

▶ Institutional assessment and drafting of a strategic plan for the Iraqi Federation of Industries

Terms of Reference

Deadline for submission of technical and financial proposals:

1st July 2024

June 2024

Bureau of Employers Activities- ILO Office for the Arab States

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▶ Background

Iraq's development has been thwarted by decades of conflict. Today it is an upper middle-income, resource-rich, yet fragile and conflict-driven country. The economic situation in Iraq has been challenging, due to the volatility of Iraq's oil sector, closely tied to global market dynamics. The economy recovered after the COVID-19 crisis and the real GDP has experienced a 7% growth mainly driven by the rising prices of the oil production. Nonetheless, non-oil and gas industries have seen a contraction as well as agricultural activities due to drought and water shortages.

Iraq has one of the lowest employment-to-total-population ratios in the Middle East which stands at 33%, indicating that only about one-third of the working age population (15 years old and over) were employed in 2020/21. The most recent Labour Force Survey (LFS) report, which was produced in cooperation with the ILO, Ministry of Planning, Kurdistan Region Statistics Office (KRSO), and Central Statistical Organization (CSO) showed that in 2020–2021, only one-third of Iraq's working-age population had a job, with unemployment rates among women and young people being particularly high. A sizeable percentage of employment, or 66.6 percent, was in the informal sector, the Iraqi public sector is the largest formal sector employer, accounting for nearly 4.1 million jobs in 2023.

Overall, the economic situation in Iraq requires comprehensive reforms, diversification efforts, and measures to address structural challenges to achieve sustainable and inclusive economic growth. The Government of Iraq is committed to adopt profound reforms towards a more diversified and growth rich economy. The Government, with ILO support is in the process of developing a National Employment Policy. The policy will have a strong focus on informality in the labour market, outlining key interventions to address this challenge, given its impact on wider employment. The NEP will lay the groundwork for a constructive and informed social dialogue to ensure that the economic future of Iraq works for everyone and leaves no one behind.

The Iraqi Federation of Industries is an independent organization, established in 1956. It is Independent legally and financially, being one of the few Arab state's organizations with voluntary membership. IFI is composed of 9 governorate chambers of industry (in the country there are 19 governorates) – one of the strongest one is Basra Chamber of Industry. Industrial companies are direct members of IFI or to its governorate industrial chambers. The links with the regional chambers suffer from years of conflicts and political instability. As a result, IFI has reduced its sphere of influence, particularly in liberated areas. IFI does not cover the Kurdistan area in the north of the country (supported by another Kurdistan Chamber of Commerce and Industry K-CCI) but recently they have restarted the dialogue and collaboration and they count on opening a branch this year. Since Autumn 2021, the new chairman of the Federation is contributing to increase the visibility of the Federation nationally and internationally and improving the structure and services provided by IFI to restore trust from private sector and advance critical policy reforms required to strengthen the sustainable recovery of the country.

In agreement with IFI, it was agreed to conduct an internal assessment of the organization in 2019 followed by a micro assessment using the HACT methodology in 2022, developed both by specialized consultants in management of business organizations. Some gaps appeared in areas related to organizational structure, staff development, processes and strategy for providing added value services. Some of the gaps and main priorities have been addressed by IFI but there is still a need to support IFI to define their strategic vision and a clear roadmap for its implementation. Besides, due to the important policy reforms actually taken place in the country in particular in labour and employment related areas, it is essential to also develop their capacity and reinforce their organizational structure to fulfil their role as representative of the private sector in these topics.

▶ Main objectives of the consultancy:

The work to be carried out under these terms of reference forms part of the ILO's support to strengthen Employers' Organizations in the Arab region and to increase the policy capacity of these organizations to engage in evidence-based dialogue to create an enabling environment for sustainable enterprise and employment.

The main objective of the current consultancy is to support IFI to with a solid institutional assessment enabling them to discuss and develop a members' needs driven strategic plan and staff development plan for the next 2-3 years.

The assessment report aims at identifying the strengths and weaknesses of the IFI's organizational capacity and analyse its external interactions with stakeholders providing focused and prioritized recommendations as an outcome. This assessment report will follow the template provided by ACTEMP¹ to capture all the needed information which guarantees a fair level of details that would allow efficient and targeted planning for capacity building and support for IFI.

The strategic plan will be done in a participatory manner by the

▶ Scope of consultancy and work to be done

The Work will be performed under the guidance and supervision of the Senior ACTEMP Specialist in Beirut, Mr. José Manuel Medina. The ACTEMP specialist will provide a number of tested ACTEMP tools including checklists and templates (to be further adapted and translated from English into Arabic) which would help throughout the entire consultancy. The consultancy will be organized through a phased approach.

Phase 1: Desk research analysis and initial briefing with IFI & ILO team

The consultant will start this assignment by an initial briefing with IFI management team where the outline of the consultancy and the contribution and engagement from IFI will be detailed and discussed. The meeting will help identify main documents, challenges and areas of improvement already identified by the management board, the main focal point for this assignment and the list of stakeholders that need to be interviewed during the institutional assessment. IFI will compile and provide to the consultant main documents, foundational laws, bylaws, organigramme and staff contact details, financial statements and any other important paper or strategy that the consultant is bound to know.

The consultant will also meet main ILO officers and main stakeholders in the country as to have a better understanding of the different policy priorities where IFI will need to effectively participate and defend private sector interests. During this meeting, he/she will include some additional contacts to be interviewed in phase 2.

Main tasks

- a. initial meeting with IFI Board of management and staff
- b. Meeting(s) with ILO main project officers in Iraq
- c. Identification of main stakeholders relevant for this assignment (Government officials, research institutes, donors, Workers organizations, UN agencies, etc to be conducted.
- d. Analysis of the previous institutional assessments and organizational structures from 2018, 2022

¹ EESE Toolkit for Employers organizations

- e. Analysis of the foundational documents including constitution and by-laws to identify eventual flaws compared to good governance best practices in Employers and Business Membership Organization
- f. Analysis of the current organigram and organizational structure.
- g. Analysis of the membership database
- h. Analysis of the financial report and financial accounts of the organization
- i. Design of the qualitative research: drafting of the interviews for the different stakeholders and focus groups and/or surveys to define members priorities and requested services.

Final deliverables phase 1:

1. Minutes of the initial meeting with IFI Board of management, staff and ILO project officers.
2. List of stakeholders (Government officials, research institutes, donors, Workers organizations, UN agencies, etc to be conducted).
3. Summary of main gaps and areas where more information is needed after the institutional desk review.
4. Design of the qualitative phase of the institutional assessment and drafting of the questionnaire for the different stakeholders and or focus groups (to be previously cleared by ILO ACT/EMP specialist).
5. Proposed outline of the institutional assessment report (based on the ILO EESE Toolkit.)

Expected number of days: 15 days

Expected date of delivery: 1st August

Phase 2: Qualitative research to identify main member needs and policy priorities.

The consultant, in collaboration with IFI will implement during this phase the agreed qualitative research according to the Deliverable 1.4. In particular the consultant will get the support of IFI to:

- a. Conduct interviews with at least 10 Iraqi stakeholders among Government officials, donors, UN agencies, workers' organizations, economic research centres, etc.
- b. Develop and distribute an online survey to identify members' needs and satisfaction and get a proper understanding on most useful/demanded services for members in order to consider options to expand the service portfolio. The support will consist in selecting a significant sample amongst IFI members, distribute the survey and make sure it is filled by the maximum number of IFI members (and potential IFI members).
- c. Organize at least 4 focus groups discussions (at least 2 of them outside Bagdad) to complement the online survey needs and value-added services to be developed.
- d. Support IFI management in analysing data of the members' needs and satisfaction survey and produce a short report including main data and series of recommendations.
- e. Develop a short analysis on current policy priorities for IFI members. The analysis will be conducted using some data from the members' needs analysis and complemented with Interviews with General Manager and selected Board Members.

Final deliverables phase 2:

1. Members needs and satisfaction survey report.
2. Final report on data analysis of needs and satisfaction survey.
3. Short brief: 3-5 pagers on main policy priorities for the Federation in the short term (2-3 years).

Expected number of days: 10 days

Expected date of delivery: 21st August

Phase 3: Final assessment report

The consultant will finalize the institutional assessment and will include policies priorities areas as per members needs and set of recommendations to align organizational performance to best international standards. A special focus should be dedicated to internal human resources with key recommendations for capacity building plans for key staff and identification of recruitment priorities for the association for 2025-2027

The institutional assessment will include updated information and analysis around 10 areas described below:

- **Representativeness:** Analysis and reporting on organizational representativeness based on IFI database – data to be provide by IFI. Revision of the membership initiatives if any.
- **Governance:** revision of IFI constitutional document(s) and benchmark with EBMOs best governance practices
- **Organizational structure:** Review the organizational structure and human resource assigned, including their job descriptions, current roles and functions, performance management system in IFI. Revision of the department, units and staff assigned to them.
- **Financial Resources:** Brief analysis of financial performance over the last 5 years, including overall income, revenue mix and main expenditures – data to be provided by IFI.
- **Policy influence and advocacy:** Analysis on quality, methodology for development of policy papers and use of data and research for evidence-based advocacy. benchmark with EBMOs best governance practices checklists developed by ACTEMP. Analysis of major advocacy successes.
- **Service provision:** Review of the service portfolio and of the results of the service members needs assessment if any. Focus group discussion with IFI team and members.
- **Policy dialogue:** Effectiveness of participation of IFI in policy dialogue institutions. Eventual meetings with relevant stakeholders including Ministries, trade unions, academia, research institutions, International Development Agencies – if deemed appropriate and useful.
- **Communication:** analysis of communication channels with members and external stakeholders including newly developed website, social media and others.
- **Partnerships:** Analysis of existing and potential partnership with national and international institutions.
- **Relations with other business organizations** - Chambers and sectoral business associations. Meetings with selected leaders of similar organizations, including Trade Unions and international organizations.

Final deliverable phase 3

1. “IFI institutional Assessment” report. The report (maximum of 40 pages + ANNEXES) will follow the structure previously agreed with ILO Team. The report will be analytical in nature and is to be considered confidential for the Federation. The final report should be available in English and Arabic.

Expected number of days: 10 days

Expected date of delivery: 11st September

Phase 4: Structural organization: Setting up of an Employment and Labour topics committee.

Under this phase the consultant, based on the policy priorities identified during the assessment will support IFI to adapt their organizational structure and strengthen the capacity to provide quality inputs to the different labour and employment reforms being undertaken in the country. The consultant will propose a dedicated committee in charge of labour and employment topics within the Federation. The committee, composed of esteemed boards and members of the private sector will be assisted by a dedicated staff and consultants that will be received training and technical advice from different specialists of the ILO.

Main tasks:

- Definition of the functions and main areas of work of the Employment and Labour committee.
- Operational procedures for the selection and engagement of board members.

- Identification of main priorities and actions to be undertaken by the Employment and Labour Committee.
- Identification and definition of job description of the Labour and Employment (LAE) Unit supporting the work of the Committee. This LAE will be integrated by at least a labour economist, a lawyer specialised in industrial relations and a project manager.

Final deliverables phase 4:

1. Main operational procedures for the creation and management of the Labour and Employment Committee.
2. Action plan to be discussed and agreed by members of the Employment and Labour Committee
3. Job descriptions and capacity building training programme supporting the staff assigned to the LAE Unit

Expected number of days: 5 days

Expected date of delivery: 20th September

Phase 5: Support to the definition of a Strategic Action plan of the Federation of Iraqi Industrialists

The deliverable of phases 1, 2 and 3 will constitute the basis to start the strategic planning exercise with IFI Boards and high management. The consultant will be in charge of supporting the process leading to a definition of draft (using a standard structure provided by ACT/EMP) Strategic Plan that will be distributed to Board members for final comments. The document should summarize the key goals of the organizations with related milestones and KPIs, operational annual plans, recruitment plans (if needed) and all the financials' aspects.

The consultant will support the designated IFI staff /board on the presentation of the Strategic plan to IFI Board members in a workshop, and include the results of the institutional assessment, members needs survey, Employment and Labour Committee- LAE Unit, etc.

After the workshop, IFI Senior management with ILO support if needed (coaching and revision) will finalize the strategic plan document. Once the document will be validated the Management Board will need to formally adopt the Strategic Plan and formally communicate its adoption by letter to ILO.

Main tasks:

- a. Supporting IFI by drafting a zero draft document following ACT/EMP template for Strategic Action plan for 3 years and that should include performance indicators, financial and technical resources needed.
- b. Participation in a workshop to main Board members to present the strategic plan
- c. Support in the adaptation of recommendations and inputs from the Board.

Final deliverables phase 5:

1. Zero draft document following ACT/EMP template for Strategic Action plan for 3 years in English and Arabic
2. Power point presentation of the Strategic Action plan in English and Arabic.
3. Final strategic action plan document in English and Arabic.

Expected number of days: 7 days

Expected date of delivery: 10th October

▶ Time frame and remuneration

This assignment should take place from 15th July to 15th October.

Deliverables	Estimated effort (days of work)	Deadline
Phase 1: 1.1,1.2,1.3	15 days	1st August
Phase 2: 2.1,2.2,2.3	10 days	21st August
Phase 3: Deliverable 3.1	10 days	11th September
Phase 4: 4.1, 4.2, 4.3	5 days	20th September
Phase 5: Strategic Plan (5.1, 5.2, 5.3)	7 days	10th October
TOTAL	37 days	

The amount of the contract will be equivalent to 37 days of work excluding the cost of DSA and missions to the country and internal transport to areas beyond Baghdad which will be calculated and paid upon completion of the mission and submission of proof of travel upon a pre-agreed schedule with the Senior ACTEMP Specialist and IFI focal point.

The consultant will be remunerated the full amount upon completion of work to the satisfaction of the Senior ACTEMP Specialist Mr. José Manuel Medina which includes the submission of the final deliverables and other receipts.

▶ Professional requirements for this consultancy

Academic Qualifications and experience

- Master's degree in business administration or relevant field, with at least of 10-years of experience in organizational management,
- Evidence of having undertaken similar assignments in a private or public sector body
- Previous experience on institutional assessment with institutions of any nature (corporations, public entities, NGOs)
- Experience in working with Chambers and business associations.
- Evidence of handling research using research tools and methods such as surveys, framing questionnaire, conducting FGD and interviews
- Prior work with private sector and/or business association at senior level and a deep understanding of chamber structures and processes.
- Knowledge of the socio-political context of Iraq and in particular on challenges and bottleneck related to its business environment.

Competencies

- Analytical skills
- Interpersonal and communication skills, both oral and written
- Accuracy, punctuality and reliability
- Problem-solving and strategic planning ability

Language and other skills

- Excellent knowledge of Arabic and English, including the ability to set out a coherent argument in presentations and group interactions.
- Capacity to communicate fluently with different stakeholders (business community, government authorities, donors)
- Computer skills: full command of Microsoft applications (word, excel, PowerPoint)

▶ Selection Process

The ILO will shortlist qualified consultants based on the submitted proposals. Shortlisted consultants may be invited for presentations or interviews. ILO will select the consultant with the most relevant experience and qualifications for this project. Interested candidates should send a short technical and financial proposal in English to Mr. José Manuel Medina Checa, medinacheca@ilo.org by maximum **1st July 2024** at 18.00 Bagdad time.

▶ Confidentiality

The Consultant will treat all information received from this assignment as confidential.

▶ ANNEX 1: Outline structure of the assessment

The criteria listed in the “Assessment of the EO tool” will help the consultant to complete this report. Conclude with Recommendations for consideration by the EOs Board in each heading.

- Title page
- Executive summary
- Table of contents
- Dates and times of assessment
- List of acronyms

A) Organizational Capacity of IFI (Max. 30 pages)

1. Current strength of IFI

- 1.1. Review of current situation
- 1.2. Summary of overall findings
- 1.3. Recommendations

2. Representativeness

- 2.1. Review of current situation
- 2.2. Summary of overall findings
- 2.3. Recommendations

3. Mission & Vision

- 3.1. Review of current situation
- 3.2. Summary of overall findings
- 3.3. Recommendations

4. Strategy

- 4.1. Review of current situation
- 4.2. Summary of overall findings
- 4.3. Recommendations

5. Member driven

- 5.1. Review of current situation
- 5.2. Summary of overall findings
- 5.3. Recommendations

6. Policy Objectives/Priorities

- 6.1. Review of current situation
- 6.2. Summary of overall findings
- 6.3. Recommendations

7. Governance & Management

- 7.1. Review of current situation
- 7.2. Summary of overall findings
- 7.3. Recommendations

8. Resources (Financial & Human)

- 8.1. Review of current situation
- 8.2. Summary of overall findings
- 8.3. Recommendations

9. Policy Influence of IFI

- 9.1. Review of current situation
- 9.2. Summary of overall findings
- 9.3. Recommendations

10. Partnerships

- 10.1. Review of current situation
- 10.2. Summary of overall findings
- 10.3. Recommendations

11. Service offer

- 11.1. Review of current situation
- 11.2. Summary of overall findings
- 11.3. Recommendations

12. Brand & Communications

- 12.1. Review of current situation
- 12.2. Summary of overall findings
- 12.3. Recommendations

B) External Environment & Stakeholder Analysis (Max 10 Pages)

1. Assessing the Political environment

(Focus should be on how the IFI’s policy priorities have potential for being addressed and supported within the current political environment – this should build upon analysis of the political environment from stage one.)

- 1.1. Likely changes in political landscape
- 1.2. Recent highly contested policy issues in the political arena
- 1.3. Current IFI priorities in the political arena
- 1.4. Potential of Parliamentarians to be influenced by the IFI priorities
- 1.5. Potential for popular support for IFI priorities
- 1.6. Scope for compromise from IFI priorities

2. Assessing the social climate

- 2.1. Analysis of big social tensions that the IFI priorities might exacerbate or alleviate

2.2. Potential for the IFI priorities to be misinterpreted

3. Assessing the economic climate

3.1. Potential for the IFI priorities make a case for increased economic growth and jobs

3.2. Potential for the IFI priorities impact favourably on consumers

4. Assessing competing policy agenda issues.

4.1. Other issues that are competing with the IFI's for positioning on the policy agenda

4.2. Potential to link IFI priorities to other current issues

4.3. Potential of the DCI priorities to be communicated as recognizable issues

5. Assessing the Regulatory environment

5.1. Does the Government regularly conduct cost benefit analysis for regulatory and policy initiatives

5.2. Are regulation initiatives measured against International standards and best practices

5.3. Is there a Regular review of regulation with the full engagement of the Private sector

6. Wider Stakeholder Influence

6.1. Other private sector associations

6.1.1. Relevance to the IFI

6.1.2. Power & influence

6.1.3. Factors to influence this stakeholder

6.2. Unions/NGOs

6.2.1. Relevance to the IFI

6.2.2. Power & influence

6.2.3. Factors to influence this stakeholder

6.3. Academia/research institutions

6.3.1. Relevance to the IFI

6.3.2. Power & influence

6.3.3. Factors to influence this stakeholder

6.4. Media

6.4.1. Relevance to the IFI

6.4.2. Power & influence

6.4.3. Factors to influence this stakeholder

C) Recommendations (Max 5 Pages)

1. Summaries

1.1. Organizational Capacity

1.2. External Environment Confronting IFI

1.3. Stakeholder Analysis

2. Recommendations

(Consolidated set of recommendations from Sections one and two, following a structure similar to the table appended at the end.)

3. Next Steps...