

# EGYPT'S COMPETITIVENESS PROGRAM

**FOURTEENTH QUARTERLY REPORT  
JANUARY 1 – MARCH 31, 2014**

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## ACRONYMS

ABA	Alexandria Business Association
DCA	Development Credit Authority
EBDA	Egyptian Business Development Association
EBI	Egyptian Banking Institute
ECA	Egyptian Competition Authority
ECP	Egypt's Competitiveness Program
EFS	Egypt Financial Services Project
EFSA	Egyptian Financial Supervisory Authority
ENCC	Egyptian National Competitiveness Council
ERRADA	Egyptian Regulatory Reform and Development Activity
ETA	Egyptian Tax Authority
ETPs	Enterprise TVET Partnership
FSI	Financial Services Institute
GAFI	General Authority for Investment and Free Zones
GEP	Global Entrepreneurship Program
GMU	Governmental Management Unit
GOE	Government of Egypt
GRU	General Review Unit
IDA	Industrial Development Agency
IQS	Indefinite Quantity Subcontract
ITC	Industrial Training Council
ITDA	Internal Trade Development Agency
ITMAS	Integrated Tax Management Accounting System
MCSBE	ME Council for Small Business & Entrepreneurship
M&E	Monitoring and Evaluation
MOE	Ministry of Education
MOF	Ministry of Finance
MIFT	Ministry of Industry and Foreign Trade
MOHE	Ministry of Higher Education
MOMM	Ministry of Manpower and Manpower
MOS	Ministry of Supply and Internal Trade
MOT	Ministry of Tourism
MOU	Memorandum of Understanding
NGO	Non-Governmental Organization
NIDS	National Industrial Development Strategy
NPTE	National Program for Training for Employment
OSS	One Stop Shops
PA	Public Awareness
PPP	Public Private Partnership
RFA	Request for Application
RIA	Regulatory Impact Assessment
SBEU	School-Based Education Unit
SBTU	School-Based Training Unit
SFD	Social Fund for Development
SIR	System Incident Report
SME	Small and Medium Enterprises
SSBC	Smart Services Business Center
STTA	Short Term Technical Assistance
TASS	Technical Agriculture Secondary Schools
TOR	Term of Reference
TOT	Training of Trainer
TVET	Technical and Vocational Education and Training

USAID  
VTCs

United States Agency for International Development  
Vocational Training Centers

## **ECP QUARTERLY HIGHLIGHT**

### **EGYPT'S COMPETITIVENESS PROGRAM**

#### **INTRODUCTION**

##### **Contract Background**

Chemonics International, in cooperation with its international and Egyptian partners, is pleased to submit the Egypt's Competitiveness Program (ECP) 14<sup>th</sup> Quarterly Report. The three-year, \$26,582,103 USAID-financed USAID/ECP program, was initiated on September 1, 2010 and was scheduled through August 31, 2013, with a potential additional option year. USAID has modified the ECP contract with a no-cost extension through June 2014. This Quarterly Report covers the period from January 1, 2013 through March 31, 2014.

Early last quarter due to the political situation between U.S. Government and the Government of Egypt (GOE), USAID Egypt determined that ECP had to "wind-up" its programmed activities with the GOE. This entailed eliminating GOE related activities that had not been started or had finished a particular phase; and to finish or wind-up initiatives that were near completion as soon as possible, or that could not be constructively or easily stopped. In initiating this new plan, additional private sector opportunities presented themselves that did not involve the GOE, which ECP is actively pursuing. Some new initiatives simply replaced GOE involvement with that of the private sector; some were add-ons to existing private sector activities; and some were new initiatives. Between January and March 2014, ECP continued to ramp-up implementation post-evacuation and was able to pivot successfully to private sector activities.

The USAID/ECP Wind-Up Plan is part of a Contract Modification that describe the changes mandated, with activities dropped and new ones added. As such, this has resulted in a major alteration of ECPs contract activities. A copy of the new Contract Modification and Wind-Up Plan is attached as an Annex to this report.

##### **Project Overview**

ECP was created under USAID's Strategic Objective 16, "Conditions for Trade and Investment Improved," to enhance Egypt's competitiveness through regulatory reform, streamlined business processes, improved labor skills and productivity, and modernization of the financial sector. USAID/Egypt's overall goal is to promote a globally competitive, educated, and innovative human resources-based economy benefiting Egyptians equitably. USAID/ECP Work Plan efforts are focused on four specific productivity drivers: (i) conducive regulatory reform; (ii) the ease of doing business; (iii) vocational technical training; and entrepreneurship development; and, (iv) SME access to finance. Due to the no-cost extension, the above work was to 14<sup>th</sup> ECP Quarterly Report (Jan-Mar 2014)

continue through June 2014. However, due to political ramifications early this quarter ECP was asked to wind-up its activities with all Egyptian government entities, and to expand ECP's private sector activities. This change affected all components of ECP and especially those of Component A and B, as described below.

## **Quarter 14 Accomplishments Summary**

### **Component A: Reforming Regulations**

- While most work with CPA has been cancelled due to the ECP Wind-Up Plan, future work that will only entail approximately 8 umbrella NGOs working on consumer protection. A plan for this work was established that would entail developing public awareness as well as assisting the NGOs in surveying and research on consumer protection aspects and providing training courses on fundraising and project planning. Two successful Public Awareness events were held during this quarter, in Aswan, and Minya.

### **Component B: Streamlining Business Processes**

- Training for the Commercial Registry IT staff, has been completed, and we are only waiting for the registries to migrate the data, however the CRA discovered some problems in the software that was provided and ECP is working on a plan to eliminate/fix these problems.
- ECP's Tamayouz Team is working somewhat simultaneously in establishing three new Tamayouz Centers in Port Said, Sohag, and Assuit. The Port Said center is operating at present, and we are trying to schedule an opening ceremony. The Sohag center is well under way, and the ECP team is starting to work on Assuit.
- ENCC:
  - Held annual conference and 9<sup>th</sup> Annual Report
  - Developed partnership with ALROWAD and conference on entrepreneurial ecosystem in Cairo.
  - ENCC's Grant from ECP ends on March 31, 2014.

### **Component C: Improving Labor Skills and Productivity**

#### **C.1: Skills to Market (Vocational Training)**

- Organization of Employment Fairs. ECP/C1 has organized three successful employment fairs in the Beni Suef, Luxor and Alexandria governorates. ECP/C1 has empowered the SBEUs to be able to carry out similar events in the future, the three employment fairs were attended by more than 14,000 job seekers and 210 companies offering more than 30,000 job opportunities.
- Refreshers Workshops. Two refresher workshops were organized. Representatives from the private sector, MOE and teachers joined the two events.

- Upgrading the existing workforce skills. ECP/ C1 have been working with the RMG sector to identify its labor work needs and provide remedial programs. Two RMG training specialists continue to work in parallel with around 15 factories in the Alexandria governorate aiming at upgrading the middle management skills.
- The Central Unit for Training and Employment (CUTE) Initiation. ECP/C1 is working with the MOE to create CUTE to guarantee sustainability of the SBTUs and SBEUs.
- Recruit, Retrain and Retain project (3R). Dr. Kassab, HR consultant is working with C1 team building the capacity of a number of RMG and Food Processing HR managers, as well as coaching HR experts to be able to carry out similar exercises in the future

### **C.2: Developing Entrepreneurship**

- ECP team started working on a major event for Women Entrepreneurs that will be held in Cairo in early April 2014.
- The final agenda for the Silicon Valley OST was finalized, and the entrepreneurs went to San Jose, California for the entrepreneurship event held there.
- ECP held an initial Entrepreneurship Awareness Event in Luxor that was later followed up with a large StartUp Competition Event in early March.

### **Component D: Strengthening the Financial Sector**

- ECP provided STTA to conduct a survey of Egyptian business support organizations (business incubators, accelerators, technology and innovations centers, and entrepreneurship centers) to assess their interest and willingness to form a network of support organizations – similar to the National Business Incubators Association in the US. A workshop was then held, and a number of the participants eagerly developed and set up an NGO for this purpose.
- ECP provided additional procurement for GAFI's FDI Unit, and also assisted them with an STTA expert, who completed training of the staff. The Unit is now set up and is operating alone with their existing staff.
- STTA was provided to SFD (which was in ECP's Wind-Up Plan) for the first phase of developing a comprehensive M&E system for all of SFD. This phase was completed, and phase two will begin in early April to complete this assignment.
- Workshops were held on the MSME National Strategy with MSME associations in Cairo and the Upper Egypt governorates of Minya, Assuit, and Sohag to ensure their input would be available in the process of developing the strategy.
- ECP completed the printing of a guide for SME's Access to Finance, and started distributing the guide throughout the country. Similarly ECP started a training program by an Egyptian advisor to hold trainings in key governorates using this guide as part of his training program, showing potential borrowers how to borrow.
- STTA was also provided to the American University Cairo in developing a strategic plan for its business incubator within the university.

## **Component E: Cross-cutting**

- Executed and supported numerous events which included thousands of participants this quarter – the numbers of which are still being calculated and verified.
- Continued to produce and publish the Food Prices Survey
- Finalized and produced three technical publications for Component D
- Procured an estimated \$16,000 in commodities/IT equipment in support of ECP technical objectives

### Section I: Accomplishments by Project Component

## **Component A: Reformed Regulations**

During this quarter, USAID/ECP began with continued support to GOE counterparts on key activities, however, most activities had been stopped due to the Wind-Up Plan in place. Some activities that had already been given substantial support were continuing according to the Wind-Up plan, others were shifted to the private sector.

### **Sub-Component A-1: Support for Regulatory Reform**

**Support to ERRADA:** All support to ERRADA was stopped earlier, and based on the Wind-Up Plan we will continue to house and support ERRADA's IT equipment in our offices until we have another ministry to transfer the equipment to.

**Support to the Consumer Protection Agency (CPA):** All support to CPA was stopped due to the Wind-Up Plan. However, ECP will work with various CPA NGOs to provide public awareness in various governorates. Working with the same NGOs ECP will assist in identifying and fund surveys and research papers on consumer awareness and complaints, and follow up on cases for consumers, specifically in Upper Egypt and rural towns. ECP will also fund and organize three training events for all consumer protection NGOs in Egyptian governorates to gain the necessary skills on fundraising and project planning.

## **Component B: Streamlining Business Processes**

During this quarter, USAID/ECP began with continued support to counterparts on key activities. However, early in the quarter USAID asked ECP to stop most activities with the GOE and to develop a Wind-Up plan that would phase out ECP's work with a selected group of GOE entities.

### **Sub-Component B-1: Unified Business Registry (Commercial Registry)**

ECP has supported the Commercial Registry by: (i) completing the development of the new IT system that was initiated under TAPR II; (ii) providing Customer Service and Business Ethics training; and, (iii) producing and distributing standard procedure manuals. The most important activity is to start using the new IT system. It will



streamline the registration and improve customer service. The system is complete and the employees have been trained but the Commercial Registry has not been able to get permission from the Ministry of Supply and Internal Trade (MSIT) start using the system. The agreement with Sakhr, the software manufacturer, stipulates one year of software support.

All the work for the Commercial Registry is complete, and just needs to be implemented by MSIT, with some support from Sakhr. This aspect is within ECP's Wind-Up Plan, with very minor, if any, support from ECP needed. During this quarter it was discovered that the software company Sakhr did not complete all of its contractual agreements, and ECP is now working on a program to fix the software so the CR can be operational.

### **Sub-Component B-2: Ease of Doing Business**

**Support to MIFT Tamayouz:** USAID/ECP had supported the Tamayouz Center in Alexandria and developed and opened a new Tamayouz Center in Qalyoubia in 2013. Due to the success of the Qalyoubia Tamayouz Center, ECP had begun work on similar centers in Port Said, Sohag, and Assuit. The work on these three new centers were well underway, and under ECP's Wind-Up Plan the openings of these centers will continue with them operating prior to ECP's closing. The Port Said center has been opened, and we are awaiting a date for the Official Opening.

### **Sub-Component B-3: Support for National Competitiveness**

**Support to Egyptian National Competitiveness Council (ENCC):** During this quarter ECP continued to support ENCC with grant funding, which ended on March 31, 2014. This is primarily related to operational funding via the grant, and assistance in preparing the ENCC 9<sup>th</sup> National Competitiveness Report, and TA towards ENCC reaching financial and institutional sustainability. Any further funding or activities will not be considered based on ECP's Wind-Up Plan.

## **Component C: Improving Labor Skills and Productivity**

During this quarter, USAID/ECP began with continued support to counterparts on key activities that were continued in the Wind-Up Plan. Some initiatives were switched to the private sector, and have shown excellent results to date.

The Entrepreneurship subcomponent, C.2 continued its support for StartUp Weekends, mentoring, angel investing and entrepreneur training. This quarter produced a number of very successful events in Aswan and Luxor. These and past entrepreneurship activities in Egypt should lead to sustainability of this program. The only GOE activity that was scheduled was for assisting GAFI, which was stopped because of the Wind-Up Plan.

## **Sub-Component C.1: Skills to Market (Vocational Training)**

### **Organization of Employment Fairs.**

ECP/C1 has organized three successful employment fairs in the Beni Suef, Luxor and Alexandria governorates. ECP/C1 has empowered the SBEUs to be able to carry out similar events in the future. Hundreds of companies from different sectors and thousands of jobseekers of various specializations and fields joined the events. Companies collected appropriate resumes. Conferences were organized on the sideline of the employment fair. Employers presented their successful experience working with USAID-supported School Based Employment Units (SBEUs).

*Jassmin, a young job seeker remarked on how SBEUs helped her to acquire appropriate skills and join the job market. Jassmin indicated that she invites her friends, relatives and neighbors to seek SBEU assistance to join them find jobs. Jassmin said, "When I got hired I enhanced my feeling with self-worth. Now I feel that I am doing something valuable not only for myself but for the whole community".*

The SBEU members have been working closely with companies' representatives to screen and filter CVs, develop short lists, and run initial interviews. Currently SBEUs are following up with companies as well as job seekers to monitor and evaluate job placement numbers. SBEUs are developing a simple database with the employment fair job seekers to follow up with them, identify their training needs and facilitate and deliver appropriate training programs to assist them fulfill the job market needs.

**The Central Unit for Training and Employment (CUTE) Initiation.** ECP/C1 is working with the MOE to create CUTE to guarantee sustainability of the SBTUs and SBEUs. ECP/ C1 developed a proposal with the Central Unit structure, as well as roles and responsibilities at the central and governorate levels. The aim of establishment of the Central Unit is to secure SBTU and SBEU sustainability. C1 has developed the CUTE training materials and provided to around 27 cadres who joined the 1<sup>st</sup> phase of the training program

### **The Recruit, Retrain, Retain (3R) Project**

The HR consultant joined ECP/ C1 team to finish his assignment and produce the final report. Companies HR managers as well as HR experts have showed their interest to gain the experience, build their capacity and competences to sustain the 3R initiative within their companies or in new companies. Two workshops were organized; HR Capacity Building Training and Master Trainer Coaching on the 3R Pilot Program

The purpose was to provide participants with professional skills to lead the development of elaborate organizational structures, comprehensive job descriptions, and equitable job classifications in respective companies, as well as to mentor HR experts ensuring homogenous interpretation and systematic implementation of all proposed interventions.

### **Job Hires**

The project continues to support the transition from school to work with a focus on linking private industry to schools through the School-Based Education Units (SBEUs) by focusing on assisting the private sector companies to fill the vacancies. The SBEUs work closely with industry people to identify employment opportunities. To date, 8,000 job opportunities have been filled.

### **Establishment of Factory-Based Classrooms**

Building on effective cooperation between USAID/ECP- supported SBEUs, the Mediterranean Company for Weaving and Spinning has sought the assistance of Borg Al Arab SBEU to establish school based classroom. Teachers from the industrial school in Borg Al Arab visit the company twice a week to provide the theoretical subject matters, while students receive their practical studies at the company.

### **Establishment and Capacity Building of ECP/ SBEUs**

TOT program: A five-day workshop (phase 2) was organized for the new SBTU cadres to build their capacity to be able to activate their School based training unit at their schools. Around 32 teachers from eight schools from Fayoum, Alexandria and Aswan joined the workshop.

### **ECP conducted SBEU & SBTU refresher workshops**

Around 320 participants; including representatives from the private sectors from different fields; RMG, Tourism, Food Processing, Weaving and Spinning, etc., as well as the Minister of Education, MOE undersecretaries, technical education managers, midrange coordinators, and SBTUs members joined the three-day workshop. The event provided a great opportunity to discuss challenges and discover possible solutions. It paved the way to establish Public-Private-Partnership (PPP) in order to overcome economic growth obstacles. Teams at governorate levels presented achievements, success stories as well as challenges. Opportunities were given to school members to sit with undersecretaries and technical education heads in the respective governorates to address and overcome challenges.

### **Upgrading the Existing Workforce Skills – Ready Made Garment Sector**

Improved Skills to Market component strives to raise employment potential and improve the ability of the workforce to meet employer needs by assessing training needs and upgrading workforce skills in key employment sectors. C.1 strives to have two RMG training specialists work in parallel with around 15 factories (part of them under the QUIZ agreement) in the Alexandria governorate to conduct a comprehensive Training Needs Assessment (TNA) followed by a scale up workforce skills training. C.1 team and two RMG consultants conducted a number of visits to RMG companies of different sizes to pre-assess companies' needs.

The RMG Industry and Training Specialist worked for approximately 60 days to assess RMG private sector interest and level of cooperation., conduct training needs assessment (TNA) in each cooperating RMG company/factory, develop the suggested course layouts and training modules, identify recommended strategies for

participating companies to develop sustainable labor development and capacity building plans, deliver training programs based on the TNA results and provide close support to companies to assess training program results and impact. The two EMG specialists are in the phase of producing the final detailed report with program findings, recommendations, and implemented programs.

## **Sub-Component C-2: Developing Entrepreneurship**

USAID/ECP continues to support counterparts on key activities. Sub-Component C-2 only supports the private sector, and for the most part is not affected by ECP's Wind-Up Plan, other than not involving GOE entities in activities. Any previous GOE involvement in the past will be transferred to private sector entities; as such there will not be any discernable difference in the components activities.

### **C2.1 GEP/SEE Activities**

USAID/GEP has a goal to facilitate the StartUp of 100 job-creating companies so far 90 innovative businesses were created. Approximately 85% of the start-up firms are in the Information and Communication Technology (ICT) sector 6% in recycling/renewable energy and the remaining in transportation, manufacturing and other sectors. The main mechanism to achieve this is StartUp events designed to assist entrepreneurs in starting and growing their businesses. This quarter was one of the most successful in both the implementation of events and seeing our partners take over the majority of the responsibility of implementation and locking in sponsors for these events to ensure sustainability in the future.

**USAID/GEP Supported StartUp Weekend Luxor:** StartUp Weekends are weekend-long, hands-on experiences where entrepreneurs and aspiring entrepreneurs can find out if StartUp ideas are viable. On average, half of StartUp Weekend's attendees have technical or design backgrounds, the other half have business backgrounds. Beginning with open-microphone pitches on Thursday; attendees bring their best ideas and inspire others to join their team. Over Friday and Saturday, teams focus on customer development, validating their ideas, practicing LEAN StartUp Methodologies, and building a minimal viable product. On Saturday evening teams demonstrate their prototypes and receive valuable feedback from a panel of experts.

The Luxor competition took place on the weekend of March 6-8, 2014. During this 54-hour weekend event, there were more than 250 participants. A number of teams worked together to transform their creative ideas into business models - ideas spanned all sectors from tourism to technology. Entrepreneurs received coaching and mentoring on how to build their business plans and start their own businesses.

Based on the belief that entrepreneurship plays an important role in driving economic productivity, job creation, and sustainable economic growth, USAID's EG Section Leader Mr. William Patterson, provided the opening speech of the competition, emphasizing on the great impact of USAID's role in the development of

entrepreneurship in Upper Egypt through providing training, mentoring, and coaching to help Egyptian entrepreneurs turn their ideas into action.

### **C.2.2 Mentoring Activities**

Mentors are traditionally successful business people who volunteer their time to assist new businesses. They advise, connect, push, and support entrepreneurs as they start their business and pursue growth. Mentors usually work with NGO's like Injaz or Endeavor, incubators like Flat 6 labs, or events like the StartUp Cup. USAID/GEP goal is to increase the number of mentors, improve their quality and retain their efforts in the ecosystem.

**Angel Investing Activities:** Angel investors are high net worth individuals who invest their own money in new businesses. This type of early stage investment is risky but potentially highly lucrative for investors. USAID/GEP's goal is to help catalyze more angel investing in Egypt and to facilitate 12 deals; this includes supporting new angel groups, increasing the number of angel investors and facilitating meetings between angel investors and entrepreneurs.

USAID/GEP Continues to connect entrepreneur's to angel investors and has now helped to facilitate six deals worth 3.55 Million EGP.

**Women Entrepreneurs:** ECP is working on developing a large event specifically for Women Entrepreneurs that will take place in Cairo in the second week of April 2014.

## **Component D: Strengthening the Financial Sector**

During this quarter, this component has concentrated on: (i) continue and complete implementation of a series of workshops, with business associations through seven governorates, on private sector prospect for the national strategy of MSMEs development; (ii) reprinting and distribution of guides to assist SMEs in borrowing and business licensing; (iii) assisting BDS and business incubator-type organizations to form an association; (iv) assisting AUC in developing a strategy for their business incubator. Under the Wind-Up plan, ECP continued support to SFD on BDS activities and in developing a strong M&E Plan to be implemented by SFD; initiated SMEs access to finance training with business associations in governorates; and continued assistance and procurement to GAFI FDI Unit.

### **Sub-Component D-1: Non-Banking Supervision**

All EFSA activities were stopped and a few of FSI initiatives were continued in a limited manner under ECP's Wind-Up Plan. During this quarter:

An Arabic version of ECP-developed training program for insurance brokers' license renewal was completed and delivered to FSI. The program was developed by ECP

Expatriate Advisor Robert Gibbons focusing on international best practices in risk management and insurance products.

### **Sub-component D-2: Pension Reform**

The ECP technical assistance to public pension reform was previously cancelled due to an official decision by the GOE to cancel the new pension law.

### **Sub-Component D-3: Access to Finance**

- ECP initiated in March 2014 TA to SFD in two main areas: 1) to develop SFD M&E system and 2) to implement the proposed BDS strategy. TA is provided by STTA Advisors Hayley Alexander. Phase I of TA was completed and resulted in two action plans that SFD is implementing interim before starting Phase II of TA in April-May 2014.
- A second print of ECP two guides for business formalization, establishment and licensing for SMEs engaged in manufacturing and tourism activities was completed and distributed to existing and potential new SME businesses in governorates through business associations, IDA offices and MOT.
- 2000 copies of “Guide for SMEs Access to Finance” printed and distributed this quarter to SMEs associations in governorates.
- ECP continued and completed implementation of a series of workshops on “Private sector prospect for the national strategy of MSMEs development” with business and MSMEs associations in six governorates: Cairo, Alexandria, Port Said, Sharkia, Minya and Assuit. The purpose of the workshops is to solicit private sector input for the proposed national strategy being coordinated among all relevant stakeholders by SFD. Two workshops were successfully completed in January-February 2014 (Cairo and Upper Egypt; Minya, Assuit and Sohag). The participants from MSMEs associations discussed and agreed on obstacles facing the sector and recommendations for overcoming those obstacles through implementation of the national strategy. The strategy discussion paper developed by STTA Expatriate Advisor Stephen Silcox was used as a source of information and as a reference for potential pillars of the national strategy:
  - Legal and regulatory framework;
  - Entrepreneurship and workforce development;
  - Access to finance;
  - Access to services, markets, and information;
  - Coordination, monitoring and evaluation mechanism.Proposed TA to Chamber of Tourism Agencies and Chamber of Tourism Establishments (restaurants) was cancelled as agreed with USAID in accordance with winding up activities with quasi-government organizations.
- With business associations in seven governorates, ECP initiated a series of training in SMEs access to finance. First workshop was held on March 23-24 to Alexandria small investors and business associations.
- ECP initiated TA to AUC Entrepreneurship and Innovation Program (AUC-EIP) to develop strategic plan of its business incubator (V-Lap). STTA Advisor Leon Lourens provided the TA in march-April 2014.

- ECP agreed with the Egyptian Leasing Association (ELA) to jointly organize two awareness workshops in Assuit and Cairo governorates on using leasing products as alternative financing tool for SMEs. Also, ECP and USAID agreed to provide ELA with STTA to develop and deliver training to financial leasing companies in developing and using hybrid products and new financial leasing products tailored for the needs of SMEs.  
ECP invited and managed, by STTA Advisors June Lavelle and Wafaa El Wakil, a meeting of representatives of active business incubators, innovation centers and entrepreneurship centers to assess needs and interest in forming the Egyptian network of business incubators, innovation and entrepreneurship. Participants should interest and need for creating the network and formed a task force to take the initiative further steps, though is moving slowly on formation of the network.
- ECP continued its support under the Wind-Up Plan to GAFI's Foreign Direct Investment (FDI) Unit to ensure its completion as a fully functional entity for FDI information in the country. Support provided this quarter included TA by STTA FDI Advisor Christie Richard and procurement and delivery of need hardware and software to operate the newly established FDI Unit of GAFI.
- ECP planned for main activities in Q15<sup>th</sup>: 1) establish two BDS center within ABA and Chamber of Commerce in Sohag; 2) provide danced training to MSMEs and business associations in six governorates in planning and communication skills with decision-makers to advocate for MSMEs sector issues.

## **Component E: Cross-Cutting Support**

The Cross Cutting Team's strategy during Quarter 14 was to provide consistent, robust operational and project management support to the Component Leaders and Program Director to: (i) enable coherent synergies between the program's components; (ii) address counterparts' needs and build their human capacity; and, (iii) ensure efficient execution of project activities, including communications/public awareness resourcing, and administration of the ENCC grant.

### **Training**

ECP Training Team's objective is to develop counterpart human and institutional capacity—whether it is public or private sector. Despite the rapidly changing environment and a realignment of activities, ECP continued to exceed its contractual training requirement, both in terms of the number of events and total number of participants.

#	Component	Date	Training Events	Location	Males	Females	Total
1	<b>D</b>	January 11 - 12, 2014	Private Sector Prospect for the National Strategy for MSMEs Development	Cairo	6	4	10
2	<b>D</b>	20-Jan-14	Egyptian Network of Business Incubation and Support Organizations	Cairo	12	5	17
3	<b>C1</b>	Jan 30- Feb 1, 2014	SBTU and SBEU Opening-Luxor	Luxor	11	1	12
4	<b>C1</b>	20-Jan-14	Beni Suef Employment Fair	Beni Suef			10,000
5	<b>C2</b>	30-Jan-14	RFI Roundtable- Chris	Cairo	13	2	15
6	<b>C1</b>	Jan 28- Feb 1, 2014	SBTU- Train of Trainer Workshop Group 4, Phase 3	Alexandria	11	19	30
7	<b>B</b>	18-Feb-14	ENCC-USAID Growth Diagnostics Roundtable	Cairo	13	15	28
8	<b>C2</b>	15 Feb - 27 Feb 2014	Silicon Valley OST	USA	4	1	5
9	<b>C1</b>	Feb 12-14, 2014	SBEU Refresher	Alexandria	106	39	145
10	<b>C1</b>	Feb 15-17, 2014	SBTU Refresher	Alexandria	81	53	134
11	<b>D</b>	Feb 18-19, 2014	Private Sector Prospect for the National Strategy for MSMEs Development	Hurghada	19	8	27
12	<b>C2</b>	23-Feb-14	Luxor Entrepreneurship Awareness Event	Luxor	175	131	306



13	C	March 6-8, 2014	Luxor Startup Weekend	Luxor	143	56	199
14	C	9-Mar-14	Luxor Employment Fair	Luxor			2,000
15	D	22-23 Mar, 2014	SME Access to Finance Trainings	Alexandria	41	17	24
	Total				<b>695</b>	<b>364</b>	<b>1059</b>

In addition to quality and impact, the ECP training team always looks for opportunities to realize savings to the U.S. government. The team examines all cost elements involved and looks for ways reduce costs while maximizing the impact of program resources.

### **Communications/Public Awareness**

The Public Awareness and Communication Department continued in Quarter 14 to provide communications and public awareness support to the ECP project, its' Technical Leads and training department as requested. Specifically, ECP Communication and Public Awareness activities focused on strengthening and disseminating the USAID communication messages by developing the communication materials at events and guiding media interviews, to identify USAID support to startups which helps increase employment rates and create jobs. This quarter, building Consumer Protection NGOs' capacity to generate awareness and collect stakeholder feedback on the Consumer Protection Law has been a major focus for the PA team. The PA will continue to work closely with Component A in the next quarter.

The communication activities helped to increase awareness of USAID technical support provided to the Egyptian economy. This included creating awareness on activities like entrepreneurship Start-Up Weekends; and planning for the communication materials to equip the newly opened Tamayouz Center in Port Said; printing guides on Tourism, Industry and Access to Finance that build the capacity of small and medium size enterprises and encourage business registration.

### **IT Procurement**

In Quarter 14, the ECP IT Department provided three critical functions: 1) full-service project support; 2) limited public and private sector counterpart technical assistance; and, 3) oversight of counterpart IT procurements and needs assessments. ECP procured approximately \$50,705 in commodities/IT equipment in this past quarter. To date, the total commodities/IT procurement is \$642,245 of the contract ceiling of 1 million USD. A summary of activities this past quarter by Component are as follows:

- Two server for GAFI/FDI Unit
- IT equipment for Tamayouz Port Said, Assuit, and Sohag
- IT equipment for 10 School Based Employment Units (SBTUs)
- It equipment for 2 Central Training Units (CTUs)

### **Grants**

The total ceiling for grants under USAID/ECP is \$2,000,000 to support activities leading to strengthening the competitiveness environment in the Egyptian economy. To date, ECP has committed \$1,160,000 grant funds.

Grants disbursements and activities has become one of the biggest challenges under the ECP program due to the ongoing political situation in Egypt, including the issue related to foreign funding of NGOs. The GOE/Ministry of Insurance and Social Affairs (MISA) had put a hold on approvals for grants to local/international organizations and NGOs. In Year II, MISA approved the pending grant to the Egyptian National Competitiveness Council (ENCC) in the amount of EGP 6,960,000 (\$1,160,000) through 30 April 2013. The ENCC grant is expected to be the only grants awarded under ECP and ended on March 31, 2014.

### **Monitoring and Evaluation**

ECP continued to monitor and evaluate activities this past quarter according to the project PMP. The team also continues to track and verify data. Given the recent realignment of activities (Wind-Up Plan), ECP proposes to update—in close collaboration with USAID—the project PMP shortly.

# ANNEX 1: NEW CONTRACT MODIFICATION AND WIND-UP PLAN

AMENDMENT OF SOLICITATION / MODIFICATION OF CONTRACT		1. CONTRACT ID CODE	PAGE	OF PAGES
2. AMENDMENT/MODIFICATION NO. 7		3. EFFECTIVE DATE See Block 16C	1	11
4. REQUISITION/PURCHASE REQ. NO. 263-MAARD-263-0289.02-3-10029		5. PROJECT NO. (if applicable)		
6. ISSUED BY USAID/Procurement USAID/Egypt 1A Ahmed Kamel St., off Laselki st., New Maadi, Cairo, Egypt	7. ADMINISTERED BY			
8. NAME AND ADDRESS OF CONTRACTOR (No. street, county, State and ZIP code)  CHEMONICS INTERNATIONAL 1717 H STREET NW WASHINGTON, DC 20006 TIN: 52-2145827 DUNS: 86-771-4768		9A. AMENDMENT OF SOLICITATION NO.		
CODE		9B. DATED (SEE ITEM 11)		
FACILITY CODE		10A. MODIFICATION OF CONTRACT/ORDER NO. EEM-1-12-07-00008		
		10B. DATED (SEE ITEM 13) 05 May 2010		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS				
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended <input type="checkbox"/> is not extended. Offerors must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.				
12. ACCOUNTING AND APPROPRIATION DATA (if required)				
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
<input type="checkbox"/> A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify Authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
<input type="checkbox"/> B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY				
<input checked="" type="checkbox"/> C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52 232-20 & FAR 52 232-22				
<input type="checkbox"/> D. OTHER (Specify type of modification and authority)				
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible)				

The purpose of this modification is to incorporate the attached Wind- Up Plan into the contract.

Except as provided herein, all terms and conditions, remain unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) Gita Maithra, Acting SVP Risk Management Division		15A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Ralph Keeshring - Contracting Officer	
15B. CONTRACTOR/OFFEROR Gita Maithra	15C. DATE SIGNED 12/30/2013	15B. UNITED STATES OF AMERICA Ralph Keeshring	15C. DATE SIGNED 12/22/13
NSN 7540-01-152-8070 PREVIOUS EDITION UNUSABLE		STANDARD FORM 30 (Rev. 10-83) Prescribed by GSA FAR (48 CFR) 53.243	





**USAID | EGYPT**  
FROM THE AMERICAN PEOPLE

## Wind- Up Plan

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Egypt Competitiveness Project (ECP)- Chemonics  
International

**Introduction:**

This "Wind Up Plan" (henceforth "Plan") details how Egypt's Competitiveness Project (ECP) will recalibrate aspects of its assistance in order to comply with Section 617 (a) of the Foreign Assistance Act (FAA). As part of an earlier exercise, ECP has been phased down significantly by reducing the number of expatriates and local professionals, and hence reduced the scope of ECP activities as of September 2013. This Plan will therefore be relatively simpler to execute under the more limited set of activities.

Activities under this Plan are divided into three categories: 1) Activities implemented with the private sector, NGOs or CSOs that will continue until end of ECP's contract, which will end on June 30, 2014; 2) Activities that will be stopped immediately because they do not comply with Section 617 (a) of the FAA and for which an orderly close-out is not necessary; and 3) Activities that ECP will "wind up" involving the Government of Egypt (GoE) that would otherwise be restricted, in cases where USAID has invested a significant level of funds and determined that additional expenses are necessary for an orderly and businesslike close out of activities.

A phase-out timeline for completion or termination of current activities, including a discussion of unrestricted activities that will continue under ECP, is attached to this Plan. No sub-obligation of additional funds is needed to complete ECP activities through the life of the contract. This Plan for ECP does not include new activities or activities that have yet to be started that provide assistance to the Government of Egypt. The objective of the ECP Plan is to have an orderly completion of activities by June 2014, in order to ensure that the U.S. government's investments are protected.

**Award Information:**

- Award No.: EEM-I-12-07-00008
- Awardee: Chemonics International
- Performance Period: October 2010- June 2014
- Total Estimated Cost: \$26,582,103
- Total Obligated Amount: \$26,582,103
- Possible Option Periods: n/a
- COR/ AOR: Ali Kamel
- A&A Specialist: Mona Beshai and Sarah Botros
- A&A Officer: Ralph Koehring
- Is it under a Bilateral Agreement: Yes, Financial Sector Modernization Program- Competitive Environment for Investment (FSMP-CEI- 263-0289.02)

**Award Objective and Primary Counterparts:**

The Egypt Competitiveness Program (ECP) is a Task Order with Chemonics International under SEGIR II-GBTI II. The Total Estimated Cost (TEC) of the Base Period is \$26.5 million. The main objective of ECP is to provide technical assistance (and related training, grants and commodity support)

ECP WIND UP PLAN FORM

to enhance Egypt's competitiveness through regulatory reform, streamlined business processes, improved labor skills and productivity, and a modernization of the financial sector. ECP works with government counterparts, private sector, NGOs, public and private universities, and quasi-government and parastatals.

**ECP Background:**

The ECP has four components:

- A. Conducive Regulatory Environment** includes support for the Egyptian Regulatory Reform and Development Activity (ERRADA), Consumer Protection, Industrial Development Authority, Fiscal Policy and tax policy administration, and commercial laws.
- B. Streamlined Business Processes** includes support for the Smart Services Business Center (SSBC) for permits and licenses, Commercial Registry, Tamayouz Centers, and supporting the Egyptian National Competitiveness Council (ENCC)
- C. Improved Labor Skills and Productivity** includes supports for the national program for the Technical Educational and Vocational Training (TVET), supporting the entrepreneurship activities under the Global Entrepreneurship Program GEP, and the planned Cairo University International Branch (CUIB).
- D. Strengthening the Financial Sector** includes support for the non-banking Egyptian Financial Supervisory Authority (EFSA), pension reforms, and supporting SMEs.

**Government Entities involved:**

1. Government Entities:
  - Ministry of Finance (MOF) including Egyptian tax Authority, the Ministry HQ,
  - Ministry of Investment(MOI) including the General Authority for Investment (GAFI), and the Egyptian Financial Supervisory Authority (EFSA),
  - Ministry of Education (MOE)
  - Ministry of Industry and Foreign Trade (MoIFT), including the Industrial Development Authority (IDA) and the Egyptian Competition Authority (ECA)
  - Ministry of Supply and Internal Trade (MoSIT) including the Egyptian Consumer Protection Authority (CPA) and the Commercial Registry; and
  - The Social Fund for Development (SFD).
2. Extent and Type of involvement. ECP has provided long-term and short term experts, training and IT equipment.

## I. Tasks planned to be continued

*The following tasks will continue because they are implemented directly with the private sector and NGOs. These activities will build capacity in the private and/or non-profit sectors. They are also essential to accomplish the objectives and results of the ECP. More details are provided in Annex I (attached).*

### A. Conducive Regulatory Environment:

- Work with the Federation for Consumer Protection, a private NGO, and other NGOs working on consumer protection to provide public awareness workshops in different governorates at youth clubs and social clubs.
- Work with the Federation for Consumer Protection NGO and other NGOs working on consumer protection to identify and fund surveys and research papers on consumer awareness and consumer complaints and follow up on cases for consumers, specifically at upper Egypt and rural towns...

### B. Streamlined Business Processes:

- Grant to the Egyptian National Competitiveness Council (ENCC), a private NGO that advocates for reform
- Support for the ENCC 9th National Competitiveness Report (ECR), the flagship annual publication of the ENCC. This publication is used by different entities of private sector, NGOs, researchers, academia and general public including the GOE ministries.
- Targeted TA provided to the ENCC designed to help the NGO reach financial and institutional sustainability.

### C. Labor Productivity Improved:

#### C1: Improved Skills to Market through Vocational and Technical Training:

- Training and capacity building for the Ready Made Garments (RMG) and tourism sector workforce.
- Recruit, Retrain and Retain (3R) project with the private sector, building on original 3R activity with GOE. 3R is now a private sector initiative targeting the Alexandria and Delta area, working with local industrial businesses and associations.
- Work with the private sector and local workforce to coordinate 2 to 3 job fairs between December 2013 and February 2014, in Alexandria, Beni Suef, and Port Said.

#### C2: Global Entrepreneurship Program:

- Provide support for the Cairo and Alexandria Startup Cups and Weekends, which are contests for local entrepreneurs and outreach events promoting private sector and getting innovative ideas funded.
- Startup Weekends in Aswan, Mansoura, Alexandria (including Startup introductory awareness video).
- Support the Egyptian Startup Weekend Battle--winners of which will compete with Startup Weekend winners around the world.
- Build the capacity of private universities to hold their own Startup Cups, specifically, support for ITI (Information Technology Institute) and NU (Nile University) Startup Competitions in Upper Egypt and Delta.



ECP WIND UP PLAN FORM

- Conduct an "Entrepreneurship eco-system" building event to improve the enabling environment for entrepreneurs.
- Support existing and the development of new "Startup Academies" that will build the capacity of aspiring entrepreneurs.
- Fund a Silicon Valley Study Tour for winners of the Startup Cups.
- Create and sustain an "Entrepreneurship Portal" that connects all stakeholders.
- Assist Mentorship organizations in implementing entrepreneur mentorship strategies and build its own mentors network in Cairo and in other governorates.
- Continue work to match investors and entrepreneurs.

**D. Strengthened Financial Sector:**

**Support MSME:**

- Finalization of the Access to Finance Guide to assist Small and Medium Enterprises (SMEs) in getting access to finance by supporting them to have the required documentations including feasibility studies, business plans. These guides also serve to educate SMEs on financial aspects and prerequisites for accessing finance.
- Provide technical assistance to the American University Cairo (AUC) entrepreneurship and innovation program (EIP) to develop a strategic plan for its proposed incubator program.
- Follow-up with commercial banks and private financial institutions on approval of loan applications submitted by the supported SMEs under the previous work on access to finance.
- Assist in the development of the monitoring plan with regards to the DCA guarantee granted to HSBC, and provide TA to HSBC if needed for effective utilization of the DCA.
- Provide training to Alexandria Business Association (ABA) Business Development Services (BDS) staff in best practices in designing and delivering BDS to the private sector.
- Establishing a BDS unit in the Assuit governorate with Assuit Businessmen Association.
- Establishing a BDS unit in the Sohag governorate with Sohag Businessmen Association.
- Establishing a BDS unit in the Port Said governorate with Port Said Businessmen Association.
- Work with Micro-Small-Medium Enterprises (MSME) in the private sector to enhance their ability to advocate for a national strategy on MSME development and other policies. ECP will ensure that MSMEs issue is adequately presented to policy makers and to be included in the national strategy. Discussion sessions will be part of this activity to ensure that voice of the private sector and their issues are directly reflected in the national strategy.
- Establish Egyptian business incubator network and incubator manager certification. Suitable community linking incubators with entrepreneurs and mentors enabling the growth and development of entrepreneurs--opening a window for increased investments. Establishing the network and training will strengthen existing private sector incubators, increase the number of new ones, and provide highly qualified incubator managers able to make informed decisions. It will also connect entrepreneurs and SMEs to proper services as needed.
- Assist BDS providers to build capacity, expand and enhance services to SMEs according to their needs.
- Provide training in Access to Finance and business formalization by strengthening association of SMEs capacity building. Strong associations will assist members in accessing finance, direct

them towards formalization, and become a gear in the development of this sector, through the Businessmen Associations in the selected governorates.

- Facilitate start-up businesses in the tourism sector by increasing awareness of new investors in tourism sector with requirements for business start-up..
- Provide BDS to members of the above Businessmen Associations, and build the capacity of associations to provide BDS services to its members and others or just members?
- Work with the Financial Leasing Association, a private sector group, on directing and facilitating financial lease to SMEs. There is a need to increase number of SMEs accessing means of finance other than loans. One of the major financial aids for SMEs is the financial leasing. Very few SMEs have knowledge and means to access the financial leasing and are not equipped to apply.
- Financial Literacy Courses; Develop a financial literacy course for schools and deliver Train the Trainers (TOT) activities for teachers of this material. ECP will work with private sector schools as a pilot without directly involving the MOE. These activities will be in the form of presentations, lectures, workshops and site visits. There is a need to educate youth and entrepreneurs about Finance (banking and non-banking). The need for this activity is not currently addressed by any stakeholders or donors although the need is known to decision makers. The financial literacy in Egypt is very weak, making demand on financial products minimal, and the supply side is being very cautious and risk avert. Therefore, financial markets in Egypt are underdeveloped.

## II. Tasks that will Stop Immediately

These tasks and activities will be stopped right away because they are implemented with GOE counterparts and do not require an orderly close out of activities in order to preserve significant past USAID investments. For some activities, the orderly completion can be executed immediately with no loss or risk because ECP has not started working in them or only very insignificant efforts were spent. For more details please refer to Annex 1 (attached).

### A. Conducive Regulatory Environment:

- All Ministries: ECP was to assist the Egyptian Regulatory Reform and Development Agency (ERRADA) and train Ministries to make this regulatory review practice operational again.
- Economic Court IT Procurement: The requested LCD screens were to keep the court informed as to the order of proceedings; while an attendance machine was to be used to track the attendees present.
- MOF: Ministry of Finance Comprehensive staff training program in Public Financial Management (PFM) -- Training was to cover broad topics, including VAT.
- MOF: Ministry of Finance IT procurement: 10 workstations and printers to replace critical non-functioning equipment required for basic day-to-day operations.
- MoIFT: Various activities with the Egyptian Competition Authority (ECA), including IT Furnishing of Luxor Branch; internships with the Federal Trade Commission (FTC); Support

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for research; Harm Assessment and Behavior Economic Training; Digital Forensic Training; Public Awareness activities; Launch event for the annual report and workshop.

- MoSIT: Various activities for the Consumer Protection Agency (CPA), including two Economic Court Judges Workshops and Study Tour.
- MoIFT: Industrial Development Authority (IDA); research on an Industrial Parks Field and training for Middle Management.
- MOF: Working with Bull (ECP sub -contractor )and the Egyptian Tax Authority (ETA) to resolve some of the basic problems with the Integrated Tax Management and Accounting Software (ITMAS) will stop.

**B. Streamlined Business Processes:**

- MoSIT: Ministry of Internal Trade Commercial Registry, Giza and Alexandria (re)opening with new IT systems.
- MOE: Hire new Tamayouz manager and train replacement.
- MOI: Assistance to GAFI's One Stop Shop (OSS) following the Tamayouz model to enhance their operations.
- The ENCC Tourism sub-council workshops, events, and promotion, as activities would likely benefit the Ministry of Tourism. Most of this sub-council of tourism work will be primarily directed to and coordinated with the Ministry of Tourism.
- The ENCC 9th National Egyptian Competitiveness Report (ECR) launch and promotion event, as it would necessitate the involvement of the GoE.

**C. Labor Productivity Improved:**

**C1: Improved Skills to Market through Vocational and Technical Training:**

- MoIFT: Complete the pilot project, Recruit, Retrain and Retain (3R).
- MoIFT: Implementation of a demand- driven mechanism to train, qualify and employ young male and female job seekers in cooperation with ITC (NPTE program).
- MOE: Support employment fairs in cooperation with the MOE.
- MOE: Support School Camps
- MOE: Expand School Based Training Unites (SBTUs) and School Based Employment Units (SBEUs).
- MOE: Embed entrepreneurial activities in secondary school curricula.
- MOE: Study Tour to Malaysia and South Korea.
- MOE: Develop Petrochemical Curricula.

**C2: Global Entrepreneurship Program:**

- MOI: Conduct an event with the General Authority for Investment (GAFI) and other stakeholders to increase Corporate Social Responsibility (CSR) funding.
- MOI: Assist GAFI in implementing mentorship strategies and build its own mentors network in Cairo and in other governorates.
- MOI: Provide facilitation between angel investors and Bedeya fund; continue to advise GAFI on supporting and funding start-ups

**D. Strengthened Financial Sector:**

- MOI: Establish Insurance Policyholders' Guarantee Fund.
- MOI: Organize a workshop on actuarial professional standards jointly with the Financial Service Institute (FSI).
- MOI: Judges training in non-bank financial markets.
- MOI: Implement action plan for establishing the arbitration center that was approved by the Egyptian Financial Supervisory Authority (EFSA) Chairman.
- MOI/MoIFT: Develop and implement an Investment Promotional Campaign and a Roadshow for a number of SMEs - BCIU Thatcher
- SFD: Procurement: IT hardware to SFD regional offices.
- MOI: Training to GAFI Bedeya Center on best practices of developing and providing BDS.
- MOI: Review and update Bedeya Center strategy developed in 2008.

**III. Tasks that will "wind-up" in an orderly fashion and the justification behind this decision:**

The activities listed below would otherwise not comply with Section 617 (a) of the FAA but need to "wind up" and be completed in an orderly fashion between January and April 2014 in order to preserve USAID investments. ECP is currently working with the GOE on these activities and has completed at least an estimated 70% of the value of these activities. EG Office now proposes to execute only those critical tasks required for an orderly, low cost wind-up of each of these activities. For more details please refer to Annex 1 (attached).

**B 1. Streamlined Business Processes:**

MoSIT: Commercial Registry Sakhr software installation and data transfer completed for Cairo Office. This activity is in the final stages of implementation. ECP is awaiting the registry's approval to migrate the data. Once this happens, ECP can work with Sakhr to close out the remaining deliverables. Completion of this activity ensures gains to date and preserves U.S. Government investment thus far. ECP is currently working with the GOE on this activity and has made a substantial investment in its success. Moreover, ECP has completed approximately 90% of this activity (\$15,000), and now proposes to execute only those critical tasks required for an orderly, low cost wind-up of this activity. Gains to date would be lost should this activity not be completed.

- MoIFT: Tamayouz Centers activated in Port Said, Assuit, and Sohag. (Original scope of activity included Tamayouz Centers across Egypt). ECP is currently working with the Chambers of Commerce on this activity and has made a substantial investment in its success. The original scope of this activity included (at least) six Tamayouz Centers in targeted Egyptian Governorates. Under the wind-up plan, ECP has significantly scaled back the activity so that it includes only those required to activate the three Tamayouz Centers where ECP already begun

## ECP WIND UP PLAN FORM

to work on technical assistance and training in Assuit, Sohag, and Port Said. ECP has completed approximately 60% of this activity (or approximately \$75,000) and now proposes to execute only those critical tasks required for an orderly, low cost, wind-up of this activity.

MoIFT: Hire two National Quality Assessment experts to work with NQI to encourage a base of successful businesses that can be used as a model for others. ECP has signed agreements with two National Quality Assessment experts. During wind-up, ECP will oversee the two consultants already procured until the end of these agreements, and stop all other NQI capacity building.

### C. Labor Productivity Improved

#### CI: Improved Skills to Market through Vocational and Technical Training:

- MOE: School-Based Employment Units (SBEU) refresher and sustainability workshops for the 25 Units already activated. During the first, second and third years, ECP made a significant investment in the SBEU activity, activating and conducting introductory workshops for 25 SBEUs in eight governorates. Refresher programs have been shifted to be private sector led, as it is considered a great opportunity for the private sector to present their needs and to work on fulfilling these needs. It also provides them with an opportunity to access a larger labor pool, including graduates of technical schools.
- MOE: School-Based Training Unit (SBTU) refresher and sustainability workshops for the 25 Units already activated. During the first, second and third years, ECP made a significant investment in the SBTU activity, activating and conducting introductory workshops for 25 STBUs in 8 governorates. ECP has also held step one and two of the train of trainers (TOT) workshops to establish a cadre of SBTU members empowered to train other members. Refresher programs have been shifted to be private sector led as more private sector firms and touristic establishments are leading the activities during the wind-up, as it is considered a great opportunity for the private sector to present their needs and to work directly with the SBTUs to fulfill those needs in terms of skills requirements; thereby maximizing the potentials for recruiting qualified labor from technical school graduates. ECP is currently working with the private sector on this activity and has made a substantial investment in its success. Moreover, ECP has completed approximately 80% of this activity and now proposes to execute only those critical tasks required for an orderly, low cost, wind-up of this activity. The activities will strive to minimize involvement with the MOE while increasing ECP's collaboration with the private sector investors in ready-made garments, food processing and tourism. The efforts, money, and time invested in this activity, so far, will be lost should these few wind-up tasks outlined in the status column not be completed.
- Complete the training for two central units at the MOE instead of the originally planned ten units, in collaboration with the private sector. These units will be responsible for monitoring and managing the performance of the existing SBTUs and SBEUs as well as rolling out the SBTU and SBEU model to other schools, thereby guaranteeing sustainability. ECP has completed 75% of the steps required for this activity in terms of the establishment of the units,

selection of staff, completing the governance structure of the units, equipping the units, and designing the training programs. The private sector will have a leading role in the training and functioning of those units as 49% of the members of the steering committee overseeing the operations of those central units are from the private sector.

#### **D. Strengthened Financial Sector:**

- MOI: Deliver TOT for the training program of SMEs listing on trading on the Nilex. ECP had been coordinating with FSI on this activity, where all necessary actions are completed representing 80% of the work (of about \$9,000), except for the final step of qualifying private sector professionals as instructors for this training program. The TOT is the last piece to complete the activity and to preserve significant project investment of over 70% of the total cost to date.
- MOI: Finalize FSI training program for insurance brokers' intermediate courses. ECP has completed training materials and they are under review by FSI. Once reviewed, they will be finalized and translated into Arabic.
- SFD: Develop a monitoring and evaluation system to assist SFD management in enhancing planning and decision-making processes. Development of a monitoring and evaluation management plan has started as well as some initial steps in implementation. ECP completed assessment of current system, with indicators in place. Need short term TA to complete the design of the system and train staff. Project will then be turned over and the implementation phase will be done by SFD. ECP is currently working with the SFD on this activity and has made a substantial investment in its success. Moreover, ECP has completed approximately 80% of this activity and now proposes to execute only those critical tasks required for an orderly, low cost, wind-up of this activity.
- SFD: Implement SFD Strategy for Business Development Services (BDS) or non-financial services targeting Micro and Small Enterprises. The BDS strategy is complete, the action plan is complete and implementation started, including: i) forming the steering committee, ii) selection of team leaders in governorates, iii) started training by conducting Part 1 of the course (introduction), vi) compilation of BDS providers in the governorates. Additional short-term TA is needed to: a) Develop the structure and business model of BDS with the steering committee; and b) complete the training material and operational manuals for BDS. This additional work represents less than 20% of the overall effort. ECP is currently working with the SFD on this activity and has made a substantial investment in its success. Moreover, ECP has completed approximately 80% of this activity and now proposes to execute only those critical tasks required for an orderly, low cost, wind-up of this activity.
- SFD: Support development of National Strategy for MSMEs development with other stakeholders who may lead the implementation of the national strategy, in lieu of the SFD. Discussion paper (initial draft of the strategy) has been completed and can be used in stakeholder's consultations for the purpose of the final write-up of the strategy and development of the implementation action plan with clear roles and responsibilities. Additional short-term

## ECP WIND UP PLAN FORM

TA required to finalize the plan. ECP is currently working with the SFD on this activity and has made a substantial investment in its success. Moreover, ECP has completed approximately 80% of this activity and now proposes to execute only those critical tasks required for an orderly, low cost, wind-up of this activity. Wind-up activities will strive to minimize involvement with SFD while increasing ECP's collaboration with the private sector. The efforts, money, and time invested in this activity, so far, will be lost should these few wind-up tasks outlined in the status column not be completed.

MOI: Provide TA and procurement to GAFI in implementing the plan of action to establish a formal FDI Unit. The FDI Unit has already been established with assistance of ECP/USAID and its staff has been recruited and is being trained by an ECP expat advisor. Work done thus far tackled the cleansing of old data, data gathering, and data verification. The final step of this activity entails training, data analysis, and extraction of results (ECP has already invested significant technical assistance in gathering and cleaning the data). This final step also requires installation of statistical software on Unit computers as well as the technical assistance/staff training by an expatriate advisor. The FDI unit is aimed to become the sole provider of statistical data on Foreign Direct Investment in Egypt. ECP has invested over 70% of the total cost for this activity. The FDI information is currently scattered between many government authorities such as Ministry of Petroleum, Central Bank of Egypt, and GAFI. FDI data needs to be accurately captured and disseminated to private sector Egyptian and foreign investors and also policy-makers.

Order #	Material Name (Inventory)	Material Code (Inventory)	Quantity	Unit Price	Material Code (Inventory)	Material Name (Inventory)	Material Code (Inventory)	Quantity	Unit Price	Material Code (Inventory)	Material Name (Inventory)	Material Code (Inventory)	Quantity	Unit Price	Material Code (Inventory)	Material Name (Inventory)	Material Code (Inventory)	Quantity	Unit Price
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11	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
12	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
13	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
14	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...



SMART

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CONFIDENTIAL

Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026	Q1 2027	Q2 2027	Q3 2027	Q4 2027	Q1 2028	Q2 2028	Q3 2028	Q4 2028	Q1 2029	Q2 2029	Q3 2029	Q4 2029	Q1 2030	Q2 2030	Q3 2030	Q4 2030																																
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100

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COMPLETION:

Order #	Order Date/Order Reference No.	Requested Facility	Area of Need	Justification	Health Status of ECP (Preparation and Planning)	Health Status of ECP (Implementation)	Health Status of ECP (Evaluation)
02	12/1/14	02C-02	02C-02	02C-02	02C-02	02C-02	02C-02
03	12/1/14	03C-02	03C-02	03C-02	03C-02	03C-02	03C-02
04	12/1/14	04C-02	04C-02	04C-02	04C-02	04C-02	04C-02
05	12/1/14	05C-02	05C-02	05C-02	05C-02	05C-02	05C-02
06	12/1/14	06C-02	06C-02	06C-02	06C-02	06C-02	06C-02
07	12/1/14	07C-02	07C-02	07C-02	07C-02	07C-02	07C-02
08	12/1/14	08C-02	08C-02	08C-02	08C-02	08C-02	08C-02
09	12/1/14	09C-02	09C-02	09C-02	09C-02	09C-02	09C-02
10	12/1/14	10C-02	10C-02	10C-02	10C-02	10C-02	10C-02
11	12/1/14	11C-02	11C-02	11C-02	11C-02	11C-02	11C-02
12	12/1/14	12C-02	12C-02	12C-02	12C-02	12C-02	12C-02
13	12/1/14	13C-02	13C-02	13C-02	13C-02	13C-02	13C-02
14	12/1/14	14C-02	14C-02	14C-02	14C-02	14C-02	14C-02
15	12/1/14	15C-02	15C-02	15C-02	15C-02	15C-02	15C-02
16	12/1/14	16C-02	16C-02	16C-02	16C-02	16C-02	16C-02
17	12/1/14	17C-02	17C-02	17C-02	17C-02	17C-02	17C-02
18	12/1/14	18C-02	18C-02	18C-02	18C-02	18C-02	18C-02
19	12/1/14	19C-02	19C-02	19C-02	19C-02	19C-02	19C-02
20	12/1/14	20C-02	20C-02	20C-02	20C-02	20C-02	20C-02
21	12/1/14	21C-02	21C-02	21C-02	21C-02	21C-02	21C-02
22	12/1/14	22C-02	22C-02	22C-02	22C-02	22C-02	22C-02
23	12/1/14	23C-02	23C-02	23C-02	23C-02	23C-02	23C-02
24	12/1/14	24C-02	24C-02	24C-02	24C-02	24C-02	24C-02
25	12/1/14	25C-02	25C-02	25C-02	25C-02	25C-02	25C-02
26	12/1/14	26C-02	26C-02	26C-02	26C-02	26C-02	26C-02
27	12/1/14	27C-02	27C-02	27C-02	27C-02	27C-02	27C-02
28	12/1/14	28C-02	28C-02	28C-02	28C-02	28C-02	28C-02
29	12/1/14	29C-02	29C-02	29C-02	29C-02	29C-02	29C-02
30	12/1/14	30C-02	30C-02	30C-02	30C-02	30C-02	30C-02
31	12/1/14	31C-02	31C-02	31C-02	31C-02	31C-02	31C-02
32	12/1/14	32C-02	32C-02	32C-02	32C-02	32C-02	32C-02
33	12/1/14	33C-02	33C-02	33C-02	33C-02	33C-02	33C-02
34	12/1/14	34C-02	34C-02	34C-02	34C-02	34C-02	34C-02
35	12/1/14	35C-02	35C-02	35C-02	35C-02	35C-02	35C-02
36	12/1/14	36C-02	36C-02	36C-02	36C-02	36C-02	36C-02
37	12/1/14	37C-02	37C-02	37C-02	37C-02	37C-02	37C-02
38	12/1/14	38C-02	38C-02	38C-02	38C-02	38C-02	38C-02
39	12/1/14	39C-02	39C-02	39C-02	39C-02	39C-02	39C-02
40	12/1/14	40C-02	40C-02	40C-02	40C-02	40C-02	40C-02
41	12/1/14	41C-02	41C-02	41C-02	41C-02	41C-02	41C-02
42	12/1/14	42C-02	42C-02	42C-02	42C-02	42C-02	42C-02
43	12/1/14	43C-02	43C-02	43C-02	43C-02	43C-02	43C-02
44	12/1/14	44C-02	44C-02	44C-02	44C-02	44C-02	44C-02
45	12/1/14	45C-02	45C-02	45C-02	45C-02	45C-02	45C-02
46	12/1/14	46C-02	46C-02	46C-02	46C-02	46C-02	46C-02
47	12/1/14	47C-02	47C-02	47C-02	47C-02	47C-02	47C-02
48	12/1/14	48C-02	48C-02	48C-02	48C-02	48C-02	48C-02
49	12/1/14	49C-02	49C-02	49C-02	49C-02	49C-02	49C-02
50	12/1/14	50C-02	50C-02	50C-02	50C-02	50C-02	50C-02

Order	Code	Project Name	Start Date	End Date	Project Status	Project Description	Impact	Beneficiaries	Completion Status
1	101	...	...	...	...	...	...	...	
2	102	...	...	...	...	...	...	...	
3	103	...	...	...	...	...	...	...	
4	104	...	...	...	...	...	...	...	
5	105	...	...	...	...	...	...	...	
6	106	...	...	...	...	...	...	...	
7	107	...	...	...	...	...	...	...	
8	108	...	...	...	...	...	...	...	
9	109	...	...	...	...	...	...	...	
10	110	...	...	...	...	...	...	...	

EMPT/2013/01/01/01/01/01



Order	Global Input Subsector	Subsector	Subsector Activity	Value at Risk	Value at Risk	Value at Risk	Value at Risk	Value at Risk	Value at Risk
53	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000
54	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000
55	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000
56	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000
57	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000
58	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000
59	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000
60	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000
61	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000
62	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000

W: World; G: Global; S: Subsector; A: Activity; V: Value at Risk

Order #	Order Date	Order Description	Project Location	Work Item	Production	Work Item Description	Production	Work Item Description	Production
13	01/28/14	Order for materials for Project 13	Project 13	Order for materials for Project 13	Order for materials for Project 13	Order for materials for Project 13	Order for materials for Project 13	Order for materials for Project 13	Order for materials for Project 13
14	02/04/14	Order for materials for Project 14	Project 14	Order for materials for Project 14	Order for materials for Project 14	Order for materials for Project 14	Order for materials for Project 14	Order for materials for Project 14	Order for materials for Project 14
15	02/04/14	Order for materials for Project 15	Project 15	Order for materials for Project 15	Order for materials for Project 15	Order for materials for Project 15	Order for materials for Project 15	Order for materials for Project 15	Order for materials for Project 15
16	02/04/14	Order for materials for Project 16	Project 16	Order for materials for Project 16	Order for materials for Project 16	Order for materials for Project 16	Order for materials for Project 16	Order for materials for Project 16	Order for materials for Project 16
17	02/04/14	Order for materials for Project 17	Project 17	Order for materials for Project 17	Order for materials for Project 17	Order for materials for Project 17	Order for materials for Project 17	Order for materials for Project 17	Order for materials for Project 17
18	02/04/14	Order for materials for Project 18	Project 18	Order for materials for Project 18	Order for materials for Project 18	Order for materials for Project 18	Order for materials for Project 18	Order for materials for Project 18	Order for materials for Project 18
19	02/04/14	Order for materials for Project 19	Project 19	Order for materials for Project 19	Order for materials for Project 19	Order for materials for Project 19	Order for materials for Project 19	Order for materials for Project 19	Order for materials for Project 19
20	02/04/14	Order for materials for Project 20	Project 20	Order for materials for Project 20	Order for materials for Project 20	Order for materials for Project 20	Order for materials for Project 20	Order for materials for Project 20	Order for materials for Project 20

Country	Official Budgetary Expenditure as % of GDP	Investment Expenditure as % of GDP	Government Expenditure as % of GDP	Public Sector as % of GDP	Public Sector as % of GDP	Public Sector as % of GDP	Public Sector as % of GDP	Public Sector as % of GDP	Public Sector as % of GDP
73	17.153	17.153	17.153	17.153	17.153	17.153	17.153	17.153	17.153
74	13.132	13.132	13.132	13.132	13.132	13.132	13.132	13.132	13.132
75	11.111	11.111	11.111	11.111	11.111	11.111	11.111	11.111	11.111
76	10.101	10.101	10.101	10.101	10.101	10.101	10.101	10.101	10.101
77	9.091	9.091	9.091	9.091	9.091	9.091	9.091	9.091	9.091
78	8.081	8.081	8.081	8.081	8.081	8.081	8.081	8.081	8.081
79	7.071	7.071	7.071	7.071	7.071	7.071	7.071	7.071	7.071

MEMORANDUM FOR THE COMPETITIVENESS PROGRAM

Order #	Order Date	Order Description	Product Category	Product Name	Product Description	Product Details	Product Status	Product Location	Product Notes
128	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14
129	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14
130	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14
131	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14
132	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14
133	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14
134	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14
135	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14
136	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14
137	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14
138	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14	10/17/14



Order	Project Name / Description	Requested Activity	Year of the bid	Implementation	Timeline	Impact on the ECP	Impact on the ECP
10	...	...	...	...	...	...	...
11	...	...	...	...	...	...	...
12	...	...	...	...	...	...	...
13	...	...	...	...	...	...	...
14	...	...	...	...	...	...	...
15	...	...	...	...	...	...	...
16	...	...	...	...	...	...	...

Category 1 Implement  
 Category 2 Stop  
 Category 3 Enhance  
 Category 4 New  
 Category 5 New Private Sector Activities in Current Scope