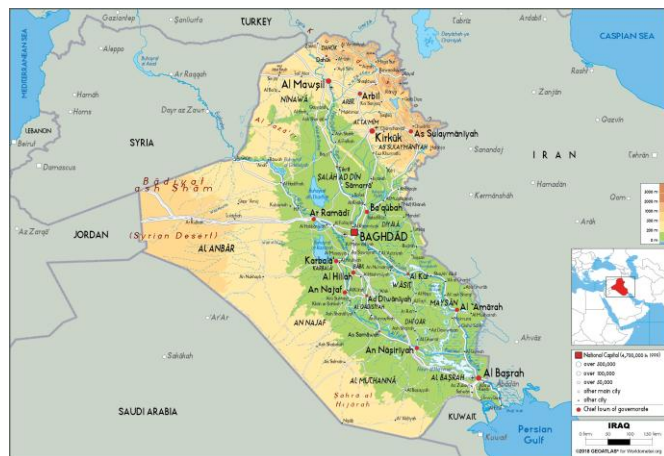


Towards more and better employment through enhanced support to private sectors in southern Iraq – with a focus on green business – Iraq

Implementation: International Labour Organisation (ILO)

Funding: Italian Agency for development Cooperation (AICS)

Budget: 3,000,000 euros (2023-2026)



Introduction

The ILO, supported by AICS is implementing a project aimed at promoting private sector development and creating decent job opportunities in southern Iraq, with a focus on supporting sustainable green businesses. This project aligns with several strategies in Iraq that aim to promote economic growth, develop the private sector, increase employment opportunities, and support the green economy. The project is being implemented through a consultative and coordinated approach that includes all stakeholders, ensuring the sustainability of efforts to support this vital sector in Iraq, even after the project ends. This includes collaboration with a wide range of partners, including the Ministry of Labour and Social Affairs (MOLSA), the Ministry of Planning (MOP), the Ministry of Trade (MOT), the Ministry of Environment (MOEN), the Ministry of Industry (MOIN), the Supreme Council for Youth, the Ministry of Youth and Sports (MOYS), the Iraqi Federation of Industries (IFI), Trade unions, the Central Bank of Iraq (CBI), the Iraqi Company for Banking Guarantees (ICBG), the First Finance Company, the Iraqi Finance Company, the Federation of Iraqi Chambers of Commerce, as well as the local Governments of Basra and Muthanna, along with partner banks, civil society organizations (CSOs), business development service (BDS) providers, and other stakeholders.

The project is supporting MSMEs in the southern governorates to innovate and expand within a greener economy. This includes promoting awareness of green business and finance, institutionalizing ILO tools, and establishing One-Stop Centers for employment and entrepreneurship services. Value chain development in high-potential sectors will follow a Market Systems Development(MSD)approach to address systemic constraints.

The project is also enhancing technical and business skills for MSMEs and individuals through ILO tools like SIYB, Green Business, and Financial Education. Training on business registration and green practices will be delivered, alongside a referral mechanism to link MSMEs with financial and non-financial support services.

Project Objectives

The ILO, having the expertise and experience globally, in the region and in Iraq, namely: building on its well-established business and financial management tools, and its previous agreement with the central bank of Iraq, aspires to achieve the following two objectives while creating more and better jobs through its proposed activities: 1) Improve business ecosystem for MSMEs in Iraq to grow and thrive through policy options along with national and subnational dialogue amongst key stakeholders in the private sector development; and 2) Capacitate and empower national/subnational financial and non-financial institutions to better support entrepreneurs and MSMEs to unleash their full potential.



The project aims to achieve the following outcomes:

1. Enhanced policies integrating green economy, MSME development, and climate-resilient decent work principles;
2. Business ecosystem is enhanced where MSMEs are supported to adapt, innovate, grow and thrive- with a focus on green economy targeting new south governorates
3. Enhance the technical and business skills of MSMes, startups, and individuals, improving their capacity to operate effectively and sustainably in the market targeting new governorates.

The project's success will be measured through clear and actionable metrics such as MSME support and growth; job creation; green economy development; policy impact; skills development, and sustainability and long-term impact.

Results by end 2024

At the macro level:

- a comprehensive assessment of Iraq's business-enabling environment was carried out using the ILO's "Enabling Environment for Sustainable Enterprises" (ESEE) tool. This evaluation resulted in the creation of a strategic roadmap focused on improving regulatory and policy frameworks to support the growth and innovation of MSMEs. The roadmap offers targeted recommendations to strengthen enterprise capacity, with a strong emphasis on promoting sustainable green businesses and advancing women's entrepreneurship will be a supporting tool for developing the national MSMEs policy.
- A national conference was held to address policies for MSME development in Iraq.



At the meso and micro level:

- The project completed a series of trainer capacity building cycles on financial education (21 trainers), on ILO's Guide How to Work in the Green Economy in Iraq (45 trainers); and for entrepreneurs and potential entrepreneurs through Strat and Improve your Business – SIYB. These in turn led to initial training roll out to 392 entrepreneurs with SIYB and 239 with Financial education. The project is now working on larger scale roll-out

