

TERMS OF REFERENCE

Political economy analysis to inform public works interventions in Iraq

Background

Iraq is in a precarious stage of its post-conflict recovery and development following decades of conflict, insecurity and instability. While the government has embarked on a reform agenda in response to widespread popular protests since late 2019, progress has been hampered by the broader global economic downturn spurred by the COVID-19 pandemic, and the 2016-21 collapse in international oil prices. Robust economic reforms remain to be enacted (including those brought on as a response to the protests such as expanded public sector employment, pensions and transfers).

One significant challenge facing the Iraqi Government, and which was a crucial driver of the large-scale protests that erupted in 2019, is the limited availability of decent employment opportunities in the country, which, together with other factors, results in a relatively low labour force participation rate (particularly for women), high unemployment, high underemployment, and high levels of informality in the labour market.

Indeed, Iraq has enjoyed a favorable demographic profile characterized by the working-age population expanding at a higher rate than the general population, widely referred to as the “demographic window of opportunity”. While the expansion of the working-age population, and the concomitant enlargement of the labor force, can be the driver for sustained economic growth, Iraq’s inability to create sufficient jobs to absorb the rapidly growing labor force has led to waves of social unrest. Youth unemployment is especially alarming estimated at 36 percent, while unemployment among women rises to 28 percent. This age and gender dimension to the unemployment ratios in Iraq is coupled with the low participation rate of female citizens in the labor market, currently at only 10.6 percent in comparison of male labor for participation at 68 percent.

These two factors (low participation rates among female citizens and high unemployment rate) have not allowed Iraq to translate the demographic window of opportunity into an economic window of opportunity. Out of the 26 million in the working age population, only 8.6 million are employed. With this large demand for employment, the share of the private sector remains low at only roughly 61 percent of employment. Moreover, the main feature that characterizes Iraq’s labor market is the high degree of informality. Reports suggest that about two-thirds of workers in Iraq are likely to be informal (with self-employed estimated to account for 22 percent of Iraq’s total employment). Women with low levels of education and skills are often self-employed and concentrated in typically informal private sector activities. Informal work is characterized by decent work deficits, including low wages, limited rights at work, and weak job and income protection. One of the decent work deficits relate to the limited social security coverage for private sector workers.

In the short term, neither private nor public sector hiring can create the jobs at the required scale without new policy action for employment intensive approaches such as public works as set-out in the Government’s White Paper for Economic Reforms of 2020.

Objectives

The overall objective of the assignment is to lay the groundwork for planned strategic and operational intervention in public works in Iraq, through the provision of a granular political economy and stakeholder analysis in this domain.

Activities

For the assignment, the consultant will be expected to conduct research for and draft a detailed report on the political economy and stakeholder analysis on public works in Iraq. This should notably contain:

1. A detailed mapping and political economy analysis of the role of stakeholders who (may) influence the prospects of meaningful reform/implementation of support in the domain of

public works. All stakeholders (individuals, institutions, groups of stakeholders, international actors, private sector actors) should be identified, including their role, interests pursued, influence and capacity in allowing/blocking successful strategic/operational interventions by the Iraqi Government in the area of public works. This should include but is not limited to:

- a. Interests pursued and what is at stake for the respective actors.
- b. Resources/power of influencing (notably societal, political, judicial, institutional, financial, informal power networks).
- c. An assessment of how the interests and resources of influencing may positively or negatively influence the Iraqi Government efforts in the domain of public works.
- d. Contextualisation of the concept of public works in relation to previous, ongoing and future interventions in Iraq in connected areas such as social protection, employment policy and labour governance.
- e. Situating public works in the broader debate around the social contract in Iraq
- f. Granular recommendations for policy dialogue and programmatic interventions

The requested report **should cover Iraq as a whole (Federal Iraq and KRI)**. It is the choice of the contractor to decide whether to cover both the federal and regional dimension in one report or to split them into two separate reports. Specific attention is to be given to the needs of displaced populations and returnees.

Deliverables

- Inception report. The report should describe initial findings, methodology, progress in collecting data for desk work, any difficulties encountered or expected in addition to the work programme, list of interviewees, templates for the report.
 - Within 1 month of the launch of the project
- One draft and final report on political economy and stakeholder analysis in public works in Iraq, outlining research findings as per the above details.

The language of the reports will be English.

Location and Duration

The majority of the work is expected to be home-based, with missions to Erbil and Baghdad anticipated under the contract in order to conduct in person interviews.

The project is expected to be completed within seven weeks, as outlined in the timeline below.

<i>Activity / Deliverable</i>	<i>Timeline / Deadline</i>
Inception phase	Week 1
<i>Inception report</i>	End of week 1
Desk review and data collection	Week 2-3
Data analysis and report writing	Week 4-5
<i>Submission of draft report</i>	End of Week 5
Integrating inputs received on draft report	Week 7
<i>Submission of final report</i>	End of week 7

Expertise and experience requirements

Two experts are sought to complete the assignment:

Lead expert

- Minimum of a master's degree in social science, political science, economics, governance, or equivalent.
- At least 10 years of experience in political economy research, preferably with a focus on public policy, employment, social protection, public policy, political economy or similar.

- Proven previous professional experience in Iraq or MENA countries related to the topic of the assignment, or closely linked to it.
- Proven experience in managing a research project, giving strategic guidance and supervision, quality assurance, trouble shooting, drafting and comprehensive delivery of scoping studies, research and political economy reports,
- Proficiency in English; proficiency in Arabic and/or Kurdish would be considered as an asset.

Junior expert

- Minimum of a bachelor/master's degree in social science, political science, economics, governance, or equivalent.
- At least 6 years of experience in research and analysis, preferably with a specialisation in the fields of employment, social protection, public policy, political economy or similar.
- Strong knowledge of key stakeholders involved in employment policy in Iraq (ideally both in Federal Iraq and KRI).
- Proficiency in English and Arabic. Proficiency in Kurdish would be an asset.

Application submission

To apply, please send a) your CV, b) your daily fee rate and c) a sample of previous research work to bothn@ilo.org and alkaram@ilo.org by COB on **July 26th 2022** with the email subject "Political economy analysis to inform public works interventions in Iraq."