



Project Information Document/ Identification/Concept Stage (PID)

Concept Stage | Date Prepared/Updated: 15-Jun-2022 | Report No: PIDC262006



BASIC INFORMATION

A. Basic Project Data

Project ID	Parent Project ID (if any)	Environmental and Social Risk Classification	Project Name
P178770		Moderate	Mosul - Youth inclusion through Cultural and Creative Industries
Region	Country	Date PID Prepared	Estimated Date of Approval
MIDDLE EAST AND NORTH AFRICA	Iraq	15-Jun-2022	
Financing Instrument	Borrower(s)	Implementing Agency	
Investment Project Financing	Republic of Iraq - Ministry of Finance	Ministry of Youth and Sports	

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PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	3.15
Total Financing	3.15
Financing Gap	0.00

DETAILS

Non-World Bank Group Financing

Trust Funds	3.15
Trust Funds	3.15

B. Introduction and Context

Country Context

1. Iraq suffered immense damage in years of conflict and violence, resulting in major economic and social losses to the population. In 2018, the national poverty headcount was nearly 7 percentage points higher compared to what it would have been in the absence of conflict. The destruction from the war was severe in urban centers across the full range of social, productive, infrastructure and cross cutting sectors of the



economy. The economic and social downturn has been exacerbated by the acute double shocks resulting from the COVID-19 pandemic, and the abrupt drop in oil prices in 2020.

2. **The country strives to manoeuvre away from these regional security and economic challenges.** In the aftermath of the 2019 mass protests, efforts have been underway towards having a new political and social contract laying the ground for establishing good governance, economic development, and the foundations for long-term stability and prosperity. Restoring the social contract between the State and citizens is a key priority for increasing social inclusion and accountability, and to address grievances on weak governance, inadequate service delivery and the growing discontent of the youth with regards to the lack of employment opportunities.

3. **Decades of conflict have led to massive flows of forced displacement, exacerbating persistent vulnerabilities and needs among Internally Displaced Peoples (IDPs) and returnees.** More than 6 million Iraqis were displaced at the height of the military hostilities against the Islamic State of Iraq and the Levant (ISIL) between 2014 and 2017. Over 92 per cent of all remaining IDPs are in protracted displacement for 3 years or longer, with most displaced for more than 5 years (79 per cent). Since 2020, the number of IDPs returning to their area of origin or being re-displaced increased, coupled with persisting challenges in terms of social cohesion, lack of access to services and infrastructure and sometimes, security issues. Approximately half of returnees (51 per cent) live in conditions of medium or high severity, reflecting a lack of livelihoods, services, social cohesion and security. The governorates of Nineveh, Anbar and Salah Al-Din host the largest number of returnees in Iraq.

4. **In the International Conference for the Reconstruction of Iraq held in Kuwait in February 2018, the Government of Iraq (GoI) and the international community agreed on a Reconstruction and Development Framework (RDF).** The RDF is grounded on five strategic recovery pillars, i.e., (i) governance, (ii) reconciliation and peacebuilding, (iii) human and social development, (iv) infrastructure, and (v) economic development for Iraq's comprehensive recovery and reconstruction leading to inclusive and sustainable development. In line with the RDF, the GoI has been leading the recovery and reconstruction efforts with support from the international community. Over the last four years, early recovery activities such as restoring service delivery, reviving markets and the reconstruction of key facilities have been implemented to support the government's intention to improve the life of the affected population.

5. **Young Iraqis have disproportionately suffered from recent conflicts and poor economic prospects.** They are in need of support and hope for the future to reduce their vulnerability resulting from violence, ideological manipulation or abuse. National efforts are underway to place youth at the core of economic and social development through greater civic engagement and economic empowerment, thereby enhancing their opportunities for social and economic inclusion.

Sectoral and Institutional Context

6. **While Iraq is gradually recovering from years of conflict, thousands of vulnerable families across the country remain displaced and in acute need of protection and livelihoods support.** As of 31 August 2021,



according to the International Organization for Migration (IOM), 1,191,470 IDPs and 4,884,612 IDP returnees resided across all 18 governorates of Iraq. The Ninawa province, of which the historic city of Mosul is the capital, was one of the most affected by the conflict and the city itself was the most severely damaged. According to IOM, as of March 2022, the total number of returnees in Nineveh Governorate stood at 1.92 million individuals out of 4.95 million nationwide (about 39 percent of all returns). This is the largest returnee population compared to other governorates, and it includes the highest number of returnees (260,256) living in severe conditions that worsened due to the COVID-19 outbreak and ensuing lockdown.

7. Forcibly displaced, returnees and host community youth and women have seen their social and economic vulnerabilities exacerbated in the aftermath of the conflict and as a result of the pandemic.

Continued displacement remains a key driver of conflict, threatening communities' social cohesion. The vulnerable displaced populations, in particular the women and youth, have been severely affected by significant rises of poverty and widespread unemployment or underemployment. Over half of Iraq's total population of more than 40.2 million are under the age of 25. As of January 2021, the unemployment rate was more than 10 percentage points higher than the 12.7 percent level record prior to the COVID-19 pandemic. Unemployment among the displaced, returnees, women and youth jobseekers, the pre-pandemic self-employed, and informal workers remains elevated. Many young women and men lack the skills necessary to find a job or start businesses, a challenge even more pronounced in fragile, post-conflict and displacement-affected areas.

8. Due to lower barriers of entry, the Cultural Creative Industries (CCI) play a critical role in development and foster the socio-economic inclusion of vulnerable groups.

As per UNESCO definition, the CCI sector includes organized activities that have, as their main objective, the production or reproduction, the promotion, distribution or commercialization of goods, services and activities of content derived from cultural, artistic or heritage origins. In Iraq, it is estimated based on anecdotal evidence that the CCI sector is heavily dependent on youth. Being part of a creative ecosystem often encourages connections between groups that normally would not interact, thus building commonalities, innovation and valuing diversity. Cultural Creative Industries have strong linkages with intangible heritage, bring creators together within a defined spatial dimension, reinforce local knowledge and skills, build-up creative networks and can attract innovators. The dynamic also helps to broaden social networks, increase social capital and strengthen a sense of identity. As underlined in the 2021-UNESCO-World Bank framework on Cities, Culture and Creativity, CCI contribute to social cohesion at the neighborhood level, enable creative networks to form and advance innovation and growth, create opportunities for those who are often socially and economically excluded. The approach across sectors and localities will encourage those supported to reflect on the needs of their communities, and collectively design initiatives that address them. With regards to local cultural initiatives, the activities will complement ongoing similar initiatives such as: the Revive the Spirit of Mosul initiative led by UNESCO with a focus on heritage, education and cultural life.

9. Moreover, it helps integrate marginalized communities, such as displaced people and refugees. The CCI sector currently provides nearly 30 million jobs worldwide and employ more people aged 15–29 than any other sector. Nearly half of the people working in the cultural and creative industries are women, opening up new opportunities to address gender inequalities .



10. **Nineveh is well-known for its ancient sites and cultural assets, it was home to businesses producing ceramics, paint, leather and wool goods and textiles.** Its capital Mosul is known for its cultural diversity, significant heritage resources including its vicinity to World Heritage Sites and the legacy of vibrant cultural and creative industries. The potential of CCI sector lies in its capacity to create economic activities and employment opportunities for the youth and women in Mosul. Moreover, the fact of reintegrating the local culture into the fabric of the society engaging youth and women in local cultural initiatives will also contribute to building back the sense of identity, reestablish communities and build community resilience.

11. **The proposed project is conceived as an integral part of the Promoting Youth Employability, Entrepreneurship, and Engagement in Local Economic Recovery in Development in Nineveh program financed through the PROSPECTS Partnership Opportunity Fund (OF) window with the Netherlands as the donor of the partnership.** The proposed project will be implemented in close coordination with ILO and UNICEF as participating partners of the PROSPECTS OF joint program. The proposed project will build on the positive outcomes achieved by the two previous and ongoing Japanese Social Development Funds (JSDF) pilots, i.e., the Youth Livelihoods Development in Southern Iraq project (P125102) closed in May 2015, and the Promoting the Inclusion of Conflict-Affected Youth project (P161654) due to close in June 2022. While the first pilot provided livelihoods support through (i) life and employability skills training, (ii) youth-led community activities, (iii) workplace apprenticeship, and (iv) entrepreneurship activities to unemployed youth in homogenous communities of Southern Iraq, the second pilot has been testing (i) soft skills training, (ii) youth-led community development, and (iii) micro-entrepreneurship activities in conflict-affected communities across Baghdad. Drawing on lessons learned from both pilot interventions, the proposed project would provide support to displacement-affected young populations in Mosul, Nineveh governorate, including the forcibly displaced, returnees, and host communities youth.

Relationship to CPF

12. **The proposed project is aligned with the Country Partnership Framework (2022-2026), in particular with its objective 2.2. of improving economic opportunities for youth and women.** The project will aim to expand economic opportunities and entrepreneurship programs for the disadvantaged youth, women and vulnerable communities including through life skills and vocational trainings and livelihood support, consistent with the World Bank Group twin goals of ending extreme poverty and promoting shared prosperity.

13. **The project is consistent with the 2020 GoI White Paper, and particularly with the second key pillar which promotes the creation of sustainable job opportunities.** The project will support the economic and social inclusion of forcibly displaced, returnees and host community youth through skills development and activities promoting micro-entrepreneurship to reduce poverty among youth beneficiaries and to make creative and cultural goods and services more accessible for local communities in Mosul. Furthermore, the



project will support youths' individual capacities to cope with conflict, providing them with valuable life and soft skills to promote resilience to trauma.

14. **Finally, the project will support community initiatives and engagement in the creative and cultural industries, with the objective to enhance social trust, social cohesion and/ or peaceful coexistence between the displaced, returnees, and host community youth.** Such youth-led community initiatives will therefore contribute to reducing the risks of conflict and instability which are particularly high in areas liberated from ISIS where internal displacement is still present, such as Mosul.

15. **The project will complement ongoing and forthcoming related interventions such as: the Revive the Spirit of Mosul initiative led by UNESCO with a focus on heritage, education and cultural life.** In addition, the project will coordinate with the Emergency Operation for Development (EOD) project (P155732) and analytical work conducted through the Area-Based Reconstruction Planning in Mosul and other Urban Centers in Iraq, as part of the MENA recovery readiness in conflict situations project (P162875), for potential synergies with activities implemented in Mosul area. Furthermore, the project will be implemented in very close synergy with IFC StartMashreq entrepreneurship program by benefitting from the StartMashreq platform's available training tools and materials and possibly leveraging the opportunity for the target beneficiaries to access its incubation program. As part of the PROSPECTS joint program with UNICEF and ILO, a referral mechanism will be established to ensure all target youth can be referred to one or another PROSPECTS partner's associated intervention, in case more suitable to their needs or if not eligible to benefit from the proposed project's entrepreneurship support.

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C. Project Development Objective(s)

Proposed Development Objective(s)

16. The Project Development Objective (PDO) is to promote the social and economic inclusion of vulnerable youth and women in Mosul (i) by offering skills development, access to livelihoods and entrepreneurship support in the cultural and creative sectors, and (ii) through local cultural community development initiatives.

17. To achieve its objective, the project will seek to: (i) enhance the employability of the beneficiary young population in Mosul through the provision of technical, life and soft skills development trainings in the CCI sector; (ii) provide livelihoods support to eligible youth through matching grants and mentoring for micro-entrepreneurship in the CCI sector; and (iii) engage youth and women in the design and roll-out of local cultural initiatives to support community cohesion in Mosul.

Key Results

18. PDO level indicators will include:

- Number of direct beneficiaries. Target: 2,000, of which at least 50 percent of young women and 30 percent of displaced youth.
- Percentage of youth beneficiaries reporting an increase in income as a result of micro-entrepreneurship activities. Target: 70 percent.



- Percentage of youth beneficiaries reporting greater community cohesion and tolerance at community level as a result of local cultural community initiatives. Target: 50 percent.

D. Preliminary Description

Activities/Components

19. The proposed project is structured around 3 main components:

Component 1: Supporting youth skills development for increased employability and entrepreneurship (approx. US\$ 580,000)

20. The objective of this component is to promote skills development for at least 2,500 young disadvantaged women and men in Mosul through soft skills and vocational trainings. Beneficiaries will include the forcibly displaced, returnees, and host community youth of Mosul. The MoYS will benefit from the extensive available data on poor households owned by the Ministry of Labor and Social Affairs (MoLSA) to efficiently target the host community vulnerable youth located in Mosul. In addition to optimizing the achievement of the proposed project's objectives, this inter-ministerial coordination will support national-led efforts towards sustainable economic empowerment of the poor segments of the population.

Sub-component 1.1: Life skills training and psychosocial support

21. This sub-component will provide life psychosocial skills training to the targeted vulnerable youth and women in Mosul. The training activities will be implemented by the MoYS Project Management Unit (PMU) with the support of a contracted local service provider. The sub-component will build on the successful achievements of the two previous JSDF pilots, in which trainings were the flagship activity. However, unlike the previous pilots, the proposed project will test and tailor soft-skills trainings to mixed groups of conflict- and displacement-affected young population, returnees and host community youth, so as to enhance the peacebuilding dimension of the activities.

22. To reflect the specific context of the Nineveh governorate, the type of soft-skills training will be adjusted to emphasize even more on emotional coping skills (managing stress, feelings, and moods) and social, interpersonal and inter-group relationship skills, as opposed to the more traditional employability focus. In addition, the trainings will include a mixed set of engaging activities such as leadership, decision-making, communications training, arts, cultural heritage and sports, community-based events, and group based psychosocial support to protect or promote beneficiaries' mental health and psychosocial wellbeing.

23. The life and psychosocial skills training will be developed coherently with the joint curriculum that will be recommended by PROSPECTS partners, building on partners training modules and tools – including those delivered by NGOs previously contracted by the MoYS under the Promoting the Inclusion of Conflict-Affected Iraqi Youth (P161654) pilot project – while being specific and responsive to the needs of Mosul. A review, assessment and consolidation of relevant life skills trainings previously delivered by ILO, UNICEF, the MoYS



and MoLSA through other Bank-financed projects, will help informing the proposed project's life and psychosocial skills curriculum.

Sub-component 1.2: Vocational trainings specific to the cultural and creative industries sector

24. The vocational trainings will prepare the youth to entrepreneurship opportunities with a focus on a various local occupations in the cultural and creative industries sector, ranging from visual arts, crafts and intangible cultural heritage (e.g., handicraft, cobbling, tailoring, jewelry, culinary traditions, management of heritage sites, etc.) to design and creative services such as housing-related industries (e.g., furniture, lighting, or home textile). The vocational training curriculum will be informed by a rapid market and needs assessment that will be carried out at the inception phase of the project.

25. Following the successful completion of this sub-component, participants will be eligible to apply to the micro-entrepreneurship activities or youth-led community development initiatives (component 2).

Component 2: Fostering youth engagement to revive the local cultural and creative economy and community cohesiveness (approx. US\$ 2,050,000)

26. This component aims to support 2,000 youth who have benefitted from skills development in engaging (i) in micro-entrepreneurship (completion of component 1.1. and 1.2. is a prerequisite), or (ii) in youth-driven cultural community initiatives (completion of component 1.1 is a prerequisite).

Sub-component 2.1: Start-up support for developing youth micro-entrepreneurship in the CCI sector

27. The start-up support will be provided in a form of matching grant where at least 1,000 eligible beneficiaries would be required to match a minimum percentage of the grant value with in-kind and/ or financial contribution so as to create a greater sense of ownership, therefore increasing the chances of micro-entrepreneurship success with sustained results beyond the project.

28. Prior to benefit from the micro-entrepreneurship support, beneficiaries would have been required to: (i) complete the soft skills and vocational trainings under component 1; and (ii) prepare and submit a business plan for the micro-entrepreneurship activity, while ensuring it proposes to support a socially and environmentally sustainable, and economically viable business activity. The start-up support will be granted according to the feasibility and prospects for successful implementation of the micro-entrepreneurship proposal. Moreover, proposals that would bring two or more young candidates together would be prioritized and encouraged as it will lead to cost-efficiency, contribute to mutual learning and teamwork, therefore increasing the survival rate of the business activity. Coaching and mentorship will be provided to micro-entrepreneurship beneficiaries before and after they receive their start-up capital to increase chances of success. A gender- and disability-sensitive lens will be applied to ensure differentiated needs of vulnerable young men, women, including those from ethnic/ religious minorities and the disabled are taken into account.

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Sub-component 2.2: Civic engagement through local cultural community initiatives

29. Young participants would be eligible provided that they participated in the soft skills trainings (component 1.1), following which they will be trained on how to design and implement local cultural community projects. Each group will then be required to complete a small sub-project supporting an activity serving the community needs. The same youth should participate in the implementation of the activity, while ensuring it brings different social groups together. Activities will place an emphasis on empowering cultural heritage and in reviving Mosul's cultural identity and pride in the aftermath of the devastating conflict and important loss of the city's memory. Activities promoting cultural heritage could include cultural exhibitions and events targeting youth and women in the various occupations related to the intangible cultural heritage (handicraft, culinary traditions, history and management of heritage sites, etc.), small rehabilitation works, cleaning of streets located near cultural heritage sites, awareness raising forums in relation to cultural heritage, etc.

Component 3: Project Management (approx. US\$ 520,000)

30. This component will support the following activities: (i) project management for the coordination and implementation of activities including some operating costs; (ii) project monitoring and evaluation (M&E) activities; (iii) preparation of the final evaluation report including lessons learned; (iv) environmental and social risk management; (v) participatory evaluations; and (vi) annual audits.

31. A Management Information System (MIS) online platform that will be owned by the MoYS will be developed to monitor: (i) the project's beneficiaries from training to (self-)employment; and (ii) the start-up support received by beneficiaries, therefore serving both M&E and financial management purposes. The MIS will increase transparency and efficiency of the activities by providing accurate and timely information. Furthermore, the MIS will be expanded to include, where feasible and subject to PROSPECTS partners willingness and agreement for data sharing, referral mechanisms to ensure candidates to the program can be systematically referred to each partner's project according to the candidate's aspirations and eligibility criteria.

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Environmental and Social Standards Relevance

E. Relevant Standards

ESS Standards		Relevance
ESS 1	Assessment and Management of Environmental and Social Risks and Impacts	Relevant
ESS 10	Stakeholder Engagement and Information Disclosure	Relevant
ESS 2	Labor and Working Conditions	Relevant
ESS 3	Resource Efficiency and Pollution Prevention and	Relevant



	Management	
ESS 4	Community Health and Safety	Relevant
ESS 5	Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Not Currently Relevant
ESS 6	Biodiversity Conservation and Sustainable Management of Living Natural Resources	Not Currently Relevant
ESS 7	Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Not Currently Relevant
ESS 8	Cultural Heritage	Relevant
ESS 9	Financial Intermediaries	Not Currently Relevant

Legal Operational Policies

Safeguard Policies	Triggered	Explanation (Optional)
Projects on International Waterways OP 7.50	No	
Projects in Disputed Areas OP 7.60	No	

Summary of Screening of Environmental and Social Risks and Impacts

The Environmental and Social risk rating is "moderate". There are no significant adverse environmental impacts associated with the project. The project does not include any physical work except the cleaning of streets located near cultural heritage sites under component 2 or any environmental clean-up campaigns. The project activities may result in some community and occupational health and safety risks, in particular exposure to Covid-19 at training events or in an office environment. Other risks OHS risks might come from using sharp tools, materials and light equipment in activities particularly under components 1 & 2, such as wood, metal, clay, horn, glass, and some tools like crochet needle, needle, shuttle and hairpin, however this depends largely on the specific activity. The other expected environmental impacts associated with the collection of street waste near the cultural heritage sites, their management, and disposal, however, this should be done in close coordination with local authorities such as the municipality, and security authority to get an official agreement to ensure the targeted area are free UXO/ERW. There are limited direct adverse social impacts resulting from project activities since there are no civil works except the ones described in the environmental risk rating section; does not involve any land acquisition and do not affect Indigenous Peoples. The project will have mainly positive social impacts through the provision of equally accessible opportunities and skill development to both male and female youth. Key social potential risks and impacts of the project include (i) the risk of inequalities in accessing project benefits, including potential risk of elite capture; (ii) eligibility criteria not well-designed, transparent or appropriately disseminated (iii) the risk of exposure to COVID-19 during the implementation of activities, both in terms of community exposure and exposure of project workers; (iv) risks related to social exclusion in its various forms that would need to be mitigated through ensuring that project benefits, such as access to training and job opportunities can be accessed and optimized for vulnerable youth, including to youth living with disabilities; (v) risks that project activities related to livelihood interventions.

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