity building programs may include, the provision of competency based training on relevant labour market occupations including for low-carbon energy-efficient construction, as well as low-carbon hospitality and tourism. Fostering the role of civil society, communities as well as private sector and trade unions in the TVET education process through the establishment and improvement of sectorial councils representative equally of displaced persons (IDPs, refugees) and returnees, youth, women and persons with disabilities. This includes also creating awareness related to climate change, the causes and impacts of climate change and the role of adaptation.
- Support to service delivery including by enhancing TVET institutions' capacities for the provision of quality teaching, as well as modernisation of the learning environment, and referral systems, notably in the areas of displacement and returns, and the participation of girls, women and people with disabilities.

Activities related to Output 3.1 to 3.3 may include:

- Technical assistance for the review, adaptation, adoption and implementation of legislative and strategic framework of the displacement governance system with a specific focus on tackling smuggling of migrants and trafficking in human beings (including child protection) and for increasing the effective response to trafficking and smuggling in line with international law, as well as housing land property rights. This foundational work includes the creation of a comprehensive and agreed understanding on the respective roles and responsibilities of all governance/state institutions and a detailed functional and capacity assessment of the respective involved ministerial departments.
- Capacity strengthening of relevant line ministries for combatting trafficking in human beings, smuggling of migrants and assisting and protecting victims as well as vulnerable migrants; for enabling housing land property rights and the digitalisation of the national land title registry (cadastre system); for reviewing, streamlining and applying procedures, for ensuring monitoring mechanism for compliance with the regulations at local level, and for improving access to right and services, with special attention to female-headed households, persons with disabilities and minorities; Strengthening operational and technical capacity of mandated central and local ministry directorates.
- Fostering the role of Iraqi civil society and local communities through elevating needs of right holders to duty-bearers, including local authorities and through serving as a reciprocal channel of communication, with a special focus on governorates of return, and through awareness raising on the dangers of smuggling of migrants and trafficking in human beings, and on individuals' housing land property rights, focusing on support for the groups in most vulnerable situations.
- Support to service delivery of the relevant offices and centres notably the streamlining and improvement of the service offer related to housing land property rights, and the assistance for victims of smuggling and trafficking, notably in the areas of displacement and returns.

The commitment of the EU's contribution to the TEI foreseen under this action plan will be complemented by other contributions from Team Europe partners. It is subject to the formal confirmation of each respective partners' meaningful contribution as early as possible. In the event that the TEIs and/or these contributions do not materialise the EU action may continue outside a TEI framework.

3.3 Mainstreaming

Environmental Protection & Climate Change

This action provides a direct response to the growth priorities of Iraq by supporting job creation in two key economic sectors that hold potential for Iraq's economic diversification away from the oil sector. The Action thus sets out to promote the development of a climate-resilient agri-food value chain sector, as well as a low-carbon energy-efficient construction sector. The support of the action is focused on business development, including training and education, that promotes climate-resilient low-carbon and energy-efficient business practices. The support offer takes into account the creation of decent jobs through labour intensive approaches and increased productive capacity in more environmentally friendly production cycles with potential for development and sustainable production and consumption patterns.

Education and specifically skills development plays a paramount role in raising awareness and promoting behavioural change for environment and climate change mitigation and adaptation. It helps to increase resilience and adaptation capacity of communities by enabling individuals to make informed decisions. In this regard, the proposed action promotes innovative ways of thinking and problem solving to equip young people with knowledge, skills, and habits that will build their capability to cope over time with the challenges that define our era: global warming, integrity of ecosystems, social justice, sustainable food systems, and biodiversity.

At the same time, the support the implementation of the external component of the European Green Deal, as they increase Iraq's resilience to climate change and contribute to ecosystem preservation.

Outcomes of the Strategic Environmental Assessment (SEA) screening (relevant for budget support and strategic-level interventions)

SEA screening concluded that no further action was required.

Outcomes of the EIA (Environmental Impact Assessment) screening (relevant for projects and/or specific interventions within a project)

The EIA screening classified the action as Category C (no need for further assessment).

Outcome of the Climate Risk Assessment (CRA) screening (relevant for projects and/or specific interventions within a project) The CRA screening concluded that for this action is no or low risk (no need for further assessment).

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that promoting gender equality in service provision across all three priority areas is an important and deliberate objective of the Action. The inclusion of women and girls will be particularly ensured in the activities of this Action. Gender equality in access to quality services as well as the adaptation of services to the needs of female beneficiaries is pro-actively advanced through this action. Displaced persons (IDPs, refugees) and returnees, women and girls in general are at the centre of this action, with interventions seeking to involve and engage them as much as possible considering the growing young population of Iraq and their contribution to the sustainable development of Iraq. In its three specific objectives, the Action will support the protection of children to ensure that are not victims of abuse, discrimination or forced to labour, enrolled as fighters in paramilitary forces or forced to early marriage. The action produces gender analysis when needed, as well as sex-disaggregated data when available and it will monitor and evaluate the results of the gender sensitive indicators, especially in the GAPIII thematic areas of Promoting economic and social rights and empowering girls and women, Addressing the challenges and harnessing the opportunities offered by the green transition and the digital transformation and Ensuring freedom from all forms of gender-based violence. In this sense, the Action is fully aligned with the forthcoming implementation plan for Iraq under the EU Gender Action Plan III for 2021-2024²⁶.

Human Rights

²⁶ Joint Communication on the EU Gender Action Plan III from November 2020, JOIN (2020) 17. Source: https://ec.europa.eu/international-partnerships/system/files/join-2020-17-final_en.pdf

This Action is based on the implementation plan for Iraq under the EU Action Plan on Human Rights and Democracy (2021-2024)²⁷, applicable human rights covenants and the international conventions such as the ILO Conventions and applicable UN frameworks. The Action takes a rights-based approach putting economic, social, civic rights at the forefront, focusing specifically on safeguarding and promoting the rights of women and children, displaced persons, minorities, persons with disabilities and workers in the informal sector and/or in informal work situations. The action adopts a human rights-based approach by focusing on capacity building of the duty-bearers and the rights holders, creating opportunities of participation for their associations and by fostering the working principles of applying human rights for all.

Disability

As per OECD Disability DAC codes identified in section 1.1, this Action is labelled as D1. The Action will provide for measures that ensure persons with disabilities are able to contribute to and benefit from the project equally with others and are able to be active participants of the activities. Access to quality services for disabled persons as well as the adaptation of services to the needs of people with disabilities will be pro-actively advanced through this Action and specifically by: improving inclusion and participation of people with disabilities in access to decent employment and TVET; facilitating the participation of organizations of people with disabilities in reconstruction planning and measures that take in consideration the needs of people with disabilities; and by including indicators to measure outcomes on persons with disabilities.

Democracy

The focus of this Action is on improving governance across all three intervention areas and thereby contributing to addressing Iraq's notoriously weak governance, widespread corruption and a lack of accountability and oversight. This will contribute to increasing the compromised legitimacy of the state. At the same time, effective service delivery and the integration of displaced populations contributes to improving social cohesion. Supporting the Iraqi authorities' capacity to durable solutions for displaced populations is crucial to advance reconciliation and stabilisation.

Conflict sensitivity, peace and resilience

Conflict sensitivity and a people-centred approach underpin this Action, addressing the root causes of conflicts while social cohesion is mainstreamed throughout. Equally, the Action centrally builds on the findings of the conflict analysis screening for Iraq that identified underlying conflict drivers/triggers and provided a series of recommendation for conflict sensitivity and identified specific peace-building opportunities.

In terms of peace-building opportunities, this Action directly contributes to four objectives notably *Support genuine reforms by focusing on the most promising change agents and bridging short-term conflict resolution with long-term governance efforts*; *Accompany dialogue efforts at different levels*; *Work with the education system to promote inclusive citizenship*; *Further areas for peacebuilding engagements* – specifically *Empower women and Promote inclusive social and labour protection*. All relevant recommendations for conflict sensitivity mitigation measures relating to the themes of *Reinforcing a highly corrupt, underperforming, contested political system*; *Exacerbating inter-group rivalries*; *Fuelling the negative perception of international support to Iraq*; *Sector- and action-specific risks* are taken into account for this action and are fully integrated into the design of the programmes.

Disaster Risk Reduction

The Action aims to improve the shock resilience of national systems and thus contributes to disaster risk reduction. The Action specifically aims to improve the preparedness and shock-responsiveness and the ability of the Iraqi governance mechanisms, labour market, and education system to expand and taper assistance in response to the onset and abatement of crises for the systems to be equipped with tools and capacity to assess needs and expand the coverage as crises such as climate change, conflict or natural hazards-induced disasters occur.

²⁷ Joint Communication on the EU Action Plan on Human Rights and Democracy 2020-2024, JOIN (2020) 7. Source: https://eur-lex.europa.eu/resource.html?uri=cellar:e9112a36-6e95-11ea-b735-01aa75ed71a1.0002.02/DOC_3&format=PDF

3.4 Risks and Lessons Learnt

Category	Risks	Likelihood (High / Medium / Low)	Impact (High / Medium / Low)	Mitigating measures
External environment	Risk 1: <i>A worsening security situation</i>	High	Medium	Political dialogue by the EU (including EUAM) and EU Member States
	Risk 2: <i>An increasingly unstable political situation</i>	High	Medium	Political dialogue / support to elections by the EU and EU Member States
	Risk 3: <i>Increasing climate vulnerability and environmental degradation risks</i>	High	Medium	Political dialogue by the EU and EU Member States
	Risk 4: <i>Endemic corruption in Government Public Finances</i>	High	Low	Indirect management modality with pillar-assessed organisations reduces fiduciary risk. PFM projects provide reform support.
	Risk 5: <i>Increased geographic access constraints for partners and Civil Society</i>	Medium	High	Political outreach by the EU, EU Member States; Choice of implementation partners; Continued strong advocacy.
	Risk 6: <i>Increased resistance to return and reintegration at political and population level</i>	Medium	High	Pro-active political outreach, strong coordination and continued policy dialogue
	Risk 7: <i>Inability to identify returnees due to a lack of information</i>	High	Medium	Pro-active dialogue and coordination between EU MS, the European Commission, and FRONTEX
	Risk 8: <i>Policy interlocutors become difficult to engage with. Reform momentum weakens</i>	Medium	Medium	Political economy analyses to underpin programmes. Pro-active engagement in policy dialogue in collaboration with partners.
	Risk 9: <i>Poor Government ownership risking the sustainability of interventions.</i>	Medium	High	Work with Government stakeholders for reform of the national systems through a fully Government led approach.
	Risk 10: <i>Weak capacities of implementing partners and their contracted service providers</i>	Low	High	Choice of implementing partner; regular monitoring, assessment and evaluation of the quality of services provided.
	Risk 11: <i>Resistance to include a Human Rights Based approach including gender, disability and minorities.</i>	Low	High	Awareness-raising sessions, analysis and recollection of disaggregated data on gender, disabilities and minorities. Reinforcement of the participation and representativeness of their community associations.

Assumptions:

- No additional external factors affecting returns and integration of displaced populations, recovery and social stability;
- National and local security situation allows for safe implementation on the ground;
- National and local authorities' support, full engagement and ownership continue;
- Favourable government displacement, governance, macro-economic and fiscal policies;
- Public employment schemes are effectively introduced and can be extended country-wide, benefitting from concurrent partner programmes;
- The migration governance, job and TVET education systems are ready to absorb the project's support and allow for policy/management reforms, as well as improvements in terms of delivered services and infrastructures.

Lessons Learnt:

Lessons learnt from the past and ongoing engagement stress that the EU needs to maintain a prominent leading role, actively engaging in political dialogue and using its joint leverage, thereby accompanying its programmes with pro-active outreach to relevant political, religious and tribal actors at federal and local level in order to create buy-in and overcome obstacles. Pro-active and constant policy dialogue with the government at decision-maker and technical level, at federal and local level, is required to ensure that EU interventions support priority-setting, policy development and their implementation, as well as create the much-needed space for Civil Society to engage at policy level. Direct work and coordination with Government institutions at federal and local level as well as civil society is indispensable to ensure sustainability of EU interventions. At the same time, constantly ensuring adequate EU visibility is paramount. Equally and specifically to the thematic area of human and social development, it

is crucial to strike a flexible balance between governance interventions and direct piloting of service provision approaches, adapting the balance to the changing country context and the space for governance reforms.

3.5 The Intervention Logic

Against a backdrop of political pressure to end Iraq's displacement crisis as well as support the re-integration of returnees, it is ever more urgent to create the conditions for vulnerable and displaced populations (IDPs, refugees) and returnees to find decent employment opportunities, benefit from skills development and functioning governance in Iraq. Furthermore, with the protracted situation of displacement affecting all 18 Iraqi Governorates, there is the need to support national systems in a country-wide approach focussing on the most heavily affected Governorates. This ensures the sustainability of EU efforts in line with the durable solutions agenda and promotes the transition away from humanitarian assistance for displaced populations to a long-term development approach. The Action intends to create the conditions for the integration of displacement-affected populations (IDPs, refugees) and returnees into a reformed national labour market, and, reformed national systems for technical and vocational education, as well as enable displaced populations to seize their legal and civic rights. The Action directly targets displaced persons (IDPs, refugees) and returnees, with a particular focus on youth' and women's civil and socio-economic rights. The Action aims to improve the shock resilience of national systems to cope with crises. Considering the growing youth population of Iraq, their potential for contributing to sustainable economic development, youth is at the centre of the action. The transition towards a green economy is addressed throughout, including for climate-smart agri-value chain development and climate-adapted urban reconstruction. It includes also support of skills development for green construction and the green hospitality services. Digitalisation and specifically e-government are promoted through the support to the establishment of the e-cadastre system. Communities and civil society, including those representing the voice and needs of women, child and people with disabilities, are fully recognised as key stakeholders of this and are fully associated throughout the whole process of this Action, as continuous policy dialogue and coordination with these actors ensures buy-in, legitimacy and sustainability. The Action capitalises on prior and ongoing EU's interventions, and is in line with the partner country's priorities. It aims to place Iraq people's needs at the centre of policy decisions and reforms efforts. In light of the ambition to support the creation of a social contract, building human and social capital, the Action focuses on mutually reinforcing interventions, maximising innovation, fostering synergies and engaging communities and civil society as well as leveraging private investment.

The underlying intervention logic for this action is that:

IF the activities of technical assistance, capacity strengthening, support to service delivery and for fostering the role of communities and civil society are undertaken in each of the three thematic areas, addressing the needs and interests of the target groups AND the assumptions regarding absorption capacities of national systems in the three thematic areas hold true, THEN the Outputs relating to improved governance and management, improved access to services especially for those in the most vulnerable situations, and improved delivery and quality of services in each of the three thematic areas (outputs 1.1 to 3.3) will be produced.

IF the Outputs relating to improved governance and management, improved access to services especially for those in the most vulnerable situations, and improved delivery and quality of services in each of the three thematic areas are delivered (outputs 1.1 to 3.3) AND the assumptions at the level of Outputs regarding favourable government displacement, governance, macro-economic and fiscal policies hold true, THEN the Outcomes relating to the creation of decent jobs and business development in agri-value chains and urban reconstruction (outcome 1), as well as improved quality and equality of national TVET education systems (outcome 2), and governance systems (outcome 3), will be realised, BECAUSE past experience with EU programmes in these specific thematic areas suggest that this change is possible.

IF the Outcomes relating to the creation of decent jobs and business development in agri-value chains and urban reconstruction (Outcome 1), and, improved quality and equality of national TVET education systems (outcome 2), as well as governance systems (outcome 3) are achieved AND the assumptions at this level regarding external factors, the security situation and authorities' full engagement and ownership hold true, THEN the action will contribute to the desired Impact of having contributed to support vulnerable populations and displaced persons become equal members of their societies. This is BECAUSE of the momentum for durable solutions and for the reform of national systems, as well as the joint action of the EU and EU Member States.

3.6 Logical Framework Matrix

This indicative logframe constitutes the basis for the monitoring, reporting and evaluation of the intervention. On the basis of this logframe matrix, a more detailed logframe (or several) may be developed at contracting stage. In case baselines and targets are not available for the action, they should be informed for each indicator at signature of the contract(s) linked to this AD, or in the first progress report at the latest. New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

- At inception, the first progress report should include the complete logframe (e.g. including baselines/targets).
- Progress reports should provide an updated logframe with current values for each indicator.
- The final report should enclose the logframe with baseline and final values for each indicator.

The indicative logical framework matrix may evolve during the lifetime of the action depending on the different implementation modalities of this action. The activities, the expected Outputs and related indicators, targets and baselines included in the logframe matrix may be updated during the implementation of the action, no amendment being required to the Financing Decision.

PROJECT MODALITY (3 levels of results / indicators / Source of Data / Assumptions - no activities)

Results	Results chain (@): Main expected results	Indicators (@):	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	to support vulnerable populations and displaced persons become equal members of their societies. (EU results chain forced displacement)	1. Number of migrants, forcibly displaced people or individuals from host communities protected or assisted with EU support, disaggregated by sex, age group, population group, migration status, disability (OPSYS core indicator)	1. 2023: 0	1. 2027: to be determined during inception phase	1. Baseline and endline surveys conducted and budgeted by the EU-funded intervention	Not applicable
		2. Percentage of displaced persons living below the national poverty line, compared to the national average, disaggregated by sex, age group, disability, rural/urban (OPSYS core indicator)	2. 2023: to be determined during inception phase	2. 2027: to be determined during inception phase	2. National Household Survey	
		3. Unemployment rate of displaced persons compared to the resident/host communities, disaggregated by sex, age group, disability status (OPSYS core indicator)	3. 2023: to be determined during inception phase	3. 2027: to be determined during inception phase	3. National Labour Market Survey	
		4. Percentage of participation of displaced youth and adults in formal and non-formal education and training in the previous 12 months, compared to the national average, disaggregated by sex, age group, disability, rural/urban, income	4. 2023: to be determined during inception phase	4. 2027: to be determined during inception phase	4. National Household Survey	

		level, type of education (formal/informal) (OPSYS core indicator)				
		5. Percentage of displaced persons reporting having personally felt discriminated against or harassed (including sexually harassed) in the previous 12 months on the basis of a ground of discrimination prohibited under international human rights law, disaggregated by sex, age group, population group, migration status, disability, rural/urban (OPSYS core indicator)	5. 2023: 0	5. 2027: to be determined during inception phase	5. Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
		6. Number of victims of human trafficking per 100,000 population by sex, age and form of exploitation (SDG 16.2.2-GAPIII)	6. 2023: NA	6. 2027: to be determined	6. SDG report, Voluntary National SDG report	
Outcome 1	1. Improved economic inclusion and access to decent employment in climate-resilient, low-carbon and energy-efficient agri-food and construction sectors including for displaced persons (IDPs, refugees, returnees), youth, women and persons living in vulnerable situations. (EU results chain forced displacement, adapted)	1.1A Number of (a) jobs supported, by the EU disaggregated by sex, age group, population group, migration status, disability status (GERF 2.13, OPSYS core indicator)	1.1 2023:0	1.1 2027: to be determined during inception phase	1.1 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	No additional external factors affecting returns and integration of displaced populations, recovery and social stability; National and local security situation allows for safe implementation; Favourable government displacement,
		1.1B Number of (b) green jobs supported/sustained by the EU (GERF 2.13, OPSYS core indicator)				
		1.1C Number of women benefiting from incentives used to encourage women's entry into the green economy and the circular economy (GAPIII)				
		1.2 Number of target beneficiaries (resident/host communities and displaced persons) gainfully (self)employed, disaggregated by sex, disability, migration status and age group (OPSYS core indicator)	1.2 2023: to be determined during inception phase	1.2 2027: to be determined during inception phase	1.2 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	

		<p>1.3A Number of smallholders reached with EU supported interventions aimed to increase their sustainable production, access to markets and/or security of land, disaggregated by sex, migration status, disability and age group (GERF 2.1/ EURF 2.3, OPSYS core indicator)</p> <p>1.3B Number of people benefitting from improved housing conditions in urban areas, disaggregated by sex and disability (OPSYS core indicator)</p>	1.3 2023: to be determined during inception phase	1.3 2027: to be determined during inception phase	1.3 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	governance, macro-economic and fiscal policies;
Outcome 2	2. Relevant labour market technical skills for the climate-resilient hospitality and low-carbon construction sectors acquired by students, including for displaced persons (IDPs, refugees, returnees), women and persons living in vulnerable situation. (EU results chain employment and TVET, adapted)	2.1 Number of beneficiaries receiving a certification having successfully completed a TVET programme designed / implemented with EU support, disaggregated by sex, age, disability , migration status and sector (green, digital, others) (CAP4DEV)	2.1 2023 0	2.1 2027: to be determined during inception phase	2.1 Database of training participants with certification results	(continued from here above)
		2.2 Percentage of beneficiaries having their performance/technical skills as apprentice rated by their employers as satisfactory, disaggregated by beneficiaries' sex, age group, disability, migration status and economic sector (OPSYS core indicator)	2.2 2023: 0	2.2 2027: to be determined during inception phase	2.2 Employer surveys conducted and budgeted by the EU-funded intervention	Adequate allocations to the sector in the national budget.
		2.3A Number of students enrolled in education with EU support: b) secondary education, disaggregated by sex, migration status, disability and age group (GERF 2.36 and MIP indicator 2.1.1A adapted)*	2.3 2023: 0	2.3: 2027: to be determined during inception phase	2.2: Baseline and endline surveys conducted and budgeted by the EU-funded intervention	National and local authorities' support, full engagement and ownership continue;
		2.3B Number of students enrolled in education with EU support c) tertiary education, disaggregated by sex, migration status and age group (GERF 2.36 and MIP indicator 2.1.1A adapted)*				Favourable government displacement, governance, macro-economic and fiscal policies;
Outcome 3	Improved transparency, accountability, effectiveness and inclusiveness of institutions, including oversight by	3.1 Evolution of the capacity of competent authorities of Iraq in migration management in line with international standards (MIP indicator 3.2.3E)*	3.1 2023: weak fragmented capacity	3.1 2027: to be determined during inception phase	3.1 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	

	parliament and civil society. (EU results chain democracy, MIP indicator 3.1)	3.2 Number of migrants, forcibly displaced people or individuals from host communities protected or assisted with EU support disaggregated by sex, age group, migration status and disability (OPSYS core indicator)	3.2 2023: to be determined during inception phase	3.2 2027: to be determined during inception phase	3.2 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
		3.3 Percentage of IDPs who integrate locally in their host community or area, out of the total number of IDPs, disaggregated by sex, disability and age group (CAP4DEV)	3.3 2023: to be determined during inception phase	3.3 2027: to be determined during inception phase	3.3 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
Output 1 relating to Outcome 1	1.1 1.1 Increased decent employment – in climate-resilient agri-food businesses and low-carbon construction businesses that improved their competitiveness and integrated into global value chains - with EU support, for displaced persons (IDPs, refugees, returnees), youth, women and persons living in vulnerable situations. (EU employment results chain adapted)	1.1.1 Number of self-employed individuals and owners of micro and small firms benefiting from business development services, disaggregated by sex, age, disability, migration status and type of business development services received (digital development services, Sustainable Consumption and Production services, or other) with support of the EU-funded intervention disaggregated by sex, age group, migration status and disability (OPSYS core indicator)	1.1.1 2023: 0	1.1.1 2027: to be determined during inception phase	1.1.1 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	Absorption capacities of national systems in the sector and of the private sector stakeholders.
		1.1.2 Number of (a) jobs, (b) green jobs supported/sustained by the EU - in companies supported by the EU to improve their competitiveness and integration into global value chains (EURF 2.11; OPSYS core indicator)	1.1.2 2023: 0	1.1.2 2027: to be determined during inception phase	1.1.2 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
Output 2 relating to Outcome 1	1.2 Increased investment and diversified trade, improved competitiveness and sustainability of the local private sector with a focus on climate-resilient agri-food and low-carbon construction businesses. (EU Business environment reform results chain adapted)	1.2.1 Global Competitiveness Index (OPSYS core indicator)	1.2.1 2020: Iraq not included	1.2.1 2027: to be determined during inception phase	1.2.1 World Economic Forum	
		1.2.2 Export concentration index (OPSYS core indicator)	1.2.2 2019: 0.94	1.2.1 2027: to be determined during inception phase	1.2.1 UNCTAD	
Output 3	1.3 In areas vulnerable to the effects of climate change and notably urban informal settlements, improved access to decent, affordable, climate-resilient	1.3.1 Number of new and/or refurbished social and affordable housing units in urban areas (OPSYS core indicator)	1.3.1 2023: to be determined during inception phase	1.3.1 2027: to be determined during inception phase	1.3.1 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	

Relating to Outcome 1	housing and enhanced delivery of low-carbon municipal services, for displaced persons (IDPs, refugees, returnees), youth, women and persons living in vulnerable situations (EU Sustainable Cities results chain adapted)	1.3.2 Proportion of population using safely managed drinking water services (GERF 1.31; SDG 6.2.1; OPSYS core indicator)	1.3.2 2023: to be determined during inception phase	1.3.2 2027: to be determined during inception phase	1.3.2 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
Output 1 relating to Outcome 2	2.1 Strengthened capacity of TVET providers to offer inclusive access and quality services including for displaced persons (IDPs, refugees, returnees) that respond to labour market needs, including for climate-resilient hospitality and low-carbon energy-smart construction sectors (EU Employment and TVET results chain adapted)	2.1.1 Number of people who have benefited from institution or workplace based TVET/skills development interventions supported by the EU: (a) all TVET/skills development, disaggregated by sex, age group, migration status and disability (OPSYS core indicator / GERF 2.14)	2.1.1 2023: 0	2.1.1 2027: to be determined during inception phase	2.1.1 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	Absorption capacities of national systems, and civil society stakeholders.
		2.1.2 Number of representatives of the TVET providers, government and social partners trained by the EU-funded intervention with increased knowledge and/or skills on labour market oriented governance of TVET systems, disaggregated by sex and type of organisation (TVET provider, government, social partner) (CAP4DEV)	2.1.2 2023: 0	2.1.2 2027: to be determined during inception phase	2.1.2 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
Output 2 relating to Outcome 2	2.2 Increased availability of curricula, teaching and learning material appropriate to and compatible with learners' context, age, language, and development levels, that create awareness related to climate change, the causes and impacts of climate change and the role of adaptation, including for displaced persons (IDPs, refugees, returnees), girls, women and people with disabilities. (EU Education results chain adapted)	2.2.1 Extent to which EU-funded intervention contributed to revision national education curricula (Qualitative) (CAP4DEV)	2.2.1 2023: to be determined during inception phase	2.2.1 2027: to be determined during inception phase	2.2.1 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
		2.2.2 Number of schools equipped with innovative pedagogic equipment and/or inclusive facilities with support of the EU-funded intervention (CAP4DEV)	2.2.2 2023: 0	2.2.2 2027: to be determined during inception phase	2.2.2 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
Output 3	2.3 Improved policies and regulations relating to technical, vocational education and training, including identifying labour needs for	2.3.1 Number of sectoral skills needs assessments conducted with EU support (Number) (CAP4DEV)	2.3.1 2023: to be determined during inception phase	2.3.1 2027: to be determined during inception phase	2.3.1 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	

relating to Outcome 2	TVET focussed on promote skills and employability, and that create public awareness related to climate change, the causes and impacts of climate change and the role of adaptation, including for displaced persons (IDPs, refugees, returnees) and persons living in vulnerable situations (EU Business Environment Reform results chain adapted)	2.3.2 Number of TVET plans/programmes jointly revised or drafted by education regulators, TVET institutions and social partners (employers' and workers' organisations) with support of the EU-funded intervention and adopted (OPSYS core indicator)	2.3.2 2023: 0	2.3.2 2027: to be determined during inception phase	2.3.2 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
Output 1 relating to Outcome 3	3.1 Enhanced national capacity in developing and implementing sustainable, efficient, harmonised migration and integration policies, strategies and legislation	3.1.1A Number of migration management or forced displacement strategies or policies A) developed/revised or with EU support (GERF 2.21, MIP indicator 3.2.1A, OPSYS core indicator)* 3.1.1B Number of migration management or forced displacement strategies or policies b) under implementation with EU support (GERF 2.21, MIP indicator 3.2.1A, OPSYS core indicator)*	3.1.1 2023: 3	3.1.1 2027: to be determined during inception phase	3.1.1 EU intervention monitoring and reporting systems	Absorption capacities of national systems in the sector.
		3.1.2A Status of availability of quantitative and qualitative data provided by the EU-funded intervention on the impact of the displacement situation, e.g. with regard to perspectives for solutions, protection, basic services, housing, employment, and environment (CAP4DEV) 3.1.2B Quality, disaggregated and globally comparable data on different forms of gender-based violence and harmful practices are increasingly collected and used to inform laws, policies and programmes (GAPIII)	3.1.2 2023: to be determined during inception phase	3.1.2 2027: to be determined during inception phase	3.1.2 EU intervention monitoring and reporting systems	
Output 2	3.2 Enhanced operational capacity of the government to steer and operate the migration and integration governance systems including an effective system for addressing trafficking and smuggling of	3.2.1 Level of technical and practical knowledge of trained officials on migration, displacement and returnee related international standards, the rights-based approach and good practices for	3.2.1 2023: weak	3.2.1 2027: to be determined during inception phase	3.2.1 EU intervention monitoring and reporting systems	Absorption capacities of national systems and civil society

relating to Outcome 3	migrants, as well as housing land property rights.	inclusive fair management (MIP indicator 3.2.3D)*				stakeholders in the sector.
		3.2.2.A Number of migrants, including returnees, refugees, IDPs, (potential) victims of trafficking in human beings or individuals from host communities protected or assisted with Union support. (NDICI programming indicator related to migration)	3.2.2 2022: 315	3.2.2 2027: to be determined during inception phase	3.2.2 EU intervention monitoring and reporting systems	

4 IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the partner country.

4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 60 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3 Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures.²⁸

4.3.1 Direct Management (Procurement)

The procurement entails the provision of advisory and capacity building services for skills development (**specific objective 2**) as described in sections 3 and 4.5.

4.3.2 Indirect Management with entrusted entities

4.3.2.1 A part of this action may be implemented in indirect management with entrusted entities, which will be selected by the Commission's services using the following criteria: specific mandate of the entities, technical and operational competences of the entities, ongoing experience in Iraq and longstanding partnership for job creation and governance with the EU in Iraq. The implementation by this entities entails the facilitation of employment creation, economic and/or urban governance, urban rehabilitation and business development interventions, and related to **specific objective 1 and its related outputs**.

4.3.2.2 A part of this action may be implemented in indirect management with entrusted entities, which will be selected by the Commission's services using the following criteria: specific mandate of the entities, technical and operational competences of the entities, ongoing experience in Iraq and longstanding partnership in migration governance and governance interventions with the EU and/or EU member states in Iraq. The implementation by this entity entails governance interventions related to **specific objective 3 and its related outputs**.

4.3.3 Changes from indirect to direct management mode (and vice versa) due to exceptional circumstances (one alternative second option)

If the implementation modality in indirect management cannot be implemented due to circumstances outside of the Commission's control, a change from indirect management in section 4.3.2 to direct management (procurement and/or grants) shall be used. In this case, the entity will be selected by the Commission's services based on its technical and operational competences as well as experience in Iraq.

In case of Procurement (direct management for EUR 10 million) this would contribute to the achievement of specific objective(s) 1 and/or 3.

In case of Grant(s) (direct management for a total of EUR 20 million)

(a) Purpose of the grant(s) would contribute to the achievement of specific objective(s) 1 and/or 3.

(b) Type of applicants targeted

Public bodies, NGOs, pillar and non-pillar assessed national and international organisations with experience and capacities in the sectors targeted by this action.

²⁸ www.sanctionsmap.eu. Note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy, the OJ prevails.

4.3.4 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply subject to the following provisions. The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.5 Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)
Implementation modalities – cf section 4.3	
Specific objective 1 <i>Improved economic inclusion and access to decent employment in climate-resilient, low-carbon and energy-efficient agri-food and construction sectors including for displaced persons (IDPs, refugees, returnees), youth, women and persons living in vulnerable situations</i>	20 000 000
Indirect management with pillar assessed entity - cf. section 4.3.2.1	
Specific objective 2 <i>Relevant labour market technical skills for the climate-resilient hospitality and low-carbon construction sectors acquired by students, including for displaced persons (IDPs, refugees, returnees), women and persons living in vulnerable situations</i>	10 000 000
Procurement - cf. section 4.3.1	
Specific objective 3 <i>Improved transparency, accountability, effectiveness and inclusiveness of institutions, including oversight by parliament and civil society</i>	10 000 000
Indirect management with pillar assessed entity - cf. section 4.3.2.2	
Evaluation – cf. section 5.2	N.A.
Audit – cf. section 5.3	
Contingencies	N.A.
Totals	40 000 000

4.6 Organisational Set-up and Responsibilities

The Iraqi Ministry of Planning (MoP) is the signatory of the financing agreement. A programme steering committee (SC) will be formed for each component of this action and will meet at least once per year to endorse strategic orientations, oversee programme execution, and facilitate implementation of activities, approve work plans and oversee coordination of the different stakeholders in the programmes. The SC will comprise representatives from MoP, the EU Delegation to Iraq and its cooperation section, representatives from implementing partners per component and the relevant national and local stakeholders.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission participates in the above governance structures set up for governing the implementation of the Action and may sign or enter into joint declarations or statements, for the purpose of enhancing the visibility of the EU and its contribution to this action and ensuring effective coordination.

5 PERFORMANCE MEASUREMENT

5.1 Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim the implementing partners shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. This shall include surveys to establish the baseline and endline data. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

A robust Results Based Monitoring and Evaluation system will be put in place to track project implementation progress, and document valuable lessons and experiences being learnt. At the inception phase, baseline survey and assessment, to verify some of the anticipated risks will be carried out, including the introduction of necessary amendments to the set of indicators based on the prevailing conditions in the context of implementing the project. Local authorities and communities will be strongly involved in the monitoring of the activities performed, when possible. Likewise, all monitoring and reporting shall assess how the action is considering the principle of gender equality, human rights-based approach, and rights of persons with disabilities including inclusion and diversity. Indicators shall be disaggregated at least by sex.

5.2 Evaluation

Having regard to the nature of the action, mid-term and / or final evaluation(s) may be carried out for this action or its components via independent consultants contracted by the Commission. Mid-term evaluation(s) may be carried out for problem solving and learning purposes. Final evaluation(s) may be carried out for accountability and learning purposes at various levels (including for policy revision).

The Commission shall inform the implementing partner at least one month in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities. The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, apply the necessary adjustments. The financing of the evaluation may be covered by another measure constituting a Financing Decision. In addition, all evaluations shall assess to what extent the action is taking into account the human rights-based approach as well as how it contributes to gender equality and women's empowerment and disability inclusion. Expertise on human rights, disability and gender equality will be ensured in the evaluation team.

5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

In line with the 2022 "[Communicating and Raising EU Visibility: Guidance for External Actions](#)", it will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.