



INTEGRATED SDG INSIGHTS

IRAQ

This initiative supports the articulation of national commitments to SDG transformation, towards accelerated SDG action in the second half of the 2030 Agenda.



HOW TO READ THIS REPORT



Integrated SDG Insights provides an overview of a country's economic growth trajectory, highlighting potential conflicts between growth, environmental concerns, and societal well-being (referred to as the **SDG Moment**).



It builds from the foundation of national SDG progress through the lens of the 5Ps and uses machine learning to analyse national development ambition with an SDG lens (**SDG Trends & Priorities**).



Combined, these insights are mapped against SDG interlinkages to define policy choices that accelerate SDG progress, tailored to national context (**SDG Interlinkages**).



These policy choices are made against fiscal constraints and opportunities for stimulus to ensure choices translate to development impact and leave no one behind (**Finance & Stimulus**).

SDG MOMENT: IRAQ

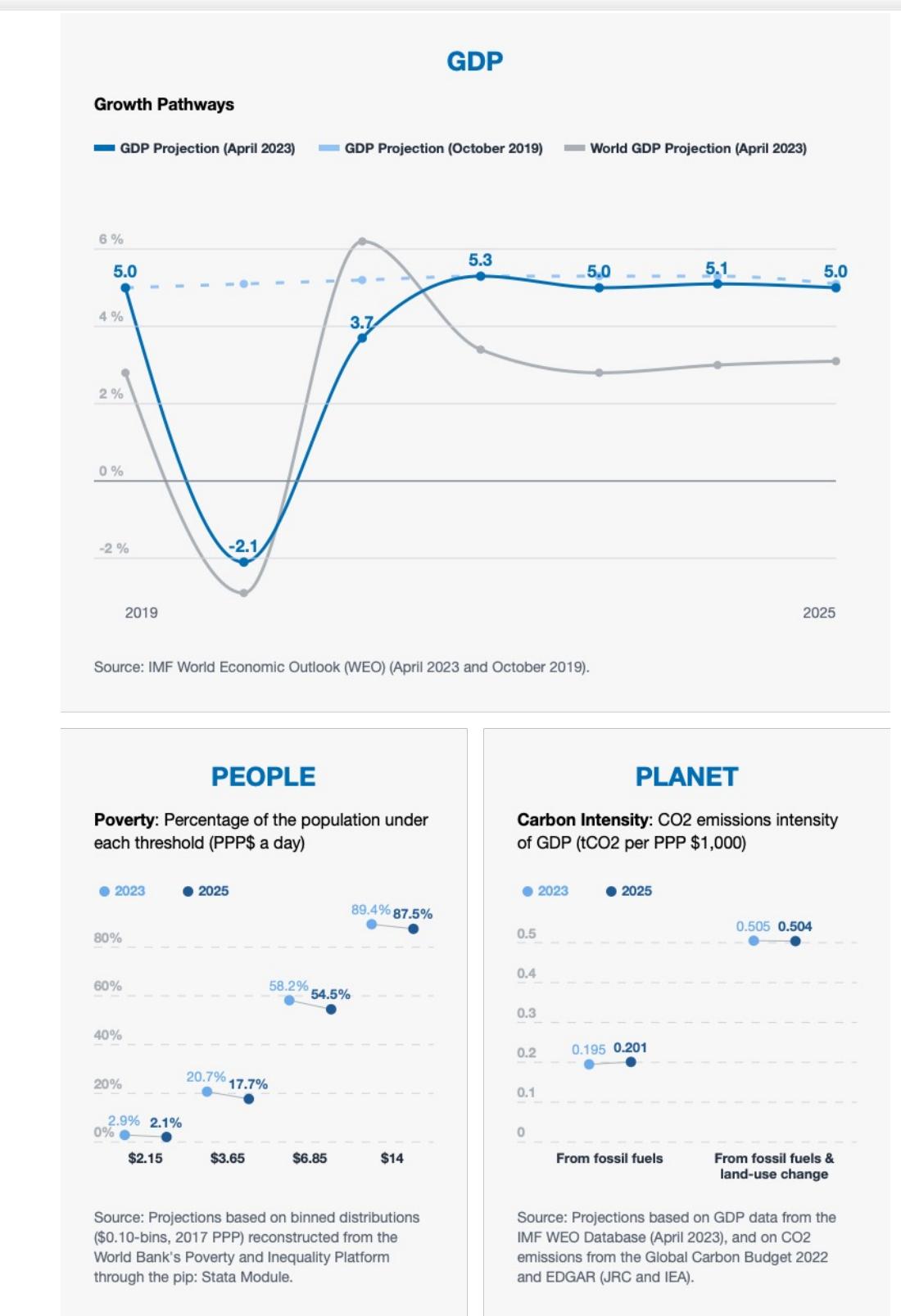
While economic growth is a key element in achieving the SDGs, many countries are intent on moving beyond growth as a yardstick for progress. In the short run, growth enables the SDGs; but in the long run, the SDGs aim to transform the pattern of growth itself.

Iraq's pace of growth during the cycle 2023-2025 is in acceleration, characterized by being 7% higher, on average, than that of the world, and well above the country's growth trajectory projected before the pandemic.¹ Accordingly, Iraq's commitments to achieving the SDGs are focused on increasing people's well-being.

However, this pace of growth occurs at the expense of the environment as Iraq's carbon emissions intensity of GDP is expected to increase at an annual rate of around 5% due to fossil fuel usage and land-use change.² On the other hand, the economic expansion is not expected to exert a noticeable effect on lowering the incidence of poverty, leaving the percentages of the population living under the international poverty lines of \$3.65 and \$6.85 a day virtually unchanged in the short-term. Hence, significant distributional challenges remain to overcome this stagnation in progress.

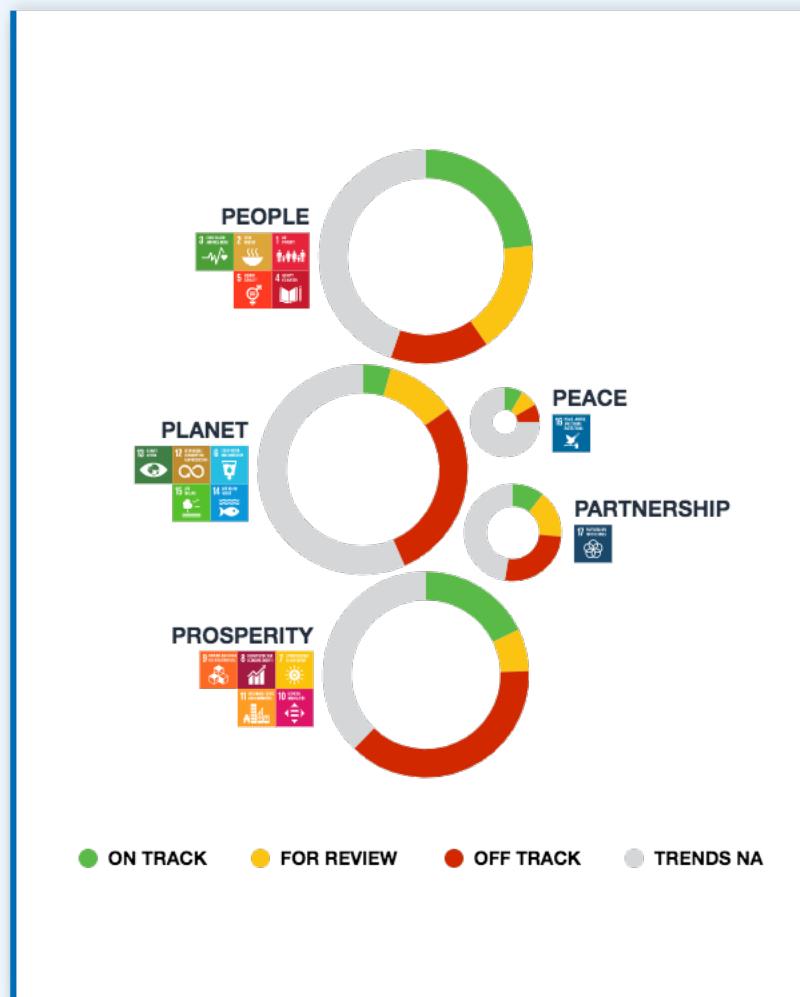
¹ The economic cycle is determined by adjusting the country's current GDP growth forecasts (April 2023) by their gap relative to the forecasts made before the pandemic and subsequent crises (October 2019). If the adjusted rates (not shown) are below 2%, the economy is considered in mitigation; it is coping if the adjusted rates range between 2%-4%, and it is in acceleration if they are above 4%.

² CO2 emissions intensity of GDP is computed as tonnes of CO2 per \$1,000 (2017 PPP).



SDG TRENDS

Understanding how Iraq performs against the SDG targets provides a baseline landscape against which to build integrated SDG pathways. SDG progress tracking follows [UN Stats standards](#) and [methodology](#), and is aligned with country profiles.



SDG PRIORITIES

Iraq's national priorities are analysed using machine learning to reveal the most prominent SDGs referenced in national policy documents. This analysis uses a custom-built model for SDG classification. It considers 100k+ terms, including phrases and expressions.



Key documents analysed:

1. Iraq Vision 2030
2. The Ministerial Program
3. The 2023-2025 three-year budget
4. The United Nations Sustainable Development Cooperation Framework IRAQ (UNSDCF)
5. National Population

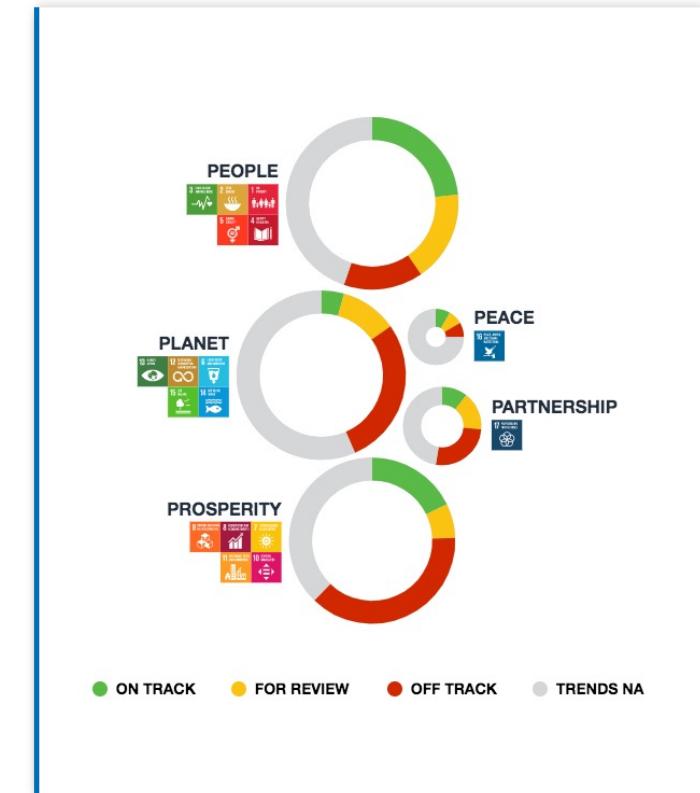
SDG INTERLINKAGES

SDG interlinkages reveal how actions directed towards one SDG can impact others. Uncovering and understanding these interactions can help Iraq to achieve the 2030 Agenda for Sustainable Development and to navigate trade-offs.

Based on a global framework for interlinkages, Iraq's SDG progress is colour-coded at the target level.

Building from national trends and priorities, the following integrated SDG pathways reflect policy choices with the most potential to accelerate the SDGs for Iraq:

- Target 2.3: Double the productivity and incomes of small-scale food producers
- Target 3.8: Achieve universal health coverage
- Target 4.1: Free primary and secondary education
- Target 7.1: Universal access to modern energy
- Target 8.2: Diversify, innovate and upgrade for economic productivity
- Target 8.5: Full employment and decent work with equal pay
- Target 16.6: Develop effective, accountable and transparent institutions



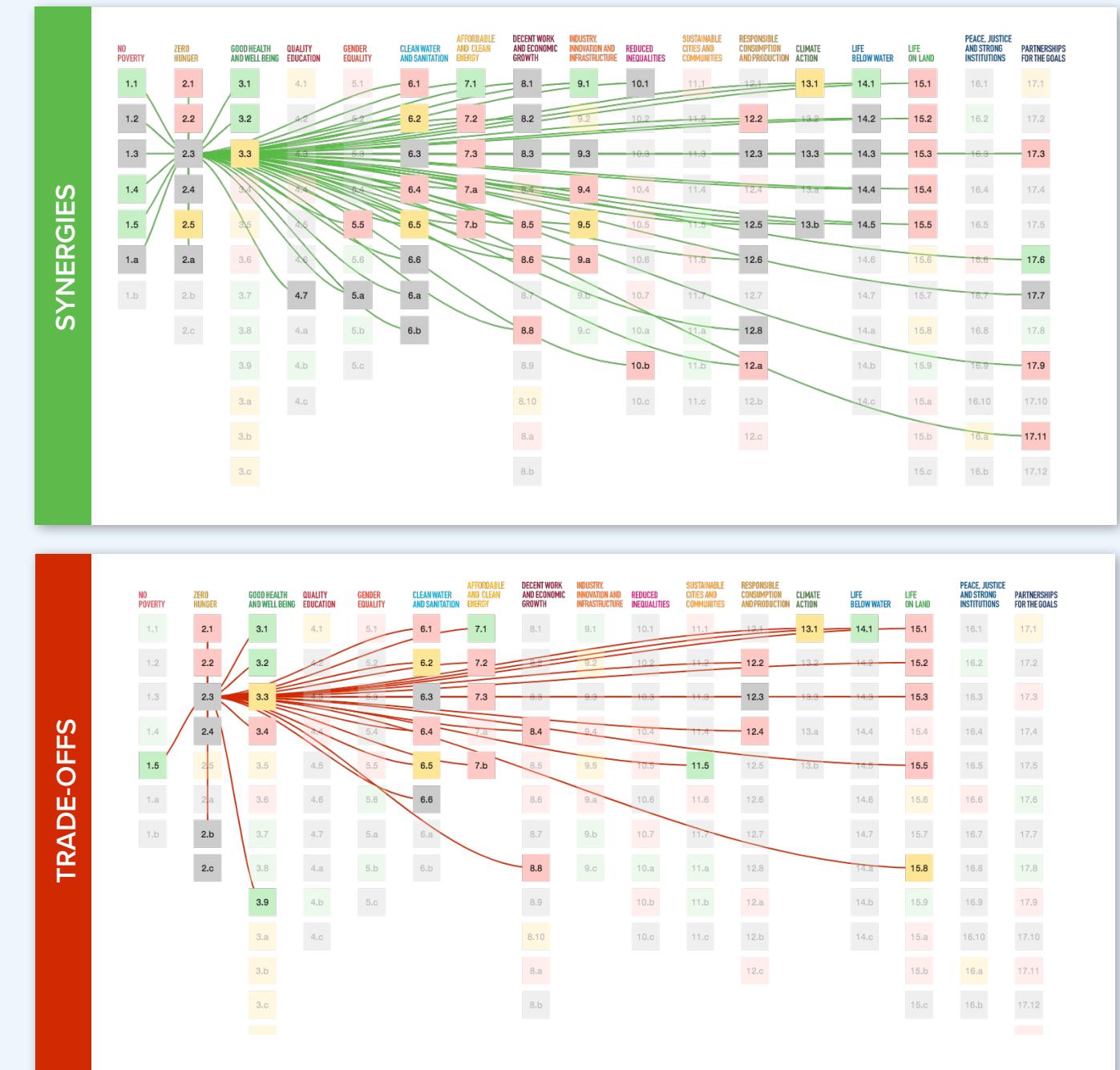
SDG INTERLINKAGES

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

Agriculture is the largest employer, especially in rural areas. However, the sector has suffered from low productivity, inefficiency and neglect. Poor yields and post-harvest management have made Iraq dependent on imports to meet its domestic food needs, making it a major importer of agricultural products.

To boost economic diversification in Iraq, an increase in agricultural and food productivity would lead to an overall growth in the economy that benefits the poorest. Indeed, agriculture- and food-led growth would reduce the poverty headcount ratio and inequality (Gini index) .

● ON TRACK ● FOR REVIEW ● OFF TRACK ● TRENDS NA



SDG INTERLINKAGES

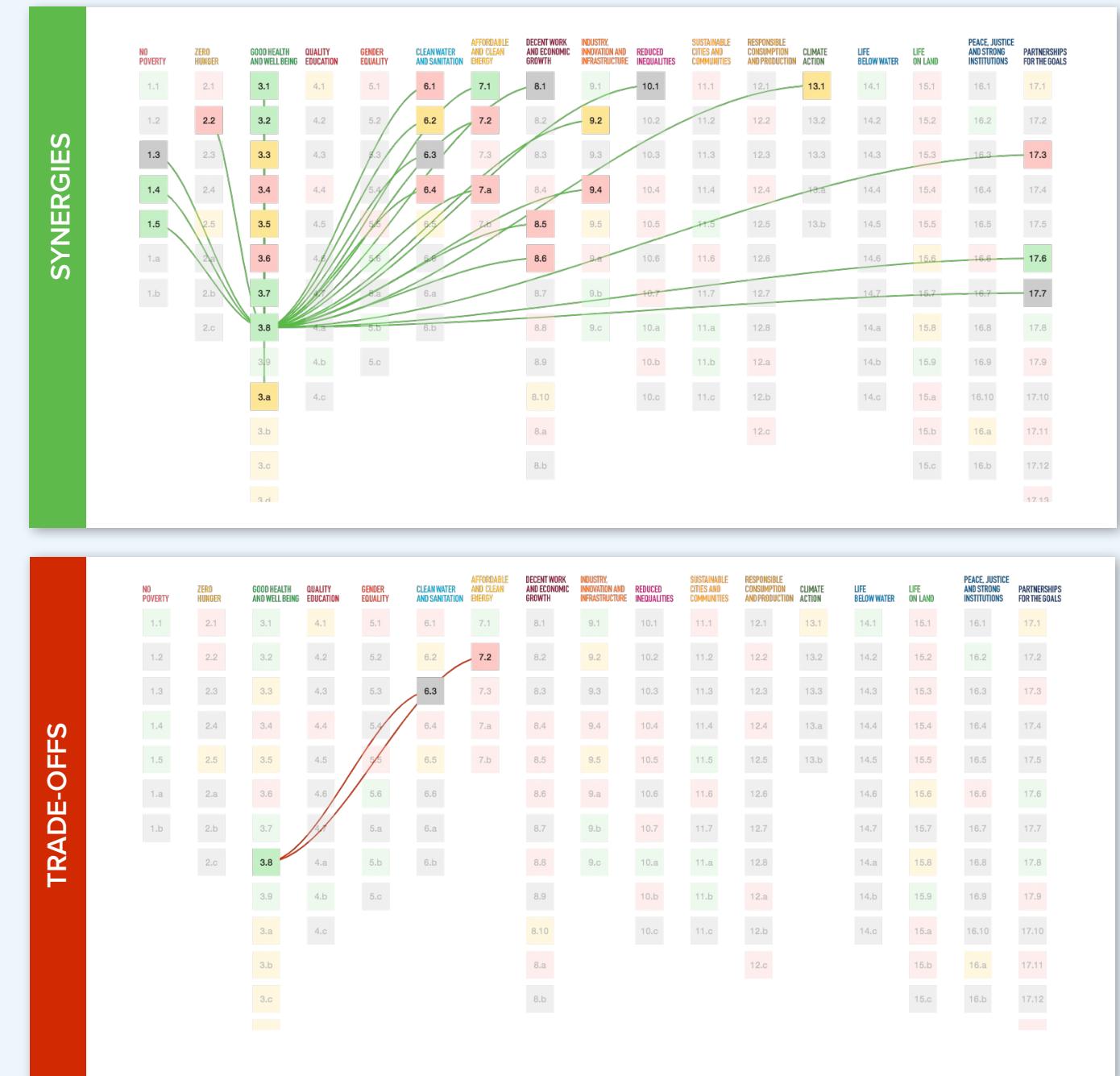
3.8: Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all

The health system in Iraq has been strained in the past two decades. Infrastructure has been damaged and many of the skilled health professionals have fled the country.

Iraq is experiencing a critical shortage of health workers, with a ratio of physicians, nurses and midwives below 23 per 10,000, below the threshold level of 44.5 physicians, nurses and midwives per 10,000 population needed to advance universal health coverage.

Access to services, including health is crucial to build social cohesion, in particular in the territories reintegrated from the Islamic State of Iraq and the Levant (ISIL).

● ON TRACK ● FOR REVIEW ● OFF TRACK ● TRENDS NA



Explore the interlinkages at:

<https://data.undp.org/sdg-push-diagnostic/IRQ/synergies-and-tradeoffs>

SDG INTERLINKAGES

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

The government currently spends an average of only 9 per cent of general government expenditure (GGE) and 3.1% of GDP on education, far below the international and regional benchmarks of 15%-20% of GGE, and 4-6% of GDP.

When comparing the female and male population with at least a secondary education, there is a persistent deficit of almost 11%. Moreover, shortages and/or inefficiencies in the allocation of teaching staff, textbooks and learning materials pose challenges, recognizing also that a reliable education management information system to support planning is under development.

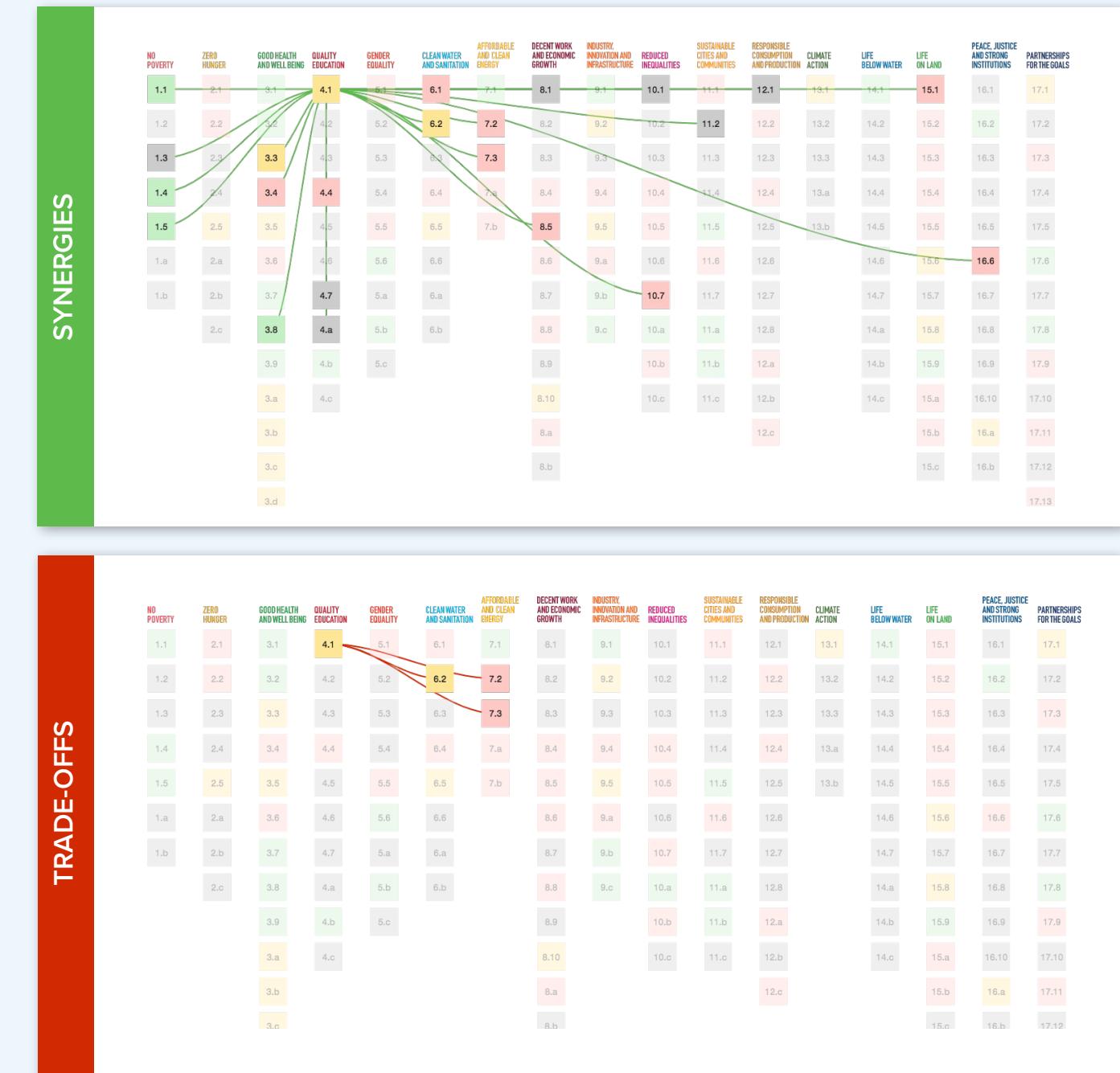
Access to services, including education, is crucial to build social cohesion, in particular in the territories reintegrated from ISIL.

● ON TRACK

● FOR REVIEW

● OFF TRACK

● TRENDS NA



Explore the interlinkages at:

<https://data.undp.org/sdg-push-diagnostic/IRQ/synergies-and-tradeoffs>

SDG INTERLINKAGES

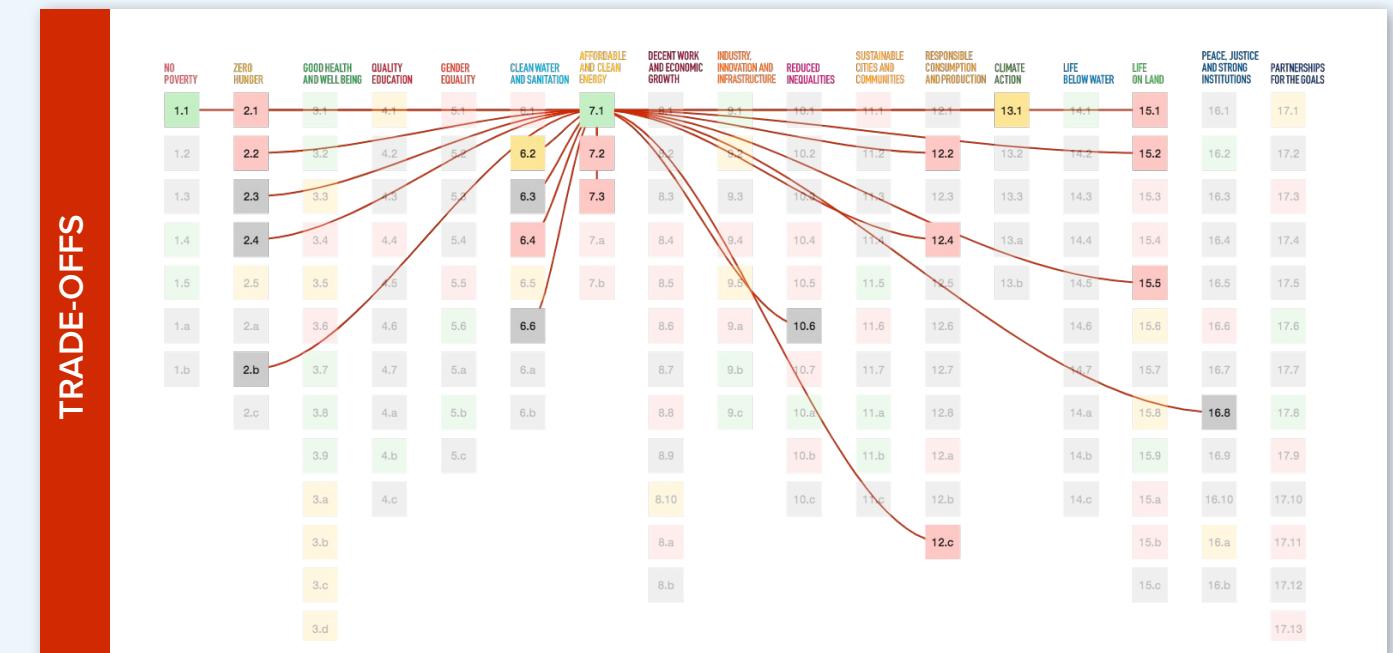
7.1: By 2030, ensure universal access to affordable, reliable and modern energy services

Inadequate supply of electricity in Iraq impacts daily life, development, economic growth, private sector regeneration and job creation. Prior to the emergence of ISIL, the country's electricity sector suffered from a series of challenges, including sanctions and conflict. Recent investments in reconstruction, rehabilitation and expansion of generation, transmission and distribution infrastructure have been insufficient to cope with growing demand, leading to a dilapidated national electricity grid and poor supply reliability.

To ensure access to energy (7.1) the government aims to undertake the following: (i) accelerate the rehabilitation of all types of power plants; (ii) remove bottlenecks in the transport and distribution sector; and (iii) complete the construction of stations and projects of conversion, transmission and generation of the electrical system, and focus on solar generation, as indicated in the Ministerial Programme.

Access to services, including energy, is crucial to build social cohesion, in particular in the territories reintegrated from ISIL.

● ON TRACK ● FOR REVIEW ● OFF TRACK ● TRENDS NA



SDG INTERLINKAGES

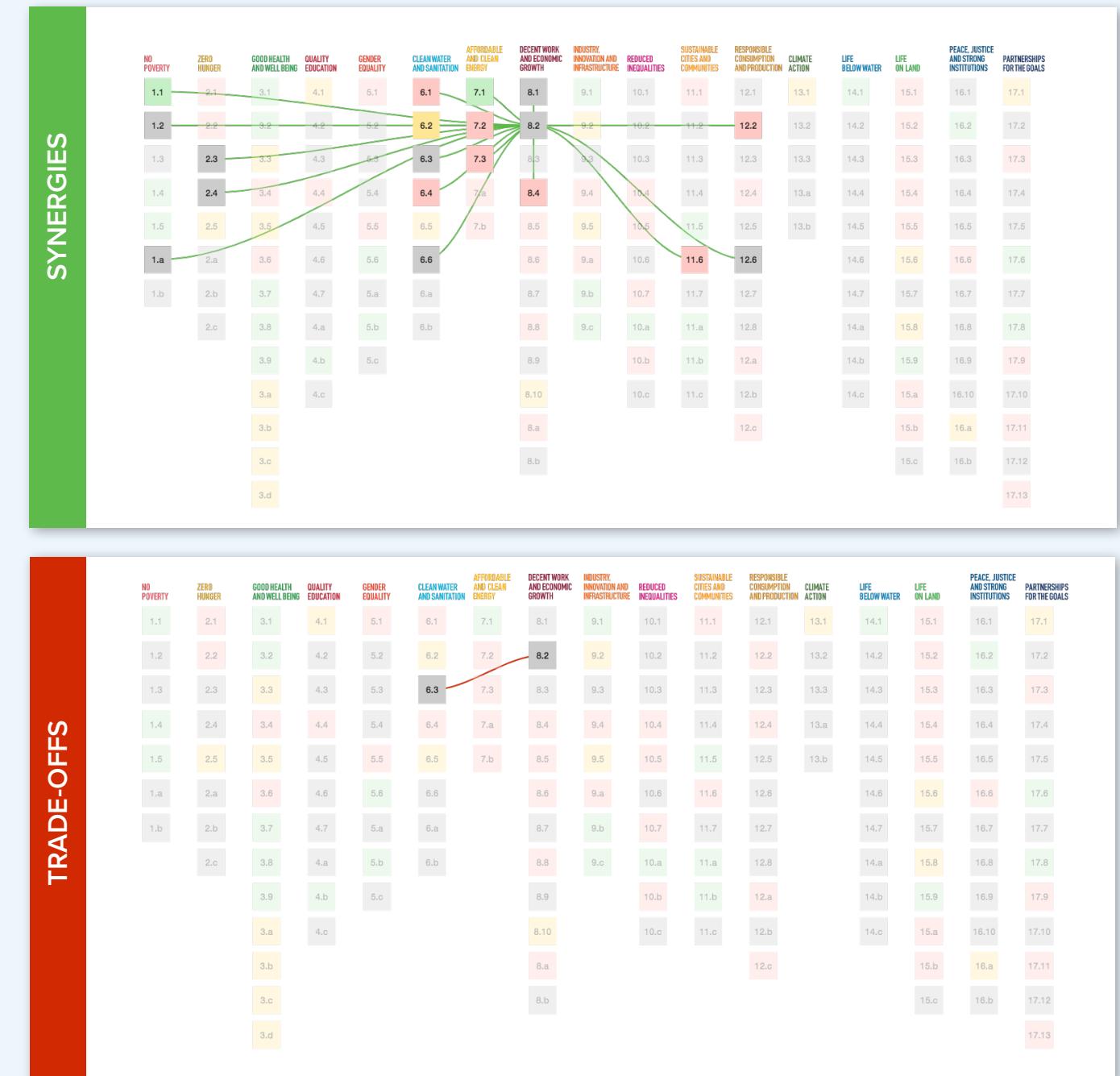
8.2: Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors

Resilient, inclusive and sustainable growth in Iraq will require economic diversification through the development of the non-oil economy and the private sector for job creation and enhanced productivity. In addition, digitalization and improved governance will be among other critical approaches that are likely to play an important role in supporting economic transformation, export development and trade policy reform.

Faster productivity growth, particularly in the non-oil sector, is critical to economic diversification. By economic activity contributing to GDP, the commodities activities ranked first with a contribution of 55.4% of GDP in the first half of 2021, the distribution activities ranked second with a contribution of 20.7%, while the service activities ranked third with a contribution of 23.7%, according to the Ministry of Planning.

Economic productivity and innovation can be critical for achieving the nexus between water (SDG 6), energy (SDG 7) and food (SDG 2).

● ON TRACK ● FOR REVIEW ● OFF TRACK ● TRENDS NA



SDG INTERLINKAGES

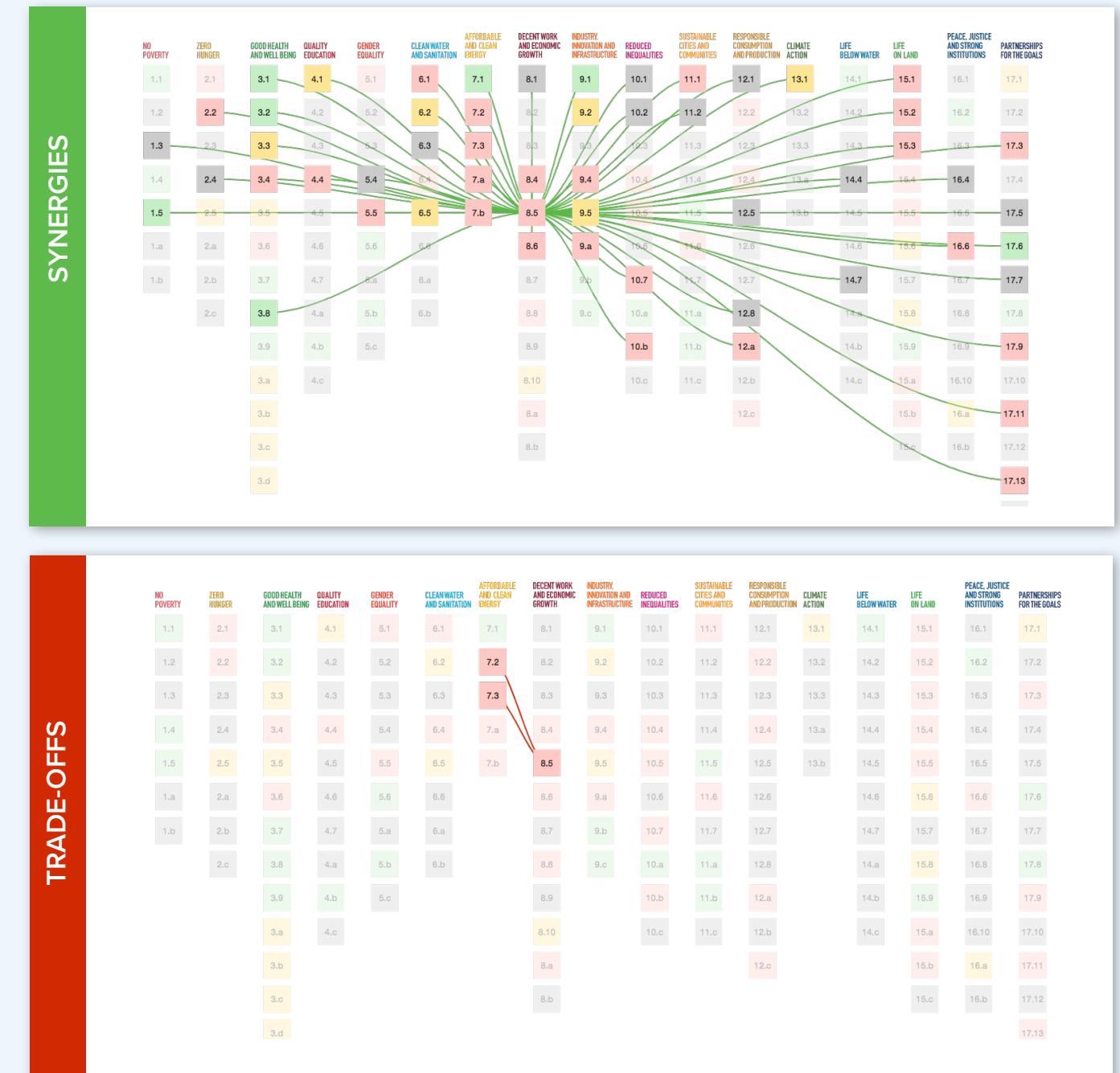
8.5: Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

Iraq's private sector, which accounts to roughly 40 per cent to 50 per cent of employment, is mainly informal. Compared to the public sector, employment in the private sector has lower average wages, job security, and often lacks formal contracts. Job opportunities for youth are more likely in the informal sector.

In addition to reduced employment prospects for the youth, women, persons with disabilities and internally displaced persons (IDPs) also suffer from some of the highest unemployment rates. The International Labour Organization estimates that while the female labour force participation in Iraq is low – estimated at 20 per cent – Iraqi women who participate in the labour market are more likely to be underemployed or employed only part-time. Young women in particular struggle to find employment: In 2021, 65 per cent of young women aged 15 to 24 were unemployed, compared to 23.5 per cent of young men. According to the World Bank, approximately 27 per cent of IDPs are unemployed, and, within that group, the most vulnerable are women and children, 49 per cent of whom are less than 18 years old. All of these put young women at higher risk when there is a crisis or external shock.

By investing in initiatives to advance on SDG 8.5, Iraq can jointly address employment challenges, while also help close the gaps on poverty, health, well-being and inequality target indicators. For Iraq to advance to a resilient economic recovery it is important to ensure that employment and livelihood initiatives target women and dismantle long-standing obstacles, such as unequal access to knowledge, land, credit, technology, social protection and care services – all development priority areas for the government.

● ON TRACK ● FOR REVIEW ● OFF TRACK ● TRENDS NA



Explore the interlinkages at:

<https://data.undp.org/sdg-push-diagnostic/IRQ/synergies-and-tradeoffs>

SDG INTERLINKAGES

16.6: Develop effective, accountable and transparent institutions at all levels

Iraq was ranked 157th out of 180 on Transparency International's 2021 Corruption Perceptions Index, which ranks countries based on indices that measure the prevalence of political, economic and administrative corruption within its various institutions. Even though the country has the second largest oil reserves in the world, corruption remains a challenge, and has compounded a protracted economic and social crisis, with many Iraqis suffer from high unemployment, poor public services and extreme poverty.

SDG 16 - Peace, justice and strong institutions, which includes rule of law and effective public institutions and services, are a critical accelerator of the SDGs in Iraq. Investing in Target 16.6 has multiple potential multiplier effects across several SDGs and targets that are relevant to Iraq. National and local level governance are drivers of effective basic service provision, including education, health and a just energy transition.

● ON TRACK ● FOR REVIEW ● OFF TRACK ● TRENDS NA



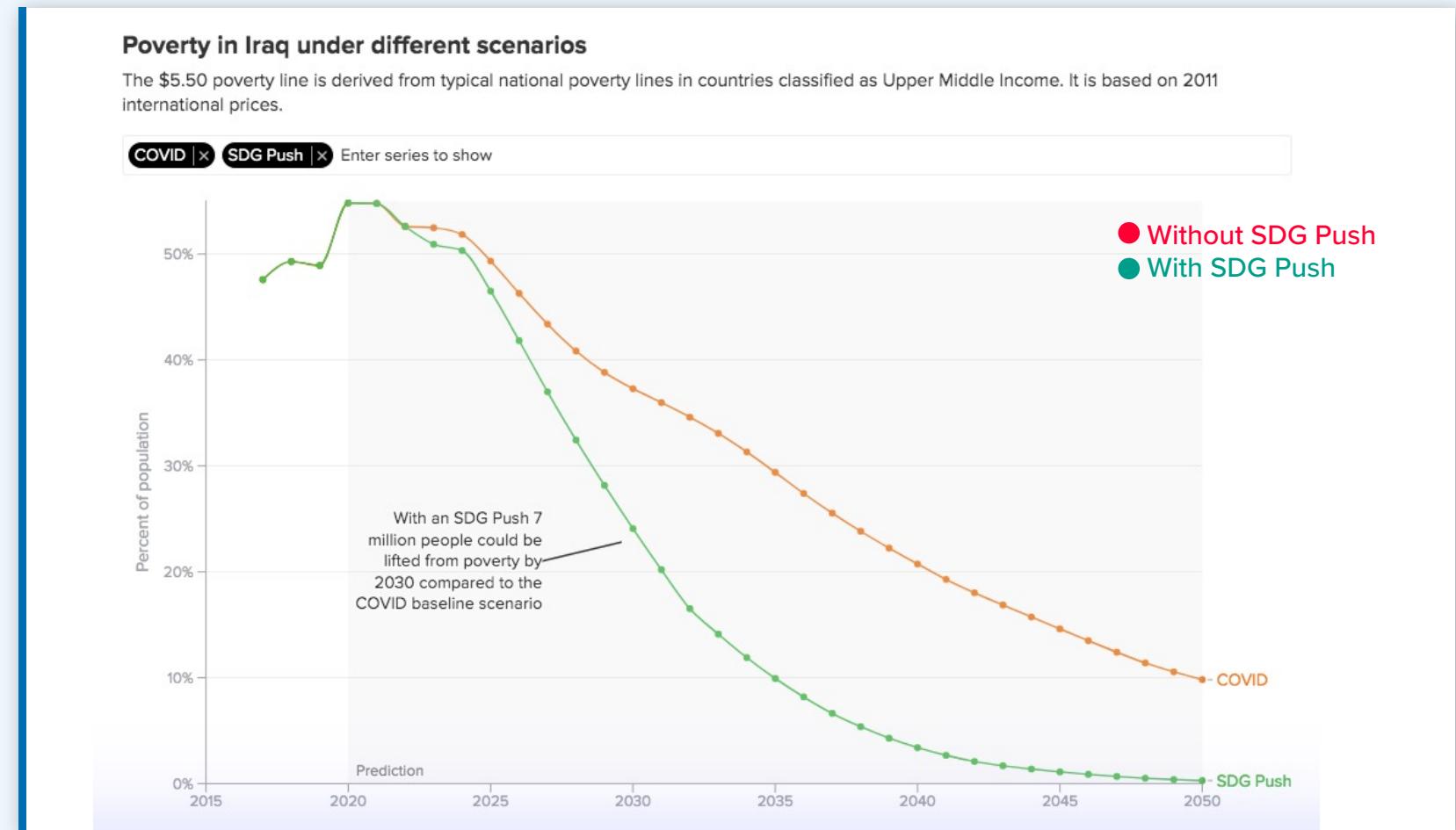
FUTURES SCENARIOS

Achieving the SDGs is possible.

The ‘SDG Push’ is a futures scenario based on 48 integrated accelerators in the areas of Governance, Social Protection, the Green Economy and Digital Disruption. It uses national data to explore the impact on human development by 2030 and by 2050 across key SDG indicators.

Incorporating ‘SDG Push’ accelerators into development interventions in Iraq can reduce the number of people living in poverty over time.

| People living in poverty | By 2030 | By 2050 |
|------------------------------------|---------|---------|
| Without the SDG Push (COVID-19) | 37.3% | 9.8% |
| With the SDG Push | 24.1% | 0.3% |



Explore SDG Futures Scenarios at:
<https://data.undp.org/sdg-push-diagnostic/IRQ/future-scenarios>

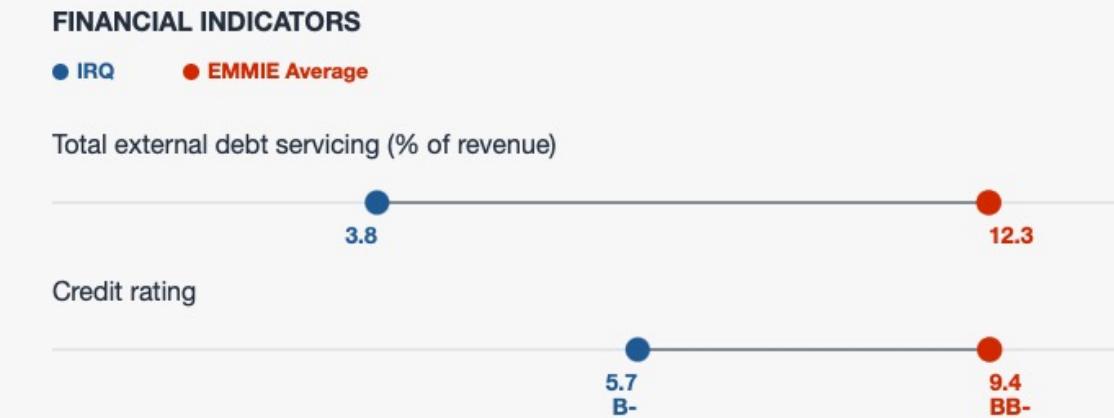
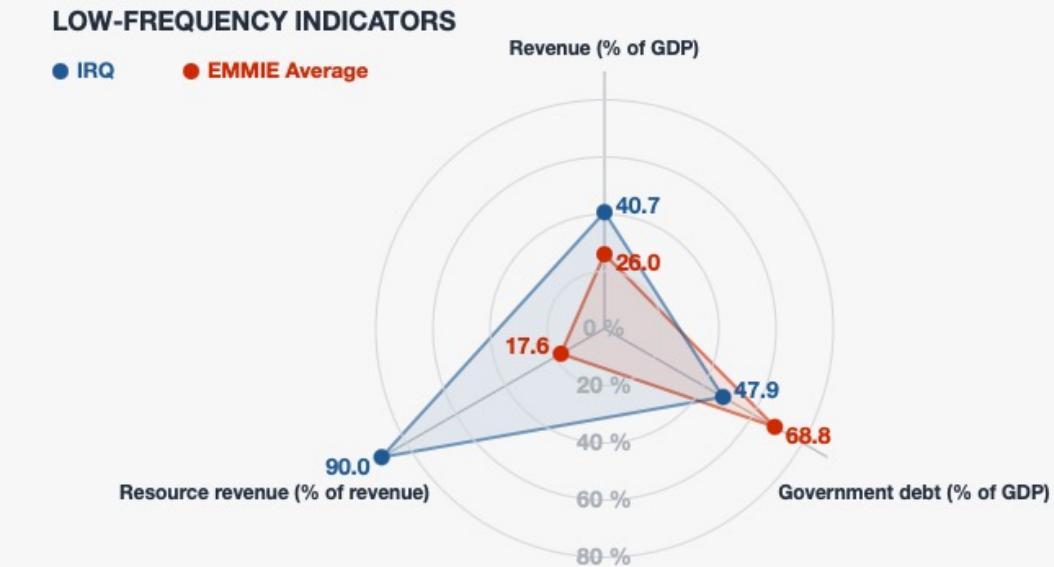
FINANCE & STIMULUS

Many countries are facing reduced fiscal space, high debt levels, rising interest rates and downgrades on credit ratings. Fiscal and financial constraints tend to slow or even reverse SDG progress.

The radar diagram shows low frequency data points linked to tax revenue and debt as a proportion of GDP and the natural resource share of total revenue. The financial indicator graphs show higher frequency data on external debt servicing relative to revenue and the sovereign credit rating.

Iraq's gross government debt has come down significantly in recent years and is projected at 47.9% of GDP in 2023, which is more than 20 percentage points (pp) lower than that of the emerging market and middle-income economies (EMMIE) group. The country is projected to collect 40.7% of GDP in revenue this year, which is almost 15 pp higher than the EMMIE group. Iraq collects 90% of its revenue from oil.

Iraq's external debt servicing this year is projected at 3.8% of revenue, which is much lower than the EMMIE average of 12.3%. Despite significant reductions in debt in recent years, Iraq's credit rating has not yet improved from its 'substantial risk' category, making it difficult for the country to access international financial markets.



Notes: External debt covers public and publicly guaranteed debt. The EMMIE average of resource revenue (% of revenue) includes the 60 countries that reported data for that indicator. The credit rating shows the numerical average of S&P's, Moody's, and FITCH's ratings, expressed in S&P's scale in brackets.

Sources: EITI (resource revenue, data from 2018), IMF WEO April 2023 (debt and revenue, forecasts for 2023), IDS (external debt, data from 2023), S&P, Moody's and FITCH (credit ratings, data from 2023).

SDG STIMULUS

The UN Secretary General's SDG Stimulus Plan lays out a blueprint for action within the existing financial architecture. It includes:

- Providing liquidity to support recovery in the near term
- Enhancing debt relief for vulnerable countries
- Expanding development financing by MDBs
- Aligning financial flows with the SDGs and the Paris Agreement, according to country-level priorities and needs, for example through the roll-out of the UN Integrated National Financing Framework (INFFs).

Given the projected fiscal and financial constraints faced by Iraq, possible funding options for the investments derived from the identified interlinkages are as follows:

- Tax and revenue reform
- Climate finance
- Blended and public-private finance
- SDG-aligned business environment and investment
- Remittances, philanthropy and faith-based financing

**United Nations
Secretary-General's
SDG Stimulus
to Deliver
Agenda 2030**

FEBRUARY 2023



METHODOLOGY

Click [here](#) to view the Methodological Note for the Integrated SDG Insights



SDG MOMENT

Methodology

Assesses challenges and opportunities in national growth trajectories with insights on environmental sustainability and inclusiveness.

Data Sources

Future trajectories to 2025 are based on IMF-WEO GDP projections, distributions of per capita income or consumption from the World Bank, and CO₂ emissions from the Global Carbon Budget 2022 and EDGAR (JRC and IEA).



TRENDS & PRIORITIES

Methodology

SDG trends tracks progress from 2015 to date for the 231 indicators. National priorities are analysed using machine learning to reveal the most prominent SDGs referenced in national policy documents.

Data Source

Trends utilizes official [UN statistics](#) to assess [SDG progress](#), supplemented with national data when available. Priorities uses a custom-built model for SDG classification. The policy documents analyses are provided by Governments.



INTERLINKAGES

Methodology

Global target-level interlinkages are drawn from the [KnowSDGs Platform by European Commission](#). SDG interlinkages were retrieved through a structured literature review in Scopus and Google Scholar to tap both grey literature and peer-reviewed publications as a source of information.

Data Source

The exercise globally considered a total of 454 documents published from 2015 to August 2022. ([Miola et al., 2019](#) updated in [2021-2022](#))



FINANCE & STIMULUS

Methodology

Provides insight into indicators of fiscal and financial stress with options (INFF) for stimulus and other means to accelerate progress.

Data Source

Most recent resource data from UNU-WIDER GRD (between 2018 and 2021), debt and revenue from IMF WEO (between 2020 and forecasts for 2023), external debt from IDS (2023), yields from Haver Analytics (8 June 2023), credit ratings from S&P, Moodys and FITCH (2023), and DSA ratings from World Bank/IMF (31 May 2023).