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ANNEX I

to the Commission Implementing Decision on the financing of the annual action plan in favour of Iraq for 2023

Action Document for “Greening Iraq”

ANNUAL PLAN

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

1 SYNOPSIS

1.1 Action Summary Table

1. Title CRIS/OPSYS business reference Basic Act	Greening Iraq OPSYS number: ACT-61890 Financed under the Neighbourhood, Development and International Cooperation Instrument (<u>NDICI-Global Europe</u>)
2. Team Europe Initiative	Yes TEI for Iraq: ‘TAEUFIQ: TeAm EUrope For IraQ’
3. Zone benefiting from the action	The action shall be carried out in Iraq
4. Programming document	Multi-annual Indicative Programme for Asia and the Pacific (2021-2027)
5. Link with relevant MIP(s) objectives / expected results	<p><i>Multi-annual Indicative Programme (MIP) for Iraq</i></p> <p>The Action contributes to the Iraq Multi-Annual Indicative Programme (MIP) and its two priority areas (PA1: Green job creation and economic diversification; and PA2: 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 3.1 <i>Improved capacity, efficiency and effectiveness of Iraqi democratic institutions including increased institutional oversight and accountability;</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 3.1.2 <i>Accountable, credible and efficient Iraqi judiciary able to uphold the rule of law and ensure effective and fair access to justice for all.</i></p>			
PRIORITY AREAS AND SECTOR INFORMATION				
6. Priority Area(s), sectors	<p>MIP Priority area 1 <i>Job creation and economic diversification</i> - sector <i>Decent jobs for Youth and Private Sector development (DAC 250)</i> and sector <i>Economic governance and green recovery (DAC 230 and DAC150)</i></p> <p>MIP Priority area 3 <i>Digital participatory governance and democracy</i> – sector <i>Migration governance and durable solutions (DAC 151)</i></p>			
7. Sustainable Development Goals (SDGs)	<p>Main SDG: 13 Climate action</p> <p>Other significant SDGs:</p> <p>5 Gender equality</p> <p>6 Clean water and sanitation</p> <p>8 Decent work and economic growth</p> <p>10 Reduced inequalities</p> <p>12 Responsible consumption and production</p> <p>15 Life on land</p> <p>16 Peace, justice and strong institutions</p>			
8 a) DAC code(s)	<p>DAC 31120 – <i>Employment creation</i> – 50 %</p> <p>DAC 14030 – <i>Basic drinking water supply and basic sanitation</i> – 26 %</p> <p>DAC 15113 – <i>Anti-corruption organisations and institutions</i> – 12 %</p> <p>DAC 15130 – <i>Legal and judicial development</i> – 12 %</p>			
8 b) Main Delivery Channel	<p>90000 Other (EU Member States Agencies)</p> <p>41000 United Nations Agencies</p>			
9. Targets	<p><input type="checkbox"/> Migration</p> <p><input checked="" type="checkbox"/> Climate</p> <p><input type="checkbox"/> Social inclusion and Human Development</p> <p><input checked="" type="checkbox"/> Gender</p> <p><input checked="" type="checkbox"/> Biodiversity</p> <p><input type="checkbox"/> Education</p> <p><input checked="" type="checkbox"/> Human Rights, Democracy and Governance</p>			
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 type="checkbox"/>	<input checked="" type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input checked="" type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Combat desertification @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Climate change mitigation @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Climate change adaptation @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 digital governance digital entrepreneurship digital skills/literacy digital services	<input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
	Connectivity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity energy transport health, education and research	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
	Migration @ (methodology for tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities @	<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 18.9 million Total amount of EU budget contribution: EUR 18.9 million			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing	Indirect management with the entities to be selected in accordance with the criteria set out in section 4.3.1			

1.2 Summary of the Action

Following two decades of conflict, Iraq remains fragile¹ despite Iraq's designation as an Upper Middle-Income Country (UMIC) with substantial national resources². Iraq ranked only 115 out of 165 in the SDG Index Dashboard Report of 2023³, mainly as a result of past conflict and structural deficiencies. Similarly, the Human Development Index⁴ points to Iraq's human development challenges while especially Good Governance indices⁵ paint a stark picture notably with respect to rule of law but also regulatory quality, government effectiveness, control of corruption, and voice and accountability. The country is challenged inter alia by political instability, cyclical 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.

Climate change threatens to exacerbate the effects of existing poor agricultural practices in a country where agriculture is an important source of livelihoods and a barrier to desertification. Extreme weather conditions, reduced vital water supply through the Mesopotamian rivers Euphrates and Tigris, compounded by higher demand for water, are making it more difficult for the population to access safe drinking water, especially for the most vulnerable in urban areas. At the same time, Iraq's environmental degradation is deeply connected to a lack of regulatory frameworks and their enforcement that would contribute to promoting justice and accountability on environmental matters.

While 2023 sees a new momentum for climate change action in the lead up to COP28, unlocking the potential of the green economy and supporting the economic transition from fossil fuels will be a long and costly process. Against a backdrop of political pressure for climate action as well as for improving service provision and governance for all Iraqis, the Action focuses on the three critical aspects: 1) promoting climate-smart sustainable agricultural practices for decent jobs in agri-food and afforestation/reforestation; 2) promoting the sustainable accessibility of drinking water in major Iraqi cities; and 3) addressing legislative and strategic gaps in environmental justice, fighting corruption and enhancing commercial justice that leads to environmental damage.

The proposed Action builds on a positive momentum to support the climate change agenda and the Government's ambition, as outlined in the 2021 Nationally Determined Contributions (NDC) and emerging policies. 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 through environmental justice, help meet the objective of fostering decent and green jobs and growth for all, deliver on Iraq's climate change commitments and comply with EU priorities and interests. With a focus on climate change adaptation and mitigation, this proposed Action also aims at limiting climate-induced forced displacement.

Applying a triple Humanitarian-Development-Peace (HDP) Nexus approach, the Action capitalises on prior and ongoing EU interventions. It places Iraq people's needs at the centre of policy decisions notably vulnerable populations including youth, women, disabled and displaced persons (internally displaced, refugees, returnees)⁶. 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.

¹ [World Bank list of fragile and conflict-affected situations FY2024](#) and [World Bank Worldwide Governance Indicator](#) "political stability and absence of violence/terrorism" Iraq percentile rank of 1.89 (out of 100, where 0 corresponds to the lowest rank)

² [World Bank data dashboard](#): Iraq's GNI PPP amounted USD 10,820 in 2022. According to the [WB definition](#), upper middle-income economies are those with a GNI per capita between USD 4,046 and USD 12,535. Iraq thus finds itself in the upper bracket of upper middle income economies. This however needs to be balanced against Iraq's inequality indicators.

³ [SDG Index Dashboard Report of 2023](#)

⁴ [Human Development Index data centre](#): Iraq's HDI score 0.686 and rank 121 (out of 191) puts Iraq in the medium human development category.

⁵ [World Bank Governance Indicators](#) of 2021 for Iraq: rule of law (percentile rank 3.37 out of 100 against an UMIC average of 45.30), regulatory quality (percentile rank 12.50 out of 100 against an UMIC average of 46.32), government effectiveness (percentile rank 10.10 out of 100 against an UMIC average of 42.35), control of corruption (percentile rank 9.13 out of 100 against an UMIC average of 42.35), and voice and accountability (percentile rank 21.74 out of 100 against an UMIC average of 44.44).

⁶ Please note that across this Action document the term vulnerable populations always refers to youth, women, disabled and displaced persons (internally displaced persons, refugees, returnees) in line with the EU commitment to the triple Nexus including returnees from Europe and elsewhere in line with the commitment to supporting their integration.

2 RATIONALE

2.1 Context

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 42% in 2023⁷), 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 million⁸). Moreover, Iraq has a Human Development Index (HDI) of 0.686, which is relatively high when comparing with the rest of the countries from the Arab Region. However, when adjusting for inequality (IHDI), the index decreases to 0.554.⁹ Vulnerability is higher for those living in rural areas, as well as for children 0 to 14 years old and for youth.¹⁰

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 Internally Displaced Persons (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 2022, the number of Syrian refugees in the Kurdistan region remains stable at around 245,000 persons since 2015. This situation of deteriorating socio-economic conditions for the Iraqi population, the challenging 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 many women, 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 populations¹¹. Children too are exposed to threats¹². While statistics are unreliable, it is likely that persons with disabilities represent at least 15% of the Iraqi population¹³.

At the same time, Iraq faces a multi-dimensional crisis fuelled by increased climate-related hazards, weak human and institutional capacity, pervasive social divides, and over-reliance on oil revenues with limited diversification¹⁴. The effects of climate change in Iraq further exacerbate the challenges of existing natural hazards, and have already an impact on the country's overall stability. Today, the situation of environmental degradation in Iraq is critical as confirmed by international indices. Iraq has been named the fifth-most vulnerable country to climate breakdown and the most vulnerable country to changes in climate in the Middle East and North Africa region¹⁵, affected by soaring temperatures¹⁶, insufficient and diminishing rainfall¹⁷, intensified droughts and water scarcity¹⁸, water and

⁷ UNICEF estimate of multi-dimensional poverty.

⁸ [Humanitarian Needs Overview for Iraq](#) of March 2023.

⁹ Inequality-Adjusted Human Development Index (IHDI) of UNDP 2021

¹⁰ Poverty and Inequality Platform of the World Bank.

¹¹ 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).

¹² 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.

¹³ 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](#))

¹⁴ World Bank, [Country Climate and Development Report for Iraq](#), 2022

¹⁵ UNEP report GEO 6 (Available from <https://www.unep.org/resources/global-environment-outlook>)

¹⁶ Over the past four decades, average temperatures in the country increased by over 2.5 degrees Celsius. By 2050, Iraq is expected to be the 'hottest' country in the region. World Bank, [Iraq Systematic Country Diagnostic](#), 2017.

¹⁷ By 2050, precipitation is likely to decrease by 25 percent. [Climate Diplomacy Magazine](#), 2019.

¹⁸ <https://www.wri.org/insights/ranking-worlds-most-water-stressed-countries-2040>

soil salinity¹⁹, water and soil pollution²⁰ frequent sand and dust storms²¹, and flooding²². Compounding this, water policies in neighbouring countries have shrunk vital water sources²³, while rapid population growth, urbanisation, and inefficient water use by the agricultural and industrial sectors is propelling a demand for more water²⁴.

As a result of all the above mentioned challenges, the anticipated impacts include²⁵: longer and severe droughts; increased flood occurrences; decreased agricultural production resulting from the increase in drought periods; increased desertification as a result of the increase in sand and dust storms; increased damage to infrastructure as a result of flooding and storms. All of these, lead to an increase in climate-change induced displacement.

While 2023 sees a new momentum for climate change action in the lead up to COP28, unlocking the potential of the green and circular economy and supporting the economic transition from fossil fuels, while duly balancing this with the preservation of the environment and biodiversity, will be a long and costly process. The World Bank's Country Climate and Development report estimates that Iraq would require more than EUR 210 billion in investments by 2040 to respond to its most pressing development gaps while embarking on a green and sustainable growth pathway.

The Action for Greening Iraq promotes climate action as its main objective, and thereby complements the larger EU engagement of structural economic and governance reform in Iraq. The Action is aligned with the policy priorities of the Commission for 2021-2027, notably the European Green Deal²⁶, and provides an entry point to discuss climate change adaptation and mitigation policies with Iraq's Government. The Action also contributes to realising the European Consensus on Development and the 2030 Agenda for Sustainable Development and its pledge to leave no one behind. Crosscutting principles, such as the rights-based approach and conflict sensitivity to programming are also key in the implementation of this Action. It also aligns with the EU's objectives under the Partnership and Cooperation Agreement with Iraq²⁷.

Public Policy of the partner country

Until recently, the lack of an Iraqi vision for economic diversification and lack of determination for structurally addressing climate change following the ratification in 2021 of the Paris Agreement, were believed to be at the core of the timid national commitments under the Nationally Determined Contributions (2021)²⁸ and the delay of decisive action for climate change adaptation and mitigation. However, 2023 saw a new strong momentum for climate change with the first National Climate Conference under the auspices of the Prime Minister, and the endorsement of a climate change policy document prepared by the Ministry of Planning. The 3rd Baghdad International Water Conference, and Iraq accession to the UN Convention on the Protection and Use of Transboundary Watercourses and International Lakes²⁹, also contributed to put Climate Change on the spotlight and constituted the start of serious ambitions. Ahead of COP28, a further extension of the national climate change policy is expected, thus solidifying the policy framework for this Action. This Action is based on Iraq's National Development Plan (NDP 2018)³⁰ and specifically supports the NDP pillars of *environmental sustainability* and *good governance*, as well as the NDP sectoral development objectives for agriculture and water resources. At sectorial level, the Action supports the implementation of the Nationally Determined Contribution (2021) which to date forms the umbrella policy for climate change action. Additionally, the Action also supports the Strategy

¹⁹ International Trade Centre, '[Climate change risks and opportunities in Iraqi agrifood value chains](#),' 2021.

²⁰ Water scarcity is worsened by pollution caused by increased salinity, industrial waste, pollution caused by oil and gas, large infrastructure dam projects in the region, and lack of water and sewage treatment facilities. Nicholas Bremer, 'Transboundary Environmental Impact Assessment of Large Damns in the Euphrates-Tigris Region: An Analysis if International Law Binding Iran, Iraq, Syrian and Turkey,' Review of European, Comparative & International Environmental Law 25, no. 1 (2016): 92-106.

²¹ Joint Analysis and Policy Unit, 'Sand and Dust Storms Fact Sheet,' UN Iraq, 2013.

²² UNITAR, Flood hotspots in Iraq, 2020

²³ The Tigris and the Euphrates rivers – which account for 98 percent of the Iraqi water supply used for drinking, sanitation and irrigation – are expected to decrease in flow by 50 percent by 2030 due to large part to water policies in Turkey and Iran, respectively (compared to 1980s levels). [ICPS brief](#), 2019.

²⁴ Tobias Von Lossow, 'More than Infrastructure: Water Challenges in Iraq,' 2018.

²⁵ World Bank Climate Change Knowledge Portal (2018)

²⁶ https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal_en

²⁷ [https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:22012A0731\(01\)&qid=1498939228584&from=EN](https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:22012A0731(01)&qid=1498939228584&from=EN)

²⁸ [UNFCCC NDC registry](#); and [IEA registry](#)

²⁹ [UN ECE parties and signatories to the Water Convention](#): Iraq is the only country of the Euphrates-Tigris basins to be a party to the Water Convention, still awaiting upstream neighbours Turkey and Syria.

³⁰ [National Development Plan 2018-2022](#), Ministry of Planning

for Water and Land Resources of Iraq (2014), the Integrated Water Resource Management mechanism (IWRM), the National Environmental Strategy (2017), the White Paper on Economic Development (2020), Private Sector Development Strategy (2014), Decent Work Country Programme (2019), the National Strategy on Integrity and Anti-Corruption (2021-2024), and the Anti-Corruption Strategy in the Kurdistan Region of Iraq (2021-2025), as well as Iraq's international commitments.

Complementarity, synergy and donor coordination

This Action is aligned with the policy priorities of the Commission for 2021-2027, notably the EU Green Deal, the EU Circular Economy Action Plan³¹, the EU Strategy on Adaptation to Climate Change³², the EU Global Gateway³³, EU Biodiversity Strategy for 2030³⁴, Farm to Fork Strategy³⁵, the EU Forest Strategy for 2030³⁶, as well as Sustainable Growth and Jobs strategies, and Digitalisation strategies. It also contributes to realising the European Consensus on Development and the 2030 Agenda for Sustainable Development and its pledge to leave no one behind. The Action chiefly contributes towards SDGs 13 (climate action), but also SDG 5 (gender equality), SDGs 6 (clean water and sanitation), SDG 8 (decent work and economic growth), SDG 10 (reduction of inequalities), SDG 12 (responsible consumption and production), SDG 15 (life on land), and SDG 16 (peace, justice and strong institutions). Cross-cutting principles, such as the rights-based approach, gender-transformative approach and conflict sensitivity to programming are also core in the implementation of this Action. The Action is based on the EU Gender Action Plan III for 2021-2025³⁷ and its specific thematic priority, the EU Action Plan on Human Rights and Democracy 2020-2024³⁸, applicable Human Rights covenants and international conventions such as the Paris Agreement, as well as applicable UN frameworks such as UNCAC.

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 and green growth.

In light of this challenging yet changing context, the EU has concluded has been shifting from post-crisis recovery support to long-term development programming through a dedicated MIP and Annual Action Plans (AAP). This Action builds on and is fully complementary to EU bilateral and regional actions in the field of economic development and green growth implemented in Iraq, as well as with EU Member States' actions with which a division of labour is in place. The proposed action intends to chiefly contribute to MIP Priority Area 1 *Green job creation and economic diversification*³⁹ and to MIP Priority Area 3 *Digital participatory governance and democracy*⁴⁰.

Based on the triple Nexus strategy for Iraq, Commission services are seeking concrete synergies with other EU interventions⁴¹ as well as the Annual Action Plans of 2021, 2022 and 2023⁴². More specifically, the Action contributes to the Team Europe Initiative (TAEUFIQ⁴³: *Team EUrope For IraQ*) with Germany, France, Italy, the

³¹ https://environment.ec.europa.eu/strategy/circular-economy-action-plan_en

³² https://climate.ec.europa.eu/eu-action/adaptation-climate-change/eu-adaptation-strategy_en

³³ https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/stronger-europe-world/global-gateway_en

³⁴ https://environment.ec.europa.eu/strategy/biodiversity-strategy-2030_en

³⁵ https://food.ec.europa.eu/system/files/2020-05/f2f_action-plan_2020_strategy-info_en.pdf

³⁶ https://environment.ec.europa.eu/strategy/forest-strategy_en

³⁷ https://international-partnerships.ec.europa.eu/system/files/2021-01/join-2020-17-final_en.pdf

³⁸ https://www.eeas.europa.eu/sites/default/files/eu_action_plan_on_human_rights_and_democracy_2020-2024.pdf

³⁹ Specific Objectives SO1 *Promote an economic transformation that creates decent jobs and increases productive capacity*; and SO1.2 *Create a macro-fiscal, business, investment environment conducive to develop the non-oil economy and promote an inclusive green recovery*

⁴⁰ Specific Objective SO2 *Accountable, credible and efficient Iraqi judiciary able to uphold the rule of law and ensure effective and fair access to justice for all*.

⁴¹ AAP 2019 "Special Measure in favour of Iraq - part 2" (for the projects: "Strengthening the agriculture and agri-food value chain and improving trade policy in Iraq"; "Integrated Support to Job creation in Iraq through Agri-business Value Chain development and Financial Inclusion"; "Private sector development and employment promotion/ development-oriented (re-)integration of the Iraqi youth";) "Restoration and Strengthening the Resilience of Agri-Food Systems in Southern Iraq"). AAP "2020 Special Measures for Iraq - Part I" (for the project: "Provision of clean drinking water for the population in Basra City"; "Isdeharak - Technical Education and vocational training (TVET) in the agriculture and agri-value-chain sector").

⁴² 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"; AAP RIP 2023 "Durable solutions for displaced and vulnerable populations in Iraq".

⁴³ The TEI TAEUFIQ [Arabic for "success"] TeAm EUrope for IraQ was endorsed by the EU Heads of Missions in July 2022 and was publicly launched on the occasion of Europe Day in May 2023. It brings about concerted action of the EU and Member States in the three priority areas

Netherlands, Finland and Sweden as participating EU Member States. Through TAEUFIQ, the EU and Member States jointly promote the economic transformation of Iraq towards a greener economy, underpinned by decent employment in green economic sectors. Furthermore, the Action fully aligns with the Global Gateway flagship for Iraq, the EU-Iraq agri-food business development programme⁴⁴ that brings the “farm to fork” approach to the development of agricultural value chains.

2.2 Problem Analysis

Iraq faces a **multi-dimensional crisis fuelled by increased climate-related hazards**, weak human and institutional capacity, pervasive social divides, and over-reliance on oil revenues with limited diversification⁴⁵. As the second largest oil exporter among OPEC countries after Saudi Arabia, Iraq has an emissions ranking of 33 out of 220 countries/regions⁴⁶ contributing about 0.63% of global greenhouse gas (GHG) emission⁴⁷. At the same time, for climate vulnerability Iraq ranks 130 out of 181 countries in the ND-Gain Index⁴⁸. Iraq is the 83rd most vulnerable⁴⁹ country to cope with climate related hazards and the 16th least ready⁵⁰ country to leverage investments and convert them to adaptation actions. Almost three quarters of Iraq’s total carbon emissions are attributed to the energy sector (electricity, oil and gas operations and transport). While accounting for only 0.6% of global CO₂ emissions in 2020, Iraq’s emissions have doubled over the last decade alone, making Iraq the 29th largest emitter in the world with nearly 90% of Iraq’s emissions stemming from the energy sector. Moreover, Iraq has one of the highest levels of carbon intensity (emissions per GDP) compared to its regional and income peers. In contrast, when it comes to the reduction of global emissions and notably methane, Iraq is responsible for 9% of all global methane emissions originating from the oil and gas sector, as the world’s second-worst flaring country after Russia⁵¹. Iraq’s flared gas volumes account for around 14 percent of the country’s total emissions, among the highest levels in the world. In 2020, Iraq’s flared natural gas represents more than EUR 2.3 billion in foregone annual value.

But Iraq is also quickly running out of water, and in a business-as-usual scenario, the widening gap between water supply and demand in Iraq is expected to increase from around 5 to 11 billion cubic meters by 2035, which would represent more than 15% of the total water demand. Over the years, the availability and quality of potable water in Iraq has been decreasing and this trend is set to continue in the future. Iraq has experienced recurrent drought since the 1970s but the mean annual precipitation is expected to decrease sharply by 2050, including drops as high as 17% during the rainy season⁵². The overall decrease of rainfall in Iraq has resulted in the decline of the main rivers, decreased groundwater level, especially in desert areas, as well as a decrease in other water resources, such as springs and aquifers⁵³. In 2018, the water flowing through the Euphrates and Tigris, the mythical rivers of Mesopotamia and the country’s two most important waterways, had plummeted by 30% compared to the 1980s⁵⁴.

of access to finance, business development and investment enabling environment. Through joint policy dialogue and the coordination of the joint programme portfolio of 17 core projects worth EUR 158.3 million, TAEUFIQ is already delivering results.

⁴⁴ In the framework of the large Agri-food Business Development Programme (AfBDP), the EU has since 2021 funded several international partners in Iraq including the Food and Agriculture Organization (FAO), Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), the International Organization for Migration (IOM), the International Labour Organization (ILO), the International Trade Centre (ITC), the United Nations Educational, Scientific and Cultural Organization (UNESCO) and Cowater. This collaboration uses a programmatic approach by leveraging each agency’s strengths to address different weaknesses in the private sector and agri-food sector in a coordinated fashion. Central to many of the projects in the AfBDP is an agri-food value chain approach that supports stabilization and governance, and promotes sustainable job creation. The programme focuses on several value chains (including dairy, tomato and poultry) as high potential agri-products for collective action.

⁴⁵ World Bank, Country Climate and Development Report for Iraq, 2022

⁴⁶ [Global Carbon Atlas \(2016\)](#)

⁴⁷ Climate Analysis Indicators Tool (CAIT) Version 2.0. (Washington, DC: World Resources Institute, 2014)

⁴⁸ Measures a country’s exposure, sensitivity and capacity to adapt to the negative effects of climate change. [ND-GAIN](#) measures overall vulnerability by considering six life-supporting sectors – food, water, health, ecosystem service, human habitat, and infrastructure

⁴⁹ Vulnerability measures the exposure, sensitivity, and ability to cope with climate related hazards by accounting for the overall status of food, water, environment, health, and infrastructure within a country.

⁵⁰ Readiness measures a country’s ability to leverage investments and convert them to adaptation actions by looking at the country’s economic, governance and social readiness.

⁵¹ [Iraq Energy Sector Roadmap](#), International Energy Agency

⁵² World Bank Climate Change Knowledge Portal – Iraq. <https://climateknowledgeportal.worldbank.org/country/iraq>

⁵³ Ministry of Affairs, The Netherlands, Climate Change Profile: Iraq, 2018

⁵⁴ [Water Scarcity in Iraq](#), Special Report #203, 2019

A further decrease in the discharge by up to 50% is expected by 2030. Moreover, the limited amount of water available has also deteriorated the quality of the remaining water due to increased salination.

Climate change worsens the decline in water availability and reduces many crop yields, and adversely impacts GDP, fiscal capacity, poverty reduction prospects and social stability. Water shortages and poor water quality, especially during droughts, continue undermining Iraq's food security and may harm GDP by drastically reducing crop yields and agri-food systems. The Iraqi Marshlands, a nationally important and globally significant wetland with a unique ecosystem formed by the Euphrates and Tigris rivers joining and flowing through the marshes to the Gulf coast, is also being affected by changes in climate patterns. Projections suggest that the Marshlands will be under increasing threat due to the rapid expansion of desertification, increased sand and dust storms, prolonged drought conditions and high temperatures (exceeding 50°C). The Marshlands also experience increased salinity from the rise of sea levels.

Iraq's population has been severely affected by the direct and imminent consequences of natural hazards, environmental degradation and intensifying climate change impact: examples include 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. The effects of climate change are placing considerable pressure on basic resources and reducing opportunities for livelihoods in sectors that used to be very productive, such as agriculture. The consequence is that people are abandoning rural areas (especially in the South) to move to cities in search for jobs and better services. Climate change and environmental degradation have contributed to the displacement of at least 55,290 individuals in central and southern Iraq between January 2016 and October 2022⁵⁵. This represents an estimated 13% of the original population that used to reside in these locations. In other words, one in ten people from these locations have been displaced in the past six years due to water scarcity, high salinity, and poor water quality across Iraq.

Given the uptick in environmental migration observed in 2022, this trend is expected to worsen, particularly in the absence of adequate mitigation and adaptation strategies. 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. Environmental and climate changes can have also significant health consequences. Health risks include injury and mortality from extreme weather events, heat-related illness, respiratory illness, waterborne diseases, vector-borne diseases, malnutrition and foodborne diseases, non-communicable diseases, as well as mental and psychosocial health. The exposure to heat stress is likely to rise in the future, due to increased urbanisation and the likelihood of severe heatwaves; increased water contamination caused by drought and flooding as well as under-developed sanitation infrastructure; while sand and dust storms will increase the risk of respiratory problems⁵⁶.

Climate change impacts – including through increased water scarcity and higher temperatures – also threaten jobs and livelihoods across the private sector, especially jobs within agriculture and related value chains, with unskilled labour disproportionately affected. Worker productivity faces direct risks from climate change through exposure to higher temperatures. Agriculture are expected to be the most affected by hotter working conditions as 35 percent of Iraq's agricultural workers are exposed to extreme heat conditions⁵⁷.

Against a backdrop of political pressure for climate action as well as for improving service provision and governance for all Iraqis, the **Action focuses on the three critical aspects for addressing the impact of climate change in Iraq**: 1) promoting climate-smart sustainable agricultural practices for decent and green jobs in agri-food-systems and afforestation/reforestation including renewable energy solutions; 2) promoting the sustainable accessibility of drinking water in major Iraqi cities including renewable energy solutions; and 3) addressing legislative and strategic gaps in environmental justice, fighting corruption and enhancing commercial justice that leads to environmental damage.⁵⁸

⁵⁵ IOM, Drivers of Climate Induced Displacement in Iraq – Climate Vulnerability Assessment Key Findings – August-October 2022

⁵⁶ World Health Organization and the United Nations Framework Convention on Climate Change (UNFCCC), '[Health and Climate Change. Country Profile 2021: Iraq.](#)'

⁵⁷ World Bank's Country Climate and Development Report for Iraq, 2022

⁵⁸ These three intervention areas have been selected based on an in-depth study commissioned by the EU Delegation to Iraq. This study has assessed the Iraqi Government's commitment, the scope and scale of the needs for climate action, as well as conducted a mapping of

The **agricultural sector** contributed to about 6% to the national GDP in 2020 but dropped to 2.9% in 2022⁵⁹ mostly due to continued drought and water shortages. Yet it is an important source of livelihood for 25% of the Iraqi population⁶⁰. Women are a growing share of agricultural labour with an estimated percentage of women in the agriculture increased from more than 50% in 2000 to about 60% in 2012, making women the main agricultural labour force in Iraq. Agriculture is primarily by small-scale farms that are rain-fed in the north and irrigated in other regions. Climate change threatens to exacerbate the effects of existing poor practices in agriculture. Deforestation, land degradation, overgrazing by livestock, war, and rapid urbanisation all hasten desertification and land degradation. The implications of climate change and land degradation pose serious threats, primarily to food and water security. It is estimated that approximately 60% of cultivated land has been seriously negatively affected by salinity, and 20 to 30% has been abandoned. Even on non-abandoned agricultural land, yields have declined by 30 to 60% as a consequence of salinisation⁶¹, affecting notably poor farmers and their livelihoods. The effects of climate change threaten further salinisation. Poor water quality threatens agricultural livelihoods, since it affects the quality and quantity of crops cultivated and the availability of clean water for livestock. EU action is needed and requested by the Iraqi authorities to promote sustainable climate-smart agricultural practices that create decent jobs in the agri-food sector and afforestation/reforestation, while contributing to combatting soil erosion and desertification.

Iraq has been struggling with **water scarcity** for decades. Due to a combination of factors, including climate change and mismanagement of water resources, this has led to serious consequences for the people of Iraq, affecting their health, livelihoods, and overall well-being. In Iraq, only 59.7% of the total population has access to safely managed drinking water, dropping to 47.6% in rural areas⁶² while levels of 'water stress' (79.51% in 2020) leave only a 20% buffer to address future water demand⁶³. Extreme weather conditions, drought, and changes in water recharge patterns are making it more difficult to access safe drinking water, especially for the most vulnerable. Conflict, regional disputes over water, climate change, water pollution and scarcity, and environmental waste have created a water crisis in large parts of Iraq.

Moreover, decades of underinvestment in main water facilities such as pumping stations and water rehabilitation plants has resulted in decaying infrastructure. Households, health care facilities and schools often do not have clean water on site, all of which can contribute to making vulnerable populations, among them children and women, more vulnerable to preventable diseases or from attending school. Nearly 3 out of 5 children in Iraq have no access to safely managed water services and less than half of all schools in the country have access to basic water risking children's health, nutrition, cognitive development, and future livelihoods⁶⁴. Girls' access to education is limited, among other factors, also by the lack of appropriate sanitation facilities⁶⁵. Basra, located in the southern part of the country, is the worst affected governorate, and a lack of proper sanitation and hygiene facilities have only compounded the situation. As a result, in 2018, at least 118,000 people⁶⁶, half of them children, had to go to hospitals because of an outbreak of water-borne diseases that doctors related to poor water quality, including viruses, parasites, bacteria, and toxic metals from sewage and agricultural and industrial pollution. EU action is needed and requested by the Iraqi authorities to promote the accessibility of clean drinking water in major Iraqi cities through innovative approaches to water facilities.

Development Partners' engagement. In view of the EU's ambition to contribute to change and achieve tangible results for people, but also the intention of building on successful engagements with Government that benefit from Government commitment, three promising intervention areas have been selected. It was assessed that the thematic area of climate change policy is already over-subscribed by Development Partners; the thematic area of gas flaring is not feasible in light of unsuccessful past EU attempts; while the areas of renewable energy (PPPs and PPAs), waste management (including plastic waste), and green transport require substantial investment notably through financial instruments. In addition the selection of these intervention areas allow for synergies, as conflicts over water and land, as well as environmental damages linked to water pollution, forest degradation and soil erosion are the key areas for environmental justice.

⁵⁹ World Bank national accounts data, and OECD National Accounts data files.

⁶⁰ International Labour Organization. "ILO modelled estimates database" [ILOSTAT](#).

⁶¹ [Climate Central Surging Seas data](#).

⁶² WHO/UNICEF Joint Monitoring Programme ([JMP](#)) for Water Supply, Sanitation and Hygiene.

⁶³ [SDG Indicator 6.4.2](#): Level of water stress: freshwater withdrawal as a proportion of available freshwater resources (%) ER_H2O_STRESS (already counting environmental flow requirements)

⁶⁴ UNICEF, [Running dry: water scarcity and children in the Middle East and North Africa](#), 2021

⁶⁵ UNESCO, [#HerEducationOurFuture](#): The latest facts on gender equality in education, 2020

[Indicator 6.2.1, Series](#): Proportion of population using safely managed sanitation services, by urban/rural (%) SH_SAN_SAFE - in 2022: 53 % of total population, 55% in urban areas dropping to 48% in rural areas

⁶⁶ UNICEF, [Running dry: water scarcity and children in the Middle East and North Africa](#), 2021

At the same time, the impact of climate change is representing one of the biggest challenges to human rights, already contributing to leaving people behind, and increasing **environmental injustices**. Iraq's environmental degradation is deeply connected to a lack of strong regulatory framework and its enforcement that would contribute to promoting justice and accountability on environmental matters. Iraq shows a limited ratification of international environmental agreements or transposition of ratified international environmental agreements into national legislation in Iraq. A remarkable example is the 1998 Aarhus Convention related to the accountability and redress against environmental transnational harm as a principle 'on access to information, public participation in decision-making and access to justice in environmental matters'⁶⁷, which has not yet been signed by Iraq. On the other hand, Iraq was one of the first Arab countries to refer to Environmental Impact Assessments (EIAs) within national legislation with the '*Environmental Protection and Improvement Law*' of 1986 and further legislation of 2008⁶⁸, which provided state planning departments the remit over the evaluation of environmental viability at different project sites including an environmental impact report with an explicit focus on pollution avoidance, treatment and precautions. However, it is generally acknowledged that the enforcement of EIAs in Iraq to date is lacking, alongside with a lack of the necessary skills and suitable level of public engagement to effectively enforce the regulation. Similarly the Iraqi judiciary claims to lack the capacities to prosecute and adjudicate corruption, commercial justice and criminal justice cases with environmental dimensions.

In this context of critical growing vulnerabilities and increased threats to security, an innovative approach to environmental justice is needed to shape a system that shall seek to prevent further environmental degradation, remediate current damages, and present processes for mediation, litigation and adjudication for the remaining cases. This approach would strengthen public institutions as well as the capacities of legal practitioners, media organisations and civil society to address and administer climate and environmental justice. EU action is needed and requested by the Iraqi authorities to addressing legislative and strategic gaps in environmental justice, fighting corruption and enhancing commercial justice that leads to reduced environmental damage but also to compensations for already occurred damages.

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, including climate change action.
- The Prime Minister's Office with Iraq's Climate Envoy, coordinates the implementation of economic and climate change reforms across Government entities.
- The Council of Ministers Secretariat (COMSEC) acts as the coordination mechanism across ministries and public institutions on the support for ministerial and decentralised communication (with governorates).
- Ministry of Foreign Affairs (KRI and Federal) leads on the negotiation and endorsement of international treaties including the Paris Agreement and other environmentally related treaties.
- The Ministry of the Environment (federal Iraq and KRI) has the mandate to protect and conserve the environment, as well as protect the residents of Iraq from environmental pollutants and environmental risks to human health. It 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 Agriculture (federal Iraq and KRI) sets and oversees the implementation of agriculture policies and strategies including relating to value chain development and irrigation at farm level.
- The Ministry of Water Resources (federal Iraq and KRI) is responsible for water management, including IWRM, transboundary water diplomacy, maintenance of the extensive system of irrigation canals and dams and other related tasks.
- The Ministry of Construction, Housing and Public Municipalities (federal Iraq and KRI) sets and oversees the provision of municipal services, including water supply and sewerage that falls under its mandate.

⁶⁷ https://environment.ec.europa.eu/law-and-governance/aarhus_en

⁶⁸ The *Law of the Ministry of Environment* of 2008 further developed the EIA process, requiring any project owner to conduct EIA before construction, including estimating the positive or negative environmental impact of the project, proposed means of avoiding and treating pollution to legal standards in the event of an energy emergency, possible energy alternatives, how reducing waste by recycling or resurging material where possible (circular economy principle), and estimated the cost of pollution to production.

- 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.
- The Ministry of Justice and the State Council (federal Iraq and KRI) are responsible for legal review of agreements and legislation.
- The Commission of Integrity (Federal and KRI) investigates corruption cases, recovering stolen government assets, proposing anticorruption legislation, and overseeing mandatory financial disclosures for Iraqi government officials.
- The Office of the National Security Adviser (ONSA) is composed by different committees, each focused on specific identified threats which increasingly includes the perspective of climate change as a threat to stability.
- The National Investment Commission supports innovation and transfer of investment environmentally friendly technology in line with national needs.

The High Judicial Council (HJC) is responsible for the administration of judicial affairs, nomination of judges, formation of the committees of federal courts and proposing new laws pertaining to the federal judicial authority.

The role of local authorities and civil society is crucial in the design, implementation and monitoring of the Action. Although strategies and capacities of Iraqi government institutions at the national level have to be addressed, the scope of climate change adaptation and mitigation work has to be conducted at the local and Governorate level to ensure buy-in, legitimacy and sustainability. This includes for all above-mentioned decentralised Ministries, the General Directorates at Governorate level, whose capacities especially in those areas particularly affected by climate change could be strengthened to more effectively manage the delegated powers at Governorate and local levels. Key stakeholders are equally communities and civil society, including climate change and environmental activists and academia; but also workers' and employers' representative organisations of the labour tri-partite including the General Federation of Workers Unions and the Iraqi Federation for Industries, as well as the Chambers of Commerce. Together with women associations, the alliance for disabled persons and academia, these are key actors in the social dialogue and benefit from capacity building, together with representatives of the private sector, including micro, small and medium entrepreneurs.

3 DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

The **overall objective of this Action** is to contribute to a just, green, climate resilient and low carbon transition and to a cleaner and more inclusive as well as competitive economy, to decoupling economic growth from environmental degradation, and to contribute to human wellbeing.

The Specifics Objectives of this action are:

1. Increased investments in green, sustainable, and climate-resilient agriculture and forestry⁶⁹ including renewable energy solutions, benefitting in particular women, children, youth, displaced persons, disabled persons, and persons living in vulnerable situations
2. Enhanced delivery of accessible, smart, and energy saving municipal services including water and sanitation management⁷⁰, including renewable energy solutions, benefitting in particular women, children, youth, displaced persons, disabled persons, and persons living in vulnerable situations
3. Improved transparency, accountability, and credibility of the judicial system⁷¹ in regards to environmental justice, including enhanced inclusive participatory decision-making, benefitting in particular women, children, youth, displaced persons, disabled persons, and persons living in vulnerable situations

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

⁶⁹ EU results chain green economy/sustainable agriculture adapted, CAP4DEV.

⁷⁰ EU results chain sustainable cities, adapted, CAP4DEV.

⁷¹ EU results chain Justice Sector Reform, adapted, CAP4DEV ; MIP expected result 3.1.2

1.1 Improved capacities of workers in green agri-food and agri-forestry sectors, especially of women, youth, displaced persons, disabled persons, and persons living in vulnerable situations⁷²

1.2 Improved institutional coordination on economic, business and environmental policies⁷³

1.3 Increased sustainable production and productivity of agriculture, benefitting in particular women, youth, displaced persons, disabled persons, and persons living in vulnerable situations⁷⁴

2.1 Improved capacities and facilities for the provision of water and sanitation services, benefitting in particular women, children, youth, displaced persons, disabled persons, and persons living in vulnerable situations⁷⁵

2.2 Improved capacities of Local and Regional Governments to promote accessible, smart, and energy saving practices in regions / cities, benefitting in particular women, children, youth, displaced persons, disabled persons, and persons living in vulnerable situations⁷⁶

2.3 Improved capacities of cities and rural areas to design and implement urban climate change strategies mitigation and adaptation in the management of drinkable water, benefitting in particular women, children, youth, displaced persons, disabled persons, and persons living in vulnerable situations⁷⁷

3.1 Improved national framework for environmental justice, benefitting in particular women, children, youth, displaced persons, disabled persons, and persons living in vulnerable situations

3.2 Improved capacities of the Parliament, the judiciary, and Ministries to legislate, prosecute, adjudicate and enforce environmental justice, benefitting in particular women, children, youth, displaced persons, disabled persons, and persons living in vulnerable situations

3.3 Strengthened capacity of individuals and civil society to claim accountability, scrutinise institutions performance and support individuals in claiming and defending their rights related to environmental justice, benefitting in particular women, children, youth, displaced persons, disabled persons, and persons living in vulnerable situations

The Action targets all Iraqis, notably youth, women and persons living in vulnerable situations, including displaced people (IDPs, refugees, returnees).

3.2 Indicative Activities

Activities relating to Output 1.1 to 1.3 may include⁷⁸:

- Technical assistance for the review, adaptation, adoption and implementation of climate change-related legislative and strategic framework for environment and sustainable management of natural resources, with a particular focus on forestry and biodiversity, sustainable agriculture, and reforestation as well as integrated water management, disaster risk reduction and renewable energy solutions;
- Capacity strengthening for farmers, agri-food entrepreneurs, start-ups, unemployed, existing Micro-, Small and Medium-sized Enterprises (MSMEs) in climate-resilient agri-food and innovative farming and food processing that promote the adoption of energy-efficiency standards and other environmental standards expected to reduce GHG emissions. Provision of short-term training programmes to enhance the farmers' skills on climate-smart farming/agroforestry/drip-irrigation system and the skills of workers in post-harvest handling, food processing, and distribution. Provision of training to the technical staff of water authorities and other relevant stakeholders to apply climate-smart water resources management policies. It will be ensured that capacity strengthening activities reach the most vulnerable.
- Fostering the role of Iraqi civil society, private sector and local communities notably establishing close collaborations with and supporting the promotion of climate-resilient energy-efficient low-carbon business practices with the members of 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)
- Technical and financial assistance for the piloting of climate-resilient agri-food businesses and agri-value chains supporting persons living in vulnerable situations including women, children and displaced persons

⁷² EU results chain green economy adapted, CAP4DEV.

⁷³ EU results chain green economy, CAP4DEV.

⁷⁴ EU results chain food and nutrition security and sustainable agriculture adapted, CAP4DEV.

⁷⁵ EU results chain sustainable cities adapted, CAP4DEV.

⁷⁶ EU results chain sustainable cities adapted, CAP4DEV.

⁷⁷ EU results chain sustainable cities adapted, CAP4DEV.

⁷⁸ Activities correspond to the OECD DAC Rio Markers for Climate adaptation scores (1 and 2), as well as Mitigation scores (1 and 2).

in areas vulnerable to the effects of climate change through promotion of climate resilient agriculture, food security and basic services. Activities promoting sustainable climate-resilient farming methods; diversified agricultural production to reduce climate; heat and drought resistant crops and water saving irrigation methods to withstand climate change; the cultivation and distribution of climate-resilient seeds; sustainable climate-smart farming practices, risk reduction and environmental conservation benefits; soil and water resources management; renewable energy solutions; reforestation for the purpose of reducing the severity of drought/desertification while increasing carbon uptake; rehabilitation of areas affected by drought and desertification. Activities promoting sustainable forest management and adopting harvesting techniques that reduce soil erosion and exposure to wildfires, as well as promoting the conservation of biodiversity in order to safeguard forest ecosystems from the impacts of climate change; and education, training and public awareness related to climate change, the causes and impacts of climate change and the role of adaptation.

Activities relating to Output 2.1 to 2.3 may include⁷⁹:

- Technical assistance for the review, adaptation, adoption and implementation of climate change-related legislative and strategic framework for environment and water resources management policies, including the application of Integrated Water Resource Management as well as disaster risk reduction; integrating the environment and climate change in Water, Sanitation and Hygiene (WASH).
- Capacity strengthening of key sector actors, including regulatory bodies, private sector operators, and national water utilities among others. Providing training to the technical staff of water authorities and other relevant stakeholders to apply climate-smart water resources management policies. In cooperation with authorities, capacity strengthening for entrepreneurs, start-ups, existing MSMEs notably in the climate-resilient smart and energy-efficient urban and rural water systems, through the introduction of innovative water management solutions including renewable energy solutions that promote the adoption of energy-efficiency standards and other environmental standards expected to reduce GHG emissions, as well as water saving techniques. Capacity building of authorities to include water scarcity as a priority component in climate change response plans, including National Adaptation Plans and Nationally Determined Contributions.
- Fostering the role of Iraqi civil society, private sector and local communities notably establishing close collaborations with and supporting the promotion of renewable energy solutions and climate-resilient energy-efficient low-carbon business practices with the members of 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). Engaging civil society and local communities, especially with youth, women and children as agents of change, on the value of water and water conservation as well as the urgency of the water scarcity crisis.
- Technical and financial assistance for the municipalities' provision of basic water services in areas vulnerable to the effects of climate change, including in under-served urban areas and informal settlements. Activities may include: improving the climate resilience of the water supply to ensure access where climate change adaptation is a main objective to supply clean drinking water; promoting energy-efficient water systems, and/or pumping systems powered by renewable energies; promoting water conservation in areas subject to increased water stress due to climate change; developing or enhancing systems for monitoring drinking water, in areas affected by higher temperatures, floods and rising sea level as a consequence of climate change; creating more climate-resilient infrastructure and better disaster preparedness to ensure safe water access and sanitation; providing access to climate-resilient, gender-responsive WASH facilities in schools & healthcare facilities; promoting access to green job opportunities in the water and irrigation sector; basic water service provision; implementation of labour-intensive low-carbon energy-efficient municipal service (water, sanitation, health, public) pilot initiatives; promoting awareness of environmental sanitation and behaviour change; promoting education, training and public awareness related to climate change, the causes and impacts of climate change and the role of adaptation.

Activities relating to Output 3.1 to 3.3 may include⁸⁰:

⁷⁹ Activities correspond to the OECD DAC Rio Markers for Climate adaptation scores (1 and 2), as well as Mitigation scores (1 and 2).

⁸⁰ Activities correspond to the OECD DAC Rio Markers for Climate adaptation scores (1 and 2), as well as Mitigation scores (1 and 2).

- Technical assistance for the review, adaptation, adoption and implementation of legislative and strategic framework on environmental justice in alignment with international standards. 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. Activities might include conducting a gap analysis between the national framework and the relevant international regulations and policies, conducting dedicated trainings on major ratified and non-ratified international agreements and conventions, and supporting relevant Parliamentary commissions with guidance on environmental law including on the revision and redrafting of elected environmental legislation for commercial dispute resolutions in environmental matters.
- Capacity strengthening of relevant justice institutions and line ministries for reviewing, streamlining and applying environmental justice procedures for ensuring a monitoring mechanism for compliance with regulations at local level. Activities might include specific upskilling programmes for legal practitioners on environmental justice to acquire technical tools to investigate, prosecute and adjudicate environmental cases in cooperation with authorities, and exchange programmes with relevant international institutions with strong experience on environmental justice.
- Fostering the role of Iraqi civil society, private sector media and public participation aiming to enhance transparency and accountability on the application of environmental justice. Concerning the private sector, activities might include information campaigns concerning rights responsibilities on environmental protection, enhancing legal compliance and on commercial trade dispute resolution. For civil society, media and the general public, activities might include implementing information campaigns with Parliament and selected committees on environmental justice, participating in the development, revision and redrafting of laws and policies related to environmental justice, and advocating for the adoption of relevant international environmental conventions in Iraq.

The commitment of the EU's contribution to the Team Europe Initiatives (TEI) foreseen under this annual action plan will be complemented by other contributions from TEI participants. It is subject to the formal confirmation of each respective participant's 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 climate change challenges faced by Iraq by supporting green growth investment, enhancing the delivery of municipal services including water and sanitation management, and improving the transparency, accountability, and credibility of the judicial system with respect to environmental justice. The Action thus sets out to promote the development of a climate-resilient agri-food value chain sector, as well as climate resilient water supply, together with environmental justice. The support of the Action is focused on promoting sustainable climate-resilient farming methods, reforestation for the purpose of reducing the severity of drought/desertification and adopting harvesting techniques that reduce soil erosion and exposure to wildfires, and promote the conservation of biodiversity in order to safeguard forest ecosystems from the impacts of climate change. The Action focuses on improving the climate resilience of the water supply to ensure access and promoting energy-efficient water systems to reduce. Accordingly, the majority of the indicative actions qualify as principal Rio Marker objective. Additionally, improving the legislative and strategic framework on environmental justice in alignment with international standards is also an action that promotes adaptation and qualify as principal Rio Marker objective. At the same time, the Action supports 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. Women and girls in Iraq are particularly affected by the impact of climate change and environmental degradation, such as ecosystem loss, loss of access to key natural resources, malnutrition and respiratory, water-related and vector-borne diseases. Women account for 80% of the people displaced by the impact of climate change⁸¹. The inclusion of women and girls will be 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. Youth, women and girls and vulnerable people, including displaced persons (IDPs, refugees, returnees) 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 supports 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 monitors and evaluates the results of the gender sensitive indicators, especially in the GAP III 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 2021-2024.

Human Rights

This Action is based on the implementation plan for Iraq under the EU Action Plan on Human Rights and Democracy for Iraq (2021-2024)⁸², applicable human rights covenants and the international conventions such as the Paris Agreement. 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. It equally promotes the human right to safe drinking water and sanitation.

Disability

As per OECD Disability DAC codes identified in section 1.1, this Action is labelled as D1. The Action provides 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 are pro-actively advanced through this Action and specifically by improving inclusion and participation of people with disabilities in access to green jobs in the agri-food and smart irrigation businesses, and by including indicators to measure outcomes on persons with disabilities.

Reduction of inequalities

As per the Inequality Marker, this Action Document has been labelled as an I-1. Reduction of inequalities is a significant objective of the Action. Women, children, and other vulnerable groups in Iraq are mostly affected by economic, social and environmental inequality. The multidimensional vulnerability index for Iraq shows that 42% of the population is deprived in more than one dimension, including education, health, living conditions and financial security. In addition, another 30% of the population is extremely vulnerable, with a high risk of falling into poverty and food insecurity. By increasing access to jobs, access to drinking water, and promoting environmental justice in a rights-based approach, the Action supports vulnerable populations and contributes to

⁸¹ UNDP, Gender and Climate Change, 2016;

⁸² 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

reducing economic, social and environmental inequalities. It promotes the full participation in the economic rights of the most vulnerable and provide an opportunity to reduce inequalities among the targeted groups.

Democracy

The focus of this Action is on improving governance across the three intervention areas by strengthening the advocacy capacities of civil society and local communities. This contributes to increasing the compromised legitimacy of the state. At the same time, effective service delivery, contributes to improving social cohesion. Supporting the Iraqi authorities' capacity to improve service deliver for its population, including the most vulnerable one, is crucial to advance reconciliation and stabilisation.

Conflict sensitivity, peace and resilience

Water scarcity and environmental degradation have become drivers of conflict in Iraq. They lead to increased dissatisfaction with the Government of Iraq with the potential to trigger large-scale protests (as it has happened in recent past). Iraq faces a multifaceted and persistent water crisis that might have implications at the humanitarian, economic, security and social levels, including population movements. Water scarcity and environmental degradation are also instrumentalised and weaponised in conflict. Non state armed groups have for instance relied on supply of water (and food) to increase the legitimacy of their governance. Military tactics of scorched earth are applied on an ethno-sectarian basis and risk leading to violence and radicalisation. For these reasons, 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 three objectives notably *1. Increased investments in green and sustainable agriculture and forestry; 2. Enhanced delivery of municipal services including water and sanitation management; 3. Improved transparency, accountability, and credibility of the judicial system*, and specifically the *Empowerment of women*. 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 at country level. The Action specifically aims to improve the shock-responsiveness and the ability of the Iraqi agri-food labour market, water management systems, and judicial systems to expand and taper assistance in response to the onset and abatement of crises. Through the planned interventions, the Action equally strengthens the resilience of individuals, households and communities who are all key stakeholders of the Action.

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 European Union Advisory Mission (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>Increased access constraints for partners</i>	High	Medium	Political outreach and choice of implementation partners
	Risk 4: <i>Increasing climate vulnerability and environmental degradation risks</i>	High	Medium	Political dialogue by the EU and EU Member States

	Risk 5: <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 6: <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 7: <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 8: <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.
	Risk 9: <i>Difficulties to reach the most vulnerable girls and women.</i>	Low	Medium	Strong Monitoring & Evaluation framework that monitors whether the actions are benefiting the most vulnerable. Flexible plan that allows for reallocation of activities if required.

Assumptions:

- National/local security situation allows for safe implementation on the ground;
- National/local authorities' support, full engagement and ownership continue;
- Favourable government governance, and climate change policies.

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 incentives and 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, support priority-setting, policy development and their implementation, as well as the much-needed space for Civil Society to engage at policy level. Equally and specifically to the thematic area of climate change action and job creation, 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 environmental degradation and political pressure to tackle the challenges of climate change, it is ever more urgent to create the conditions towards a just transition to a cleaner and more inclusive and competitive economy for all Iraqis, notably youth, women and persons living in vulnerable situations. Furthermore, with the underlying structural challenges that inhibit effective and efficient civil and commercial justice, there is the need to enable the legal and strategic frameworks concerning environmental justice, support the capacities' of judiciary and integrity institutions involved directly and indirectly on environmental justice in Iraq. 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 aims to improve the shock resilience of national systems to cope with crises. The Action directly targets all Iraqis, notably children, youth, women and persons living in vulnerable situations which includes displaced persons (IDPs, refugees and returnees), persons with disabilities, and minorities and other socioeconomic vulnerable situations. Considering Iraq's youthful population and its potential for contributing to sustainable economic development, youth is at the centre of the Action. Communities and civil society, 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 interventions, and is in line with the partner country's priorities. It aims to place people's rights and needs at the centre of policy decisions and reforms efforts. The Action includes mutually reinforcing interventions, maximising innovation, fostering synergies and engaging communities and civil society as well as leveraging private investment. Equally importantly, the Action intends to contribute to creating the conditions for the future mobilisation of European Development Finance Institutions (EDFIs) and the European Fund for Sustainable Development Plus (EFSD+, both in terms of investment through the proposed investment programme (PIPs) targeting Iraq, and future investments from the EIB and EBRD.

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 policies and legislation, improved capacities, improved institutional coordination and improved services in each of the three thematic areas (outputs 1, 2 and 3) are produced.

IF the Outputs relating to improved policies and legislation, improved capacities, improved institutional coordination and improved services in each of the three thematic areas (outputs 1, 2 and 3) are delivered AND the assumptions at the level of Outputs regarding absorption capacities of national systems, and civil society stakeholders hold true, THEN the Outcomes relating to increased investments in green and sustainable agriculture and forestry, enhanced delivery of water municipal services, improved judicial system in regards to environmental justice are realised, BECAUSE past experience with EU programmes in these specific thematic areas suggest that this change is possible.

IF the Outcomes relating increased investments in green and sustainable agriculture and forestry, enhanced delivery of water municipal services, improved judicial system in regards to environmental justice are achieved AND the assumptions at this level regarding security situation allows for safe implementation on the ground; authorities' full engagement and ownership and favourable Government policies hold true, THEN the Action contribute to the desired Impact of having contributed to a just transition to a cleaner and more inclusive and competitive economy, to decoupling economic growth from environmental degradation, and to human wellbeing. This is BECAUSE of the momentum for climate change solutions and for green growth, as well as the joint action of the EU and EU Member States.

3.6 Logical Framework Matrix

Results	Results chain (@): Main expected results	Indicators (@):	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	to contribute to a just, green, climate resilient and low carbon transition and to a cleaner and more inclusive as well as competitive economy, to decoupling economic growth from environmental degradation, and to contribute to human wellbeing (EU results chain green economy adapted)	1. CO2 emission per unit of value added (kg/\$) (OPSYS core indicator, SDG 9.4.1)	1. 2023: to be determined during inception phase	1. 2027: to be determined during inception phase	1. International organisation data portals and reports (Global SDG Indicators Database)	Not applicable
		2. Proportion of the population living below the international poverty line, disaggregated by sex, age group, disability, rural/urban (OPSYS core indicator, GERF 1.23, SDG 1.1.1, EURF 1.1)	2. 2023: to be determined during inception phase	2. 2027: to be determined during inception phase	2. National Household Survey	
		3. Unemployment rate, by sex, age and persons with disabilities (OPSYS core indicator, GERF 1.11, SDG 8.5.2)	3. 2023: to be determined during inception phase	3. 2027: to be determined during inception phase	3. National Labour Market Survey	
		Percentage distribution of employed population by sector, disaggregated at least by sex (GAP III)				
		4. Proportion of population using safely managed drinking water services disaggregated by rural/urban, (OPSYS core indicator, GERF 1.30, SDG 6.1.1, EURF 1.9)	4. 2023: to be determined during inception phase	4. 2027: to be determined during inception phase	4. International organisation data portals and reports (Global SDG Indicators Database)	
		5. Mortality rate attributed to unsafe water, unsafe sanitation and lack of hygiene by sex, age group, income level, disability, area of residence, ethnicity (exposure to unsafe Water, Sanitation and Hygiene for All (WASH) services) (GAP III, SDG 3.9.2)	5. 2023: to be determined during inception phase	5. 2027: to be determined during inception phase	5. International organisation data portals and reports (Global SDG Indicators Database)	
		6. World Bank Worldwide Governance Indicators (WGI) Government Effectiveness Score (OPSYS core indicator, GERF 1.22, EURF 1.27)	6. 2023: to be determined during inception phase	6. 2027: to be determined during inception phase	6. World Bank Worldwide Governance Indicators (WGI)	

Outcome 1	1. Increased investments in green, sustainable, and climate-resilient agriculture and forestry including renewable energy solutions, benefitting in particular women, children, youth, displaced persons, disabled persons, and persons living in vulnerable situations(CAP4DEV - EU results chain green economy, 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	National/local security situation allows for safe implementation on the ground; National/local authorities' support, full engagement and ownership continue; Favourable government governance, displacement, returnee and fiscal policies
		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 (GAP III)				
		1.2 Percentage of smallholders practising sustainable agriculture (e.g. conservation agriculture, Climate Smart Agriculture (CSA) approaches, etc.) (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; WOCAT;	
		1.3 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, income level, place of residence, ethnicity and age group (GERF 2.1, EURF 2.3, OPSYS core indicator)	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	
Outcome 2	2. Enhanced delivery of accessible, smart, and energy saving municipal services including water and sanitation management, including renewable energy solutions, benefitting in particular women, children, youth, displaced persons, disabled persons, and persons living in vulnerable situations. (CAP4DEV - EU results chain sustainable cities, adapted)	2.1a Number of people benefitting from safe drinking water in urban area, disaggregated by sex, income level, area of residence, disability and age (GERF 2.38, OPSYS core indicator)	2.1 2023: to be determined during inception phase	2.1 2023: to be determined during inception phase	2.1 Baseline and endline surveys conducted and budgeted by the EU-funded intervention; WHO / UNICEF JMP	

		2.2a Number of countries and cities with climate change and/or disaster risk reduction strategies: (a) developed with EU support (b) under implementation with EU support; (GERF 2.5a; OPSYS core indicator)	2.2 to be determined during inception phase	2.2 to be determined during inception phase	2.2 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
		2.2b Energy savings of energy efficiency systems improved/set up with the support of the EU funded intervention 2.2c Number of Unaccounted for Water Programmes (leak detection-repair) conducted by water service providers annually				
		2.3 Number of women with increased training, financial resources, technology or other resources for sustainable and safe food production, and clean water sources, for family consumption or for productive uses by age group, income level, ethnicity, place of residence (GAP III)	2.1 to be determined during inception phase	2.1 to be determined during inception phase	2.3 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
Outcome 3	3. Improved transparency, accountability, and credibility of the judicial system in regards to environmental justice, including enhanced inclusive participatory decision-making, benefitting in particular women, children, youth, displaced persons, disabled persons, and persons living in vulnerable situations(CAP4DEV – Justice Sector Reform results chain)	3.1 Number and percentages of cases (handled/referred/resolved) through alternative dispute resolution mechanism, arbitration and formal court cases (CAP4DEV – Justice Sector Reform results chain adapted)	3.1 2023: to be determined during inception phase	3.1 2027: to be determined during inception phase	3.1 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
		3.2 Percentage of prosecution records on environmental justice that are apparently complete in the following categories: a) cases accepted for prosecution, b) cases dismissed, and c) changes for each case (CAP4DEV – Justice Sector Reform results chain adapted)	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 Annual enforcement / execution rate of decisions on environmental justice (CAP4DEV – Justice Sector Reform results chain adapted)	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	1.1 Improved capacities of workers in green agri-food and agri-forestry sectors, especially of women, youth, displaced persons, disabled persons, and persons living in vulnerable	1.1.1 Number of policy makers and other stakeholders trained by the EU-funded intervention with increased knowledge and/or skills on Inclusive Green Economy	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

relating to Outcome 1	situations(EU green economy results chain)	(IGE) issues, disaggregated by sex and sector (OPSYS core indicator)				sector stakeholder
		1.1.2 Number of (a) jobs, (b) green job supported/sustained by the EU - in companies supported by the EU to improve their competitiveness and integration into global value chains (GERF 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 Improved institutional coordination on economic, business and environmental policies	1.2.1 Yearly volume of agricultural production (metric tons) (OPSYS core indicator)	1.2.1 2023: 0	1.2.1 2027: to be determined during inception phase	1.2.1 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
		1.2.2 Areas of agricultural and pastoral ecosystems where sustainable management practices have been introduced with EU support (ha) (OPSYS core indicator) (OPSYS core indicator)	1.2.2 2023: 0	1.2.2 2027: to be determined during inception phase	1.2.2 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
Output 3 Relating to Outcome 1	1.3 Increased sustainable production and productivity of agriculture, benefitting in particular women, youth, displaced persons, disabled persons, and persons living in vulnerable situations (EU food and nutrition, and sustainable agriculture results chain, adapted)	1.3.1 Percentage of smallholders practising sustainable agriculture (e.g. conservation agriculture, Climate Smart Agriculture (CSA) approaches, etc.) (OPSYS core indicator)	1.3.1 to be determined during inception phase	1.3.1 to be determined during inception phase	1.3.1 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
		1.3.2 Areas of agricultural and pastoral ecosystems where sustainable management practices have been introduced with EU support (ha) (OPSYS core indicator)	1.3.2 2023: 0	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 Improved capacities and facilities for the provision of water and sanitation services, benefitting in particular women, children, youth, displaced persons, disabled persons, and persons living in vulnerable situations (EU sustainable cities results chain, adapted)	2.1.1 Proportion of population using safely managed drinking water services (GERF 1.31; SDG 6.2.1; OPSYS core indicator)	2.1.1 to be determined during inception phase	2.1.1 to be determined during inception phase	2.1.1 International organisation data portals and reports (Global SDG Indicators Database)	Absorption capacities of national systems in the sector and of the private sector stakeholder

Output 2 relating to Outcome 2	2.2 Improved capacities of Local and Regional Governments to promote accessible, smart, and energy saving practices in regions / cities, benefitting in particular women, children, youth, displaced persons, disabled persons, and persons living in vulnerable situations (EU sustainable cities results chain, adapted)	2.2.1 Number of people trained by the EU-funded intervention who increased their knowledge of and/or skills in following sustainable land and water management practices (disaggregated by income level, sex, age and population group) (OPSYS core indicator)	2.2.1 to be determined during inception phase	2.2.1 to be determined during inception phase	2.2.1 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
Output 3 relating to Outcome 2	2.3 Improved capacities of cities and rural areas to design and implement urban climate change strategies mitigation and adaptation in the management of drinkable water, benefitting in particular women, children, youth, displaced persons, disabled persons, and persons living in vulnerable situations (EU sustainable cities results chain, adapted)	2.3.1 Number of proposed for adoption climate change adaptation and mitigation policies (including nationally determined contributions), and environment protection strategies and plans (including energy policies/ strategies) that include gender equality objectives, in line with the United Nations framework convention on climate change (UNFCCC) gender action plan (GAP III; OPSYS core indicator)	2.3.1 to be determined during inception phase	2.3.1 to be determined during inception phase	2.3.1 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
Output 1 relating to Outcome 3	3.1 Improved national framework for environmental justice, benefitting in particular women, children, youth, displaced persons, disabled persons, and persons living in vulnerable situations (EU results chain justice sector reform, adapted)	3.1.1 Number of supported policies / legislation to improve efficiency within the justice sector (developed / revised / implemented) on environmental justice (CAP4DEV)	3.1.1 2023: to be determined during inception phase	3.1.1 2027: to be determined during inception phase	3.1.1 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	Absorption capacities of national systems, and civil society stakeholder
		3.1.2 Number of professionals from the justice sector who have received training on environmental justice policy and legislation preparation and enforcement	3.1.2 2023: to be determined during inception phase	3.1.2 2027: to be determined during inception phase	3.1.2 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
		3.1.3 Extent to which female leaders influence policy and decision-making on environmental justice (GAP III, MIP ER 3.1.2, adapted)	3.1.3 2023: to be determined during inception phase	3.1.3 2027: to be determined during inception phase	3.1.3 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
Output 2	3.2 Improved capacities of the Parliament, Judiciary, and Ministries to legislate, prosecute, adjudicate and enforce environmental justice, benefitting in	3.2.1 Number of parliamentary, judiciary and ministries' staff trained with support of the project in environmental justice as well as number of MPs, judges, prosecutors and ministries' staff who can	3.2.1 2023: to be determined during inception phase	3.2.1 2027: to be determined during inception phase	3.2.1 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	

relating to Outcome 3	particular women, children, youth, displaced persons, disabled persons, and persons living in vulnerable situations	demonstrate increased knowledge in the relevant area (CAP4DEV)				
		3.2.2 Number of guidelines, policy notes and regulations for improved environmental justice developed / implemented with support of the project (CAP4DEV)	3.2.2 2023: to be determined during inception phase	3.2.2 2027: to be determined during inception phase	3.2.2 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
Output 3 relating to Outcome 3	3.3 Strengthened capacity of individuals and civil society to claim accountability, scrutinise institutions performance and support individuals in claiming and defending their rights related to environmental justice, , benefitting in particular women, children, youth, displaced persons, disabled persons, and persons living in vulnerable situations (EU results chain justice sector reform, adapted)	3.3.1 Number of CSO representatives participating in development/amendment of laws and policies on environmental justice with the support from the intervention by income level, sex, age group, ethnicity, area of residence (CAP4DEV)	3.3.1 2023: to be determined during inception phase	3.3.1 2027: to be determined during inception phase	3.3.1 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
		3.3.2 Number of civil society and grassroots organisations supported by the project in organising an advocacy event or publishing advocacy material on the justice sector's independence, impartiality or accountability on environmental justice (CAP4DEV)	3.3.2 2023: to be determined during inception phase	3.3.2 2027: to be determined during inception phase	3.3.2 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	
		3.3.3 Number of supported policies / legislation to improve efficiency within the justice sector (developed / revised / implemented) on environmental justice (CAP4DEV)	3.3.3 2023: to be determined during the inception phase	3.3.3 2027: to be determined during the inception phase	3.3.3 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	

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 measures⁸³.

4.3.1 Indirect Management with an entrusted entity

4.3.1.1 A part of this Action may be implemented in indirect management with an entrusted entity, which will be selected by the Commission's services using the following criteria: i) an important policy and strategic interlocutor in the thematic area of SO1; ii) a key implementer for the delivery of the EU's development assistance in the thematic area of SO1; iii) a holder of important normative and standard setting mandates specific to the thematic area of SO1; iv) technical and operational competences and experience in the thematic area of SO1 in Iraq. The implementation by this entity entails the facilitation of green growth and employment creation, and promotion of environmental justice interventions, and related to **specific objective 1 and its related outputs**.

4.3.1.2 A part of this Action may be implemented in indirect management with an entrusted entity, which are selected by the Commission's services using the following criteria: i) an important policy and strategic interlocutor in the thematic area of SO2; ii) a key implementer for the delivery of the EU's development assistance in the thematic area of SO2; iii) a holder of important normative and standard setting mandates specific to the thematic area of SO2; iv) technical and operational competences and experience in the thematic area of SO2 in Iraq. The implementation by these entities entails the facilitation of green growth and employment creation, and promotion of environmental justice interventions, and related to **specific objective 2 and its related outputs**.

4.3.1.3 A part of this Action may be implemented in indirect management with an entrusted entity, which be selected by the Commission's services using the following criteria: i) an important policy and strategic interlocutor in the thematic area of SO3; ii) a key implementer for the delivery of the EU's development assistance in the thematic area of SO3; iii) a holder of important normative and standard setting mandates specific to the thematic area of SO3; iv) technical and operational competences and experience in the thematic area of SO3 in Iraq. The implementation by this entity entails governance interventions related to **specific objective 3 and its related outputs**.

4.3.2 Changes from indirect to direct management mode 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 4.3.1 to direct management (procurement and/or grants) shall be used for parts of or the whole Action.

⁸³ www.sanctionsmap.eu. Please 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 between the published legal acts and the updates on the website it is the OJ version that prevails.

In case of procurement (direct management), procurement could contribute to the achievement of the SO1 and/or SO2 and/or SO3 specified in section 3 with an indicative global budgetary amount of EUR 18.9 million maximum.

In case of grants (direct management)

(a) the purpose of the grant(s): could contribute to the achievement of the SO1 and/or SO2 and/or SO3 specified in section 3 with an indicative global budgetary amount of EUR 18.9 million maximum;

(b) type of applicants targeted: legal entities, natural persons, economic operators such as SMEs, public bodies, NGOs, national or international (pillar or non- pillar assessed) organisations with experience and capacities in the sectors targeted by this Action.

4.4 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>Increased investments in green and sustainable agriculture and forestry</i> composed of	9 400 000
Indirect management with pillar assessed entity - cf. section 4.3.1.1	
Specific objective 2 <i>Enhanced delivery of accessible, smart, and energy saving municipal services including water and sanitation management</i> composed of	5 000 000
Indirect management with pillar assessed entity - cf. section 4.3.1.2	
Specific objective 3 <i>Improved transparency, accountability, and credibility of the judicial system in regards to environmental justice, including enhanced inclusive participatory decision-making</i> composed of	4 500 000
Indirect management with pillar assessed entity - cf. section 4.3.1.3	
Evaluation – cf. section 5.2 Audit – cf. section 5.3	To be covered by another decision
Totals	
	18 900 000

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 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 will 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 learnt. At the inception phase, baseline surveys and assessments will be carried out, a verification of the anticipated risks, 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 socioeconomic equality, gender equality, human rights-based approach, and rights of persons with disabilities including inclusion and diversity. Indicators shall be disaggregated at least by sex, age group, income level, ethnicity, area of residence, displacement status, and disability status.

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, and evaluation services may be contracted under a framework contract.

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 be ensured in the evaluation team. Indicators shall be disaggregated at least by sex, age group, income level, ethnicity, area of residence, displacement status and disability status.

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 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 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 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.

Appendix 1 REPORTING IN OPSYS

A Primary Intervention (project/programme) is a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Identifying the level of the primary intervention allows for:

Articulating Actions or Contracts according to an expected chain of results and therefore allowing them to ensure efficient monitoring and reporting of performance;

Differentiating these Actions or Contracts from those that do not produce direct reportable development results, defined as support entities (i.e. audits, evaluations);

Having a complete and exhaustive mapping of all results-bearing Actions and Contracts.

Primary Interventions are identified during the design of each action by the responsible service (Delegation or Headquarters operational Unit).

The level of the Primary Intervention chosen can be modified (directly in OPSYS) and the modification does not constitute an amendment of the action document.

The intervention level for the present Action identifies as (tick one of the 4 following options);

Action level (i.e. Budget Support, blending)		
<input type="checkbox"/>	Single action	Present action: all contracts in the present action
Group of actions level (i.e. top-up cases, different phases of a single programme)		
<input type="checkbox"/>	Group of actions	Actions reference (CRIS#/OPSYS#):
Contract level		
<input checked="" type="checkbox"/>	Single Contract 1	Legal commitment / contract 1 relating to Specific objective 1 - cf. section 4.3.1.1 – indirect management
<input checked="" type="checkbox"/>	Single Contract 2	Legal commitment / contract 2 relating to Specific objective 1 - cf. section 4.3.1.1 – indirect management
<input checked="" type="checkbox"/>	Single Contract 3	Legal commitment / contract 3 relating to Specific objective 2 - cf. section 4.3.1 – direct management
Group of contracts level (i.e. series of programme estimates, cases in which an Action includes for example four contracts and two of them, a technical assistance contract and a contribution agreement, aim at the same objectives and complement each other)		
<input type="checkbox"/>	Group of contracts 1	