



# PRESS RELEASE

## New study to help strengthen Iraq's private sector

**Baghdad, 12 September 2021** - The Ministry of Planning's Central Statistical Organization (CSO) in partnership with the United Nations Development Programme (UNDP) and with funding from the United States Agency for International Development (USAID) has today launched a study on Micro, Small, and Medium-Enterprises (MSMEs) in Iraq. The study provides an evidence base to inform policies and strategies aimed at creating sustainable livelihoods, including through MSMEs' development.

Funded by USAID, the Mixed Formal and Informal Micro, Small, and Medium-sized Enterprises Survey covered the three governorates of Baghdad, Basra, and Nineveh. It is designed to build a comprehensive analysis on the MSMEs structures, trends, business dynamics, challenges and opportunities through up-to-date, reliable, relevant market information and analysis.

Some of the main findings of the survey highlight the low participation of females in MSME ownership (5%); the increasing challenges faced by MSMEs due to the impact of the COVID-19 pandemic; and the weak networking structures and business clustering of MSMEs.

The Minister of Planning, Dr. Khalid Battal Al-Najm reiterated his support for the initiative.

"In light of the directions of the Iraqi government, represented by the Ministry of Planning to address and reform the economy, activate the private sector, and enable it to actively contribute to the economy in all its sectors, it was necessary to identify the size of this sector and its needs, and the level of small and medium enterprises for workers in the informal sector," says Dr. Al-Najm

"In cooperation with UNDP and with funding from USAID, the CSO carried out a survey covering individuals working in the private sector with the aim of providing economic indicators that will guide planning for the advancement of the private sector and development of MSMEs. The study

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covered multiple areas, including financing and challenges faced with regards to loans and the use of modern technology, as understanding the participation rate of women entrepreneurs," adds Dr. Al-Najm.

His Excellency valued the great support provided by UNDP Iraq and USAID, in implementing and the completion of this important study, which it is hoped to include all governorates in the next stage, and expressed his will for further cooperation, in various fields.

John Cardenas, Mission Director of USAID Iraq emphasized the critical role MSMEs play in building local economies. "MSMEs are the lifeblood of any healthy economy. They also offer untapped opportunities for youth, women, and vulnerable populations to actively participate in the market and contribute to the country's economic growth and long-term stability. We are proud to be partnering with our Iraqi government counterparts and the private sector to enact critical initiatives and reform projects that empower MSME growth and elevate their role in the Iraqi economy," says Mr. Cardenas.

"MSMEs in Iraq face significant challenges. As we continue to grapple with the social and economic impacts of COVID-19 in Iraq, this study once again highlights the importance of the private sector in Iraq to create much-needed sustainable employment opportunities, especially for vulnerable groups. This critical work could not have been possible without our strong partnership with the Ministry of Planning, and the generous support from our longstanding partner USAID," added Zena Ali Ahmad, Resident Representative of UNDP Iraq.

The survey is part of UNDP Iraq's [Funding Facility for Economic Reform](#) programme – designed by UNDP Iraq to promote sustainable poverty-centered economic reform in the country, and with the generous support of the American people through USAID.

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