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REPORT ON
VOLUNTEER ASSOCIATION COMPONENT OF
THE NEIGHBORHOOD URBAN SERVICES PROGRAM IN EGYPT

Contract No. NEB-0029-C-00-1040-00

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A 1976 publication of the Ministry of Social Affairs states:

"Volunteering for public service individually or through groups or organizations has been a feature of Egyptian society for thousands of years."

In the past three decades this tradition has been reflected in a veritable explosion of voluntary associations. In Cairo alone there are now some 2700 such associations registered with the Ministry of Social Affairs and in Alexandria there are over 600.

The law defines eleven fields of activity in which voluntary associations may work, but in practice these are broadly interpreted so that almost any benevolent purpose may be pursued:

- Maternity and child services
- Family welfare
- Social and financial assistance
- Care of the aged
- Care of the handicapped and disabled
- Educational, cultural and religious services
- Local community development
- Organization and administration
- Care of prisoners and their families
- Family planning
- International friendship.

The actual and potential contributions of voluntary associations in Egypt are recognized and highly regarded. They are permitted to raise money through membership dues, public solicitation, fund-raising events and the sale of goods produced. They also have access to public money through grants from the Ministry of Social Affairs and the Local Development Services Fund controlled by the governorate. Clearly, voluntary associations are a viable means of advancing the goals of the NUS.

Voluntary associations in Egypt have a number of weaknesses and operate under several constraints. However, they do function largely at the neighborhood level where they are able to identify the real needs of people and apply resources directly to a problem with considerable flexibility and minimal bureaucratic delays and procedures thereby achieving a significant impact with relatively small sums of money.

THE NATURE OF VOLUNTARY ASSOCIATIONS IN EGYPT

Many voluntary associations are really profit-making cooperatives. The better ones use the profits to advance their social objectives through projects to help the disadvantaged. These cooperatives generally operate training facilities in carpentry, rug-weaving or sewing while some have nurseries or dispensaries.

A large number of associations are single purpose entities such as funeral societies which assist bereaved families in making funeral arrangements. These don't generally engage in projects.

Voluntary associations in Egypt generally manifest a paternalistic, top-down style typical of welfare agencies rather than self-help efforts. Projects are initiated by leaders or government agencies with little actual involvement of the presumed beneficiaries in identifying needs and designing projects. While the purpose and intended result may be benevolent, this attitude does not foster the self-sufficiency ethic which is so important a part of the NUS.

There are many informal groupings of people trying to accomplish community goals who have not formalized their efforts through an organization. Frequently they are unaware of the advantages involved and often they don't know the procedure. Bringing these groups into the formal volunteer association community through organizational assistance and training in association governance would provide an expanded means of channelling assistance to those most in need such as the informal housing areas and would be in keeping with the institution building goals of the NUS and its self-help emphasis.

CONSTRAINTS TO GREATER VOLUNTEER ASSOCIATION EFFECTIVENESS

Egyptian law encourages the organization of volunteer associations and the legal procedure of registration is relatively simple. However, as volunteer associations have proliferated the resources available for projects have not kept pace. The reputation for effectiveness earned by the voluntary associations has been achieved with very modest budgets.

In 1979 volunteer associations in Cairo spent L.E. 4,766,353 on their activities. The Ministry of Social Affairs provided L.E. 1,200,000 of this in grants to 516 organizations for an average of just over L.E. 2300 per grant. In Alexandria, the expenditures were L.E. 1,166,493 with the Ministry giving 373 associations grants of L.E. 288,632 for an average of about L.E. 800 per grant. In both cities about three quarters of the money spent came from sources other than the Ministry of Social Affairs.

A study of 11 volunteer associations done by the Delta Business Services International, an Egyptian consulting firm, clearly indicates the capacity of such associations to absorb higher levels of resources to increase services. A Social Soundness Analysis of the NUS Program, done by Egyptian sociologist, Sarah Loza, identified projects carried out by volunteer associations as the most effectively sustained among these examined. A further study by an American consulting firm, the Development GAP, made the point that in programs enjoying some success at the "bottom-end" of the informal sector there is usually a direct outreach base within communities upon which the delivery of services can be established. The report goes on, "In most cases, the involvement of non-governmental organizations constitutes a necessary component in these types of programs. Their autonomy from bureaucratic functions and policy, together with the flexibility and commitment that they may exhibit in responding to diverse needs as they arise in local communities, often makes them the most suitable entities for the sensitive task of initiating programs at this level."

The various studies of volunteer associations are unanimous in their conclusions about the effectiveness of the associations, but they also identify constraints to the further growth of that effectiveness:

1. Lack of management skills.
2. Lack of programming skills in designing projects to meet felt needs, predicting requirements, sustaining results and evaluation.
3. Lack of production skills including product design, standardization and quality control.
4. Lack of marketing skills to identify and exploit potential demand.
5. Inadequate skills in designing the curricula for training courses which would encourage official recognition of technical competence in a skill as a result of training received.
6. Bureaucratic delays in funding projects.
7. Inadequate funding and the propensity of government officials to spread limited resources by partial funding of projects which makes it difficult to carry through a project to completion in a reasonable time.

GOALS OF THE VOLUNTEER ASSOCIATIONS COMPONENT OF THE NUS

The NUS seeks to promote the GOE policy of decentralization of governmental functions by encouraging the making of decisions at the local level and providing resources for carrying them out. A parallel effort will be carried out through the volunteer associations to strengthen the capacity of such associations to encourage self-help efforts at the local level to solve local problems.

Voluntary associations at the neighborhood level have targeted the poor in the community for their assistance. It is the purpose of this parallel effort to increase the long term self-sufficiency of volunteer associations by strengthening their management skills and their ability to generate income to carry on their work and expand the scope of their activities among the poor.

FINANCIAL AND TECHNICAL ASSISTANCE

A sum of L.E. 8 million will be set aside for the private sector financial assistance. Of this amount about L.E. 6 million will approximate the present level of Ministry of Social Affairs grants to existing voluntary associations. Since the associations will still have to raise at least half their operating funds on their own it is unlikely that a dependency will be created. The amount is also large enough to permit the funding of projects in their entirety so as to demonstrate the greater impact that can be achieved in contrast to the present practice of partial funding.

The L.E. 2 million balance will be used to develop new associations particularly in the informal housing areas. Technical assistance will be made available to train people in techniques of organization and governance of associations and emphasis will be placed on self-help and the self sufficiency of the associations.

It is anticipated that most projects will be in the range of L.E. 1,000 to L.E. 5,000 but will not be limited to either figure. In development small sums of money which can be made available rapidly and which are free of bureaucratic delays and procedures can have a very high impact in those areas normally outside the usual assistance channels.

In order to achieve this, but assure that Egyptians make the decisions on what projects to fund while still maintaining the necessary coordination with local government and the Ministry of Social Affairs, a PVO Grants Committee of three members will be formed for each district. Its membership will include a representative elected by the volunteer associations within the district registered with the Ministry, a member elected by the District Elected Council and the district representative of the Ministry of Social Affairs. Decisions on grants will be made by this committee. The auditing of grants will be done by the Ministry of Social Affairs in the same way it audits its own grants to the associations.

The contractor will engage as a subcontractor an American Private Voluntary Organization to carry out the private sector component of the NUS. The sub-contractor will be a PVO with extensive practical experience in the development of PVOs in developing countries, a good track record in collaborative project implementation with volunteer organizations and experience in establishing small grants programs, developing funding criteria and administering such programs.

The sub contractor will provide a long-term, language proficient consultant for a period of 3 years and also 12 person months of short term consultants in the fields of management, marketing, community development, training program curriculum development and in the technical fields appropriate to the activities of volunteer associations in Egypt. The short-term consultants will be expatriates only if Egyptians with the requisite skills are unavailable.

A critically important element in the program will be the neighborhood activator in each district. This person will be trained by the sub contractor's long-term consultant who will supervise their activities. The activator will be responsible for involving the people of the community in identifying needs and designing projects to meet those needs as well as evaluating results. The activator will assist PVOs in preparing project documents and will also participate in the review of requests for project funding by the PVO Grants Committee. He will arrange for needed technical assistance to the volunteer associations at every step of the project process as well as to the committee. He will encourage volunteer participation in the project and promote the principle of volunteerism.

The sub contractor's long-term consultant will establish a bank account from which only project funds can be drawn. Upon being informed that the committee has approved a project the consultant will inform the Ministry of Social Affairs, the Chairman of the District Elected Council, the District Chief and the Governorate by letter that the project has been approved and that funds will be transferred to the association involved ten days after the date of the letter. The consultant will make the actual transfer of the funds at the date stipulated.

This mechanism assures the rapid and complete funding of projects and avoids delays. However, all decisions are made by Egyptians at the local level.

The associations also have access to other NUS funds. The activator may determine that a project more nearly matches the criteria for the local government component of the NUS. In that case he would present it to the District Elected Council for funding instead of the PVO Grants Committee. In either case the activator will act as advocate for the project together with the representative of the association.