PD-AAS-815

UNCLASSIFIED

Annual Budget Submission

FY 1986

EGYPT

MAY 1984

Agency for International Development
Washington, D.C. 20523

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ABS ACTION PLAN UPDATE

A) STRATEGY RECAP:

The fundamental objective of the U.S. assistance program in Egypt remains the support of the nation's economic structure. This enhances Egypt's ability to sustain its positive and moderating influence in the Middle East peace process. The specific strategy calls for USAID to provide short-term balance of payments support, longer-term capital financing, and technical assistance. This assistance package is: (a) designed to fit within the general Egyptian Five-Year Plan (1982/83-1986/87) framework, which stresses production, efficiency based productivity gains, and basic human needs; (b) attempts to meet the expressed Egyptian highest priority within that framework, improvements in the water and wastewater system; and (c) maximizes investments in sectors where the outlook for policy reforms is more promising and, thus, where our funding might serve to accelerate policy improvements.

B) SELF-APPRAISAL OF BENCHMARK ACHIEVEMENTS:

As detailed in current and past CDSS documents, the key constraint to a more successful U.S. economic assistance program in Egypt is a generally unfavorable policy reform climate. Operational objectives cited in the original action plan center on successfully programming U.S. assistance in activities where the development impact and human needs are greatest and where there is some expectation of near-term policy reform. Priority areas for USAID participation in the period through 1990 provide continuity with, and build upon, our past investments. These priority areas will be social and economic infrastructure, industrial and agricultural production, selective interventions in science and technology, and targets of opportunity in the area of basic human needs (heath, education, population). Efforts to stimulate the growth of the indigenous private sector will receive special attention. However, a consious effort has been made to concentrate the USAID effort on fewer and larger projects and to provide resources for one or two industrial plant projects. High levels of resource transfer through CIP and PL 480 Title I to meet Egypt's balance of payments needs will be maintained, although both will be adjusted downward somewhat. USAID will attempt to ensure that program and project activity design supports meaningful policy reform efforts. Should the opportunity arise to achieve wider policy reform through a critical mass of sector or budget assistance, the USAID will give consideration to shifting to those larger modes. Against the specific operational objectives and benchmarks cited in last year's action plan, USAID has noted not only a generally good record of continued successful implementation of individual activities but also heightened movement and willingness to discuss small but incrementally important policy reform measures in various sectors.

-- INFRASTRUCTURE

Although substantial funds remain committed to other infrastructure efforts, USAID's primary infrastructure focus at present is in the water and sewerage sector. Investments to date in five separate projects for Cairo, Alexandria, and selected provincial cities total $713 milllion. A late calendar 1983 visit by AID Administrator M. Peter McPherson gave new impetus at the Presidential and Prime Ministerial levels to efforts to achieve heightened commitment to a series of organizational and user fee reforms in return for a five year, one billion dollar USAID commitment to water and sewerage. Annual water and wastewater reviews with top implementing and policy making government of Egypt officers were agreed to. The first annual meetings were held in two day-long sessions in early 1984 and resulted in written agreement on incremental reform steps to be taken in the course of 1984 and beyond.

-- POPULATION

More effective family planning programs, a reduction in the rate of population growth and a higher level of individual and family well being are fundamental Government of Egypt development goals supported by continuing USAID funding of a wide range of interventions. Preliminary CAPMAS statistics indicate an apparent decline in the rate of population growth from about 2.9% in 1981 of some one tenth of a percent per year for each of the past three years. However, while encouraging, the statistical validity of this apparent trend is not yet fully established. In an area where strong national leadership is especially critical, it is perhaps more meaningful to note the clear, firm and positive public position on family planning taken by President Hosni Mobarak and his establishment, in March, 1984, of a National Council on Population Affairs. USAID currently is attempting to assess the actual extent and authority of the new council, its relationship to exisiting family planning activities, and the degree to which USAID and other donors can relate their funding to its programs.

-- ECONOMIC POLICY REFORM

The Action Plan last year explained the central importance that USAID places on the policy reform dialogue and listed the sectors and types of reform thought to be most critical, specifically industry, agriculture, energy, and water and sewerage, and -- at a more macro-level -- price policy, subsidy, and market economy issues. While 1983 has not been characterized by any major policy changes, the general trend has been one of gradual, albeit cautious, reform in the direction of rationalizing the distortions in the Egyptian economy. Given that the original motivation for removing various restrictions from the economy in 1974 was largely pragmatic (the Open Door initiative was aimed far more at inducing external resource

inflows to meet the immediate urgencies than at any revolutionary domestic reform of the economy), the GOE has instituted subsequent changes on an ad hoc basis in response to structural pressures in the economy, rather than as part of a scheduled program of incremental reform. In reality, the timing and rate of change are moderated by three major factors: the political pressures confronting the GOE, the bureaucratic stake in the status quo, and the availablity of foreign exchange earnings that provide some cushion for maintaining a slow rate of change. Despite the constraints, the list of 1983 Government of Egypt policy changes given as Appendix II to Annex K of the 1986 CDSS is extensive and conveys a good sense of the direction and timing of reform. As such, and because policy reform is the cornerstone to the longer term viability of all our assistance, it is provided as ATTACHMENT ONE to this Action Plan Update.

-- HUMAN RESOURCES

The underlying development concerns and goals outlined in last year's Action Plan remain valid. Implementation of the wide range of existing projects addressing basic education, health and population needs generally has gone well and additional resources have been committed to several of the ongoing projects. Given the difficulties of measurement and the relatively longer time span needed to establish progress against qualitative/quantitative indicators in the human resources sector (as exemplified by the earlier comments on population), as yet USAID cannot offer authoritative achievement statements against the goals set last year beyond the implementation progress already noted. On a less positive note, USAID has not yet been able to complete the design and start-up of the planned multi-sector S&T program, partly because of the complexity of the design, but also because of USAID's inability to reach working agreement with the Ministry of Investment and International Cooperation on design funding and contractors. This has delayed the completion of our Science and Technology Assessment. Because of staffing and design issues, USAID also is experiencing a longer delay than anticipated in fielding a follow-on non-project workforce training program. In addition to including in such a project an effort identified last year to have GOE ministries rationalize their longer term training needs and emphasize improvement performance in critical areas, it now seems necessary to expand such a program to pick up residual/follow-on training activities for projects otherwise completed. This latter finding stems from the 1984 Spring Portfolio Review during which a number of projects were identified with PACD's in the next year or so that are or will be completed in all respects except training. This training is of two basic types: (1) routine planned project training, completion of which has been delayed for one reason or another; and (2) specialized post-project training needs, particularly for completed capital projects. This latter is frequently associated with a continuing need for expatriate startup/ operational help exending beyond the original installation/startup

contract terms). While USAID still looks to the follow-on non-project workforce training program to handle the longer-term ministerial needs, it is believed an amendment and new funding for the existing non-project training effort (263-0026) is a more timely response to the latter two types of training needs.

-- PRIVATE SECTOR DEVELOPMENT

USAID's goal remains to expand the role of the private sector as an efficient utilizer of resources, an employer, and a foreign exchange earner, particularly in the agriculture sector but on a broader plane as well. Credit continues to be a significant constraint, and the USAID goal here is both increased credit availabilities overall and terms that inter alia are both comparable to those awarded to public sector entities and compatible with free market conditions. The major existing project in this area, Private Sector Production Credit (263-0147), in the last year has gone through its organizational phase and is implementing its short-term credit activities very well. A modest augmentation of 0147 Production Credit in FY 84 ($20 million) is under consideration. Reobligation of prior year deobligations would be the source of funding. A major expansion of short-term credit is anticipated in FY 85 along with the start-up of a medium term credit instrument.

-- MANAGEMENT AND PRODUCTIVITY

Deficient management, sluggish implementation, and low productivity are endemic to most Egyptian institutions. Several USAID interventions now are yielding significant increases in productivity. Management Development for Productivity has been especially successful with individual industrial firms. Findings from this project and others have confirmed that compensation structures and incentive schemes severely depress worker commitment and performance. A recently completed study of compensation practices in the public sector will help initiate the slow process of reforming personnel policies, classification and compensation systems, and incentive schemes. Recent USAID analyses of the automotive and garment/textile sectors also emphasize the importance of the rational organization and management of entire industries. Encouragement of new sector approaches allowing an expanded private sector participation will be encouraged as well. The requirements for management and other technical services at the individual firm and work unit level are being related to similar concerns and policy dialogue at the sector level in order to improve market performance and productivity.

C) FORWARD PLAN:

Since last year's original Action Plan and as part of the FY 1986 CDSS, USAID has prepared a detailed forward plan not just through FY 1986 but

through FY 1990 (Annex K of the FY 1986 CDSS). Concise sector game plan statements and resources requirements tables have been prepared for all areas of intended program concentration. The resource requirements tables are shown first for the period FY 84-90 at a straight-line $750 million ESF level, and then at optimal and policy-constrained levels by sector, if unconstrained by resource limitations. The total text of the sector game plan statements is too lengthy to be repeated here, even as an attachment. However, the entire Annex should be regarded as the best available statement of USAID/Egypt's forward plan. The specific contents of the Annex are divided into four subject areas and fifteen separate sector game plan statements, as follows:

ECONOMIC INFRASTRUCTURE
- Water/Wastewater
- Energy
- Telecommuncations
- Roads
- Decentralization (Local Development)

SOCIAL INFRASTRUCTURE
- Population
- Health
- Nutrition
- Education and Training

PRODUCTION
- Agriculture
- Industry

CROSS-CUTTING PROGRAMS
- Science and Technology
- Private Sector
- Urban Development
- Commodity Import Program

D) FY 1984 DEOB/REOB PLANNING

Flowing from the prior analysis and the 1984 Spring Portfolio Review, USAID estimates the following amounts from specific activities may be available for deobligation in FY 84. This table is tentative and careful attention must be paid to the caveats given after the table. Assuming a successful DEOB this FY, the preliminary USAID intention is to seek to REOB available funds in the Water and Wastewater Sector, beginning with the sector Institutional Development Activity now under design.

Activity No.	Title	TDD/PACD	Likelihood of Deob in FY 84	Amount
K-038	CIP	06/30/83	Good	138,000
K-045A	CIP	04/28/83	Good	232,000
K-601	CIP	01/15/84	Good	1,100,000
0017	Water Use & Management	06/30/84	Good	1,000,000
0018	DIB I (K-035)	06/30/84	Good	1,700,000
0020	Social Works Training	09/30/84	Good	133,000
0035	Canal Maintenance	11/30/84	Good	300,000
0037	TOF	09/30/84	Slim	1,400,000
			SUBTOTAL	6,003,000
			MINUS 0037	1,400,000
			TOTAL	4,603,000

The following caveats apply:

a) GOE internal clearance processes for DEOB/REOB are extensive. Last Year's successful DEOB action was made possible by a top-down decision by the Prime Minister that made MIIC efforts to obtain technical Ministry concurrences to DEOB a formality. That same level of authority may not be easily obtainable this year.

b) The continuing lack of action on reobligation of the $101.9 million balance of last year's DEOB further seriously prejudices the chances to utilize the authority this year.

c) This year's requirement to REOB in the same FY is yet another constraint, the more so as any DEOB action would occur near year's end.

d) Final identification of actual amounts available, and Mission and AID/W FM clearance requirements, is complex and time-consuming, especially for loan activities (CIP Loans and K-035, DIB).

e) Some possible DEOBS are subject to programming decisions and final transactions yet to be made, and their inclusion in the list is tentative at best, e.g.:

-- 0037: As discussed during the Spring Portfolio Review, and as a general rule for this project and others where training activities are the only remaining element and where they extend well beyond current PACDs, the USAID would prefer to let project PACDs expire on schedule and to cover

ongoing training through another funding source, especially when the training is a previously unanticipated requirement of longer duration, e.g. for capital projects O & M. What makes 0037 a tentative DEOB at this time is a pending Mission decision with respect to the use of project 0026 for this purpose and, if so, the need to extend the PACD and add funds to it this year. These actions will require both AID/W and GOE concurrences.

-- 0026, 0037: Each of these projects has a PACD of 9/30/84 and any decision to DEOB unearmarked funds would have to be made well in advance of the PACD.

E) FORWARD YEARS DEOB/REOB PLANNING

It is USAID/Egypt's experience that preparing a potential DEOB listing other than for the current FY is not realistic. Our DEOB identification process is linked closely to the Portfolio Review System. The scenario above provided the most recent FY 1984 listing. For FY 1985 and 1986, it is more useful to identify the complete group of possible/likely activities that will be reviewed inter alia for DEOB in future Portfolio Reviews than to try to determine a specific DEOB listing at this point. That group is accurately presented in a special listing of all projects and CIP program by FY and PACD. That particular listing, entitled "All Projects by FY of PACD With Subobligation and Pipeline - FY 84 Financial Data Through the Last Reporting Quarter", is in the portfolio series, is updated each quarter, and provides financial data on amounts obligated, committed, expended, and unexpended. The principal focus of attention is on projects with PACDs in or near the year of DEOB emphasis. The most recent update of this report is given as ATTACHMENT TWO to this Action Plan Update. Beyond the normal completion of projects, USAID also uses the Portfolio Review process to identify projects that may be potential DEOBS because of intractable implementation problems or because the original purpose has been overtaken by events and no good rationale exists to continue the activity.

APPENDIX II

SELECTED GOE POLICY CHANGES 1983

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Cross-Sectoral

Foreign Trade, Payments, and Investment

-Presidential Decree 8/1983 authorized the Five Year Plan for Economic and Social Development (1982/83-1986/87). The evaluation of economic performance during the first year of the plan published by the Ministry of Planning stated that the plan is expected to fulfill 98.7% of the targeted production.

-The Minister of Economy announced the "second stage of the Open Door Policy" initiated by the new Five Year Plan. He characterized this new approach as emphasizing the productive sectors of the economy, agriculture, industry, tourism, and construction. This distinguished the second stage from the 1974-81 period when trade, particularly imports, was the primary activity. He added that the government is anxious to reform the various economic variables that are of special importance to the future development of the economy. He identified the deficit, price distortions, and low productivity as areas where the government sought reform.

-Ministerial Decree 243/1983 requires the approval of the Import Rationalization Committee for procurement of certain commodities. The Minister of Economy announced that import regulations will be revised every two years, taking into consideration protection of domestic producers, foreign exchange constraints, and the necessity of importation.

-The Egyptian Export Development Bank was established by Presidential Decree 95/1983 to promote exports in all sectors.

-Ministerial Decree 126/1983 allows licensed exporters to retain profits earned in special foreign currency accounts, with the exception of certain agricultural commodity exports. In the case of onions, garlic, potatoes, oranges, and peanuts, the setting aside of proceeds is limited to 50%.

-Ministerial Decree 125/1983 allows exports of Egyptian agricultural and industrial products to be in "free [convertible] currencies direct through customs," provided approval is secured from the appropriate authority with the exception of cotton, textile scraps, oranges, rice, potatoes, peanuts, onions, fresh garlic, and other commodities banned from export.

-The Committee on Export of Vegetables, Fruits, Medicinal Herbs, Aromatic Plants, and Flowers and the Committee on Export of Linen and its Products have been cancelled by Ministerial Decree 125/1983.

-Decree 161/1983 reorganized the customs administration in order to improve its effectiveness and efficiency. The decree deals with the detection of violations and the penalties imposed.

-New import regulations are under discussion. They include: (a) The Import Rationalization Committee will grant approvals for one year to public or private ventures, allowing them to import their requirements on a single or multiple shipment basis. (b) Importers of engineering, electrical, and transportation equipment are exempt from applying for approval on shipments of spare parts for their own use. (c) The required letter of guarantee for temporary entrance of commodities that are to be re-exported will be cancelled. (d) Decree 259/1981 which stipulates that all imports must be shipped directly from the country of origin will be cancelled.

-The Ministry of Finance is drafting executive statutes of the customs exemption law. Projected receipts from the rationalization of exemptions are more than LE 400 million.

-Egypt and Lebanon have agreed to resume trade relations including the exchange of customs exemptions for goods of the two countries. Trade has also been resumed between Egypt and Jordan and Egypt and Iraq.

-A 20% discount on customs duty on Egyptian exports to Europe has been instituted by an addendum to the economic cooperation protocol between Egypt and the European Economic Community.

-New customs regulations have been established to reimburse exporters for customs duties paid on exportable vegatables, fruits, and Egyptian commodities.

-Establishment of the Sinai Free Zone is underway. An area for the Free Zone has been determined and has been referred to the Higher Policies Committee.

-In order to promote Egyptian-Sudanese integration, Law 86/1983 exempts items imported from Sudan and exports thereto from the consumption tax, consolidation of economic development tax, statistic duty, and export duty.

Monetary, Financial, and Banking

-The Board of Directors of the Investment Authority has recently approved, in principle, the establishment of the first underwriting company to market securities of new and existing companies. The activities of the new concern, the Egyptian Financial Investments Corporation, will be to underwrite and market new issues, create secondary markets in existing securities, and provide financial advisory

services to companies seeking public financing. Authorized capital of the joint company is LE 100 million with issued capital of LE 20 million. The company's capital of LE 20 million will be divided between the National Bank of Egypt, Bank of Alexandria, Misr Iran Development Bank, Banque du Caire, Misr Insurance, the Joint Egyptian Investment Company, the Chase Manhattan Bank, Delta Bank, and the International Finance Corporation.

-The Capital Market Authority presented new legislation to the People's Assembly to facilitate and encourage equipment leasing.

-The new Craftsman's Bank has begun operation with financial assistance from the National Bank of Egypt, Banque du Caire, the Re-Insurance Company, and the Social Insurance Institution. The Bank is intended to consolidate small crafts and national industries. Starting capital is LE 10 million with an expected increase to LE 20 million next year.

-The Capital Market Authority's action program for 1983/84 is designed to "stimulate and encourage the securities market rather than simply regulate them." Specific items under consideration include: (a) offering securities that would avoid the problems of fixed rate bonds, (b) new tax exemptions for certain securities, (c) incentives to attract the savings of Egyptian workers abroad, (d) advocacy of Egypt's effectiveness as a financial center for the Middle East and Africa, (e) improving the quality of financial information, (f) improving the stock exchange and simplifying the transfer of equity ownership, and (g) developing enabling financial legislation.

Budgetary and Fiscal

-The People's Assembly passed Law 87/1983 amending Law 157/1981. The law increases the general income tax from 50% to 65% for those whose annual income exceeds LE 200,000. The tax on trade and industry was raised 3-8%. Three new brackets were added to commercial taxes, but profits resulting from transfer and export operations have been exempted with a view to encouraging them. The tax on "money companies" was raised to 40% from 32%, with the exception of industry and oil companies.

Pricing and Subsidies

-Decree 15/1983 represents an attempt to target food subsidies through the ration card system. The green ration card entitles the user to purchase food at fully subsidized prices. Higher income groups recieve a red ration card for commodities at "partially subsidized free market prices." The new system was expected to save approximately LE 47 million in subsidies, but recent moves to reduce the number of individuals eligible for the red card have significantly detracted from the targeting impact.

-Cairo water tariffs increased for the first time since 1956.

-A 23% increase in electricity prices resulted from the cumulative effect of the series of price increases instituted in 1983 and those approved by the Cabinet to take effect in January 1984.

-The Minister of Supply has stated that a new pricing policy for agricultural crops would be adopted after the successful experiment with eliminating price controls on grapes. Thus far, removals of price controls on citrus, bananas, and watermelons have been announced.

-Public sector companies have been circumventing product price controls by introducing "new" products sold at higher prices and forming private sector subsidiaries.

Wages, Employment, and Emigration

-Presidential Decree 31/1983 modifies the wage schedules of government public sector employees and increases public sector wages by LE 60 annually.

-Law 97/1983 has given public sector managers greater flexibility in personnel policies. Company chairmen can now decide on employee firing policy, allowances, rewards, compensations, and recommendations for transfer or reassignment of employees.

-The GOE has officially sanctioned the conversion of workers' remittances at the free market rate in order to attract the foreign exchange into the country.

-A new company has formed under Law 43/1974 to channel the savings of expatriate Egyptians to investment projects in Egypt. The Egyptian Company for Expatriate Investment and Development was formed after an expatriate conference held in Cairo in August 1983. The company has authorized capital of LE 100 million and aims to have paid-up capital of LE 25 million. The company will finance projects in agriculture, agrobusiness, industry, tourism, and services.

Decentralization

-Recent decisions have allowed "joint ventures" to occur between local governments and private sector entrepreneurs.Providing public services through the private sector, although partially subsidized, has generated an incipient entrepreneurial spirit in many local governorates.

-The Minister of Investment announced that investment projects in remote areas, especially North Sinai or the Northern Coast, will be exempt from taxes for eight years.

-President Mubarak has approved the directives presented to him by the Minister of Local Government on Cairo's urbanization strategy. These directives include prohibition of the establishment of any economic activities that might attract more migrants from rural areas.

Energy

-A 23% increase in electricity prices resulted from the cumulative effect of the series of price increases instituted in 1983 and those approved by the Cabinet in January 1984.

-Law 43/1974 firms are experiencing energy price increases based on a schedule that approaches the "world market price" in five years. Annual increases are one-fifth of the five year total.

-Oil price increases were announced by the Egyptian General Petroleum Company effective September 1, 1983. The price of Suez blend rose by $.25 to $28.50 a barrel, lower grade Belayim blend by $.50 to $26.75, and of Ras Gharib by $1.00 to $24.50. The Egyptian Treasury lost $200 million in revenues in 1982/83 owing to the drop in oil prices and a 15% increase in domestic consumption.

-Presidential Decree 112/1983 established the Organization for Energy Planning to set targets, formulate plans and general policies, and issue regulations and resolutions in the energy sector. Developing the operating procedures for the Organization for Energy Planning was a condition precedent to USAID Energy Policy and Planning Activity.

-Tenders have been issued for Egypt's first nuclear project, the El-Dabaa nuclear power station. The reactor is expected to cost more than $2500 million.

Sectoral

Agriculture

-A real increase has been achieved in 1983 in the average price that farmers receive for (controlled and uncontrolled) rice. However, GOE procurement prices for the major crops of rice, wheat, and cotton remained well below world market prices and lagged behind the rate of inflation in 1983.

-The GOE has instituted a voluntary corn procurement program and has stated an intention to reintroduce compulsory wheat procurement for the 1984 crop.

-Domestic price controls on grapes, citrus, bananas, and watermelons have been eliminated this year thereby improving price incentives to production. The Minister of Supply has stated that a new pricing policy for agricultural crops would be adopted after the successful experiment with these crops.

-The role of the private sector in the marketing of domestic crops and high value horticultural exports has improved .

-Provision of agricultural inputs remains the domain of the public sector.

-The GOE has authorized private sector corn imports. Studies are being conducted to eliminate the subsidy on yellow corn.

-Over three-quarters of the PBDAC loan portfolio of twenty-two Village Banks will be put under the more market-oriented credit terms instituted by the USAID Small Farmer Production Project on a trial basis. Previously, 88% of the PBDAC lending portfolio was at subsidized interest rates averaging from 6 to 7%. In the twenty-seven Village Banks under the Small Farmer Production Project, loans are being provided at a 10% interest rate. Under the proposed Project Ammendment, three-quarters of the loan portfolio of twenty-two Village Banks will be put under the new rate of 14%.

-Presidential Decree 116/1983 prohibits the encroachment on and diminishment of productive potential of agricultural land. Removal of topsoil and conversion of agricultural land to residential or industrial use is prohibited.

-The Ministry of Irrigation will, for the first time, do meska (final delivery canal to the farm) renovations at the farm level. This new policy which will be implemented on a trial basis in Minya and Menoufia, is a product of USAID's Water Use and Management Project. Four billion cubic meters of water will be saved annually. In addition, system redesign from a water lifting to a gravity system will save farmers' labor and pumping costs.

-Although no user fee has been instituted on the old lands, the Ministry of Irrigation is charging water users on a trial basis on some of the new lands.

Industry

-The implications of the new public sector companies law, Law 97/1983, remain unclear. The law establishes holding organizations for the textile, pharmaceutical, steel, chemical, and engineering industries. Other authorities are being established to manage non-industrial public sector companies. The positive dimensions of the law include:

(1) The integration of Law 159/1981 with the new public sector law will increase flexibility and decentralize decision-making in the public sector. No explicit description of what provisions of Law 159/1981 will be applied to the public sector is available.
(2) The new holding companies may undercut GOFI, which represents a major bottleneck to improving public sector production.
(3) Grouping public companies by sector will facilitate coordination, provision of technical assistance, and monitoring of adherence to national economic strategy.
(4) Public sector companies can hold minority shares in private companies and enjoy operation under private sector laws (either Law 159/1981 or Law 43/1974).
(5) Law 97/1983 delegates additional authority to public sector company chairmen. Company chairmen now can decide on employee firing policy, allowances, rewards, compensations, and recommendations for transfer and reassignment of employees.
(6) A time limit on decision-making of one week for company chairmen and fifteen days for Ministers has been set.
(7) Greater continuity will result from the four year appointments of the board of directors of the public sector holding companies. This will ease the transition during Ministerial changes.

Some of the possible negative aspects of the law include:

(1) The new public sector law does not address many of the major constraints facing the public sector. Issues such as pricing are determined by other GOE policies, such as decrees of the High Policy Committee.
(2) The law adds another administrative layer to the already complicated public sector structure.

-Public sector managers have been circumventing product price controls by introducing new products and forming private sector subsidiaries.

-The industrial licensing system has been improved as a result of the Ministry of Industry pressuring for time limits on approvals.

-There is a growing awareness in public sector companies of improved management techniques. This is partially a result of USAID efforts in training and technical assistance.

Infrastructure

Water and Sewerage

-Cairo water tariffs were increased for the first time since 1956 from an average of 12 milliemes per cubic meter to a basic rate of 20 milliemes for residential use and up to 200 milliemes for commercial users.

-The GOE is discussing a bill that would establish a value added tax on all new building construction to benefit wastewater utilities and place a surcharge on water bills to cover a portion of the cost of wastewater services. This measure has received approval in principle by the Cabinet.

Housing

-After a number of building collapses, the GOE passed Law 30/1983 requiring contractors to obtain licenses and insurance to enforce quality control in construction.

Transportation

-The GOE will impose a toll on users of the Cairo to Alexandria road.

Human Resources and Technology

Education

-The compulsory education law has increased the minimum requirement from six to nine years.

-The sixth grade exam that once determined eligibility to continue to seventh has been eliminated.

-A target has been set to channel 70% of secondary school students to vocational schools in order to increase the number of technicians and diminish pressure on the already overcrowded public universities.

-The Minister of Education announced reform of the university and pre-university curriculum in an effort to link the curriculum to the Five Year Plan. Other issues to be addressed include admissions, syllabi, teaching staffs, and scholarship policy.

-The accessibility of elementary schools has been enhanced as a result of USAID efforts to improve the geographic distribution of schools.

-The GOE has approved increasing loans and financial assistance in kind to university students from LE 1.75 million to LE 2 million annually.

Health

-There is a gradual movement in the direction of increasing patient payment for services, emphasize preventative rather than curative medicine.

-The Government Health Insurance Organization has increased its coverage and fees since 1982. The Five Year Plan provides for covering the entire population under the health insurance umbrella by 1990.

Population

-Administrative changes have been initiated to reflect the GOE's concern about family planning. The Minister of Health intends to appoint an Undersecretary for Population/Family Planning and is pressing for authorization to name a Deputy General of Health in each governorate to be responsible for population/family planning.

-The GOE has allowed commercial marketing techniques to be used to promote birth control. The State Information Service has sponsered a nationwide media campaign. A private contraceptive distribution and marketing organization has been permitted to operate in Egypt.

-In a speech to the People's Assembly, President Mubarak described rapid population growth as "the epitome of all problems and a strong obstacle to development." He sought a "new approach" to addressing the population issue. He added that the government-sponsered population conference to be held in March 1984 may provide a new mandate.

Science and Technology

-A five year plan for technology has been issued for the first time by the GOE. From $30 to $100 million are committed to technology.

-The university curriculum for engineering is under revision.

ATTACHMENT TWO

ALL PROJECTS BY FY OF PACD WITH SUBOBLIGATIONS AND PIPELINE
FY'84 FINANCIAL DATA THRU THE LAST REPORTING QUARTER

MARCH 31, 1984 DATA

USAID/CAIRO (MISPIPE)

PROJECT NO.	PROJECT NAME	CAT	FY PACD	OBLIGATION ($000)	SUBOB'D ($000)	% SUBOB	SUBOB UNEXPEND	LOP EXPENDED	LOP % EXPEND	% SUB EXP.	UNEXPENDED ($000)
0002	G TECH TRANS & MANPOWER DEVELOP	F	78	934	934	100.0	0	934	100.0	100.0	0
0007	G ROAD BUILD EQUIP - SUEZ CANAL	F	78	13,888	13,888	100.0	0	13,888	100.0	100.0	0
0013	G TECH & FEASIBILITY STUDIES II	F	78	14,592	14,592	100.0	0	14,592	100.0	100.0	0
	PACD FY'78 TOTAL:			29,414	29,414	100.0	0	29,414	100.0	100.0	0
0003	G TECH & FEASIBILITY STUDIES I	F	79	894	894	100.0	0	894	100.0	100.0	0
0004	G SUEZ CANAL CLEARANCE EXTENSION	F	79	35	35	100.0	0	35	100.0	100.0	0
0011	G TECH TRANSFER & MANPOWER DEV	F	79	1,821	1,821	100.0	0	1,821	100.0	100.0	0
	PACD FY'79 TOTAL:			2,820	2,820	100.0	0	2,820	100.0	100.0	0
0001	G ELECTRIC POWER DISTRIBUTION	F	80	29,834	29,834	100.0	0	29,834	100.0	100.0	0
0018	L DEVELOPMENT INDUSTRIAL BANK	ORS	80	32,000	32,000	100.0	6,970	25,030	78.2	78.2	6,970
K026	L COMMODITY IMPORT PROGRAM	F	80	79,926	79,926	100.0	0	79,926	100.0	100.0	0
K027	L COMMODITY IMPORT PROGRAM	F	80	69,908	69,908	100.0	0	69,908	100.0	100.0	0
	PACD FY'80 TOTAL:			211,668	211,668	100.0	6,970	204,698	96.7	96.7	6,970
0008	L HELWAN-TALKA GAS TURBINE	F	81	67,307	67,294	100.0	27	67,267	99.9	100.0	40
0014	L ALEXANDRIA PORT EQUIPMENT	F	81	30,205	30,205	100.0	0	30,205	100.0	100.0	0
0071	G HYDROGRAPHIC SURVEY	F	81	7,068	7,068	100.0	0	7,068	100.0	100.0	0
	PACD FY'81 TOTAL:			104,580	104,567	100.0	27	104,540	100.0	100.0	40
0025	G TECH & FEASIBILITY STUDIES	F	82	17,787	17,787	100.0	0	17,787	100.0	100.0	0
K029	L COMMODITY IMPORT PROGRAM	F	82	99,843	99,843	100.0	0	99,843	100.0	100.0	0
K030	L COMMODITY IMPORT PROGRAM	F	82	149,175	149,175	100.0	0	149,175	100.0	100.0	0
K036	L COMMODITY IMPORT PROGRAM	F	82	64,803	64,803	100.0	0	64,803	100.0	100.0	0
	PACD FY'82 TOTAL:			331,608	331,608	100.0	0	331,608	100.0	100.0	0
0010	L MEHALLA TEXTILE PLANT REHAB	ORS	83	93,000	92,940	99.9	1,975	90,965	97.8	97.9	2,035
0020	G INTEGRATED SOCIAL WORK CENTERS	F	83	2,516	2,383	94.7	1	2,382	94.7	100.0	134
0054	L TELECOMMUNICATIONS I	OOS	83	40,000	39,939	99.8	0	39,939	99.8	100.0	61
0060	G POULTRY IMPROVEMENT PROJECT	F	83	5,509	5,453	99.0	203	5,250	95.3	96.3	259
0095	G AGRICULTURAL COOP MARKETING	F	83	4,842	4,842	100.0	142	4,700	97.1	97.1	142
0113	G SINAI PLANNING STUDIES	F	83	2,702	2,702	100.0	74	2,628	97.3	97.3	74
K038	L COMMODITY IMPORT PROGRAM	F	83	437,448	437,442	100.0	132	437,310	100.0	100.0	138
K045A	L COMMODITY IMPORT PROGRAM	F	83	224,741	224,741	100.0	232	224,509	99.9	99.9	232
K045B	L COMMODITY IMPORT PROGRAM	F	83	72,935	72,935	100.0	0	72,935	100.0	100.0	0

ALL PROJECTS BY FY OF PACD WITH SUBOBLIGATIONS AND PIPELINE
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USAID/CAIRO (MISPIPE)

PROJECT NO.		PROJECT NAME	CAT	FY PACD	OBLIGATION ($000)	SUBOB'D ($000)	% SUBOB	SUBOB UNEXPEND	LOP EXPENDED	LOP % EXPEND	% SUB EXP.	UNEXPENDED ($000)
K053	L	COMMODITY IMPORT PROGRAM	OOS	83	30,000	30,000	100.0	521	29,479	98.3	98.3	521
K054	L	COMMODITY IMPORT PROGRAM	OOS	83	250,000	249,999	100.0	6,526	243,473	97.4	97.4	6,527
K602	G	COMMODITY IMPORT PROGRAM	OOS	83	55,000	54,245	98.6	1,070	53,175	96.7	98.0	1,825
		PACD FY'83 TOTAL:			1,218,693	1,217,621	99.9	10,876	1,206,745	99.0	99.1	11,948
0012	G	SUEZ RECONSTRUCTION-CEMENT PLT	AIC	84	100,000	100,000	100.0	157	99,843	99.8	99.8	157
0017	G	WATER USE AND MANAGEMENT	ORS	84	13,000	13,000	100.0	1,619	11,381	87.5	87.5	1,619
0019	L	PVC PIPE DRAINAGE	ORS	84	20,025	17,593	87.9	2,964	14,629	73.1	83.2	5,396
0035	G	CANAL MAINTENANCE	F	84	5,200	5,200	100.0	0	5,200	100.0	100.0	0
0035	L	CANAL MAINTENANCE	ORS	84	25,000	25,000	100.0	472	24,528	98.1	98.1	472
0037	L	GRAIN TAL OIL FATS STOR & DIST	ORS	84	37,000	35,599	96.2	548	35,051	94.7	98.5	1,949
0041	G	AGRICULTURAL DEVELOPMENT SYS	ORS	84	14,900	14,077	94.5	1,784	12,293	82.5	87.3	2,607
0042	G	TECH & FEASIBILITY STUDIES IV	OOS	84	31,000	24,917	80.4	3,714	21,203	68.4	85.1	9,797
0047	L	THE PORT OF SUEZ PROJECT	ORS	84	11,321	11,321	100.0	8,228	3,093	27.3	27.3	8,228
0052	L	QUATTAMIA CEMENT PROJECT	ORS	84	95,000	93,424	98.3	11,249	82,175	86.5	88.0	12,825
0064	G	AQUACULTURE DEVELOPMENT	AIE	84	27,500	19,431	70.7	9,504	9,927	36.1	51.1	17,573
0072	G	PORT SAID SALINES PLANT	A/I	84	13,000	12,687	97.6	1,751	10,936	84.1	86.2	2,064
0089	L	ALEXANDRIA SEWERAGE	ORS	84	15,000	15,000	100.0	1,933	13,067	87.1	87.1	1,933
0096	G	SMALL SCALE AGRICULTURAL ACTVS	ORS	84	1,700	1,499	88.2	193	1,306	76.8	87.1	394
0097	G	PRIVATE INVEST ENCOURAGHT FUND	A/I	84	10,805	805	7.5	0	805	7.5	100.0	10,000
0114	G	VEHICLE MAINTENANCE TRAINING	ABI	84	4,500	4,399	97.8	818	3,581	79.6	81.4	919
0144	G	VEHICLE MAINTENANCE TRAINING	OOS	84	20,000	4,594	23.0	3,784	810	4.1	17.6	19,190
K055	L	COMMODITY IMPORT PROGRAM	OOS	84	70,000	70,000	100.0	3,182	66,818	95.5	95.5	3,182
K601	G	COMMODITY IMPORT PROGRAM	OOS	84	85,000	84,994	100.0	1,116	83,878	98.7	98.7	1,122
K603	G	COMMODITY IMPORT PROGRAM	OOS	84	230,000	225,211	98.2	42,834	183,027	79.6	81.0	46,973
		PACD FY'84 TOTAL:			829,951	779,451	93.9	95,900	683,551	82.4	87.7	146,400
0026	G	TECH TRANS & MANPOWER DEV III	OOS	85	34,500	28,923	83.8	3,010	25,913	75.1	89.6	8,587
0028	G	GRAIN SILOS STORAGE	ORS	85	13,500	7,482	55.4	5,526	1,956	14.5	26.1	11,544
0028	L	GRAIN SILOS STORAGE	ORS	85	44,275	44,271	100.0	1,614	42,657	96.3	96.4	1,618
0029	G	FAMILY PLANNING	OOS	85	67,400	63,996	95.0	16,079	47,917	71.1	74.9	19,483
0031	G	AGRICULTURE MECHANIZATION	ORS	85	40,000	24,521	61.3	9,512	15,009	37.5	61.2	24,991
0033	G	URBAN ELECTRIC DISTRIBUTION	ORS	85	10,000	7,839	78.4	7,334	505	5.1	6.4	9,495
0033	L	URBAN ELECTRIC DISTRIBUTION	ORS	85	46,012	42,128	91.6	2	42,126	91.6	100.0	3,886
0040	G	IRRIGATION PUMPING	AIC	85	8,000	7,794	97.4	521	7,273	90.9	93.3	727
0040	L	IRRIGATION PUMPING	AIC	85	11,000	10,999	100.0	33	10,966	99.7	99.7	34
0045	G	DEVELOPMENT INDUSTRIAL BANK	ORS	85	2,000	1,425	71.3	600	825	41.3	57.9	1,175
0070	G	MAJOR CEREALS IMPROVEMENT	ORS	85	47,000	47,000	100.0	15,016	31,984	68.1	68.1	15,016
0075	G	TELECOMMUNICATIONS II	OOS	85	80,000	78,763	98.5	27,718	51,045	63.8	64.8	28,955
0079	G	SMALL FARMER PRODUCTION	OOS	85	25,000	13,199	52.8	2,009	11,190	44.8	84.8	13,810

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PROJECT NO.		PROJECT NAME	CAT	FY PACD	OBLIGATION ($000)	SUBOB'D ($000)	% SUBOB	SUBOB UNEXPEND	LOP EXPENDED	LOP % EXPEND	% SUB EXP.	UNEXPENDED ($000)
0112	G	PRIV SECT-FEASIBILITY STUDIES	ORS	85	5,000	2,386	47.7	208	2,178	43.6	91.3	2,822
0115	G	TAX ADMINISTRATION	OOS	85	3,700	2,453	66.3	1,018	1,435	38.8	58.5	2,265
0116	G	AGRICULTURAL MANAGEMENT DEVEL	ORS	85	5,000	3,818	76.4	1,621	2,197	43.9	57.5	2,803
0136	G	SUEZ COMM HEALTH PERS TRAINING	ORS	85	8,100	8,098	100.0	1,744	6,354	78.4	78.5	1,746
0142	G	DATA COLLECTION AND ANALYSIS	ORS	85	5,000	2,613	52.3	1,742	871	17.4	33.3	4,129
0147	G	PRODUCTION CREDIT	OOS	85	68,000	39,000	57.4	33,268	5,732	8.4	14.7	62,268
K052	L	COMMODITY IMPORT PROGRAM	OOS	85	250,000	250,000	100.0	3,917	246,083	98.4	98.4	3,917
K604	G	COMMODITY IMPORT PROGRAM	OOS	85	350,000	274,625	78.5	62,233	211,692	60.5	77.1	138,308
		PACD FY'85 TOTAL:			1,123,487	961,333	85.6	195,425	765,908	68.2	79.7	357,579
0015	G	STRENGTHING RURAL HEALTH DEL.	ORS	86	12,300	9,557	77.7	2,123	7,434	60.4	77.8	4,866
0016	G	APPLIED SCIENCE AND TECH RES	ORS	86	24,400	21,957	90.0	9,087	12,870	52.7	58.6	11,530
0023	G	NATIONAL ENERGY CONTROL CENTER	ORS	86	2,500	914	36.6	570	344	13.8	37.6	2,156
0023	L	NATIONAL ENERGY CONTROL CENTER	ORS	86	41,000	41,000	100.0	4,528	36,472	89.0	89.0	4,528
0027	G	RICE RESEARCH AND TRAINING	ORS	86	21,767	19,164	88.0	12,570	6,594	30.3	34.4	15,173
0030	G	SHOUBRA THERMAL POWER PLANT	OOS	86	190,000	178,473	93.9	23,369	155,104	81.6	86.9	34,896
0038	G	CAIRO WATER SUPPLY	ORS	86	61,400	57,812	94.2	43,751	14,061	22.9	24.3	47,339
0038	L	CAIRO WATER SUPPLY	ORS	86	30,000	29,665	98.9	330	29,335	97.8	98.9	665
0065	G	URBAN HEALTH DELIVERY SYSTEMS	ORS	86	37,253	15,205	40.8	5,092	10,113	27.1	66.5	27,140
0091	G	CAIRO SEWERAGE	ORS	86	129,000	87,494	67.8	44,349	43,145	33.4	49.3	85,855
0110	G	PEACE FELLOWSHIPS PROGRAM	ORS	86	54,000	28,973	53.7	2,528	26,445	49.0	91.3	27,555
0118	G	UNIVERSITY LINKAGES	ORS	86	17,500	17,483	99.9	12,028	5,455	31.2	31.2	12,045
0159	G	BUSINESS SUPPORT & INVESTMENT	OOS	86	9,100	274	3.0	149	125	1.4	45.6	8,975
K606	G	COMMODITY IMPORT PROGRAM	OOS	86	301,055	56,348	18.7	25,134	31,214	10.4	55.4	269,841
		PACD FY'86 TOTAL:			931,275	564,319	60.6	185,608	378,711	40.7	67.1	552,564
0039	G	ISMAILIA THERMAL POWER PLANT	OOS	87	250,000	144,618	57.8	15,681	128,937	51.6	89.2	121,063
0048	G	CANAL CITIES WATER & SEWERAGE	ORS	87	109,000	80,998	74.3	62,657	18,341	16.8	22.6	90,659
0048	L	CANAL CITIES WATER & SEWERAGE	ORS	87	60,000	59,842	99.7	939	58,903	98.2	98.4	1,097
0061	G	DEVELOPMENT PLANNING STUDIES	ORS	87	22,800	22,792	100.0	7,443	15,349	67.3	67.3	7,451
0066	G	HOUSING & COMMUNITY UPGRADING	ORS	87	80,000	48,029	60.0	21,483	26,546	33.2	55.3	53,454
0070.01	G	MANAGEMENT DEVELOPMENT-PRODCTN	ORS	87	8,500	7,771	91.4	4,199	3,572	42.0	46.0	4,928
0070.02	G	VOCATIONAL TRAINING FOR PROD	OOS	87	17,500	13,417	76.7	11,492	1,925	11.0	14.3	15,575
0070.03	G	INDUSTRIAL TECH APLLICATION	OOS	87	10,000	8,011	80.1	6,586	1,425	14.3	17.8	8,575
0070.04	G	INNOVATIVE PRODUCTIVITY ACTIV	OOS	87	3,000	1,312	43.7	613	699	23.3	53.3	2,301
0100	G	ALEX WASTEWATER SYSTEM EXPANS	ORS	87	198,621	36,313	18.4	10,274	26,239	13.2	71.9	172,382
0105	G	MINERAL, PETROL & GROUNDWATER	ORS	87	20,700	12,779	61.7	5,764	7,015	33.9	54.9	13,685
0117	G	TELECOMMUNICATIONS III	OOS	87	122,000	63,397	52.0	38,455	24,942	20.4	39.3	97,058
0123.01	G	ENERGY POLICY PLANNING	ORS	87	2,500	1,221	48.8	1,033	188	7.5	15.4	2,312
0123.02	G	RENEWABLE ENERGY FIELD TESTING	ORS	87	5,300	175	3.3	106	69	1.3	39.4	5,231
0132	G	IRRIGATION MANAGEMENT SYSTEMS	OOS	87	38,000	29,149	76.7	10,194	18,955	49.9	65.0	19,045
0137	G	CONTROL OF DIARRHEAL DISEASES	OOS	87	26,000	8,430	32.4	6,476	1,954	7.5	23.2	24,046
0165	G	SAFAGA GRAIN SILOS COMPLEX	OOS	87	80,000	58,782	73.5	50,751	8,031	10.0	13.7	71,969

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0605.01G	DEV DECENTRALIZATION I	OOS	87	26,200	23,012	87.8	1,022	21,990	83.9	95.6	4,210
0605.02G	BASIC VILLAGE SERVICES	OOS	87	145,000	136,006	93.8	6,318	129,638	89.4	95.4	15,312
0605.03G	PROVINCIAL CITIES DEVELOPMENT	OOS	87	30,000	14,299	47.7	4,631	9,618	32.1	67.3	20,382
0605.04G	DECENTRALIZATION SUPPORT FUND	OOS	87	100,000	41,083	41.1	564	40,519	40.5	98.6	59,481
0605.05G	NEIGHBORHOOD URBAN SERVICES	OOS	87	54,500	46,273	84.9	7,740	38,533	70.7	83.3	15,967
0605.06G	DECENTRALIZATION PROGRAM-OTHER	OOS	87	3,500	0	0.0	0	0	0.0	0.0	3,500
	PACD FY'87 TOTAL:			1,413,121	857,909	60.7	274,471	583,438	41.3	68.0	829,683
0101 G	INDUSTRIAL PRODUCTION	ORS	88	83,555	37,994	45.5	20,898	17,096	20.5	45.0	66,459
0101 L	INDUSTRIAL PRODUCTION	ORS	88	46,445	14,987	32.3	7,794	7,193	15.5	48.0	39,252
0102 G	TECH COOPERATION & FEASI STUDY	OOS	88	10,000	4,576	45.8	4,576	0	0.0	0.0	10,000
0139 G	BASIC EDUCATION	OOS	88	85,000	37,026	43.6	15,851	21,172	24.9	57.2	63,825
	PACD FY'88 TOTAL:			225,000	94,583	42.0	49,119	45,464	20.2	48.1	179,536
0160 G	ASWAN HIGH DAM REHAB & MODERN	OOS	90	85,000	58,656	68.8	51,182	7,274	8.6	12.4	77,726
	PACD FY'90 TOTAL:			85,000	58,456	68.8	51,182	7,274	8.6	12.4	77,726
				6,506,617	5,213,749	80.1	869,578	4,344,171	66.8	83.3	2,162,446

Local Currency Use Plan

On February 4, 1984 the Memorandum of Understanding regarding the Special Account between the GOE and the USAID as amended. This Memorandum, as amended, provides for the utilization of counterpart Egyptian pounds (LE) generated or expected to be generated from the CIP agreements for 1979 through 1983 whose total value is $1,016.6 million.

The Memorandum of Understanding provides for the following general allocations of LE equivalent:

		U.S. Dollars (Millions)
1.	To augment GOE budget assistance to AID-financed projects.	915.4
2.	To finance the local costs of AID-financed technical and feasibility studies, small scale development including grants to PVO's, non-project participant training costs, evaluations, audits and other mutually agreed PD&S-type activities	30.3
3.	GOE personnel incentive payments	30.3
4.	AID and MIIC administrative costs:	
	A. AID	19.4
	B. GOE/MIIC	11.2
	TOTAL	$1,016.6

Under item (1) above, the GOE's Ministry of Investment and International Cooperation in conjunction with the Ministries of Finance and Plan, is preparing an initial budget for allocation of these funds by project to be reviewed and approved by USAID. It is expected that this budget will be presented to AID for review and discussion by August, 1984.

ANNEX B: ACTION PLAN
EVALUATION PLAN

Background

The evaluation narrative presented in the USAID/Cairo FY 85 ABS continues to represent the overall approach to and rationale for evaluation in USAID/Cairo. Thus, in FY 85 and FY 86, we will continue to rely on a combination of project specific and broader multi-project evaluations to gather, analyze and enhance progress and impacts throughout the portfolio. The "Four Pillars" -- technology transfer, institution building, policy dialogue, and private sector development -- will continue to be cross-cutting themes for the majority of USAID/Cairo evaluations. The application of these themes as a measurement is a means of drawing, from primarily project or sector specific information, broader, more impact oriented conclusions on USAID contributions to Egyptian development. Whatever the particular focus and emphasis of each evaluation, the utilization of evaluation conclusions and recommendations -- in new project design, in existing project redesign and/or in enhancing on-going activities -- will remain the main priority in USAID evaluation. There continues to be much room for improvement in the effective and efficient utilization of evaluation, and this will be a major emphasis of USAID evaluation activity in the coming years.

Within this continuation of previously established and followed issues and guidelines for evaluation, USAID/Cairo intends to refine and narrow its focus somewhat in FY 85 in an effort to improve efficiency and effectiveness. First, we propose to concentrate our energies on fewer, higher priority evaluations. Second, we intend to emphasize the evaluation of those projects or groups of projects that have received relatively less evaluation attention in the past, despite their importance to the USAID strategy in assisting Egyptian development. Finally, we plan to encourage briefer, more objective-oriented evaluation reports that discuss project inputs and outputs primarily in the context of their contributions to purpose and goal level achievements and to discourage more technically detailed reports that give inadequate attention to the overall progress and impact of the project(s). With these refinements in our evaluation approach, we expect to obtain information that is more amenable to comparison across projects and sectors and more indicative of the nature and magnitude of USAID contributions to Egyptian development.

USAID Issues in FY 85

As will be readily apparent from the FY 85/86 Evaluation Schedule (Table VII), USAID/Cairo proposes significantly fewer evaluations (less than half) than in the last two years. Our intent in scheduling fewer evaluations is to concentrate our efforts on a smaller number of better, more timely and relevant products and on the utilization of the lessons that we learn from those fewer, better products. As unforeseen or

special needs arise, other, currently unscheduled evaluations may be added; for the purposes of planning and management, however, our energies will focus on the carefully selected group of evaluations we have scheduled in Table VII.

In FY 83 and FY 84, almost all projects in the agriculture, education and decentralization portfolios have been evaluated at least once. Therefore, we intend to deemphasize these sectors in favor of a greater emphasis on those sectors that we have not evaluated as extensively or intensively in recent years. Not coincidentally, our new sectors of emphasis closely match the USAID strategy priorities as well; throughout FY 85 and FY 86, we will be able to evaluate more and more of the USAID's industry, infrastructure and productivity activities as they reach appropriate stages of implementation. These evaluations will be designed and carried out to the extent possible with an eye to measuring and assessing our contributions to improved economic production and efficiency in selected sectors of the Egyptian economy. In addition, we will conduct a cross-cutting evaluation of our experiences to date with construction contracting in the implementation of infrastructure projects.

Where appropriate to project design in these sectors, we will document and assess progress in improving the institutional (human) components of our primarily physical construction projects (e.g., water/wastewater, electricity). Of particular importance will be the extent to which Egyptian utilities and industries are improving their management and administration skills as a result of USAID projects. One critically important institution to be analyzed in many of these evaluations is the Egyptian private sector; in some instances, USAID projects assist the private sector directly and will be the primary focus of an evaluation (e.g., the 090 group of projects), while in other instances, the private sector may be an "external factor" and/or an indirect (perhaps even unanticipated) beneficiary of a project, therefore less emphasized, but nonetheless important, in an evaluation. Evaluation of the transfer of technology will be another aspect of our FY 85/86 activities. Assessment of the appropriateness and resultant effectiveness of technology introduced through USAID projects will be especially important in evaluating the impact on Egyptian economic production and productivity. Throughout these evaluations, progress in policy dialogue also will be included. In some instances, policy changes are a direct project objective, while in other instances, policy is an "external factor" that affects project progress. Each evaluation must address the individual design and circumstances of the project; however, in nearly all instances, these "Four Pillar" cross-cutting issues will emerge in some way to add to our understanding and our ability to improve our activities in Egypt.

Although we intend to increase our evaluation focus on industry, infrastructure and productivity, this should not be taken to mean that we will ignore the human resource sectors. Some evaluations — such as Basic Education (263-0136) -- will be performed automatically as part of a life of project evaluation effort. Others will be first-time

evaluations of project in priority USAID sectors, such as the Population (263-0144) project. To the extent possible at the relatively early stages of implementation of many resource projects to be evaluated, we will attempt to begin measuring impact on quality of life questions, such as decreases in infant mortality (in the evaluation of Control of Diarrheal Diseases) and increases in literacy (in the evaluation o Basic Education).

Evaluation in Additional Funding Requests

Where appropriate and feasible, USAID/Cairo evaluates projects that will require additional future funding. For many projects that will require funds in FY 85, evaluations have been or will be performed in FY 84: Telecommunications III (263-0117), Local Development (263-0182), Multisector Science and Technology (263-0140), Suez Community Health Personnel Training (263-0136), and Production Credit I and II (263-0147 and -0201). Other projects requiring additional funding are found on the FY 85/86 Evaluation Schedule (Table VII): Irrigation Management Systems (263-0132), Mineral, Petroleum, Groundwater Assessment (263-0105), Urban Electric Distribution (263-0033), and Cairo Sewage II (263-0173). Finally, some new projects will draw on the lessons learned from more than one other evaluation of USAID projects; National Production Campaigns (263-0152) will draw from several agriculture projects' evaluation experiences, and Training (263-0125) will draw from a variety of training and education projects' experiences. As with all USAID evaluations, the evaluations used in justifying the request for additional funds will document progress in achieving the originally stated project objectives; in addition, recommendations will focus on realistic, near-term actions that will be incorporated into the explanation for the request for funds.

FY 1986 ANNUAL BUDGET SUBMISSION

TABLE I - LONG RANGE PLAN BY APPROPRIATION ACCOUNT ($000)

	FY 1983 ACTUAL	FY 1984 ESTIMATE	--FY 1985-- CP ESTIMATE	FY 1986 AAPL	------PLANNING PERIOD----- 1987	1988	1989	1990
ESF TOTAL	750000	750000	750000	750000	750000	750000	750000	750000
GRANTS	750000	750000	750000	750000	750000	750000	750000	750000
LOANS								
(OF WHICH PVO'S)		(1000)	(1000)	(1000)				
Non-Add								
PL 480 TOTAL	261600	262900	237800	211500	187000			
TITLE I	250000	250000	225000	200000	175000			
(TITLE III)	(15000)	-		-	-			
TITLE II	11600	12900	12800	11500	12000			
PERSONNEL TOTAL	194.7	204	203	202	202	202		
USDH WORKYEARS	108.7	120	120	120	120	120		
FNDH WORKYEARS	86.0	84	83	82	82	82		

TABLE IV NARRATIVE

PROGRAM LEVELS

For ABS planning purposes, the Egypt ESF level continues to be projected at $750 million annually (although at least one committee of the Congress, the Senate Appropriations Committee, has approved a $815 million level for FY 1985) to underscore the U.S. commitment to sustain Egypt's economic stability and growth and in recognition of Egypt's central role among moderate Arab nations working toward lasting regional peace. Full grant terms also are assumed. Program content and objectives are outlined in Annex K of the FY 1986 CDSS. Although declines in PL 480 Title I levels are projected over the next few years, the totals will continue to be high. The Title II program will continue, reflecting previously agreed-on reductions/eliminations in the size of some voluntary agency program elements and strengthening the development impact of others. Table XIII and the accompanying narratives spell out the details of Title II planning.

WORKFORCE PLANNING

At the current high level of new funding and given USAID's continued involvement in several sectors, predominantly in the project mode, overall US/FSN staffing levels in the near term are projected to remain reasonably constant. The FTE levels authorized are considered adequate to the task. As noted in the FY 1986 CDSS (Mainbody, page 91-93), USAID is considering an organizational restructuring to improve cross-office use of skilled staff and reduce compartmentalization in program conception and implementation.

PIPELINE

The expenditure projections made for FY 1983 held true, and for the first time since the U.S. assistance program resumed in 1974, total expenditures exceeded new obligations. The pipeline was reduced from nearly $2.7 billion at the end of FY 1982 to a little under $2.5 billion at the end of FY 1983. For FY 1984 the pipeline should continue to decline by about $100 million or more. The total FY 1984 expenditure projection is an ambitious $910.9 million. The target for the half year through March 31 was $424.8 million. Actual expenditures, while modestly short of the target at $389 million, reflect continued strong program implementation. Further drawdowns of the pipeline in the outyears are anticipated, but it should be recognized that these will be modest (in the $100 to $200 million range each year, not including any amounts that may be approved as cash transfers) and are contingent on continued high CIP levels and increased use of fast-disbursing mechanisms for some activities (as is the case with Decentralization).

MORTGAGE

Beyond the annual CIP program (which in fact is treated as a newly authorized program each year), the Mission has only a minimal mortgage list of funding authorized, but as yet unobligated. Several of the planned projects, in particular the Cairo Sewerage II (0173), will, if they come on line as planned, provide substantial new mortgage levels. However, at this time the mortgage is as follows ($ millions):

Activity # and Title	Authorized	OBLIGATIONS Thru FY83	FY 84	Mortgage
0105 MPGWA	37.2	20.7	7.5	9.0
0123 Energy	32.6	7.8	4.5	20.3
0160 Aswan High Dam	100.0	85.0	0	15.0
0144 Population	102.6	20.0	0	82.6
		TOTAL:		126.9

PROJECT NUMBER AND TITLE							ESTIMATED U.S. DOLLAR COST ($000)												
			OBLIG.				OBLIG.	FY 83	FY 84		FY 85								
TECH. CODE		G/ L	DATE INIT/FIN	TOTAL COST AUTH.	TOTAL COST PLAN		THRU FY 83	PIPE-LINE	OBLIGA-TIONS	EXPEND-ITURES	OBLIGA-TIONS	EXPEND-ITURES	FY 86 AAPL	FUNDED THRU	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	FY 90 OBLIG	ITEM NO.
*K038	CIP 990	L	77	SUBCAT: ESCI 77	440000	437448	440000	3318	-	-	-	-	-						
*K045	CIP 990	L	78	SUBCAT: ESCI 78	300000	297676	300000	1065	-	-	-	-	-						
K052	CIP 990	L	79	SUBCAT: ESCI 79	250000	250000	250000	5696	-	4,000	-	1500	-						
K053	CIP 990	L	80	SUBCAT: ESCI 80	30000	30000	30000	931	-	900	-	-	-						
K054	CIP 990	L	80	SUBCAT: ESCI 80	250000	250000	250000	10519	-	7500	-	500	-						
K055	CIP 990	L	81	SUBCAT: ESCI 81	70000	70000	70000	7341	-	7000	-	-	-						
*K601	CIP 990	G	79	SUBCAT: ESCI 79	85000	85000	85000	1283	-	1200	-	-	-						
K602	CIP 990	G	80	SUBCAT: ESCI 80	55000	55000	55000	1996	-	1950	-	-	-						
K603	CIP 990	G	81	SUBCAT: ESCI 81	230000	230000	230000	62006	-	62000	-	-	-						
K604	CIP 990	G	82	SUBCAT: ESCI 82	350000	350000	350000	214983		96500	-	80000	-						
K606	CIP 990	G	83	SUBCAT: ESCI 83	300000	301055	300000	300000	1055 1/	98950	-	98000	-						

1/ Represents reobligation from FY 83 deob/reob auth. (non-add to FY 84 OYB).

PROJECT NUMBER AND TITLE						ESTIMATED U.S. DOLLAR COST ($000)												
TECH. CODE	G/ L	OBLIG. DATE INIT/FIN		TOTAL COST AUTH.	TOTAL COST PLAN	OBLIG. THRU FY 83	FY 83 PIPE-LINE	FY 84 OBLIGA-TIONS	FY 84 EXPEND-ITURES	FY 85 OBLIGA-TIONS	FY 85 EXPEND-ITURES	FY 86 AAPL	FUNDED THRU	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	FY 90 OBLIG	ITEM NO.
K607 CIP					SUBCAT:	ESCI												
990	G	84	84	-	300000	-	-	300000	-	-	100000	-	9/87					
K609 CIP					SUBCAT:	ESCI												
990	G	85	85	-	100000	-	-	-	-	100000	-	-	9/87					
K610 CIP					SUBCAT:	ESCI												
990	G	86	86	-	100000	-	-	-	-	-	-	100000	9/88					
K612 CIP					SUBCAT:	ESCI												
990	G	87	87	-	200000	-	-	-	-	-	-	-	-	200000				
0008 Gas Turbine Generators					SUBCAT:	FNER												
820	L	76	77	69000	67307	67307	40	-	-	-	-	-						
0009 Ismailia Electric Power Plant					SUBCAT:	FNER												
820	G	76	83	250000	250000	250000	121877	-	11585	-	9750	-						
0010 Mehalla Textile Plant Rehabilitation					SUBCAT:	FNPE												
830	L	76	76	96000	93000	93000	2395	-	760	-	-	-						
0012 Suez Cement Plant					SUBCAT:	FNPE/SDPE/SDIL												
830	G	76	80	100000	100000	100000	632	-	484	-	-	-						
0015 Strengthen Rural Health Delivery					SUBCAT:	HEDH												
510	G	76	84	14900	14900	12300	5009	2600	857	-	961	-						
0016 Applied S&T Research					SUBCAT:	SDIT												
960	G	77	80	24400	24400	24400	13376	-	4369	-	2484	-						

PROJECT NUMBER AND TITLE						ESTIMATED U.S. DOLLAR COST ($000)													
		OBLIG.						FY 84		FY 85									
TECH.	G/	DATE		TOTAL COST		OBLIG. THRU	FY 83 PIPE-	OBLIGA-	EXPEND-	OBLIGA-	EXPEND-	FY 86	FUNDED	FY 87	FY 88	FY 89	FY 90	ITEM
CODE	L	INIT	FIN	AUTH.	PLAN	FY 83	LINE	TIONS	ITURES	TIONS	ITURES	AAPL	THRU	OBLIG	OBLIG	OBLIG	OBLIG	NO.
*0017 Water Use & Management					SUBCAT: FNWD													
060	G	76	81	13000	13000	13000	2706	-	2032	-	-	-						
*0018 Development Industrial Bank I					SUBCAT: SDPE													
810	L	76	76	32000	32000	32000	7289	-	4300	-	-	-						
0019 PVC Pipe Drainage					SUBCAT: FNLD/FNWD													
060	L	76	76	31000	20025	20025	4786	-	4786	-	-	-						
*0020 Integrated Social Workers Center					SUBCAT: EHVT													
760	G	77	79	4000	2416	2416	154	-	0	-	-	-						
0023 National Energy Control Center					SUBCAT: FNER/SDEG													
890	G	76	80	2500	2500	2500	2479	-	309	-	1300	-						
	L	76	80	41000	41000	41000	4527	-	409	-	3300	-						
0026 Tech.Transfer & Manpower Development I					SUBCAT: EHVT/SDTT													
720	G	77	82	34500	34500	34500	10375	-	4000	-	4000	-						
0027 Rice Research & Training					SUBCAT: FNTE/FNDS													
070	G	77	81	21767	21767	21767	17014	-	5908	-	11106	-						
0028 Grain Storage Facilities					SUBCAT: FNMS													
060	G	75	83	13500	13500	13500	13440	-	3621	-	2750	-						
	L	75	75	44275	44275	44275	5478	-	3859	-	1211	-						
0029 Family Planning					SUBCAT: PNFP													
420/460	G	77	85	67400	67400	67400	23073	-	17046	-	6000	-						
0030 Shoubra Thermal Power Plant					SUBCAT: FNER													
820/825	G	79	84	190000	208000	190000	82036	18000	48105	-	33249	-						

PROJECT NUMBER AND TITLE						ESTIMATED U.S. DOLLAR COST ($000)													
TECH. CODE	G/ L	OBLIG. DATE INIT/FIN		TOTAL COST AUTH.	TOTAL COST PLAN	OBLIG. THRU FY 83	FY 83 PIPE-LINE	FY 84 OBLIGA-TIONS	FY 84 EXPEND-ITURES	FY 85 OBLIGA-TIONS	FY 85 EXPEND-ITURES	FY 86 AAPL	FUNDED THRU	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	FY 90 OBLIG	ITEM NO.
0031 Agricultural Mechanization				SUBCAT:	FNEX													
020/021	G	79	80	40000	40000	40000	26957	-	13560	-	13397	-						
0033 Urban Electric Distribution System				SUBCAT:	FNER													
820	G	77	85	51188	51188	10000	9854	20000	4324	20000	14321	-						
	L	77	80	46012	46012	46012	13036	-	527	-	3000	-						
*0035 Canal Dredging Equipment				SUBCAT:	FNWD													
890	G	79	79	5200	5200	5200	-	-	-	-	-	-						
	L	77	77	26000	25000	25000	363	-	-	-	-	-						
*0037 Food Grain/Veg. Oil Storage & Dist. Fac.				SUBCAT:	FNMS													
060	L	77	77	42000	37000	37000	4046	-	1947	-	600	-						
0038 Cairo Water System				SUBCAT:	HEWS													
890	G	77	82	61400	61400	61400	58624	-	22956	-	24800	-						
	L	77	82	30000	30000	30000	946	-	611	-	200	-						
0040 Irrigation Equipment				SUBCAT:	FNWD													
060/064	G	77	80	8000	8000	8000	805	-	204	-	180	-						
	L	77	80	11000	11000	11000	34	-	-	-	-	-						
0041 Agricultural Development Systems				SUBCAT:	FNTE/FNPA													
020/053	G	77	83	14900	14900	14900	2069	-	2069	-	-	-						
0042 Technical & Feasibility Studies IV				SUBCAT:	SDZZ													
970	G	78	81	31000	31000	31000	12264	-	3500	-	1200	-						
0045 Development Industrial Bank II				SUBCAT:	SDPE/SDIL													
810	G	78	78	2000	2000	2000	1309	-	190	-	50	-						
0047 Suez Port Development				SUBCAT:	SDZZ													
210/890	L	78	78	30000	11321	11321	9490	-	7278	-	-	-						

PROJECT NUMBER AND TITLE						ESTIMATED U.S. DOLLAR COST ($000)												
		OBLIG.				OBLIG.	FY 83	FY 84		FY 85								
TECH.	G/	DATE		TOTAL COST		THRU	PIPE-	OBLIGA-	EXPEND-	OBLIGA-	EXPEND-	FY 86	FUNDED	FY 87	FY 88	FY 89	FY 90	ITEM
CODE	L	INIT/FIN		AUTH.	PLAN	FY 83	LINE	TIONS	ITURES	TIONS	ITURES	AAPL	THRU	OBLIG	OBLIG	OBLIG	OBLIG	NO.
0048 Canal Cities Water & Sewage					SUBCAT: HEWS													
890	G	78	83	109000	109000	109000	107600	-	34179	-	38800	-						
	L	78	78	60000	60000	60000	881	-	634	-	53	-						
0052 Quattamia Cement Plant					SUBCAT: FNPE/SDPE													
830	L	78	78	95000	95000	95000	19466	-	8480	-	8551	-						
0060 Poultry Improvement					SUBCAT: FNZZ													
07P	G	77	81	12542	5509	5509	276	-	-	-	-	-						
0061 Development Planning Studies					SUBCAT: EHPP													
710	G	78	84	22800	22800	15800	7548	7000	3220	-	3800	-						
0064 Aquaculture Development					SUBCAT: FNZZ													
190/077	G	78	80	27500	27500	27500	17781	-	1998	-	4770	-						
0065 Urban Health Delivery Systems					SUBCAT: HEDH													
510	G	79	81	37253	37253	37253	29553	-	6220	-	10200	-						
0066 Low Income Housing/Community Upgrading					SUBCAT: SEHU													
860	G	78	81	80000	80000	80000	59899	-	17470	-	16274	-						
0070 Major Cereals					SUBCAT: FNIL/FNEX													
070	G	79	80	47000	47000	47000	20232	-	12030	-	8202	-						
0072 Port Said Saline Production Plant					SUBCAT: SDZZ													
830	G	77	77	13000	13000	13000	2751	-	2092	-	-	-						
0075 Telecommunications II					SUBCAT: SDZZ													
890	G	79	79	80000	80000	80000	48766	-	36882	-	11894	-						
0079 Small Farmer Production					SUBCAT: FNAI/FNEX													
010/011	G	79	84	25000	49000	25000	14314	24000	9663	-	16051	-						

PROJECT NUMBER AND TITLE						ESTIMATED U.S. DOLLAR COST ($000)													
		OBLIG.						FY 84		FY 85									
TECH. CODE	G/ L	DATE INIT	DATE FIN	TOTAL COST AUTH.	TOTAL COST PLAN	OBLIG. THRU FY 83	FY 83 PIPE-LINE	OBLIGA-TIONS	EXPEND-ITURES	OBLIGA-TIONS	EXPEND-ITURES	FY 86 AAPL	FUNDED THRU	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	FY 90 OBLIG	ITEM NO.
0089 Alex Sewage I					SUBCAT:	HEWS												
890	L	77	77	15000	15000	15000	2258	-	2258	-	-	-						
0090 Industrial Production Improvement					SUBCAT:	SDIT/SDIL												
890	G	80	81	39000	39000	39000	34011	-	11407	-	9500	-						
0091 Cairo Sewage					SUBCAT:	HEWS												
890/541	G	78	81	129000	129000	129000	88476	-	25017	-	30469	-						
0095 Agriculture Cooperative Development					SUBCAT:	FNIL												
050	G	79	79	5000	4842	4842	221	-	108	-	-	-						
0096 Small Scale Agricultural Activities					SUBCAT:	FNIE/FNEX												
112	G	79	79	1700	1700	1700	1046	-	708	-	4	-						
0097 Private Investment Encouragement Fund					SUBCAT:	FNPE/SDPE												
840	G	79	79	33000	10805	10805	10000	-	1000	-	-	-						
0100 Alexandria Sewage System Expansion II					SUBCAT:	HEWS												
890	G	79	84	198700	198700	198700	145851	31900	19900	-	47400	-						
0101 Industrial Production					SUBCAT:	SDPE												
890	G	78	81	98555	83555	83555	68870	-	7026	-	22177	-						
	L	78	81	46445	46445	46445	40378	-	1651	-	6600	-						
0102 Technical Coop & Feasibility Studies 1/					SUBCAT:	SDZZ												
970	G	83	89	10000	40000	10000	10000	5000	500	5000	4500	-	-	10000	-	10000	-	
0105 Mineral, Petroleum & Groundwater Assess.					SUBCAT:	FNWD/SDEV												
870/876	G	80	85	37200	37200	20700	17408	7500	4772	-	5588	-						
0110 Peace Fellowships					SUBCAT:	EHSP												
630/631	G	80	81	54000	54000	54000	34591	-	12144	-	14640	-						

1/ 0102 is a PDS funding mechanism and not a project per se. There will be a continuing need for such funds to cover design, feasibility studies and PVC costs.

PROJECT NUMBER AND TITLE						ESTIMATED U.S. DOLLAR COST ($000)												
		OBLIG.						FY 84		FY 85								
TECH. CODE	G/ L	DATE INIT/FIN		TOTAL COST AUTH.	TOTAL COST PLAN	OBLIG. THRU FY 83	FY 83 PIPE-LINE	OBLIGA-TIONS	EXPEND-ITURES	OBLIGA-TIONS	EXPEND-ITURES	FY 86 AAPL	FUNDED THRU	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	FY 90 OBLIG	ITEM NO.
0112 Private Sector Feasibility Studies					SUBCAT:	SDPE												
840/980	G	79	79	5000	5000	5000	3118	-	904	-	300	-						
0113 Sinai Planning Studies					SUBCAT:	SDPP												
710	G	79	80	5000	2702	2702	68	-	55	-	-	-						
0114 Vehicle Maintenance Training					SUBCAT:	EHVT												
690	G	80	80	4500	4500	4500	1459	-	1459	-	-	-						
0115 Tax Administration					SUBCAT:	SDTA												
720	G	80	83	3700	3700	3700	2501	-	451	-	561	-						
0116 Agriculture Management Development					SUBCAT:	FNMC/FNTE/EHMA												
020/050	G	80	80	5000	5000	5000	3365	-	1299	-	2066	-						
0117 Telecommunications III[1/]					SUBCAT:	SDZZ												
890	G	80	85	122000	172000	122000	109013	-	30604	50000	29500	-						
0118 University Linkages					SUBCAT:	EHRE/EHSP												
690	G	80	80	27500	17500	17500	13431	-	6126	-	5916	-						
0123 Energy Policy & Renewables					SUBCAT:	SDEG/FNNE												
870	G	82	85	32600	32600	7800	7750	4500	2164	-	5669	-						
0125 Training					SUBCAT:	EHPP												
660/730	G	85	90	-	60000	-	-	-	-	10000	-	10000	6/88	10000	10000	10000	10000	
0132 Irrigation Management Systems					SUBCAT:	FNWD												
010/091	G	81	87	42000	139500	38000	23299	36000	5346	28500	14892	30000	9/87	7000				
0136 Suez Community Health - Pers. Training					SUBCAT:	HECS/HEEH/HEDH												
560/580	G	80	86	17100	17100	8100	4322	6500	1911	-	2127	2500	9/88					
0137 Control of Diarrheal Diseases					SUBCAT:	HECS												
550	G	81	81	26000	26000	26000	25068	-	5990	-	9162	-						

1/ The increase in FY 85 will add new telephone exchanges, a data network, and include additional services.

PROJECT NUMBER AND TITLE						ESTIMATED U.S. DOLLAR COST ($000)												
TECH. CODE	G/L	OBLIG. DATE INIT/FIN		TOTAL COST AUTH.	TOTAL COST PLAN	OBLIG. THRU FY 83	FY 83 PIPE-LINE	FY 84 OBLIGA-TIONS	FY 84 EXPEND-ITURES	FY 85 OBLIGA-TIONS	FY 85 EXPEND-ITURES	FY 86 AAPL	FUNDED THRU	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	FY 90 OBLIG	ITEM NO.
0139 Basic Education					SUBCAT: EHED													
680	G	81	84	85000	85000	39000	23348	46000	11896	-	24607	-						
0140 Mutisector S/T					SUBCAT: SDZZ													
870	G	85	89		60000	-	-	-	-	20000	-	10000	9/88	10000	10000	10000		
0142 Agricultural Data Collection & Analysis					SUBCAT: FNPA													
010	G	80	80	5000	5000	5000	4383	-	994	-	2552							
0144 Population					SUBCAT: PNFP													
420	G	83	91	102600	102600	20000	20000	-	16750		15000	10000	6/88	20000	10000	14500	10000	
0147 Production Credit I 1/			SUBCAT: SDPE/SDZZ															
810/840	G	82	90	68000	273000	68000	68000	-	19248	50000	24100	35000	6/87	25000	45000	25000	25000	
0152 National Production Campaigns			SUBCAT: FNSA/FNAI															
010	G	84	91	-	60000	-	-	-	-	16500	5000	10000	6/88	10500	10000	9500	-	
0159 Business Support & Investment					SUBCAT: SDPE													
840	G	83	83	9100	9100	9100	9100	-	370	-	2500	-	-					
0160 Rehabilitation of Aswan Turbines					SUBCAT: SDEG													
890	G	82	85	100000	100000	85000	79670	-	8800	15000	27500	-	-					
0161 Decentralization PAAD 2/					SUBCAT: SDZZ													
990	G	82	84	455200	525200	359200	181726	166000	119592	-	94866	-	-					
0165 Safaga Grain Silos					SUBCAT: FNMS													
060/063	G	82	82	80000	80000	80000	79779	-	7995	-	9100	-	-					

1/ See narrative sheet for 263-0201.

2/ Formerly K-605: Project number was changed to accommodate AID computers.

PROJECT NUMBER AND TITLE						ESTIMATED U.S. DOLLAR COST ($000)												
TECH. CODE	G/ L	OBLIG. DATE INIT/FIN		TOTAL COST AUTH.	PLAN	OBLIG. THRU FY 83	FY 83 PIPE-LINE	FY 84 OBLIGA-TIONS	FY 84 EXPEND-ITURES	FY 85 OBLIGA-TIONS	FY 85 EXPEND-ITURES	FY 86 AAPL	FUNDED THRU	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	FY 90 OBLIG	ITEM NO.
0173 Cairo Sewerage II				SUBCAT:	HEWS													
890	G	84	90	-	445000	-	-	70000	-	95000	10000	95000	9/88	95000	-	-	90000	
0174 Canal Cities Water & Sewerage II				SUBCAT:	HEWS													
890	G	88	90	-	150000	-	-	-	-	-	-	-	-	-	50000	50000	50000	
0175 Cairo Potable Water				SUBCAT:	HEWS													
890	G	88	90	-	150000	-	-	-	-	-	-	-	-	-	45000	45000	60000	
0176 W&S Institutional Development				SUBCAT:	HEWS													
890		85	88	-	25000	-	-	5000	-	5000	2500	5000	9/88	5000	5000	-	-	
0177 Telecommunications IV				SUBCAT:	SDZZ													
890	G	86	88	-	175000	-	-	-	-	-	-	50000	9/88	25000	100000	-	-	
0178 Telecommunications V				SUBCAT:	SDZZ													
890	G	89	90	-	125000	-	-	-	-	-	-	-		-	-	25000	100000	
0179 Electric Generation				SUBCAT:	FNER													
820	G	86	89	-	225000	-	-	-	-	-	-	175000	6/89	-	-	50000	-	
0180 Cairo Assiut Highway				SUBCAT:	SDZZ													
890	G	85	88	-	115000	-	-	-	-	25000	-	30000	9/88	30000	30000	-	-	
0181 Cairo Ring Road				SUBCAT:	SDZZ													
890	G	85	89	-	225000	-	-	-	-	25000	-	50000	9/88	50000	50000	50000	-	
0182 Local Development				SUBCAT:	SDZZ													
990	G	85	90	-	550000	-	-	-	-	85000	10000	100000	6/87	59000	115000	91000	100000	
0183 Education Curriculum Reform				SUBCAT:	EHED													
680	G	86	88	-	12500	-	-	-	-	-	-	2500	9/87	5000	5000	-	-	
0184 Diarrheal Diseases, II				SUBCAT:	HECS													
550	G	87	90	-	40000	-	-	-	-	-	-	-		10000	10000	10000	10000	

PROJECT NUMBER AND TITLE						ESTIMATED U.S. DOLLAR COST ($000)												
		OBLIG.		TOTAL COST		OBLIG.	FY 83	FY 84		FY 85								
TECH. CODE	G/ L	DATE INIT/FIN		AUTH.	PLAN	THRU FY 83	PIPE-LINE	OBLIGA-TIONS	EXPEND-ITURES	OBLIGA-TIONS	EXPEND-ITURES	FY 86 AAPL	FUNDED THRU	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	FY 90 OBLIG	ITEM NO.
0185 Cement Plant Expansion				SUBCAT:FNPE/SDPE/SDIL														
	G	87	89	-	193500	-	-	-	-	-	-	-	-	98500	-	95000	-	
0186 Fertilizer Plant				SUBCAT: FNPE/SDPE/SDIL														
830	G	85	87	-	195000	-	-	-	-	170000		-	1/87	25000	-	-	-	
0201 Production Credit II				SUBCAT: SDPE														
810	G	85	90	-	205000	-	-	-	-	30000	-	35000	9/88	35000	35000	35000	35000	
0202 Small Farmer II				SUBCAT: FNAI/FNEX														
010/011	G	87	90	-	70000	-	-	-	-	-	-	-		20000	20000	20000	10000	
CIP FY 88														-	200000	-	-	
CIP FY 89														-	-	200000	-	
CIP FY 90														-	-	-	250000	

PROJECT NUMBER AND TITLE						ESTIMATED U.S. DOLLAR COST ($000)												
TECH. CODE	G/L	OBLIG. DATE INIT/FIN	TOTAL COST AUTH.	TOTAL COST PLAN	OBLIG. THRU FY 83	FY 83 PIPE-LINE	FY 84 OBLIGA-TIONS	FY 84 EXPEND-ITURES	FY 85 OBLIGA-TIONS	FY 85 EXPEND-ITURES	FY 86 AAPL	FUNDED THRU	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	FY 90 OBLIG	ITEM NO.
APPROPRIATION/PROGRAM (ESF)	TOTAL	- - -	6272904	10453001	5836634	2507198	750000	910909	750000	971240	750000	-	750000	750000	750000	750000	
	GRANT	- - -	4218172	8443492	3822249	2362915	750000	854009	750000	945725	750000	-	750000	750000	750000	750000	
	LOAN	- - -	2054732	2009509	2014385	144283	-	56900	-	25515	-	-	-	-	-	-	

* Potential deobligations for FY 84 (see Action Plan for list of deobligation candidates).

PROJECT NUMBER AND TITLE					ESTIMATED U.S. DOLLAR COST ($000)												
TECH. CODE	G/ L	OBLIG. DATE INIT/FIN	TOTAL COST AUTH.	TOTAL COST PLAN	OBLIG. THRU FY 83	FY 83 PIPE-LINE	FY 84 OBLIGA-TIONS	FY 84 EXPEND-ITURES	FY 85 OBLIGA-TIONS	FY 85 EXPEND-ITURES	FY 86 AAPL	FUNDED THRU	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	FY 90 OBLIG	ITEM NO.
SHELF PROJECTS																	
A. ACTIVITIES CONSIDERED FOR ADDITIONAL OR ACCELERATED FUNDING IF MUTUALLY AGREED POLICY CHANGES OCCUR (POLICY OPTIMAL):																	
0173 Cairo Sewerage II									100.0		219.0						
0191 Alex Wastewater II									90.0		130.0	-	225.0				
0193 Cairo Water II									100.0								
0174 Canal Cities W&S							10.0		140.0								
0192 Provincial Cities Dev II							45.0		-		50.0						
0196 Talkha Combined Cycle							80.0		-		-						
0200 Shoubra Expansion									75.0								
0187 Basic Eduction II									50.0		50.0		50.0	50.0	50.0	50.0	
0170 Private Sector Health									10.0		10.0		10.0	10.0	10.0	-	
0198 Private Sector AGR Exports									10.0		10.0		10.0	10.0	10.0	-	
B. SHELF-OTHER																	
0194 Urban Electric Dist. II									40.0		-		40.0	-	40.0	-	
0195 National Energy Cont. Cntr II									40.0		-		40.0	-	40.0	-	
0189 Tech & Vocational Training									-		25.0		25.0	25.0	25.0	-	
0188 Weaning Foods									3.0		-		-	-	-	-	
0105 Min., Pet., & Groundwater									-		9.0		-	-	-	-	
0190 Priv. Sector Business Devmt									5.0		5.0		5.0	-	-	-	
0197 Priv. Sector Feas. II									5.0		-		2.0	-	2.0	-	
0199 Community Upgrading									-		25.5		-	25.0	50.0	-	

Project Number: 263-0177 Project Title: Telecommunications IV

Funding FY 85: $175 million
Funding FY 86: -0-

LOP: $175 million

Project Purpose:

a) To improve operations and maintenance in exchanges with USAID-financed exchange equipment;

b) To increase number of working telephone lines in Cairo;

c) To automate billing, personnel, accounting and technical data collection functions of ARENTO so that data may be analyzed for budget, planning, management and procurement purposes;

d) To facilitate data transmission through Egypt's telecommunications network.

The project components would provide significant technology transfer and institutional development impact. In addition there will be specific focus on evaluating and providing services deemed critical to private sector economic development. The proposed project therefore is consistent with USAID/Cairo CDSS long-range objectives relative to the provision of infrastructure for economic and social development. The above components will be adjusted as necessary to reflect findings from a major evaluation being conducted in May-June, 1984.

Description:

a) There is a large unmet demand for telephone service in Egypt, as indicated by the waiting list for service installation and the low national per capita (2%) telephone density. This project will provide approximately 100,000 new telephone lines for Cairo and possibly provide assistance for a digital exchange manufacturing facility to be established in Egypt.

b) ARENTO needs better and more detailed information on its present system, employee assignments, costs, alternatives, etc., for its planning, administrative and financial decisions. It is proposed to continue automation and institutionalization of both data collection and analysis for management purposes, and of customer billing and accounts.

c) ARENTO operation and maintenance (O&M) management needs to be addressed to improve O&M worker efficiency and system performance. It is proposed that USAID-financed exchanges be set aside as target

O&M areas, and that technical assistance be provided to improve O&M work assignments, crew organization, tool and supply dispatch, transport to site, worker productivity and repair documentation in these target O&M areas.

d) Computer data transmission is becoming increasingly important to the Egyptian economy, but availability and level of service on existing lines are not sufficient to provide reliable data transmission. It is proposed to provide a phased "switched data network" in Egypt, along with contract line maintenance, to meet immediate user demand.

Target Group:

Primary beneficiaries would be private and public enterprises, government and social service organizations with data communication needs, and residents of the proposed new exchange areas.

Project Number: 263-0179 Project Title: Electric Generation

Funding FY 85: -0-
Funding FY 86: $175 million

LOP: $225 million

Project Purpose:

The purpose of the proposed Electric Generating Project is to engineer and construct a 1200 MW Electric Generating Station, at a site to be selected for the Egyptian Electricity Authority. When completed, the proposed project will provide additional electrical power and energy for the increasing requirements of consumers throughout Egypt.

The USAID strategy envisions three possible level of funding for electricity projects depending upon rates of increase in electricity tarrifs. Under the "Optimal Program," the electric generation project would be funded. (See FY 86 CDSS, 4/84 main text, pgs 37-41 and Game Plans, pgs 12-14.)

Description:

Problems to be addressed:

1. Energy Pricing. Energy prices are highly subsidized and discourage consumer conservation. The IMF, IBRD and AID have encouraged the GOE to initiate action to move energy price levels upwards over a 10 to 12 year period.

2. Electricity Rates. Electricity rates are approximately 17% of world electricity rate levels. The GOE has embarked on a program of annual rate increases for all customer classes. Increases commencing in April 1982 have increased revenues in excess of 30%, further annual increases at substantial higher rates will be required if EEA rates are to approach world levels over a period of 10-12 years. The present rates do not encourage consumer conversation.

3. Funding of foreign costs. The capital costs of a new generation plant are forecast in the range of $600 KW to $800 KW. Funding for the project exceeds funding capabilities of any single financier. The project will require funding from a number of donors and/or lending agencies as co-financiers.

4. Local Currency Costs. The Egyptian Pound component of construction costs will be substantial. Increased electricity rates will assist the GOE in this regard.

5. Contracting Procedure. Equipment and services will be packaged to meet the funding requirements of the various co-financiers. One or more major equipment packages and the contract for engineering and construction management services would be funded by AID.

6. Operation and Maintenance Training. Availability of trained O and M personnel is limited and this problem has been compounded by the personnel requirements of recently built generating stations. Additional generating stations are scheduled for start-up in the next few years which will further compound the problem. Employees to operate and maintain the new facilities will require training. Training program have been funded by the IBRD which may provide a broad base of training, however, site specific training for the new plant will be required.

Target Group:

Primary beneficiaries would be private and public enterprises and the population in general.

Participant Training:

Critical to the success of the project would be participant training in the following areas:

(a) Construction Project Manangement.
(b) Plant Operation
(c) Preventitive Maintenance

Project Number: 263-0180 Project Title: Cairo Assiut Highway

Funding FY 85: $ 25 million
Funding FY 86: $ 30 million

LOP: $115 million

Project Purpose:

To provide a greater capacity for and improve the efficiency of transportation of people and commodities in the Upper Egypt corridor. The highway will contribute to the achievement of CDSS targets of deconcentration and decentralization of economic activity and high population growth densities in Cairo by permiting the emergence of alternate growth poles along the Upper Nile. The concentration of investment resources is consistant with USAID's strategy to achieve greater visibility of effort on projects that provide sound development returns.

Description:

1. Opening a new transportation route along the edge of the Nile Valley will expand the opportunity for urban development, including private sector activities, into unused, uncongested areas.

2. Construction of a road outside the arable Nile Valley will also provide an opportunity for gradual movement of people and infrastructure out of the valuable cropland areas.

3. An improved transportation route will allow movement of more perishable, high cash-generating crops to the major markets.

Target Group:

The benefits of this project would go directly to users in the form of shorter travel time, lower vehicle maintenance costs, better transportation linkage between the Nile Valley and Cairo/Alexandria/Suez. Indirectly, the population at large would benefit by a greater attractiveness of its major cities to tourists and foreign business ventures.

Participant Training:

Although not critical to success of the project, an opportunity may exist to provide participant training to mid-level managers in the the following areas:

a) Management of highway construction work.

b) Highway maintenance principles.

c) Quality control on highway construction.

Project Number: 263-0181 Project Title: Cairo Ring Road

Funding FY 85: $ 25 Million
Funding FY 86: $ 50 Million

LOP: $225 million

Project Purpose:

1. To alleviate downtown Cairo traffic congestion through provision of:

   a. A bypass route connecting the major north-south highways with the Cairo-Suez highway and connecting other Cairo penetrator roads outside the present urban area.

   b. A Nile River crossing south of Cairo.

2. To facilitate urban expansion by providing access to the lower valued desert lands located east, south and west of Cairo.

The new infrastructure would contribute to deconcentration and decentralization of urban growth and to improved social and economic development. Consistent with USAID's strategy, investment resources would be concentrated in a project of high visibility that would provide sound development returns.

Description:

1. At the present time nearly all traffic must enter the downtown Cairo area regardless of its intended trip destination. Connecting the penetrator arteries by constructing a ring road outside of Cairo would provide cross town traffic movement without having to enter the city center, thus reducing downtown congestion.

2. Urbanization and the resulting overburdening of existing infrastructure is a major Cairo development problem. The Cairo Ring Road will open new, low-value desert lands for urban expansion thus providing decentralization and deconcentration opportunities.

3. Assistance would be provided to the private sector by making available attractive sites for business locations at points of easy access to a convenient transportation facility.

Target Group:

The benefits of this project would go directly to users in the form of shorter travel time, lower vehicle maintenance costs, better transportation linkage between Cairo penetrator roads. Indirectly, the

Cairo population at large would benefit from a reduction of congestion in the downtown area and through improved access to areas suited to urban expansion.

Participant Training:

Although not critical to success of the project, an opportunity may exist to provide participant training to mid-level managers in the the following areas:

a) Management of highway construction work.

b) Highway maintenance principles.

c) Quality control on highway construction.

Project Number: 263-0183

Project Title: Education Curriculum Reform

Funding FY 85: -0-
Funding FY 86: $ 2.5 Million

LOP: $12.5 Million

Project Purpose:

This project will assist the GOE Ministry of Education to change the nature, content, and scope of various curricula at different levels in the education system in ways that will enhance the contribution of education to socio-economic development.

Description:

In Egypt, the rapid and extensive quantitative expansion of both formal and out-of-school systems of teaching and learning has been obtained largely at the expense of quality. The nature of education offered does not always match that which is needed and the value of that education is not adequate to prepare learners to do the jobs required to develop the society. While the GOE is aware of the dilemma, much of its effort to improve quality is thwarted by lack of financial resources, limited coordination between segments of the system, and limited political will to alter present policies in education.

This project would include the following:

- Changing the curriculum of teacher training efforts to make them consistent with the needs of the Basic Education reforms being launched by the GOE.

- Improving the quality and effectiveness of English language teaching at all levels of the system of education.

- Improving the quality and relevance of secondary technical school curricula, particularly industrial schools and agricultural schools. This would include improving the curriculum for the training of vocational school teachers as well as the curriculum for students.

- Improving the curriculum of the engineering faculties of Egyptian universities through the introduction of more workshops, laboratories and other opportunities for practical experience. This effort would also include finding ways to increase student access to textbooks, micro-computers and reference materials.

Research Activities:

Some applied research and extension activities would be essential to develop and introduce appropriate curricula at various levels. Much of what is needed to redesign curricula is known--but it must be brought to the awareness of those with the responsibility to foster changes.

Project Number: 263-0186

Project Title: Suez Fertilizer Production Complex

Funding FY 85: $170 Million
Funding FY 86: -0-

LOP: $195 Million

Project Purpose:

To assist the GOE in increasing its domestic output of nitrogen fertilizers through establishment of a modern nitrogen fertilizer production complex at Suez, Egypt.

Description:

The current GOE Five-Year Development Plan (1982/83-1986/87) includes an allocation of approximately LE 217 million for rehabilitation and completion of expansion programs of the existing fertilizer plants. The present level of Egyptian fertilizer consumption is 700,000 metric tons per year (MTPY) of nitrogen fertilizers, which is the most widely used fertilizer in Egypt. The consumption of nitrogen fertilizers has been rapidly increasing over the past ten years.

Egypt will move from its present position of near balance in the supply and demand for nitrogen fertilizer to a projected deficit in 1995 of approximately 50 percent for this type of fertilizer. There are no new nitrogen fertilizer plants under construction, and it is expected that the old, uneconomic nitrogen fertilizer plants at Suez, Qena, Aswan, and probably Helwan will be phased out by 1990. These plants represent approximately 25 percent of Egypt's nitrogen fertilizer production capacity.

The GOE has become more energy efficient conscious and more aware of the need to start planning/implementing projects for establishment of more economic production units to meet present and future nitrogen fertilizer needs. GOE and World Bank analysts feel that near term efforts to restructure the Egyptian fertilizer industry should be focused specifically on the nitrogen fertilizer plant at Suez. UNICO (JAPAN) has completed a feasibility study for the rationalization and expansion of the Suez fertilizer complex. This is one of two plants needed to meet Egypt's nitrogen fertilizer requirements. The Suez Fertilizer Complex project is ready for implementation, since the feasibility study has been completed, the natural gas pipeline has been completed from Ras Shukheir to Suez, and the Egyptian General Petroleum Company has made firm allocation of natural gas supplies for the prospective plant.

The El-Nasr Company for Fertilizers and Chemicals (SEMADCO), a GOE public sector company, currently operates the existing nitrogen fertilizer

complex at Suez. SEMADCO would be likely to provide all or most of the equity capital for the expanded fertilizer facilities at Suez, although participation by private sector investors would be desirable and would be one objective of AID.

Subject to the availability of funds, AID plans to provide U.S. $195 million in foreign exchange costs for a new ammonia production plant of 1,000-1,250 tons per day capacity and the expansion or rehabilitation of related facilities of the nitrogen fertilizer complex at Suez. The other facilities include: (1) a nitric acid plant, (2) an ammonium nitrate plant, (3) ammonia storage, (4) ammonium nitrate storage/bagging, (5) utilities, and (6) spare parts and catalysts. Total foreign exchange costs for the complex are estimated to be about $300 million. The difference between the USAID contribution and the total foreign exchange needs are expected to be fulfilled mainly on other donors who have expressed an interest in the Suez fertilizer plant. Local currency costs of LE 100 million would be met by SEMADCO and to an undetermined extent by local private investors.

Suez has several attractive location features. The IBRD-financed natural gas pipeline from Ras Shukheir passes through Suez. Suez is well connected by road and rail, and has well-developed infrastructure (i.e., housing, hospital, school, a major port, power station, etc.). An ample supply of fresh water is available from the Ismailia Canal.

The key policy areas relevant to USAID support to public sector industry are:

(1) realistic pricing of products and fuel inputs for all nitrogen fertilizer plants in Egypt--to reduce the heavy burden of GOE subsidies and to improve incentives for efficient resource use in the economy;

(2) Private sector participation (e.g., joint private and public stockholders) in production and distribution of fertilizer products;

(3) operation of the new plant and other competing local plants on "market" principles regardless of form of ownership.

Relationship to Overall AID Strategy:

The FY 1986 Country Development Strategy Statement (CDSS) indicates that the central objective of USAID's strategy for Egypt's public sector industry is to move it more rapidly toward a market economy through more rational price policies and greater managerial autonomy. USAID's support to economically efficient public sector industrial enterprises that show respectable economic (as well as financial) rates of return, as is the case in the nitrogen fertilizer industry, serves to keep open the dialogue with the GOE on movement toward a market economy. The GOE

places a high priority on industrial development, but it wants the public sector to maintain its dominant position. At the same time, the GOE wants the private sector to contribute to more rapid growth. The formation of a Law 43 company for production of fertilizer at Suez would be an appropriate response to these needs.

There has been no major new USAID capital assistance project for public sector industry since FY 1978. The GOE frequently requests new funding for public sector industry as evidence of U.S. political support to Egypt. The nitrogen fertilizer industry is one area in which USAID support to public sector industry may be appropriate—especially if the GOE, as a quid pro quo, undertakes important reforms on pricing policies in the sector and agrees to a more active role for the private sector.

Project Number: 263-0201

Project Title: Production Credit Phase II: Term Lending

Funding FY 85: $ 30 Million
Funding FY 86: $ 35 Million

LOP: $205 Million

Project Purpose:

The short-term purpose of this project is to increase the flow of term credit to the productive private sector through a direct AID intervention. The project will also help develop the long-term capability of the Egyptian financial system to meet the growing financial needs of the private sector.

Discussion:

The GOE has eased restrictions on private sector industrial activity in recent years, but lack of medium-term credit financing in Egypt constrains the private sector's growth. There is a considerable amount of financial liquidity in the banking community in Egypt, but it is mostly short-term liquidity. Because of the nascent character of capital markets in Egypt, no other source of institutional financing is available for private sector investments.

The public sector owns more than 70% of installed industrial capacity in Egypt and has direct access to a number of special benefits, including government budget funded investment financing that is not available to the private sector. The private sector needs a market source of term credit financing in order to reach its potential for increasing its contribution to commodity production in Egypt.

A joint GOE-USAID study is being undertaken to examine all past USAID term credit efforts, to review the current banking and financial situation, and to recommend specific means for AID to increase financing available to productive private investment. Based on the results of this study, a specific term credit financing facility will be recommended to AID/W in the Fall of 1984. Our first industrial financing effort through the Development Industrial Bank has been marginally satisfactory but limited in its scope. The CIP private sector set-aside had a term repayment element which was designed-out when it became clear that the banks were not willing to offer term credit beyond three years. The Private Investment Encouragement (PIE) Fund was never activated. Therefore the examination of all alternatives and prior efforts is deemed a necessary first step.

One of the several mechanisms to be examined is a "term credit window" which, if found feasible, could be an integral part of the ongoing Production Credit I Project No. 263-0147 rather than a separate project. In either case, the FY 85 funding requested is $30 million from a multi-year authorization. This will be a continuing program.

PD&S REQUIREMENTS

The Mission plans to fund PID and PP design costs through existing PD&S projects, 263-0042 and 263-0102, and does not anticipate needing any AID Washington funding.

TABLE V NARRATIVE

USAID/Egypt is working from an assumed ESF OYB of $750 million and all activities listed through number 17 are considered essential to the OYB. However, the rank ordering reflects the restructuring of development priorities flowing from the FY 1986 CDSS exercise and related events, partly outlined in last year's Action Plan and this year's update. Other factors of less immediate importance include the capacity of individual activities to absorb and expend efficiently large sums of money, and a tendency, ceteris paribus, to favor ongoing over new activities or those with designs nearing completion as opposed to those still in the early conceptual stages or facing serious design/policy issues.

OPTIONAL

AID PROGRAM IN FY 1986
ANNUAL BUDGET SUBMISSION
TABLE V - PROPOSED PROGRAM RANKING

DECISION UNIT

RANK	PROJECT	TITLE	NEW/ CONT	LOAN/ GRANT	PROGRAM FUNDING ($000) APPROP	INCR	CUM
1.	0173	Cairo Sewerage II	C	G	ESF	95.0	95.0
2.	0176	W&S Institutional Development	C	G	ESF	5.0	100.0
3.	0182	Local Development	C	G	ESF	100.0	200.0
4.	0144	Population	C	G	ESF	10.0	210.0
5.	0152	National Production Campaigns	C	G	ESF	10.0	220.0
6.	0201	Production Credit II	C	G	ESF	35.0	255.0
7.	0147	Production Credit I	C	G	ESF	35.0	290.0
8.	K610	Commodity Import Program	N	G	ESF	100.0	390.0
9.	0183	Education Curriculum Reform	N	G	ESF	2.5	392.5
10.	0125	Training	C	G	ESF	10.0	402.5
11.	0140	Multi-Sector Science & Tech.	C	G	ESF	10.0	412.5
12.	0136	Suez Community Health	C	G	ESF	2.5	415.0
13.	0180	Cairo-Assiut Highway	C	G	ESF	30.0	445.0
14.	0179	Electricity Generation	N	G	ESF	175.0	620.0
15.	0181	Cairo Ring Road	C	G	ESF	50.0	670.0
16.	0132	Irrigation Management Systems	C	G	ESF	30.0	700.0
17.	0177	Telecommunications IV	N	G	ESF	50.0	750.0
18.	PL480	Title I (non-add)				(250.0)	
19.	PL480	Title II (non-add)				(11.6)	
		(1) CRS - MCH					
		(2) CRS - OCF					
		(3) CARE - OCF					
		(4) CARE - General Relief					

Table VII - FY 85 Evaluation Plan: Listing of Planned Evaluations
FY 86 Annual Budget Submission
Mission: USAID/Cairo

Column 1	Column 2	Column 3				Column 4	Column 5			Column 6
Activity Description (Title/Number)	Last Eval. Completed (Mo./Yr.)	FY 85 Start (Qtr)	FY 85 Submit to AID/W (Qtr)	FY 86 Start (Qtr)	FY 86 Submit to AID/W (Qtr)	Reasons/Issues	Dollar Costs Funding Source	Dollar Costs Amount	USAID Person Days	Probable Assistance Needed
AGRICULTURE										
Small Farmer Production (263-0079)	3/83			2	2	Final evaluation	project	$50,000	30	4 PSCs for 4 weeks
Irrigation Management Systems (263-0132)	N/A	2	2			Mid-project evaluation of original project components	project	$60,000	10	5 PSCs for 4 weeks
Agriculture Sector Assessment	N/A	2	2			In-house desk study of existing evaluations and studies to assess aggregate impact on agriculture sector to date	N/A	-	60	-

Emily Baldwin, Evaluation Officer,100%

Table VII - FY 85 Evaluation Plan: Listing of Planned Evaluations
Fy 86 Annual Budget Submission
Mission: USAID/Cairo

Column 1	Column 2	Column 3				Column 4	Column 5			Column 6
Activity Description (Title/Number)	Last Eval. Completed (Mo./Yr.)	FY 85 Start (Qtr)	FY 85 Submit to AID/W (Qtr)	FY 86 Start (Qtr)	FY 86 Submit to AID/W (Qtr)	Reasons/Issues	Dollar Costs Funding Source	Dollar Costs Amount	USAID Person Days	Probable Assistance Needed
INFRASTRUCTURE										
Cairo Water Supply (263-0038), Canal Cities Water and Sewerage (263-0048), Alexandria Sewage I and II (263-0089 and 0100) and Cairo Sewage (263-0091)	N/A	1	3			Assess individual and overall impact of the portfolio, progress to date, and future alternatives	project	$100,000	100	5 consultants for 6 weeks Sanitary/Environmental Engineer; Social Scientist, Economist; Project Officer; Training/Administration Specialist)
Construction Contracts Assessment	N/A	1	2			Assess success for replication in contract design and implementation for infrastructure construction construction	USAID	$40,000	20	2 consultants for 4 weeks

Table VII - FY 85 Evaluation Plan: Listing of Planned Evaluations
FY 86 Annual Budget Submission
Mission: USAID/Cairo

Column 1	Column 2	Column 3				Column 4	Column 5			Column 6
Activity Description (Title/Number)	Last Eval. Completed (Mo./Yr.)	FY 85 Start (Qtr)	FY 85 Submit to AID/W (Qtr)	FY 86 Start (Qtr)	FY 86 Submit to AID/W (Qtr)	Reasons/Issues	Dollar Costs Funding Source	Dollar Costs Amount	USAID Person Days	Probable Assistance Needed
Canal Cities Electric Distribution (263 0001), Ismailia Power Plant (263-0009) and Urban Electric Distribution (263-0033)	N/A	2	2			Assess impact of collection of related projects	USAID	$80,000	42	2 consultants for 8 weeks
National Energy Control Center (263-0023)	N/A			3	4	end of project to to assess operational and economic impact	USAID	$75,000	20	3 IQC consultants for 4 weeks
Grain Silos (263-0028) and Grain TOF (263-0037)	N/A			3	4	final evaluation of attainment of obj - ectives and impact	USAID	$150,000	20	IQC, 6 person months
Shoubra Power Plant (263-0030)				2	3	assess operational efficiency/effectiveness of plant	USAID	$40,000	5	2 PSCs for 6 weeks
Electricity Sector Assessment	N/A			4	4	assessment of aggregate impact to date of AID electricity projects	USAID	$100,000	20	IQC, 4 person months

Table VII - FY 85 Evaluation Plan: Listing of Planned Evaluations
FY 86 Annual Budget Submission
Mission: USAID/Cairo

Column 1	Column 2	Column 3				Column 4	Column 5			Column 6
Activity Description (Title/Number)	Last Eval. Completed (Mo./Yr.)	FY 85 Start (Qtr)	FY 85 Submit to AID/W (Qtr)	FY 86 Start (Qtr)	FY 86 Submit to AID/W (Qtr)	Reasons/Issues	Dollar Costs Funding Source	Dollar Costs Amount	USAID Person Days	Probable Assistance Needed
INDUSTRY										
Suez Cement Plant (263-0012) and Quattamia Cement (263-0052)	N/A			2	2	joint final evaluation (1 yr. after completion of 052 and 2 yrs. after 012)	USAID	$30,000	30	2 (PSC) consultants
Port Said Salines (263-0072)	N/A			1	1	final evaluation (after one year of of operation)	USAID	$15,000	60	1 consultant (PSC)
Production Credit (263-0147) & DIB I (263-0018)	N/A	1	2			Required in consideration of new funding in FY 85	project	$50,000	5	2 PSCs
Business Support and Investment (263-0159) and DIB II (263-0045)	N/A			2	3	evaluate progress toward objectives	project	$25,000	60	1 PSC

Table VII - FY 85 Evaluation Plan: Listing of Planned Evaluations
FY 86 Annual Budget Submission
Mission: USAID/Cairo

Column 1	Column 2	Column 3				Column 4	Column 5			Column 6
Activity Description (Title/Number)	Last Eval. Completed (Mo./Yr.)	FY 85 Start (Qtr)	FY 85 Submit to AID/W (Qtr)	FY 86 Start (Qtr)	FY 86 Submit to AID/W (Qtr)	Reasons/Issues	Dollar Costs Funding Source	Dollar Costs Amount	USAID Person Days	Probable Assistance Needed
DECENTRALIZATION										
Neighborhood Urban Services (263-0161.5)	3/84	1	1	1	1	life of project contract to evaluate project at regular intervals; FY 86 evaluation will be final one.	project	$800,000*	30	(3 year, 8-A contract in place-no further assitance needed)

* life of project contract cost

FY 85 Evaluation Plan: Listing of Planned Evaluations
FY 86 Annual Budget Submission
Mission: USAID/Cairo

Column 1	Column 2	Column 3				Column 4	Column 5		Column 6
Activity Description (Title/Number)	Last Eval. Completed (Mo./Yr.)	FY 85 Start (Qtr)	FY 85 Submit to AID/W (Qtr)	FY 86 Start (Qtr)	FY 86 Submit to AID/W (Qtr)	Reasons/Issues	Dollar Costs Funding Source	Dollar Costs Amount	USAID Person Days	Probable Assistance Needed
SCIENCE AND TECHNOLOGY										
Management Development Productivity (263-0090.1), Vocational Training for Productivity (090.2), Industrial Technology Applications (090.3) and Innovative Productivity Activities (090.4)	N/A	1	2			to gather and analyze information on progress of each activity- and of the 090 group as a whole	project	$175,000	30	8 person months of IQC time
Mineral, Petroleum and Groundwater Assessment (263-0105)	N/A	3	3			mid-term evaluation to assess progress, look for recommendations to enhance impacts	project and OE	$30,000	15	1 AID/W TDY and 3 PSCs

Table VII - FY 85 Evaluation Plan: Listing of Planned Evaluations
FY 86 Annual Budget Submission
Mission: USAID/Cairo

Column 1	Column 2	Column 3				Column 4	Column 5		Column 6
Activity Description (Title/Number)	Last Eval. Completed (Mo./Yr.)	FY 85 Start (Qtr)	FY 85 Submit to AID/W (Qtr)	FY 86 Start (Qtr)	FY 86 Submit to AID/W (Qtr)	Reasons/Issues	Dollar Costs Funding Source	Dollar Costs Amount	USAID Person Days	Probable Assistance Needed
EDUCATION										
Basic Education (263-0139)	N/A	1	1			first of a series of annual reviews	project	$800,000*		(3 year contract-no further assistance needed)
HEALTH										
Control of Diarrheal Diseases (263-0137)	N/A	1	1			overall review of project prior to implementation of national campaign	project	$40,000	5	4 PSCs
Population (263-0029 and - 0144)										
Overall Program evaluation by outside consultants	N/A	3	4			In-Depth evaluation of program management life of project cost	Project	$150,000	15	4 Persons for two months each under contract

05/24/84

EGYPT FY-86 ABS
TABLE VIII NARRATIVE

SECTION A.
MANAGEMENT IMPROVEMENTS:

The USAID/Cairo Operating Expense (O.E.) account is now being managed under the Mission Accounting Control System (MACS). Daily computer reports have improved immeasurably our control and monitoring of O.E. expenditures. MACS has also made possible the introduction of departmental budgeting for strict budget control by Mission office. This fiscal year, individual offices have been managing allocations for operational travel. Other allocations will be made in the coming year to improve the management of funds for expenditures such as personal services contracts and international telephone calls. The tracking of individual employee costs (housing, shipping, salary, benefits, etc.) is another example of the almost limitless ways O.E. expenses can be analyzed and controlled. The Mission has arranged for a complete assessment of Joint Administrative Office (JAO) services to be conducted in August and September, 1984. We expect the report of the assessment will recommend alternatives to JAO subscription allowing the Mission to exercise management control of goods and services, which in turn will lead to improved delivery of services, reductions in operating expense costs and accurate controls of property inventories.

SECTION B.
JUSTIFICATION FOR FUNDING CHANGES:

N/A.

SECTION C.
TRUST FUNDS:

USAID/Egypt has recently reached agreement with the Government of Egypt to increase the amount O.E. Trust Fund allocation from LE 1,000.0 ($1,202.0) to LE. 4,000.0 ($4,809.5). The agreement is effective for FY 84 through FY 86. With the quadrupling of the trust fund allocation, it is not reasonable to expect any further increase until negotiations take place prior to the end of the current agreement in FY 1986.

TABLE VIII - FY 1984

ORGANIZATION USAID/EGYPT
(Including RIG Costs if Applicable)

EXPENSE CATEGORY	F.C.	O.C.	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
U.S. DIRECT HIRE	U100		9,974.5		9,974.5	xxxxx
U.S. CITIZENS BASIC PAY	U101	110	6,533.5		6,533.5	131.0
PT/TEMP U.S. BASIC PAY	U102	112	44.3		44.3	2.0
DIFFERENTIAL PAY	U103	116	718.9		718.9	xxxxx
OTHER AID/W FUNDED O.C. 11	U104	119	29.7		29.7	xxxxx
OTHER MISSION FUNDED O.C 11	U105	119				xxxxx
EDUCATION ALLOWANCES	U106	126	555.8		555.8	87.0
RETIREMENT - U.S.	U107	120	457.5		457.5	xxxxx
LIVING ALLOWANCES	U108	128				xxxxx
OTHER AID/W FUNDED O.C. 12	U109	129	261.5		261.5	xxxxx
OTHER MISSION FUNDED O.C.12	U110	129	59.9		59.9	xxxxx
POST ASSIGNMENT - TRAVEL	U111	212	242.6		242.6	71.0
POST ASSIGNMENT - FREIGHT	U112	22	647.2		647.2	71.0
HOME LEAVE - TRAVEL	U113	212	169.6		169.6	86.0
HOME LEAVE - FREIGHT	U114	22	90.0		90.0	86.0
EDUCATION TRAVEL	U115	215	40.0		40.0	40.0
R AND R TRAVEL	U116	215	42.0		42.0	126.0
ALL OTHER CODE 215 TRAVEL	U117	215	82.0		82.0	41.0
FOREIGN NATIONAL DH	U200		726.9		726.9	xxxxx
BASIC PAY	U201	114	606.5		606.5	91.0
OVERTIME, HOLIDAY PAY	U202	115	22.2		22.2	3.0
ALL OTHER CODE 11 - FN	U203	119	67.1		67.1	xxxxx
ALL OTHER CODE 12 - FN	U204	129	31.1		31.1	xxxxx
BENEFITS FORMER FN PERS.	U205	13				xxxxx
CONTRACT PERSONNEL	U300		888.8		888.8	xxxxx
PASA TECHNICIANS	U301	258	459.8		459.8	3.5
U.S. PSC - SALARY/BENEFITS	U302	113	409.0		409.0	7.8
ALL OTHER U.S. PSC COSTS	U303	255				xxxxx
F.N. PSC - SALARY/BENEFITS	U304	113				
ALL OTHER F.N. PSC COSTS	U305	255				xxxxx
JCC COSTS PAID BY AID/W	U306	113	20.0		20.0	.3
HOUSING	U400		1,735.8	689.5	2,425.3	xxxxx
RENT	U401	235	1,148.6	494.8	1,643.4	103.0
UTILITIES	U402	235		80.0	80.0	xxxxx
RENOVATION AND MAINT	U403	259		86.0	86.0	xxxxx
QUARTERS ALLOWANCE	U404	127	141.2		141.2	3.0
PURCHASES RES. FURN/EQUIP	U405	311	325.1		325.1	xxxxx
TRANS./FREIGHT - CODE 311	U406	22	115.3		115.3	xxxxx
SECURITY GUARD SERVICES	U407	254		28.7	28.7	xxxxx
OFFICIAL RESIDENCE ALLOW	U408	254	1.0		1.0	xxxxx
REPRESENTATION ALLOWANCE	U409	252	4.6		4.6	xxxxx

TABLE VIII - FY 1984

ORGANIZATION USAID/EGYPT
(Including RIG Costs if Applicable)

EXPENSE CATEGORY	F.C.	O.C.	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
OFFICE OPERATIONS	U500		4,849.6	2,855.6	7,705.2	xxxxx
RENT	U501	234	801.0	1,110.0	1,911.0	xxxxx
UTILITIES	U502	234		201.6	201.6	xxxxx
BUILDING MAINT./RENOV.	U503	259	60.0		60.0	xxxxx
OFFICE FURN./EQUIP.	U504	310	34.2		34.2	xxxxx
VEHICLES	U505	312	82.4		82.4	xxxxx
OTHER EQUIPMENT	U506	319	297.5		297.5	xxxxx
TRANSPORTATION/FREIGHT	U507	22	103.0		103.0	xxxxx
COMMUNICATIONS	U508	230		94.0	94.0	xxxxx
SECURITY GUARD SERVICES	U509	254		52.0	52.0	xxxxx
PRINTING	U510	24		40.0	40.0	xxxxx
RIG/II OPERATIONAL TRAVEL	U511	210	19.1		19.1	95.0
SITE VISITS - IN COUNTRY	U512	210	108.8		108.8	544.0
SITE VISITS - OTHER	U513	210	276.8		276.8	92.0
INFORMATION MEETINGS	U514	210	15.1		15.1	7.0
TRAINING ATTENDANCE	U515	210	69.9		69.9	35.0
CONFERENCE ATTENDANCE	U516	210	35.8		35.8	12.0
OTHER OPERATIONAL TRAVEL	U517	210	3.5		3.5	1.0
SUPPLIES AND MATERIALS	U518	26	97.0	90.0	187.0	xxxxx
FAAS	U519	257	2,210.2		2,210.2	xxxxx
CONSULTING SVCS - CONT.	U520	259				xxxxx
MGT./PROF. SVCS. - CONT.	U521	259				xxxxx
SPEC. STUDIES/ANALYSES CONT.	U522	259				xxxxx
ALL OTHER CODE 25	U523	259	635.3	1,268.0	1,903.3	xxxxx
TOTAL O.E. BUDGET			18,175.6	3,545.1	21,720.7	xxxxx
RECONCILIATION			10,275.6		10,275.6	xxxxx
OPERATING ALLOWANCE REQUEST			7,900.0	3,545.1	11,445.1	xxxxx

OTHER INFORMATION:

Dollar requirement for local currency costs	$2,965.3
Exchange rate used (as of May 1, 1984)	LE.83168

USAID/Cairo hosted a Project Implementation Course in FY-84 which was attended by 18 Mission employees; as a result no costs or units represent PI training.

TABLE VIII - FY 1984

ORGANIZATION USAID/EGYPT (Inspector General)
(Including RIG Costs if Applicable)

EXPENSE CATEGORY	F.C.	O.C.	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
U.S. DIRECT HIRE	U100		631.9		631.9	xxxxx
U.S. CITIZENS BASIC PAY	U101	110	441.4		441.4	9.0
PT/TEMP U.S. BASIC PAY	U102	112				
DIFFERENTIAL PAY	U103	116	48.6		48.6	xxxxx
OTHER AID/W FUNDED O.C. 11	U104	119	2.2		2.2	xxxxx
OTHER MISSION FUNDED O.C 11	U105	119				xxxxx
EDUCATION ALLOWANCES	U106	126	24.0		24.0	4.0
RETIREMENT - U.S.	U107	120	30.9		30.9	xxxxx
LIVING ALLOWANCES	U108	128				xxxxx
OTHER AID/W FUNDED O.C. 12	U109	129	17.7		17.7	xxxxx
OTHER MISSION FUNDED O.C.12	U110	129	5.9		5.9	xxxxx
POST ASSIGNMENT - TRAVEL	U111	212	8.0		8.0	2.0
POST ASSIGNMENT - FREIGHT	U112	22	23.0		23.0	2.0
HOME LEAVE - TRAVEL	U113	212	11.9		11.9	3.0
HOME LEAVE - FREIGHT	U114	22	6.0		6.0	3.0
EDUCATION TRAVEL	U115	215	1.7		1.7	2.0
R AND R TRAVEL	U116	215	5.5		5.5	14.0
ALL OTHER CODE 215 TRAVEL	U117	215	5.1		5.1	2.0
FOREIGN NATIONAL DH	U200		57.2		57.2	xxxxx
BASIC PAY	U201	114	49.0		49.0	7.0
OVERTIME, HOLIDAY PAY	U202	115				
ALL OTHER CODE 11 - FN	U203	119	5.4		5.4	xxxxx
ALL OTHER CODE 12 - FN	U204	129	2.8		2.8	xxxxx
BENEFITS FORMER FN PERS.	U205	13				xxxxx
CONTRACT PERSONNEL	U300					xxxxx
PASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113				
ALL OTHER U.S. PSC COSTS	U303	255				xxxxx
F.N. PSC - SALARY/BENEFITS	U304	113				
ALL OTHER F.N. PSC COSTS	U305	255				xxxxx
JCC COSTS PAID BY AID/W	U306	113				
HOUSING	U400		139.1	22.0	161.1	xxxxx
RENT	U401	235	60.1		60.1	5.0
UTILITIES	U402	235		10.0	10.0	xxxxx
RENOVATION AND MAINT.	U403	259		12.0	12.0	xxxxx
QUARTERS ALLOWANCE	U404	127	11.0		11.0	.4
PURCHASES RES. FURN/EQUIP	U405	311	52.0		52.0	xxxxx
TRANS./FREIGHT - CODE 311	U406	22	16.0		16.0	xxxxx
SECURITY GUARD SERVICES	U407	254				xxxxx
OFFICIAL RESIDENCE ALLOW.	U408	254				xxxxx
REPRESENTATION ALLOWANCE	U409	252				xxxxx

TABLE VIII - FY 1984

ORGANIZATION _____
(Including RIG Costs if Applicable)

EXPENSE CATEGORY	F.C.	O.C.	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
OFFICE OPERATIONS	U500		30.5	7.0	37.5	xxxxx
RENT	U501	234				xxxxx
UTILITIES	U502	234				xxxxx
BUILDING MAINT./RENOV.	U503	259				xxxxx
OFFICE FURN./EQUIP.	U504	310	1.2		1.2	xxxxx
VEHICLES	U505	312				xxxxx
OTHER EQUIPMENT	U506	319				xxxxx
TRANSPORTATION/FREIGHT	U507	22	.2		.2	xxxxx
COMMUNICATIONS	U508	230		6.0	6.0	xxxxx
SECURITY GUARD SERVICES	U509	254				xxxxx
PRINTING	U510	24		1.0	1.0	xxxxx
RIG/II OPERATIONAL TRAVEL	U511	210	19.1		19.1	90.0
SITE VISITS - IN COUNTRY	U512	210				
SITE VISITS - OTHER	U513	210				
INFORMATION MEETINGS	U514	210				
TRAINING ATTENDANCE	U515	210				
CONFERENCE ATTENDANCE	U516	210				
OTHER OPERATIONAL TRAVEL	U517	210				
SUPPLIES AND MATERIALS	U518	26	5.0		5.0	xxxxx
FAAS	U519	257				xxxxx
CONSULTING SVCS - CONT.	U520	259				xxxxx
MGT./PROF. SVCS. - CONT.	U521	259				xxxxx
SPEC. STUDIES/ANALYSES CONT.	U522	259				xxxxx
ALL OTHER CODE 25	U523	259	5.0		5.0	xxxxx
TOTAL O.E. BUDGET			858.7	29.0	887.7	xxxxx
RECONCILIATION			540.8	-	540.8	xxxxx
OPERATING ALLOWANCE REQUEST			317.9	29.0	346.9	xxxxx

OTHER INFORMATION:
Dollar requirement for local currency costs $128.3
Exchange rate used (as of May 1, 1984) LE .83168 = $1.00

TABLE VIII - FY 1985

ORGANIZATION USAID/EGYPT
(Including RIG Costs if Applicable)

EXPENSE CATEGORY	F.C.	O.C.	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
U.S. DIRECT HIRE	U100		9,716.0		9716.0	xxxxx
U.S. CITIZENS BASIC PAY	U101	110	6,518.7		6518.7	130.6
PT/TEMP U.S. BASIC PAY	U102	112	44.3		44.3	2.0
DIFFERENTIAL PAY	U103	116	717.1		717.1	xxxxx
OTHER AID/W FUNDED O.C. 11	U104	119	29.7		29.7	xxxxx
OTHER MISSION FUNDED O.C 11	U105	119				xxxxx
EDUCATION ALLOWANCES	U106	126	630.0		630.0	105.0
RETIREMENT - U.S.	U107	120	456.3		456.3	xxxxx
LIVING ALLOWANCES	U108	128				xxxxx
OTHER AID/W FUNDED O.C. 12	U109	129	260.7		260.7	xxxxx
OTHER MISSION FUNDED O.C.12	U110	129	70.2		70.2	xxxxx
POST ASSIGNMENT - TRAVEL	U111	212	139.0		139.0	44.0
POST ASSIGNMENT - FREIGHT	U112	22	381.0		381.0	44.0
HOME LEAVE - TRAVEL	U113	212	165.6		165.6	56.0
HOME LEAVE - FREIGHT	U114	22	76.8		76.8	56.0
EDUCATION TRAVEL	U115	215	40.0		40.0	40.0
R AND R TRAVEL	U116	215	66.6		66.6	148.0
ALL OTHER CODE 215 TRAVEL	U117	215	120.0		120.0	48.0
FOREIGN NATIONAL DH	U200		766.2		766.2	xxxxx
BASIC PAY	U201	114	640.2		640.2	90.0
OVERTIME, HOLIDAY PAY	U202	115	24.5		24.5	3.0
ALL OTHER CODE 11 - FN	U203	119	69.3		69.3	xxxxx
ALL OTHER CODE 12 - FN	U204	129	32.2		32.2	xxxxx
BENEFITS FORMER FN PERS.	U205	13				xxxxx
CONTRACT PERSONNEL	U300		932.6		932.6	xxxxx
PASA TECHNICIANS	U301	258	472.6		472.6	3.0
U.S. PSC - SALARY/BENEFITS	U302	113	400.0		400.0	6.0
ALL OTHER U.S. PSC COSTS	U303	255				xxxxx
F.N. PSC - SALARY/BENEFITS	U304	113				
ALL OTHER F.N. PSC COSTS	U305	255				xxxxx
JCC COSTS PAID BY AID/W	U306	113	60.0		60.0	1.0
HOUSING	U400		2,074.0	578.0	2,652.0	xxxxx
RENT	U401	235	1,443.7	364.0	1,807.7	97.0
UTILITIES	U402	235		90.0	90.0	xxxxx
RENOVATION AND MAINT.	U403	259		94.0	94.0	xxxxx
QUARTERS ALLOWANCE	U404	127	108.8		108.8	2.1
PURCHASES RES. FURN/EQUIP.	U405	311	384.3		384.3	xxxxx
TRANS./FREIGHT - CODE 311	U406	22	131.6		131.6	xxxxx
SECURITY GUARD SERVICES	U407	254		30.0	30.0	xxxxx
OFFICIAL RESIDENCE ALLOW.	U408	254	1.0		1.0	xxxxx
REPRESENTATION ALLOWANCE	U409	252	4.6		4.6	xxxxx

TABLE VIII - FY 1985

ORGANIZATION USAID/EGYPT
(Including RIG Costs if Applicable)

EXPENSE CATEGORY	F.C.	O.C.	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
OFFICE OPERATIONS	U500		4,650.0	4,222.0	8,872.0	xxxxx
RENT	U501	234		2,411.0	2,411.0	xxxxx
UTILITIES	U502	234		220.0	220.0	xxxxx
BUILDING MAINT./RENOV.	U503	259	200.0		200.0	xxxxx
OFFICE FURN./EQUIP.	U504	310	30.7		30.7	xxxxx
VEHICLES	U505	312	91.3		91.3	xxxxx
OTHER EQUIPMENT	U506	319	265.8		265.8	xxxxx
TRANSPORTATION/FREIGHT	U507	22	117.6		117.6	xxxxx
COMMUNICATIONS	U508	230		100.0	100.0	xxxxx
SECURITY GUARD SERVICES	U509	254		60.0	60.0	xxxxx
PRINTING	U510	24		45.0	45.0	xxxxx
RIG/II OPERATIONAL TRAVEL	U511	210	20.0		20.0	95.0
SITE VISITS - IN COUNTRY	U512	210	114.4		114.4	572.0
SITE VISITS - OTHER	U513	210	290.7		290.7	97.0
INFORMATION MEETINGS	U514	210	15.9		15.9	8.0
TRAINING ATTENDANCE	U515	210	73.4		73.4	37.0
CONFERENCE ATTENDANCE	U516	210	37.9		37.9	13.0
OTHER OPERATIONAL TRAVEL	U517	210	3.7		3.7	1.0
SUPPLIES AND MATERIALS	U518	26	100.0	100.0	200.0	xxxxx
FAAS	U519	257	2,552.0		2,552.0	xxxxx
CONSULTING SVCS - CONT.	U520	259				xxxxx
MGT./PROF. SVCS. - CONT.	U521	259				xxxxx
SPEC. STUDIES/ANALYSES CONT.	U522	259				xxxxx
ALL OTHER CODE 25	U523	259	736.6	1,286.0	736.6	xxxxx
TOTAL O.E. BUDGET			18,138.8	4,800.0	22,938.8	xxxxx
RECONCILIATION			10,638.8		10,638.8	xxxxx
OPERATING ALLOWANCE REQUEST			7,500.0	4,800.0	12,300.0	xxxxx

OTHER INFORMATION:

Dollar requirement for local currency costs	$2,625.0
Exchange rate used (as of May 1, 1984)	LE .83168 = $1.00
Estimated Wage Increases - FY 1984 to FY 1985	10%
Estimated Price Increases - FY 1984 to FY 1985	10-15%

USAID/Cairo will host two Project Implementation Courses during FY 85; as a result, no costs or units are earmarked for this training.

TABLE VIII - FY 1985

ORGANIZATION USAID/EGYPT (INSPECTOR GENERAL)
(Including RIG Costs if Applicable)

EXPENSE CATEGORY	F.C.	O.C.	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
U.S. DIRECT HIRE	U100		667.8		667.8	xxxxx
U.S. CITIZENS BASIC PAY	U101	110	441.4		441.4	9.0
PT/TEMP U.S. BASIC PAY	U102	112				
DIFFERENTIAL PAY	U103	116	48.6		48.6	xxxxx
OTHER AID/W FUNDED O.C. 11	U104	119	2.2		2.2	xxxxx
OTHER MISSION FUNDED O.C 11	U105	119				xxxxx
EDUCATION ALLOWANCES	U106	126	24.0		24.0	4.0
RETIREMENT - U.S.	U107	120	30.9		30.9	xxxxx
LIVING ALLOWANCES	U108	128				xxxxx
OTHER AID/W FUNDED O.C. 12	U109	129	17.7		17.7	xxxxx
OTHER MISSION FUNDED O.C.12	U110	129	6.8		6.8	xxxxx
POST ASSIGNMENT - TRAVEL	U111	212	13.7		13.7	5.0
POST ASSIGNMENT - FREIGHT	U112	22	40.5		40.5	5.0
HOME LEAVE - TRAVEL	U113	212	22.2		22.2	8.0
HOME LEAVE - FREIGHT	U114	22	11.0		11.0	8.0
EDUCATION TRAVEL	U115	215	2.0		2.0	2.0
R AND R TRAVEL	U116	215	1.8		1.8	4.0
ALL OTHER CODE 215 TRAVEL	U117	215	5.0		5.0	4.0
FOREIGN NATIONAL DH	U200		62.8		62.8	xxxxx
BASIC PAY	U201	114	53.9		53.9	7.0
OVERTIME, HOLIDAY PAY	U202	115				
ALL OTHER CODE 11 - FN	U203	119	5.9		5.9	xxxxx
ALL OTHER CODE 12 - FN	U204	129	3.0		3.0	xxxxx
BENEFITS FORMER FN PERS.	U205	13				xxxxx
CONTRACT PERSONNEL	U300					xxxxx
PASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113				
ALL OTHER U.S. PSC COSTS	U303	255				xxxxx
F.N. PSC - SALARY/BENEFITS	U304	113				
ALL OTHER F.N. PSC COSTS	U305	255				xxxxx
JCC COSTS PAID BY AID/W	U306	113				
HOUSING	U400		80.1	25.0	105.0	xxxxx
RENT	U401	235	69.1		69.1	5.0
UTILITIES	U402	235		10.0	10.0	xxxxx
RENOVATION AND MAINT.	U403	259		15.0	15.0	xxxxx
QUARTERS ALLOWANCE	U404	127	11.0		11.0	.4
PURCHASES RES. FURN/EQUIP	U405	311				xxxxx
TRANS./FREIGHT - CODE 311	U406	22				xxxxx
SECURITY GUARD SERVICES	U407	254				xxxxx
OFFICIAL RESIDENCE ALLOW	U408	254				xxxxx
REPRESENTATION ALLOWANCE	U409	252				xxxxx

TABLE VIII - FY 1985

ORGANIZATION
(Including RIG Costs if Applicable)

EXPENSE CATEGORY	F.C.	O.C.	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
OFFICE OPERATIONS	U500		30.0	10.4	40.4	xxxxx
RENT	U501	234				xxxxx
UTILITIES	U502	234				xxxxx
BUILDING MAINT./RENOV.	U503	259				xxxxx
OFFICE FURN./EQUIP.	U504	310	1.2		1.2	xxxxx
VEHICLES	U505	312				xxxxx
OTHER EQUIPMENT	U506	319				xxxxx
TRANSPORTATION/FREIGHT	U507	22	.1		.1	xxxxx
COMMUNICATIONS	U508	230		6.7	6.7	xxxxx
SECURITY GUARD SERVICES	U509	254				xxxxx
PRINTING	U510	24		.8	.8	xxxxx
RIG/II OPERATIONAL TRAVEL	U511	210	20.0		20.0	95.0
SITE VISITS - IN COUNTRY	U512	210				
SITE VISITS - OTHER	U513	210				
INFORMATION MEETINGS	U514	210				
TRAINING ATTENDANCE	U515	210				
CONFERENCE ATTENDANCE	U516	210				
OTHER OPERATIONAL TRAVEL	U517	210				
SUPPLIES AND MATERIALS	U518	26	2.9	2.9	5.8	xxxxx
FAAS	U519	257				xxxxx
CONSULTING SVCS - CONT.	U520	259				xxxxx
MGT./PROF. SVCS. - CONT.	U521	259				xxxxx
SPEC. STUDIES/ANALYSES CONT.	U522	259				xxxxx
ALL OTHER CODE 25	U523	259	5.8		5.8	xxxxx
TOTAL O.E. BUDGET			840.7	35.4	876.1	xxxxx
RECONCILIATION			540.8		540.8	xxxxx
OPERATING ALLOWANCE REQUEST			299.9	35.4	335.3	xxxxx

OTHER INFORMATION:

Dollar requirement for local currency costs	142.9
Exchange rate used (as of May 1, 1984)	LE .83168 = $1.00
Estimated Wage Increases - FY 1984 to FY 1985	10%
Estimated Price Increases - FY 1984 to FY 1985	10-15%

TABLE VIII - FY 1986

ORGANIZATION USAID/EGYPT

(Including RIG Costs if Applicable)

EXPENSE CATEGORY	F.C.	O.C.	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
U.S. DIRECT HIRE	U100		10,040.6		10,040.6	xxxxx
U.S. CITIZENS BASIC PAY	U101	110	6,592.8		6,592.8	133.0
PT/TEMP U.S. BASIC PAY	U102	112	44.3		44.3	2.0
DIFFERENTIAL PAY	U103	116	725.2		725.2	xxxxx
OTHER AID/W FUNDED O.C. 11	U104	119	30.1		30.1	xxxxx
OTHER MISSION FUNDED O.C 11	U105	119				xxxxx
EDUCATION ALLOWANCES	U106	126	630.0		630.0	105.0
RETIREMENT - U.S.	U107	120	461.5		461.5	xxxxx
LIVING ALLOWANCES	U108	128				xxxxx
OTHER AID/W FUNDED O.C. 12	U109	129	263.7		263.7	xxxxx
OTHER MISSION FUNDED O.C.12	U110	129	69.3		69.3	xxxxx
POST ASSIGNMENT - TRAVEL	U111	212	148.8		148.8	45.0
POST ASSIGNMENT - FREIGHT	U112	22	414.0		414.0	45.0
HOME LEAVE - TRAVEL	U113	212	303.6		303.6	106.0
HOME LEAVE - FREIGHT	U114	22	149.3		149.3	106.0
EDUCATION TRAVEL	U115	215	40.0		40.0	40.0
R AND R TRAVEL	U116	215	48.0		48.0	112.0
ALL OTHER CODE 215 TRAVEL	U117	215	120.0		120.0	48.0
FOREIGN NATIONAL DH	U200		842.3		842.3	xxxxx
BASIC PAY	U201	114	704.1		704.1	90.0
OVERTIME, HOLIDAY PAY	U202	115	26.9		26.9	3.0
ALL OTHER CODE 11 - FN	U203	119	75.8		75.8	xxxxx
ALL OTHER CODE 12 - FN	U204	129	35.5		35.5	xxxxx
BENEFITS FORMER FN PERS.	U205	13				xxxxx
CONTRACT PERSONNEL	U300		854.8		854.8	xxxxx
PASA TECHNICIANS	U301	258	519.8		519.8	3.0
U.S. PSC - SALARY/BENEFITS	U302	113	270.0		270.0	4.0
ALL OTHER U.S. PSC COSTS	U303	255				xxxxx
F.N. PSC - SALARY/BENEFITS	U304	113				
ALL OTHER F.N. PSC COSTS	U305	255				xxxxx
JCC COSTS PAID BY AID/W	U306	113	65.0		65.0	1.0
HOUSING	U400		2,654.1	413.2	3,067.3	xxxxx
RENT	U401	235	2,020.1	175.2	2,195.3	105.0
UTILITIES	U402	235		100.0	100.0	xxxxx
RENOVATION AND MAINT.	U403	259		105.0	105.0	xxxxx
QUARTERS ALLOWANCE	U404	127	112.5		112.5	2.2
PURCHASES RES. FURN/EQUIP.	U405	311	384.3		384.3	xxxxx
TRANS./FREIGHT - CODE 311	U406	22	131.6		131.6	xxxxx
SECURITY GUARD SERVICES	U407	254		33.0	33.0	xxxxx
OFFICIAL RESIDENCE ALLOW.	U408	254	1.0		1.0	xxxxx
REPRESENTATION ALLOWANCE	U409	252	4.6		4.6	xxxxx

TABLE VIII - FY 1986

ORGANIZATION USAID/EGYPT
(Including RIG Costs if Applicable)

EXPENSE CATEGORY	F.C.	O.C.	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
OFFICE OPERATIONS	U500		4,950.8	4,386.8	9,337.6	xxxxx
RENT	U501	234		2,411.0	2,411.0	xxxxx
UTILITIES	U502	234		240.0	240.0	xxxxx
BUILDING MAINT./RENOV	U503	259		50.0	50.0	xxxxx
OFFICE FURN./EQUIP.	U504	310	30.7		30.7	xxxxx
VEHICLES	U505	312	117.9		117.9	xxxxx
OTHER EQUIPMENT	U506	319	327.8		327.8	xxxxx
TRANSPORTATION/FREIGHT	U507	22	141.4		141.4	xxxxx
COMMUNICATIONS	U508	230		110.0	110.0	xxxxx
SECURITY GUARD SERVICES	U509	254		60.0	60.0	xxxxx
PRINTING	U510	24		50.0	50.0	xxxxx
RIG/II OPERATIONAL TRAVEL	U511	210	20.0		20.0	95.0
SITE VISITS - IN COUNTRY	U512	210	120.5		120.5	603.0
SITE VISITS - OTHER	U513	210	310.0		310.0	103.0
INFORMATION MEETINGS	U514	210	16.9		16.9	8.0
TRAINING ATTENDANCE	U515	210	78.6		78.6	39.0
CONFERENCE ATTENDANCE	U516	210	40.1		40.1	13.0
OTHER OPERATIONAL TRAVEL	U517	210	3.9		3.9	1.0
SUPPLIES AND MATERIALS	U518	26	110.0	110.0	220.0	xxxxx
FAAS	U519	257	2,960.0		2,960.0	xxxxx
CONSULTING SVCS - CONT.	U520	259				xxxxx
MGT./PROF. SVCS. - CONT.	U521	259				xxxxx
SPEC. STUDIES/ANALYSES CONT.	U522	259				xxxxx
ALL OTHER CODE 25	U523	259	673.0	1,355.8	2,028.8	xxxxx
TOTAL O.E. BUDGET			19,342.6	4,800.0	24,142.6	xxxxx
RECONCILIATION			11,142.6	—	11,142.6	xxxxx
OPERATING ALLOWANCE REQUEST			8,200.0	4,800.0	13,000.0	xxxxx

OTHER INFORMATION:

Dollar requirement for local currency costs	$3,270.0
Exchange rate used (as of May 1, 1984)	LE .83168 = $1.00
Estimated Wage Increases - FY 1985 to FY 1986	10%
Estimated Price Increases - FY 1985 to FY 1986	10-15%

USAID/Cairo anticipates hosting one or two Project Implementation Courses during FY-86; as a result, no costs or units are earmarked for this training.

TABLE VIII - FY 1986

ORGANIZATION USAID/EGYPT (INSPECTOR GENERAL)

(Including RIG Costs if Applicable)

EXPENSE CATEGORY	F.C.	O.C.	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
U.S. DIRECT HIRE	U100		614.3		614.3	xxxxx
U.S. CITIZENS BASIC PAY	U101	110	441.4		441.4	9.0
PT/TEMP U.S. BASIC PAY	U102	112				
DIFFERENTIAL PAY	U103	116	48.6		48.6	xxxxx
OTHER AID/W FUNDED O.C. 11	U104	119	2.2		2.2	xxxxx
OTHER MISSION FUNDED O.C 11	U105	119				xxxxx
EDUCATION ALLOWANCES	U106	126	24.0		24.0	4.0
RETIREMENT - U.S.	U107	120	30.9		30.9	xxxxx
LIVING ALLOWANCES	U108	128				xxxxx
OTHER AID/W FUNDED O.C. 12	U109	129	17.7		17.7	xxxxx
OTHER MISSION FUNDED O.C.12	U110	129	5.7		5.7	xxxxx
POST ASSIGNMENT - TRAVEL	U111	212	5.4		5.4	2.0
POST ASSIGNMENT - FREIGHT	U112	22	15.0		15.0	2.0
HOME LEAVE - TRAVEL	U113	212	7.2		7.2	3.0
HOME LEAVE - FREIGHT	U114	22	3.8		3.8	3.0
EDUCATION TRAVEL	U115	215	2.0		2.0	2.0
R AND R TRAVEL	U116	215	5.4		5.4	14.0
ALL OTHER CODE 215 TRAVEL	U117	215	5.0		5.0	2.0
FOREIGN NATIONAL DH	U200		69.0		69.0	xxxxx
BASIC PAY	U201	114	59.3		59.3	7.0
OVERTIME, HOLIDAY PAY	U202	115				
ALL OTHER CODE 11 - FN	U203	119	6.4		6.4	xxxxx
ALL OTHER CODE 12 - FN	U204	129	3.3		3.3	xxxxx
BENEFITS FORMER FN PERS.	U205	13				xxxxx
CONTRACT PERSONNEL	U300					xxxxx
PASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113				
ALL OTHER U.S. PSC COSTS	U303	255				xxxxx
F.N. PSC - SALARY/BENEFITS	U304	113				
ALL OTHER F.N. PSC COSTS	U305	255				xxxxx
JCC COSTS PAID BY AID/W	U306	113				
HOUSING	U400		144.0	27.5	171.5	xxxxx
RENT	U401	235	79.5		79.5	5.0
UTILITIES	U402	235		11.0	11.0	xxxxx
RENOVATION AND MAINT	U403	259		16.5	16.5	xxxxx
QUARTERS ALLOWANCE	U404	127	5.5		5.5	.2
PURCHASES RES. FURN/EQUIP	U405	311	45.0		45.0	xxxxx
TRANS./FREIGHT - CODE 311	U406	22	14.0		14.0	xxxxx
SECURITY GUARD SERVICES	U407	254				xxxxx
OFFICIAL RESIDENCE ALLOW	U408	254				xxxxx
REPRESENTATION ALLOWANCE	U409	252				xxxxx

TABLE VIII - FY 1986

ORGANIZATION _____
(Including RIG Costs if Applicable)

EXPENSE CATEGORY	F.C.	O.C.	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
OFFICE OPERATIONS	U500		31.6	11.8	43.4	xxxxx
RENT	U501	234				xxxxx
UTILITIES	U502	234				xxxxx
BUILDING MAINT./RENOV	U503	259				xxxxx
OFFICE FURN./EQUIP.	U504	310	1.5		1.5	xxxxx
VEHICLES	U505	312				xxxxx
OTHER EQUIPMENT	U506	319				xxxxx
TRANSPORTATION/FREIGHT	U507	22	.2		.2	xxxxx
COMMUNICATIONS	U508	230		7.5	7.5	xxxxx
SECURITY GUARD SERVICES	U509	254				xxxxx
PRINTING	U510	24		1.0	1.0	xxxxx
RIG/II OPERATIONAL TRAVEL	U511	210	20.0		20.0	95.0
SITE VISITS - IN COUNTRY	U512	210				
SITE VISITS - OTHER	U513	210				
INFORMATION MEETINGS	U514	210				
TRAINING ATTENDANCE	U515	210				
CONFERENCE ATTENDANCE	U516	210				
OTHER OPERATIONAL TRAVEL	U517	210				
SUPPLIES AND MATERIALS	U518	26	3.3	3.3	6.6	xxxxx
FAAS	U519	257				xxxxx
CONSULTING SVCS - CONT.	U520	259				xxxxx
MGT./PROF. SVCS. - CONT.	U521	259				xxxxx
SPEC. STUDIES/ANALYSES CONT	U522	259				xxxxx
ALL OTHER CODE 25	U523	259	6.6		6.6	xxxxx
TOTAL O.E. BUDGET			858.9	39.3	898.2	xxxxx
RECONCILIATION			540.8		540.8	xxxxx
OPERATING ALLOWANCE REQUEST			318.1	39.3	357.4	xxxxx

OTHER INFORMATION:

Dollar requirement for local currency costs	154.0
Exchange rate used (as of May 1, 1984)	LE .83168 = $1.00
Estimated Wage Increases - FY 1985 to FY 1986	10%
Estimated Price Increases - FY 1985 to FY 1986	10-15%

EGYPT FY 86 ABS
TABLE VIII(a)
PERSONAL SERVICES CONTRACTS
(FUNCTION CODE U302)

JOB TITLE	FY-84	FY-85	FY-86
Construction Engineer	120.0	—	—
Host Country Contract Specialist	150.0	120.0	130.0
Motor Pool Supervisor	—	105.0	—
Contracts Specialist	—	120.0	75.0
Project Assistant	36.0	20.0	25.0
Public Information Specialist	42.0	35.0	40.0
Public Information Intern	15.0	—	—
Science & Technology Expert	12.0	—	—
Legal Expert	9.0	—	—
Administrative Management Assistant	25.0	—	—
Total	409.0	400.0	270.0

EGYPT FY 86 ABS
TABLE VIII(b)
ALL OTHER CODE 25 DETAIL
(FUNCTION CODE U523)

DESCRIPTION OF SERVICE	FY-84	FY-85	FY-86
Personnel Services (AECWA - $)	253.3	242.0	254.0
Computer Maintenance	132.0	147.5	164.0
Office Space/JAO Assessment	50.0	—	—
Miscellaneous/Contingency	200.0	347.1	255.0
Total	635.3	736.6	673.0

USAID/CAIRO
DATA MANAGEMENT SERVICES

ABS FOR FY-1986
TABLE VIII (c)

The Cairo Mission purchased a Wang VS-80 mini-computer in September, 1979. The computer was delivered and installed in August, 1980. Initially, the computer was used for Word-Processing applications with ten (10) major Data-Processing systems programmed and installed during the first four years of operation.

In September, 1983 an OIS-130 was installed with Word-Processing service transferred to the OIS. Finally, in March, 1984 both the VS-80 and the OIS-130 were upgraded to a VS-100 and an OIS-140.

USAID's WANG VS-100 Computer System provides all levels of Management with timely and accurate information concerning the control and administration of the Mission's overall program. Since the initial installation began in 1980 the USAID has developed and installed the following Automated Systems:

1. Mission Accounting and Control System (MACS).
2. Commodity Import Program/Arrival Accounting System (CIP/AA).
3. Development Information System (DIS).
4. Participant Training Information System (PTIS).
5. Mission Information System (MIS).
6. Mission Staffing System (MSS).
7. AID Contractor System (ACS).
8. Job Accounting System (JAS).
9. DATEL.
10. PAYTRACK.

In addition to the above mentioned application software systems, the Mission has installed (1) CP/M, (2) MULTIPLAN, and (3) OIS-MSS. The USAID has recently received two Wang PC's and will install additional proprietary software such as LOTUS and SPREAD in the later part of 1984.

Both Computer Systems are protected from severe electrical power problems by a GOULD UPS device (Uninterruptable Power Supply). The UPS was installed in March, 1984. In April, 1984 a telecommunications link was established with AID/W. The following Hardware is installed at the USAID's Cairo Center Office Building:

1. DATA PROCESSING EQUIPMENT:

QTY	DESCRIPTION	REDUNDANCY
2	VS-100 CPU W/ T/C CHANNELS	(1)
5	75 MB DISK DRIVES	(1)
27	32K WORKSTATIONS	(2)
6	48K ARCH/WORKSTATIONS	
6	128K WORKSTATIONS	
9	6581 DAISY PRINTERS	
2	5573 250 LPM PRINTERS	(1)
2	5574 600 LPM PRINTERS	(1)
1	2209V TAPE DRIVE	

OFFICE OF DATA MANAGEMENT SERVICES

FY-86 ANNUAL BUDGET SUBMISSION

ADP/WP TABLE VIII (c)

	FY84	FY85	FY86
1. CAPITAL INVESTMENTS			
A. Purchase of Hardware.....	212.0	370.0	287.0
B. Purchase of Software.....	20.0	20.0	20.0
C. Site and Facility.....	40.0	5.0	5.0
D. Sub-Total	272.0	395.0	312.0
2. PERSONNEL			
A. Compensation, Benefits, Travel.....	103.0	107.5	110.5
B. Workyears.....	2.0	2.0	2.0
C. Sub-Total	103.0	107.5	110.5
3. EQUIPMENT RENTAL AND OTHER COSTS			
A. Lease of Equipment.....	0.0	0.0	0.0
B. Space.....	0.0	0.0	0.0
C. Supplies and Other.....	56.5	69.0	76.5
D. Non-Commercial Training	0.0	0.0	0.0
E. Sub-Total	56.5	69.0	76.5
4. COMMERCIAL SERVICES			
A. Computer Time.....	0.0	0.0	0.0
B. Leased T/C Services.....	0.0	0.0	0.0
C. Opertions and Maintenance			
1. Operations (AECWA).....	30.5	33.0	35.5
2. Maintenance (WANG, GOULD).....	132.0	147.5	164.0
D. Systems Analysis & Programming.....	23.5	25.5	27.0
E. Not Applicable to AID			
F. Studies and Other			
1. Feasibility/Requirements.....	10.0	10.0	15.0
2. Commercial Training.....	30.0	50.0	50.0
G. Sub-Total	226.0	266.0	291.5
5. TOTALS			
TOTAL OBLIGATIONS.....	657.5	837.5	790.5
WORKYEARS (FROM ITEM 2B)	(2.0)	(2.0)	(2.0)

2. WORD PROCESSING EQUIPMENT:

QTY	DESCRIPTION
1	OIS-140 CPU
1	80 MB DISK DRIVE
1	10 MB DISK DRIVE
9	6581 PRINTERS
3	6581WD PRINTERS
7	TSF
7	64K WORKSTATIONS
7	64K ARCH/WORKSTATIONS
5	48K ARCH/WORKSTATIONS
7	5505-3 WP5 STANDALONES

3. MICRO COMPUTER EQUIPMENT:

QTY	DESCRIPTION
2	Wang PC's W/ 10 MB DISK
1	PC LOCAL COMMUNICATIONS
2	EPSON MATRIX PRINTERS

4. EQUIPMENT IN COMMON:

QTY	DESCRIPTION
1	GOULD 15 KVA UPS
1	GOULD 5 KVA CONDITIONER
2	VOLTAGE REGULATORS
4	SURGE SUPPRESSORS

5. EQUIPMENT ON ORDER:

QTY	DESCRIPTION
2	288 MB DISK DRIVES
1	2209V TAPE DRIVE
2	GOULD 5 KVA CONDITIONERS
5	GOULD 6 VOLT BATTERIES

The USAID's Office of Data Management Services (DMS) is staffed by 1-USDH MANAGER, 4-FSN PROGRAMMERS, 2-FSN WORD PROCESSING ASSISTANTS, 2-FSN COMPUTER OPERATORS, and 1-FSN SECRETARY. The COMPUTER CENTER is open for business, with service available to USERS, six (6) days a week totaling 73 hours per week.

WORKSHEET for TABLE VIII. C. ADP SYSTEMS INVENTORY

1. Capital Investments:

A. Purchase of ADP Equipment:

		FISCAL YEARS FY84	FY85	FY86
10,000 ea.	.Micros-PC (2,4,4)	20,000	40,000	40,000
6,000 ea.	.Arch Workstations (6,10,10)	36,000	60,000	60,000
4,000 ea.	.35 cps DaisyWheel Ptr. (3,3,4)	12,000	12,000	16,000
24,000 ea.	.288 MB Disk Dr. (2,1,-)	48,000	24,000	-0-
	.Graphics Hardware	10,000	10,000	20,000
	.Telecommunication Link	5,000	1,000	1,000
	.OIS-140 Spare Parts Kits	-0-	23,000	-0-
3,000 ea.	.180 CPS Matrix Ptr (-,1,3)	-0-	3,000	9,000
8,500 ea.	.Tape Drive 9-T, 1600 BPI (1)	8,500	-0-	-0-
36,000 ea.	.Tape Drive 9-T, 800/1600/6250 BPI (-,1,1)	-0-	36,000	36,000
	.Communications Cable	10,000	6,000	4,000
	.IOP's	-0-	20,000	10,000
	.Power Supply	-0-	4,000	-0-
5,000 ea.	.WP-5 Standalones (2,4,4)	10,000	20,000	20,000
700 ea.	.CRT Upgrade Kits	-0-	14,000	-0-
	.WP-5 Spare Parts Kits	-0-	5,000	-0-
		159,500	278,000	216,000
	.Freight/Insurance (33%)	52,500	92,000	71,000
	SUB-TOTAL (line 1.A)	212,000	370,000	287,000
B. Purchase of Software		20,000	20,000	20,000
C. Site and Facility		40,000	5,000	5,000
D. SUB-TOTAL ADP EQUIP (line 1.D)		272,000	395,000	312,000

WORKSHEET FOR TABLE VIII. C. ADP SYSTEMS INVENTORY

		FY84	FY85	FY86
2. Personnel				
A.	Compensation, Benefits, Travel			
	One SL-1 (Jameson)	75,000	80,000	85,000
	One FSN-11 (Ghali)	8,500	10,000	11,500
	Travel (See detail below)	19,500	17,500	14,000
B.	Workyears	2.0	2.0	2.0
C.	SUB-TOTAL (line 2.C)	103,000	107,500	110,500

Travel detailed:

FY-84:

2 USAID, 1 wk ea. To Islamabad for ADP Workshop	4,000.00	
1 AID/W, 2 wks. From IRM for Telecommunications	3,000.00	
1 AID/W, 8 wks. From IRM for PC's, CPM, & Graphics	7,000.00	
1 USAID, 6 wks. To AID/W for DP Specialist Training	5,500.00	
		19,500.00

FY-85:

1 USAID, 2 wks To Kenya for DP Specialist Consultation	3,500.00	
1 USAID, 2 wks. To Paris for WP Secretary Training	4,000.00	
1 USAID, 6 wks To AID/W for DP Specialist Training	6,000.00	
1 AID/W, 4 wks. From IRM for CP/M Software Install.	4,000.00	
		17,500.00

FY-86:

1 USAID, 2 wks. To Paris for WP Secretary Training	4,000.00	
1 USAID, 6 wks To AID/W for DP Specialist Training	6,000.00	
1 AID/W, 4 wks. From IRM for CP/M Software Install.	4,000.00	
		14,000.00

WORKSHEET for TABLE VIII. C. ADP SYSTEMS INVENTORY

	FY-84	FY-85	FY-86
3 Equip. Rental and other Operating Costs			
A. ADP Equip. Rentals	-	-	-
B. Space	-	-	-
C. Supplies			
. Disk Packs	3,000	3,000	2,000
. Disk Filters	1,000	1,500	1,500
. Daisy Wheels	3,000	3,500	4,000
. WP Ribbons	10,000	15,000	15,000
. Computer Paper	10,000	15,000	20,000
. High Speed Printer Ribbons	1,000	1,500	2,000
. Magnetic Tapes	1,000	1,000	1,000
. Diskettes	3,000	3,000	4,000
. OIS Dis Cartridges	1,000	1,000	1,000
. Accessories	15,000	15,000	15,000
. Other	3,000	4,000	5,000
. Freight	5,500	5,500	6,000
D. Non-Commercial Training	-	-	-
SUB-TOTAL (line 3.E)	56,500	69,000	76,500

WORKSHEET for TABLE VIII. C. ADP SYSTEMS INVENTORY

	FY-84	FY-85	FY-86
4. Commercial Services			
A. Computer Time	-	-	-
B. Leased T/C Services	-	-	-
C. Operations and Maintenance			
1. Operations (AECWA)			
WP/DP Supervisor Staff			
FN-08 equiv.	6,500	7,000	7,500
FN-06 equiv.	4,500	5,000	5,500
After Hours Computer Operator			
FN-07 equiv.	5,500	6,000	6,500
FN-09 equiv.	14,000	15,000	16,000
SUB-TOTAL (line 4.C.1)	30,500	33,000	35,500
2. Maintenance (WANG, GOULD)			
Maintenance (WANG)	124,000	140,000	158,000
Maintenance (GOULD)	3,000	3,500	4,000
Communications Cable Install.	5,000	4,000	2,000
SUB-TOTAL (line 4.C.2)	132,000	147,500	164,000
D. System Analysis and Programming			
Senior Programmers			
FN-11 equiv.	8,500	9,000	9,500
FN-11 equiv.	8,500	9,000	9,500
FN-10 equiv.	7,000	7,500	8,000
SUB-TOTAL (line 4.D)	23,500	25,500	27,000
F. Studies and Other			
1. Feasibility/Requirements	10,000	10,000	15,000
2. Commercial Training	30,000	50,000	50,000
SUB-TOTAL (line 4.G)	226,000	266,000	291,500

05/24/84

TRAINING SCHEDULE — FY 85 AND FY 86

COURSE	FY 85	FY 86
Project Implementation Course	12	12
Development Studies (A)	6	6
(B)	6	6
Language Training	6	6
Technical Training	5	5

TITLE: FY 86 ABS - PL 480 TITLE I NARRATIVE

1. PL 480 Title I assistance in Egypt primarily serves a balance of payments support function. The demand for bread and flour products and the local supply of wheat are determined within a comprehensive framework of government controls, rather than being determined by response to world market prices for cereal crops and products. Since local storage capacity is very limited, the residual between total annual demand for wheat and local production determines within a narrow range the required level of wheat imports. In the past, Egypt's import requirements for foodgrains appear to have been insensitive to her overall availability of balance-of-payments financing -- so that fluctuations in exports or capital inflows have led mainly to fluctuations in the availability of imported raw materials and capital goods for the industrial sector. Thus, PL 480 Title I loans would appear not to affect the overall level of Egypt's foodgrain imports -- although PL480 loans do affect the share of Egypt's total foodgrain imports procured from the United States, while, through their generous credit terms, they also facilitate higher levels of Egyptian imports of other goods and services than otherwise would be possible.

2. The proposed levels of PL 480 Title I assistance to Egypt are $225 million for FY85 and $200 for FY 86, compared to $250 in FY 1984. Even if Egypt's wheat imports were to decline in response to these proposed reductions, it is unlikely that the humanitarian objective of PL480 in Egypt would be adversely affected. There is no evidence of famine or malnutition in Egypt because of lack of caloric intake. Flour and bread prices are low and stable, although the subsidies could be better targeted and waste could be reduced through a ration system. Per capita wheat supply is exceptionally high and has been continuing to rise.

3. USAID/Cairo traditionally has not engaged in the joint programming with the GOE of local currency counterpart funds that are attributable to Egypt's imports of PL 480 Title I wheat. However, annual PL 480 agreements provide for an ex post accounting by the GOE of the use of local-currency proceeds, to be supplied at the end of the fiscal year. Because bread and flour are so heavily subsidized by the government and because some such subsidies serve a valid welfare objective, the PL 480 Title I Agreement for FY 1984 provides that the use of proceeds from PL 480 be attributed entirely or mainly to the corresponding bread and wheat subsidies.

4. Self-help measures for FY 1986 are proposed to be based on the new self-help measures and the multiyear scenario for adjustments in farmgate prices that were introduced into the PL480 Title I Agreement for FY 1984. The adjustment of farmgate prices for export crops toward world price levels is the most important objective of the self-help program. In the short term, such price adjustments will represent a budgetary burden on the GOE. However, the enhancement of nonoil exports is an important GOE objective that will be served by the price adjustments. Egypt has a

strong international comparative advantage in the export crops identified for encouragement -- cotton, rice, onions, groundnuts, and oranges. Moreover, the resultant increases in rural and farm incomes would have a beneficial effect on the national distribution of income.

5. The self-help measures included in the PL480 Title I Agreement for FY 1984 are as follows --

(i) increases in farmgate prices for the major government monopolized export crops and for wheat grain;

(ii) reduction of subsidies on feedcorn and beef imported by the public sector;

(iii) reduction of fertilizer subsidies;

(iV) increased private-sector marketing of fertilizer and other agricultural chemicals;

(v) studies of and modification to the system of ration cards for consumers in order to reduce total food subsidies;

(vi) production campaigns for new crop technologies to increase the effectiveness of agricultural extension.

6. Full implementation of the self-help measures for FY 1984 would probably reduce substantially Egypt's projected future needs for wheat imports, although a large wheat import requirement would remain. Per capita consumption of wheat would decline from the current level (184 kgs annually) if, in connection with self-help measure (v), the GOE decided to raise bread prices significantly or to introduce quantity rationing of bread and wheat flour. Some analysts believe that up to one-third of current wheat consumption in Egypt is used for animal feed or otherwise is wasted, although one household survey suggests that the incidence of waste is much lower. Local production of wheat would be likely to rise as a result of vigorous implementation of the self-help measures. A wheat production campaign contemplated under measure (vi) will raise wheat yields, while increases in wheat grain prices are likely to increase somewhat the winter land area planted in wheat and to reduce the large winter land area devoted to green fodder production.

7. Tables XI and XII are attached. Table XII has not yet been discussed with the Ministry of Supply, General Authority for Supply Commodities, which is responsible for the supply and distribution projections of the GOE.

FY 1986 ANNUAL BUDGET SUBMISSION
TABLE XI
EGYPT/USAID/CAIRO

PL 480 Title I/III Requirements
(Dollars in Millions, Tonnage In Thousands)

	Actual FY 1984		Projected FY 1985		Projected FY 1986	
	Value	Volume	Value	Volume	Value	Volume
Title I						
Wheat	$142	915	$125	790	$110	675
Wheat Flour	$108	675	$100	610	$90	530
Total	$250	1,590	225	1,400	$200	1,205

Comments:

Price forecasts per metric ton used to calculate tonnages (all prices fob):

	FY 1984	FY 1985	FY 1986
Wheat	$155	$158	$163
Flour	222	227	235

Flour volumes are estimated as tonnages of equivalent wheat grain, calculated according to an extraction rate of 0.72 ton of flour per ton of wheat grain.

TABLE XII

PL 480 TITLE I/III

EGYPT/USAID/CAIRO

Estimated Supply and Distribution

(Thousands of metric tons)

Stock Situation	FY 1984	Projected FY 1985	Projected FY 1986
Commodity - Wheat/Flour			
Beginning Stocks	1,100	1,100	1,100
Production	1,800	2,100	2,200
Imports	6,600	6,600	6,900
Concessional	1,600	1,400	1,200
Non-concessional	5,000	5,200	5,700
Consumption	8,400	8,700	9,000
Ending Stocks	1,100	1,100	1,100

FY 86 ABS

PL-480 TITLE II NARRATIVE

I. MISSION POLICY:

Title II is distributed exclusively by US volags and WFP. In FY 86 Title II will support Maternal Child Health, day care centers and orphanages, and a Bedouin food distribution in that order of priority.

The FY 86 plan reflects:

(a) The completion in FY 85 of support to the School Lunch Program (SLP) using Title II resources (CRS).

(b) The prioritization and concentration of more than ninety percent of Title II resources to maternal child health (MCH) activities (CRS), highly integrated with other development interventions, designed to reduce infant mortality/morbidity in order to promote family planning and reduce population growth.

(c) The commencement of a development activity in the Sinai (encompassing the 3 areas of concentration for USAID funded voluntary agency activities mentioned in the CDSS) designed to increase food self reliance, rapidly reduce the present dole-type activity, and progressively reduce Title II dependency until eliminated by FY 90 (CARE).

(d) The expectation that all PL-480 Title II imports will be phased out by approximately FY 90.

To achieve significant progress in MCH, our first priority and principal activity, and in the CARE Sinai development program, we do not depend exclusively on Title II food supplements. The use of ESF cash grants to voluntary agencies in FY 86 are increasingly focussed to support the Title II MCH objectives both directly and indirectly by promoting agriculture, health, and family income and employment activities.

Thus, while reducing PL-480 Title II availabilities to Egypt and sharpening the focus of those Title II resources remaining, the USAID strategy attempts to draw upon the developmental expertise of U.S. volags; to fund volag activities responding most directly to the major GOE development goals that are compatible with USAID development goals and strategies reflected in the Mission's CDSS; and to demonstrate a methodology whereby US volags, without depending upon PL-480 Title II, may continue to participate as development partners both as intermediaries for AID and as independent development agencies in their own right.

This policy is reflected in the FY 85 and FY 86 CDSS.

II. MATERNAL CHILD HEALTH (CRS):

The objective of the Title II investment in MCH is to reduce infant mortality and morbidity. Approximately half of all infants do not survive to age 5 - a survival rate not unlike other developing countries. The rationale for reducing the high rate of mortality in the under 5 year age group is based on several factors, chief of which is the principle that mothers more readily accept family planning when they are assured of the survival of their children.

The methodology employed is to carry out the Title II program in the GOE health units in conjunction with oral rehydration therapy (ORT), immunization, and other institutional and development efforts designed to reduce infant mortality and morbidity.

Nutrition supplements are essential to an effective MCH program. But Title II food supplements alone are inadequate to accomplish the task. The FY 86 program continues to employ complementary resources including funds, evaluation, technology transfer, and phase out.

1. Funds:

(a) for a multi-year nutrition education project (in cooperation with the Ministry of Health Nutrition Institute) to provide:

1. Supplies and training for the purchase and expanded use of GOE approved weight charts to improve infant growth monitoring.

2. Incentive payments to nurse-teachers who will carry out the education program with mothers; (these nurse-teachers are part of the existing staff at each GOE health center).

3. Special (Cassel) learning kits (magnetic boards) to train mothers.

(b) for projects in food production,processing, distribution, and utilization designed to increase the availability of food and to reduce the dependency on Title II food resources.

(c) for projects designed to increase family incomes and enable families to purchase food.

2. Evaluation:

While a formal nutrition impact evaluation has not been done, (and experience elsewhere indicates considerable doubt whether such evaluations would show positive nutrition improvement attributable to Title II), Mission and independent observers and reports (Rhoda/Callier, Morgan/Adelman, Adelman Nutrition Strategy) have, at different times, raised the following unanswered questions concerning the efficacy of Title II in the Egyptian:

- Is Title II food consumed primarily by the intended mother and child recipients?

- Is there potential for improving consumption of Title II by the target population given Egyptian food preference, habits, and generally adequate food availability for adults?

- Does the Title II distribution procedure have a negative impact on health services delivered by MOH clinics (whose employee must pass out the Title II food)?

- Is there potential for using Title II foods as a teaching device by recipients who have found it difficult to distinguish between these "gift foods" and other highly subsidized foods distributed by government?

USAID proposes to thoroughly examine these issues in the context of the weaning food supplement (research, investigations and product prototype development) activity-Phase I (3 years), and to resolve these targetting, delivery, and utilization problems during that time.

3. Technology Transfer:

The CRS MCH program has been in operation since FY 75. Looking to an eventual phase out of this activity, CRS and the Mission have implemented or begun planning for:

(a) a nutrition education program for mothers to help them learn to utilize weaning food resources available in their village.

(b) the transfer of U.S. food technology to Egypt to develop a centrally processed quality controlled supplement to the weaning foods prepared by mothers, which supplement would:

- provide a precooked, ready to eat, easily prepared protein based infant food,

- be fortified with iron (to combat infant anemia) and other minerals and vitamins,

- be manufactured at a cost easily affordable by the GOE (about the same cost the GOE now expends to import Title II).

- be manufactured at one or more private enterprise facilities outside of Cairo.

4. Phase Out:

Continuous, sustained, multi-year inputs have characterized MCH Title II activities to date, and these will continue until (at the end of approximately 5 years) the nutrition education and weaning food supplement activities described above will have developed among mothers a capacity to rely on Egyptian food resources and knowledge and make it possible to phase out Title II imports. Phase out is a long standing U.S. Title II policy and goal.

III. OTHER CHILD FEEDING (CRS):
(Mission and GOE Plans for Eventual Phase-Over).

CRS - Other Child Feeding (OCF) is implemented principally through day care centers and orphanages administered by private, socially concerned Egyptian PVOs and individuals. These day care centers receive a stipend from the Ministry of Social Affairs for each student, and an allotment of Title II food under a CRS accord with the Ministry of Social Affairs.

In recent years CRS OCF recipients have represented 1% of Title II recipients (5% in the smaller FY 86 program), and the Mission has allocated no manpower to developing a plan for the phase over of these food resources to GOE responsibility; the GOE has no plan for phase over.

The Mission would expect that the need for Title II inputs to these orphanages and day care centers will be eliminated over the next five years by the following simultaneous actions carried out by the responsible (appropriate) parties:

(1) Transfer to Egypt a food technology that precooks, stabilizes, and reduces preparation cost of foods suitable for OCF age children; make these foods available on the local market.

(2) Progressively reduce least needy day care centers from Title II rolls and convert them to foods purchased on the local market; recommend that day care center operators increase and/or collect fees from day care center users to pay for these foods.

(3) Although the Ministry of Social Affairs budget is controlled by GOE entities, we anticipate the Ministry will establish a budget to assist those day care centers enrolling "hard core" cases unable to pay.

The development of nutritionally improved, low cost, and convenient foods is underway in the food technology transfer concept embodied in the proposed weaning food supplement project; also underway is the reduction of least needy other child recipients from the Title II rolls.

Providing Title II foods for this recipient category (commencing age 3 years) is not a dole type activity (characteristic of adult general relief); rather, it is part of the 0-5 year age group targetted for interventions to reduce infant/child mortality and morbidity under the same rationale as explained for MCH.

IV. SINAI BEDOUIN (CARE):

CARE has outlined a plan to eliminate in five years the Title II inputs to the Sinai. The CARE plan would integrate with on-going and planned develop activities in the Sinai, and be carried out in cooperation with the Governors of North and South Sinai, USAID, the Ministries of Social Affairs, Health, Agriculture, and Reconstruction/Housing. The CARE five year activity would, together with other development activities, have the following objectives:

a. To raise the Bedouin population of the Sinai to a level of self-sufficiency through the development of land and water resources, increased agricultural and animal production, provision of basic social and health services, and family income generation activities.

b. To provide a dietary supplement to those members of the Bedouin community who have not achieved self-sufficiency.

c. To eliminate foreign-sponsored food subsidies to the Bedouin population by the end of FY 90.

The project strategy is one of a phased introduction of various activities linked with a continued but diminishing feeding program. Commencing FY 86 recipients are reduced approximately 25% annually; commencing FY 87 CARE proposes that Title II commodity costs be reduced only 10% annually. The difference in the two budget amounts would be used to provide Title II flour which would be sold to generate funds for development.

The CARE plan would require USAID to provide substantial funding assistance which would be carried out in close cooperation with other USAID supported ongoing/proposed activities in the Sinai. The CARE Operational Plan includes outlines of five activities to reach the forementioned objectives. As an outline, the CARE activities have not formally been presented for funding and consequently, while acceptable in principle, have not been approved in detail by the Mission.

CARE is working closely with the Mission decentralization staff in developing its Sinai program. ESF funds to implement the program will be provided by grants to CARE from the USAID's PDS account (Project 0102) or the FT-800 Account.

V. SCHOOL LUNCH PROGRAM (CRS):

PL-480 Title II inputs to this program terminate at the end of FY 85 following an 8-year phase over plan detailed in the FY 85 ABS p. 120. The GOE is successfully meeting the progressive increases in commodity costs. The FY 85 ABS indicated the Mission's intention to protect the progress made under Title II, by continuing to provide NFDM (not wheat) under Section 416 for another few years. The Ministry of Education has requested CRS (and WFP) to assist in providing NFDM and a formal 416 proposal will be forthcoming.

FINAL NOTE: The combined operational forward planning totals given by CRS and CARE in their submissions are somewhat below the overall Title II program levels authorized by AID Washington as shown in Table I. The differences will be rationalized further as planning is brought forward in FY 1985 building on actual 1984 program performance.

CARE·EGYPT

Cairo : 18 Hoda Sharawi St. P.O. Box 2019
Telephones 775262 - 752756
Aswan : 39 Atlas Bldg. P.O. Box. 87
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Sinai : 15 Fawzi El-Menissi, El-Arish
Telephone 43

هيئة كير

القاهرة : ١٨ شارع هدى شعراوى ص.ب ٢٠١٩
تليفون - ٧٧٥٢٦٢ / ٧٥٢٧٥٦
أسوان : ٣٩ عمارات أطلس ص.ب ٨٧
تليفون - ٣٨٢٢
سيناء : ١٥ فوزى المنيسى - العريش
تليفون - ٤٣

CARE to USAID # 251

May 10,1984.

Mr. Paul Rusby
Food for Peace Officer
USAID - Cairo

Dear Paul,

Herewith please find our Operational Plan for the period FY 1986 - FY 1990.

Sincerely yours,

Thomas Zopf
Country Director
CARE-Egypt

TZ/aa

1503.2.10

Encls a/s.

CARE-Egypt SINAI SOCIAL ACTION PROJECT

OPERATIONAL PLAN

FY 1986 - FY 1990

I. Elements of Operations

A. Identification:

1. CARE: 660 First Ave., New York, N.Y. 10016, U.S.A.
   Country: Arab Republic of Egypt
   Address: 18 Hoda Sharawi Street, Cairo, Egypt
   Mailing Address: P.O.Box 2019, Cairo, Egypt.
   Date submitted:

   Counterparts: Inter-Ministerial Committe for Foreign Voluntary Assistance (IMC), 14 El Geneina Street, Azbakia, Cairo.

   Ministry of Social Affairs (MSA), El Sheikh Rihan Street, Bab El Louk, Cairo.

2. Mr.Thomas Zopf — Director — CARE-Egypt
   Mr.Ekram Wadie — Administrator — CARE-Egypt
   Mr.Bruce Buckle — Administrator — CARE-Egypt (Sinai)

B. Area - Scope - Conditions of Operations.

1. Description.

The population of the Sinai Peninsula (220,000) is divided into two distinct cultural groups: the Bedouin and the non-Bedouin. The non-Bedouin are essentially town dwellers living in the Mediterranean coastal city of El Arish which is the capital of the Governorate of North Sinai.

Historically the limited natural resources of the area required a semi-nomadic existance for the Bedouin, a continual search for new grazing lands for their livestock and areas in which their winter barley could be cultivated. The repeated wars of the past decades with the subsequent shifting and closing of national boundaries have curtailed the Bedouin's nomadic life.

These people forced into a pattern of settlement soon found their grazing land deteriorating and the land around them unsuitable for farming. Their productive activities fell below the subsistance level and their access to the limited food supplies imported from mainland Egypt was constrained by the absence of a food supply

system and their lack of purchasing power. It was for these reasons that a feeding program was instituted in 1971 to provide regular food supplements to vulnerable groups. The continued occupation of the Sinai and the disrutption of the administrative reorganization following its return to Egypt have hindered the development of social services and infrastructure which would tend to eliminate the need for continued feeding.

While Bedouin settlements have evolved into small communities, many with permanent housing, the people have not yet identified, by lack of experience, the economic activities necessary for them to adapt to their new style of life and to become self-sufficient once again. The regular provision of foreign donated food for a long period of time has contributed to this problem in some cases.

CARE-Egypt in cooperation with the Governors of North and South Sinai, USAID, the Ministries of Social Affairs, Health, Agriculture, and Reconstruction and Housing is preparing a long-term project aimed at re-establishing the self-sufficiency of the Bedouin population of the Sinai through the development of infrastructure, social services, and income generating activities, and the strengthening of community organizations.

The project strategy is one of a phased introduction of various activities linked with a continuing but diminishing feeding program. It is proposed that these activities will be supported by USAID grants from Economic Support Funds to the Governorates, local institutions and CARE, contributions from the participating ministries, and from CARE's North American and European donors. It is expected that the World Food Program will support some fishing and livestock activities.

It is proposed that the total PL 480 Title II commodity requirement be reduced by ten percent annually commencing in FY 1987 and ending in FY 1990, the final year of the program. During the same period the feeding program beneficiary level willbe reduced by twenty-five percent annually commencing in FY 1987. The balance of the commodities not used for feeding would be monetized to provide support for other project activities.

Multi-Year Requirement of PL-480 Commodities (MT)

Commodity	Fiscal Year 85	86	87	88	89	90	Total
A. Feeding							
Salad Oil	410	366	276	186	90	--	1328
Bulgar	2430	2196	1656	1116	540	--	7938
Flour	5030	4758	3588	2418	1170	--	16964
TOTAL	7870	7320	5520	3720	1800	--	26230
B. Monetization							
Flour	--	--	1004	2179	3485	4650	11318
C. Total Requirement	7870	7320	6524	5899	5285	4650	37548

Multi-Year PL-480 Commodity Value (000 $ US)

Commodity	Fiscal Year 85	86	87	88	89	90	Total
A. Feeding							
Salad Oil	420	350	260	174	85	--	1289
Bulgar	555	510	395	267	130	--	1857
Flour	1315	1260	985	662	320	--	4542
TOTAL	2290	2120	1640	1103	535	--	7688
B. Monetization							
Flour	--	--	275	597	955	1275	3102
C. Total Value	2290	2120	1915	1700	1490	1275	10795
D. Ocean Freight	785	730	659	585	530	465	3745
E. Monetized Value*	--	--	610	900	1225	1510	4245

* Commodity value plus 50% ocean freight.

The reductions in recipient levels will be effected through improved targetting of recipients by a better selection according to need. Project staff will assist community committees in identifying recipients. The increased availability of local foods through imporved distribution practices as a result of project activities will also be linked to the recipient identification process.

The Ministry of Social Affairs has indicated that they will maintain their current level of project support throughout the project period applying those funds not used for the feeding program administration and commodity delivery costs to the support of other project activities.

2. Objectives, Activities, Evaluation and Phase-over

Objectives

a. To raise the Bedouin population of the Sinai to a level of self-sufficiency through the development of land and water resources, increased agricultural and animal production, provision of basic social and health services, and family income generation activities.

b. To provide a regular dietary supplement to those members of the Bedouin community who have not achieved self-sufficiency.

c. To eliminate foreign-sponsored food subsidies to the Bedouin population of the Sinai by the end of FY 1990.

Project Activities

While all of the following activities may not be managed by CARE they will nonetheless form a part of the overall development activities in the Sinai.

a. Development of land and water resources through levelling and terracing, construction of moisture-retaining dikes and dams, construction of cisterns, shallow wells, and above-ground reservoirs.

b. Establishment of an essential commodity supply network through construction of warehouses, village-level stores and consumer outlets, training in commodity management, and development of consumer cooperatives.

c. Assistance to Bedouin fishing communities by provision of fishing and fish handling equipment and revitalization of fishermen's cooperatives.

d. Primary health care services including the establishment of MCH centers and community dispensaries, training of village health workers, and the creation of a loan fund for establishing village pharmacies.

e. Generation of family income through technical training, market and design studies, provision of credit for the purchase of equipment and materials, and the promotion of agricultural extension services.

f. Pilot rangland conservation and development activities for the regeneration of the natural vegetative cover, encouragement of sheep fattening operations, and the integration of animal production into the agricultural system.

Further descriptions of the project activities are in Appendix A.

Monitoring and Evaluation

Baseline studies of the economic and social situations of the Bedouin families will be conducted to help in determining project directions and emphases. These studies will also be used to define and establish targetting criteria for feeding program beneficiary se lection. Monitoring and evaluation criteria and techniques will be described in detail in the forthcoming proposals for the various project components.

Phase-over

It is expected that the distribution of commodities for the feeding program will be integrated fully with the development of the essential commodity supply network.

3. Geographical Area

This program will operate in the two governorates of the Sinai (North and South).

4. Distribution

At the outset commodities will be distributed in dry form following the present pattern of four distributions per year at sixty-four distribution points along the main roads. As the project activity for the development of a food supply network progresses the distribution of PL-480 commodities will be integrated into this network. Thusly these commodities will play an important role in training members of local institutions in commodity distribution, handling, and storage techniques.

The following existing quarterly ration will be continued:

All Purpose Flour	19.5 Kgs.
Bulgar Wheat	9.0 "
Salad Oil	1.5 "

Multi-Year Recipient Projection (000)

Recipient Categories	85	86	87	88	89	90
Other Child Feeding (Regular)	4.0	--	--	--	--	--
Other Child Feeding (Bedouin)	41.9	42	32	21	10	--
Adult Health (Regular)	2.7	--	--	--	--	--
Adult Health (Bedouin)	19.0	19	14	10	5	--
Total Recipients	67.6	61	46	31	15	--

5. Government Cooperation

The IMC is responsible for the clearance of all food commodiites from the customs and for the inland transportation of such commodities from the port to its central warehouses according to a plan of distribution submitted by CARE. The IMC is also responsible for the distribution of commodities to the MSA warehouses in the Sinai. All losses, damages and shortages of food commodities, which occur subsequent to discharge from the end of ship's tackle and prior to receipt of commodities by the MSA will be reimbursed to CARE by the IMC.

6. Duplication.

Periodic meetings are held with representatives of USAID, WFP and CRS to insure against duplication of distribution and inequities in rates of distribution for similar categories of beneficiaries and programs.

C. Control and Receipting - Records, Procedures and Audits

1. Upon receipt of a Bill of Lading, CARE prepares a distribution plan and submits same to IMC, who transfers the commodities from the port to their three warehouses (Cairo-1, Alexandria-2).

2. An independent survey (Alexandria Survey Bureau) is conducted on the discharge of all commodities from the ship. Survey reports and other documentation losses, damages and shortages, etc.), if warranted, are submitted to CARE by this surveying agency.

3. All Marine Claims are documented by CARE-Egypt and followed-up by CARE-New York.

4. The IMC provides CARE with a monthly warehouse receipt and distribution commodity statement, detailing the receipt and distribution of commodities from their warehouses.

5. Depending on need and storage space, requests are submitted quarterly to IMC Headquarters for the quarterly release and transportation of commodities to MSA's regional warehouses in the Sinai.

Simultaneously, these requests are transmitted to regional warehouses via delivery orders. From MSA's regional warehouses in Sinai CARE transports the commodities to the pre-scheduled distribution sites.

6. Since CARE supervises the actual distribution, the receipts (coupons) for delivered commodities are received by CARE from the distribution points.

7. The Commodity Status Report, the Commodity Loss Status Report and Recipient Status Report are submitted to USAID-Egypt on a quarterly basis. The Damaged Missing Commodity Report and the Claims Uncollectable Report are submitted as warranted.

D. Port Facilities - Practices

1. Off-loading facilities at the port in Alexandria are quite adequate to handle the discharge of the commodities.

2. Independent surveys are conducted on all commodities shipped to Egypt.

3. Since the IMC handles the clearance of all commodities port charges and other duties are not a problem.

E. In-Country Storage and Transportation

1. The IMC maintains large central "dry storage" facilities in Alexandria and Cairo. All the warehouses are stone and brick. Besides being "dry" the warehouses are well ventilated and secure. Necessary precautions against insect infestation are taken and rodent control measures practised. The available facilities are acceptable; there are no storage problems.

   Although the MSA warehouses in the Sinai are small and temporary they are more than adequate to meet the program needs; commodities are rarely stored for more than a month.

2. There are no inland transportation problems.

3. CARE retains control of food while it is in MSA's warehouses and releases it according to mutually agreed upon distribution plans.

F. Processing-Reprocessing-Repackaging

There will be no processing or reprocessing of the Title II commodities. The only exception to this rule would be when commodities are received in a damaged condition in the port where they are eventually repackaged and re-entered into distribution channels.

G. Financing

1. The cost of the food distribution will be borne by Host Goverhment. These costs will include administration and transportation.

2. Commodity containers will be sold by CARE with the proceeds deposited into a separate bank account. Proceeds realized will be utilized to make small improvements in the project.

H. Acceptability of Available Foods

1. No whole grains in any form will be used in this program.

2. Since flour, wheat and oil are part of the basic commodity package in Egyptian homes, these commodities are expected to be widely accepted by the recipients.

I. Program Publicity and Education.

1. Special recipes will not be required in respect to these commodities as they are part of the basic diet of the country and utilized in most Egyptian homes.

2. All recipients of the commodities will be educated as to the source of the commodities, i.e. United States of America.

II. Contributions to the program (000 $ US)

A. Contribution to the Feeding Program.

	FY85	FY86	FY87	FY88	FY89	FY90	Total
1. Financial Inputs-MSA							
a. Admin.&Inland Transportation	660	660	405	330	165	--	2310
2. Commodities-USAID							
a. Salad Oil	420	355	265	180	85	--	1305
b. Bulgar	555	510	390	265	130	--	1850
c. Flour	1315	1260	975	650	315	--	4515
TOTAL	2290	2125	1630	1095	530	--	7670
3. Ocean Freight	785	730	545	365	180	--	2605

B. Contribution to the non-Feeding project activities.

1. Govern.of Egypt							
a. MSA cash	--	--	165	330	495	660	1650
b. Other	--	650	480	370	315	270	2085
2. CARE	--	225	230	195	170	150	970
3. WFP	--	--	500	1000	1000	1000	3500
4. USAID							
a. ESF							
$ US	--	975	1030	760	385	345	3495
LE	--	1690	1140	900	575	350	4655
b. PL-480 (Monetized)	--	--	610	900	1225	1510	4245
TOTAL	--	3540	4155	4455	4165	4285	20600

* Expressed in US $ equivalent

USAID-ESF Contribution Annual Distribution by
Activity and by U.S.Dollars and Egyptian Pounds (000)

U.S.Dollars

Activity*	86	88	87	86	90	Total
Access	70	60	65	75	85	355
Income	190	180	80	90	100	640
PHC	55	50	55	70	60	290
Fishing	500	595	490	70	--	1655
Range	160	145	70	80	100	555
TOTAL	975	1030	760	385	345	3495
Egyptian Pounds						
Access	495	245	155	55	--	950
Income	775	470	385	55	20	1705
PHC	240	120	80	20	--	460
Fishing	35	40	5	195	--	275
Range	470	480	445	365	390	2150
TOTAL	2015	1355	1070	690	410	5540

* ACCESS - Access to Essential Commodities
INCOME - Family Income Generation
PHC - Primary Health Care
FISHING- Lake Bardawil Fish Production
RANGE - Pilot Rangeland Conservation & Development

APPENDIX A

DESCRIPTION OF PROJECT ACTIVITIES

ACCESS TO ESSENTIAL COMMODITIES

BACKGROUND : The Bedouin communities do not have continuous access to essential commodities. Because of a lack of warehouses and village-level consumer outlets food commodities are delivered directly from Cairo and Alexandria by truck and distributed from the same resulting in food losses due to prolonged and improper household storage. The absence of transportation results in the Bedouin paying exhorbitant prices to intinerant merchants for household requirements and other consumer goods.

OBJECTIVES : Provide continuous access to essential commodities in fifty Bedouin communities in the Sinai Peninsula. Reduce the loss of food commodities due to improper storage. Provide the target population with access to household and other consumer good at a fair prices through the establishment of community consumer cooperatives.

ACTIVITIES : Construction and Equipment of nine regional warehouses and fifty community stores. Provision of nine trucks. Training in warehousing and consumer cooperative managment.

		Fiscal Year					
COSTS :	(000 $ US)	86	87	88	89	90	TOTAL
	Commodities	350	300	300	300	200	1450
	Personnel/ Operations	240	240	265	290	420	1455
	Consultants	20	20	20	20	20	100
	Training	30	30	30	30	30	150
	Loan Fund	10	10	10	10	10	50
	TOTAL	650	600	625	650	680	3205
FUNDING :	GOARE	125	110	120	120	100	575
	CARE	40	40	40	40	40	200
	USAID	--	--	--	--	--	--
	ESF	485	265	195	120	85	1150
	PL 480 (Monetized)	--	185	270	370	455	1280
	TOTAL	650	600	625	660	680	3205

FAMILY INCOME GENERATION

BACKGROUND : Changes in the Bedouin's life style brought about by the wars of the past forty years have diminished their traditional handicraft activities of weaving, spinning, leatherwork and embroidery. The inaccessability to markets has prevented them from developing this source of income. Other potential sources of family income in the areas of farming and animal husbandry, construction and other trades remain unexploited due to the lack of training, widespread illiteracy, and unavailability of credit and materials.

OBJECTIVES : To increase Bedouin family income through the increased production of subsistance and marketable items and the development of marketable skills.

ACTIVITIES : Construction and equipment of twenty-five training/social centers Provision of twenty mobile training vans. Creation of two vocational training workshops. Establishment of a design center and training of its staff. Provision of vocational and crafts trainers to rural centers. Facilitate Ministry of Agriculture extension activities through rural centers. Recruit and train twenty-five part-time literacy trainers. Establish fifty community loan funds for capitalizing family income generating activities.

		Fiscal Year					
COSTS :	(000 $ US)	86	87	88	89	90	TOTAL
	Commodities	400	330	230	230	30	1220
	Personnel/ Operations	320	345	370	240	455	1730
	Consultants	30	30	30	30	30	150
	Training	170	180	140	150	160	800
	Loan Fund	200	300	500	700	1000	2700
	TOTAL	1120	1185	1270	1350	1675	6600
FUNDING :	GOARE	205	200	300	475	665	1845
	CARE	75	75	70	70	60	350
	USAID ESF	840	575	405	135	120	2075
	PL 480 (Monetized)	--	335	495	670	830	2330
	TOTAL	1220	1185	1270	1350	1675	6600

PRIMARY HEALTH CARE

BACKGROUND : The scattered rural population of the Sinai have little access to established health services and as a result many common illnesses remain untreated. Many suffer from preventable diseases related to unsanitary conditions, poor diet, and lack of health knowledge. Essential common medications are not available in the Bedouin communities.

Objectives : To improve the health of the rural Bedouin population through treatment of commone illnesses, increased health knowledge, improved MCH care, and access to medications.

ACTIVITIES : Equip nine MCH centers and fifty community dispensaries. Train 150 village health workers. Establish 90 village health committees. Establish fifty cooperative pharmacies and provide a loan fund for their operation.

		Fiscal Year					
Costs :	(000 $ US)	86	87	88	89	90	TOTAL
	Commodities	80	80	70	60	40	330
	Personnel/ Operations	195	175	205	235	275	1085
	Consultants	20	20	20	20	20	100
	Training	35	35	35	35	35	175
	Loan Fund	15	15	15	15	15	75
	TOTAL	345	325	345	365	385	1765
FUNDING :	GOARE	70	65	70	75	75	355
	CARE	20	20	20	20	25	105
	USAID	--	--	--	--	--	--
	ESF	255	150	120	85	60	670
	PL 480 (Monetized)	--	90	135	185	225	635
	TOTAL	345	325	345	365	385	1765

LAKE BARDAWIL FISH PRODUCTION

BACKGROUND : Increased fish production from Lake Bardawil is inhibited due to lack of equipment, insufficient credit opportunities available to the fishermen, ineffective operation of the fishing cooperative, and spoilage from lack of proper and handling facilities.

OBJECTIVES : Revitalize the fishing cooperative. Increase fishermen's income through improvement of fishing technology and reduction of spoilage.

ACTIVITIES : Management and training assistance to the fishermen's cooperative. Creation of loan fund. Provision of ice boxes, motors, nets, channel markers, and fish storage and handling equipment.

		Fiscal Year				
COSTS :	(000 $ US)	86	87	88	89	TOTAL
	Commodities	480	600	400	50	1530
	Personnel/ Operations	215	225	235	250	925
	Consultants	20	20	20	20	80
	Traning	--	--	--	--	--
	TOTAL	715	845	655	320	2535
FUNDING :	GOARE	135	160	120	65	480
	CARE	50	55	40	20	165
	USAID ESF	530	630	495	235	1890
	TOTAL	715	845	655	320	2535

PILOT RANGELAND CONSERVATION AND DEVELOPMENT

BACKGROUND : Herding and grazing of livestock has been the traditional livelihood of the Bedouin of the Sinai. As a consequence of increasing human and animal populations as well as other factors including unsound range management, the better forage plants which once covered the range have been destroyed by selective grazing and have been replaced by annual vegetation that provides forage for only limited periods. In order to restore the ranges to their full productivity, well-planned grazing, forage production and conservation programs need to be developed. Improved year round nutrition of animals and improved range managment will result in increased production per animal unit.

OBJECTIVES : To conduct a pilot project in the Northeast Sinai for increasing livestock production through the natural regeneration of the vegatative cover, encouragement of sheep fattening operations soil and water conservation integration of animal production in the agricultural system, and the establishment of a revolving fund.

ACTIVITIES : Construction of feed storage warehouses, plant nurseries, demonstration centers, ans livestock shelters, féncing of rangeland and sowing of grasses and legumes. Establishment and training of range management and sheep fattening cooperatives. Distribution of 8000 MT of WFP commodities for animal fattening and diet supplementation. Establish a revolving fund in support of continuity of project activities.

		Fiscal Year					
COSTS :	(000 $ US)	86	87	88	89	90	TOTAL
	Commodities	285	775	1100	1000	1000	4160
	Peronnel/ Operations	255	255	290	310	375	1485
	Consultants	60	60	60	60	60	300
	Training	10	10	10	10	10	50
	Loan Funds	100	100	100	100	100	500
	TOTAL	710	1200	1560	1480	1545	6495
FUNDING :	GOARE	115	110	90	75	90	480
	CARE	40	40	25	20	25	150
	WFP	--	500	1000	1000	1000	3500
	USAID ESF	555	550	445	385	430	2375
	TOTAL	710	1200	1560	1480	1545	6495

CATHOLIC RELIEF SERVICES

UNITED STATES CATHOLIC CONFERENCE, INC.

13 Ibrahim Neguib St.
Garden City — CAIRO
U. A. R.

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8 May 1984

Ref. No. 3.0a/184

Mr. Paul Rusby
Food for Peace Officer
Office of Human Resources and
Development Cooperation
USAID/Cairo

Dear Mr. Rusby,

Enclosed please find the FY86 amendment to the CRS Operational Plan which was submitted last year for FY85.

Sincerely,

Andrew J. Koval
Program Director

Catholic Relief Services - Egypt

OPERATIONAL PLAN FY86

This document is an amendment to the Operational Plan submitted with the FY85 ABS. It briefly covers the points requested in FY86 guidance messages from AID/W and USAID. Most of these issues have been addressed in detail in the FY85 CRS Operational Plan.

Maternal and Child Health Program

a) Statement of objectives

To provide a supplement to a portion of the groups at most nutritional risk in Egypt, i.e., mothers and their children 6-36 months old, in order to promote satisfactory growth and combat infant morbidity and mortality; and to promote attendance at and utilization of Ministry of Health facilities.

b) Multi-year Programming

The CRS MCH Program focuses on the 6-36 month age cohort; this cohort is most vulnerable to dietary shortfalls and environmental insults. A disproportionate percentage of all deaths in Egypt occur among this cohort. The MCH Program helps some children pass safely through this dangerous transition period. However, even as some children successfully "graduate" from this cohort, each year the cohort is swollen by more than 1 million children. Not until such time as some combination of the following factors is achieved does CRS foresee a decrease in Title II MCH programming: 1) socio-economic development; 2) availability of locally produced and culturally acceptable weaning food supplements; and 3) significant numbers of Egyptian mothers following appropriate infant feeding practices. USAID and CRS are working on all three fronts, but success is not expected within the time frame of this Operational Plan.

However, it is anticipated that over the next three years broad implementation of an effective nutritional surveillance system incorporating infant weighing scales and growth charts, and, most importantly, personnel convinced of their importance and trained in their use, should begin to provide a more accurate delineation of the numbers and the particular individuals in need of supplementary feeding. Given the conditions extant in Egypt, there is every likelihood that the number of children in need will exceed the number now reached.

c) Targetting

Title II commodities used in the MCH program are targetted to the most nutritionally at risk group in Egypt, children 6-36 mos. of age, and their mothers. Supplements are distributed through the Ministry of Health infrastructure, which is utilized by the lowest socio-economic strata of society. As nutritional surveillance, incorporating child growth monitoring records, infant weighing scales, and personnel trained in their use permeate through the Egyptian health system, and as the Nutrition Education Project expands its coverage, selection of MCH recipients should increasingly employ nutritional criteria.

Targetting could be further enhanced by distributing repackaged commodities through the clinic pharmacies. Identification of the repackaged commodity as a specific antidote to infant malnutrition would generate greater sensitivity toward malnutrition on the part of the doctors, and greater awareness on the part of mothers of their children's need for supplements. Doctors, when presented with a malnourished child, would write a prescription for food that the mother would fill at the clinic pharmacy. She would be instructed to return after a month for a follow-up examination of the child, and another ration. This scheme would benefit not only the surveillance effort, but also establish a clear link in the mother's mind between food and her child's health. In addition, it could open up the possibility that the duration of a beneficiary's enrollment, as well as his selection, could also be based on nutritional criteria, e.g., three months of satisfactory growth performance.
(The current norm is one year enrollment in the program; under the proposed scheme, four, six, or nine months participation would be possible, as would, in rare cases, 15 or 18 months.)

d) Coverage

There are approximately 4.0 million Egyptians in the 6-36 month cohort. The MCH Program reaches 450,000, or roughly 11% of this age group. It is difficult if not impossible to quantify with any degree of precision what percentage of the cohort should legitimately be qualified as at risk by virtue of socio-economic and environmental conditions. However, a reasonable if more stringent proxy is the figure, cited by Rhoda/Callier from the National Nutrition Survey conducted by CDC (Atlanta) and the National Nutrition Institute (1978), that 54% of this age group suffer from some degree of malnutrition. Given the strata known to utilize the public health system, it is safe to assume that the Title II program potentially addresses most of these children. Therefore, the potential target group is 54% times 4 million, or 2.2 million, of which 450,000 is roughly 20%.

e) Ration composition

The ration is composed as follows:

Children 6-18 months and their mothers:
ICSM 1.42 kg/person/month, plus Vegetable oil, 0.437 kg/person/month.

Children 18-36 months and their mothers:
NFDM 1.0 kg/person/moonth, plus Vegetable oil, 0.437 kg/person/month.

These commodities have been chosen for the following reasons:

ICSM: An ideal supplementary food for this age group; better accepted than WSB.

NFDM: Well-known and desired; available in well-perceived cartons; not programmed to younger children so as to avoid even the appearance of discouraging breast-feeding.

Vegetable oil: Calorically dense; highly valued commodity.

f) Coordination with other development resources; and
g) Complementary inputs.

CRS has long maintained that supplementary feeding programs, especially when combined with Nutrition Education, can have a significant developmental impact on the Egyptian population. CRS began its Phase I Nutrition Education project in 1977 in Beheira governorate. After steady growth of both programs, concentrating on logistical constraints in the former and institution building in the latter, the natural complementarity of these programs is coming increasingly into play. Currently, almost 20% of Egyptian health clinics, i.e., the roughly 500 participating in the Nutrition Education Project, have begun to realize the potential benefits inherent in mounting these efforts together; within three years, when the number of centers participating in the Nutrition Education Project will reach 1,400, that proportion will exceed 50%.

Institutionally, the MCH program is fully integrated within the Ministry of Health. It interfaces with and complements other USAID-supported health sector activities, such as health center facility upgrading, infectious disease control, oral rehydration therapy, etc. Fuller documentation is in FY85 OPS, p.6.

Furthermore, the MCH Title II program complements, and is complemented by, the CRS/Nutrition Institute-sponsored Nutrition Education in Health Centers Project, Phase II.

h) Monitoring and evaluation:

CRS's desires to institute effective program monitoring have been frustrated by the slow pace of dissemination of growth charts throughout the health system. Exacerbating the bureaucratic and logistical delays inherent in the Egyptian public sector has been the Ministry of Health's limited institutional capacity to mount the massive training campaign implicit in operationalizing a technological innovation of this magnitude and complexity. CRS recently cooperated with the Ministry of Health in a series of seminars to introduce the charts to doctors and chief nurses; this effort served to highlight the daunting nature of the task still ahead. The Nutrition Education Project has stressed nutritional surveillance techniques in its training courses for Nutrition Organizers and nurse-teachers, and will continue to do so, but it will only reach just over half of all existing centers during its scheduled 3-year life. This not inconsiderable--some would say ambitious--undertaking represents a rate of growth appropriate to the absorbtive capacity of the Egyptian health system in its current state of development; while some additional funds would ease budgetary constraints on the Nutrition Education Project, quantum multiples of external assistance would do little to accelerate its rate of expansion or expand its coverage. Without a Phase III, training of personnel in the centers not participating in the Nutrition Education Project will be problematic. Nevertheless, it is no small achievement that centers participating in the Project will shortly begin to serve as the nucleus for a viable, system-wide monitoring capability.

The Nutrition Education Project has developed an evaluation protocol that will assess the impact of the project's lessons on mother's knowledge and practices concerning infant feeding. Scientists at the Nutrition Institute, together with other invited nutritional experts, met in February at a workshop on how best to evaluate the project, balancing a desire for scientific rigor with available financial and manpower resources; and weighing the conflicting claims of implementation with those of academic research. Their recommendations are being translated into an operational plan to be initiated in the coming months. Every indication is that the training courses both for Nutrition Organizers and the Nurse Teachers were successful in instilling not only the necessary knowledge of sound infant feeding practices, but also the pedagogical techniques to convey that knowledge effectively to Egyptian mothers.

i) Phase-over

USAID/Cairo, in conjunction with USDA and the University of Colorado, has developed a project proposal to develop an indigenous weaning food supplement capability in Egypt. CRS is supportive of the potential of this project to substitute gradually and proportionally for Title II inputs to the MCH program. This project, as it comes on stream, will complement

the efforts of the CRS Nutrition Education Project to achieve the goal of improved infant feeding practices, and thereby result in reduced requirements for Title II inputs. Even as these conjoint efforts go forward, myriad other threads of developmental activity are being woven by the Egyptian government, USAID and other bilateral agencies, the U.N., and PVOs; each of these efforts, perhaps inconsequential in itself, will make its contribution to the rich tapestry of Egyptian development. While no one thread can be dominant in such a variegated whole, well-fed, healthy children represent the very warp of the fabric; the CRS Title II MCH program is, in a word, important. Until such time as the emerging design is less inchoate, continued Title II support is justified.

The GOE already is responsible for all inland transportation, storage, and distribution. The only remaining function that the GOE could assume would be the program monitoring function that is the legal responsibility of CRS. CRS has, however, initiated discussions with the MOH about the possibility that it take on part of this role by, for example, naming personnel as counterparts to the existing CRS end-use evaluators. Beyond this, ways to increase the GOE's already substantial contributions to the program are hard to discern. It is unlikely in the near future that the MOH will be able to make a meaningful in-kind contribution to the program.

This reality notwithstanding, some encouraging signs have been detected of greater concern for infant nutrition by the Ministry of Health. For example, the Minister of Health recently stressed the importance of child nutrition and nutrition education in his address before a major international conference held in Cairo. The MOH General Director for MCH Services stated at the last Nutrition Education Project Policy Committee meeting that his goal was to have a nutrition division in every governorate. The National Nutrition Institute, under the dynamic leadership of Dr. Osman Galal, has in the year since he was appointed as its Director, begun to develop an esprit previously lacking. Also, staff of the Nutrition Education Project have begun to identify health officials in the governorates who could serve both as decentralized Regional Supervisors for the project and as nucleii for nutrition cells or divisions in the Governorate Health Departments. (By special request of the Minister of Agriculture, a number of extension agents from his ministry participated in a recent training course for Health Department nutrition workers.) These developments point toward a reorientation of the Ministry, a redefinition of its basic mission; CRS will continue to exert every effort to foster this redirection.

Illustrative of its efforts has been the emphasis CRS gave to practical applications of nutritional knowledge in the training of personnel for the Nutrition Education Project. Curricula developed by a CRS consultant together with project staff from the Nutrition Institute were used to train and retrain 50 Nutrition Organizers, governorate-level health department

workers who in turn have trained, and will provide extensive supervision to, 672 nurse teachers who are assigned to 435 of the approximately 2,600 Egyptian health clinics. Project staff are in contact with governorate health officials to designate additional centers for participation in the project, and anticipate that the first year goal of 500 participating centers will be approached if not exceeded. A second round of nurse-teachers training courses is scheduled to begin in July 1984 (after Ramadan) to train a second nurse from each participating health center. Having two trained nurse-teachers in each center is expected to improve the continuity of nutrition education service delivery. Of the 26 governorates in Egypt, 22 are now participating; three of the non-participating governorates are remote and sparsely populated. Project personnel are now in place on a wide and expanding scale and various methods are now ready to be tested, in selected health clinics, to further integrate the food program with the project. Included among these are the distribution of approved child surveillance instruments and attempts to determine the possibilities of monthly distributions of PL 480 foods. One method will test distribution of NFDM (or ICSM) one month, and soy oil the next. This practice will be tied to monthly child surveillance. As described in previous documentation, CRS is encouraged by the wide and enthusiastic acceptance of NFDM in small cartons which can prove most helpful in an effort to move toward monthly distributions, program wide.

Commodity Repackaging

CRS continues to support its longheld position that repackaging, especially of ICSM, would facilitate achievement of several program goals: monthly distributions; distribution through clinic pharmacies, thus fostering perception of the commodity as equal in value to the medicine dispensed through the same clinic pharmacy, which would improve its utilization as a supplementary food designed especially for infants; improved targeting to malnourished infants; more frequent and more regular contact with the health center, which would have beneficial effect not only on the nutritional surveillance effort, but also on the provision of related health services offered by the clinics; and promotion of the concept of products packaged especially for weaning age children, that should pave the way for indigenous weaning food products either distributed through the health system or marketed commercially.

Other Child Feeding Program

The FY85 operational plan projected a recipient level of 24,000 for the OCF program. CRS and its counterparts, particularly the Ministry of Social Affairs, continue in their efforts to concentrate Title II resources to the most needy in this category by cancelling those institutions which have

sufficient resources at their disposal to purchase adequate food for their children. In accordance with this phase-over, CRS projects a recipient level of 20,000 for FY86. These remaining recipients are institutionalized in orphanages, or served by selected day care centers. It is anticipated that the OCF Program recipient level may fall to 10,000 by FY89; this would represent a level well below the AID/W guideline of 5% total Title II program recipients for humanitarian feeding programs.

School Lunch Program

The School Lunch Program has been successful in meeting the objectives outlined seven years ago by Minister Helmi: reducing absenteeism, decreasing drop-out rates, and improving academic achievement among primary school students. While improved nutrition has been an important consideration, Minister Helmi's principal concern has been to maximize returns on his government's massive investments in public education. This narrative reiterates CRS's intention to request continuation of NFDM inputs to the SLP for two years (through FY87).

Given the ample availability of Section 416 resources from FY86 onwards, and given that the modus operandi for Section 416 will be the same as Title II for the School Lunch Program, we anticipate programming Section 416 NFDM (only) to be exchanged for cheese at the same monthly ration rate, i.e., 1.22 kg per child. The annual ration of NFDM per child is 8.5 kg; under the current exchange formula this will assure that each student receives a 20 gram piece of cheese three times a week.

Projected Program FY86 to FY87

CRS has recommended for AID's concurrence and approval a formal request from the Deputy Prime Minister and Minister of Education, Dr. Moustafa Helmi, for continued support of the SLP. CRS believes the proposed program effectively meets the mutual interests of the United States and the Government of Egypt. A program that reaches 1.5 million children in rural schools daily at an annual U.S. input of less than $2 million (CCC value of NFDM) gives the USAID effort a resounding "bang for its bucks." It also, by touching so many families, provides a ready answer to the criticism that American aid is not reaching the people. The U.S. government has a surplus of dairy products and is seeking ways to reduce it. This program would require almost 15,000 metric tons of milk annually. (Current actual enrollment in CRS supported schools is 1.5 million; the estimated 1985-86 enrollment is 1.7 million.) Moreover, the SLP has indirect as well as direct development input. Minister Helmi has repeatedly utilized the foreign assistance his Ministry receives as leverage in the National Assembly and budgetary debates to win increased GOE commitments to his Ministry. AID's support for the SLP thus has a sizeable multiplier effect in a sector of great importance to the entire development effort.

The MOE commitment to the SLP is large, and growing. Its inputs have increased three-fold (from $3.8 to $12.0 million) while the CRS Title II commodity inputs have decreased three-fold (from $6.1 to $1.9 million) since the inception of the program in FY78. Were the MOE to assume full responsibility in FY86 for all commodity inputs as initially scheduled for both the WFP and the CRS programs, the total budgetary requirement, at world market prices for NFDM and Wheat, would be nearly $50 million. CRS proposes to ease the financial burden associated with the transition to full commodity responsibility by providing NFDM (only) in exchange for cheese for FY86 and FY87.

CRS was briefed by FFPO USAID Cairo at the end of last year about the possibility of obtaining dairy products through the new Section 416 program. CRS has since that time discussed the matter repeatedly with MOE officials, and in response to periodic questions, kept USAID advised of our discussions relevant to Section 416 over the last few months. The result of these discussions was a formal request from Minister Helmi that CRS consider, on the basis of equity with the WFP, extending its commitment to the program from the present 8 years to a total of 10 years as had WFP. CRS has ascertained that WFP has agreed to entertain an extension of their commitment to the program to a total of ten years and that WFP would provide milk through FY85. The WFP program began in FY76 whereas the CRS program did not effectively begin until FY78.

Given (1) the Deputy Prime Minister and Minister of Education's request to CRS, (2) WFP's intention to extend the program to a total of 10 years (FY76 to FY85) but to only provide milkpowder in FY85, and (3) that the USA has a surplus of milk over the next few years which it is making available through Section 416, support for the CRS proposal to provide milk only under Section 416 during the school years 1985-86 and 1986-87 is justified.

FY 86 ABS

PL-480 Title II

OPERATIONAL PLAN REVIEW

INTRODUCTION:

CARE has presented a fully revised FY 86 Operational Plan based on significant program redesign in the Sinai. In accordance with established procedure, CRS has extensively updated its FY 85 Operational Plan. The CARE and CRS Operational Plans are the product of Volag/Mission consultation. The following analysis follows the sequence of program ranking of PL-480 Title II components from Table 5.

CRS - MATERNAL CHILD HEALTH (MCH):

The Mission gives its highest priority for the use of Title II resources to MCH activities designed to achieve host country and USAID development goals for reduced infant mortality and morbidity. Title II food supplements are targeted exclusively to 6-36 months old infants and their mothers; foods are distributed exclusively from Ministry of Health Maternal Child Health Centers (MCHC's), and in conjunction with oral rehydration, immunization, nutrition education and improved health service activities supported by USAID and other donors.

As reflected in the CRS Operational Plan and USAID Narrative, Title II imports for MCH are expected to be phased out by approximately the end of FY 89 at which time the following will have been accomplished:

(a) Completion of an ESF-funded Nutrition Education phase II project designed to improve mother's weaning practices including assisting mothers to identify, select, procure, prepare and deliver foods most appropriate for their weaning infants, and

(b) Production commences of a centrally produced, quality controlled, refined, and pre-cooked protein food designed to supplement the foods prepared by mothers. This specially prepared weaning food supplement will carry minerals and vitamins, including therapeutic iron to combat anemia.

CRS has long experience in managing MCH programs and their managment in Nutrition Education II appears adequate thus far.

The Mission's recently completed Nutrition Strategy Statement for the next five years inter alia includes questions concerning the efficacy of Title II imports in the Egyptian context and endorses nutrition education, the manufacture of an indigenous weaning food supplement, and oral rehydration therapy in coordination with other infant health interventions, all designed to reduce infant mortality and morbidity.

The MCH recipient level is straightlined at 900,000 through FY 89. No change in the commodity mix or ration level is planned.

FY	RECIPIENTS (000's)	EST $ COST (000's) (per AID/W instructions)
85	900	8169
86	900	7724
87	900	7754
88	900	7754
89	900	7754

The speed with which MCH Title II is replaced by indigenous commodities is dependent upon mothers' acceptance of methodologies to use foods available at village level. The centrally produced weaning food supplement will be just that, a supplement to the foods that mothers are instructed to develop locally. Due to the magnitude of the population to be reached, the CRS Operational Plan appropriately cautions against unrealistic expectations of progress in Nutrition Education II leading to reductions in Title II foods for MCH. Furthermore, the absence of a medically based-scales and health charts (as opposed to a socio-economic based) assessment of the seriously malnourished in the at risk group at the clinic level, makes the current Title II MCH figure of 450,000 to 500,000 infants only a good estimate. Consequently, CRS and USAID concur with the AID/W decision to straightline MCH recipients at 900,000 mothers plus infants.

USAID and CRS differ on the question of funding packaging equipment to sub-divide Title II commodities presently packed in standard 50 pound bags and one gallon tins. Title II experience does not support the CRS contention that a substantial improvement in commodity utilization by the target group would result from smaller packages. Instead, USAID perceives the difficulties attributed to inadequate Title II packaging as a reflection of far more subtle social, economic, and cultural factors operating in Egypt (subsidies, absence of widespread malnutrition among adults, limited use of MOH health facilities) mentioned in the nutrition strategy statement and reviewed in the preceeding Title II narrative. USAID proposes to thoroughly examine these issues in the context of the weaning food supplement activity-Phase I, and to resolve these packaging, delivery, and utilization problems.

CRS - OTHER CHILD FEEDING:

Mission accords second highest priority for the allocation of Title II resources to this recipient category of 3-5 years old children attending day care centers and orphanages. Prospects for phasing over this recipient category are discussed in the narrative and the projected recipients are as follows:

FY	RECIPIENTS (000's)	EST $ COST (000's)
85	24	350
86	20	286
87	16	231
88	12	175
89	10	144

CARE - OTHER CHILD FEEDING:

The Mission also accords second priority to this other child feeding program administered by CARE in the Sinai. Plans for phasing out this category by 1990 are reflected in the CARE Operational Plan and in the following chart:

FY	RECIPIENTS (000's)	EST $ COST (000's)
85	45.9	1,560
86	42	1,460
87	32	1,139
88	21	748
89	10	356

CARE - GENERAL RELIEF:

The Mission accords lowest priority in Table 5 to this historic dole type feeding program, now redesigned to secure a developmental solution to the food requirements of these Sinai Bedouins.

FY	RECIPIENTS (000's)	EST $ COST (000's)
85	21.7	730
86	19	660
87	14	499
88	10	356
89	5	178

Funds and food commodities to carry out the redesigned program are summarized as follows:

Title II commodities - Table B.
Title II commodities for monetization - Table B.
Non Title II dollars and Egyptian pounds - (See PVO Non Title II Programs).
Monetization of A.P. Flour is important to encourage self reliance among recipients who have been on a dole for many years; funds generated from monetization will be used in health centers where the public will witness the use of their funds in support of their Health Center.

There are no differences between CARE and the Mission on their Operational Plan which was prepared in consultation with the Mission; the Mission endorses the CARE Operational Plan.

MISSION MONITORING:

CRS employs 9 field inspectors; the GOE employs 430 inspectors for the SLP. Each MCH center has one or more physicians, at least one nurse, and one medical social worker. Both MCH and SLP distributions are monitored by central audit personnel headquartered at the governorate level. The Mission employs no staff to supplement these inspections by CRS and the GOE. Mission monitors Title II programs on a policy and performance basis. Policywise, Mission attempts to avoid/resolve conflicts in implementation (such as bringing to Washington's attention USDA contacts with the GOE to sell publically butter and cheese in cartons labelled "not to be sold or exchanged" while Title II commodities bearing essentially the same label in fact are not to be sold or exchanged). Examples of performance monitoring include (a) mid year stock evaluations to ensure that authorized stocks are used or released for use in other countries; (b) analysis of inland pilferage and investigations of centers of high pilferage; (c) attention to levels of port losses and advising AID/W on a higher than acceptable level of marine loss on lash-type vessels.

BELLMON AMENDMENT:

(A) There are no significant logistical problems that give rise to wastage; approximately 75% of the 8 million metric tons of wheat consumed annually are imported, and receiving, transport, and storage facilities are adequate. The Inter-Ministerial Committee for foreign voluntary assistance (IMC) (Ministries of Education, Social Welfare, Health and Supply) handles the logistical aspects of Title II and does so effectively. IMC controls more than 35,000 MT of storage space. With shipment arriving quarterly, this space easily accommodates the 43.6 thousand MT line 17 AER.

(B) The Title II processed foods are not otherwise available in Egypt. Title II imports represent less than 1% of wheat imports. There are disincentives to production but they do not arise from Title II imports. The question of disincentives to local production is addressed under Title I of the ABS.

FUNDING LEVELS:

The following tables summarize recipient numbers and program cost for Title II as justified in the Operational Plans and above in accordance with the attached Forms XIII.

TABLE A
RECIPIENT NUMBERS BY VOLAG AND RECIPIENT CATEGORY
(000's)

	FY 84	%	FY 85	%	FY 86	%	FY 87	%	FY 88	%	FY 89	%
MCH CRS	900	41	900	41	900	92	900	94	900	96	900	97
OCF- CARE	48.3	2	45.9	2	42	4	32	3	21	2	10	1
- CRS	24	1	24	1	20	2	16	2	12	1	10	1
SLP CRS	1,200	55	1,200	55	- 0 -		- 0 -		- 0 -		- 0 -	
Genl CARE	22.8	1	21.7	1	19	2	14	1	10	1	5	1
ST - CARE	71.1		67.6		61		46		31		15	
- CRS	2,124		2,124		920		916		912		910	
G. TOTAL	2,195.1	100	2,191.6	100	981	100	962	100	943	100	925	100

TABLE B
PROGRAM COST BY VOLAG & RECIPIENT CATEGORY
($ 000's)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
MCH - CRS	8,226	8,169	7,724	7,754	7,754	7,754
OCF - CARE	1,375	1,560	1,460	1,139	748	356
OCF - CRS	332	350	286	231	175	144
SLP - CRS	1,823	2,077	- 0 -	- 0 -	- 0 -	- 0 -
GEN REL-CARE	829	730	660	499	356	178
SubTotal-CARE	2,204	2,290	2,120	1,638	1,104	534
SubTotal-CRS	10,381	10,596	8,010	7,985	7,929	7,898
Grand Total	12,585	12,886	10,130	9,623	9,033	8,432
CARE MONETIZATION *				275	597	955

Commodity Price References: FY 84 Commodity Transaction Report; FY 85 STATE 115405; FY 86-89 STATE 120826.

* Estimated four year duration total $ 3.1 million; amounts not included Tables XIII.

TABLE XIII

PL 480 TITLE II

I. Country EGYPT

Sponsor's Name CARE

A. Maternal and Child Health.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
Total MCH			

B. School Feeding.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
Total School Feeding			

C. Other Child Feeding...(BEDOUIN).....Total Recipients 42,000

No. of Recipients by Commodity	Ration KG	Name of Commodity	(Thousands) KGS	RATE MT$	Dollars
42,000	6.5	A.P. FLOUR	3,276	265	868
42,000	3.0	BULGAR	1,512	232	351
42,000	0.5	VEG. OIL	252	955	241
Total Other Child Feeding			5,040		1,460

D. Food for Work.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
Total Food for Work			

E. Other (Specify)..GENERAL RELIEF (BEDOUIN)...Total Recipients 19,000

No. of Recipients by Commodity	Ration KG	Name of Commodity	(Thousands) KGS	RATE MT$	Dollars
19,000	6.5	A.P. FLOUR	1,482	265	393
19,000	3.0	BULGAR	684	232	158
19,000	0.5	VEG. OIL	114	955	109
Total Other			2,280		660

COMMODITY TOTALS	NAME OF COMMODITY	KGS	DOLLARS	RECEPIENTS
	A.P. FLOUR	4,758	1,261	
	BULGAR	2,196	509	61,000
	VEG. OIL	366	350	
	GRAND TOTAL	7,320	2,120	

FY 1987 ANNUAL BUDGET SUBMISSION

TABLE XIII

PL 480 TITLE II

I. Country EGYPT

Sponsor's Name CARE

A. Maternal and Child Health.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
Total MCH			

B. School Feeding.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
Total School Feeding			

C. Other Child Feeding..(BEDOUIN).....Total Recipients 32,000

Mos.	No. of Recipients by Commodity	Ration Kg	Name of Commodity	(Thousands) KGS	RATE	MT$	Dollars
12	32,000	6.5	A.P. FLOUR	2,496	274		684
12	32,000	3.0	BULGAR	1,152	239		275
12	32,000	0.5	VEG. OIL	192	937		180
	Total Other Child Feeding			3,840			1,139

D. Food for Work.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
Total Food for Work			

E. Other (Specify)...GENERAL RELLEF (BEDOUIN)..Total Recipients 14,000

Mos	No. of Recipients by Commodity	Ration Kg	Name of Commodity	(Thousands) KGS	RATE	MT$	Dollars
12	14,000	6.5	A.P. FLOUR	1,092	274		299
12	14,000	3.0	BULGAR	504	239		121
12	14,000	0.5	VEG. OIL	84	937		79
	Total Other			1,680			499

COMMODITY TOTALS	NAME OF COMMODITY	KGS	DOLLARS	RECEPIENTS
	A.P.FLOUR	3,588	983	46,000
	BULGAR	1,656	396	
	VEG. OIL	276	259	
	GRAND TOTAL	5,520	1,638	

FY 1988 ANNUAL BUDGET SUBMISSION

TABLE XIII

PL 480 TITLE II

I. Country EGYPT

Sponsor's Name CARE

A. Maternal and Child Health.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
Total MCH			

B. School Feeding.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
Total School Feeding			

C. Other Child Feeding...(BEDOUINS).....Total Recipients 21,000

Mos.	No. of Recipients by Commodity	Ration Kg	Name of Commodity	(Thousands) KGS	RATE	MT$	Dollars
12	21,000	6.5	A.P. FLOUR	1,638	274		449
12	21,000	3.0	BULGAR	756	239		181
12	21,000	0.5	VEG. OIL	126	937		118
Total Other Child Feeding				2,520			748

D. Food for Work.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
Total Food for Work			

E. Other (Specify)....GENERAL RELIEF(BEDOUINS) Total Recipients 10,000

Mos.	No. of Recipients by Commodity	Ration Kg	Name of Commodity	(Thousands) KGS	RATE	MT$	Dollars
2	10,000	6.5	A.P. FLOUR	780	274		214
2	10,000	3.0	BULGAR	360	239		86
2	10,000	0.5	VEG. OIL	60	937		56
Total Other				1,200			356

COMMODITY TOTALS	NAME-OF-COMMODITY	KGS	DOLLARS	RECEPIENTS
	A.P. FLOUR	2,418	663	31,000
	BULGAR	1,116	267	
	VEG. OIL	186	174	
	GRAND TOTAL	3,720	1,104	

FY 1989 ANNUAL BUDGET SUBMISSION

TABLE XIII

PL 480 TITLE II

I. Country EGYPT

Sponsor's Name CARE

A. Maternal and Child Health.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
Total MCH			

B. School Feeding.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
Total School Feeding			

C. Other Child Feeding (BEDOUINS).....Total Recipients 10,000

Mos.	No. of Recipients by Commodity	Ration Kg	Name of Commodity	(Thousands) KGS	RATE MT$	Dollars
2	10,000	6.5	A.P. FLOUR	780	274	214
2	10,000	3.0	BULGAR	360	239	86
2	10,000	0.5	VEG. OIL	60	937	56
Total Other Child Feeding				1,200		356

D. Food for Work.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
Total Food for Work			

E. Other (Specify) GENERAL RELIEF (BEDOUINS).....Total Recipients 5,000

Mos.	No. of Recipients by Commodity	Ration Kg	Name of Commodity	(Thousands) KGS	RATE MT$	Dollars
2	5,000	6.5	A.P. FLOUR	390	274	107
2	5,000	3.0	BULGAR	180	239	43
2	5,000	0.5	OIL	30	937	28
Total Other				600		178

COMMODITY TOTALS	NAME OF COMMODITY	KGS	DOLLARS	RECEPIENTS
	A.P. FLOUR	1,170	321	
	BULGAR	540	129	15,000
	VEG. OIL	90	84	
	GRAND TOTAL	1,800	534	

FY 1986 ANNUAL BUDGET SUBMISSION

TABLE XIII

PL 480 TITLE II

I. Country EGYPT

Sponsor's Name CRS

A. Maternal and Child Health.....Total Recipients 900,000

MOS	No. of Recipients by Commodity	RATION KG.	Name of Commodity	(Thousands) KGS	RATE MT$	Dollars
12	450,000	1.42	ICSM	7,668	342	2,622
12	450,000	1.0	NFDM	5,400	110	594
12	900,000	0.437	VEG. OIL	4,720	955	4,508
Total MCH			SUB. TOTAL	17,788		7,724

B. School Feeding.....Total Recipients -0-

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
-0-	-0-	-0-	-0-

Total School Feeding

C. Other Child Feeding.....Total Recipients 20,000

MOS.	No. of Recipients by Commodity	RATION KG.	Name of Commodity	(Thousands) KGS	RATE MT$	Dollars
12	12,000	1.0	NFDM	144	110	16
12	20,000	0.45	VEG. OIL	108	955	103
12	20,000	3.0	BULGUR	720	232	167
Total Other Child Feeding			SUB. TOTAL	972		286

D. Food for Work.....Total Recipients

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars

Total Food for Work

E. Other (Specify).....Total Recipients

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars

COMMODITY TOTALS	NAME OF COMMODITY	KGS.	DOLLARS	RECEPIENTS
	ICSM	7,668	2,622	
	NFDM	5,544	610	920,000
	VEG. OIL	4,828	4,611	
	BULGAR	720	167	
GRAND TOTAL		18,760	8,010	

FY 1987 ANNUAL BUDGET SUBMISSION

TABLE XIII

PL 480 TITLE II

I. Country EGYPT

Sponsor's Name CRS

A. Maternal and Child Health.....Total Recipients 900,000

MOS.	No. of Recipients by Commodity	RATION KG.	Name of Commodity	(Thousands) KGS	RATE MT$	Dollars
12	450,000	1.42	ICSM	7,668	357	2,737
12	450,000	1.0	NFDM	5,400	110	594
12	900,000	0.437	VEG. OIL	4,720	937	4,423
	Total MCH		SUB. TOTAL	17,788		7,754

B. School Feeding.....Total Recipients

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
Total School Feeding			

C. Other Child Feeding.....Total Recipients 16,000

MOS.	No. of Recipients by Commodity	RATION KG.	Name of Commodity	(Thousands) KGS	RATE MT$	Dollars
12	10,000	1.0	NFDM	120	110	13
12	16,000	0.45	VEG. OIL	86	937	80
12	16,000	3.0	BULGAR	576	239	138
	Total Other Child Feeding		SUB. TOTAL	782		231

D. Food for Work.....Total Recipients

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
Total Food for Work			

E. Other (Specify).....Total Recipients

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars

COMMODITY TOTAL

NAME OF COMMODITY	KGS	DOLLARS	RECEPIENTS
ICSM	7668	2,737	
NFDM	5520	607	916,000
VEG. OIL	4806	4,503	
BULGAR	576	138	
TOTAL	18,570	7,985	

FY 1988 ANNUAL BUDGET SUBMISSION

TABLE XIII

PL 480 TITLE II

I. Country EGYPT

Sponsor's Name CRS

A. Maternal and Child Health.....Total Recipients 900,000

Mos.	No. of Recipients by Commodity	RATION KG.	Name of Commodity	(Thousands) KGS	RATE MT$	Dollars
12	,000	1.42	ICSM	7668	357	2,737
12	,000	1.0	NEDM	5400	110	594
12	900,000	0.437	VEG. OIL	4,720	937	4,423
	Total MCH			17,788		7,754

B. School Feeding.....Total Recipients

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
Total School Feeding			

C. Other Child Feeding.....Total Recipients 12,000

Mos.	No. of Recipients by Commodity	RATION KG	Name of Commodity	(Thousands) KGS	RATE MT$	Dollars
12	8,000	1.0	NFDM	96	110	11
12	12,000	0.45	VEG. OIL	65	937	61
12	12,000	3.0	BULGAR	432	239	103
	Total Other Child Feeding			593		175

D. Food for Work.....Total Recipients

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
Total Food for Work			

E. Other (Specify).....Total Recipients

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
Total Other			

COMMODITY TOTALS	NAME OF COMMODITY	KGS	DOLLARS	RECEPIENTS
	ICSM	7668	2,737	912,000
	NFDM	5496	605	
	VEG. OIL	4765	4,484	
	BULGAR	432	103	
	GRAND TOTAL	18,381	929	

FY 1989 ANNUAL BUDGET SUBMISSION

TABLE XIII

PL 480 TITLE II

I. Country EGYPT

Sponsor's Name CRS

A. Maternal and Child Health.....Total Recipients 900,000

Mos.	No. of Recipients by Commodity	RATION KG.	Name of Commodity	(Thousands) KGS	RATE	MT$ Dollars
12	450,000	1.42	ICSM	7668	357	2,737
12	450,000	1.0	NFDM	5400	110	594
12	900,000	0.437	VEG. OIL	4,720	937	4,423
	Total MCH			17,788		7,754

B. School Feeding.....Total Recipients

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
Total School Feeding			

C. Other Child Feeding.....Total Recipients 10,000

Mos.	No. of Recipients by Commodity	RATION KG.	Name of Commodity	(Thousands) KGS	RATE	MT$ Dollars
12	6,000	1.0	NFDM	72	110	8
12	10,000	0.45	VEG. OIL	54	937	50
12	10,000	3.0	BULGAR	360	239	86
	Total Other Child Feeding			486		144

D. Food for Work.....Total Recipients

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
Total Food for Work			

E. Other (Specify).....Total Recipients

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
Total Other			

COMMODITY TOTALS	NAME OF COMMODITY	KGS	DOLLARS	RECEPIE
	ICSM	7,668	2,737	
	NFDM	5,472	602	910,00(
	VEG. OIL	4,774	4,473	
	BULGAR	360	86	
	GRAND TOTAL	18,274	7,898	

TITLE II, PL 480 COMMODITIES
ANNUAL ESTIMATE OF REQUIREMENTS — FY 19 85

(See reverse for instructions)

FORM APPROVED
O.M.B. NO. 24-R0051

1. COUNTRY: EGYPT

2. COOPERATING SPONSOR: Catholic Relief Services - USCC

3. RECIPIENT CATEGORIES	3a. NUMBER FEEDINGS DAYS PER MO.	4. NUMBER OF RECIPIENTS	5. NUMBER MONTHS OPERATING	5a. NUMBER DISTRIBUTED PER YEAR	6. PROPOSED DISTRIBUTION a. TCSM b. NUMBER RECIPIENTS	c. RATE KGS	d. (000) KILOGRAMS	a. NFDM b. NUMBER RECIPIENTS	c. RATE KGS	d. (000) KILOGRAMS	a. OIL b. NUMBER RECIPIENTS	c. RATE KGS	d. (000) KILOGRAMS	a. BULGUR b. NUMBER RECIPIENTS	c. RATE KGS	d. (000) KILOGRAMS
Maternal Child Health-Mother	30	450	12	12	225	1.42	3834	225	1	2,700	450	.437	2,360			
Maternal Child Health-Child	30	450	12	12	225	1.42	3834	225	1	2,700	450	.437	2,360			
Preschool Child Feeding	25															
Other Child Feeding	30	24	12	365				14	1	168	24	.45	130	24	3	864
Other Child Feeding	25															
School Feeding	20	1200	7	180				1107	* 1.2	9,489						
Food for Work-Workers	30															
Food for Work-Dependents	30															
Other																
7. TOTAL RECIPIENTS.		2124			450			1571			924			24		
8. TOTAL REQUIREMENTS FOR FY 19							7,668			15,057			4,850			864

ADJUSTED REQUIREMENTS FOR SHIPMENT (METRIC TONS)	TCSM	NFDM	OIL	BULGUR
		* SLP NFDM ration is 1.22449		
9. Quantity on Hand September 30 1983	2582	** 4523	772	1337
10. Quantity Received October 1 through February ~~XXXX~~ 29, 1984	0	3315	1578	199
10a. From Prior Year Approval	0	471	367	0
10b. From Current Year Approval	0	2844	1211	199
11. Quantity on Hand February ~~XXXX~~ 29, 1984	393	1589	1009	1222
12. Quantity Due or Rec'd for Current FY Program After ~~XXXXX~~ March 1, 1984	5469	9940	2742	200
13. Total Line 11 Plus Line 12	5862	11529	3751	1422
14. Projected Distribution March 1 through September 30, 19 84	5592	10343	3556	948
15. Estimated Inventory, September 30, 19 84	270	1186	195	474
16. Desired Operating Reserve	383	666	242	43
17. Adjusted Total Requirements FY 19 85	7781	14537	4897	433

CLEARANCES	SIGNATURE	TITLE	DATE
18. Submitted by (Field Representative)		PROGRAM DIRECTOR	May 2,1984
19. Reviewed and Recommended by US AID or Embassy:		Food For Peace Officer	May 16, 1984.
20. Cooperating Sponsor Approval			
21. ISC/AID - Washington Approval			

AID 1550-3 (1-77) ** 30 Sept. '83 stock of 2861 MT plus 1662 MT carried over due to GOE SLP NFDM/cheese accounting delays

TITLE II, PL 480 COMMODITIES
ANNUAL ESTIMATE OF REQUIREMENTS — FY 19 85

(See reverse for instructions)

FORM APPROVED
O.M.B. NO. 24-R0051

1. COUNTRY: EGYPT

2. COOPERATING SPONSOR: Catholic Relief Services - USCC

3. RECIPIENT CATEGORIES	3a. NUMBER FEEDINGS DAYS PER MO.	4. NUMBER OF RECIPIENTS	5. NUMBER MONTHS OPERATING	5a. NUMBER DISTRIBUTED PER YEAR	6. PROPOSED DISTRIBUTION a. Wheat b. NUMBER RECIPIENTS	c. RATE KGS	d. (000) KILOGRAMS	a. b. NUMBER RECIPIENTS	c. RATE KGS	d. (000) KILOGRAMS	a. b. NUMBER RECIPIENTS	c. RATE KGS	d. (000) KILOGRAMS	b. NUMBER RECIPIENTS	c. RATE KGS	d. (000) KILOGRAMS
Maternal Child Health-Mother	30	450	12	12												
Maternal Child Health-Child	30	450	12	12												
Preschool Child Feeding	25															
Other Child Feeding	30	24	12	365												
Other Child Feeding	25															
School Feeding	20	1200	7	180	1,200	0.75	6,300									
Food for Work-Workers	30															
Food for Work-Dependents	30															
Other																
7. TOTAL RECIPIENTS		2124			1,200											
8. TOTAL REQUIREMENTS FOR FY 19							6,300									

ADJUSTED REQUIREMENTS FOR SHIPMENT (METRIC TONS)	
9. Quantity on Hand September 30 19 83	*** 3065
10. Quantity Received October 1 through February ~~28XXX~~ 29, 1984	0
10a. From Prior Year Approval	0
10b. From Current Year Approval	0
11. Quantity on Hand February ~~28XXX~~ 29, 1984	-1434
12. Quantity Due or Rec'd for Current FY Program After ~~FebXXX~~ March 1, 1984	6344
13. Total Line 11 Plus Line 12	4910
14. Projected Distribution March 1 through September 30, 1984	4594
15. Estimated Inventory, September 30, 19 84	316
16. Desired Operating Reserve	315
17. Adjusted Total Requirements FY 1985	6299

CLEARANCES	SIGNATURE	TITLE	DATE
18. Submitted by (Field Representative)		PROGRAM DIRECTOR	May 2, 1984
19. Reviewed and Recommended by US AID or Embassy	Paul G. Rusby	Food For Peace Officer	May 16, 1984.
20. Cooperating Sponsor Approval			
21. USCC/AID - Washington Approval			

AID 1550-3 (1-77) *** 30 Sept. '83 stock of 1668 MT plus 1397 MT carried over due to GOE SLP Wheat/bread accounting delays

TITLE II, PL 480 COMMODITIES
ANNUAL ESTIMATE OF REQUIREMENTS — FY 19 85

(See reverse for instructions)

FORM APPROVED
O.M.B. NO. 24-R0051

1. COUNTRY Egypt (023)

2. COOPERATING SPONSOR CARE (Sinai).

3. RECIPIENT CATEGORIES	3a. NUMBER FEEDINGS DAYS PER MO.	4. NUMBER OF RECIPIENTS	5. NUMBER MONTHS OPERATING	5a. NUMBER DISTRIBUTED PER YEAR	6. PROPOSED DISTRIBUTION a. All Purpose Flour b. NUMBER RECIPIENTS	c. RATE KGS	d. (000) KILOGRAMS	a. Bulgar b. NUMBER RECIPIENTS	c. RATE KGS	d. (000) KILOGRAMS	a. Soybean Salad Oil b. NUMBER RECIPIENTS	c. RATE KGS	d. (000) KILOGRAMS	a. b. NUMBER RECIPIENTS	c. RATE KGS	d. (000) KILOGRAM
Maternal Child Health-Mother	30															
Maternal Child Health-Child	30															
Preschool Child Feeding	25															
Other Child Feeding (Regular)	30	4000	12	4		3.5	168		3.0	144		0.5	24			
Other Child Feeding (Bedouin)	25	41900	12	4		6.5	3268		3.0	1508		0.5	251			
School Feeding	20															
Food for Work-Workers	30															
Food for Work-Dependents	30															
Other (Adult Health) Reg.		2700	12	4		3.5	113		3.0	97		0.5	16			
(Adult Health) Bed.		19000	12	4		6.5	1482		3.0	684		0.5	114			
7. TOTAL RECIPIENTS																
8. TOTAL REQUIREMENTS FOR FY 19		62600					5031			2433			405			

ADJUSTED REQUIREMENTS FOR SHIPMENT (METRIC TONS)			
9. Quantity on Hand September 30, 19 83	371	1143	149
10. Quantity Received October 1 through February 28, 1984	θ	θ	θ
10a. From Prior Year Approval	θ	θ	θ
10b. From Current Year Approval	816	θ	107
11. Quantity on Hand February 28, 1984	(323)	190	95
12. Quantity Due or Rec'd for Current FY Program After Feb., 19 84	5781	2170	346
13. Total Line 11 Plus Line 12	5458	2360	441
14. Projected Distribution March 1 through September 30, 19 84	5040	2214	366
15. Estimated Inventory, September 30, 1984	418	146	75
16. Desired Operating Reserve 5%	252	122	20
17. Adjusted Total Requirements FY 19 85	4865	2409	350

CLEARANCES	SIGNATURE	TITLE	DATE
18. Submitted by (Field Representative)	Thomas Cardarios	Assistant Country Director	May 1,1984.
19. Reviewed and Recommended by US AID or Embassy:	Paul [illegible]	Food For Peace Officer	May 6,1984
20. Cooperating Sponsor Approval			
21. ISC/AID - Washington Approval			

AID 1550-3 (1-77)

FY 86 ABS

PVO (NON TITLE II) PROGRAMS

COMPLEMENTARY INPUTS - VOLUNTARY AGENCY

NARRATIVE.

I. Mission Policy:

USAID funding support to PVO's, including dollars and Mission-administered reflows under the Local Currency Turst Fund, is based on the following fundamental objectives:

(a) Title II - to facilitate and to enhance the utilization of PL-480 Title II food resources.

(b) Title II - to increase food self reliance and to reduce and ultimately eliminate the need for Title II imports.

(c) Non Title II - to promote activities in support of Egypt's major development goals in food, health and income generation which are compatible with US development policies for Egypt.

Thus, while reducing PL-480 Title availabilities to Egypt and sharpening the focus of those Title II resources remaining, the USAID strategy attempts to draw upon the developmental expertise of U.S. volags, and to demonstrate a methodology whereby US volags, without depending upon PL-480 Title II, may continue to participate as development partners both as intermediaries for AID and as independent development agencies in their own right. This policy is reflected in the FY 86 CDSS.

II. The source of funding for these activities is within the following established ESF framework, and does not increase the total dollar resource flow to Egypt:

(a) from ESF Technical and Feasibility Studies unmbrella project 0102.

(b) from ESF regular projects,components of which are applicable and appropriate for Volag implementation.

The following table describes the magnitude and source of these funds for the next years.

ESF $ AND LOCAL CURRENCY
PVO BUDGET FY 84 - FY 87

VOLAG	CATE-GORY	ACTIVITY	FY 84 (000)	FY 85 (000)	FY 86 (000)	FY 87	TOTAL (000)
CRS	1	Intensive Fish Culture - Alex	X	X			
CRS	1	Multicrop Thresher II (A)+III	LE 294	LE3,184	X	X	LE 3,478
CARE	1	High Dam Fisheries II	$ 320 LE 487	X	X		$ 320 LE 487
CRS	1	Multicrop Thresher - Int'l			LE1,000	X	LE 1,000
CRS	1	Duck and Fish Production		LE 600	X	X	LE 600
CARE/Sinai	1	Access to Essential Commodities			$ 355 LE 950	X	$ 355 LE 950
CARE/Sinai	1	Lake Bardwil Fish Production			$1,655 LE 275	X	$ 1,655 LE 275
CARE/Sinai	1	Range Land Conserv. & Dev.			$ 555 LE2,150	X	$ 555 LE 2,150
MOH/NI	1	Weaning Food Supplement		$2,600 LE 470	X	X	$ 2,600 LE 470
Sub Total							$ 5,485 LE 9,410
CRS	2	Nutrition Education II	$ 263 LE 781	X	X		$ 263 LE 781
CARE/Sinai	2	Primary Health Care			$ 290 LE 460		$ 290 LE 460
Sub Total							$ 553 LE 1,241
CRS	3	Revival Raw Silk Production	LE 112	X	X	X	LE 112
CRS	3	CEOSS Income & Employment	LE 261	X	X		LE 261
SAVE	3	Rural Development El Minia	$ 121 LE 115	$ 24 LE 25	$ 125 LE 150	X	$ 270 LE 290
VITA	3	Appropriate Technology		$ 500 LE 500	X	X	$ 500 LE 500
CRS	3	Urban Train & Small Loan		$ 75 LE 836	X	X	$ 75 LE 836
CRS	3	Nubian Development Fund			LE 250	X	LE 250
CARE/Sinai	3	Family Income Generation			$ 640 LE1,705	X	$ 640 LE 1,705
Sub Total							$ 1,485 LE 3,954
		T O T A L	$ 704 LE2050	$3,199 LE5,615	$3,620 LE6,940		-$ 7,523 LE 14,605

X = Currently underway; project continues this year.
$ & LE = New starts.

Category Codes:

1 = Food production, processing, utilization and storage activities.
2 = Health care and health education activities.
3 = Employment and income generation activities.