# Financial Gap Analysis of Agenda 2030 and SDGs in Iraq


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# FOREWARD

With less than a decade to go until 2030, Iraq is accelerating its global commitment to meeting the Sustainable Development Goals (SDGs).

Developing an SDG costing framework is a major step in the country's development planning. To date, Iraq has regularly monitored its progress toward Agenda2030, with critical self-reflecting on both its efforts and results.

The costing estimates for the selected SDGs in this report have been developed through cascading the global estimates to Iraq. A range of options have been provided, taking into consideration Iraq's development efforts to date, its status as an upper middle-income county, and its overall development commitments.

This exercise will help Iraq develop several instruments to better plan and coordinate SDG implementation. The exercise is fluid and may be revised on a regular basis, when more nationally generated data becomes available. Costing of public policies, policy actions and projects will provide more details that will ultimately supply a more precise direct costing input.

Iraq has shown a high level of resilience amidst the challenges it has faced – from ongoing conflict, to a sharp decline in oil prices, to economic collapse and COVID-19. However, its commitment to achieving the SDGs remains stronger than ever.

These costing estimates will further accelerate national SDG efforts, moving Iraq closer to Agenda 2030 and ensuring no one is left behind.

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# TABLE OF CONTENTS

## LIST OF FIGURES

# LIST OF TABLES

# ABBREVIATIONS

| | |
|---|---|
| AAAA | Addis Ababa Action Agenda |
| CSR | Corporate Social Responsibility |
| DFA | Development Finance Assessment |
| ESCAP | Economic and Social Commission for Asia and the Pacific (see also: UNESCAP) |
| ESCWA | UN Economic and Social Commission for Western Asia (see also: UNESCWA) |
| FAO | UN Food and Agriculture Organisation |
| FGM | Female Genital Mutilation |
| FTI | Fast Track Initiative |
| GBV | Gender Based Violence |
| GRB | Gender Responsive Budgeting |
| HIC | High Income Country |
| IBRD | International Bank for Reconstruction and Development |
| IFAD | International Fund for Agricultural Development |
| IFIs | International Financial Institutions |
| IMF | International Monetary Fund |
| INFF | Integrated National Financing Framework |
| KRG | Kurdish Regional Government |
| LCD | Least Development Country |
| LMIC | Lower Middle Income Country |
| LNOB | Leaving No One Behind |
| MDAs | Ministries, Departments and Agencies |
| MDGs | Millennium Development Goals |
| MIC | Middle Income County |
| MoE | Ministry of Education |
| MoF | Ministry of Finance |
| MoH | Ministry of Health |
| MoHE | Ministry of Higher Education |
| MoP | Ministry of Planning |
| ODA | Official Development Assistance |
| OOF | Other Official Flow |
| PIC | Pacific Island Country |
| PFM | Public Financial Management |
| SDGs | Sustainable Development Goals |
| SOE | State-owned Enterprise |

| | |
|---|---|
| UHC | Universal Health Coverage |
| UN | United Nations |
| UNA | United Nations Assembly |
| UNDP | United Nations Development Programme |
| UNESCAP | United Nations Economic and Social Commission for Asia and the Pacific (also ESCAP) |
| UNESCWA | United Nations Economic and Social Commission for Western Asia (also ESCWA) |
| UMIC | Upper Middle Income Country |
| VNR | Voluntary National Review |
| WASH | Water, Sanitation and Hygiene |
| WB | World Bank |
| WBG | World Bank Group |
| WEF | World Economic Forum |
| WFP | World Food Programme |

# EXECUTIVE SUMMARY

Costing the Sustainable Development Goals (SDGs) efforts is one of the first steps in developing the national SDG financing strategy, or embedding SDGs into the national development planning efforts. Costing process involves estimating the costs of achieving individual SDG, focusing on targets and indicators. Although there is 17 SDGs, with 169 associated targets and 232 indicators, countries although committed, as a rule, to all 17 SDGs, (with the exception of landlocked counties and SDG14 – Conserve and sustainably use the oceans, seas and marine resources for sustainable development), choose the set of goals and indicators that are most applicable to them. Often this is driven by the economic logic, although some may have been excluded due to the political and/or cultural reasons. Iraq is committed to all 17 SDGs and has targeted between 14 indicators (for SDG3) and 1 indicator (for SDG10). For most indicators some data was available, but was not always up to date. Iraq's overall performance has been classified as 'Red', i.e. that the major challenges remain, preventing the country to reach SDGs (see: Sachs, et al., 2017-2020).

The Government of Iraq acknowledges this (MoP, 2019a; 2021a), as well as the problems with data for informed decision-making on SDGs (UNDP and CSO, 2021). In such an environment it was difficult to secure data for developing national SDG costing estimates. Therefore, the global study (Kharas and McArthur, 2019) was applied to Iraq, and national SDG costing estimates have been established, in a range, using the various options/scenarios. The Kharas and McArthur's Study offers the estimates of additional SDG investment per head for LDCs, LMICs, UMICs and average for all the developing countries, based on triangulation of spending data collected from a number of international, sectoral databases. It is the most recent study dealing with the multiple sectors, which has also reviewed the past sectoral studies and integrated them into their research and policy recommendations. At the same time, they have looked beyond LDCs and LICs[1] , estimating the costing for LMICs and UMICs, as well. They have also tried to provide a framework that integrates different sectoral needs and provided a comprehensive, holistic investment picture. Research suggests that the success in implementing SDGs will depend on the identified synergies that can be leveraged and trade-offs that can be offset by other structural changes (see: Pradhan, et al., 2017).

The purpose of this Study is to estimate costs of achieving SDGs1-5 and 16 by 2030. The Government of Iraq has chosen these SDGs as the priority ones. In this Study, the estimates for UMICs and the average for developing countries have been primarily used for estimating SDG costs for Iraq. The former was also adjusted for Iraq's position within the UMICs grouping. Iraq is a UMIC with GNP per capita of USD4,660.00 (using the World Bank Atlas method). This puts it into the 4th quartile of UMICs. In this Study, application of these three approaches has provided the range of possible SDG costs for Iraq. Although not applied in the case of individual SDG costing, the 3rd quartile has been introduced in the aggregate costing exercise, showing that it is similar to the average for all developing countries costings. Therefore, the SDG costing needs of Iraq for the period 2022-2030 are in the range between: USD792.992 billion (the full UMICs costing) and USD198.247 billion (bottom, i.e. the 4th quartile costing). However, the investment needs are more likely to be between the average for developing countries – USD418.031 billion (or 3rd quartile costing of USD383.828 billion) and upper limit of USD793 billion. In defining the gap, we have assumed that about 15 per cent of the current revenues (for the period) can be allocated to the SDG needs, and the difference between that (circa 126 billion) and the costing would present the financing gap. Hence, applying the same logic as above, the financing gap will be in the range between USD667.1 billion (the full UMICs option) and USD72.36 billion (UMICs 4th quartile option).

However, again, most likely as above, the gap will be in the range between the average investment needs for developing counties of USD292.14 billion) or the limit established for the 3rd UMICs quartile of USD257.94 billion). To compensate, at least in part, for Iraq's weak governance structure and generally poorly performing institutions, we have offered a range of possible costs and four different scenarios. For each SDG considered, we have also provided an estimate, where the possible need may be, based on the past performance, ongoing development efforts/investment and declared policy priorities of the Government.

[1]LDCs and LICs focus has dominated research on SDG costing. See for instance, SDSN, 2015a; 2015b

To close this gap, Iraq will have to improve its absorption capacity, define better its development goals, improve linking of the planning and budgeting process, introduce SDG budget tagging mechanism, reintroduce GRB, and improve the development dialogue with both domestic and international development actors, and strengthen the social dialogue on the entire territory of the country (including addressing the relationship between the Iraqi Central Government and KRG. Exploring special and innovative financial instruments and methods will be necessary; and above all, the mobilisation of domestic resources for national development. To accelerate development it is of utmost importance to trigger domestic private investment, including offering support for innovation, entrepreneurship and MSMEs; strengthen the public sector, making it more service oriented and efficient. At present, the public sector dominates the economy and its shortcomings have been long recognised by the Government in many of the documents, but the translation of this knowledge into the effective policies has been lagging, as yet. A range of possible funding needs and different costing scenarios are prepared to compensate, at least partially, for the weak economic and social governance and generally poorly performing institutions.

*Summary of the Costs:*

*Financing Gap: between USD667.1 billion and USD257.93/USD292.15 billion*

*Costing Needs: between USD793 billion and USD383.83/USD418.03 billion*

Table 1: Estimated Aggregate SDG Implementation Costs for Iraq, 2022-2030 (in USD bil.)

| SDG[2]/Scenario | Scenario 1 (UMIC) | Scenario 2 (UMICs – 4th quartile) | Scenario 3 (All developing countries) | Scenario 4 (UMICs – 3rd quartile) |
|---|---|---|---|---|
| **SDG1** | 337.38 | 84.345 | 154.966 | 268.690 |
| **SDG2** | 82.339 | 20.585 | 40.959 | 41.170 |
| **SDG3** | 122.031 | 30.508 | 78.539 | 61.016 |
| **SDG4** | 221.683 | 55.421 | 119.920 | 110.842 |
| **SDG 5** | *Assumed the positive spill-over effect* | *Assumed the positive spill-over effect* | *Assumed the positive spill-over effect* | *Assumed the positive spill-over effect* |
| **SDG 16** | 29.558 | 7.389 | 23.646 | 14.770 |

*Source*: Author's calculations

[2]SDGs for this study have been suggested by the Iraqi Government

# FINANCIAL NEEDS ASSESSMENT

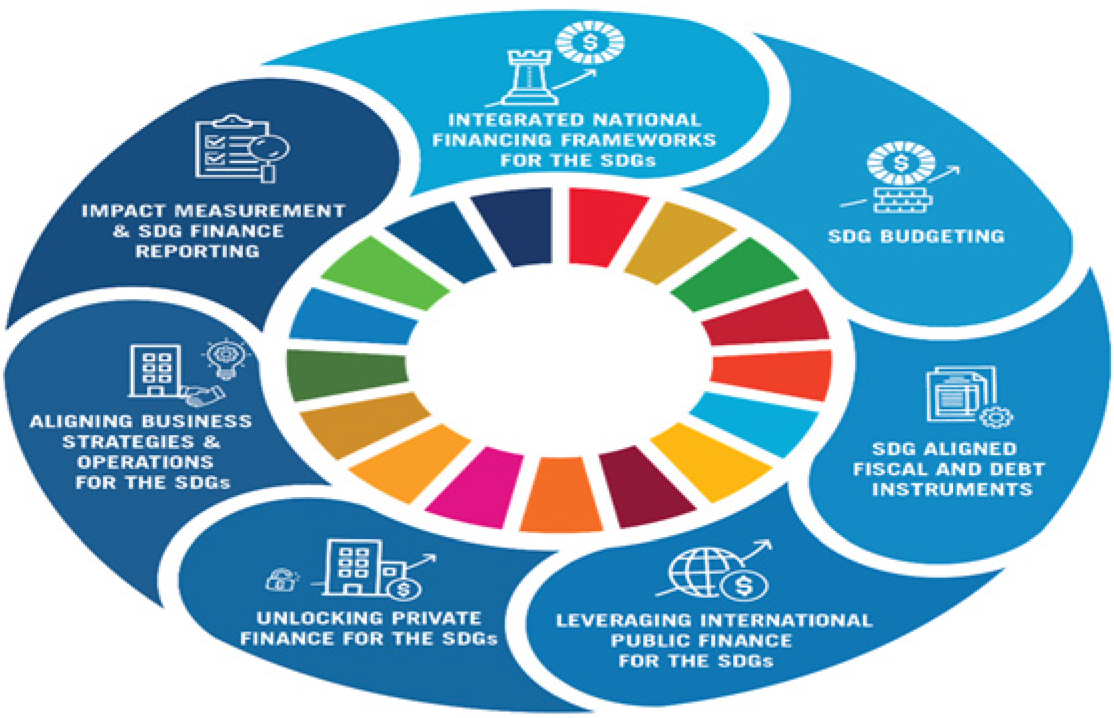
Financial Gap Analysis Of Agenda 2030 And Sdgs In Iraq

## 1. Introduction

Sustainable Development Goals (SDGs) have been central to delivering the United Nations (UN) Agenda 2030, aiming at delivering improvement in living and social conditions of human populace around the world: from eliminating extreme poverty to justice, security and better partnership in delivering the goals. They were set by the United Nations Assembly (UNA) in 2015, as a result of the Post-2015 Development Agenda, and in succession to the Millennium Development Goals (MDGs). The Post-2015 Development Agenda was negotiated from January to August 2015, and in July 2015 the conference in Addis Ababa (Ethiopia) was held resulting in endorsement of the Addis Ababa Action Agenda (AAAA), which the UN Sustainable Development Summit held in New York in September 2015 adopted. Seventeen SDGs have 169 associated targets and 232 indicators. Each target has between one and three indicators, which make them manageable and monitoring relatively easy. AAAA provides a unique global framework bringing together the social, economic, financial and environmental priorities. It also sets over 100 concrete measures important to be undertaken to meet SDGs.

However, the very delivery of SDGs faces a challenge at a global level, with an initial estimated financing gap of USD 2.5 trillion annually (UNCTAD, 2014). To achieve these ambitious goals, it is necessary to improve both public and private sources of financing. It is rather clear that the public resources alone will not be sufficient to deliver SDGs, despite the ongoing improvement in the collection and the more efficient use of public resources. The focus on private and philanthropic sources of finance is crucial to cover this gap (see: Madjsberg, 2017). However, it will be necessary to improve SDG-related tacking of the private sector investments, as they have proven to be difficult to report (see: Climate Policy Initiative, 2018; 2021) The development needs outstrip, at present, the resources many times, and certainly, the failure to mobilise the innovative finance would lead to SDGs will just share the destiny of MDGs.[3] Hence, the UN and especially the United Nations Development Programme (UNDP) have catalogued the range of financial sources which will be used to finance SDGs. Development Finance Assessment (DFA) methodology outlines public and private sources on one side, and domestic and international on the other (see: UNDP, 2019; 2021). The purpose of this Study is to estimate the costs of achieving SGD1-5 and SDG16 n Iraq, by 2030. Iraq has had a mixed progress with SDGs and it will be necessary to accelerate efforts and mobilise additional finance to achieve target SDG by 2030, or at least be close to achieving them. COVID-19 Pandemic and volatile oils prices have had a negative impact on Iraq, and in the future it will be necessary to establish a recovery path quickly and persevere in implementing the programmes/activities that would lead to meeting the SDG challenge by 2030.

Figure 1: SDG Financing Wheel




*Source: DFA Guidebook (UNDP, 2021)*

[3]On MDGs results, see: UN, 2015

Mobilisation of blended finance, faith-based finance, classical and emerging philanthropic finance, diaspora funds, and so on, will be necessary to put together the resources needed for SDGs' realisation. Domestic public and private finance (both domestic and international) will play a major role in financing SDGs. ODA, will represent up to maximum four per cent of the development needs, and with their own challenges that the developed countries are facing, it is difficult to imagine that ODA level will grow noticeably. In fact, it will be a challenge to keep the current level on, in a longer run.

SDGs investment has been up in a number of countries, but overall it will require better coordination and focus if the ultimate goals are achieved – USD12 trillion of new market opportunities and 380,000 jobs worldwide. It is also expected that through the climate action USD26 trillion will be saved (see: Business and Sustainable Development Commission, 2017). International Monetary Fund (IMF) has attempted the costing of selected SDGs (health, education, water and sanitation, transport and electricity) for a subset of 49 countries and concluded that achieving SDGs would require additional USD520 billion annually to be invested, or an increase of 14 per cent of GDP.[4]

To succeed, SDGs have to be integrated into the government planning and budgeting system and more attention has to be paid to the green financial instruments and green initiatives in general. Green bond has boomed recently, growing from about USD2.6 billion in 2012 to the USD167.6 billion in 2018, and staggering USD350 billion by November 2021 (see: Climate Bond Initiative, 2018[5] ). Social finance has also grown to USD6 trillion internationally, in just two years, from 2014 to 2016, whilst impact investment is expected to top USD400 billion by 2025 (see: Dag Hammarskjöld Foundation, 2017). However, if one considers the international financial markets which value of about USD200 trillion (see: World Bank, 2018), a relatively small proportion of the instruments is sustainability focused and even less could be classified as belonging to impact investing instruments. Projects are still short-term and it is not clear how they really contribute to the sustainable development. Sustainable development projects are still perceived as risky and attract often unjustifiably high risk assessments. Directing the general financial assets and instruments towards the development, remains a challenge that has to be addressed through the policies and government and international efforts. National governments have to undertake regulatory reviews and see that the regulation is enticing for the private sector to invest in SDG-impact projects.

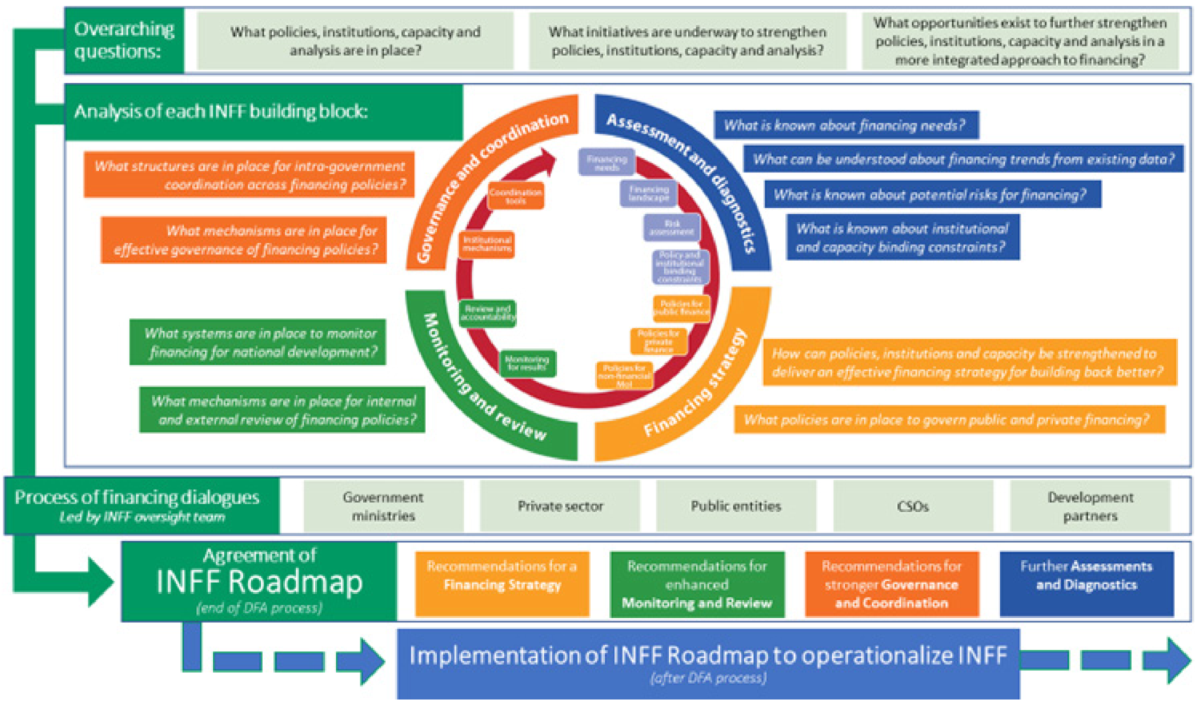
A limited fiscal space and the weak financial systems are a challenge for many developing countries, especially those that are in a dire need of assistance. The lack of the overall institutional capacity prevents the generation of well-developed 'bankable' projects, which can be submitted, for financing considerations. Further on, misaligned incentives and regulation, with limited awareness, create another obstacle in identifying and measuring sustainable investment. Poor reporting combined with the regulatory and other barriers also prevent the greater involvement of the private sector in financing development. The business environment where the financial statements may be fiddled and protection of investors is weak will not attract much of business sector involvement.

Building a responsive framework remains a challenge that requires the integration of SDGs into the national planning process, and resource allocation. Financial innovation, technologies and digitalisation should be endorsed and also utilised in the process of resource mobilisation. In looking at these challenges, the UN has seen the action at three possible levels, global, regional and country and finally at the level of direct implementation and engagement.

At the country level, the development of an Integrated National Financing Framework (INFF) is a major step in defining the national sustainable development financial strategy. Imbedding SDGs into the national framework without considering and providing financial resources for the realisation would be clearly a miss. Modern capital often follows the fashion and gets invested in the popular projects, rather than those that may give better returns or where the needs are biggest. In such an environment, it is necessary to improve financial reporting, transparency and prospecting process, eliminating as many ambiguities, as possible. Often the government have been more reactive than proactive in attracting private, especially foreign capital, assuming that the investors will come anyway.

[4]See: https://blogs.imf.org/2018/09/24/give-todays-children-a-chance/
[5]See: https://www.climatebonds.net/2021/11/2021-already-record-year-green-finance-over-350bn-issued

Figure 2: INFF/DFA Analytical Framework




*Source: DFA Guidebook (UNDP, 2021)*

Both public and private resources are at the centre of the Addis Ababa Action Agenda - AAAA. The Agenda states that the countries will have to build more effective, efficient, just and transparent tax systems. And, it is the responsibility of the developing countries alone, although the support of the development partners through ODA may and usually is provided. AAAA also recommends developing a good tax system in the countries that are resource-dependent ensuring also that there is better sharing of wealth. Illicit flows are a challenge that has been recognised and the countries have accepted an obligation to double efforts to reduce them by 2030.

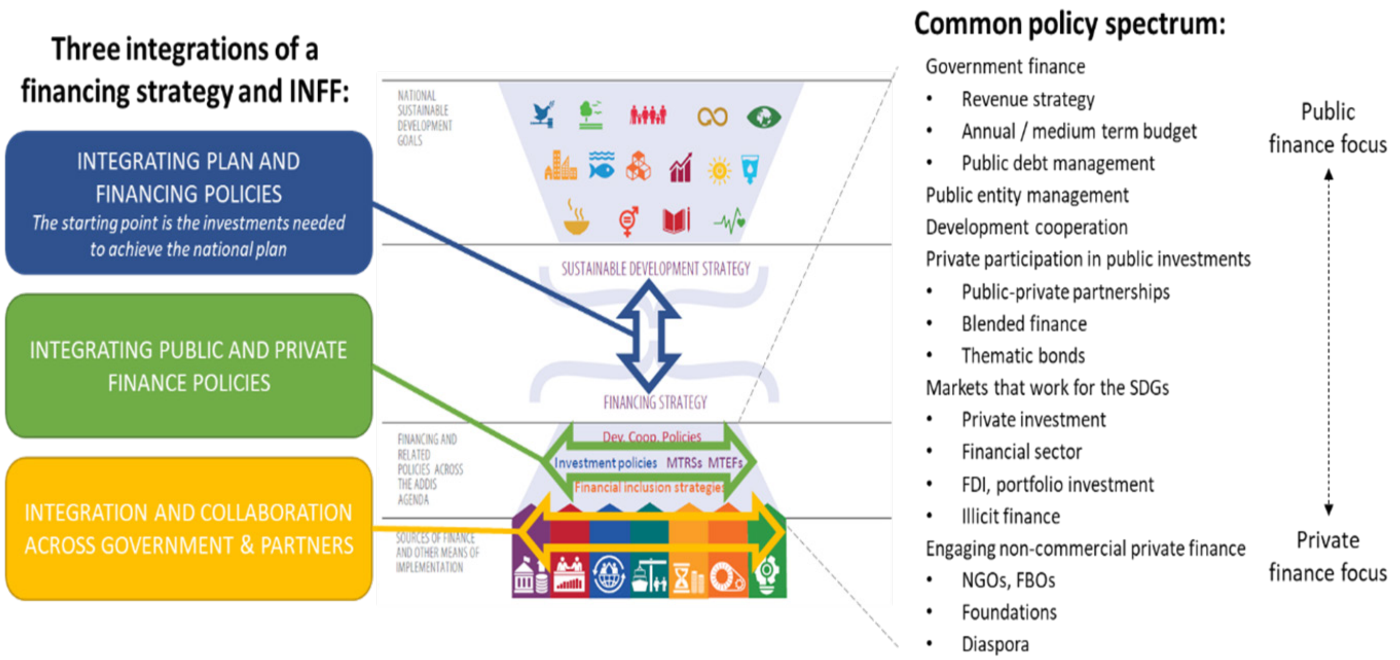
The improvement in governance should both improve the allocation of national resources, and also contribute to the more effective partnership between the national government and the development partners. Coordination of development efforts, national and international, is in a way the key to improve allocation of resources and ensure that the resources are engaged on projects with the real development potential; in line with the overall national development efforts. Sometimes, investment in pressing needs takes the attention from the strategic efforts, and although may deliver short-term benefits, does not necessarily contribute to the overall development effort.

In order to better plan allocation of resources, attraction of traditional and novel means of financing, it is necessary to define the national priorities, see what locally raised resources can be mobilised, estimate the costs of development (development needs), and seek to secure additional financing needed to bridge the gap between the needs and resources already on hands. Often this will require a culture shift from funding to financing. Whilst in a funding model, a user (in need) is provided financial resources to spend on a particular project, without the expectation to repay them (like with traditional ODA), in the case of financing, we are looking at a more complex resource flow, where the money has to be invested effectively in order to ensure a return on investment (and repayment of the initial financing).

Blended finance, impact investing, climate and social finance, etc. are relatively innovative ways to look at securing the additional finance needed to finance national development. Engagement with the partners may not necessarily be on securing grants or favourable loans any more, but to engage with them in a new partnership venture, where a presence of an established, strong partner may in fact support de-risking of the investment, reduce the costs of acquisition of resources, or improve the market (access) position. However, in order to attract (additional) finance, it is necessary to define the needs and defining the needs assumes costing the development ambitions. As most developing countries are strongly committed to SDGs, national development plan's costing and SDG costing largely overlap.

Many countries have used the national planning exercise as an opportunity to make a direct link with SDGs and plan, in a sense, for both, concurrently. In this way, the national Governments ensure the alignment and strategic consistency, and also improve its communication with the international development community. Estimating development cost must be seen as an important step in the development planning process, as it is difficult, if not impossible to secure financing, without knowing how much will in fact be needed. Defining the need, and then matching it against the resource envelope will disclose the financing gap, which has to be addressed through the development of an effective financing strategy.

Figure 3: Financing Strategy Integration




*Source: DFA Guidebook (UNDP, 2021)*

Many national development plans failed to materialise due to the fact that they were not accompanied with an appropriate financing strategy (and/or costing plan/schedule) and hence the financing deficit could not be fully established and subsequently covered. Another issue that is often faced in developing countries is the lack of coordination between planning process and generation of financing strategy, so the national development plan may be approved by the Legislature, whilst the development financing strategy may be delayed for a few years, or even in some cases introduced just a year or two before the expiration of the development plan. Hence, development needs have to be costed even before the planning process is triggered, to ensure that the financial aspects of the plan are considered from the very beginning. This makes the national plan more realistic, as the mapping against the available resource envelope will disclose what national ambitions are realistic under the current economic (and political) realities.

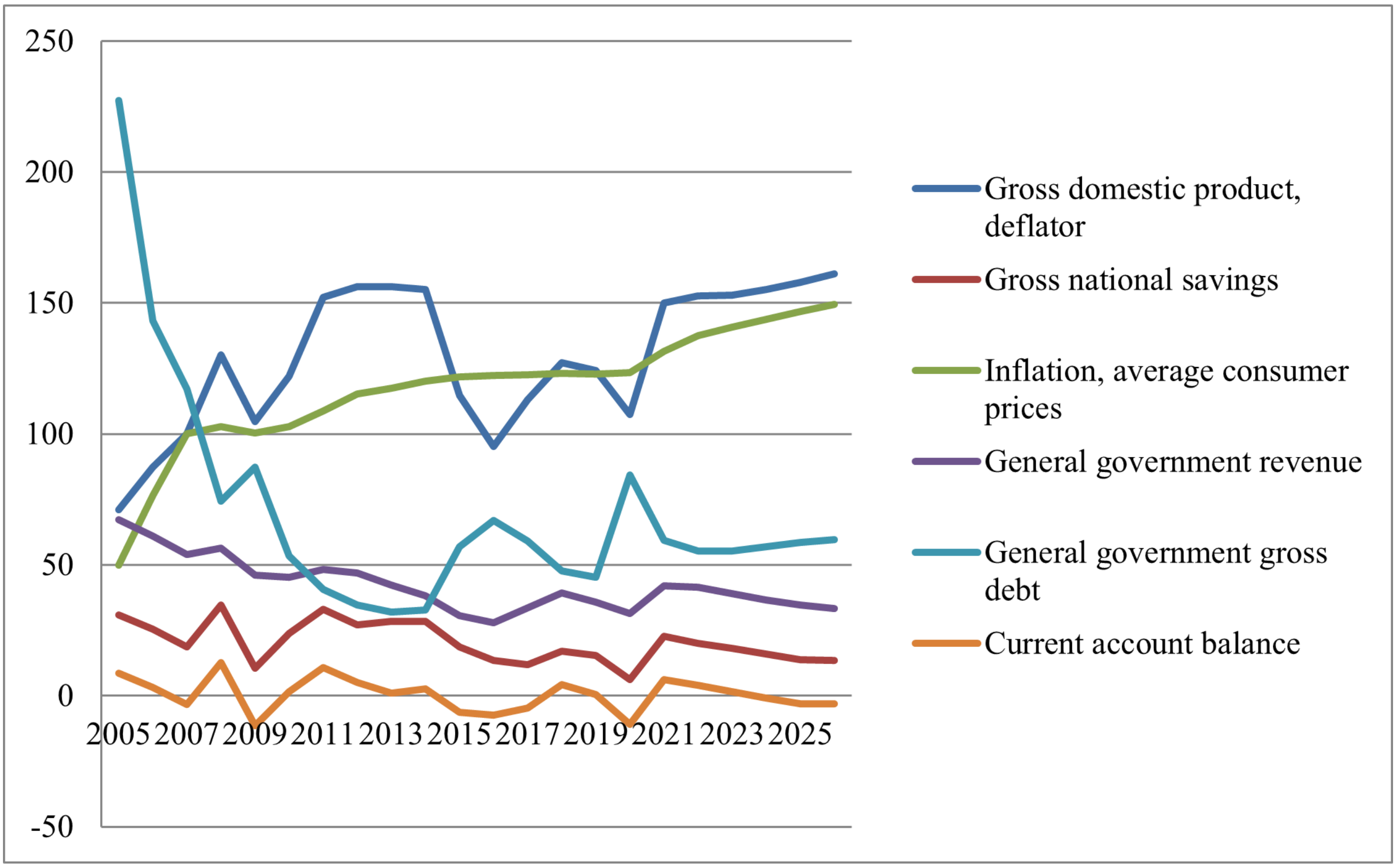
## 2. Context: Iraq's Economic and Social Development

Iraq is an upper middle-income country, as per World Bank (WB) classification, with a strong extractive industry. Oil revenues have traditionally represented the major part of public revenues, ever since the oil industry in the country was nationalised. However, since its independence (1932), and especially the institutionalisation of the Republic in 1958, Iraq has had a chequered history of cyclic instability, internal and external conflicts, security disturbance, unpredictable politics and challenges in maintaining efficient societal institutions. In the years following the country's independence and especially in the first years of the Republic, Iraq has recorded excellent rates of growth, both economically and societally. Historically Iraq has always featured well in terms of the education level of its citizens and it's overall social development. However, a series of successive conflicts, starting from the conflict with the Islamic Republic of Iran in the 1980s to the last struggle with DAESH (i.e. the Islamic State) insurgency just a few years back have had a very deep, serious adverse impact on the national economy.

COVID-19 Pandemic has accelerated the negative trends and made the structural challenges more visible. Good results recorded in the last few years have been toppled, as the nation went into a lock down, economy shrank and poverty has returned to many of those that had overcome the poverty threshold, just a year before the Pandemic. The drop in the oil revenues, in part due to the Pandemic, has been felt across the society, as the spending, especially on the social sectors has suffered. Some of the positive results of Government efforts recorded in the years prior to the Pandemic have been cancelled and the situation has deteriorated.

Iraq's economy is dominated by the state sector, which has been claimed to be ineffective and inefficient, attracting much of the Government subsidies. Dependence on oil revenues that traditionally account to over 85 per cent of the public revenues and over 80 per cent of foreign exchange revenues is another impediment. However, in the years just before the COVID-19 Pandemic both have crossed 90 per cent mark (see: IMF, 2021). Between 2004 and 2019, the oil sector's revenues have grown almost four times, providing valuable fiscal resources to the Government. However, overall weak governance and policy frameworks only reinforced the government's dependence on oil, and strengthened dependency on the Government within the Iraqi society.

Figure 4: Selected Macroeconomic Indicators for Iraq, 2005-2026



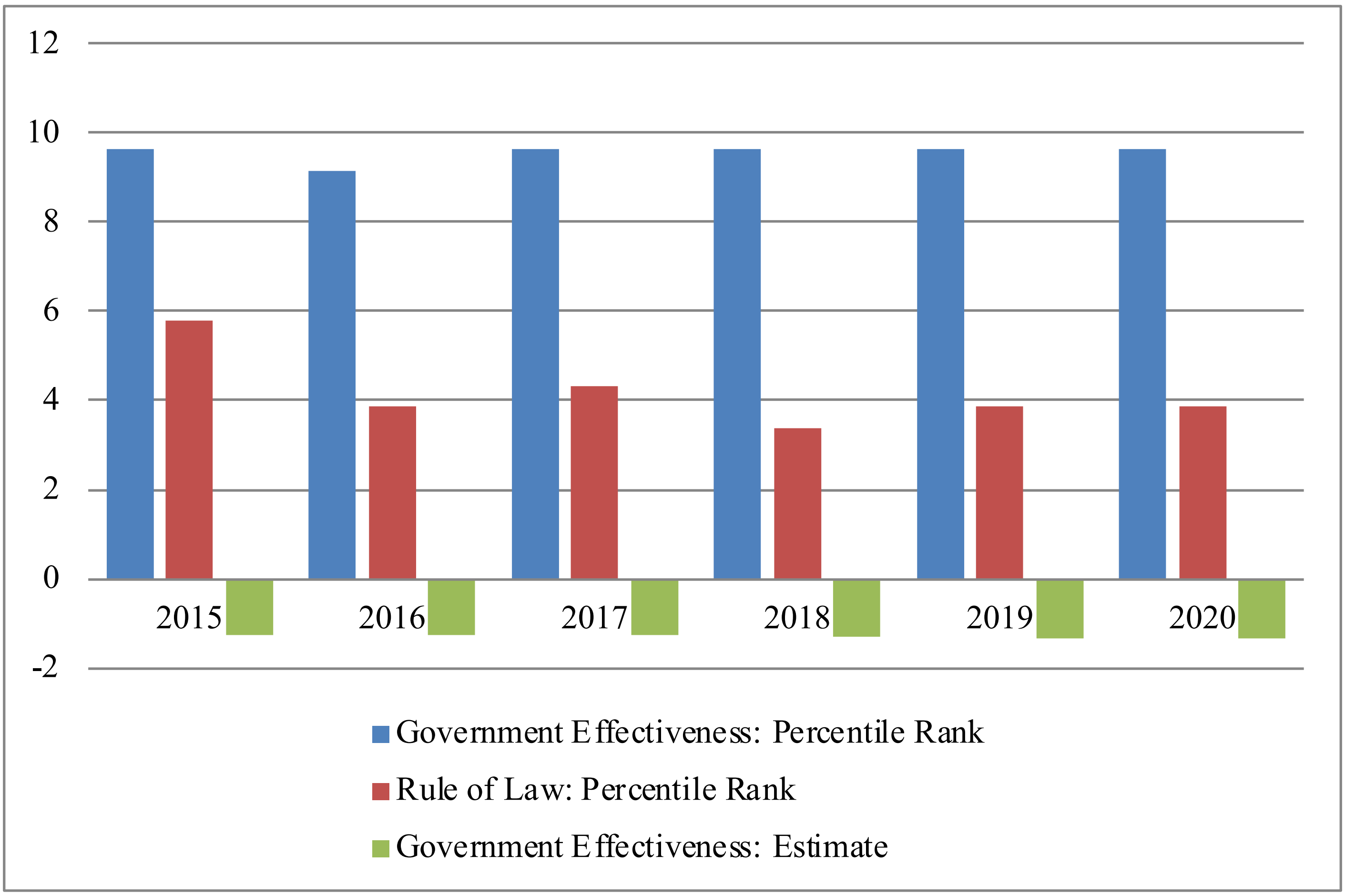

*Source: IMF WEO Database, October 2021*

Efforts have been made to diversify the economy, and agri-business sector has been pointed out as having a growth potential. Namely, Iraq since the 1980s has been a net importer of food, despite the conditions that would suggest the capacity to emerge even as a food exporter. During the mid and late 2000s, the US funded projects were aimed to accelerate agricultural development, but have failed to demonstrate expected and reasonable returns. Although the numbers of people who may face food security concerns has been dropping, these are still the challenges for the Government in meeting the SDG2 ('No hunger') commitments.

Government spending in the last few years has been around 34 per cent of the GDP; economic growth has been in principle positive, though volatile. Economic activity has also been hampered by the conflict with the Islamic State (2011-2017), irredentist tendencies of the Kurdish regional government (KRG) and their efforts to ascertain the control over the economic assets on its territory disputing the authority of the federal (central) government. Public debt has been more or less steady just about 50 per cent of GDP[6] , whilst for a number of years, the government revenues have reported surpluses (usually just below 2 per cent). Unemployment has been an ongoing challenge, and has been usually about 12 per cent in the last decade, although there are views that the numbers are on the low side and that it is possible that the numbers are significantly higher. However, in the last decade, the youth employment has rocketed and it is now about 25-26 per cent (see: IMF, 2021).

High level of regulation (over-regulation), strong bureaucracy and highly imbedded corruption are also adversely affecting the economic prospects. Private sector is relatively small, often informal, and does not contribute much to the (formal) national GDP. At the same time, domestic investment is very low, and the banking sector is still relatively weak. Cash economy is still dominant, especially outside dealing with the state and public enterprises. Many efforts to diversify the economy have not given results, and deregulation efforts have given partial or no results.

Figure 5: Selected World Governance Indicators for Iraq, 2015-2020




*Source: World Governance Indicators Database[7]*

[6]However, the Government debt rose from 47 to 83 percent of GDP over the course of 2020. However, some of that is due to the correction of the foreign exchange rate.

Institutions are weak and not very effective (see: Figure 5, above). This again can be traced to the historical heritage, where, since independence until the mid-2000s, Iraq has been governed by strong men, Kings and Presidents. This has made the classical delineation between various branches of government blurred, with strong centralist tendencies and a strong position of the executive branch (the Government). The rule of law is weak, and it has been reported that judiciary is often exposed to the political pressures and cannot exercise its independence, necessary to dispense justice.

COVID-19 Pandemic has also triggered some long-awaited reforms, which the Government has accelerated, aiming at providing fiscal stability, controlling the public expenditure and eliminating the inefficient energy subsidies (see: IMF, 2021). However, it is expected that although the growth will return in 2022, it will take more than five years to return to 2019 GDP per capita. Although Iraq is expected to intensify its oil exports, net receipts may not accompany this growth, as it is expected that oil prices will be in a constant decline from 2025. However, the Government efforts to strengthen non-oil portion of GDP may materialise as well. The priorities for the near future will be completing the civil service (public administration) reforms, pension sector reform, transformation of the large state-owned banks, addressing systematic corruption and losses in the electricity sector, as well as strengthen the public financial management (PFM). It has been noted that the reforms have been accelerated in the times of lower fiscal revenues, whilst when the oil-revenues were buoyant, the status quo was maintained.

Civil service, and the public sector in general have been protected and their much needed reforms either postponed or very slowly implemented. This has led to the station where public sector salaries and wages are almost a quarter of GDP, and certainly, Iraq is the country with the most expensive public sector (see: IMF, 2021). Admittedly, the public administration is a major employer with 3.3 million employees, or 8.5 per cent of the total population. Despite being so expensive, public administration is struggling to provide the basic services, partly due to the systemic underinvestment in infrastructure and partly due to the inherent inefficiency and ineffectiveness.

The measures to be introduced, in the mid-term, are based on the five key pillars: 1) rehabilitation of the financial sector; 2) reform of the state-owned production sectors; 3) key infrastructure improvement; 4) enhance the provision of public services and social assistance; and 5) strengthen governance and the legal environment. Measures associated with the pillars should summarily produce the fiscal sustainability. The paper proposes the reduction of fiscal deficit from 20 to 3 percent of GDP over three years. Fiscal measures are focused on expenditure rationalization, raising revenues, and strengthening public financial management (PFM).

Fiscal spending is to be kept under control and the salary envelope is to be reduced from the current 25 percent of GDP to 12.5 percent in three years (see: ECFR, 2020). This will be achieved through the tight control over the new employment, reducing transfers to State-owned Enterprises (SOEs) and government subsidies, in general, and proceeding with the pension reform. Focus will be on reducing subsides, especially energy subsidies and raising the domestic public revenues, together with the further capacity building for MoF (including further IT developments). The corporatisation of SOEs is also on the agenda, as well as recapitalisation of banks and restructuring of the energy sector, including investing in more reliable infrastructure and better revenue collection and management (see: IMF, 2021). Ideas to launch the public works to address the expected problems with redundancies have also been floated (see: ECFR, 2020; IMF, 2021).

Although the 'White Paper' admits that the Iraqi economic challenges are a few decades old, it lists these major factors: 1) the collapse of oil revenues; 2) the impact of COVID-19; 3) mismanagement and lack of planning; 4) the weakness of financial institutions; 5) the absence of modern coherent systems for managing state revenues; 6) an ineffective and outdated banking sector; 7) complex and antiquated government procedures, and 8) destruction of infrastructure and the costs of the war against the Islamic State (i.e. DAESH). However, the 'White Paper' has also provided a somewhat simplified picture, stating that the past periods can be characterised by the growth of the state and decline of the private sector. It also provided two strategic aims that have to be delivered in three to five years: 1) initiate an immediate reform programme to address the budget deficit to create a fiscal space, and 2) to put the economy and the federal budget on a sustainable path. Both strategic aims are to create a base for further societal reforms, and in a ways may be seen as intermediate targets to achieve.

[7] Percentile rank indicates the country's rank among all countries covered by the aggregate indicator, with 0 corresponding to lowest rank, and 100 to highest rank. Estimate gives the country's score on the aggregate indicator, in units of a standard normal distribution, i.e. ranging from approximately -2.5 to 2.5. (see: https://databank.worldbank.org/source/worldwide-governance-indicators#)

The 'White Paper' plan exhibits a few challenges. First, it is complex and addresses a wide array of areas, from the fiscal stability to political governance. Second, it is planned as a short- to mid-term enterprise, but in total, there are 30 odd interventions listed, a large number to implement, especially as some of them would definitely more than five years to come to fruition. Third, whilst a few of interventions are quantified or quantifiable, the majority of them are descriptive, whose implementation and efficiency may be challenging to monitor (and ultimately – performance manage), and forth, the Plan was presented before the implementation plan was prepared.[8] Finally, first meetings to conceptualise the plan itself have been held at the end of the first quarter, showing that the sense of urgency has not be developed. The lack of a detailed action plan may pose a major impediment for the implementation, as time may be in the future spent looking more at operational issues, rather than focusing on delivering on the promises in rather short to medium term. Especially, as the Paper was a product of an ad hoc policy task force – the Emergency Cell for Financial Reform (see: ECFR, 2020).

Iraq's economic growth is expected to rebound in 2022, with projected growth of 10.5, following the growth of 3.6 per cent planned for 2021 (see: IMF, 2021). After 2023 it is expected that the growth will be positive, about 3 per cent.[9] However, it will take about 2.5 years to just recover the drop of 15.7 per cent recorded in 2020. Therefore, the economic success will be highly dependent on the implementation of the reforms, and especially securing mid-to long term fiscal stability, and especially the control of the public sector salary and pension envelopes. Promoting private sector investment has to be seen as a key to long-term sustainable economic growth in the future. The 'White Paper' does mention the importance of the private sector (vis-à-vis the bloated public sector/ civil service), but at least in the current form, there is not much to be offered to the private sector to become more agile and invest in growth (see: ECFR, 2020). In the attempt to attract foreign investment, the Government may have somehow lost the domestic entrepreneurs, and this has to be set right.

In principle, there is not sustainable economic growth without healthy domestic savings and domestic private investment, even in the context of a very strong, dominant public sector

[8] https://gds.gov.iq/iraqs-white-paper-for-economic-reforms-vision-and-key-objectives/

[9] See: IMF WEO, October 2021; IMF Data Mapper (at: https://www.imf.org/en/Publications/WEO/weo-database/2021/October)

## 3. Iraq's Experience with the SDGs Implementation

Iraq was very committed to MDGs, but in the last years of MDG implementation, faced a serious security threat from the Islamic State (DAESH) and actively battled against it to liberate the northern part of the country. Therefore, MDG results have not been as good as expected and commensurate with the overall Government commitment, implementation efforts and investments. SDGs are also now at the very focus of the Iraq's national government and they are featured in the national strategic documents. Iraq has also volunteered to be exposed to the Voluntary National Review (VNR) process, in 2019 and 2021 (see: MoP, 2019a; 2021a).

Building a 'Safe Society' is one of the Government priorities. This has to be seen not only in the context of the struggle with the Islamic State, but also Government commitments to build a better society for the Iraqi people. Development efforts have to go beyond 'healing wounds' and address quality of life, societal cohesion, human and social capital, and how to preserve the national heritage for future generations (see: MoP, 2021). Almost all Government planning documents (Vision 2030[10] ; National Development Plan[11], 2018-2022[12] , 'White Paper'[13] , etc.) try to bridge ambitions and harsh realities and ensure that the vision and efforts are shared across the society, although the Government in Iraq has traditionally led the way. Although they have not been mapped against SDGs per se, they are sharing the same ethos and ambitions of SDGs. Most of the sectoral objectives can be more or less directly linked with 17 SDGs (see: MoP, 2017).

The most recent VNR (MoP, 2021a) has drawn a few important messages. International messages emphasise the importance of partnerships in delivering SDGs, as well as the importance of remaining focused on the main goals; whilst the domestic messages emphasise the importance of youth, creation of competition at local level, and especially in the face of COVID-19 Pandemic, demonstrating the high level of social solidarity, 'leaving no one behind' (see: MoP, 2021a). The 'White Paper's' (see: ECFR, 2020) axes may also be seen as supportive of SDGs, although again, they have not been mapped against SDGs and UN Agenda 2030 outcomes. Importance of energy security, education, health, social welfare and development permeate all the documents, as well building a safer more inclusive society. For instance, Axis 5 of the White Paper, has many overlaps with SDG16 (Peace, Justice and Strong Institutions).

National development planning process is seen as a main instrument of delivering on SDGs and SDGs are integrated into NDPs. However, despite the general commitment to integrating SDGs into the main planning documents, often direct links are missing and targets may not be that straightforward. Certainly, at the very strategic commitment level, there is a high level of convergence, whilst in the process of cascading SDGs to an operational level, there may be some integration issues. In preparing VNR, the Government team has outlined that the data availability has been the major challenge[14], along with the 'social distancing', i.e. inability to interact directly with the development actors, due to the COVID-19 Pandemic restrictions (see: MoP, 2021b). Assessment and evaluation exercises in Iraq trigger large consultations, and different strata of society are invited to participate, formally or informally (see: MoP, 2019a; 2021a).

The most recent VNR (MoP, 2021a) sees the implementation of the 'White Paper' as central for the success in instituting economic reforms and growth.[15] VNR outlines many challenges with the implementation of reforms, economic and political mismanagement, lack of planning, corruption, even faulty policies. Despite the extremely strong critical language[16], there was relatively little progress between the two VNRs. The 'White Paper' itself has been seen as a major development and even planning document. It is clearly a policy document, but does not have the necessary elements to make it a good planning and development instrument. The 'White Paper' has a very few quantitative targets that have to be achieved, and is more programmatic in its nature, making it more strategic and overarching political document. The still ongoing COVID-19 Pandemic has made many challenges that Iraq has had over the years more visible, and has also adversely affected some of the SDG implementation successes that have been recorded. For instance, the poverty has grown during the pandemic, as well as the education gap, as many schools have remained closed for a long time, and no alternative educational offering has been presented at the time.

In response to the challenges that Pandemic has generated, the Government has developed a framework entitled: 'Response Document and Recovery Plan from the Implications of COVID-19 Crisis 2021/May' (see MoP, 2021a). Although aimed to alleviate the loss and suffering triggered by the Pandemic, the Plan is to be implemented over two years, rather than in a rapid fashion (see: MoP, 2021a). The Government puts the results of delivering on SDGs and Agenda 2030

[10]See: MoP, 2019b
[11]Henceforth, NDP
[12]See: MoP, 2017
[13]See: ECFR, 2020

commitments in context of addressing the challenges that the Pandemic has presented. The UN system has also came out with their plan for supporting the Government of Iraq, in order to successfully cope with the COVID-19 Pandemic and economic challenges as well (see: UN, 2020).

In the eyes of the Government, the COVID-19 Pandemic has a few dimensions in terms of challenges that it poses: 1) Economic; 2) Institutional; 3) Social, 4) Environmental and 5) Security (see: MoP, 2021a). All the dimensions are important, and to large extent, they have been present well before the Pandemic itself. For instance, institutional challenges listed are: 'the lack of commitment to the principles of governance, inflation of the administrative body, declining productivity of manpower, poor institutional performance, and high financial and administrative corruption index.' (see: MoP, 2021a, p. 7). All of challenges are of systematic nature, and all of them were present before the Pandemic, and it is possible that the Pandemic- related societal measures have made them more visible to both policy-makers and the wider society; but they are not a recent development at all. In the case of economic and social challenges, the Pandemic has certainly added new challenges, as the economy was forced to slow down, because of the lockdown measures.

At the beginning of 2020, GDP fell 10.6 per cent (in 2007 constant prices) compared to the same period (the first quarter) of 2019. Agricultural production was not affected, but placing the products on the market was, due to logistics and distribution channel challenges. Transport, communication, storage, finance, real estate and building and construction have been the hardest hit sectors in the economy. At the same time, inflation was on the rise, from 4.5 per cent in 2019 to 5.1. per cent in 2020 (see: MoP, 2021a). Unemployment grew as well, and the youth have especially suffered, although their unemployment had already been a problem before the COVID-19 Pandemic.

To support the economy and society, the Government was prompted to acquire more debt. It turned to the Central Bank of Iraq acquiring ID 12, 15, and 2 trillion, between March and November 2020, and the total internal debt amounted to ID 67 trillion, in addition to the already outstanding external debt of ID27 trillion. The Central Bank introduced a series of measures to address the monetary policy and financial sector challenges. For instance, it fixed the rate, reduced obligatory reserves, and offered policy on rescheduling debt. To a large extent, those measures have been in line with the policies introduced in other countries around the World.[18] Iraq devaluated its currency, Iraqi dinar (IQD) in November 2020, and it has contributed to the inflation, which grew from 0.57 per cent in 2020 to 6.44 per cent in 2021.[19] This had a direct impact on the poverty growth and drop in SDG1 performance.

The reporting on SDG achievements has been influenced by the fact that Iraq has faced a recent series of public unrest, where youth were the major participants. They requested jobs, better social contract or as graffiti on the wall said: 'All what I want is life!' (see: MoP, 2021, p. 31). Hence, some of the SDGs have been cascaded to the line Ministry and in this case the Ministry of Youth and Sports, that offered a number of policy interventions under a range of SDGs (SDG3, 4, 5, 7, 8, 9, 13 and 16). SDGs 3, 4, 5 and 16 are in our remit, so we will focus on those actions. Under SDG 3 the Ministry organised 112 activities, under SDG4 – 454, SDG5 – only two, whilst 87 activities may be attributed to SDG16. In total, under these actions, 98,205 beneficiaries have been engaged. However, it is not clear to what extent these activities (considered as an input) have led to a desired output/outcome.

The Government recognises the importance of the civil society and civil action in the Iraqi society. In 2020, during the Pandemic over 4,700 NGOs, and almost 65,000 volunteers in the country offered their services to 5.65 million beneficiaries (see MoP, 2021a, p. 39). Despite responding to the current COVID-19 challenges, Iraq has also progressed in implementing SDGs. It is reported that in the period 2018-2020 (3-years) the performance has improved by 9.4 points. Iraq's SDG performance is somewhat volatile. For instance, SDG Progress report in 2018, has stated that Iraq has achieved SDG1 (see: MoP, 2021a), but then 2021 Report claims that significant challenges remain (see: Sachs, et al., 2021); although Iraq has targeted only two indicators (USD1.90 and USD3.20 poverty thresholds).[20] SDG 2, 3, 5 and 16 traditionally face the major challenges, whilst 1 and 4 usually face major challenges (with an exception with SDG1 in 2018, as stated). Most recent report (2021), has just confirmed these issues (see: Sachs, et al., 2021). Iraq is still below the regional average for its SDG performance (63.1, versus regional average of 67.1)[21].

[14]However, it should be noted that the data availability improved by 9 per cent from 2018 to 2019 (see: MoP, 2021), although the challenges do remain, as data may not be up to the expect standards and would require further interventions to be used (see: UNDP and CSO, 2021).

[15]'Acting on the White Paper: This is a road map aimed at reforming the economy and addressing the serious challenges it faces.' (See: MoP, 2021a, p. 26).

[16]For instance, VNR providing a comment on the nation-wide youth unrest, stats that : '...poor economic conditions, weak social policies and high poverty and unemployment rates have increased popular and youth demands for real, comprehensive, and radical reforms against corruption, unemployment, and poor services.' (see: MoP, 2021a, p. 31)

[17]At the time of writing – December 2021

Table 2: SDG Progress Path for Iraq, 2017-2020

| Indicator/Year | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|
| SDG Index | 56.6 | 53.7 | 60.8 | 63.1 |
| SDG ranking (out of … countries ) | 118 (157) | 127 (156) | 117 (162) | 113 (166) |

*Source*: Sachs, *et al*., 2018-2021

The main challenge remains that for many SDGs reported and/or perceived trends are negative, hence no immediate improvement is expected. As we have already said, performance with SDG1 changes almost annually, from met to some challenges to significant challenges. All this can be seen a ringing bell, calling for a serious and systematic action, not only on behalf of the Government, but also other societal factors and development partners.

The progress over these three years is presented in the following figure below (see: Figure 6).


[18]See, for the comparison: https://www.imf.org/en/Topics/imf-and-covid19/Fiscal-Policies-Database-in-Response-to-COVID-19
[19]In 2019, inflation was -0.19 (see: IMF WEO Database)
[20]See: Sachs, et al., 2021, p. 255
[21]See: Sachs, et al., 2021

There are multiple reasons for the Iraq's underperformance. Government in VNR has attempted to produce a comprehensive list of impediments (see: MoP, 2021a).[22] Many of these are chronic problems that have haunted the Iraqi economy for the last forty years, but some are also the result of the current challenges. For instance, the lack of female economic engagement has been present for decades, but at present is probably more visible. Iraqi Government has also been slow to initiate and implement comprehensive societal reforms, not only addressing the economic sphere, but also political, security, social, and so on. The social safety net in Iraq is still a challenge, and it is clear for instance from the indicators chosen by the Government to target in the reports (such as, for instance, VNR).[23] Going for a more comprehensive set of indicators may in fact contribute to even poorer performance of the Government and country with SDGs.

The SDG progress results will be presented based on the Government self-analysis presented in VNR[23] (see: MoP, 2021a). As not all SDGs that are the focus of our analysis are presented, the results will be presented from the SDG progress report (most recent edition, 2020, see; Sachs, et al., 2021).

[22] *'Major challenges to achieving progress are Iraq's rentier economy, unemployment rates resulting from the weak ability to generate job opportunities, high rates of poverty as a result of the worsening security and economic situation as well as the growing fiscal deficit, the weak participation of women in economic activity, the debt burden, weak institutional performance, the political and security reality that has generated conflicts and turmoil, financial and administrative corruption, and the impact of sub-loyalties on efficiency and delivery standards, as well as some environmental challenges such as desertification, pollution, and water scarcity.'* (see: MoP, 2021a, p. 47). Cursive by the Author.

[23] Just for illustration, some major SDG5 indicators such as reducing the incidences of the Female Genital Mutilation (FGM) and Child Marriage (CM), do not feature on the Government's SDG target list (see: MoP, 2019a; 2021a; Sachs, et al., 2021). For more information on CM, see: https://www.girlsnotbrides.org/ and on FGM see: https://www.unfpa.org/unfpa-unicef-joint-programme-female-genital-mutilation

## SDG1: No Poverty

Iraq was on a good track to address this goal in 2017, when it was within reach. However, from 2018, the trend has been negative, and now significant challenges are faced in delivering this SDG. At present, it is estimated that 12.271 million Iraqis are below the nationally defined poverty line of ID115,000. This is better than during the initial COVID-19 social shock, when 12.68 million were classified as poor (see: MoP, 2021a). The initial success is attributed to the Social Fund for Development, created by the Government with the support of the World Bank. The Fund supports local and community development initiatives, to the total amount of almost USD295 million (for capacity building, local microfinance schemes and community projects).

Table 3: SDG 2 Indicators for Iraq, 2018-2020 (in Percentages)

| Indicator/Year | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|
| Poverty – below USD1.90 | 0.7 | 1.0 | 1.3 | 1.1 |
| Poverty – below USD3.20 | 0.6 | 0.9 | 15.5 | 14.5 |
| Social Protection Coverage – both genders | 1.7 | 3.0 | 3.4 | N/A |
| Social Protection Coverage – Women | 1.3 | 2.3 | 2.3 | N/A |
| Social Protection Coverage – Men | 2.1 | 3.7 | 4.6 | N/A |

Source: Sachs, *et al.*, 2017-2020; MoP, 2021a

The World Bank has extended a USD300 million credit over five years to support the Fund. Social protection coverage has grown slowly, from 1.7 to 3.4 per cent from 2016 to 2019. However, this aggregate growth shows a major gender distortion, as the women coverage is lower compared to men. In addition, the growth is minimal and the coverage is still critically small, with some years (like 2017) recording a drop in coverage.

## SDG2: Zero Hunger

Based on the Sustainable Development Reports (see: Sachs, et al., 2017-2021) large number of indicators are red, suggesting that there are major challenges faced in implementation. Wasting in children under age of five indicators has been improving and currently is in green zone. Similarly, some of the agricultural outputs are improving, and these indicators have reflected these positive outputs. However, there are other indicators that have been experiencing major or significant challenges (for instance, high prevalence of obesity, over 28 per cent), and for others data are not available (export of hazardous pesticides). Similarly to other SDGs, here we experience a time-lag in data collection, as most of indicators' results are based on data collected before and in 2018 (see: Sachs, et al., 2021).

Undernourishment in Iraq is high and reported to be 27.7 per cent, which is high for an upper middle-income country – UMIC (see: ESCWA, 2020), as these high numbers are usually reported for least developed nation. Often undernourishment is associated with the rural population, although it may not be fully the case nowadays. Agriculture in the Arab world makes about seven per cent of GDP, and in Iraq, it employs 19 per cent of work population. However, at the same time, it is estimated that the agricultural production may decline by 21 per cent by 2080 due to the climate changes. Agriculture in the Arab countries employs large number of women. In the case of Iraq 50 per cent of the agricultural workers are, in fact, women (see: FAO, 2019; ESCWA and FAO, 2017a), and there is a high risk of having them left behind.

Figure 7: SDG2 Dashboard Results and Trends for Iraq, 2020


*Source: UN SDG Dashboard* - https://dashboards.sdgindex.org/profiles/iraq/indicators

Again, Iraq faces many issues with data for SDG2. Most data that are used for analysis and regional calculations involving Iraq refer to data from 2011 (see: ESCWA, 2020).[24] Certainly in order to manage implementation of SDGs it is necessary to address the data and information gap, integrate better the planning and budgeting (financing) processes and ensure that there is a higher level of accountability across the board. The Government with the support extended by UNDP has made the first step in 2021, with the development of a study analysing the lack of data for development (see: UNDP and CSO, 2021). Although, there was some progress in the collection, storing, management and reporting data, most SDGs still suffer from the incomplete information (data) set; and hence cannot be subjected to more aggressive and proactive management. In order to deliver the 2030 Agenda in time, it is necessary to address these gaps and strengthen the capacity of the statistical infrastructure. As we have already pointed out, earlier in the text, the lack of or incomplete data will be a major challenge that this Study has, in fact, faced.

## SDG3: Good Health and Well-being

This goal faces significant challenges, although there were positive achievements over the last few years. It faced major challenges a few years ago, and now we are dealing with less complex ones. Most of the indicators are amber (significant challenges) whilst we have a few, which have been traditionally in red (neonatal mortality rates, traffic deaths and adolescent fertility rates). Quality of health care and extent of coverage vary across the country, and this has been especially the case during the conflict with ISIS, and dealing with the large number of internally displaced people. Also, the health system focuses more on curative care (which is more expensive) rather than on prevention. System is also poorly staffed with only nine physicians per 10,000 population (see: MoP, 2021a).

Table 4: SDG 3 Indicators for Iraq, 2017-2019

| Indicator/Year | 2017 | 2018 | 2019 |
|---|---|---|---|
| Maternal mortality rate | 31.0 | 33.5 | 31.5 |
| Birth attended by qualified medical staff | 93.7 | 95.6 | 90.1 |
| Under five mortality rate | 23.1 | 26.0 | 24.3 |
| Neonatal mortality rate | 13.6 | 14.0 | 13.0 |
| Suicide mortality rate | 0.53 | 1.1 | 1.0 |
| Road accidents mortality rate | 15.0 | 15.0 | 12.5 |

Source: Sachs, *et al.*, 2017-2020; MoP, 2021a

COVID-19 Pandemic has revealed the weaknesses of the system – the lack of trained medical staff, systematic underinvestment in capital facilities, lack of the resilience within the system, and so on. However, at the same time, the Government (i.e. the Ministry of Health – MoH) has been successful in mobilising the community workers and including them in the alleviating efforts, both in the central Iraq and in the Kurdistan region.

Goal 3 in Iraq addresses most indicators and targets, whose performance has been predominantly volatile over the last six years (since the first SDG report published in 2016). The figure below provides the snapshot of the results and trends for 2021.

Figure 8: Iraq - SDG3 Dashboard Results and Trends, 2021


*Source: UN SDG Dashboard -* https://dashboards.sdgindex.org/profiles/iraq/indicators

## SDG4: Quality Education

Education is one of the SDGs where Iraq had the problem with credible data. The results are present, but not good enough to ensure that 2030 Agenda will be delivered. Namely, the education attainment goals are very ambitious, covering the entire segment of the society ('education for all'). At present net enrolment rate is good, passing 90 per cent mark, but stagnant, and the data for this indicator is more than 10 years old. However, lower secondary completion rate is below 50 per cent and again, data are more than 10 years old (see: Sachs, et al, 2021).

Table 5: SDG4 Indicators for Iraq, 2019-2020

| **The net enrolment rate in the primary stage for individuals aged (6-11) years for the year 2019-2020** | | |
|---|---|---|
| Male | Female | Total |
| 91 | 89 | 90 |

| **The net enrolment rate in the intermediate stage for individuals aged (12-14) years for the year 2019-2020** | | |
|---|---|---|
| Male | Female | Total |
| 57.0 | 59.0 | 58.0 |
| **The net enrolment rate in the preparatory stage for individuals aged (15-17) years for the year 2019-2020** | | |
| Male | Female | Total |
| 32.0 | 32.0 | 32.0 |
| **The net enrolment rate in secondary school for individuals aged (12-17) years for the year 2019-2020** | | |
| Male | Female | Total |
| 45.0 | 46.0 | 46.0 |

*Source: Sachs, et al., 2017-2020; MoP, 2021a*

A literacy rate for both sexes has been improving over time, but still is less that the full literacy (93.5 per cent in 2017). As with the previous SDGs, Iraq has been targeting a set of indicators, and not all. Although, the indicator set is somewhat changing on an annual basis as per SDG progress reports.[25] Despite the overall progress, there are still many challenges remaining. The Iraqi Government recognises that there are burning issues to be addressed, such as outdated curriculum and teaching methods, lack of access/opportunities for all, and so on (see: MoP, 2021a). The wounds inflicted during the numerous conflicts are still visible in the community. For instance, Iraq is still lacking over 8,000 school buildings (see: MoP, 2019a) and the 'White Paper' makes a commitment to build 10,000 schools (see: ECFR, 2020). However, even building the schools in Iraq is a challenge in itself. It takes long time to start building a school, and it seems even longer to have it completed.[26]

COVID-19 Pandemic has created additional problems for the national education system. Net enrolments have dropped, although the lower-secondary school enrolment has grown by one per cent compared to before the Pandemic (see: MoP, 2021a). As in many other countries, the schools in Iraq had been closed and the education process ceased for a while. Not many schools have made a good transition to online/remote delivery, and consequently the pupils' learning has suffered. The Ministries of Education and Higher Education have tried to facilitate the transition with TV and online platforms.

COVID-19 has had a negative impact on all students, but especially those in the disprivileged groups and residing in rural areas. The Government has expressed the concern about the educational attainment of all pupils, but especially girls and young women (MoP, 2021a) and people with special (education) needs. The national policy on supporting people with disabilities has recently been developed (see: HDD, 2021). Realistically, the drop in the education indicators due to the COVID-19 is expected and it will take some time to return to the 'new normal' in education. It is expected that the worst experience will be recorded with the pupils in early years of primary schooling; and it will take relatively long time to amend the learning loses.

[25]See on the changing set of SDG4 indicators in: Sachs, et al., 2017; 2018; 2019; 2020 and 2021

[26]See: https://www.occrp.org/en/investigations/iraqs-troubled-school-building-lesson

## SDG5: Gender Equality

Gender equality is a goal that have usually been amber and that not all indicators have been targeted. Most of the indicators have manly been steady, with some showing negative trends. In 2021 Report, an increasing number of 'red indicators' have been reported (see: Sachs, et al., 2021), suggesting that major challenges remain. For instance, female genital mutilation (FGM) is not reported as an SDG indicator. Child marriages are one of the weaker indicators, where over 27 per cent of women were in marriage, before reaching age of 18 (see: MoP, 2021a, p. 68).

The Government itself points out how serious gender gap is: Iraq still suffers from gender-based violence within or outside the family, early marriages, a high incidence of divorce, and obstacles to empowering women from administrative work to top leadership in public and private institutions' (see: MoP, 2021a, p. 69). The participation of women in the labour force has been up to ¼, and has been varying over time, even on an annual basis.[27] Vilardo and Bittar (2018) provide a very good snapshot of gender equality and what the challenges of better women integration in the national economic activity are. Women economic empowerment has been the target of the government policies, but they have not provided the intended results.

The Government has been supported by the World Bank (see: World Bank, 2020) in developing the framework for the better women's economic engagement. As economic participation is affected by barriers related to informal institutions, legal restrictions and markets, it is necessary to address these impediments in a structured, systematic manner. To that effect, the Iraqi Government has launched the 'Women's Economic Empowerment Plan for 2021-2022' in September 2021. The plan intends to increase female economic participation by five per cent until 2024. The implementation is supported by the World Bank and bilateral development partners Canada and Norway.

Table 6: Selected SDG 5 Indicators for Iraq, 2017-2020

| Indicator/Year | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|
| **Demand for family planning satisfied by modern methods (percentage of females aged 15 to 49 who are married or in unions)** | 35.6 | 19.2 | 59.3 | 54.6 |
| **The mean years of education received by women aged 25 and older** | 69.4 | 69.2 | 69.2 | 69.8 |
| **Ratio of female-to-male labour force participation rate (in percentages)** | 21.5 | 23.4 | 25.5 | 17.1 |

*Source*: Sachs, *et al*., 2017-2020; MoP, 2021a

[27] It is interesting to notice that VNR refers to the international sources (Sachs, et al., 2017; 2018; 2019 and 2020) as a source of information on the female empowerment, especially the participation of women in labour force.

In 2020, Iraq has also launched the National Action Plan 2020-2024, which 'focuses on increasing the number of women in humanitarian relief and reconstruction programs, and finding capable and influential women to manage peace negotiations and peacebuilding' (see: MoP, 2021a, p. 69). The National Action plan has been developed through the collaboration and partnership between the government ministries, departments and agencies (MDAs) and the third sector and other societal actors. The 'Women's Economic Empowerment Plan for 2021-2022' should be seen as annualised implementation plan for the National Action Plan, and it is clear from some of the targets that although set in in an annual plan, have a multiyear span. In preparation of these policy documents, Iraqi Government has also built a necessary infrastructure, such as a separate body to deal with the gender equality (a national council).

COVID-19 has also had an adverse effect on gender equality, especially as the incidences of gender violence have increased. Just from March to September 2020, the number of reported cases has more than doubled, growing from 1,713 to 3,626 (see: MoP, 2021a).[28] Although this growth has been excessive, it is line with the worldwide experience in rise of GBV, including advanced economies (see: Oxfam, 2018).

The Government of Iraq has also conducted its own study on the impact of the COVID-19 Pandemic on the GBV. [29] It was estimated that over 2.9 Iraqis need protection, whilst 1.29 million are in the immediate risk of GBV. Over 90 per cent of the victims also reported financial hardship and excessive stress due the Pandemic closure measures. Over 70 per cent of respondents also mentioned the problem of the lack of facilities and social networks. GBV is a major problem that will have to be addressed though the active measure, coordination of the various government departments and society-at-large. Worldwide one in three women will be exposed to some kind of violence by a partner[30], and often these instances remain unreported. It is also most likely that the only a fraction of cases are reported to the authorities, especially in the rural areas.

[28]For a detailed study of Gender Based Violence (GBV) in Iraq, during the COVID-19 Pandemic, see: Oxfam, 2020.
[29]See: http://www.cabinet.iq/ArticleShow.aspx?ID=9621
[30]https://www.unwomen.org/en/news/in-focus/in-focus-gender-equality-in-covid-19-response/violence-against-women-during-covid-19

## SDG16: Peace, Justice and Strong Institutions

Achieving SDG 16 is particularly challenging for a post-conflict society, such as Iraq. This Goal has been stagnating or volatile over the period of observation. For instance, whilst most data have been improving, human trafficking (regardless of the gender) has been on the increase. Also, the focus indicators have been changing over time and for a vast number of indicators data is either incomplete or fairly outdated. For instance, for some of the indicators like homicides, data are used from 2013 (see: Sachs, et al., 2021). For access to and affordability of justice, data is not available. Similarly, data is lacking for the property rights regime and its implementation. It should not be forgotten that some of SDG16 indicators are overlapping with indicators for other SDGs. [31]

Iraqi society faces many systematic challenges and institutional inefficiencies. For instance, rule of law is either absent or weak, institutions are cumbersome, weak and inefficient, corruption is endemic and omnipresent, weak participation of the society in the political process, internal population displacement, etc. These insufficiencies have been endemic and reported in both VNRs (see: MoP, 2019a; 2021a) and relatively little has been done to address these major challenges. Iraq is still a country with a high corruption index, government institutions are weak, and the trust of the population into the political system is low. Although the civil society is growing stronger in Iraq, it may not be a major agent of change, as long as the overall institutional framework is ineffective (or broken). Iraq has been especially highly ranked (second place) for the intentional homicides (see: ESCWA, 2020). The Government has also started the project that target victims who belong to the minority communities (Yazidi Female Survivors). It is intended to introduce Law to regulate the issue (see: MoP, 2021a).

Figure 9: SDG16 Dashboard Results and Trends for Iraq, 2021


*Source: UN SDG Dashboard -* https://dashboards.sdgindex.org/profiles/iraq/indicators

SDG16 will continue to represent the challenge for Iraq in the years to come. One of the major challenges besides the institutional weaknesses is data. Although the situation has been improving, there are not annual data for these highly sensitive indicators. In addition, some of the 'community indicators', such as freedom of press have been declining over time. The Government has also been dealing with the protest heavy-handedly (according to their own account – see: MoP, 2021a), which definitely does not support the free expression of opinion, free association and democratic engagement. Justice system is slow, exposed to endemic corruption and overall not only inefficient, but also ineffective, which may, in a long run, even more adversely affect the indicators and push Iraq's performance down, even further.

Second VNR (see: MoP, 2021a) has not addressed the SDG2: Zero Hunger. However, for the purpose of this study the results for Iraq will be presented based on the Sustainable Development Reports (see: Sachs, et al., 2017; 2018; 2019; 2020 and 2021) and Arab Sustainable Development Report 2020 (see: ESCWA, 2020).

[31] Such as the effective property rights for women in SDG5

## 4. Costing and Gap Assessment Methodology

### 4.1. Methodological Approach to Costing: Introduction, Context and International-Leading Practices

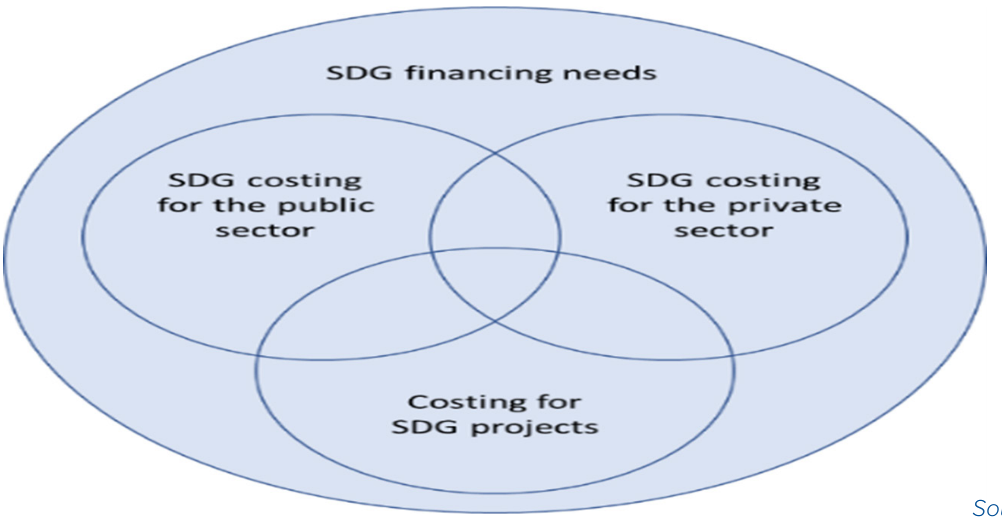
Following the adoption of the AAAA and UN Agenda 2030, there were a number of attempts to develop costing studies, estimating the costs of SDGs, envisaging the financing gap and suggesting the ways in which finances can be raised to support SDG implementation. MDGs closing in 2015 have pointed out a few systemic shortcomings, which had to be addressed if the next development cycle was to demonstrate success. For instance, MDGs have been primarily public sector led, with no or very little private (and third sector, for that matter) involvement. The resourcing of MDG ambitions was still primarily based on the funding model, dominated by the (international) development partner participation. Private flows (both international and domestic) were not an important and often ignored financing stream. MDGs have also showed lack of strategic coordination and respect for possible spill-over effect and interconnectivity of MDGs.

Therefore, financing for development, developed based on AAAA, does look at both public and private, and international and domestic resources mobilisation for development. Nowadays, the standard Official Development Assistance (ODA) does not make more than three per cent of the total development financing needs; and is increasingly skewed towards the least and less developed countries, whist other more advanced and complex instruments (usually classified as the Other Official Flows – OOFs) are becoming more prominent in international public financing assistance. Traditionally, OOFs were linked with the activities of bilateral partners, but now in many counties multilaterals are becoming a more prominent player.[32] In the case of a classical funding model, the developing country was provided with the resources that it has to spend achieving certain output/outcome, hard or soft. Now, under the financing model, it is necessary to think about the active management of financial resources and consider return on investment. Whilst the appropriate allocation and transparency was ultimately desired under the funding model, the results and impact are the priority under the finance model (although accountability and social responsibility are not neglected).

Modern financial mix assumes, almost as standard, the collaboration between the various development actors and pulling together resources from a range of sources. Blended finance, where we have public and private sources combined, is emerging as a new standard, as well. Public sector may also be involved without actually extending financial resources, but acting as a guarantor and/or a de-risking partner for the private development actors and/or social impact investors. Therefore, to attract the financing, it is necessary to estimate costs as precise as possible and define the possible 'return-on-investment'. Return on investment is not necessarily only economic, but may also demonstrate the societal impact. Or, ideally – both.

Investment in the hard sectors (often very narrowly understood as infrastructure) is often easy to conceptualise and comprehend, as infrastructure may yield some (financial/economic) returns that may be quantified, and consequently may generate resources to be used to repay the investment. In the case of health, education, social protection, etc. this link may not be there, or may not be visible and/or straightforward and at first sight may not be eligible and/or attractive for financing. However, if the project is costed appropriately and the outcomes and outputs are clearly defined, it is possible to present a very 'bankable' (i.e. economically viable) case.

Figure 10: Types of SDG Costing




*Source: UNDP, 2020b*

[32]In a number of relatively recently graduated middle-income countries, the World Bank is emerging as a very prominent source of OOFs.

Implementation of SDGs is linked with the positive actions of Governments, i.e. respective Government policies and interventions have to be in place to enable to meeting the targets and demonstrating the success though the performance indicators. Many of the indicators are often general, and require more effort of demonstration, as an intermediate activity, rather than immediately demonstrating the output/outcome. This is why costing policies and policy actions, is a necessary step towards meeting the SDG targets. At the same time, some SDGs may allow the use of unit cost, where we know what will be the cost of an individual meeting the target, and hence may be directly calculated/costed.[33]

Costing studies have been conducted at the global level, where the authors try to estimate the aggregate costs of achieving respective or all SDGs by the set date (2030). The global cost estimates have been developed since 2015 when the first estimates were floated, until today. For instance, it is almost undisputed that COVID-19 Pandemic has caused a major setback in achieving SDGs by 2030, and that some re-costing (or 're-pricing') is required. As the Pandemic is still ongoing[34], it is probably premature to estimate by how much the resource envelope will have to grow. As it has been presented previously, in the case of many developing countries the past successes with SDG implementation may be squashed and they will have to start anew. Therefore, in the case of counties that have conducted individual, national SDG-costing exercises, some adjustments will have to be made. As we have seen in the case of Iraq, in 2020 and 2021 there was minimal progress with some SDGs. This will especially be the case for the countries, which have integrated SDG costing within their own national planning process (for instance, Bangladesh, Benin[35], Indonesia, etc.) and where the National Development Plan (NDP), or its equivalent, is seen as a major tool of delivering on SDGs and UN Agenda 2030.[36]

A few countries have been pioneers in estimating development/SDG needs and defining the respective costing needs. Bangladesh (see: Planning Commission, 2017) and Nepal (see: NPC, 2017) are, for example, considered as 'leading practices' (see: UNDP, 2020). Bangladesh has been one of the first countries to integrated SDGs in their national plan (see: Planning Commission, 2017). They have benchmarked themselves against Asian averages, and against Singapore as a leading regional country (an 'aspirational target'). In financial terms, they have based their calculations on the past and current budget allocations and tried to determine unit costs for some SDGs (such as SDG1) and cost ('price') policy interventions for other (for instance, SDG16). Nepal has also calculated the financing needs and gaps using the existing sectoral costings. However, not all costings have been based on the same methodology. For example, costings for health and data systems strengthening (part of governance) were based on the historical budget allocations; and urban development and education were subjected to modelling exercises. Whenever possible the unit cost model was utilised. However, sector-specific costings were then combined with macroeconomic projections and policy simulations (see: NPC, 2017).

Both countries realised that defining unit costs in the case of, for instance, SDG5 and SDG16, may be difficult, if not impossible; and consequently they have tried to cost interventions, i.e. introduction of policy measures. For SDG 16, proxy interventions were identified as an input for estimating costs related to the selected, i.e. targeted indicators. For instance, spending on the police and security services has been used as a proxy for costing interventions that were supposed to lead to the reduction in the number of deaths from violence and displacements. The exercise was linked with the assessment of risk(s), introduction of accountability and focus on 'Leaving No One Behind' (LNOB). In Nepal, the needs exercise has also led to the financing proposal, where 55 per cent of the financing gap was to be covered by the public sector, whilst 36 per cent would be the covered by the private sector investment. Out-of-pocket and remittances were to cover four per cent of the expenses, and the third sector was to contribute with 4.3 per cent (see: NPC, 2017).

The development costing exercise and gap analysis in all these countries has led to the development of a financing framework that aimed to blend public and private investing, to deliver for the country. Integrating the national development planning process and SDGs has become a rule of the day, as growing number of countries follow this path. Being critically aware of what has been achieved, and having a bold (but achievable) ambition, benchmarking against the regional peers and leaders, has provided a good development path for many developing countries. These integrated national planning exercises have once again demonstrated the ultimate importance of data, as well as the communication processes between various development actors. Mobilising beyond the public sector has become an undisputed need. Private and third sector players are to be engaged more closely in both the planning and delivering process. In fact, non-public sector players may take lead in delivering on some SDG commitments for the country.

[33]In this context, costing the policy interventions/policy actions are an indirect way of costing the inputs.
[34]At the time of writing this Study (December 2021)
[35]See: République du Bénin, 2017
[36]See: see: https://sdgfinance.undp.org/sdg-tools/costing-methodology-guidance)

### 4.2. Global SDG Costing Studies

Since the launch of AAAA, or even before the MDG implementation was ending, the attempts were made, at international level, to estimate the needs for implementing SDGs by 2030. Some studies were more sector based, some focused on a special country group (for instance – LDCs), whilst the others were very general and/or focusing on a particular region.[37] International studies on SDG cost estimates were authored mainly by the international organisations (UNCTAD[38], UNESCO[39], WHO[40]) or international financial institutions (IFIs), such as the World Bank and more recently IMF. Some studies have also been produced by the international think-tanks (Brooking Institution – Kharas and McArthur 2019; ODI – Greenhill, Carter and Manuel, 2015), or international ad hoc groups, such as The Education Commission (see: Education Commission, 2016).

Estimates for Asia, made prior to the AAAA, established the additional annual costs of USD0.5 to 0.8 trillion, over the current development investments, for the Asia-Pacific Region, based on four sectors – education, health, social protection[41] and electricity. (see: UNESCAP, 2013). Further studies by UN Economic and Social Commission for Asia and the Pacific – UNESCAP[42] (see: UNESCAP, 2015; UNESCAP, 2019) have estimated an additional annual cost of USD2.1 to 2.5 trillion and USD1.5 trillion, respectively. However, these two later studies had a slightly wider scope, focusing on education, health social protection, infrastructure and climate action (but without providing a sectoral breakdown) in 2015. UNESCAP (2019 study) was more thematic and it has covered all SDGs and has been most comprehensive for the Region.

UNCTAD (2014) study covers ten sectors (power, transport, telecommunications, water and sanitation, food security and agriculture, climate change mitigation, climate change adaptation, biodiversity, health, and education). The Study estimates the investment of between USD5 and 7 trillion, with about 2.5 trillion financing gap for the developing countries (see: UNCTAD, 2014). SDSN (2015a; 2015b) focuses on LDCs and LMICs, estimating an annual shortfall of USD1.4 trillion, or around 11.5 per cent of GDP. Gaspar, et al. (2019) study covers five sectors (education, health, roads, electricity, water and sanitation), but without climate change consideration. In terms of methodology, Gaspar, et al. (2019) use country- level costing, based on a simplified sectoral costing model, where it applies peer benchmarking based on SDG index developed by the SDSN. The Study estimates additional USD2.6 trillion globally, for developing countries in 2030. Out of this USD2.6 trillion, USD2.1 trillion will be spent in the emerging market economies and USD0.5 trillion for 28 LICs.

The World Bank commissioned study looks at the electricity, transport and water and sanitation (including the flood protection and irrigation), and estimates the investments of 4.5 per cent of GDP globally to ensure that the developing countries to achieve infrastructure-related SDGs (see: Rozenberg and Marianne, 2019). It considered the infrastructure demand projections and applying the unit cost approach, and considering carefully future maintenance and operational costs. It has been concluded that investment of 4.5 per cent of GDP would enable developing countries to achieve infrastructure-related SDGs and achieve climate goals. However, the expenditure range for individual countries is from two per cent to eight per cent of GDP. IEA (2018) study focuses on the power sector primarily, with efficiency gains in transport, building and industry sectors, and estimates that globally the total investment of USD2.6 trillion is needed annually to just meet growing energy demand through 2040. If the World is going for a sustainable development option, additional 15 per cent higher investment is needed (see: IEA, 2018).[43]

[37] Asia has been very prominent in developing regional development costing needs and discussing the regional development finance envelope.
[38] United Nations Conference on Trade and Development
[39] United Nations Educational, Scientific and Cultural Organisation
[40] World Health Organisation
[41] Social protection definition here included only: employment guarantee, social pension and disability benefits (see: UNESCAP, 2013).
[42] Most of the studies have been using unit cost approach, or hybrid model, where unit costing approach has been complemented by the costing of policy initiatives. Some studies have also used country- level costing, based on a simplified sectoral costing model.
[43] On the progress with SDG7, refer to IEA (2020), SDG7: Data and Projections, Paris: International Energy Agency (https://www.iea.org/reports/sdg7-data-and-projections)

ADB and UNESCAP have both produced studies focusing on the infrastructure-related sectors in Asia (see: ADB, 2017; UNESCAP, 2017; UNESCAP, 2019b). Both 2017 studies (ADB and UNESCAP) have focused on electricity, transport ICT and water and sanitation, with climate proofing included. ADB (2017) estimates an infrastructure investment need in Asia to be in the range of 1.7 trillion per year, during the period 2016-2030. UNESCAP (217) estimates the investment need to 10.5 per cent of GDP during the period 2016-2030.[44]

Most recently, IMF has provided SDG costing estimates for Pakistan (see: Brollo, Hanedar and Walker, 2021). The study focuses on education and health, and electricity, roads, and water and sanitation, estimating that there is a gap of 16 per cent of GDP, annually. In the case of education, additional spending should be allocated to: a) increasing the teacher wage bill to hire more teachers to support higher enrolment and reduce class size; and b) raising capital spending to build more schools and improve school infrastructure. In the health sector, additional spending should be allocated to employing more doctors, other health personnel, whilst the salaries should experience a moderate growth (see: Brollo, Hanedar and Walker, 2021). The study has used the IMF methodology, developed in Gaspar et al. (2019).UN

A Recent study by UNCTAD (2019) finds that the global investment (both public and private) falls behind the expectations, and is not enough to achieve SDGs by 2030. Some sectors, such as: food and agriculture, health, telecommunications, transport infrastructure, climate change mitigation, and biodiversity have been more successful in attracting additional investment, whilst some others that are important for the human wellbeing such as education and water, sanitation and hygiene (WASH) have not been so attractive to the investors. (see: UNCTAD, 2019). Another, again recent study by Kharas and McArthur (2019) estimated that governments around the World were already spending USD21 trillion per year on SDG-related sectors in 2015. However, they also have reported serious disparities between developed and developing countries, where developed countries are leading in investing in development (by their own).[45]

Most of the studies have used a unit cost approach and costing of the intended policy interventions that ultimately should lead to delivery on SDG plans and commitments. For instance, one of the major and most quoted regional studies, UNESCAP's Economic and Social Survey of Asia and Pacific (see: UNESCAP, 2019a) has used the unit cost approach to estimate the investment needs for the several sectors including education, water and sanitation, and ICT. Unit cost is the cost incurred to produce a single unit of output, and its main advantage is that it can be applied in many situations, and often can be estimated correctly, due to the direct observation. For instance, a cost per single intervention can be established through direct costs associated, cost tracing, or allocation and/or appropriation. In the case where it is difficult to establish a unit cost; and option is to focus on costing policy interventions that are presumed to deliver certain desired outcomes.

Increasing the presence of police on the streets should generally improve the security situation; hence the costs of expanding the police force should lead to that. Similarly the provision of an agricultural advice, may lead to the better agricultural output, etc. In these cases, we may not be able to establish a direct linked, but the experience (and/or common sense) suggests that the particular outcome may be achieved. Bangladesh costing exercise (see: Planning Commission, 2017) assumes the increase in a number of prosecutors, judges, etc. which should improve the efficiency of the judiciary system and hence generate better SDG16 results. In preparing for this exercise, the Bangladeshi Government has commissioned benchmarking studies, where the ratio between certain government officials and population in other countries is collected and used for the benchmarking.

In summary, it may be concluded that all global studies present different projections of SDG resource needs, with a difference which cannot be classified as marginal. In a number of studies, the authors classify countries in three or four main categories (LDCs, LMICs, UMICs, developed/HICs). Some of them offer projected per head costs, for LDCs, LMICs and UMICs, which also can be used to calculate SDG resource needs. In addition, the breath and focus of the studies differs. In Asia, the focus initially has been more on infrastructure, as it was the case for IFIs. However, as the real focus of SDGs is people and planet, the need to address 'softer' SDGs has been recognised. Drop in investment in the key social sectors (especially education) has been noticed; and social protection, regardless of the definition, has not been seriously considered in many counties. The focus on economic growth has been very strong in

[44]In smaller jurisdictions (LDCs, landlocked developed countries and Pacific Island Countries – PICs, the spending prior to 2017 was between 4 and 4.75 per cent of GDP.

[45]USD12,753.00 in high-income countries, SDG investment have amount to USD12,753.00 vs. only USD$115 in low income countries

many developing countries, that the focus on human investment is still lagging, and hence the stronger focus in a 'Decade for Action', has to be on SDGs that are directly socially oriented.

### 4.3. Methodology Applied in this Study

For the purpose of this study, the estimates from the global studies will be applied to Iraq and Iraq's context. This is an alternative way of addressing the incomplete data sets, as well as the initial costing of the future policy interventions, as the next NDP is currently under development (2023-2027). A number of studies that have been mentioned above, have attempted to produce global estimates per capita, and those will be used to provided one possible estimate of costs. In the cases, where quantitative data is available and it is possible to define the number of users and a unit cost, this will also be calculated, and then the estimate will be made in range, or two (or more estimates) may be presented. As there was a problem with the county level data, in this study we have used the investment per head of population, established in one of the most recent studies, which focused on almost all SDGs. However, the use of global cost in a single county context has its serious limitations. This is why in this study we have presented a few scenarios for each of SDGs.

Iraq is an upper MIC, according to the World Bank (Atlas) classification.[46] Although GNI per capita has somewhat dropped in the last few years and especially due to COVID-19 Pandemic, it has not affected the original country's classification. As the economic recovery is expected in the future (see IMF, 2021), the issue of classification should not be posed as such. The global studies that classify countries into the groups will be primarily used for establishing base estimates, and also those will be related to the Iraq's results as presented (primarily) in VNRs (MoP, 2019a; 2021a). As the income range for all these countries in the global studies is rather wide, it may be possible, in some cases, to adjust the recommended spending per capita; based on the relative position of Iraq within the reference group. In this way, the estimates may be more country specific.

The main study that will be used for the estimates is Kharas and McArthur (2019), to ensure consistency and comparability. In this particular study the authors have synthetized the past costing and policy work, and have classified developing countries into three groups, Low, Lower-middle and Upper-middle income groups. Their contribution is new, and after the publication of their study, not many other studies have followed (see, for instance: Brollo, Hanedar and Walker, 2021; Development Initiatives, 2020; Díaz-Bonilla, 2021; Prakash, et al., 2020). Some sectoral studies may offer ideas on additional spending for a particular SDG, but we will give a primate to Kharas and McArthur (2019).

However, the alternative proposals will be presented. In estimating the gap, we will try to establish the current spending (per capita) and relate it to the needed expenditure as defined thorough the application of Kharas and McArthur's (2019) proposed spending per head. They have synthesised the results from a number of previous studies that have considered public sector resource requirements for ten distinct sectors: health, education, agriculture, flood protection, energy systems, transport infrastructure, social assistance, conservation, water and sanitation, and justice, before defining SDG-elated investment per head. Total budgetary expenses will be taken out of the IMF World Economic Outlook (WEO) database, as well as from the World Development Indicators Database maintained by the World Bank, and if needed data will be collected from the credible private data provider websites. This way it will be possible to triangulate information and ensure that the estimates are the closest to the real needs.

In some cases, it will be necessary to take into consideration the Iraqi national commitment, and although the costs per se may not be defined, it will be necessary to point out these commitments. For instance, Iraq (i.e. Central Iraq) spent USD1,116 per student in 2014-2015, whilst the Kurdistan region has spent about USD40 (see: UNICEF, n.d.); but it may not be enough in the context of over 8,000 missing school buildings, and many that are used do not meet the standards (see: MoP, 2019a). It is estimated that over 7,000 new school building will have to be erected[47], although some planning documents call for over 8,000 new buildings (see: MoP, 2019a), and the 'White Paper'(see: ECFR, 2020), proposes building 10,000 new schools across the country. This additional capital outlay may in fact increase the need for additional spending in achieving SDG4, than generally envisaged, even at the international level. In those cases, the international average investments per head, may and will be adjusted to the specific needs and conditions in Iraq.

[46]See: https://data.worldbank.org/?locations=IQ-X
[47]See: https://www.occrp.org/en/investigations/iraqs-troubled-school-building-lesson

## 5. SDG Costing Estimates for Iraq

### 5.1. Introduction and Specific Context

Estimating SDG costs for Iraq faces many challenges. Primary ones come from the fact that the dataset is incomplete, and other limitations stem from the most recent Iraqi history: in the last forty years, Iraq has been involved in a series of conflicts, both external and internal, with relatively little time between them for societal 'perspiration'. Whilst the 1980s have been marked by a long conflict with Iran, in the 1990s the Kuwaiti War and conflict with the US, followed by the US invasion in the early 2000s, and finally in the mid-2010s the struggle with the Islamic State that for a while controlled a significant portion of the national territory. At the same time, Iraq is emerging as a specific federation, where the central government effectively negotiates with the Kurdish Regional Government (KRG) and has little effective control over the areas populated by the Kurds. Therefore, even data that are available for Iraq, will have two sources; the central government (i.e. 'Baghdad Government') and Kurdish Regional Government. As we could have seen earlier in the text, the level of spending and quality of service may differ significantly between these two entities (albeit in one county).

The Government itself states that the institutions are weak, ineffective, prone to corruption, with plans endorsed, but not implemented (see: MoP, 2019a; 2021a). Academics are even harsher, questioning the very capacity of the Government (see: Al-Mawlawi, 2019).[48] Recent record of economic planning in Iraq shows capacity to develop plans, but lack of the same to implement the plans. Often, the plans have been rushed through to meet the (politically set) deadlines, without much thought given to their implementation. Often the fragmentation in Government accelerates otherwise inherent problems of a large system – coordination or rather the lack of it.

The systemic lack of data has been recognised (see: UNDP and CSO, 2021), and the issue has been pointed to in one of the last reform papers ('White Paper', see: ECFR, 2020). However, even the 'White Paper' is more of a political document, than an implementable plan. In fact, when it was launched, it was recognised that a plan would have to follow, but a year later the implementation action plan had not been promulgated. It was announced, in August 2021, that 64 teams had been formed to 'follow the implementation', but it is not clear whether there is an implementation plan, per se[50]. Initially, the Government Budget 2021 was to be a kick-off for the implementation of the 'White Paper' reforms, but it seems that the Budget itself does not relate to the reform implementation agenda.[51]

Assumptions made. In order to calculate the costs of meeting SDGs a few assumptions were made. Data on the estimated population, economic and budget growth has been taken from the IMF WEO Database, which has made these projections for the period 2021-2026. Based on the trends that were forecasted for the period, we have extended the forecasts until 2030. We have assumed GDP growth of 4.5 per cent, budget revenue growth of 0.6 per cent, budget expenditure growth of 0.9 per cent and population growth of about 2.6 per cent, annually. This is more or less an extension of the trend exhibited in the IMF projections for the previous five years (2021-2026). As Iraq's economy is highly oil dependent, it is possible that the government revenues and growth will be more volatile, than expected; although the price of oil is not expected to be excessively volatile over the next decade (see: IMF, 2021).[52] Here, we also assume that the public revenue (primarily tax) collection will improve, and contribute more to the government aggregate revenues.

As outlined above, we will use Kharas and McArthur's (2019) investments needs estimates per head and apply to Iraq. As they have classified their expenditure according to the countries' income groupings, we will use the estimates for the upper middle-income counties (UMICs), but will also split their estimates for middle income countries into quartiles, and Iraq with USD4,660 per capita, using the World Bank Atlas method[53], would be classified in the lowest quartile.[54]

[48]'A review of numerous national development strategies over the past 15 years shows a consistent failure to achieve targets and meet deadlines, which calls into question the policy planning process and the capacity of state structures to bring about change. ... Taking into consideration the prevailing political climate that is characterized by fragmentation, and where the government lacks a reliable political base to push through its agenda, it is clear that a systemic overhaul will not be achievable in the short term.' (see: Al-Mawlawi, 2019, p. 3)

[49]See: https://www.mei.edu/publications/iraqs-reform-program-white-paper-no-action-plan

[50]See: https://ina.iq/eng/13211-pms-advisor-64-teams-follow-up-implementation-the-white-paper-projects.html

## 5.2. SDG1: No Poverty

SDG1 ('End poverty in all its forms everywhere') performance has been changing from 'Green' and 'within reach' (in 2017) to 'Red', where major challenges remain. The number of people living below the international poverty line (USD1.90[55] ) has been increasing in the last five years. In 2021 SDR (see: Sachs, et.al., 2021) it is reported that two per cent of the population is living below USD1.90/day and 19.6 per cent live below USD3.20/day. In 2017, the values were 0.6 and 0.7 per cent respectively (see: Sachs, et al., 2017).

Analysing the situation, the Government (see: MoP, 2021) has related this increase to the economic hardship that has been triggered by COVID-19 Pandemic. However, the Pandemic was not present in 2018 and 2019, and numbers have been increasing and already the prospects of meeting this SDG have been reclassified from being on track to significant of major challenges remaining. Also, over time, the indicators[56] have been somewhat modified, but two main ones (two poverty lines) have remained. This generally suggests that economic growth and development have been stalled, as the measure captures those who are in employment (of a kind) and still live below the defined poverty line. In Table 7 below, the Indicators that have been referred to in VNRs and SDRs from 2017 to 2021 have been presented. Originally, SDG1: No poverty has 7 targets (5+2) and 14 indicators (10+4).[57] However, both sources (VNRs and SDRs) focus effectively only on two indicators, albeit most representative (1.1.1. and 1.2.2).

Table 7: SDG1 – No Poverty Reporting Trail, 2017-2021

| **SDG1: No Poverty – End poverty in all its forms everywhere** | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Indicators** | **VNR 2019** | **VNR 2021** | **SDSN 2017** | **SDSN 2018** | **SDSN 2019** | **SDSN 2020** | **SDSN 2021** |
| Poverty headcount ratio at $1.90/day (% population) | *Rep.* | *Rep.* | G | G | G | G | Y |
| Projected poverty headcount ratio at 1.90 days in 2030 (% of population) | - | - | G | G | - | - | - |
| Poverty headcount at $3.20/day (% of population) | - | Rep. | - | - | R | R | R |

*Source*: MoP, 2019a; 2021a; Sachs, *et al*., 2017-2021

*Source: MoP, 2019a; 2021a; Sachs, et al., 2017-2021*
*Legend: G – Green (SDG achievement); Y – Yellow (SDG Challenges remain); A – Amber (Significant challenges remain); R – Red (Major challenges remain), G – Grey (No data available/data missing); '-' – Not used/reported, and Rep. – reported with some performance reference*

[51]See: https://www.bayancenter.org/en/2021/03/2490/
[52]See: https://www.reuters.com/business/energy/oil-hit-40-by-2030-if-climate-goals-are-met-consultancy-2021-04-15/ However, there are also other projections on price (expecting the higher prices of barrel), but most predictions agree that there will be a drop in demand for oil (fossil fuels) from 2023 or 2025, and will continue.
[53]See https://data.worldbank.org/indicator/NY.GNP.PCAP.CD?locations=IQ
[54]A few years before 2015, Iraq has higher GNI per head, but even these values (max. USD7,050 in 2013) would put Iraq in less than middle of the second quartile.
[55]Corrected from the initial poverty line of USD1.25
[56]Whilst the Targets specify the goals, Indicators represent the metrics by which the world aims to track whether these Targets are achieved.
[57]See: https://sdg-tracker.org/no-poverty

Costing SDG1 is usually linked with the costs of two types of interventions. FAO, International Fund for Agricultural Development (IFAD) and World Food Programme (WFP) suggest that a targeted transfer is undertaken aiming at closing the gap between earned income and the poverty line (see: FAO, IFAD and WFP, 2015). Here we have to know how much those below the poverty line earn and calculate the difference. It is also suggested that a buffer of 40 per cent is added to deal with real income shocks, unforeseen expenditure needs of price spikes. The suggested model suggests that some economic growth will contribute to lifting some out of poverty, but not all, and there will be a need for a public intervention.

Another intervention suggested that a social protection floor is established consisting of assistance to all children and all orphans, maternity benefits for all women with new born children, benefits for all persons with severe disabilities and universal old-age pension (see: Ortiz, et al., 2017a; 2017b). To estimate these two values in Iraq, we do not have the whole data set. For instance, we do not know what an average income of those who live below the poverty line is, so that the difference can be established. Similarly, to define the social protection floor, it is necessary to have national definitions of all the elements of the social protection floor, so that the intervention can be costed. These costs may be significant and may range from additional 0.5 per cent of GDP to over ten per cent of GDP.[58] Establishment of the social protection floors also requires a sound national dialogue, and functional inter-ministerial collaboration, avoiding the overlaps or fragmentation, where some citizens (clients of the public administration/civil service) are falling through the net and not being cared by the system.

We have made a few projections on the possible costs of achieving SDG1 in Iraq. First, we have estimated the costs of eliminating extreme poverty, defined as poverty with income less than USD1.90/head, and for the period 2020-2030[59], Iraq will have to spend USD3.668 billion, or between USD396 to USD469 million, annually. If the buffer of 40 per cent is added, the costs will grow to USD5.164 billion for the period. If poverty with income less than USD3.20/head is to be eradicated through the direct transfers, the costs will be USD81.788 billion.

We have also used the investment per head proposed by Kharas and McArthur (2019)[60], who foresee that an upper MIC will have to invest USD799.00 per head to achieve SDG1 (‘social spending’). If we apply this to Iraq, it will give us a total cost of USD337.38 billion. However, if we adjust this to the lowest quartile of UMICs, the costs for Iraq may be estimated to be USD84.345 billion, which is more or less in line with the expenditures that we have calculated for the direct intervention (although assuming that those who need assistance do not have any income).

Table 8: SDG1 Implementation Costs for Iraq, 2022-2030 (in USD billion)

| SDG/Scenario | Scenario 1 (UMIC) | Scenario 2 (UMICs – 4th quartile) | Scenario 3 (All developing countries) | Scenario 4 (UMICs – 3rd quartile) |
|---|---|---|---|---|
| SDG1 | 337.38 | 84.345 | 154.966 | 268.690 |

*Source*: Author’s calculations

Hence we may conclude that the costs of achieving SDG1 for Iraq will be between USD81.877 and USD86.952 billion (assuming that USD3.20 intervention will also cover those with 1.90/head, and without taking direct and indirect administrative costs into account, as well as that inflation (for USD) will not be a major impediment).[61]

*Summary:*
*Costs of Delivering on SDG1 – No Poverty: Between USD81,877 and 86.952 billion (for the period 2022-2030)*[62]

[58]See: UNESCAP, 2018a

[59]The minimum income of USD1.90 has been multiplied by the Iraqi population, where the population growth has been factored in, using IMF WEO data (October 2021 edition).

[60]For the summary of their research and approach, see: https://www.brookings.edu/blog/future-development/2019/07/29/how-much-does-the-world-spend-on-the-sustainable-development-goals/

[61]If the interventions are separate, i.e. no overlap, the costs of addressing the extreme poverty of USD3.688 billion will have to be added, or USD5.164 billion if a 40 per cent buffer is imbedded into the intervention.

[62]However, it would be completely credible to argue that the average funding for all developing countries should be applied, which is USD367.00 per head of population, making the total cost for Iraq of USD 154,966.94 billion, which is significantly that our estimates.

## 5.3. SDG 2: Zero Hunger

Ambitions to eliminate hunger worldwide require a complex intervention not only addressing the access and availability to food, but also strengthening the capacity to produce diverse food and develop diverse food systems. SDG2 ('End hunger, achieve food security and improved nutrition and promote sustainable agriculture') has 8 targets and 13 indicators.[63] Iraq has targeted up to 8 indicators, with 6 being reported on regularly over the years. However, SDG2 has been reported as experiencing major challenges. Only the cereal yield in some years was classified as on 'the track' (see: Sachs, et al., 2017-2021). For most years, SDG2 has a negative outlook, overall.

Table 9: SDG2 – Zero Hunger Reporting Trail, 2017-2021

| **promote sustainable agriculture** | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Indicators** | **VNR 2019** | **VNR 2021** | **SDSN 2017** | **SDSN 2018** | **SDSN 2019** | **SDSN 2020** | **SDSN 2021** |
| Prevalence of undernourishment (% of population) | - | - | R | R | R | R | R |
| Prevalence of stunting (low height for age) in children under 5 years of age (%) | - | - | R | R | R | R | A |
| Prevalence of wasting children under 5 years of age (%) | - | - | Y | Y | Y | Y | G |
| Prevalence of obesity, MBI ≥ 30 (% adult population) | - | - | A | R | R | R | R |
| Cereal yield (t/ha) | - | - | Y | G | G | G | G |
| Sustainable Nitrogen Management Index | - | - | R | R | R | G | G |
| Human Trophic Level (best 2-3) | - | - | - | - | G | G | R |
| Export of hazardous pesticides (tonnes per million of population) | - | - | - | - | - | - | N |

*Source: MoP, 2019a; 2021a; Sachs, et al., 2017-2021*

Legend: G – Green (SDG achievement); Y – Yellow (SDG Challenges remain); A – Amber (Significant challenges remain); R – Red (Major challenges remain), G – Grey (No data available/data missing), '-' – Not used/reported, and Rep. – reported with some performance reference

[63]See: https://sdg-tracker.org/zero-hunger

Undernourishment and malnourishment are the challenge for both developed and developing counties. The only difference is the percentage of population that are under threat of hunger or do not have regular access to food. In Iraq about 1/5th of the population is undernourished (see: Sachs, et al., 2017-2021). Undernourishment, especially in children has lifelong developmental consequences and therefore investment in the first 3 years of children's life, can help prevent these effects and has high cost-benefit ratios. Every USD spent for this purpose will yield a return of at least USD16 (IFRI, 2014). Further on, children that avoid stunting are for 1/3 more likely to break out from the poverty in their adulthood. At the same time, the nutrition agenda does not operate in silos, but contributes to the broader agenda of ending hunger, promoting sustainable agriculture, addressing poverty, and ultimately supporting the economic and social growth.

Nutrition should be understood broader than simple access to food, but rather to be able to afford diversified healthy diets. In some countries over 2/3 of the population have very monotone, simple (often one-dish) diets (see: FAO, et al., 2018a). Supporting diverse food systems will not only assist in addressing access to food, but also will enable the growth and development of the agricultural sector. SDG2 has to address multiple challenges of growing population (Iraq's population is growing steadily at about 2.5 per cent annually), climate change, fertilizer overuse, competing use of land and land degradation, and so on.

In costing SDG2, again we may have a few approaches. However, all methods require costing of the policy interventions, and the nature of the intervention will give us the final cost/price tag. For instance, addressing target 2.2., would require to address the package of nutrition related interventions, such as: reducing stunting in children under five years of age, reducing anaemia in women, increasing the prevalence of exclusive breastfeeding amongst infants and mitigating impacts of wasting amongst young children (see: WHO, 2014). Addressing agriculture-related SDG targets would involve costing policy initiatives that would boost agricultural productivity and incomes of small food produces. Investments may come to both 'soft' and 'hard' areas. It ranges from investment into infrastructure, institutional frameworks to research and development and strengthening extension services (see, for more, in: Schmidhuber, Bruinsma and Boedeker, 2011). Investing in SDG2 also helps in delivering on SDG1, as investment in agriculture and food production assists in reducing poverty, especially in the rural areas, where there is a prevalence of those who are classified as poor and in need of social assistance.

In estimating the costs of achieving SDG2 for Iraq, we will use the Kharas and McArthur's (2019) global estimates and adjust them to Iraq, as it was outlined before. As with other SDGs we will also apply the quartile grouping. Costing per head for an upper MIC is USD195.00 per head, making the total cost for Iraq, for the period 2022-2030, USD82,339.38 billion. If we apply the bottom quartile rule, as we have done with SDG1, the total costs would drop to USD 20,584.85 billion. Average cost for all developing countries is USD97.00, making the total cost to USD 40,958.56. We believe that the costs should be between USD41 billion and USD82.3 billion, more likely to be closer to the higher number, as this investment may create one the highest spill-over effect and Iraq has to consider seriously addressing climate change challenges, both as a developing country and as a major oil producer in need to speedily diversity its economic base.

Table 10: SDG2 Implementation Costs for Iraq, 2022-2030 (in USD billion)

**Table 10: SDG2 Implementation Costs for Iraq, 2022-2030 (in USD billion)**

| SDG/Scenario | Scenario 1 (UMIC) | Scenario 2 (UMICs – 4th quartile) | Scenario 3 (All developing countries) | Scenario 4 (UMICs – 3rd quartile) |
|---|---|---|---|---|
| **SDG2** | 82.339 | 30.585 | 40.959 | 41.170 |

*Source*: Author's calculations

*Summary:*
*Costs of Delivering on SDG2 – Zero Hunger: Between USD40.959 billion and USD82.339 billion (for the period 2022-2030)*

## 5.4. SDG3: Good Health and Well-being

Good health and well-being are one of the major focuses of the Iraqi government, and this is an SDG with the highest number of targeted indicators – 14 (although not all were attempted in all years). [64]SDG3 – Ensure healthy lives and promote well-being for all at all ages has 13 targets and 28 indicators. This is another indicator that has been marked as having major issues in meeting 2030 target. Some of the indicators may have been amber or yellow (significant challenges and challenges remain) in certain years, but the trend overall has been either stagnant or negative (see: Sachs, et al., 2017-2022).

Table 11: SDG3 – Good Health and Well-being Reporting Trail, 2017-2021

| **SDG3: Ensure healthy lives and promote well-being for all at all ages** | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Indicators** | VNR 2019 | VNR[67] 2021 | SDSN 2017 | SDSN 2018 | SDSN 2019 | SDSN 2020 | SDSN 2021 |
| Maternal mortality rate (per 100,000 live births) | *Rep.* | *Rep.* | G | G | G | Y | Y |
| Neonatal mortality rate (per 1,000 live births) | *Rep.* | *Rep.* | R | R | A | A | A |
| Mortality rate, under 5 (per 1,000 live births) | *Rep.* | *Rep.* | Y | Y | Y | Y | Y |
| Incidence of tuberculosis (per 100,000 people) | - | - | A | A | Y | Y | Y |
| HIV prevalence (per 1,000) | - | - | G | G | G | N | N |
| Age-standardised death rate due to cardiovascular disease, cancer, diabetes, and chronic respiratory diseases n population age 30-70 years, per 100,000 population | *Rep.* | *Rep.* | Y | A | A | A | A |
| Age-standardise death rate attributable to household air pollution and ambient air pollution, per 100,000 population | - | - | Y | Y | N | Y | Y |
| Traffic death rate (per 100,000 people) | - | *Rep.* | R | R | R | R | R |
| Healthy Life Expectancy at birth (years) | *Rep.* | - | A | G | R | R | A |
| Adolescent fertility rate (birth per 1,000 women age 15-19) | - | - | R | R | R | R | R |
| Proportion of births attended by skilled health personnel | *Rep.* | *Rep.* | A | Y | R | | Y |
| Percentage of surviving infants who received 2 WHO recommended vaccines (%) | *Rep.* | - | R | R | R | A | A |
| Universal Health Coverage Trace Index (0-100) | *Rep.* | - | Y | R | Y | A | A |
| Subjective Wellbeing (average ladder score, 0-10) | - | - | R | R | R | A | R |

*Source:* MoP, 2019a; 2021a; Sachs, *et al.*, 2017-2021

Legend: G – Green (SDG achievement); Y – Yellow (SDG Challenges remain); A – Amber (Significant challenges remain); R – Red (Major challenges remain), G – Grey (No data available/data missing); '-' – Not used/reported and Rep. – reported with some performance reference

[64]See: Sachs, et al., 2017-2021R

[65]See: https://sdg-tracker.org/gooRd-health

[66]3-4-2: Suicide mortality rate

Good health of the nation is very important for economic growth, as it supports productivity through less absenteeism from the workplace (including school, university, etc.) and leads to less care costs. Growth of spending on health has been significant. Whilst at the beginning of the 20th century expenses on health were less than one per cent of GDP, even for the most advanced countries, it is now over 6 per cent for most of the advanced/higher income countries. Population aging, climate change, global pandemics (such the ongoing COVID-19 one) will lead to the increase in demand for health services, and certainly place a strain on the current health systems. Governments have tried to address the challenge though mobilising private and third sector, and investing more in the public infrastructure, as well as adjusting medical protocols, so that the minor issues are attended by pharmacists, optometrists, nurses and other medical staff.

Target 3.8 requires the Universal Health Coverage (UHC) development, focusing on access to affordable quality health care, with financial risk protection. Often health protection requires relatively high out-of-pocket expenses, which may range from 30 to 70 per cent of the total health expenditure. Hence, just looking at the public expenditure on health, may provide a somewhat distorted picture, which may further on lead to non-aligned policy actions and interventions. In addition, it is often neglected that excessive health costs may push people into poverty. It has been reported that annually over 100 million people may experience poverty due to health care costs. Over the years there have been a number of studies offering the price tag for health.

WHO has tried to establish target expenditure per head of population at a global level. In the early 2000s, it was estimated that an investment of USD34.00 per head globally would have addressed all the essential health interventions (see: WHO, 2001). A decade later it was estimated that in the period 2016-2025 investment in health should reach USD63.00, and from 2026 to 2030 - USD83.00, per head of population, globally (see: Jamison, et al., 2013). Additional investment is largely spent on health systems, infrastructure and work force, with less spent on supply chain and ICT. However, following COVID-19 Pandemic experience it is possible that the focus may shift in the future to include more spending considerations for the other areas of health, rather than the very core, as it was in the past. Contraception and basic vaccines are seen as a good step towards UHC, as well as population-wide intervention and/or outreach services, focusing on elimination of health-harming practice (alcohol abuse, tobacco, excessive sugar consumption, early screening, etc. All these intervention may have long-term positive health impact with a relatively little price tag attached to them.

Table 12: SDG3 Implementation Costs for Iraq, 2022-2030 (in USD billion)

| SDG/Scenario | Scenario 1 (UMIC) | Scenario 2 (UMICs – 4th quartile) | Scenario 3 (All developing countries) | Scenario 4 (UMICs – 3rd quartile) |
|---|---|---|---|---|
| SDG3 | 122.031 | 30.508 | 78.539 | 61.016 |

*Source*: Author's calculations

In estimating the costs of SDG3, we again use Kharas and McArthur's (2019) global estimates and apply them to Iraq, with the quartile grouping adjustment (if appropriate). They estimate that UMICs will have to invest USD289.00 per head of population, annually to deliver on SDG3. If this is directly applied to Iraq, for the period 2022 to 2030, the total investment required is USD 122.031 billion, whilst if the bottom quartile rule were applied the total costs would amount to USD30.507 billion. Cost for an average developing country would be amounting to USD78.539 billion (or USD186.00 per capita). Most likely the costs for Iraq will be somewhere in the range between USD30.507 and USD78.539 billion, depending on the range and complexity of intervention, as well as public health choices that Iraq may have. In the health planning process, it should also take into consideration the size and capacity of the private health sector, and their abilities to handle more complex health cases and really be a partner to the publicly maintained health sector.

*Summary:*
*Costs of Delivering on SDG3 – Good Health and Well-being: Between USD30.507 and USD78.539 billion (for the period 2002-2030)*

## 5.5. SDG 4: Quality Education

Education is a key driver for sustainable development (UNESCO, 2018).

For the most of the second part of the 20th century, Iraq was heralded as a country with a very good education system and high level of national literacy. The years of conflict, unfortunately, have had an adverse effect on the education system and it is now largely described as underperforming and in need of a systemic (educational) reform (see: ECFR, 2020; MoP, 2019a; 2021a). At global level SDG4 – 'Ensure inclusive and quality education for all and promote lifelong learning', has 10 targets and 11 indicators. Iraq has been targeting four of them (three regularly, and fourth one, only recently). The performance has been classed as 'Red', i.e. experiencing the major (systematic) challenges. In some year there was steady performance in others the negative outlook was reported (see: Sachs, et al., 2017-2021). In terms of data availability there was a progress, as for some indicators data was not reported (or available) until 2021. The annual indicators' performance has been presented in a Table 13 below.

Table 13: SDG4 – Quality Education Reporting Trail, 2017-2021

| **SDG4: Quality Education – Ensure inclusive and quality education for all and promote lifelong learning** | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Indicators** | **VNR 2019** | **VNR[53] 2021** | **SDSN 2017** | **SDSN 2018** | **SDSN 2019** | **SDSN 2020** | **SDSN 2021** |
| Net primary enrolment rate (%) | *Rep.* | *Rep.* | N | N | Y | Y | Y |
| Expected years of schooling (years) | - | - | R | R | R | - | - |
| Literacy rate of 15-24 year old, both sexes (%) | *Rep.* | *Rep.* | A | R | R | Y | R |
| Lower secondary completion rate (%) | - | - | - | - | - | R | R |

Source: MoP, 2019a; 2021a; Sachs, *et al.*, 2017-2021

Legend: G – Green (SDG achievement); Y – Yellow (SDG Challenges remain); A – Amber (Significant challenges remain); R – Red (Major challenges remain), G – Grey (No data available/data missing); '-' – Not used/reported, and Rep. – reported with some performance reference

[67]The Government has included the following indicators, not presented in the table: 4-2-2: Participation rate in organized learning (one year before the official primary entry age), by sex; 4-3-1: Participation rate of youth and adults in formal and non-formal education and training in the previous 12 months, by sex; 4-C-1: Proportion of teachers who have received at least the minimum organized teacher training at the relevant level in a given country.

Approach to education in the SDG framework, has been marked by a noticeable broadening of the education agenda, as compared to MDGs. SDG4 means to deliver universal enrolment from the pre-primary to upper-secondary education and emphasise the learning outcomes, i.e. the quality of learning. Literacy and numeracy skills are to be achieved if the education system is to be deemed to be performing. Equity in education is also important so, additional support for marginalised children is expected, if they are to catch up with the rest of their generation. Global estimates for additional annual education costs for the period 2015-2030 have been in a range from USD191 billion (UNESCO, 2015b) to USD311 billion (Education Commission 2016). Investing in education, has proven challenging, as the different levels of education may be included into the costing.

In the past (MDGs) focus was on primary (basic) and lower secondary education, but SDG4 now focuses on entire secondary education, pre-primary (early childhood) and upper secondary education. Increasingly the skill needs require even more education, and it is estimated that about USD129 billion is wasted annually due to the disconnect between schooling years and acquisition of basic skills (see: UNESCO, 2014). It was stated that a total of 150 million children worldwide are not learning basic skills, even if they have spent at least four years in the education system. Increasingly, access to post-secondary and tertiary education is becoming a very critical issue in building an equitable, effective and efficient education system. Issues of student progression are also crucial for the education success. International comparisons show that the level of spending alone does not guarantee the performance of the education system. Hence, strengthening teaching quality and teacher training is definitely a key to deliver better educational results.

Based on the Iraq's performance, education access has been increasing, albeit average schooling years have remained more or less static, but the quality of education (i.e. pupil/student learning experience) has remained an issue. COVID-19 Pandemic has just exasperated the problem, and made it to the fore. Despite the efforts by the Ministry of Education (MoE), it took some time to master distance learning, acquire platform and utilise the TV networks to facilitate home schooling during the (initial) lockdown (see: MoP, 2021). However, even with the facilities provided, the issues of access remain, as many families may not have a stable access to internet, needed to enjoy the benefits of online and e-learning.

Investing in EduTech may be justified in principle, but the returns, at least in a short-term, may be limited due to other systemic problems. So, access to and quality of education must be achieved simultaneously. Building better governance within the education (schooling) system, enhancing the capacity of the existing and future teachers, addressing the problems of misconduct and underperformance, with designing the better reward schemes should in a long run have a very good impact on the education system. Building accountability that encompasses both education authorities and teachers is a must; with better decentralisation of decision-making and better management of schools. EduTech initiatives may also bring to more cost-rational education system, where more can be achieved with less (inherent system efficiency inbuilt).

The education sector draws significant public resources. Although there is a private education sector, it is still secondary and supplementary to the publicly funded and run one. Iraq (especially the central Iraq) has been spending about USD1,116.00 per student in 2014-2015, and KRG only about USD40.00 (see: UNICEF, n.d.). However, the number of missing school buildings is still a major policy and operational issue, where the needs are defined in the range between about 8.5 and 10 thousands. This additional capital investment needs may in fact push Iraq's SDG4 investments even to the higher level.

Table 14: SDG4 Implementation Costs for Iraq, 2022-2030 (in USD billion)

| SDG/Scenario | Scenario 1 (UMIC) | Scenario 2 (UMICs – 4th quartile) | Scenario 3 (All developing countries) | Scenario 4 (UMICs – 3rd quartile) |
|---|---|---|---|---|
| SDG4 | 221.683 | 55.421 | 119.920 | 110.842 |

*Source*: Author's calculations

As with other SDGs, we are cascading Kharas and McArthur's (2019) estimates to Iraq, making some additional interventions and assumptions. They propose that a UMIC invests in education additional USD525 dollars per head, whilst the average for all developing counties is USD284.00.[68] Consequently the costs of delivering of SDG4 for Iraq for the period 2002-2030 would cost USD 221.68 billion; if the lower quartile rule is applied the costs will be USD 55.421 billion and finally if the average for all developing countries (of USD284.00 per capita) is applied the costs will be USD119.92 billion. For this particular SDG we believe that the costs will be probably more above the range of the average for all developing countries (i.e. USD119 billion), as Iraq has urgent need to build additional education infrastructure. Interestingly, only the highest sum meets the 'Education-for-All' commitment that the expenditures on education would be minimum 4-6 per cent of GDP.

*Summary:*
*Costs of Delivering on SDG4 – Quality Education: Above USD119.92 billion, i.e. between USD119.92 billion and USD221.68 billion (for the period 2002-2030); or conservatively in the range between USD55.421 and USD119.92 billion*[69]

## 5.6. SDG5: Gender Equality

Iraqi Government is committed to the gender equality agenda, and many initiatives across various sectors do address the issue of gender equality. SDG5 'Achieve gender equality and empower all women and girls' has 9 targets and 14 indicators. Out of 14 indicators,[70] Iraq targets and reports on 4 (see the Table 15 below). Again, as with the previous SDGs, the performance is classified as 'Red', i.e. where the major challenges are remaining (see: Sachs, et al., 2017-2021). Data is generally available, although reported with a delay (for instance data on some indicators are only available until 2019). Over time only minor shifts have happened. The situation has been seen as steady, although if one considers all five years may, in fact, see that the trend has been rather downwards. For instance, female participation in labour force has dropped from 21.5 per cent to 17.1 (in 2019). Table 15 below captures the results over the last five years.

Table 15: SDG5 – Gender Equality Reporting Trail, 2017-2021

| **SDG5: Gender Equality – Achieve gender equality and empower all women and girls** | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Indicators** | **VNR 2019** | **VNR 2021[62]** | **SDSN 2017** | **SDSN 2018** | **SDSN 2019** | **SDSN 2020** | **SDSN 2021** |
| Estimated demand for contraception that is unmet (%of women married or in union, ages 15-49) | - | - | A | G | R | R | R |
| Ratio of female to male mean years of schooling of population age 25 and above | *Rep.* | - | R | R | R | R | R |
| Ratio of female to male labour force participation rate | *Rep.* | - | R | A | R | R | R |
| Proportion of seats held by women in national parliaments (%) | *Rep.* | *Rep.* | A | A | A | A | A |

*Source:* MoP, 2019a; 2021a; Sachs, *et al.*, 2017-2021

Legend: G – Green (SDG achievement); Y – Yellow (SDG Challenges remain); A – Amber (Significant challenges remain); R – Red (Major challenges remain), G – Grey (No data available/data missing); '-' – Not used/reported, Rep. – reported with some performance reference

[68]It should be noted – 'per head of population', not 'per student'.
[69]The latter range option is provided to be in line with other recommendations made
[70]See: https://sdg-tracker.org/gender-equality
[71]The Government has included information on the following indicators not listed in the table: 5-3-1: Proportion of women aged 20- 24 years who were married or in a union before age 15 and before age 18; 5-b-1: Proportion of individuals who own a mobile telephone, by sex

Success of achieving the true gender equality requires gender mainstreaming across all investment areas, and specially health and education. In practice, introduction of gender budgeting is important in capturing expenditures based on gender, and monitor the successes of policy implementation. More importantly legislative and behavioural changes are needed to see that gender-based and related discrimination and violence (gender-based violence, or GBV) are curbed and to improve women's participation in the economic life. Despite the progress in securing gender-equality, it will take more than a generation to achieve full equality (see: WEF, 2018). Gender gap is still a challenge, even in advanced economies, and globally women ae still paid about 20 per cent less than man, whilst over 20 per cent of women under 50 experience violence from her partner within a year (see: UNWOMEN, 2018). Right of succession for women may be limited, as well as legal capacity to own land. Simple amendments of laws would empower women socially and also economically. They could collateralise property to get access to finance.

Of all SDGs, SDG5 is probably the most non-monetary, and cross-disciplinary. Disintegrated data, based on gender spending would ensure that the Government follow the progress and focuses on the areas where the change may be effectuated quickly. Girls/women who acquire secondary education, are more likely to receive twice as much salary compared other primary school only educated peers. In addition, women who have attended the school are less likely to be subjected to early and/or child marriages. However, 129 million girls are out of school worldwide, including 32 million of primary school age, 30 million of lower-secondary school age, and 67 million of upper-secondary school age. In countries affected by conflict, girls are more than twice as likely to be out of school as the girls living in the non-affected countries.

Non-monetary characteristics of gender equality suggest that it is necessary to mainstream it into other investment and intervention areas. This, further on, requires the use of disaggregated data in order to demonstrate the success that may have already been achieved. Offering gender-specific may also be a solution to some of the challenges.  Gender inequality also raises the issue of unpaid labour, and there were estimates that women spend at least 125 million hours to collect water. Better provision of clean water would allow women to use time better, focus on the activities that would bring them recognition and take them out of poverty (see: Oxfam, 2019). It is also assumed that better provision of (affordable) internet will allow women to establish a network and learn new forms of trade on line. Gender disparity is still rather high in developing countries, when it comes to the (regular) use of internet.

Introduction and enforcement of Gender Responsive Budgeting (GRB) may ensure that women benefit from other investments across the SDG framework. We have seen that health and education may directly affect the delivery of SDG5. Ensuring horizontal coordination and treating gender as a crosscutting issue  may accelerate the process of achieving gender equality, or at least initially the gender parity. Even tax policies may affect the gender equality. For instance taxing individuals, rather than the family, may trigger women's interest in joining the labour market to improve the wellbeing of their families.

Table 16: SDG5 Implementation Costs for Iraq, 2022-2030 (in USD billion)

| SDG/Scenario | **Scenario 1 (UMIC)** | **Scenario 2 (UMICs – 4th quartile)** | **Scenario 3 (All developing countries)** | **Scenario 4 (UMICs – 3rd quartile)** |
|---|---|---|---|---|
| SDG 5 | *Assumed the positive spill-over effect* | *Assumed the positive spill-over effect* | *Assumed the positive spill-over effect* | *Assumed the positive spill-over effect* |

*Source*: Author's calculations/assumptions

[72]See: https://www.unicef.org/education/girls-education
[73]For instance, it is reported that girls are mission on average tree days of school due to the menstrual cycle, as the schools do not have necessary sanitary facilities (see: Kgware, 2016). As the World Bank points out, this is a global challenge and is not just 're-served' for developing countries (see: https://blogs.worldbank.org/education/globally-periods-are-causing-girls-be-absent-school)
[74]In many developing countries gender and climate change are treated as crosscutting issues, and this has been reflected in the development of respective national plans.

Kharas and McArthur (2019) have not considered SDG5 in their costing model. Also, other global studies have not considered SDG5. Even, the pre-SDG guide produced by UNWOMEN (see: UNWOMEN, 2015) has not offered a price tag for developing a gender-responsive policies, although providing rough guidelines on how to approach the costing process itself. Considering the cross-cutting nature of SDG5, it may be appropriate to consider positive spillovers from other SDGs that would attract more attention and ipso facto financing such SDG2, 3, and 4; whose implementation may have a positive impact on ensuring gender equality. Iraq has undertaken activities to promote gender equality (see: MoP, 2021), and most likely these activities and policies will continue. However, again, most of them can be subsumed under other SDGs and hence proposal to invest in other SDGs and endure that the gender-sensitive reporting is in place to ensure that investment in other SDGs are gender tracked.

*Summary:*
*Costs of Delivering on SDG4 – Gender Equality: Ensure the monitoring of the spillover effect through the gender-sensitive tracking, where delivery on other SDGS (especially SDG2, 3 and 4) will contribute to achieving SDG5*

## 5.7. SDG16: Peace, Justice and Strong Institutions

SDG16 – *'Promote just, peaceful and inclusive societies'* is one of the most complex, if not the most complex SDG. It has been designed with 12 targets and 23 indicators.[75] Iraq has targeted 13 indicators over the last five years (see: Sachs, et al., 2017-2021). The performance for all the years has been classified as 'Red', i.e. facing major challenges in the implementation process. For some indicators (such as property rights) data has not been available, whilst for most of the others, it was difficult to establish a trend, or the trends have been negative. As Iraq is a post-conflict society, which has been in conflict or post-conflict situation for over forty years now, it is difficult to deliver on the stability, effectiveness and efficiency of institutions. Whilst more population feels safe, which is a positive result, the freedom of press has been in decline, and corruption remains a major challenge. Similarly, the number of unsentenced detainees has been in the constant growth (although still classified as acceptable). The Government is of opinion that the conflict with the Islamic State has had a major negative impact on the delivery of SDG16, which is largely true. However, not all indicators may have been influence by this major security challenge. For instance, freedom of press, should not necessarily suffer because of the conflict in the north of the country.

Table 17: SDG16 – Peace, Justice and Strong Institutions Reporting Trail, 2017-2021

| **SDG16: Peace, Justice and Strong Institutions – Promote just, peaceful and inclusive societies** | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Indicators** | **VNR 2019** | **VNR[67] 2021** | **SDSN 2017** | **SDSN 2018** | **SDSN 2019** | **SDSN 2020** | **SDSN 2021** |
| Homicides (per 100,000 people) | *Rep.* | *Rep.* | R | R | R | R | R |
| Prison population (per 100,000 people) | - | - | Y | N | - | - | - |
| Proportion of the population who feel safe walking alone at night in the city or area where they live (%) | *Rep.* | - | A | A | R | Y | Y |
| Government Efficiency (1-7) | - | - | N | N | - | - | - |
| Property Rights (1-7) | - | - | N | N | N | N | N |
| Proportion of children under 5 years of age who birth have been registered with a civil authority, by age (%) | *Rep.* | - | G | G | G | G | G |
| Corruption Perception Index (0-100) | - | - | R | R | R | R | R |
| Slavery score (0-100) | - | - | R | - | - | - | - |
| Transfers of major conventional weapons (exports) (constant 1990 US$ million per 100,000 people) | - | - | G | G | G | G | G |
| Children 5-14 years old involved in child labour (%) | *Rep.* | - | - | Y | Y | Y | Y |
| Freedom of Press Index (best 0-100 worst) | *Rep.* | - | - | - | R | R | R |
| Unsentenced detainees (% of prison population) | - | - | - | - | G | G | G |
| Access to and affordability of justice (worst 0-100 best) | - | - | - | - | - | - | N |

Source: MoP, 2019a; 2021a; Sachs, *et al.*, 2017-2021

Legend: G – Green (SDG achievement); Y – Yellow (SDG Challenges remain); A – Amber (Significant challenges remain); R – Red (Major challenges remain), G – Grey (No data available/data missing); '-' – Not used/reported, Rep. – reported with some performance reference

[75]See: https://sdg-tracker.org/peace-justice

The success in implementing SDG16 similarly to SDG5 depends more upon changes in vision, culture and non-financial interventions than upon monetary inputs. Countries (Bangladesh, Mongolia and Nepal, for instance) may have costed inputs into the security and judiciary system (employment of more police offices, prosecutors, judges, etc.); but although it may improve the system, it does not necessarily mean that the overall perception of the system and its effectiveness may be directly influenced. Creating more tightly knitted society, promoting meaningful and effective social dialogue (which cannot be easily costed) will have probably more positive impact on the success of SDG16, than the physical increase of the law enforcement. At the same time, it is widely recognised that SDG16 implementation is a 'universal challenge'[77] , where the capacity needs and gaps represent a critical barrier to meaningful SDG 16 implementation.

All SDGs require the societal mobilisation, but it is of utmost importance for SDG16, as the Government has to engage with the third sector and other development players to ensure the results. To create dynamic and engaged society, the Government has to ensure that there is a democratic environment where these players feel empowered to participate and take the lead, when necessary. Although it is generally agreed that the Government takes a lead in implementing SDGs, the meaningful engagement with other players is a key to the success. Access to justice and rule of law are also challenge for many countries, as for instance in over 40 countries in the world, citizens do not have an instrument to challenge the administrative decisions of the Government. Unsentenced prison population has been steady at around 30 per cent, although the number of imprisoned people has grown in absolute terms. Closing the justice gap may remain a challenge, even after a major investment in improving the access to justice and strengthening the rule of law.

Improving the written laws, better enforcement and training of police may have addressed the technical aspects of justice, but may not necessarily lead to the better legal environment for citizens. Local specifics and challenges have to be addressed in a unique and often highly innovative manner, rather than replicating the international solutions, regardless how highly they may be regarded. Often laws have been drafted using the best (i.e. 'leading') international practices, but the implementation was lagging, as they did not fit in well within the existing legal system and/or societal dynamics. Hence, the implementation of SDG16 may be one of the most complex. Many of the achievements are still difficult to track, as they may have additional spillover effect. For instance, stronger rule of law may influence the investment attractiveness of the country; have positive impact on the gender quality, access to education and health , more effective partnership (both with the domestic and international partners), contribute to reducing inequalities (i.e. meeting SDG10 commitments), and so on.

In some instances, it is possible with minimal efforts to ensue better results. For instance, in the case of 'Indicator 16.6.1 – primary government expenditures as a proportion of original approved budget, by sector (or by budget codes or similar)', Iraq has failed by just less than 3 per cent. With additional monitoring and efforts to ensure that the budget is executed at the rate of minimum 85 per cent, would make Iraq compliant (see: Sachs, et al., 2017-2021). In other cases, the institutional and performance gaps may be wider and difficult to address in a short-run. Hence, the commitment, multi-sector approach and advocacy may accelerate the implementation.

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[76]Additional indicators reported om VNR 2021, but not in the Table 6: 16-1-2: Conflict related deaths per100,000 population, by sex, age, and cause; 16-1-3: Proportion of population subjected to physical, psychological, or sexual violence in the previous 12 months; 16-2-2: Number of victims of human trafficking per 100,000 population, by sex, age, and form of exploitation

[77]See: https://sustainabledevelopment.un.org/content/documents/23672BN_SDG16_LV.pdf

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Table 18: SDG16 Implementation Costs for Iraq, 2022-2030 (in USD billion)

| SDG/Scenario | Scenario 1 (UMIC) | Scenario 2 (UMICs – 4th quartile) | Scenario 3 (All developing countries) | Scenario 4 (UMICs – 3rd quartile) |
|---|---|---|---|---|
| **SDG16** | 29.558 | 7.389 | 23.646 | 14.779 |

*Source*: Author's calculations

Kharas and McArthur (2019) have estimated the costs of access to justice (i.e. SDG16) for upper MICs to USD70.00 per head, annually; whilst the average for all developing countries is estimated to be USD56.00. If we follow the same model as we applied for other SDGs, the total costs will be USD29.558 billion, whilst the bottom quartile cost would be USD7.389 billion. SDG16 costs calculated based on the average cost for developing countries would be USD 23.646 billion. Compared to other SDGs, SDG16 has the smallest margin, and the differential between lower and upper MICs is relatively small, which is reflected in the international average applied.

*Costs of Delivering on SDG16 – Peace, Justice and Strong Institutions – should be in the range between USD7.389 and USD23.646 billion. However, it should also be noted that as Iraq is a 'chronic post-conflict society', the costs are more likely to be closer to the upper estimate, i.e. USD29.6 billion.*

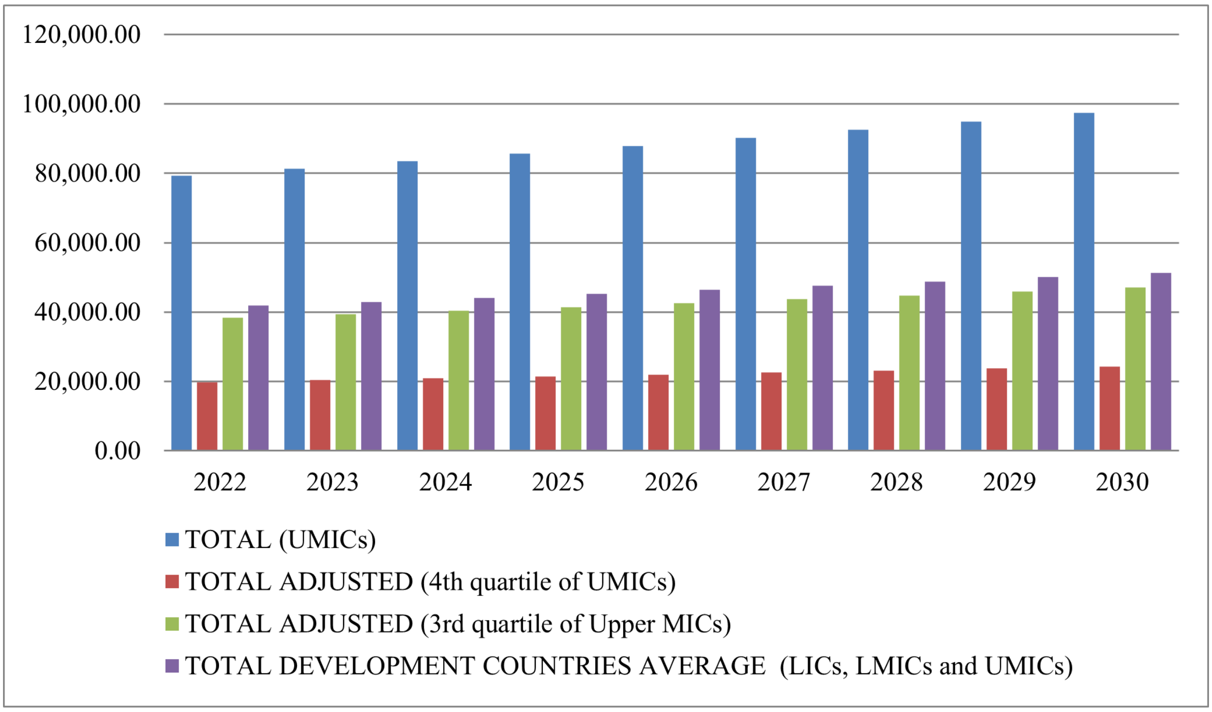
[78]As maladministration in other spheres of government activities may be challenge the court (i.e. through the judicial review of an administrative decision)

[79]See: https://sdg-tracker.org/inequality (SDG10 - Reduce inequality within and among countries, has 10 targets and 11 indicators, some of which may have marginal overlap with other SDGs, such SDG4 and SDG5, creating opportunities for target interventions and benefits of spillover effect)

## 5.8. Summary of SDG Cost Estimates

For the purpose of this Study, the global estimates developed by Kharas and McArthur (2019) have been applied to Iraq. A range of costs has been developed, defining the resource needs envelope that is to be developed in order for Iraq to meet UN2030 Agenda targets and deliver on SDG commitments. Kharas and Arthur (2019) classify countries in three main groups, LICs, LMICs and UMICs, and summarise the costs for all developing countries. Iraq is an upper middle-income country (UMICs) and as such, we have started estimates using the SDG costings per head of population for UMICs. However, as Iraq is in the bottom, fourth quartile of that group, we have adjusted the calculation for the bottom, 4th quartile group. In most cases there were still higher than the costs developed for LMICs. And, finally, we have used the average for all developing countries as a reference point. Although not used for the individual SDG costings, we have also used the third quartile data, as in three years Iraq's GDP per head merited classification in that quartile (although not recently). The Figure below shows all the options for the period 2022-2030, for delivering SDGs 1-5 and 16 (see: Figure 11).

Figure 11: Total SDG 1-5 and 16 Costing for Iraq, 2020-2030




*Source: Author's calculation*

Upper MICs are expected to invest the most in meeting SDG expectations (see: Kharas and McArthur, 2019). In the graph, it can be seen that the bottom quartile UMICs (if this approach is applied) would invest less than LMICs whilst those in the 3rd quartile would invest slightly below the average for all the developing countries (LICs, LMICs and UMICs)[80]. Although in the case of 'expensive' SDGs (e.g. SDG1 and SDG4) investing at the level expected for UMICs may be difficult to achieve for many UMICs, investing in the 4th quartile would also be too low to deliver the expected results. This is why most likely the investment needs may be established around 3rd quartile and average for all developing counties, whilst for social protection and education the needs may be in the 4th and 3rd quartile, although ideally in the range that may be established for other SDGs.

Total SDG investment needs for Iraq, therefore, have been established in the following range: 1) if the full investment standards for UMICs are applied and an additional investment of USD1,878.00/head made, the total costs for the period 2022-2030 would be USD792.992 billion. If we use the 4th (bottom) quartile filter, than the investment would be USD198.248 billion, whilst the third quartile boundary would be at USD383.828billion. Average for all developing counties (USD990.00/head) would amount to USD418.031 billion. Therefore, most likely that the minimum SDG investment is about the needs under 3rd quarter rules and average costing for the developing countries. For the SDGs which are seen as a national priorities and the starting positions may be somewhat low, an additional investment may be required.

[80]Kharas and McArthur (2019) have estimated that for achieving SDG1-4 and SDG16, the cost per head for LICs would be USD274.00, for LMICs – USD423.00, for UMICs – USD1,878.00, and the average for all the developing countries was set at USD990.00. Kharas and McArthur (2019) have not costed SDG5 – Gender equality.

*Summary[81]:*
*UMICs investment: USD792.992 billion; UMICs – 4th quarter: USD198.248 billion; UMICs – 3rd quarter: USD383.828 billion; Average development countries:* USD418.031 billion.

## 6. Estimating the Possible SDG Financing Gap

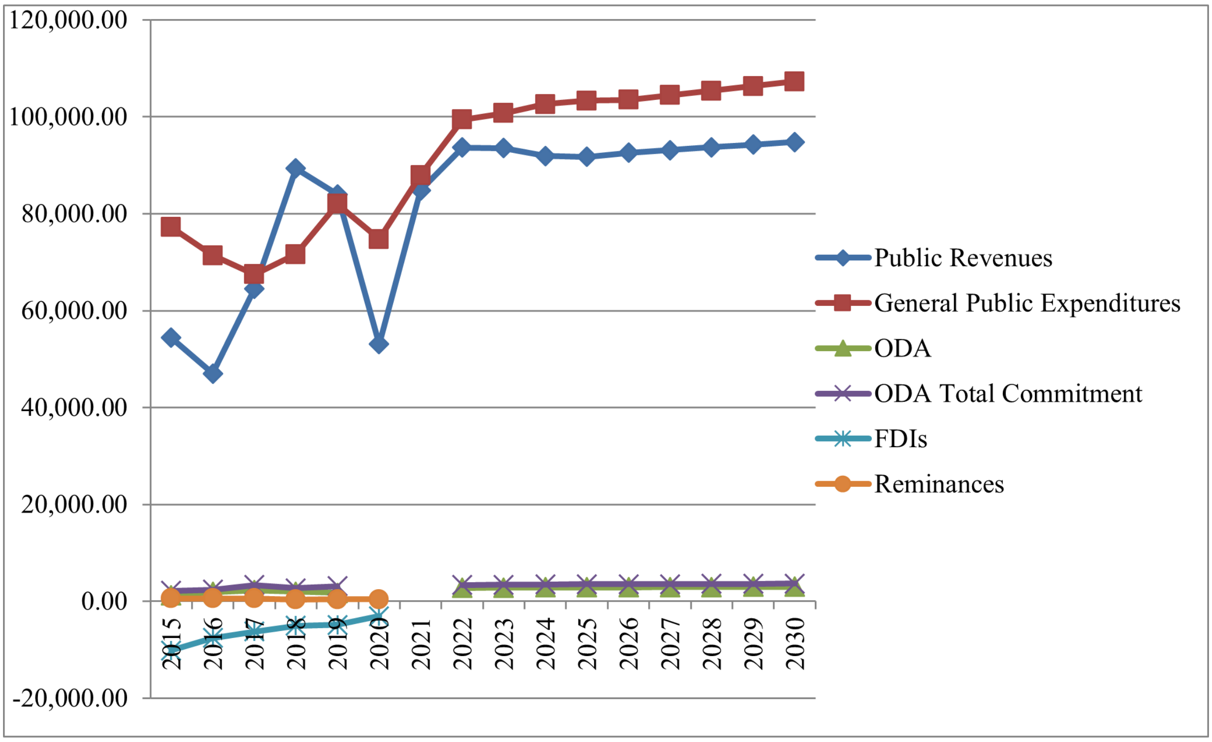
The financing gap is defined as a difference between the financing needs and available resources. In the context of this Study, it is the difference between the total revenues and desired expenditures. For the most of the past period observed (i.e. from 2015 to 2020), Iraq has had a budget deficit, i.e. the expenditures have outstripped revenues. Also, the budgetary revenues have been very volatile, as they are highly oil price dependent. For instance, the public revenues have dropped for a third between 2019 and 2020, from USD99.2 to USD66.2 billion. The similar was with the GDP for these two years. As the Government has commitments and pre-commitments, the expenditures have been less volatile, although they have been also affected by the revenues and the price of oil. Government has always attempted to meet the obligations and hence resorted to borrowing. During this period, the Government has spent between USD1,800.00 and USD2,300.00 per head of population. For the period 2026 to 2030, we have projected the spending per head of population to be in the range of USD2,050.00 and USD2,100.00. The most was spent in 2015, although the bigger spending has been projected for the period 2021-2024, i.e. for the post-pandemic recovery, but not surpassing USD2,360.00 per head of population.

We assume that most likely a maximum 15 per cent of the current (and for that matter the future) expenditures[82] may be realigned and focused on the development needs, although without the proper SDG budget tracking it is difficult to establish what part of the current budget is spent on the SDG related issues. In estimating the future revenues, the assumption was made that the trends outlined by the IMF estimates for the period 2021-2026[83] will more or less continue until 2030[84] . Therefore, the population growth was set to be circa 2.6 per cent, GDP growth 4.5 per cent, revenue growth 0.6 per cent and expenditure growth 0.9, annually. With the growth of 4.5 per cent, one would expect that the revenue growth would be higher; however, the experience in Iraq suggests that the Government, somehow, failed to improve revenue rates, even when the good economic growth was recorded. The reason for this may be that the Iraqi economy is de facto a single product/commodity economy. These countries experience very high monetary inflows in the times of good international price for their commodity, and contract significantly, when the price of the dominant commodity declines[85].

Although we assumed that the major source of development finance would be the public sector, we have included information on the past performance of two (usually) major international private sector financing sources – Foreign Direct Investments (FDIs) and Remittances. However, in the case of Iraq, it is clear that these cannot play any major role in providing finance to cover the 2030 Agenda needs. The Figure below (see: Figure 12) presents the past performance for the public revenues and expenditures (expenses), as well as for FDIs and Remittances. In line with other projections, we have presented the possible growth in public revenues and expenditure, following the framework presented earlier in this chapter.

[81]If the costing (investment need) for all SDGs is to be considered the results will be as follows: UMICs required investment: USD902.457 billion; UMICs – 4th quarter: USD225.614 billion; UMICs – 3rd quarter: USD457.546 billion; Average development countries: USD475.438 billion. Investment per head of population for UMICs is USD 2,559.00 and the average for all developing countries (LICs, LMICs and UMICs) is USD1,349.00. Investment per head of population is USD2,559.00 for UMICs, USD1,349.00 as average investment for all developing countries, whilst USD344.00 is required for LICs and USD583.00 for LMICs (see: Kharas and McArthur, 2019).
[82]That is until 2030
[83]In providing estimates in October 2021, the IMF assumed that the average price of oil will be USD65.68 a barrel in 2021 and USD64.52 a barrel in 2022 and will remain unchanged in real terms over the medium term (see: https://www.imf.org/external/pubs/ft/weo/data/assump.htm)
[84]On the estimated movement of oil prices refer to the IMF Primary Commodity Price System
[85]Extractive industries counties are often experiencing resource curse, or 'Dutch disease'. See more, on rennet political economy thinking in Ross, 2015.

Figure 12: Major Development Flow, Iraq, 2015-2030




*Source: Author, based on data provided by the World Bank.*

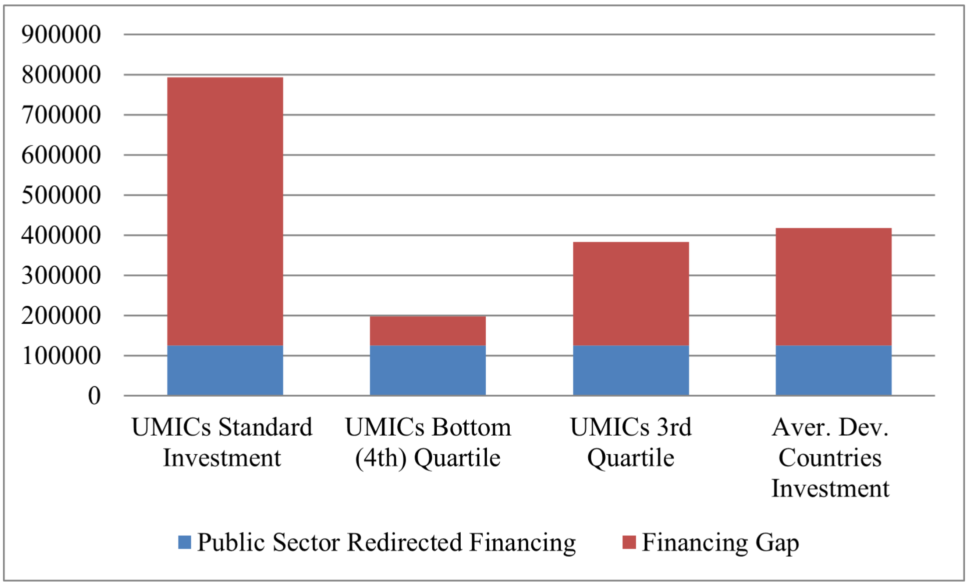
We have also tried to project the future ODA flows to Iraq. We have used the past trends and projected into the future, hoping for a slightly better performance in the absorption capacity exhibited by the Government. Although Iraq can probably expect that ODA may take up to 4 per cent of total government expenditure, but at present only 'consumes' on average about 2.5 per cent. In addition, the difference between ODA disbursement and ODA commitments is about 1 to 1.5 per cent of the government budget, suggesting that there is a significant room for improvement.[86]

With information on SDG related expenditures of the current budgetary spending missing, we may assume that 15 per cent of the current expenditure commitments may be redirected towards meeting SDG goals. With the projected public expenditures between 2022 and 2030 being USD839.268 billion, we may assume that USD125.89 billion may be tagged to be spent directly to support delivery of SDGs.

Hence, if this is applied the financing gap may be estimated to be between USD667,101.381 million (if standard UMICs investment target is used), USD72,357.695 million (if the bottom (i.e. 4th) quartile option applied), USD257,937.993 million (if the 3rd quartile option is applied), and finally USD292,140.50 million (if the average developing countries investment option is applied). As we have intimated before, most likely the real development needs will be between 3rd quarter financing needs and the financing estimated for UMICs. Therefore in our case, the gap will be in the between US257.94 billion and USD667.1 billion. It is difficult to estimate what really will be needed, as the national unit (per capita costs) have not be ascertained (or made available), and also the policy/intervention costing has not been completed. The latter is partly due to the fact that the next NDP, which should start next year, is still under development.

[86]It cannot be easily seen from the Figure 4, but the unspent amounts may go up to and over USD1 billion, annually.

Figure 13: Iraq's Financing Gap, 2022-2030 (Four Scenarios)




*Source: Author.*

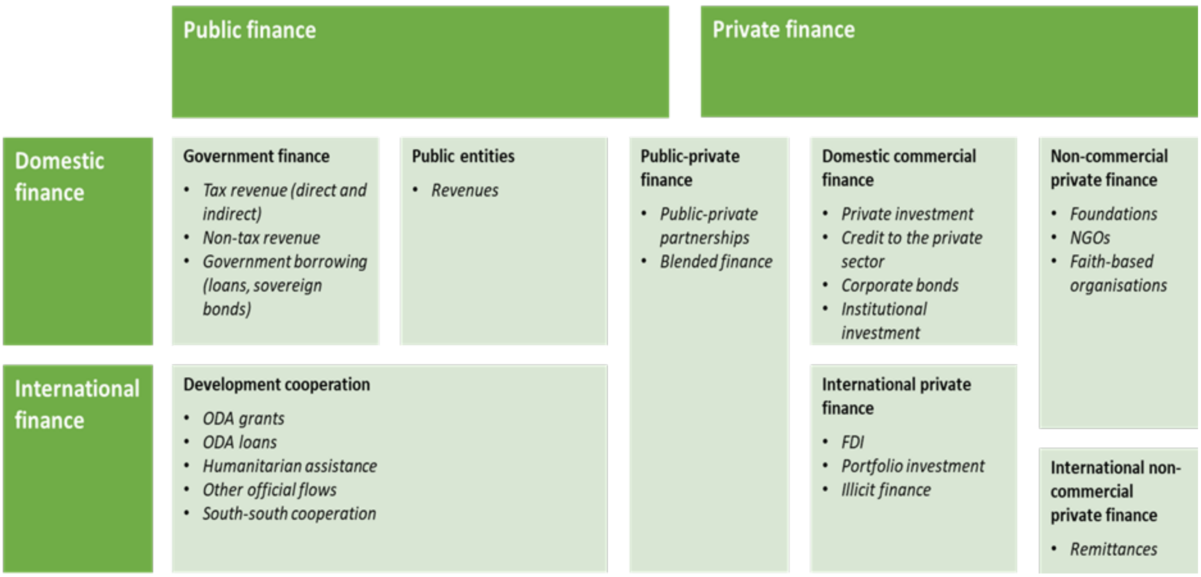
*Summary:*
*Financing gap for achieving SDGs 1-5 and 16 for Iraq, for the period 2020-2030: Scenario 1: USD667,101.381 million (full UMICs option); Scenario 2: USD72,357.695 million (UMICs 4th quartile option); Scenario 3: USD257,937.993 million (UMICs3rd quartile option), and Scenario 4: USD292,140.50 million (average for all developing counties option).*

## 7. Rethinking Financing Instruments: Innovative and Alternative Financing

Development finance comes from multiple sources. Traditionally, ODAs were seen as a major source of development finance but nowadays ODA contributes a few percent to development finance portfolio. The main source of development finance is public finance and it is recognised that the Government (i.e. the State) is a major player.[87] Fiscal revenues are now a major source of finance and in many developing counties (especially UMICs) contributes to over 2/3 of the development finance envelope. Focus on taxation and non-tax fiscal revenue has been present for a while, and even LDCs have been successful in raising their fiscal revenues collection, although still far away from developed countries. In Iraq, public revenues have been between 30 and 35 per cent of GDP, which falls roughly around an average for the OECD countries[88] (see: OECD, 2021). However, Iraq's fiscal performance is not linked with the efficiency in collection, but rather is directly proportionate with the price of oil in the international market. In the years when the price of oil was high, Iraq's fiscal performance was exceptional, and *vice versa*.

Modern theory of development finance classifies development flows to private and public, and domestic and international (see: UNDP, 2019; 2021). The Figure below (see: Figure 14) presents these flows and major source of finance

Figure 14: Sources of Development Finance




*Source: DFA Guidebook, Oct. 2020*

As we can see from the Figure 14 above, Governments may target many traditional sources of finance, and to a large extent, the Iraqi government has explored public finance sources, both domestic and international. However, the tax system has to be strengthened further, so that it provides steady revenues in the situations where the oil revenues are failing to hit the mark. Also, better engagement with international development partners, may lead to more ODA and other development financing, as at present Iraq has spent up to 70 per cent of committed sources, demonstrating that there are the bottlenecks to be addressed, and work to be added on development of social projects that may be seen by international partners as bankable.

[87]On widening fiscal space, especially for social sectors, see: Ortiz et al., 2019
[88]Although the OECD countries cover the range from about 18 per cent (Mexico) to about 47 per cent (Denmark)

A Public-Private Partnership (PPP) framework is in place in Iraq, but has not been fully developed and has not been effectively utilised to provide additional sources of finance for development. Blended finance is still in its nascent state and has to be explored further. There is capacity within the relatively small Iraqi private sector that can be utilised in the process of development financing. For instance, Uzbekistan has used PPP to attract private investment in the pre-school education and address chronic shortage of places in kindergartens. Based on this positive experience, the country is exploring PPPs in other areas. There are however, negative PPP experiences as well, and the project proposals need very close scrutiny.[89] Therefore, there is a need for better defined polices and engagement strategies, both nationally and internationally. Nationally – building the capacity further and engaging in the dialogue with the national development partners; and internationally – developing attractive and economically and socially sound projects that can attract attention of development partners and financially supported.

Mobilising private finance is crucial for development, especially domestic private finance. Domestic investment is a key to accelerate economic growth. In Iraq domestic investment is rather low. The Government assesses that the financial system is weak (see: ECFR, 2020; MoP, 2021), and in need of major reform. Domestic capital market is limited and more operates as money market (trading short-term securities). Remittances and FDI inflows are very low (see: Figure 12 above), and in the case of FDIs we in fact have an outflow in the last five years, whilst the remittances have dropped from USD692 million in 2015, to USD385 million in 2020.[90] Similar experience is with portfolio investment, although those should not be encouraged per se, due to the weak regulatory regime in Iraq.

Iraq may consider utilising other sources of finance to support economic development, such as impact bonds, climate/green bonds, as well as more aggressive use of Islamic finance. Although a UMIC, Iraq is still a post-conflict society and possibly exploring a debt swap may be an option, where the investment will be in education, and/or social protection. All those instruments open avenues of collaboration with the private sector, both national and international. Partnering with the international public and private organisations may also improve the overall risk management, see to de-risking of some investments and ultimately improving the access to finance for the country. Developing bankable social projects that may lead to demonstrable social impact on one side and opening opportunities for an effective partnership between the public and private sectors, would certainly attract attention of development partners, both within and outwith the county.
Admittedly, innovative financing for development, as represented by a range of results-based or payment-by-results models are still representing a small portion of development finance. This is not true only for ODA, but also for government development spending and FDIs (see: Innovative Financing Initiative, 2014). However, there are mainly opportunities to develop this further and see that various development partners are brought together to facilitate development. Also, aligning the private investment with the national vision and NDP is a challenge for many governments, especially those with the lack of tradition of lager national policy coordination and/or development of national economic/industrial policies. Iraq has had a tradition of national planning and at least in the last seventy years there was a succession of NDPs.

Using the status of a post-conflict country, Iraq may explore the Fast-Track Initiatives (FTIs), especially in education (see: World Bank, 2005), as it is the sector that probably needs the most investment. If we look at the allocation of resources that was suggested, SDG4 (Good education) is the second highest after SDG1 (No Poverty). It has also become popular to engage more comprehensively with the Diaspora and probably considering issuing diaspora bonds may also be another option to secure additional sources for financing development. Diaspora bonds may also be accompanied with other facilities that are offered to diaspora should they be interested in engaging in business and other ventures in Iraq. Some countries have instituted diaspora banking accounts, which offer services that are in the between resident and non-resident banking accounts, with some additional privileges.

[89]For instance, in Lesotho, national referral hospital has been set up as a PPP entity and due to problematic contracting consumes at present about 70 per cent of the national health budget (see: Oxfam, 2014).
[90]See: The World Bank Development Database

Promoting domestic social impact investing and Corporate Social Responsibility (CSR) initiatives may also be something to look at in securing additional development financing, ensuring that the investment activities are in line with the national development planning ambitions. In other words, to secure additional development financing, the Government may consider various sources, master the traditional finance, as well as explore innovative and alternative solutions, utilising the international initiatives and responding timely to the calls by the development partners. Mobilising the third sector finance, both domestic and international, should also provide additional resources, as third sector finance remain untapped in many developing countries.

However, before these new financing options are explored, it is may be advisable to develop a comprehensive INFF, and agree, at least the basics of, the national development financing policy/strategy, ensuring that there is some kind of national consensus on the financing envelope and basic understanding how the finance will be managed.

## 8. Conclusion

Costing of SDGs is usually undertaken during the planning phase, to establish the monetary needs for achieving SDGs. It is usually followed by estimating the development finance revenue flows and determining any eventual gap in development financing. As the financial gaps have been estimated in USD trillions at the global level, it is likely to assume that most if not all counties will experience some kind of financing gap. SDG costs are usually defined by using the unit costs and/or costing policy interventions that are to deliver particular outputs/outcomes. Establishing unit costs has been challenging for many counties primarily due to the systematic lack of data or incomplete information set. Many SDGs require national definition of standards, basic costs, minimum service levels, or service floor costs. In a number of counties this information is often incomplete, or prone to frequent changes, so that it cannot be regarded as a reliable input for the costing process.

Data gap for Iraq has been significant, although slowly narrowing (see: UNDP and CSO, 2021). It also can be seen from the analysis of SDG implementation progress for Iraq (see: MoP, 2019a; 2021a; Sachs, et al., 2017-2021). In the case of SDG Progress reports (Sachs, et al., 2017-2021) about a quarter of indictors (in an anyway limited target set) were listed as data not available. Or in some cases data has been almost a decade old (dating back to 2011).

In order to establish SDG costing needs for Iraq, global studies have been considered, and one of the most recent by Kharas and McArthur (2019) was used, with their per head investment needs projections. Their annual investment need for SDG1-4 and SDG16 related sectors has been taken and applied to Iraq. Iraq is a UMIC, and hence their UMICs estimate was used. As the UMICs GNP/head range is wide, we have split them into quartiles and Iraq was placed in the bottom (4th) quartile, although in 3 years from 2005 to 2020 was placed in 3rd quartile. So, we have calculated the necessary investment using input for the UMICs group, and adjustments for bottom (4th quartile) and also the average for all developing countries. So, for instance, LMICs should invest USD423.00 more per year to achieve SDGs1-4 and SDG16. UMICs should invest USD1,878.00 per head, whilst the average for all developing countries is USD990.00. Bottom (4th) quartile need was set as USD469.5, and 3rd UMICs quartile need was USD939.00, per head annually.

Consequently, the total financing needs have been estimated as follows: UMICs investment option would require USD792.992 billion over next nine years; UMICs – 4th quarter rule requires investment of USD198.247 billion, whilst the UMICs – 3rd quarter is set at USD383.828 billion. If average development countries option of applied total investment for the period 2020-2030 would be in the range of USD418.031 billion. This gives the possible range of investment needs for Iraq. These are significant investments requirement for a country whose current government budget amounts to just below USD75 billion (in 2020). In other words if the entire government budget is spent on reaching SDGs, Iraq would be USD118 billion short. In estimating revenues we have assumed that about 15 per cent of current government expenditures can be reallocated to SDG spending though better management, realignments, efficiency gains, better effectiveness in spending, etc. With this assumption being introduced, we have seen that the financing gap is still significant for the public sector to close it.

The financing gap for achieving SDGs 1-5 and 16 for Iraq, for the period 2020-2030, for the first option (full UMICs option) would be USD667,101.381 million; if UMICs 4th quartile option is applied the costs would be USD72,357.695 million, whilst 3rd quartile scenario would amount to: USD257,937.993 million. Gap of USD292,140.50 million is present if the average for all developing counties financing option is applied. As the gap range is rather wide, we assume that the total gap is probably somewhere between the average developing countries options (which is rather at the similar level to the 3rd quarter needs) and the gap that would exist if the full UMICs option is to be entertained.

To close this gap, Iraq will have to be rather innovative in combining the use of traditional financial streams and experimenting with the new ones. For instance, improving the absorption capacity for ODA would ensure that the difference between ODA commitment and ODA execution narrows, although ODA represent a very small portion of total development spending. Similarly, reducing the oil dependency and improving the taxation system would provide good returns in long run. Strengthening private sector and encouraging private sector investments, ideally aligned with SDG agenda, would also have positive impact on the financing mix.

In contrast to many Arabic countries, FDIs and remittances do not play a major role in development finance. FDIs have experienced outflow in the last few years, whilst remittances have halved in the last five years. Developing projects that can be proposed for debt swap may be an option to look at, although Iraq as a UMIC would not outright qualify. As education and social protection require most investment (USD525.00 and USD799.00 per head, respectively), projects in these two sectors would certainly have the highest societal return. FTIs are also worth considering, as well as rethinking possible PPP options to improve pre- and primary school education. Better engagement with the private sector may strengthen both education and health sectors, and improve the overall sectoral outcomes. This would, however, require better planning and better project management, as well as the robust legal and policy framework for the engagement with the public sector. Development of (minimum) national standards is also needed, as well as the outcome expectations. Pay-for-results options may work with both international and domestic development actors.

Iraq, despite the last forty years being marred with almost continuous conflict (both external and internal) which left little space for respiration and recovery, has potential to get back on the track of economic and societal development. Utilising the current oil revenues well, undertaking actions to quickly diversify the economy, creating an exciting environment for MSMEs, supporting entrepreneurship of any kind, strengthening the societal cohesion and governance, addressing the internal crises quickly, establishing a meaningful societal dialogue on the territory of the entire country, strengthening banking and financial system, and so on, would certainly enable Iraq to delivery for its citizens and return its old reputation of a success Gulf country.

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## BRIEF ROADMAP AND NEXT STEPS

1. Accelerate development of the Next NDP and ensure that the costing is attached to it, taking into consideration investment floors proposed by this study;

2. Initiate the INFF process;

3. Strengthen the national development dialogue and bringing around the table both domestic and international players;

4. Ensure better linkages between planning and budgeting process;

5. Introduce SDG budget tagging model, and re-introduce GRB;

6. Explore climate and social finance policies and products;

7. Improve project management, absorption capacity (for both ODA and budgetary funds), and strengthen the local finance raising capacities;

8. Ensue an effective dialogue between the Central Government and KRG, and promote meaningful social dialogue across the entire country.

9. Decide on the focused action and choose targets that can be reasonably achieved, rather than 'thinning' the efforts.

# APPENDICES

Appendix 1 – SDGs1-5 and 16 (Goals and Targets)

### SDG 1: No Poverty - *End poverty in all its forms everywhere*

1.1 By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than USD1.90 a day (originally set value was USD1.25)[91]

1.2 By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions

1.3 Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable

1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance

1.5 By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters

1. A Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions
1. B Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions

### SDG2: Zero hunger – *End hunger, achieve food security and improved nutrition and promote sustainable agriculture*

2.1 By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round

2.2 By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons

2.3 By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment

2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality

2.5 By 2020, maintain the genetic diversity of seeds, cultivated plants and farmed and domesticated animals and their related wild species, including through soundly managed and diversified seed and plant banks at the national, regional and international levels, and promote access to and fair and equitable sharing of benefits arising from the utilization of genetic resources and associated traditional knowledge, as internationally agreed

[91]See: https://unstats.un.org/sdgs/report/2016/goal-01/#:~:text=The%20international%20poverty%20line%20is,26%20to%2013%20per%20cent

2.A Increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development and plant and livestock gene banks in order to enhance agricultural productive capacity in developing countries, in particular least developed countries

2.B Correct and prevent trade restrictions and distortions in world agricultural markets, including through the parallel elimination of all forms of agricultural export subsidies and all export measures with equivalent effect, in accordance with the mandate of the Doha Development Round

2.C Adopt measures to ensure the proper functioning of food commodity markets and their derivatives and facilitate timely access to market information, including on food reserves, in order to help limit extreme food price volatility

SDG3: Good health and well-being - *To ensure healthy lives and promote well-being for all at all ages*

3.1 By 2030, reduce the global maternal mortality ratio to less than 70 per 100,000 live births

3.2 By 2030, end preventable deaths of new-borns and children under 5 years of age, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under-5 mortality to at least as low as 25 per 1,000 live births

3.3 By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases

3.4 By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being

3.5 Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol

3.6 By 2020, halve the number of global deaths and injuries from road traffic accidents

3.7 By 2030, ensure universal access to sexual and reproductive health-care services, including for family planning, information and education, and the integration of reproductive health into national strategies and programmes

3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all

3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination

3.A Strengthen the implementation of the World Health Organization Framework Convention on Tobacco Control in all countries, as appropriate

3.B Support the research and development of vaccines and medicines for the communicable and non-communicable diseases that primarily affect developing countries, provide access to affordable essential medicines and vaccines, in accordance with the Doha Declaration on the TRIPS Agreement and Public Health, which affirms the right of developing countries to use to the full the provisions in the Agreement on Trade Related Aspects of Intellectual Property Rights regarding flexibilities to protect public health, and, in particular, provide access to medicines for all

3.C Substantially increase health financing and the recruitment, development, training and retention of the health workforce in developing countries, especially in least developed countries and small island developing States

**3.D** Strengthen the capacity of all countries, in particular developing countries, for early warning, risk reduction and management of national and global health risks

SDG 4: Quality Education – *Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all*

**4.1** By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and Goal-4 effective learning outcomes

**4.2** By 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education

**4.3** By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university

**4.4** By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

**4.5** By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations

**4.6** By 2030, ensure that all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy

**4.7** By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development

**4.A** Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, nonviolent, inclusive and effective learning environments for all

**4.B** By 2020, substantially expand globally the number of scholarships available to developing countries, in particular least developed countries, small island developing States and African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programmes, in developed countries and other developing countries

**4.C** By 2030, substantially increase the supply of qualified teachers, including through international cooperation for teacher training in developing countries, especially least developed countries and small island developing states

SDG 5: Gender Equality - *Achieve gender equality and empower all women and girls*

**5.1** End all forms of discrimination against all women and girls everywhere

**5.2** Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation

**5.3** Eliminate all harmful practices, such as child, early and forced marriage and female genital mutilation

**5.4** Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate

5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life

5.6 Ensure universal access to sexual and reproductive health and reproductive rights as agreed in accordance with the Programme of Action of the International Conference on Population and Development and the Beijing Platform for Action and the outcome documents of their review conferences

5.A Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws

5.B Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women

5.C Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels

SDG 16: Peace, Justice and Strong Institutions - *Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels*

16.1 Significantly reduce all forms of violence and related death rates everywhere

16.2 End abuse, exploitation, trafficking and all forms of violence against and torture of children

16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all

16.4 By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime

16.5 Substantially reduce corruption and bribery in all their forms

16.6 Develop effective, accountable and transparent institutions at all levels

16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels

16.8 Broaden and strengthen the participation of developing countries in the institutions of global governance

16.9 By 2030, provide legal identity for all, including birth registration

16.10 Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements

16.A Strengthen relevant national institutions, including through international cooperation, for building capacity at all levels, in particular in developing countries, to prevent violence and combat terrorism and crime

16.B Promote and enforce non-discriminatory laws and policies for sustainable development

Designed by Kuljit Jutla through United Nations Volunteers