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NEIGHBORHOOD URBAN SERVICES PROJECT EVALUATION

PHASE III

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NEIGHBORHOOD URBAN SERVICES EVALUATION PROJECT

PHASE III

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ANNEX 1:
SURVEY OF LOCAL GOVERNMENT AND NUS SUBPROJECTS

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EXECUTIVE SUMMARY

INTRODUCTION

The stated goals of NUS are 1) to contribute to the improvement of the quality of life of the population of Greater Cairo and Alexandria through the provision, and improvement of basic services and infrastructures and 2) to use procedures that promote the Government of Egypt's decentralization policy. In the process, the capacity of the districts to plan and execute improvement projects was to be enhanced through the provision of training for local government personnel in the form of short-term training and on-the-job experience as participants in decision-making or as administrators and executors of various phases of project activities.

LOCAL GOVERNMENT DECENTRALIZATION AND PUBLIC PARTICIPATION

It is within the framework of the existing local government system, initiated in 1960 and increasingly strengthened over the years, that the NUS Project operated. To evaluate the role that NUS played in the system, it was deemed important that the views of various categories of participants in it be solicited concerning the manner in which the local government system itself is carrying out, in practice, its decentralization and popular participation policies. It was also thought necessary to obtain their opinions about how the NUS Project and its program of service improvements related to the local government system and the extent to which they felt it contributed to the reinforcement of local government policies. Although some of the outlooks are naturally biased, as each category would tend to view the system and the NUS contribution from its own vantage point and to be influenced by its own definition of its rights and responsibilities within it, it was felt that an examination of these views, with whatever points of differences or of strain they reveal, are important. After all, it is these people who make up the system and they are the ones who must sustain whatever new approaches have been introduced by NUS.

The survey covered 121 local government personnel in 13 districts (ten in Greater Cairo and three in Alexandria). The interviewees included 20 members of popular councils, 23 district chiefs or general secretaries, 18 heads of planning and finance, 25 project or housing engineers, and 35 representatives of service ministries. The response obtained through personal interviews show that the participants in the local government system are very much aware of and are committed to its overall goals. Most of them are sophisticated in their analyses of its achievements so far, as well as of the difficulties that stand in the way of a full realization of its goals. They speak frankly of what they perceive as the shortcomings of the system and are conscious that local government still has some way to go to reach the desired

decentralization and popular participation.

The opinion survey revealed that the local government system is generally seen as not decentralized enough because, according to respondents, the main financial resources are still centralized as are the planning and execution of large-scale projects. The lack of well-trained technical staff at the district level and the fact that the appointment, promotion, and transfer of service ministries' personnel are still centralized are also viewed by some as impedements to decentralization.

The study also pointed to notable differences between the viewpoints of some of the executives, particularly service ministries' personnel, on one hand, and of popular representatives, on the other. Whereas the latter find that there is still need for greater participation of the Popular Council in decision-making; some of the former believe that the involvement of popular representatives in decision-making and in the follow-up of the work of the technical personnel acts, at times, as a constraint impeding the efficient implementation of their particular programs.

Operating within the above context, the NUS Project has acted as a much needed lubricant for the more effective functioning of the local government system at its grass roots. By providing funds for the execution of service improvement and infrastructure projects of a size that can be planned and executed by the districts, NUS injected the necessary fuel into the local government system to energize the processes of decentralization and of popular participation. As some members of the local government personnel expressed it, "Without projects at the district level like those of NUS, how can you talk of decentralization?" and "How can the districts become independent without local resources?"

At the same time that NUS helped accelerate the process of decentralization, it also provided the opportunity for areas of weakness and points of strain in the local government system to reveal themselves. This should be seen as a positive result because the recognition of these shortcomings generated discussion and debate and prompted attempts to come to grips with such basic issues as: how much decentralization and how much central control are necessary to meet the real needs of the people while, at the same time, achieve a geographically balanced and equitable development; what is the role and authority of the executives and of the popular representatives; how much authority over the executives should the popular representatives wield and how much freedom is necessary for public servants, particularly technical service staff, to decide on and to execute programs relating to their own fields of responsibility and expertise.

While many found that the NUS Project was different from the usual service improvement programs, in that its funding and execution contributed in a basic way to decentralization, fewer mentioned the role of NUS in encouraging popular participation.

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It seems that the activities of NUS involved more directly, and the TA team worked more closely with, the government personnel than the popular representatives. A number of Popular Council members remarked that the NUS Project did not encourage enough their participation in decision-making or in training programs. Five of them, to make the point strongly, did not approve the condition set by the NUS project that NUS sub-projects be planned and executed at the district level, explaining that they refuse to approve such a condition so long as Popular Council members are not allowed to participate more fully in decisions relating to such district projects.

It is important that the participation of the elected members of the local government system be given special attention. As it is composed today, the Popular Council is the youngest body in the local government system and the role of its members may not be as clear and well-defined as those of the personnel of local government, per se, and of the service ministries, both of whom constitute the Executive Council. This role needs to be defined in such a way as to encourage their more effective participation as representatives of and spokesmen for the general public and as potential mobilizers of community resources and talents in the service of the district. The participation of the general public by communicating its general opinion or by providing additional resources was not very apparent in the NUS program.

The voluntary agencies represent another important venue for public participation, but the PVO leadership is not always emanating from the district it serves. A number of community development voluntary associations, however, do exist whose leadership comes from within the district and whose main goals are to mobilize community resources for upgrading neighborhood services and the quality of the environment. Such associations need to be encouraged and their work facilitated through the provision of technical assistance and managerial training to expand their service and increase their impact.

CAPACITY-BUILDING

Sustaining the goals of the local government system of decentralization and popular participation needs funds, activities, but more important still, people at the district level with the skills and capabilities necessary to keep the system moving efficiently and effectively. NUS, in recognition of this, has included in its program an important training component. As mentioned earlier, the NUS training took two forms - formal, short-term training sessions and on-the-job experience for the personnel of the district.

NUS provided the opportunity for the various categories of local government personnel to be involved, in varying degrees, in the whole gamut of activties related to project execution - the assessment of needs, the determination of priorities; and the planning, designing, follow-up and supervision of projects. This type of learning-by-doing was highly appreciated by most of the

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local government personnel involved, who indicated that they had benefited greatly from it. A large number also expressed their appreciation of the opportunity to work in conjunction with the TA teams and felt that they had learned much from the experience, both in terms of technical know-how and managerial skills.

The execution of NUS subprojects allowed the various bodies of the local government system - namely the Executive Council and the Popular Council - greater opportunity for interaction and cooperation and for the members to gain added experience in the exercise of their respective rights and responsibilities. There were wide differences, however, among the districts as to how smoothly and effectively cooperation was achieved between the Executive and Popular Councils. According to observers, much depended on the quality of leadership in these bodies.

Insofar as the more formal, short-term training is concerned, just over half of the local government personnel interviewed had participated in formal training organized by NUS. Most of these felt that this training was useful; but three-quarters of those who had attended felt that additional or improved training was needed. In particular, they felt that it should be of longer duration than the few days or weeks during which some of the training was offered; and that it should be of a more practical nature and more directly relevant to their specific jobs. They expressed the need not only for more technical training, especially for engineers, but for practical training in management, in project planning and execution, and in dealing with local government procedures and processes. They would like to see changes in the methods of training, with a greater use of field visits to observe and study actual, on-the- ground projects. Furthermore, they would like to have more workshops using case studies for debate and discussion, and fewer theoretical, academic lectures.

The NUS experience also pointed to the great need of building the capacities of the districts themselves to undertake the type of construction, renovation, and maintenance activities that were involved in the execution of NUS funded projects. The most frequently mentioned difficulty that faced local government personnel in their work within the NUS Project was the poor performance of the contractors, specifically the latter's inability to meet deadlines or to undertake quality work. The lack of skilled workers for the small-sized projects that are likely to be undertaken at the district level can be a serious obstacle to any attempt at increasing the decentralization of project execution.

Although Egypt has been known for its abundance of skilled workers and master craftsmen, in recent years it has seen a decline in their numbers and quality. This is due to two factors - international labor out-migration and the expansion of free and cumpulsory education. The former has drained the country from some of its skilled talent; while the latter has drawn the young away from the apprentice-type training (traditionally provided

in what were family-type workshops) and into the general school system with its limited emphasis on the teaching of practical skills.

It is suggested that workshops be established in the districts that would retain some of the features of the traditional apprenticeship system in which the young learn under the supervision of a master craftsman or "osta", while at the same time providing trainees with the opportunity to receive at least the minimum schooling prescribed by law. Such workshops may be either totally private or semi-private; but there should be a formal relationship between them and the district, a formal system for the recruitment and graduation of the trainees, and provision for their eventual deployment within district projects. This proposal may be timely at this particular juncture because of the recent trend that has seen large numbers of Egyptian skilled workers returning from countries to which they had migrated.

DISTRICT SERVICE AND INFRASTRUCTURE IMPROVEMENTS

Through the planning and/or execution of 2793 subprojects over a five-year period, NUS achieved its goal of helping upgrade and expand existing basic services and essential infrastructures that are of direct benefit to the public, particularly of the less-advantaged areas. This evaluation is strongly endorsed by the personnel of local government and by popular representatives, most of whom stated that the main achievement of NUS was that it actually helped realize greatly needed projects. Furthermore, the project users (who included the persons in charge of services and members of the public at large) felt that, to a large degree, the successfully executed projects did indeed meet important needs.

There were, however, some reservations. Many do understand that the type of projects NUS executed were those that are not usually covered by the regular budgets; that there is a need to spread benefits, and that projects have to be of a size that can be planned and executed within the capacities available at the district level. However, they are left with a sense of frustration because of the large magnitude of needs in every service sector and the fact that NUS only addressed a small number of their many problems.

Many saw the upper funding limit of LE 83,000 as the most negative aspect of NUS, the second being the restriction that the projects be limited to improvements or extensions of existing services and facilities. They felt that, if NUS goals are to assess and meet the most urgent needs of the district, then the extent to which a project meets such needs should be an important criterion not to be subordinated to what is seen as an arbitrary funding limit. These conditions, it is felt, resulted in projects that are essential and much appreciated, but that are in no way the only nor necessarily the most essential ones.

The other reservation concerning the impact of NUS on district

improvements has to do with the quality of some of the work executed on a large number of the projects. Most of the blame was placed on the contractors, some of whom were found to be incompetent. Occasionally, blame was also directed to NUS in cases where the executed project provided only fragmentary and partial improvements or did not include essential equipment for it to achieve a genuine improvement of a service or an infrastructure.

Behind some of the reservations seems to be the following uneasiness or concern: Is NUS a one-shot affair? Is there an after-NUS? If there is no sequel, then how will all the other needs be taken care of?

There would have been a better understanding of the limits within which NUS has been operating and some notion as to what to expect in the future if NUS had been presented, not as an independent project, but as part of a comprehensive plan to upgrade and expand district services and facilities. Such a plan would necessarily indicate short-term and long-term targets, funding sources, and division of responsibilities between various levels of local government.

Many of the NUS subprojects would have been taken care of if funds had been available, over the years, to take care of maintenance and of the gradual expansion of facilities and equipment within the services and infrastructures of the districts. By the same token, continuity of the NUS-type program would be assured if regular budgets for maintenance, small improvements and additions were to be made available in the future.

To be able to continue programs similiar to the NUS, given the current funding limitations which are likely to extend into the future, the encouragement of the participation of the general public (whether through the PVOs, the Popular Councils or other direct means) can perhaps provide an important source of funds and of energy to ensure that what NUS started does not become the end of the road.

CHAPTER ONE

INTRODUCTION

1.1 INTRODUCTION

This report presents the results of sample surveys conducted by the Social Research Center of the American University in Cairo as part of the Final (Phase III) Evaluation of USAID's Neighborhood Urban Services Project.

This chapter discusses the conceptual framework followed in this aspect of the evaluation. It also describes the methodology used in the study and the samples selected. Furthermore, it indicates how the data are presented in subsequent chapters.

1.2 CONCEPTUAL FRAMEWORK

At its beginning in 1981, USAID's Neighborhood Urban Services (NUS) Project was described as having "the general goal of contributing to an improved quality of life for the population of Greater Cairo and Alexandria through the provision of needed basic services and infrastructure using procedures that promote the GOE's (Government of Egypt's) decentralization policy" (Project Paper 1981:7). The beneficiaries of the project were seen as including:

a. Employees of government agencies or private voluntary organizations (PVO's) who are trained and participate in the project; and

b. The residents in the low-income neighborhoods where the actual sub-projects are sited (Cf. Project Paper 1981:30).

The conceptual framework, or approach, used in this aspect of the Final (Phase III) Evaluation of the NUS project has been to consider that:

a. The GOE has had, for many years, a policy and structure of decentralized government, and its local units have a system for defining and addressing the needs of the local government unit (in this case, the urban district); and that

b. Given this existing structure and system, NUS should be seen as providing certain additional inputs, that, if successful, would make the already existing system more efficient and effective in meeting its own goals.

With these two points in mind, it is possible to evaluate whether NUS met its own goals and to assess its overall impact.

To do this, we first look at the local government system, including selected characteristics of its personnel and their evaluations of whether local government has achieved its basic

goals of decentralization and of public participation and of whether there are problems in work and decision-making among the various bodies which compose the local government system in the districts (i.e. the local popular council and the district executive council, which is composed of cadres of employees of the Ministries of Local Government, Planning, Housing, Projects and Finance and of the Service Ministries of Education, Health, Youth and Sports, and Social Affairs).

From the perspectives of members of the local Popular Councils and of government officials in the districts (as derived from interviews with them), we then consider the goals and the activities of the NUS project and whether these differed from what is regularly done--in terms of a number of different issues, including needs assessment and final project selection, contracting, project supervision and follow-up, and maintenance.

This study also looks at the sub-projects from the perspectives of those who are involved in administration at the sites where sub-projects were implemented and, in the case of infrastructure sub-projects, of members of the public at large. Finally, from the perspectives of Popular Council members and of government officials, the importance of NUS sub-projects and NUS-related work in the context of the regular activities and work of districts is considered. In the same manner, NUS-sponsored training is addressed and compared to respondents' evaluations of other similiar training they have received.

1.3 EVALUATION METHODOLOGY AND SAMPLE SELECTION

The methodology used in this aspect of the evaluation has been that of sample surveys of personnel involved in local government at the district level, of personnel in charge of activities at both government and PVO sites where NUS sub-projects have been implemeted, and, in the case of public utility and infrastructure sub-projects, of the public at large.

The aim is to provide information on what was accomplished by NUS based on the perspectives of officials whose duties include work related to the NUS program and of "users" at sub-project sites. As such, this activity is intended to complement other sources of data on NUS that may derive from, for example, records or direct observation.

The total universe of districts in Greater Cairo and Alexandria were 23 in 1986--12 in the Governorate of Cairo, three in Giza, two in Qaliubiya, and six in Alexandria. A sample of 13 districts was chosen. The criteria for selecting districts were geographical distribution, size of sub-projects as measured in amounts allocated, and district performance ratings.

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To meet the criterion of geographic distribution, a total of eight districts from the Governorate of Cairo, three from Alexandria, and one each from Giza and Qaliubiya were selected. Within Cairo, two districts were selected from each of its four zones (north, south, east, and west). Within Alexandia, one district was selected from each of its three zones (east, central, and west).

To meet the criterion of size of sub-projects, districts with the largest amounts of allocations, based on records of the Technical Assistant (TA), were selected as follows: one each in three zones in the Governorate of Cairo and one each in Giza, Qaliubiya, and Alexandria. Districts selected on the basis of medium-sized allocations include one each in three zones in Cairo. Districts with the smallest amount of allocations were selected as follows: one each in two zones in Cairo and one each in two zones in Alexandria.

The performance ratings of districts were derived from information provided by the TA. High-rated districts were chosen as follows: four in the Governorate of Cairo, one in Giza, while low-rated ones include also two in Cairo. (No ratings were available for Qaliubiya).

Table 1.1 presents the selected districts and their characteristics:

TABLE 1.1
SELECTED DISTRICTS AND THEIR CHARACTERISTICS

DISTRICT	GEOGRAPHICAL ZONE	SIZE OF PROJECT	RATING
East (Cairo)	Cairo East	Large	Low
Waily	Cairo East	Medium	High
Central	Cairo West	Large	High
West (Cairo	Cairo West	Medium	Medium
Shoubra	Cairo North	Large	High
Zeitoun	Cairo North	Small	Low
Helwan	Cairo South	Medium	Medium
South	Cairo South	Small	High
West (Giza)	Giza	Large	High
East (Qali.)	Qaliubiya	Large	-
East (Alex.)	Alex. East	Large	High
Gumruk	Alex. Mid-town	Small	High
Amreya	Alex. West	Small	High

Within each district, two different interview schedules were administered to four different samples of respondents. Each interview schedule consisted of both open-ended and close-ended questions. Each interview schedule was also pre-tested before being applied. (Copies of English translations of the interview schedules are attached as Appendix B.)

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TABLE 1.2
NO. OF RESPONDENTS IN DISTRICTS / BY POSITION

POSITION-> / DISTRICTS (Count / Row Pct / Col Pct)	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
East (Cairo)	2 20.0 10.0	2 20.0 8.7	1 10.0 5.6	2 20.0 8.0	3 30.0 8.6	10 8.3
Wally (Cairo)		2 28.6 8.7	1 14.3 5.6	1 14.3 4.0	3 42.9 8.6	7 5.8
Central (Cairo)	1 12.5 5.0	1 12.5 4.3	2 25.0 11.1	1 12.5 4.0	3 37.5 8.6	8 6.6
Zeitoun (Cairo)	2 25.0 10.0	1 12.5 4.3		1 12.5 4.0	4 50.0 11.4	8 6.6
Helwan (Cairo)	2 25.0 10.0	2 25.0 8.7	1 12.5 5.6		3 37.5 8.6	8 6.6
Shoubra (Cairo)	1 10.0 5.0	2 20.0 8.7	1 10.0 5.6	3 30.0 12.0	3 30.0 8.6	10 8.3
West (Cairo)	1 12.5 5.0	2 25.0 8.7	2 25.0 11.1	2 25.0 8.0	1 12.5 2.9	8 6.6
South (Cairo)	1 16.7 5.0	1 16.7 4.3	1 16.7 5.6	2 33.3 8.0	1 16.7 2.9	6 5.0
East (Alexandria)	3 27.3 15.0	2 18.2 8.7	1 9.1 5.6	3 27.3 12.0	2 18.2 5.7	11 9.1
Gumruk (Alexandria)	2 18.2 10.0	2 18.2 8.7	2 18.2 11.1	3 27.3 12.0	2 18.2 5.7	11 9.1
Amreya (Alexandria)	2 22.2 10.0	2 22.2 8.7	1 11.1 5.6	2 22.2 8.0	2 22.2 5.7	9 7.4
West (Giza)	2 13.3 10.0	2 13.3 8.7	4 26.7 22.2	4 26.7 16.0	3 20.0 8.6	15 12.4
East (Qaliubiya)	1 10.0 5.0	2 20.0 8.7	1 10.0 5.6	1 10.0 4.0	5 50.0 14.3	10 8.3
Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q9/Q7.

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One interview schedule was designed for and administered to local government personnel in each of the selected districts. These personnel included representatives of the local popular council (the president and one member); members of the district executive council; and engineers in the district.

In each district, members of the research team conducted interviews in Arabic with a wide range of personnel. No attempt was made to interview all of the local government personnel in a district; however, the researchers were instructed to interview the NUS coordinator in the district and to be sure that they obtained interviews with all of the various sub-categories of personnel. Table 1.2 shows all of the local government personnel by position and district for whom completed interviews were obtained.

The other interview schedule was designed for and administered to sub-project "users". One was for the principal person in charge at sites where sub-projects (other than infra-structure sub-projects) were implemented. The other was for members of the public at large at sites where infrastructure sub-projects were implemented.

Before describing how sub-project sites were selected, a note concerning the concept of "user", as employed in this study, is in order. The "users" of an NUS sub-project are potentially multitudinous and, depending on the case, could include all of the residents of a district or all of the present and future users of a service. It was decided that the use of "user" in this broad sense would be both impractical and inappropriate. It would be impossible, given the constraints of time and resources, to conduct interviews with a meaningful sample of district residents or of users of a service such as that provided by schools or health centers. Furthermore, even if such a survey were possible, the results would be misleading since one could not expect that respondents would actually have enough information about a sub-project to discuss it or to express meaningful opinions about it.

Therefore, it was decided to employ the concept of "user" in a more limited way. The person most likely to know about a sub-project and to be able to provide reliable information about its use should be the person in charge of the site where the sub-project was implemented--for example, the head master at a school, the director at a health center, the director at a youth center, or the administrator at a PVO activity-site. Accordingly, it was decided to interview such people at a sample of sub-project sites.

In the case of public utility and infrastructure sub-projects, however, there was no such person in charge at the site. It was, therefore, decided to interview a selection of nearby residents, shop-keepers, and passers-by at such sites that were chosen in the sub-project sample.

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The samples of both government and PVO sub-projects were chosen on the basis of district and type of sub-project. It was decided that 100 government and 100 PVO sub-projects would be chosen in the 13 selected districts mentioned above. The total number and type of sub-projects selected for each district was proportionate to the total number of sub-projects in all 13 selected districts (based on records of the TA). From this, 50% samples of both goverment and PVO sub-projects were chosen.

Tables 1.3 and 1.4 (presented in Appendix A) show the total number of sub-projects by type and district where interviews were actually conducted. As can be seen by reference to the tables, 43 government and 44 PVO sub-projects actually yielded data. These are less than the 50 originally sampled for each type. This is either because the sub-projects were still under construction or because it was impossible to obtain access to them.

1.4 ORGANIZATION OF THE REPORT AND PRESENTATION OF DATA

The presentation of data in this report follows from the conceptual framework of the study as a whole. Chapter two presents information on the local government system, which is considered to be the basic context within which NUS as a program was operating. Data on the characteristics of personnel engaged in local government work are first presented. These include items such as sex, age, educational background, years in local government, and years in present job.

This is then followed by a discussion of respondents' evaluations about whether local government has achieved its basic goals of decentralization and popular participation and the reasons they give for why it has or has not achieved them.. Also, problems that respondents feel exist with regards to work and decision-making in the local government system are discussed in this section.

Chapter three focuses on the NUS project in terms of its goals and procedures, and compares these to the already existing goals and procedures that are regularly followed in the district. The aim in this chapter is to consider to what extent NUS was basically different from the regular program of the districts and, if so, how it was different. Also, if respondents indicate that it is different, how do they evaluate it in comparison to their regular program and have they adopted any of the different goals and/or procedures? This chapter also presents the results of interviews with the directors at sites where sub-projects were implemented and with members of the public at infrastructure sub-project sites.

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Chapter four presents data on how respondents evaluate the impact of NUS on their workloads and capacities, including training.

The conclusions that can be drawn from this study are presented as an executive summary at the beginning of this report.

Most of the Tables are reproduced in Appendix A. However, Tables that are especially important to the analysis are reproduced in the text.

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CHAPTER TWO

THE LOCAL GOVERNMENT SYSTEM

2.1 INTRODUCTION

The level of local government that we are concerned with in this study is the urban district. In the governorate of Cairo, there are 12 such districts. In Giza, there are three; in Qaliubiya, two; and in Alexandria, six.

In each district, there is the district Popular Council, which is composed of six elected representatives, one of whom serves as president.

There is also the district executive council, which is composed of employees of various ministries. The members of the executive council include the District Chief and the Secretary General, both of whom are employed by the Ministry of Local Government. There are also the Directors of Planning and Follow-up, Finance, Housing, Projects, Health, Education, Youth and Sports, and Social Affairs--all of whom are employed by their respective Ministries but all of whom serve in the district and come under the general supervision of the District Chief. In each district, there are also engineers and other employees who do not serve on the executive council.

This chapter presents data based on 121 interviews conducted by the Social Research Center of the American University in Cairo with popular council members and government officials in 13 districts. The data presented here deal with selected characteristics of local government personnel and with their evaluations of the present local government system.

2.2 SELECTED CHARACTERISTICS OF LOCAL GOVERNMENT PERSONNEL

Tables 2.1 through 2.7 present data on sex, age, educational levels and background, period of time in present position and in the district, previous positions, and period of time involved with the NUS project. These are presented in Appendix A.

As can be seen by reference to Table 2.1, the majority (79.3%) of the respondents are male. While all of the district chiefs and secretary generals are male, females are relatively well represented in other categories. Half of the Directors of Planning and Follow-Up and of Finance are female, while just less than one quarter of the directors of Projects and of Housing and Engineers and of the Service Ministry directors are female.

Table 2.2 presents data on the age categories of the respondents. The majority, 61.2% are between the ages of 40 and 54. As many as 18.2% are between 55 and 59 and are thus nearing retirement.

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Members of the Popular Councils are spread throughout the age categories and thus include younger people along with middle-aged and older people. As a group, the district chiefs and secretary generals are older than other categories, although they are not unlike Service Ministry directors in terms of age.

Table 2.3 shows the educational levels achieved and general educational backgrounds of the respondents. Those with the lowest levels of education achieved were some members of the popular councils and some of the engineers. Only one member of the Popular Councils, however, had achieved only a primary school certificate (not shown in the table) while all the rest had completed at least secondary school.

Almost one third of the category of district chiefs and secretary generals had graduated from the police or military academies, with some of these having completed other higher level degrees as well.

In general, most respondents had completed at least a B.A. or B.Sc. degree. As many as 20.7% had completed M.A. or M.Sc. degrees.

Tables 2.4 through 2.7 show the periods of time that respondents have spent in local government, how long they have been in their present jobs and in their present districts, and how long they have been involved in NUS.

Overall, about three quarters of the respondents have worked in local government for ten years or more, with members of the popular councils tending to have fewer years of service than members of other categories.

Quite a large percentage of the respondents have been working in local government for long periods of time. As many as 20.7% said they have spent 25 years or more in local government. This is particularly true for the category of Service Ministry directors, of whom 48.6% have 25 years or more of service in local government.

Relatively few of the respondents are new to local government, only 12.4% saying they have been working in this field for 1 to 4 years. Most of these are either popular council members or district chiefs or secretary generals.

While some of the district chiefs and secretary generals are relatively new to local government, it should be pointed out that quite a few (over one third of the category) have 20 years or more of service in local government.

While most of the respondents have long years of service in local government, many are relatively new to their present positions. As many as 18.0% have been in their present jobs for one year or

less. On the other hand, almost one fourth have been in their present jobs for six years or more. The remainder lie in between.

Those with the longest numbers of years in their present jobs are in the category of directors of Planning and Follow-up and of Finance. The majority of the other employees have been in their present jobs for less than four years, as can be seen by reference to Table 2.5 below.

As Table 2.6 shows, a significantly large percentage of employees have spent five years or more in the district in which they are presently working (37.0%). The remainder have all spent less time in the present district.

Taken together, the data from these tables indicate that while most employees have long periods of service in local government, there is a modest degree of job turn over and of movement from one district to another.

As Table 2.7 indicates, most of the local government personnel have been involved in NUS for at least part of its existence. As many as 43.8% indicated that they have been involved with NUS between three and five years. However, as many as 16.5% did not answer the question, thereby indicating that they may not have been involved in NUS at all.

2.3 RESPONDENTS' EVALUATIONS OF PRESENT LOCAL GOVERNMENT SYSTEM

In this study, members of the popular and executive councils and a few engineers were asked to evaluate the local government system with respect to its having achieved the basic goals of decentralization and of public participation. They were also asked whether there are any problems with respect to work and decision-making among the different bodies in the local government system.

2.3.1 ACHIEVEMENT OF DECENTRALIZATION GOAL

As can be seen by reference to Table 2.8 the majority of respondents (67.8%) stated that the local government system had partially achieved its basic goal of decentralization, while 9.1% felt that it had fully achieved this goal. All of those who felt that decentralization had been fully achieved were government officials. None of the members of the Popular Councils felt this way.

Among the 14.9% who said that the system had not achieved its decentralization goal at all were thirty percent of the members of Popular Councils.

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TABLE 2.8
RESPONDENT'S EVALUATION OF WHETHER DECENTRALIZATION GOAL ACHIEVED BY LOCAL GOVERNMENT / BY POSITION

POSITION-> / GOAL (Count / Row Pct / Col Pct)	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
Not Achieved	6 33.3 30.0	4 22.2 17.4	2 11.1 11.1	1 5.6 4.0	5 27.8 14.3	18 14.9
Partly Achieved	14 17.1 70.0	16 19.5 69.6	13 15.9 72.2	14 17.1 56.0	25 30.5 71.4	82 67.8
Fully Achieved		3 27.3 13.0	2 18.2 11.1	2 18.2 8.0	4 36.4 11.4	11 9.1
NA			1 10.0 5.6	8 80.0 32.0	1 10.0 2.9	10 8.3
Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q18/Q7.

Judging from the responses of the people who, in one capacity or another, are involved in the local government process and form part of its formal structure at the local district level, there is no doubt that there exists a general concensus and commitment to the overall goals of local government--namely, decentraliztion and public participation. However, the perception of different categories of local government personnel per se (the representatives of service ministries and elected members of Popular Councils) as to the extent to which these goals have been realized in practice, and the factors responsible for some of the shortcomings does show some variations. These reflect the different vantage points from which each group views the local government process.

The few who found that the local government had totally achieved its goals of decentralization, none of whom are from the Popular Council, said that the districts have budgets and authority to decide on their needs and programs, and that the workers at the district level are better acquainted than the central authorities with the people's needs because they are in direct touch with them. Some of the answers speak of the existence of more decentralization "now"--an oblique reference to NUS; while some clearly stated that since the implementation of the NUS program, the districts have enjoyed the funds and the authority to serve the needs of the district.

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Typical answers:

- Decentralization has achieved its goals to a large extent. The presence of the service personnel in the district itself enables them to get acquainted with people's problems and the needs of the area, especially that they can move easily around the one district without serious transportation difficulties. There is greater involvement of the executive body with the public. This is just the opposite of what used to be the case in the old centralized system wherein all the services were offered through the governorate.

- Each district has now become independent having its own special projects, especially with the advent of the NUS projects wherein the funding and execution are undertaken through the district.

- Decentralization goals have been achieved because now (since NUS) the districts enjoy all the necessary authority to serve the masses. It has supervisory authority over projects, an independent budget, as well as a plan detailing the projects that meet the needs of different sections of the district -- such as clinics, schools, roads.

- The multiplicity of supervisory bodies at the Governorate, the Ministry and the district levels ensures commitment and increased effort on the part of the workers, which must inevitably result in successful projects.

Those who said that the local government decentralizations goals have been only partially achieved, and they represent the large majority of respondents, gave the following as explanations: There is not enough decentralization in funding (some mentioning NUS and the Services Funds as exceptions) and no investment funds, hence little scope for decision-making at the district level; decisions at the district level still have to be submitted for approval to bodies at the governorate level (be it those of the executive or the popular councils), larger projects are planned and executed centrally; some technical ministries, particularly those concerned with infrastructures keep central control over their projects; there are not enough high caliber technical personnel at the dsistrict level; the appointment and promotion and transfer of staff are centrally handled; the popular council has no control over decisions nor over finances; and Popular Council members are not trained enough to assume their responsibilities.

Typical answers:

- There is not enough decentralization because all financial resources are centralized. How can the district become independent without local resources?

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- The NUS funds and the Services Fund are decentralized but the general budget is still centralized... Larger projects serving the district are still in the hands of the governorate and there are no investment funds at the district level.

- There is no decentralization with respect to section (Bab) III of the budget, i.e. investments. I have freedom of decision in relation to Section I -- salaries and wages -- and Section II - maintenance and daily operations. But all investments are centralized in the governorate. The budget for the services is in the hands of the governorate, which puts out tenders, decides on the contractors and supervises the execution. We help in the supervision, that is all. We in the districts are only stage extras.

- It is not decentralized enough because there are no financial resources at the district level. It is not a decentralization in government but only a decentralization in one administrative aspect, and that is in the supervision of the services. To achieve real decentralization ou must have financial resources for the districts to utilize without recourse to central bodies, provide adequate experience for the popular leadership to be able to carry out its responsibilities and man the executive bodies with especially trained high level cadres.

- The division of the governorate into districts helps promote the activities undertaken in these districts, assists the district's executive bodies and facilitates the work of the services; but there is no decentralization insofar as funding is concerned. This is centralized in the under -- secretariat at the level of the governorate. The appointment, promotion and transfer of all the personnel are also centralized in the Ministry or the Under -- Secretariat at the governorate level.

- The Ministries still hold on to the powers they had in the old system ...

- As head of a service unit, I still am under the central authority in that I cannot reward or punish the personnel; it is all in the hands of the Under -- Secretary. I only exercise 20 percent of the rights that the local government law has stipulated for my position.

- The system is decentralized only for certain limited activities -- such as cleanliness, gardens and in the projects of NUS.

- It is not decentralized for certain activities; the Housing Directorate is at the governorate level.

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- Not decentralized to the district level; the budget must be approved by Popular Council at the governorate level, by Ministry of Finance and Ministry of Local Government.

- Popular Council only has supervisory powers. It should have total control over government and have all the powers at the district. It has no control over finances. Popular Council cannot make any decisions. It is only a facade for the public.

- The district is not independent enough. The district Popular Council must get approval of its decisions from the governorate Popular Council.

- Popular leaders should be trained to be able to carry their responsibilities more effectively.

- Government withdrew somewhat from the decentralization policy in some areas. It created central government bodies like the Authority for Cleanliness of Cairo.

- There are not enough technical staff at the district level ... not enough engineers to take care of large projects.

- What we have is not local government but local administration. We still go back to a centralized approach in many matters. The selection of leaders from governors to district chiefs is by appointment. Our democracy is still submitted to some controls ... The council members are elected on the basis of party slates, and some of the parties refused to participate and therefore the councils' represent the majority party and their loyalty is to those who selected them. The selection of council members is more of an appointment than of an election process.

The small percentage who did not think that the local government system had realized the decentralized goal have given the same explanations as some of those who thought that the system had partially achieved that goal--namely, that the funds are lacking at the district level, that in some areas, particularly in relation to infrastructure, the decision about and the execution of projects are undertaken centrally, or that all the important decisions relating to the programs and personnel of the services are the prerogative of the directorate at the governorate level.

Typical answers:

- Not decentralized enough (only geographic division) because borrowed from developed countries.

- The system is only decentralized in name and only for certain tasks: cleanliness and permits. Street paving is under the Roads and Bridges Authority of the Directorate at the Governorate Level. All the services should come under

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the local government. Although a sewerage authority was established in the Governorate of Alexandria to achieve independence; still all the work relating to is still centrally controlled (at the national level) and this defeats the purpose for which the authority was created.

- Most of the infrastructure are run centrally at the governorate level and are not delegated to the districts or to the governorate from the responsible Ministry in Cairo ... and, therefore, the freedom of the district in the supervision of the areas that fall within its jurisdiction is very limited.

- District only sends recommendations to the governorate and most of these are not followed. There is a budget and a plan for each district; but the Governorate sets the budget and the plan without due regard to the real needs of the district and to its special circumstances. This is a poor, popular district and therefore should not have a budget equal to some of the other rich districts.

- All important decisions relating to programs, projects, promotions, incentives are in the hands of the directorate at the governorate level.

- Local government was subordinated to political goals from the beginning from Nasser's time and is not a true development. In all countries the Minister of Interior is the Minister of Local Government. The problems of the municipality and of discipline are one and the same and must be governed by one minister, not two ... There is no local government minister who has the upper hand over the Minister of Interior. This alone acts as a brake. It is like driving a car with the brakes on.

2.3.2 ACHIEVEMENT OF PUBLIC PARTICIPATION GOAL

For data concerning the issue of local government having achieved its basic goal of public participation, see Table 2.9 below. Over half (52.1%) of the respondents thought that it had partially achieved this goal. A large percentage stated that it had fully achieved its public participation goal (26.4% as over against only 9.1% who felt that the decentralization goal had been fully achieved).

The majority of those who said that it had fully achieved this goal were government officials. Only two of the popular council members felt this was so. Most (80.0%) of the popular council members said that the local government system had only partly achieved its goal of public participation.

Those who felt that this goal had not been achieved at all were fewer (9.9%) than those who felt this way about the decentralization goal (14.9%). These were mainly government

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officials, especially representatives of service ministries. Only one member of the popular council said that the public participation goal had not been achieved at all.

TABLE 2.9
RESPONDENT'S EVALUATION OF WHETHER PUBLIC PARTICIPATION GOAL ACHIEVED BY LOCAL GOVERNMENT / BY POSITION

POSITION-> GOAL	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Min-istries	Row Total
Not Achieved		1 8.3 5.0	2 16.7 8.7	2 16.7 11.1	2 16.7 8.0	5 41.7 14.3	12 9.9
Partly Achieved		16 25.4 80.0	15 23.6 65.2	9 14.3 50.0	7 11.1 28.0	16 25.4 45.7	63 52.1
Fully Achieved		2 6.3 10.0	5 15.6 21.7	5 15.6 27.8	7 21.9 28.0	13 40.6 37.1	32 26.4
NA		1 7.1 5.0	1 7.1 4.3	2 14.3 11.1	9 64.3 36.0	1 7.1 2.9	14 11.6
	Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey 1986, Q20/Q7.

The explanations given by the respondents as to why the local government system has or has not fully achieved its goals of popular participation point to some variations in the perception of different categories as to what constitutes popular participation and in the evaluation of the factors limiting its total realization. Some respondents view public participation as a sharing in decision-making; while some, particularly members of the service personnel, speak of it as people's participation in voluntary self-help efforts and in funding district improvement projects.

Among the less than one third of the respondents who feel that the local government system has fully achieved its popular participation goal, (only two of whom are Popular Council members) many referred to the excellent collaboration that exists between the Popular and Executive Councils and to the contribution of the Popular Council members as effective communicators between the people and the executives. Reference

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was also made to the existence of popular participation in efforts to improve the district services, either directly or through voluntary social welfare organizations.

Typical answers:

- The members of the Popular Council represent the people and are in a better position to sense and identify the needs of the people and to communicate them to the Executive Council. They meet with the Executive Council and they participate in making the necessary recommendations.

- There has been participation of the people in this distric in improving services through their own efforts. The Popular Council members collected contributions and shared in financing improvements of some of the services.

- There have been some self-help efforts through the voluntary social welfare associations and through the companies that help in the beautification of the city.

- The commercial entrprises have contributed to the beautification of the district -- paving the sidewalks, planting trees, etc.

- The Popular Council communicates with the public at large through periodic contacts and through public meetings to discuss urgent problems.

- Field visits are undertake by Popular Council Committee members to observe directly the site and investigate poeple's as happens with the NUS project.

- There is a great deal of communication with the public a large through the private agencies.

Among those who feel that popular participation had either been partially or not at all achieved, there seem to be wide differences in outlook between the executives, particularly the sevice personnel, and the elected members of the Popular Council. Some of the service personnel feel that the Popular Council and the way it is composed constitute constraints to effective local participation. Some mentioned that the electoral law results in biased representation--particularly the stipulation that 50 percent of the Council members must be workers and peasants. Many of the service personnel complained that this stipulation was responsible for a low educational level among members of the district councils, many of whom lack the knowledge, the experience and the proper understanding of the local government system to allow their effective participation in decision-making. some thought that some resented the authority that the law gives the Popular Council members over the more educated service personnel.

On the other hand, Popular Council members' perception is that the executives have greater power of decision-making than the Popular Council members and, as a result, popular participation is limited. Some also commented that the district Popular Council has only the power to recommend action but the approval of the Governorate Council is necessary, with the inevitable result that not all their recommendations are realized.

Popular participation in self-help programs does exist; but, according to respondents, it is limited in most districts because people are "too poor" to contribute financially, "lack civic consciousness", "are not educated enough" or "are not confident that the funds will be properly utilized". Some mentioned a few striking examples of citizen participation in improvement projects in some districts -- such as the upgrading and beautification measures taken by shop owners (paving and cleaning the sidewalks and planting trees) and the important voluntary effort of the private social welfare agencies that provide services for the less advantaged populations of the district.

In some of the examples, the respondents made reference to NUS projects as having promoted popular participation which, in their opinion, had been limited previously because of the dearth of projects that could be funded and executed at the district level.

Examples of answers of those who think that popular participation has been partially achieved:

- Popular Council does not represent the people because personal interests dominate; as a result, some areas are deprived of services.

- Before executing any project, it is presented to the district Popular Council for discussion and for it to determine the usefulness of the project and how much it is needed. All points of views are studied by the responsible personnel and the popular representatives... This kind of discussion is very important and you get the view of those who are for it and those who are against it until a decision is reached and a final selection of the important projects is made. Although the members of the Popular Council participate effectively in some decisions because of their closeness to the public, sometimes their personal interests dominate.

- Elected members of council are supposed to take our ideas, present them to the people and get us their reactions. But they are not very well educated in this district; being 50 percent workers, they do not understand the laws and regulations and, therefore, are not good communicators between the people and their problems on one hand and the executives,on the other.

- The Popular Council has been given the authority to accept or refuse the decisions of the Executive Council; but most of them are not knowledgeable enough about the issues and do not have the appropriate scientific, cultural and social level. The Popular Council members do not have the expertise to discuss technical matters with seriousness, although they do know the needs and problems of the people better than the executives. Although the Popular Council has a committee whose members help in all matters relating to our service and whom we readily find when we need them -- such as for example, after the last riots when they gathered young people to help repair some of the damage. But, we avoid the Popular Council in relation to important decisions because the Council membership changes from year to year... We may involve it in some decisions relating to the distribution of welfare funds and the appointment of board members of organizations; but in planning or in the execution of programs we do not take its opinion.

- What we have is not real participation; Popular Council's authority is limited; its decrees are considered recommendations needing the approval of governorate Popular Council. As a result, some projects requested by the Popular Council are executed and others not.

- There is limited popular participation because the Executive Council until now does what, from its own point of view, seems important; unless that also turns out to have also been recommended by the Popular Council. The latter's participation is limited because Popular Council's requests can be turned down by the Executive Council if money is lacking. Law 50 removed some of the powers of the Popular Council. The executive decisions used to be with the participation of the Popular Council; but now the latter's participation is done within limits. Matters come to the Council ready-made. The funds that are offered from the governorate are determined by the ministry's plan. The budgets for different services are set centrally and popular participation has only to do with making choices within the limits prescribed, as well as with setting priorities within the districts.

- Public participation limited because the governorate carries out its programs without consulting the Popualr Council although council knows better, and is aware of the problems of the people better than the higher authorities. There are projects which we demand for the district, but some may get executed and others may be delayed.

- There is popular participation to some extent. The public contributed funds for the beautification of the district. Some of the shopkeepers and merchants have paved the sidewalks infront of their shops, planted trees and put up lights.

- Public particpation is limited in relation to the improvement of services because people in the poorer districts have limited incomes and cannot pay for projects.

- Public participation is limited in relation to providing fund because the people are not confident that the local government will use the funds to meet their needs.

- Popular participation in political decisions has been 100 percent achieved; but not insofar as participation in self-help programs, which has been achieved by no more than 40 percent. The lack of education among the public limits self-help efforts. Only one project in our district was undertaken by the people themselves.

- There is no participation of the public in improvement efforts because there is not enough public consciousness, except for the efforts of the welfare agencies that are directly in touch with the public. But we, in the Popular Councils, have no special plan for consulting with people who have enough income and capital to help the district in such things as street cleanliness and other improvements.

- It is only the social welfare agencies that execute their own programs through voluntary efforts.

- Popular participation depends on the social level of the public and is tied up with the relationship between the public and the government. It differs from governorate to governorate. In the urban areas, there is less public participation in self-help programs (only 50-60 percent success) than in the rural areas where the people need the services badly and are willing to provide them with self-help efforts. But in so far as the selection of projects to be undertaken by the government, there is more participation in decision-making (90 percent success) in the urban than in the rural area because of the higher social and educational level of the public.

- NUS projects achieved the goals of popular participation because they were planned with popular participation at the local level. The execution was at the district level and the follow-up was joint between the Executive and Popular Councils, but the other projects have not achieved the goals because the central bodies do not solicit the participation of the popular bodies.

In relation to the participation of the wider, general public in decision-making, the head of one of the Popular Council had the following interesting remark to make that showed a high level of sophistication, and comprehension of the philosophy of local government and popular participation:

- The philosophy of the local government is not yet altogether clear to the broad public because the system is recent and

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has taken its present form since 1975 only... There is an item in the local government law of 1975 and 1979 that stipulates that Popular Council meetings be public unless a resolution is passed to hold them in camera. This is not clear to many members of the councils which have not internalized the aims of local government of widening the base of public participation through the councils and through encouragy people's particpation in self-help programs that are planned, approved and executed locally. In this district, I invite the public to participate. I invite representatives from among the people and from among the officials to attend meetings. In this way, I achieved two goals: I give the opportunity for the largest possible participation from among the members of the public in decision-making; and secondly, I help in the formation of cadres that can play effective roles in future popular organizations. All these measures are prescribed by law but no one pays heed to them.

Examples of typical answers by respondents who thought that popular participation was not achieved:

- The executive body should be the decision-maker because service people are experts and understand the problems and the solutions.

- There is no real participation; only appearance, because some Popular Council members can hardly read and write and cannot discuss complex issues that need specialized technical expertees.

- The popular representatives want to be on top of the executives, but the latter are more knowledgeable and have clearer vision as to what services the district needs.

- The cadres of people who are in the local Popular Councils do not have the necessary educational level. But they know they have political authority and, therefore, exert political pressure on the executive who are more enlightened and knowledgeable concerning the needs of the job. You sometimes find members of the Popular Council occupying low level administrative or technical positions but who because of their political authority can pose questions and bring to task, within the Popular Council, their own chiefs and supervisors.

- The Popular Councils do not represent the public in any way because the electoral process is such that they only represent the majority party.

- Popular Council members are quasi -- appointed.

- There are no self-help efforts by Popular Council hence no real popular participation. When I asked the council to provide me with a piece of land to build another American

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project, they said that that was not their job. Their main task was to let me, as the responsible person, know what services are needed in the district.

- There is no public enlightment, hence no popular participation. Before issuing a law, I must first enlighten the people and then I can get decisions from them. Laws come as a surprise to the people, who react negatively because they do not know how they are to benefit. When the public is properly informed, then popular participation is possible.

- Popular participation at the district level is only in the form of recommendations to the Governorate Council, which, because it has members from all the districts, is considered representative.

- There were few projects at district level and, therefore, little participation; but since the advent of American Aid, the situation has changed.

2.3.3 PROBLEMS IN WORK AND DECISION-MAKING

Almost half (49.6%) said there were no problems in the working relationship and in the process of decision-making among the different bodies that make up the local government system in the districts (i.e., the popular council, the executive council, and the directorates of the service ministries). (See Table 2.10). Those most likely to say there were no problems were Directors of Planning and Follow-up and of Finance. Unlike other respondents, a majority (60.0%) of the members of the popular council said there were problems in work and decision-making among the various bodies.

Among the respondents who thought there were no problems in the relationship between the Executive Council and the Popular Council, some said that there was harmony between these bodies in their particular districts; and that, even when discussions occured and differences of opinion existed, the resultant recommendations always catered to the interests of the people. The personality of the persons in the leadership positions and their relationship with one another are mentioned as important factors affecting the success or failure to achieve fruitful cooperation between the various bodies of the local goverment system. One Executive Council member expressed it as follows:

- Our local Popular Council is excellent as compared to those of other districts. There is harmony and unity of thinking among the members of the Executive Council and of the Popular Council. This is largely due to the fact that the head of the Popular Council is an engineer; that is, he enjoys a high educational level, and we therefore can always reach an agreement on important issues. He also has the right authoritative personality and when he approves any

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idea, all the Popular Council follows him. He is cooperative and honest and all his decisions are taken with the welfare of the public in mind. When there is a problem in the district, we discuss it informally with him; and, once we have come to an agreement, we bring it before the Council.

TABLE 2.10
RESPONDENT'S EVALUATION OF WHETHER PROBLEMS IN WORK AND DECISION-MAKING EXIST AMONG BODIES IN LOCAL GOVERNMENT / BY POSITION

POSITION-> PROBLEMS	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
No		7 11.7 35.0	11 18.3 47.8	12 20.0 66.7	10 16.7 40.0	20 33.3 57.1	60 49.6
Yes		12 23.5 60.0	11 21.6 47.8	5 9.8 27.8	8 15.7 32.0	15 29.4 42.9	51 42.1
NA		1 10.0 5.0	1 10.0 4.3	1 10.0 5.6	7 70.0 28.0		10 8.3
	Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q22/Q7.

Among the 42 percent who think that problems exist in the relationship between various categories of people involved in local government, the majority referred to problems between the Popular Council and the Executive Council; while a small number mentioned problems between the administrators and the people executing projects or difficulties incountered in relation to the decision-making procedure that was followed in NUS projects.

Again, in response to this question, members of the Executive Council refer to the composition of, and the attitudes prevailing in the Popular Council, as well as its presumed role of public watch as the sources of difficulty in the relationship between the various bodies of local government. On the other hand, some members of the Popular Council find that the difficulty lies in the attitude of members of the Executive Council, whom some described as "traditional" and "bureaucratic" and as having not internalized the philosophy of local government.

Typical answers:

- There is no cooperation between the Executive and Popular Councils. The executive body does not like the Popular Council because the latter has the responsiblity of supervision and control.

- At the present time, the Executive Council does not understand the role of the Popular Council; they think that the members of the Popular Council do not have the right to interfere in their work. The Executive Council members should be informed about and trained to their rights and duties and should also know that participation of members of Popular Council is decreed by law and that the law should be enforced. They should understand that our participation is not for their annoyance, or in order to dictate to them, but that we are supposed to have an active role. For example, the committees of the Popular Council meets whenever necessary to discuss a specific issue with the responsible member of the Executive Council. Some executives do not attend these committees and this is wrong.

- We, the members of the Popular Council, do not have a free hand in resolving the problems of the people. People ask for our help and we are handicapped; because the real authority is with the executives who, if we raise any questions with them, consider it an insult.

- Those members of the Executive Council who are directors of the service departments are traditional people and stick to bureaucratic rules even at the expense of the general welfare. We are trying very hard to change this attitude. They are old, traditional employees who are afraid to make their own decisions when dealing with special circumstances. Another cause of tension is the tendency of some government employees not to communicate in a correct manner with the Popular Council representatives because they think they are superior.

- There are difficulties in communication between the service departments and members of the Popular Council, because there is a wide gap between their intellectual and cultural levels. This becomes very clear in discussions between the members of the Popular Council and members of the Executive Council. The personnel of service departments follow the program of their ministries and this results in differences in point of view. The service departments follow a specific plan with a specific budget. A Popular Council member has a limited view of the issues; all what he cares about is to have authority granted over the Executive Council and to have his demands regardless of whether the means are available or not.

- There are frequent disputes about the program priorities to meet the needs of the people. The authorities make their

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decisions according to a studied plan; but the popular representatives make their decisions according to their personal interests.

- Members of the Popular Council think it is their right to be the public watch over the executives but they make unrealistic demands. Since the money comes from our service department, why should the Popular Council have any rights over it?

- Popular representatives, if they understand each other and are of one voice, they gang up against the executives; if they are split, they utilize the executives against each other. The system gives the popular representatives the role of watchdog over the executives, and they don't always play it right.

- Some popular representatives and some executives do not understand what the law of local government means; they all need to be trained. Instead of discussing the big plans, they keep discussing petty matters because they are ignorant of the law.

- There are no real problems that hinder or affect the quality of the work. But if there are problems, they are those that usually occur between any executive body and a body with supervisory functions. Some executives are very sensitive about the supervisory role of the Popular Council.

- This district is over-populated and includes several slum areas. This causes competition and disputes among members of the Popular Council, because each member wants the project in his area and provides all the rationale for that. We, as responsible administrators, try to be objective and define priorities within the plans of the district.

- The bureaucratic routine is the real problem; very slow execuion of the demands of the public.

- Sometimes I am put in an awkward position because I cannot negotiate with the American Aid people directly. Only the administrators are in contact with them. Here is an example: We applied for a project which costs LE.30,000, but then I discover that they only approved LE.20,000. This kind of procedure disrupts, because either I am forced to cancel the project, or I try to take from other projects.

- In my opinion, it is a personal issue that depends upon the character of the district chief, in the sense that, if the district chief has strong personality, knows the details of the job and knows what his duties are, he can act as an effective leader. He can create understanding and cooperation between the Executive and the Popular Council. He can also make the directors of service departments feel greater loyalty to the district than to their ministries.

CHAPTER THREE

THE NUS PROJECT FROM THE PERSPECTIVES OF DISTRICT LOCAL GOVERNMENT AND SUB-PROJECT USERS

3.1 THE PERSPECTIVE OF DISTRICT LOCAL GOVERNMENT

A basic assumption of this study is that the NUS project did not operate in a vacuum but that it was applied to an already existing local government system which had its own goals, procedures, and capacities. The basic concern here is the impact of NUS on that already existing system.

What did NUS introduce into the system that was different and how do those inside the system (the officials and popular council members) evaluate what NUS did? Likewise, for those who felt that the NUS system was not different from the regular system, how do they evaluate that system?

In this chapter, the goals and procedures associated with NUS are discussed from the perspective of disrict local government.

3.1.1 GOALS

Asked about the main goals of NUS, the majority of those interviewed defined them as mainly providing funds to improve the basic services at the local district level in areas where the needs are greatest. Some specifically referred to the provision of funds to help the Government of Egypt undertake important projects at the local level that its own funds are unable to cover. Most alluded to the amelioration of services in general; but some, namely service personnel, made reference to the amelioration of the specific services with which they have direct experience--health, education, youth or social affairs.

An important number saw the NUS project as helping, in addition, to promote decentralization and public participation, as well as to train cadres capable of sustaining the process. A handful saw it as serving the political goals of the U.S.--to cement its relationship with Egypt, to make propaganda for itself or "to infiltrate" Egyptian society. But, except for two or so, such U.S. political goals were considered tolerable; for, as some put it, regardless of these political goals, the projects provided the districts with greatly needed improvements in facilities and services. There were, in addition, such miscellaneous answers as: "the projects provided employment opportunities" or "the intention was to transfer to Egypt the technological advances of the West."

Examples of answers:

- NUS helped remove the constraints in the funding and in the execution of projects that the government resources could

not take care of and that the Popular Council and the Executive Council considered important. It serves the people, especially in the "popular" and less favored quarters through providing essential services in such areas as health and education.

- It helped the social agencies execute projects aimingat raising the cultural, economic, health, and social level of the people.

- It helped solve general problems that are of concern to the broad popular base.

- It helped execute service projects that are limited in cost to no more than LE 83,000.

- It created cadres at the popular level and at the level of popular organizations who can train, plan and manage the projects themselves to a certain extent. It taught the engineers and the employees how to execute projects and it offered them the experience they had lacked because of the dearth of projects at the district level earlier.

- It helped improve the services through the local government by providing for projects that are to be executed directly by the District and, therefore, decentralized.

- It promoted social development of the people through participation in the execution of projects funded by NUS.

- Previously, the U.S. aid was criticized because they gave flour and oil; and that did not improve the life of the nation and the citizen never felt directly its impact. There has been a real evolution in thinking. The NUS project made the citizen in the lower income group in the popular areas feel, in a direct and palpable manner, the extent of the contribution of the nations of the free world, and particularly the U.S., to the improvement of his daily existence, which cannot be done through very large projects installing sewerage, electricity and telephones. The aim of NUS was to raise the quality of daily life through providing basic essential services to the citizens of deprived areas, that are neglected by the budget of the governorate--for example, building additional classrooms and essential medical facilities for hospitals, paving roads, lighting streets, or raising the standard of cleanliness.

- NUS is propaganda for the U.S., but it helps relieve the burdens in relation to the services of the district. The important thing is that we the people are conscious of this help and we are grateful.

- The goal of NUS is the infiltration of Egyptian society by Americans; and that is a political goal.

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- NUS is a kind of U.S. economic colonialism but it helps improve the services.

- From the Egyptian point of view, this is a type of service project that America undertakes in developing countries. It is an extension of the Point-Four program of the 1950's. It aims at aiding in the construction, maintenance and equipment of the nation's infrastructure by providing funds and utilizing a modern approach. From the American point of view, it is to help cement the relationships between Egypt and America.

- Insofar as I am concerned, it is a source of funding. I did not enter their hearts, so it may be that their goals are good and it may be that they are bad.

- This is a question you ask to the USAID. They decided to give us the subsidy; they know why they are doing that. The goal from my point of view is to improve the services in the district. When someone gives me funds, I am happy to have it.

As Table 3.1 shows, the majority of respondents (60.3%) stated that the specific goals of NUS did not differ from those of the other service programs and projects in the district. Those most likely to feel this way were government officials.

Almost one third, however, stated that NUS goals did differ. Those most likely to feel this way were members of the popular councils, of whom half said NUS goals were different.

TABLE 3.1
WHETHER NUS GOALS DIFFERENT FROM OTHER SERVICE PROGRAMS AND PROJECTS IN DISTRICT / BY POSITION

POSITION-> / DIFFERENCE	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Min-istries	Row Total
No		9 12.3 45.0	16 21.9 69.6	13 17.8 72.2	11 15.1 44.0	24 32.9 68.6	73 60.3
Yes		10 29.4 50.0	5 14.7 21.7	4 11.8 22.2	6 17.6 24.0	9 26.5 25.7	34 28.1
NA		1 7.1 5.0	2 14.3 8.7	1 7.1 5.6	8 57.1 32.0	2 14.3 5.7	14 11.6
	Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q25/Q7.

The respondents who found no difference between the goals of NUS projects and those of the local Government said that both are focussed on the improvement of the urgently needed services and facilities of the local districts through decentralized decision-making and decentralized execution.

The 34 interviewees who felt that the goals and procedures of NUS and local Government were not identical in all respects referred mainly to the differences in funding, in the extent of decentralization and public participation, in the type of procedures utilized for the assessment of needs and for the planning of specific projects, in the eligibility criteria set for the selection of projects, and, finally, in political goals.

There were some who viewed NUS projects favorably in comparison with other district projects. They felt that the NUS program was more decentralized in the sense that the funding, the review, the selection and the execution of the projects were largely undertaken at the district level. Insofar as improvements in infrastructures--roads, street lighting, sewerage--are concerned, the NUS projects, according to some, marked the first time that such projects were selected and funded at the district level. Some respondents were impressed by the more "modern" approach to planning that was introduced by the NUS technical assistance team, whereby the needs were assessed and program goals difined on the basis of a thorough study of the concrete situation at the district level. Setting and realizing planned targets were also seen by some as an impressive achievement of NUS.

Typical answers:

- The American Aid funds are decentralized; they are available at the district level entirely. Their expenditure is reviewed and decided upon with the knowledge of the district, and the execution of the projects is undertaken through the district.

- Before this American Aid project was executed, there were no district projects for roads; these were all planned and executed centrally. There is, now, participation by the districts in such previously centralized projects.

- This is the first time that the district carries out a street lighting project through district funds.

- No difference in goals but the difference is that I have no funds for special projects and the American Aid provided me with funds for, health projects.

- American Aid projects are studied by the district, in addition to the thorough study undertaken with the knowledge and help of the "American Aid" experts.

- American AID funds go to projects that are selected after a study of the situation and an assessment of the deficiencies in the existing services have been made. The "Aid" experts backed some projects and turned down others on the basis of a survey of the district and its needs.

- They (NUS) aim at modern planning, but here we just plan for the moment and only for repairs that are impermanent. For example, if a pipe bursts, I fix it ... This is just like giving aspirin. Their (NUS) greatness lies in that they decide on a plan to achieve a specific goal within four years and they actually reach their goal; but our usual district program is haphazard. This is the real problem of Egypt's infrastructures. We tend to leave a problem until it becomes an emergency; but in other countries, the problem is handled at its roots.

- NUS projects are basically service projects funded by USAID; and they are projects that have been realized and are being utilized. They constitute real services for the broad masses of the city.

- NUS projects are more positive, immediate, and more effective; but the goals of the other projects of the district are more long-term.

Compared to other funds available at the district level, those of NUS were seen by some, particularly those who made the comparison with the Services Fund, as larger and as making possible the execution of projects that would not otherwise have found any financial support.

Typical answers:

- The district funds are limited and I, therefore, cannot move except within narrow limits; but NUS gave me the funds I need for projects that will be of service to the people of the district. In other words, there are many projects that cannot be executed except with NUS money. The budget of the district is very limited ... about LE.100,000 a year.

- The other district projects are small and have no resources and, therefore, do not meet the needs of the people. The large number of NUS projects does help us achieve our goals.

- The district budget had no funds to execute projects. The district extended some sewerage through self help and through the "Services Fund". The Aid projects, however, had funds; the least amount was LE.80,000. Before NUS, we did not have funds for any project that amounted to more than LE.20,000.

- In my budget, I have no sewerage or water projects; but the AID projects provided me with funds.

- There are differences in terms of the size of the funds. NUS projects are bigger; whereas other projects, such as those of the "Services Fund", are smaller.

Other differences were noted by the respondents; but these were specifically concerned with the various eligibility criteria used in the selection of projects--such as that the poorer areas be given priority and that the projects be limited to improvements or extensions of ongoing facilities but not for totally new projects. Most of the comments were neutral in tone; but a few saw these criteria as presenting serious constraints.

- Other service projects are broad and cover all services, whether in poor or rich areas, without any limitations on the cost or size of project. They also cover new projects, such as building schools; but NUS only builds extensions, extra rooms, and it sets deadlines for their completion.

- NUS projects differ from other projects of the directorate in that the former attempt to solve immediate existing problems; while the latter's goals are much broader and cover, for example, the educational curricula, teachers' training programs, school books, and the supply of teachers. The aims of the Directorate are more comprehensive and broader than those of NUS in the area of education.

- The American project only builds classrooms; whereas the aim of the directorate of education is to add buildings plus equipment, labs, and all the educational materials needed for music, art, and home economics training as well as cupboards, tables and chairs for the teachers.

- NUS is limited by conditions; it is not possible to build a school, a hospital, pave a street or give wages.

- In other district programs I can start a new project without there being any land or foundation; but, in NUS, I can only improve existing services as well as encourage and strengthen public participation.

- Government programs follow a set plan aiming at general welfare, as we see it; but the NUS projects constrains me. In the service budget, I have greater freedom than in the NUS budget; each serves its own goals.

Among the miscellaneous responses were the following complaints:

- Although the procedures of the AID program are supposed to be somewhat different, yet when it comes to the execution, the NUS projects proceeded in the same way as usually happens in the district.

- In order to train the workers, a team of engineers and designers was supposed to be formed; but none of that happened.

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- The execution of the project was done in the same ordinary way.

- There was no special team for each project, as the NUS people had said; and, therefore, nothing new was achieved in respect to the training of the workers, either technically or administratively.

The political goals of NUS as American propaganda was mentioned by a small number as another important difference between it and other district service improvement programs.

- NUS is a political project and aims at allowing the man in the street to see the name of America on the projects it presents. It is to put up a plackard to advertise the projects. This is wrong; the Americans always want to feel that they are the benefactors instead of being concerned with giving a service.

- The other projects of the district do not aim at any kind of propaganda for any special body but as a service for the welfare of the citizen one hundred percent.

Asked to evaluate the specific goals of NUS, more than three quarters of the respondents said they totally approve of them, as can be seen in Table 3.2. A few (7.4%) said they partly approve of them. Only three respondents said that they do not approve of them at all.

The overwhelming majority who approved NUS goals stressed the importance of the projects executed by NUS and for which funds were not available in the regular government budget. They explained that these projects met the immediate needs of the people, particularly the less advantaged. A number of respondents commended NUS for training local government personnel and helping raise their performance level, while others were impressed with the thoroughness and seriousness with which the execution and follow-up of the projects were undertaken.

- NUS adds funds to the national budget to serve the citizens; it provides for projects that the districts are in dire need of.

- Anything that serves the people is good, particularly those in the poorer areas.

- I wish the funding would increase. I have many projects I would like to execute but am unable to do so because my usual resources are limited.

- It helps the voluntary agencies that serve the public but that have limited funds.

TABLE 3.2
RESPONDENT'S EVALUATION OF NUS GOALS / BY POSITION

POSITION-> Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
Not Approve		1 33.3 4.3		1 33.3 4.0	1 33.3 2.9	3 2.5
Partly Approve	2 22.2 10.0	1 11.1 4.3	2 22.2 11.1	2 22.2 8.0	2 22.2 5.7	9 7.4
Totally Approve	17 18.5 85.0	19 20.7 82.6	14 15.2 77.8	14 15.2 56.0	28 30.4 80.0	92 76.0
NA	1 5.9 5.0	2 11.8 8.7	2 11.8 11.1	8 47.1 32.0	4 23.5 11.4	17 14.0
Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q27/Q7.

- NUS has brought about a kind of "reanimation" in the district. The general budget is concerned with the large projects; but the importance of decentralization (as encouraged by NUS) is that I operate within a limited zone and I can know what its problems are and which areas lack essential services and facilities.

- NUS has executed some of the needed projects and has trained personnel to upgrade their performance. It has, thus, helped improve the social and economic level of the district.

- I approve NUS because it has provided funds and helped us complete important projects. There is seriousness and meticulousness in the execution of projects; and there is a genuine follow-up of the work. I also approve NUS because it attempts to close the gap between the rich and the poor; and because, in its projects, it goes down to the level of the ordinary citizen in a direct and effective manner.

- NUS raised the standard of and helped evolve the services in the district. Someone saw I was in difficulty, gave me money and said, "Go, take care of yourself and put yourself in shape." That happens to also be my goal; but I did not

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have the means earlier to do anything about it. When NUS provided the resources, I was able to move. I want my district to be the best in the governorate; but I am usually constrained by the lack of decentralization and the fact that I am bound by the plan that comes down to me from the Governorate.

- I approve NUS goals because the American government is rich, has resources and offers economic assistance. It is, of course, true that by pointing out that this or that NUS project has been funded through American aid, the Americans are getting the best possible propaganda. Still I approve the project because we as Egyptians are benefitting.

The few who partially approved NUS goals thought that the improvements that were introduced were salutary, but that the small size of the projects and their fragmentalization did not result in a real evolution of the districts. The manner in which the projects were contracted out, one respondent noted, followed the usual governmental procedures which, in his opinion, resulted in unnecessarily high project execution costs. Another, though approving NUS because the projects executed served the public, had reservations about the goals of the U.S. as donor; these, he thought were primarily political. Finally, a member of the Popular Council partially approved NUS because, as he put it, "The goals of NUS must involve, in the first place, the direct participation of the District Popular Councils in the choice of the most appropriate projects; but the NUS project (in his district) was executed through the executive bodies only and was remote from public participation."

The three who disapproved entirely of the NUS goals did so either because they disapproved all foreign assistances, because the projects did not involve any productive investment that would allow Egypt to become economically independent, or because, in the respondent's words, "The project gives much more propaganda for the U.S. than it deserves; since the projects are small and we could ourselves have done better if we had the resources."

3.1.2 PROCEDURES

The procedures that are discussed below are those relevant to district service programs and projects in general. These include procedures for the assessment of needs and final project selection, contractor selection, supervision and follow-up, and maintenance.

For each of these, respondents were asked if the NUS system was different from that regularly used in the district and, if so, how. If they said there was a difference, they were asked to compare the two systems (that of NUS and the regular system) by indicating which system they felt was better or whether they felt they were both equally good (or bad). If they said there was no difference, they were asked to evaluate the regular system.

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They were also asked a number of questions concerning the role played by the Technical Assistance (TA) Contractor in each of these procedures and, in the case of any role, they were asked to evaluate it.

3.1.2.1 NEEDS ASSESSMENT AND FINAL PROJECT SELECTION

Respondents were asked to indicate specifically whether the NUS system for needs assessment and final project selection was different from that used by the Service Development Fund Project and from that used by the directorates of service ministries. Tables 3.3 and 3.4 below show the responses to these questions.

Fifty-five percent of those who responded (86 persons) said that there were no differences between the NUS system and that used by the Service Development Fund Project; while 34% of 79 respondents said there were no differences between the NUS system and that used by the Directorates of service ministries.

In both cases, members of the popular councils were those who most strongly felt that the NUS system was different, with 13 out of 18 saying that the NUS system was different from that of the service ministries. District chiefs, secretary generals, and Directors of Planning and Follow-up and of Finance were those most likely to indicate that procedures used by NUS were similiar to those used by the Service Development Fund Project.

Among the 52 who said the NUS system was different from that used by the service ministries, 24 said that, in their opinion, the NUS system was better, and 14 said NUS and the regular systems were equal, while seven said the regular system was better. (See Table 3.5).

Those who said that the regular system was better were mainly representatives of the service ministries, although similiar proportions of them felt that the systems were equal or that the NUS system was better. District chiefs and secretary generals particularly thought that the NUS system was better, with 69.2% of them saying so. None of them thought that the regular system was better.

Those who felt that the NUS system for needs assessment and project selection was better than that of the Service Development Fund Project said this was because in NUS there was more meticulousness in planning, selection, designing, supervision and follow-up and because there was a technical assistance team. The system of the Service Ministry Directorates was seen by some as producing more comprehensive plans, both long and short-term, than the NUS program which they saw as limited in scope and in goals. Those who preferred NUS to the Service Ministry system thought NUS was more decentralized or allowed for more involvement of the district local government bodies.

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TABLE 3.3
WHETHER NUS NEEDS ASSESSMENT AND PROJECT SELECTION DIFFERENT FROM SYSTEM USED BY SERVICE DEVELOPMENT FUND PROJECT / BY POSITION

POSITION-> / DIFFERENCE	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
No		5	14	10	7	11	47
		10.6	29.8	21.3	14.9	23.4	38.8
		25.0	60.9	55.6	28.0	31.4	
Yes		13	7	5	4	10	39
		33.3	17.9	12.8	10.3	25.6	32.2
		65.0	30.4	27.8	16.0	28.6	
NA		2	2	3	14	14	35
		5.7	5.7	8.6	40.0	40.0	28.9
		10.0	8.7	16.7	56.0	40.0	
	Column Total	20	23	18	25	35	121
		16.5	19.0	14.9	20.7	28.9	100.0

SOURCE: SRC, District Local Government Survey, 1986. Q30/Q7.

TABLE 3.4
WHETHER NUS NEEDS ASSESSMENT AND PROJECT SELECTION DIFFERENT FROM SYSTEM USED BY SERVICE DEPARTMENTS AND THE DISTRICT / BY POSITION

POSITION-> / DIFFERENCE	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
No		1	7	4	7	8	27
		3.7	25.9	14.8	25.9	29.6	22.3
		5.0	30.4	22.2	28.0	22.9	
Yes		14	13	10	2	13	52
		26.9	25.0	19.2	3.8	25.0	43.0
		70.0	56.5	55.6	8.0	37.1	
NA		5	3	4	16	14	42
		11.9	7.1	9.5	38.1	33.3	34.7
		25.0	13.0	22.2	64.0	40.0	
	Column Total	20	23	18	25	35	121
		16.5	19.0	14.9	20.7	28.9	100.0

SOURCE: SRC, District Local Government Survey, 1986. Q32/Q7.

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TABLE 3.5
EVALUATION OF NUS SYSTEM OF NEEDS ASSESSMENT
AND PROJECT SELECTION COMPARED WITH THAT USED BY SERVICE
MINISTRIES / BY POSITION (OF THOSE WHO SAID THEY ARE DIFFERENT)

POSITION-> / EVALUATION (Count / Row Pct / Col Pct)	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
Regular Better	2 28.6 14.3		1 14.3 10.0		4 57.1 30.8	7 13.5
The Same	5 35.7 35.7	3 21.4 23.1	1 7.1 10.0		5 35.7 38.5	14 26.9
NUS Better	4 16.7 28.6	9 37.5 69.2	7 29.2 70.0		4 16.7 30.8	24 46.2
NA	3 42.9 21.4	1 14.3 7.7	1 14.3 10.0	2 28.6 100.0		7 13.5
Column Total	14 26.9	13 25.0	10 19.2	2 3.8	13 25.0	52 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q34/Q7.

Tables 3.6 through 3.10 present the results of questions concerning the TA's involvement in needs assessment and project selection in the districts. These are presented in Appendix A.

Respondents were asked to indicate if they knew that the TA had conducted a general survey of services and had set a plan relating to priorities of needs in each district. As Table 3.6 shows, slightly more than half (40.4%) said that they knew of this.

Most (82.6%) district chiefs and secretary generals and many directors of planning and follow-up and of finance and the representatives of service ministries knew about the TA's survey. On the other hand, less than half of the members of the popular councils and only a small minority of directors of projects and of housing and engineers knew about it.

Of those who knew about the TA's survey, slightly more than one fourth said they had participated in it, while the remainder (75.4%) said they had not. As Table 3.7 shows, 36.8% of the district chiefs and secretary generals and 33.3% of the directors of service ministry departments said they had participated in it (i.e., of those who said they knew about it. Only one member of a local popular council said he had participated in it.

More than half of the district chiefs and secretary generals and of the directors of planning and of finance said that they themselves had used "the NUS booklet" (which was introduced by the TA) in assessing needs and planning projects in the district. Very few others said they had used it. (See Table 3.9).

Those who knew about the TA's survey tended to evaluate it positively, with 59.0% saying that it was a better way of assessing needs and setting priorities than the regular system. About one-fourth evaluated both systems as being equal, while only a few (8.2%) felt the regular system was better. (See Table 3.8).

Respondents were asked if the TA had played any role in the actual assessment of needs and in the actual final selection of sub-projects in the district. Almost one-third (30.6%), as shown in Table 3.10, said the TA had taken a role in this regard. Members of the popular councils and district chiefs and secretary generals particularly felt this was so.

Twenty four percent of the respondents, however, said that the TA had not taken any such role, while an almost equal percentage said they did not know.

Most of those who said that the NUS technical assistance team had a role in assessing needs and deciding on priorities described it as one of making sure that the selected projects met the NUS conditions and of approving the final choice of projects. As one put it, "NUS offers conditional funding. As long as they have the money and have set conditions for project approval that have to be complied with, they have a role."

The respondents were almost equally divided between those who felt that the role of the technical team was helpful and important and those who felt that it constituted a constraint. Those who appreciated the role that the members of the technical assistant team played made the following remarks:

- They have a high level of expertise and their opinions and assessments are very sound.

- Their technical experts ensured the proper follow-up of projects and the control of the quality of execution.

- They follow a scientific approach in the planning, follow-up and execution of the projects.

- They went down and assessed the real situation in the district and determined the priorities; while the last thing they did was define the maintenance needs.

- They work for the welfare of the general public; and they make sure that the money is spent on meeting people's needs and not on something like air-conditioning.

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Most of those who did not altogether appreciate the technical assistant team's role in the selection of projects reiterated their objection to the project selection criteria according to which the TA team "accepted some projects and rejected others" or "made a final choice of projects out of the list that the district presented to them." "They should have asked me my priorities", one respondent commented; while another stated, "I sent them 20 projects and they made the final choice without giving me a chance to tell them what my priorities are. I wish they would take the opinion of the district as to the projects it thinks are the most urgent."

3.1.2.2 PROJECT SELECTION CRITERIA

NUS set certain criteria that were to be used in selecting sub-projects for implementation. These criteria were: sub-projects should serve a large proportion of the population, especially those in lower-income groups; the cost of a sub-project should not exceed LE 83,000; the sub-project should be completed within one year after the beginning of construction; the selection, funding, and execution of sub-projects should be carried by the district; and the sub-project should be an addition to or extension of an already existing site.

Respondents were asked to express their opinions about these various criteria. Their responses are shown in Tables 3.11 through 3.15 below.

The two most popular criteria were those that stipulated that sub-projects should serve large segments of the public and especially the poor and that the sub-projects such be implemented by the district. Of those who responded, as many as 88% fully approve the low income criterion, while 73% fully approved the district implementation one. Only three respondents did not approve the low income criterion, although 11 did not approve of the district implementation criterion.

Of those who responded, 63% said they fully approve of the criterion that a sub-project should be completed within one year after beginning construction.

The criteria that were least approved of were that the sub-project should not cost more than LE 83,000 and that the project should be an addition to an already existing site. Only 7 respondents said they fully approve of the LE 83,000 cost limit, none of them either district chiefs, secretary generals or popular council members. Only 13 fully approved of the site addition criterion.

Also, small minorities indicated that they did not know about the criterion in question, that the criterion had not been applied, or that they had no opinion or did not answer. Rather large proportions of respondents in the categories of directors of service ministry departments and of directors of projects, of housing and engineers tended to not know, not have an opinion, or not answer the question.

TABLE 3.11
EVALUATION OF NUS CRITERION THAT SUB-PROJECTS SHOULD SERVE THE LOWER-INCOME GROUPS AND A LARGE PROPORTION OF THE POPULATION / BY POSITION

POSITION-> / EVALUATION (Count / Row Pct / Col Pct)	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
Not Approve		2 66.7 8.7			1 33.3 2.9	3 2.5
Partly Approve	2 28.6 10.0	2 28.6 8.7	2 28.6 11.1		1 14.3 2.9	7 5.8
Fully Approve	16 22.2 80.0	15 20.8 65.2	13 18.1 72.2	10 13.9 40.0	18 25.0 51.4	72 59.5
Not Know Criterion	1 12.5 5.0		1 12.5 5.6	5 62.5 20.0	1 12.5 2.9	8 6.6
Criterion Not Applied		1 50.0 4.3		1 50.0 4.0		2 1.7
No Opinion	1 14.3 5.0			3 42.9 12.0	3 42.9 8.6	7 5.8
NA		3 13.6 13.0	2 9.1 11.1	6 27.3 24.0	11 50.0 31.4	22 18.2
Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q45/Q7.

The reasons that the overwhelming majority totally approved the project selection criterion stipulating that the project serve the largest possible number among the poorer segments of the population, in their words, are: "This is also the goal of our

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other district programs"; "The poorer areas are in greater need of services and they do not have the means to upgrade their services"; "By serving the poor we are serving the largest possible number of people"; and "The people with limited means lack the necessary services and they represent the majority of the masses."

The 10 respondents who did not approve or only partially approved the criterion did so for reasons that are indicated in the following answers: "We are supposed to serve the largest number of people in a district and not just those of limited means"; "... because all areas need improved services"; "We cannot limit projects aiming at upgrading educational services to the poorer groups because education is free for everyone and schools have all categories of people--children of workers, of government employees, of artisans, etc.; and we cannot tell who is poor and who is not;" and "How can I differentiate between those who have limited means and the others in a street where a sewerage system is being installed?"

The reasons given by the large number of interviewees who do not approve the selection criterion limiting the cost of projects to LE.83.000 are not surprising. With the enormity of the need in all districts to upgrade and extend the basic services and infrastructures, the limitation of funds was, naturally, not welcome. It meant, some said, the elimination of larger but perhaps more urgent projects, a fragmentalized and patchy approach to the improvement of urgent services in the districts, which may have benefited in a more basic and permanent way if a more comprehensive and integrated approach were used and the funding tailored to the needs. The funding limitation sometimes meant lowering the quality of the work or leaving the facility without complementary and essential improvements--such as, for example, when new classrooms are not provided with the necessary furniture and equipment. Some also referred to the inflation in prices leading to increases in the estimated costs of projects, which, because of the rigidity of the cost criterion, meant, at times, the abandonment of some projects after their initation.

Typical answers:

- I do not understand the wisdom behind the limitation of project costs to LE.83,000. What would have been more reasonable is to identify the most urgent need and then estimate its cost, which may prove to be greater or smaller than LE.83,000. If the goal is to serve the broad popular base, perhaps one large project may be preferable to many small and unimportant ones.

- This condition acts as a constraint. What sometimes happens is that, after preparing an important project with the help of the Executive and Popular Councils, we discover it costs more than LE.83,000. We either have to abandon it or pressure the director of the relevant service department to complement the funds from his ministry's budget.

TABLE 3.12
EVALUATION OF NUS CRITERION THAT SUB-PROJECTS
SHOULD NOT COST MORE THAN LE 83,000 / BY POSITION

POSITION-> / EVALUATION (Count / Row Pct / Col Pct)	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
Not Approve	12 19.7 60.0	15 24.6 65.2	12 19.7 66.7	9 14.8 36.0	13 21.3 37.1	61 50.4
Partly Approve	5 29.4 25.0	5 29.4 21.7	2 11.8 11.1	1 5.9 4.0	4 23.5 11.4	17 14.0
Fully Apporve			2 28.6 11.1	2 28.6 8.0	3 42.9 8.6	7 5.8
Not Know Criterion	1 25.0 5.0			2 50.0 8.0	1 25.0 2.9	4 3.3
No Opinion	1 11.1 5.0			5 55.6 20.0	3 33.3 8.6	9 7.4
NA	1 4.3 5.0	3 13.0 13.0	2 8.7 11.1	6 26.1 24.0	11 47.8 31.4	23 19.0
Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q47/Q7.

- Some projects cost more than LE.83,000 in order that they may be executed properly and achieve their goals.

- The funds are not sufficient to allow us to buy the educational equipment and facilities needed for the school building that was repaired. It was also not enough to allow us, for example, to have enough toilets for the students.

- The lack of adequate funds may result in the abandonment of a project because of the inability to provide it with essential facilities. This is what happened to a project that had to be abandoned because there were no funds to supply the project site with electricity.

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- That amount of money is too small considering the general rise in the cost of construction... The limitation in the funds does not allow us to make all the necessary improvements in a school or a hospital for a complete and adequate service.

Among those who partially approved the funding limitations, some said that the amount is adequate to undertake some very good projects, but that there are urgent projects for which larger funding would be necessary. Others said that some important large projects, like building a whole school, might have had more impact than several insignificant ones; while one added that a large project, such as building a school or a hospital, would be more visible to the public, hence better propaganda for the NUS Project and its sponsor.

The very few who fully approved the criterion had the following to say: "It is better to have several projects so that different sectors would benefit from the funding;" or "If we help to upgrade more than one school, it is better than serving one only."

Most of those who fully approve the one-year limitation for the execution of the projects felt that this duration was adequate for the size of projects that the limited funds of NUS was allowed. Some remarked that many projects took even less than a year to complete, especially those involving furnishings and equipment. Following are other comments explaining why the time limitation was an acceptable condition:

- With the inflation in prices, it is better to complete the project in a year or less in order to avoid exceeding the estimated cost.

- The quicker we complete a project, the quicker we serve the people.

- An important project quickly executed would make an impression on the public. [This is perhaps an indirect reference to the major projects of long duration, which Egypt has embarked upon in recent years and which the public has been patiently awaiting their completion.]

Most of those who do not or partly approve the time limitaion said that this amount of time is only adequate for small-sized projects; and since they do not approve the condition limiting project size, they also do not approve this criterion. Some referred, in addition, to the delays in the execution of the projects by the contractors who, "because of the small size of most projects they are taken by small contractors who are not as competent, efficient or as well equiped as the big contractors."

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The overwhelming majority that approved the NUS condition that the districts handle the funding, selection and execution of the projects did so "because this approach is in line with the decentralization goal of the local government system; because the district is in a better position to choose the projects that are needed most by the people; and because the follow-up and the overseeing of the execution can be undertaken more effectively at district than at central levels."

TABLE 3.13
EVALUATION OF NUS CRITERION THAT SUB-PROJECTS SHOULD BE COMPLETED WITHIN ONE YEAR AFTER BEGINNING CONSTRUCTION / BY POSITION

POSITION-> / EVALUATION (Count / Row Pct / Col Pct)	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Min-istries	Row Total
Not Approve	1 9.1 5.0	3 27.3 13.0	2 18.2 11.1	1 9.1 4.0	4 36.4 11.4	11 9.1
Partly Approve	6 35.3 30.0	1 5.9 4.3	3 17.6 16.7	2 11.8 8.0	5 29.4 14.3	17 14.0
Fully Approve	10 20.8 50.0	12 25.0 52.2	10 20.8 55.6	7 14.6 28.0	9 18.8 25.7	48 39.7
Not Know Criterion	1 10.0 5.0	1 10.0 4.3	1 10.0 5.6	4 40.0 16.0	3 30.0 8.6	10 8.3
No Opinion	2 20.0 10.0			5 50.0 20.0	3 30.0 8.6	10 8.3
NA		6 24.0 26.1	2 8.0 11.1	6 24.0 24.0	11 44.0 31.4	25 20.7
Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q49/Q7.

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Most of those who did not fully approve this condition felt that they had not been involved enough in the selection and execution of the projects. The five members of the Popular Council who, surprisingly, did not approve it said that only when the representatives of the people are allowed to participate in the selection, follow-up and execution of the projects would they endorse the condition. The service personnel who rejected the condition said that, as technical people who best understand the requirements of their respective services, they should have a greater say and a direct involvement in the planning and execution of projects. Six of them also said that there is a dearth of personnel, particularly engineers, at the district level to execute the projects properly.

TABLE 3.14
EVALUATION OF NUS CRITERION THAT SUB-PROJECTS BE SELECTED, FUNDED, AND EXECUTED BY THE DISTRICT / BY POSITION

POSITION-> Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
EVALUATION						
Not Approve	3 27.3 15.0		1 9.1 5.6	3 27.3 12.0	4 36.4 11.4	11 9.1
Partly Approve	1 9.1 5.0	1 9.1 4.3	2 18.2 11.1		7 63.6 20.0	11 9.1
Fully Approve	12 19.7 60.0	17 27.9 73.9	13 21.3 72.2	10 16.4 40.0	9 14.8 25.7	61 50.4
Not Know Criterion	1 33.3 5.0			2 66.7 8.0		3 2.5
No Opinion	3 27.3 15.0			4 36.4 16.0	4 36.4 11.4	11 9.1
NA		5 20.8 21.7	2 8.3 11.1	6 25.0 24.0	11 45.8 31.4	24 19.8
Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q51/Q7.

TABLE 3.15
EVALUATION OF NUS CRITERION THAT SUB-PROJECTS
BE AN ADDITION TO A SITE ALREADY IN EXISTENCE / BY POSITION

POSITION-> / EVALUATION (Count / Row Pct / Col Pct)	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
Not Approve	6 15.4 30.0	11 28.2 47.8	8 20.5 44.4	3 7.7 12.0	11 28.2 31.4	39 32.2
Partly Approve	5 38.5 25.0	2 15.4 8.7	2 15.4 11.1	2 15.4 8.0	2 15.4 5.7	13 10.7
Fully Approve	1 7.7 5.0	3 23.1 13.0	3 23.1 16.7	1 7.7 4.0	5 38.5 14.3	13 10.7
Not Know Criterion	2 33.3 10.0		1 16.7 5.6	3 50.0 12.0		6 5.0
Criterion Not Applied	4 44.4 20.0	2 22.2 8.7		2 22.2 8.0	1 11.1 2.9	9 7.4
No Opinion	2 15.4 10.0		1 7.7 5.6	7 53.8 28.0	3 23.1 8.6	13 10.7
NA		5 17.9 21.7	3 10.7 16.7	7 25.0 28.0	13 46.4 37.1	28 23.1
Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q53/Q7.

The stipulation that NUS projects should not be independent projects is not approved by an overwhelming majority of the interviewees for the very same reasons that they disapprove the criteria limiting the cost and size of the projects. It is seen as an arbitray condition that does not best serve the goals of NUS and that prevents the execution of urgently needed projects. To the arguments already made in relation to cost limitation, one respondent added, "What if what already existed was inadequately planned and executed, is it better that I start a new one on the right technical and scientific basis, or do I just make additions to a basically inadequate facility?"

Those who partially approved the criterion stressed that ameliorations of, and additions to, existing facilities are welcome; but that, for the genuine improvement of some services, new installations may prove necessary. The very few who fully accepted this criterion referred mainly to the difficulty of finding empty land for the construction of new buildings in the crowded city of Cairo.

The fact that a number of respondents mentioned that this criterion was waived in relation to the projects with which they were acquainted means that, in the application this criterion proved at times to be impractical.

3.1.2.3 CONTRACTOR SELECTION AND PERFORMANCE

Tables 3.16 through 3.20 present data on how district local government officials and popular councils members see the process of selecting contractors to construct sub-project sites and their evaluations of the work done by the contractors selected. These tables are presented in Appendix A.

As Table 3.16 shows, the majority of those who knew about it said that the NUS method of selecting contractors was the same as that regularly followed by the district. Only 15 respondents (12.4%) said that NUS used different methods. These were all officials. Interestingly, large proportions of the popular council members and of the directors of service ministry departments did not know about this subject.

Of the 58 respondents who said there was no difference between the NUS method of contractor selection and the regular method, 32.8% evaluated the regular method as good, while 43.1% said it was fair. A small minority of 8.6% evaluated it as being poor. None of the popular council members evaluated it as being good. (See Table 3.17).

Of the 15 who said that the NUS method differed from that regularly followed, ten (66.7%) said that the NUS method was better while four (26.7%) said both methods were equal. None said that the regular method was better, as can be seen by reference to Table 3.18.

Concerning the performance of contractors in terms of the quality of their work and the completion of their work on schedule, most of those who knew evaluated it as fair (28.9% of all respondents), as can be seen in Table 3.19. Just over one-fifth said it was good, while 9.9% said it was bad. The remainder (39.7%) either did not know or did not answer.

None of the popular council members evaluated the performance of the contractors as having been good. Likewise, only four district chiefs or secretary generals evaluated it as good. However, relatively more of the directors of planning, of finance, of

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projects, of housing and engineers did give the contractors high marks for performance.

In terms of evaluating the contractors used in NUS sub-projects in comparison with those used in other projects in the districts, only one respondent said that the other contractors were better. of those who responded, 80% said they were equal, as shown in Table 3.20; while 19% felt that the NUS contractors' work was better because they were more closely supervised at the district level.

Most (69.6%) of the district chiefs and secretary generals said that the contractors used in NUS sub-projects and those used in others were equal in terms of performance. Only one in this category said that the ones used in NUS were better. Likewise, most of the other officials, with the exception of directors of service ministry departments, tended strongly to say that the contractors used under NUS and under other programs are equal in performance. Most of the service ministry respondents and many of the Popular Council members did not know or did not answer.

3.1.2.4 SUPERVISION AND FOLLOW-UP

Respondents were asked to indicate if the procedures used for project supervision and follow-up differed under NUS from what was regularly done in this regard. They were asked to evaluate the regular system, if they felt NUS was not different, and to compare NUS with the regular system, if they said they were different. Also, they were asked to indicate if the TA had played a role in supervision and follow-up and, if so, to evaluate it. The results are presented in Tables 3.21 through 3.24 in Appendix A.

Fifty-eight, or 47.9%, of the respondents said that there was no difference in procedures used by NUS and other similiar programs in the districts in terms of supervision and follow-up. However, a significant minority of 20.7% said that NUS differed from the regular procedures. Respondents in the category of directors of planning and follow-up and of finance tended to say there was a difference--at least more so than was the case with other categories of respondents. (See Table 3.21).

As Table 3.22 shows, of the 25 who said there was a difference, 18 (72.0%) said that the procedures followed under NUS were better than those regularly followed. These included all of the popular council members who felt there was a difference and all but one of the district chiefs or secretary generals who likewise said there was a difference. The eight respondents in the category of directors of finance and of planning and follow-up were equally divided, four saying that the NUS system was better and four saying that the NUS system and the regular system were equal in this regard. Only two directors of service ministry departments said the regular procedures for supervision and follow-up were better.

Concerning the role of the TA in supervision and follow-up, the majority, 62.0%, said that he had played a role. District chiefs, secretary generals, directors of planning and follow-up, of finance, of projects, of housing, and engineers particularly said this was the case. Relatively fewer of the popular council members and directors of service ministry departments said he had a role, although (as can be seen in Table 3.23) many of the respondents in these two categories did not answer the question--thereby indicating that they may not have known about this.

Of the 75 respondents who said that the TA had played a role in supervision and follow-up, 37, or 49.3%, evaluated the TA's positively. Twenty-nine, or 38.7%, said it was fair, while only four evaluated it as poor. (See Table 3.24).

3.1.2.5 MAINTENANCE

Tables 3.25 through 3.28, which are presented in Appendix I, show how officials and popular council members responded to a series of questions about sub-project maintenance. Respondents were asked to indicate if maintenance under NUS differed from what regularly occurs in the districts. Those who felt there was a difference were then asked to evaluate various aspects of the NUS maintenance system in comparison with the regular system. These included maintenance needs assessment and costing, maintenance funding, and the execution of maintenance work.

As Table 3.25 shows, a minority of respondents (30.6%) said that maintenance under NUS differs from what regularly takes place. Those who said so were mainly in the categories of district chiefs and secretary generals, directors of planning and follow-up and of finance, and directors of projects, of housing, and engineers.

Almost as large a percentage of respondents (29.8%) said that no maintenance had been done as part of the NUS program. Those who said this included relatively large proportions of popular council members and directors of service ministries, many of whom also did not answer the question. However, small minorities of all the other categories also said that no maintenance had been carried out under NUS.

Only 12 respondents (9.9%) said that maintenance under NUS did not differ from the regular maintenance program.

As reference to Tables 3.26 through 3.28 shows, the 37 respondents who said that NUS maintenance program differed from the regular one thought that it was mainly better with respect to funding--29 (or 78.4%) of them saying so. Only one said that the regular maintenance program was better in terms of funding, while three said both programs were equal in this regard.

Concerning the execution of maintenance work, 18 (48.6%) said that the NUS program was better than the regular program, while almost as many (15, or 40.5%) said they were equal. Interestingly, only two respondents said that the regular maintenance program was better--one saying that the regular system was better in terms of needs assessment and costing and one saying that it was better in terms of funding.

3.2 THE PERSPECTIVE OF SUB-PROJECT USERS

As explained in Chapter One of this Report, the concept of "user" was defined in a narrow way. For the most part in this study, "user" refers to the person in charge of directing a service at a site where a sub-project has been implemented. For example, the principal "user" at a school where a sub-project has been implemented is, for the purposes of this study, considered to be the head master. There are, of course, many other "users"--e.g. teachers, students, parents, etc. However, due to limitations of time and logistics, as well as for conceptual reasons discussed in Chapter One, this study focusses on those in charge of activities at sites where sub-projects were implemented. Only in the case of public utility and infrastructure projects, where no person is in charge, a few questions were asked of the public at large.

As shown in Table 3.29 in Appendix A, a total of 74 directors of activities at as many sub-project sites were interviewed in 11 districts in the governorates of Cairo, Alexandria, and Giza. In addition, a total of 120 members of the public were interviewed at 15 public utility and infrastructure sub-project sites in the governorates of Cairo, Alexandria, and Giza.

Aside from the public utility and infrastructure sub-projects, the government sub-project sites included 14 in the education sector, five in social affairs, eight in public health, and two in food security. (See Table 1.3 in Appendix A). In the case of sub-projects at PVO sites, interviews were conducted at 14 nurseries, nine health centers, 11 skill centers, three hostels, two social clubs, one orphanage, and three productive/other centers, as indicated in Table 1.4 in the Appendix. As it was not always possible to interview a person in charge, such as the chairman of the PVO board, a few respondents were employees of the PVO.

In terms of fund allocations, as Table 3.30 in the Appendix shows, more than half, 59.5%, of the sub-projects were "small" (up to LE 20,000 in government sub-projects and up to LE 10,000 in PVOs). Twenty-three percent were of "medium" size (between LE 20,000 and LE 50,000 in government sub-projects and between LE 10,000 and LE 20,000 in those at PVOs), while 6.8% were "large" (over LE 50,000 and LE 20,000 at government and PVO sites respectively).

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3.2.1 SUB-PROJECT IDENTIFICATION AND SELECTION

In this section, the roles of persons responsible for government and PVO sites at which sub-projects were implemented in the identification and selection of a sub-project are discussed. As these are based on interviews with the directors of activities at the site, they reflect the perspectives of the respondent.

As Table 3.32 shows, two-thirds of 27 persons responsible for government sub-project sites in our sample said that they themselves had played a role in the identification and selection of the sub-project. Most of these said that they themselves had first suggested it because they were aware of the need for the particular improvement. Twelve out of 27 said that others at the site had also participated in the indentification of the need along with themselves, as shown in Table 3.33. They explained that once the need was identified by them, they then communicated this need to the directorate of the service ministry concerned.

TABLE 3.32

WHETHER RESPONDENT HAD ROLE IN IDENTIFYING AND SELECTING SUB-PROJECT / BY TYPE

TYPE-> / HAD ROLE	Count / Row Pct / Col Pct	GOVT	PVO	Row Total
No		9	5	14
		64.3	35.7	18.9
		30.0	11.4	
Yes		18	38	56
		32.1	67.9	75.7
		60.0	86.4	
NA		3	1	4
		75.0	25.0	5.4
		10.0	2.3	
	Column Total	30	44	74
		40.5	59.5	100.0

SOURCE: SRC, Sub-project Survey, 1986. Q34/Q8.

As many as one-third of the respondents at government sites said, however, that they did not have a role in identification and selection. They attributed this to the choice having been made independently either by the service ministry directorate or by the district executive council.

More than half (15 out of 27) of the respondents at government sites said that service ministries had played a role in identification and selection, as shown in Table 3.34. This, they

said, is because the service ministries all have plans for improvements and they often suggest sub-projects. However, most said their main role is in supervision and follow-up and in working as a liasion between the site and the NUS TA.

TABLE 3.34
WHETHER MINISTRIES HAD ROLE IN IDENTIFYING
AND SELECTING SUB-PROJECT / BY TYPE

TYPE-> / HAD ROLE	Count / Row Pct / Col Pct	GOVT	PVO	Row Total
No		12	33	45
		26.7	73.3	60.8
		40.0	75.0	
Yes		15	10	25
		60.0	40.0	33.8
		50.0	22.7	
NA		3	1	4
		75.0	25.0	5.4
		10.0	2.3	
	Column Total	30	44	74
		40.5	59.5	100.0

SOURCE: SRC, Sub-project Survey, 1986. Q46/Q8.

The process of identification and selection of sub-projects at PVO sites was somewhat different from that at government sites. Relatively more of the respondents at PVO sites said that they had played a role in this regard. Only five out of 43 at PVO sites as over against 9 out of 27 at government sites did not have a role, as indicated in Table 3.32. The few who did not have a role said this was because they were simply employees and that it was not part of their function in the organization to make such decisions.

All but seven out of 43 respondents said that their organization's administrative council had played a role in the identification and selection process. However, most of these said that they themselves had first identified the need and then consulted with their administrative council which had then approved it.

Most of the respondents at PVO sites (33 out of 43) said that no ministry played any role in the identification and selection of the sub-project. Most of these, however, said that the Ministry of Social Affairs does play a role with regards to other aspects of the sub-project, as in financial and technical supervision.

TABLE 3.35
WHETHER PROCEDURE USED BY NUS FOR IDENTIFYING AND SELECTING SUB-PROJECT DIFFERED FROM REGULAR PROCEDURE / BY TYPE

Count TYPE->	GOVT Row Pct Col Pct	PVO	Row Total
DIFFERED			
No	19 40.4 63.3	28 59.6 63.6	47 63.5
Yes	7 31.8 23.3	15 68.2 34.1	22 29.7
NA	4 80.0 13.3	1 20.0 2.3	5 6.8
	Column Total 30 40.5	44 59.5	74 100.0

SOURCE: SRC, Sub-project Survey, 1986. Q52/Q8.

Concerning the role of the TA, all of the respondents said that the TA has no role in identifying and selecting sub-projects. The TA's role, they say, is in financing the sub-project and in supervision and follow-up. Many said the TA asks about required needs and indirectly plays a role by setting certain criteria for sub-projects. Also, most respondents said that the TA visited the site both before and during the implementation.

As Table 3.35 shows, most respondents said that the procedure used by NUS for identifying and selecting sub-projects did not differ from that regularly used. A minority (22 out of 69) said that it did differ. Of those who felt that it differed, 12 said that they considered the NUS procedures to be better than the regular ones, while ten said the regular system was better. (Table 3.36).

Those who said there was no difference (47 respondents) evaluated the regular system as being good (33 of them saying so), while only four said that it was poor and nine said it was fair. (See Table 3.37).

3.2.2 EVALUATION OF SUB-PROJECT

As Table 3.38 shows, 32 out of 70 respondents said that the sub-project addressed most of their most important needs for improving services at the site, while more (35) said it addressed some of them. Only three respondents said it addressed none of his needs.

TABLE 3.36
EVALUATION OF NUS PROCEDURE FOR IDENTIFYING AND SELECTING NEEDS COMPARED TO REGULAR PROCEDURE / BY TYPE
(OF THOSE WHO SAID THEY DIFFERED)

TYPE-> / EVALUATION (Count / Row Pct / Col Pct)	GOVT	PVO	Row Total
Regular Better	3 30.0 27.3	7 70.0 43.8	10 37.0
NUS Better	4 33.3 36.4	8 66.7 50.0	12 44.4
NA	4 80.0 36.4	1 20.0 6.3	5 18.5
Column Total	11 40.7	16 59.3	27 100.0

SOURCE: SRC, Sub-project Survey, 1986. Q54/Q9.

However, as has often been the case, there is a significant difference between government sites and PVO sites. Respondents at the former were less likely to say that the sub-project addressed most of their needs, only a third of them saying so. In contrast, half of the respondents at PVO sites said the sub-project addressed most of their needs for improving services.

Tables 3.48 and 3.50 in Appendix A present data on the sectors or types of sub-projects that persons at government sites and PVO sites said met none, some, or most of their important needs. In the government sub-projects, one in the education sector and one in food security were said to have not met any of the needs. Eight out of fourteen education sub-projects were said to have met some but not all of the most important needs while four out of eight public health and three out of five social affairs sub-projects met some but not all needs.

At PVO sites, respondents indicated that at six out of 14 nurseries some but not all needs were met. Likewise, at six out of nine clinics, one out of two social clubs, four out of ten vocational centers, two out of five production centers and one out of three hostels, respondents said the sub-project had met only some of their most important needs. At one hostel, the person said the sub-project had met none of his needs.

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TABLE 3.37
EVALUATION OF REGULAR PROCEDURE FOR IDENTIFYING AND SELECTING NEEDS / BY TYPE (OF THOSE WHO SAID NO DIFFERENCE)

TYPE-> / EVALUATION	Count / Row Pct / Col Pct	GOVT	PVO	Row Total
Poor	1	3 75.0 13.0	1 25.0 3.4	4 7.7
Fair	2	6 66.7 26.1	3 33.3 10.3	9 17.3
Good	3	10 30.3 43.5	23 69.7 79.3	33 63.5
NA	99	4 66.7 17.4	2 33.3 6.9	6 11.5
	Column Total	23 44.2	29 55.8	52 100.0

SOURCE: SRC, Sub-project Survey, 1986. Q56/Q8.

Those who said that the sub-project had met only some or none of their needs gave very long lists of other needs that they have which indicates that they are very much in need of improvements overall. Some of the other needs that were mentioned were equipment for sports activties at a youth center, a connection to the sewerage network at a school, more classrooms and more teachers at schools, and basic medical equiptment at a health unit.

Asked to evaluate the sub-project in terms of its quality and usefulness, 53 out of 68 who responded rated it as high, with only 11 rating it as average and four rating it as low. However, as Table 3.39 shows, 37 of the 43 persons at PVO sites as over against 16 out of 25 at government sites rated the quality and usefulness of the sub-project as high. That a greater proportion of persons at PVO sites rated the quality and usefulness of the sub-project as high may be because the PVO is able to focus on its own project and can supervise it to a greater extent than is the case at large government sites and also because they are not required to follow the government contracting system or because they may have access to extra funding to complement the work of the sub-project.

Tables 3.49 and 3.51 in the Appendix indicate how the evaluation of the quality of the sub-project varied at government and PVO sub-project sites by sector and type respectively. At government sites, one education and one food security sub-project received low ratings. Medium ratings were given to three out of 14 education sub-projects, three out of nine public health sub-projects, and one out of five social affairs sub-projects.

At PVO sites, medium ratings were given for one nursery, two vocational centers, and one production center. One hostel received a low rating. The remaining 32 sub-projects were rated as high in terms of quality.

TABLE 3.38

WHETHER SUB-PROJECT ADDRESSED MOST IMPORTANT NEEDS FOR IMPROVING SERVICES AT SITE / BY TYPE

TYPE / EVALUATION	Count / Row Pct / Col Pct	GOVT	PVO	Row Total
None		2 66.7 6.7	1 33.3 2.3	3 4.1
Some		15 42.9 50.0	20 57.1 45.5	35 47.3
Most		10 31.3 33.3	22 68.8 50.0	32 43.2
NA		3 75.0 10.0	1 25.0 2.3	4 5.4
	Column Total	30 40.5	44 59.5	74 100.0

SOURCE: SRC, Sub-project Survey, 1986. Q58/Q8.

Reasons given for low and medium rating included poor design, the inappropriateness of the sub-project because it did not suit potential users, and low quality of equipment and lack of personnel qualified to use the equipment.

Examples of answers:

- The foundation of the existing building was damaged by flooding of sewage from the new addition which was built at a higher level.

- The markets were not used because vendors refused to use them.

- There was very poor designing and there were too many windows and we were unable to use the walls.

- There were not enough units to meet the needs of the students.

- The toilets they built had flimsy equipment and were built with the idea that they would be used by adults were but the students have practically destroyed them.

- The finish of the construction work was not well done.

- The passages between the classrooms are too narrow for the number of students we have.

TABLE 3.39
EVALUATION OF SUB-PROJECT IN TERMS OF QUALITY AND USEFULNESS / BY TYPE

TYPE-> / EVALUATION	Count / Row Pct / Col Pct	GOVT	PVO	Row Total
Low		2	2	4
		50.0	50.0	5.4
		6.7	4.5	
Average		7	4	11
		63.6	36.4	14.9
		23.3	9.1	
High		16	37	53
		30.2	69.8	71.6
		53.3	84.1	
NA		5	1	6
		83.3	16.7	8.1
		16.7	2.3	
	Column Total	30	44	74
		40.5	59.5	100.0

SOURCE: SRC, Sub-project Survey, 1986. Q60/Q8.

- There are not enough technically qualified people here to make proper use of the equipment we received.

- The equipment we received was of very low quality.

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When conducting the survey, the interviewers made observations about the sites they visited. As Table 3.31 in Appendix A shows, they classified the sites as old or new--most of the former being more than 20 years old. Overall, the sites were almost equally divided between old and new; however, the PVO sites tended to be older than the government sites.

The opinions of the persons in charge of the project sites concerning the quality of the project were complemented by observations by interviewers to determine the condition of the projects and the extent to which they were fulfilling their original purpose. In every case, the observations of the interviewers endorsed the valuations of the respondents as to project quality.

Examples of observations of high quality projects:

- The football field has been prepared and the locker rooms renovated. The building is orderly and very clean.

- The language laboratory is composed of a large, quiet room equipped with units for the training of 24 students. It is very clean, has an air conditioning unit and wall to wall carpet. It seems to be very well looked after by its supervisors.

- The new classrooms that have been completed are very well furnished. They stand in stark contrast to the old classrooms that have not yet been renovated and that are in very poor condition, with doors made of pressed wood that are in bad need of renovation and maintenance.

Examples of observations of poor quality projects:

- The water has flooded the toilets completely; the flushers are out of order, and the lavatory is clogged and filled with water. It seems that the toilets are too few for the large number of students that use them.

- The land has been prepared for laying the foundation; but, because of underground water, the work on the project has been interrupted.

- The stalls put up for the vendors of vegetables, fruits and fish had been very badly used. The vendors had done nothing but accumulate a great deal of garbage, empty boxes and what not, which led the officials to give up the idea of the market and to decide to turn the place into government offices--a post office, a cooperative store, etc.

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- The building has not been completed, but the classroom that has been built is very poorly ventilated. It has only one tiny window to give air to the 85 students who are usually sardined in it.

- Toys, swings and furniture were bought for the day-care nursery but as the building itself is in very bad condition and in risk of collapse, the children are not allowed to use it any more.

- It is a youth club with three floors but with no other equipment or games except one ping pong table. The funds, they said, did not provide for them.

As Table 3.40 in the Appendix shows, other improvements are often being introduced at the sites. At PVO sites, about three quarters said that other improvements had been made since the beginning of NUS. At government sites, just over half said this had taken place.

3.2.3 INFRASTRUCTURE SUB-PROJECTS

As mentioned above, interviews were conducted with 120 respondents at the sites of public utility and infrastructures sub-projects. Respondents ranged in age from 11 years to 72 years. Tables 3.43 through 3.47 in the Appendix present results of those interviews.

As many as 44.2% of the users of the sub-project were identified as having low incomes. A minority of 9.2% had above average incomes.

The majority, 75%, said that they felt that the infrastructure sub-project addresses an important need while the remainder one-fourth of the respondents, felt it does not.

A majority of 79% said that the quality of the work of the sub-project was very good, while 11% said that it was of medium quality. Only seven out of the 120 respondents said that the quality was poor.

At a site where street and building markings had been put up, respondents tended to say that the work had been well done but that it had not met their most important need. Such statements as as the following were made:

- Marking the houses was an excellent idea, but its not the most important need.

- It doesn't make any difference. The old markings were blue and now they are green. What is important is that they should not leave a street all torn up for a long time. They dug up the street to put in the telephone cables. Then they paved it and then they dug it up again for the electricity. The important thing is that they should pave it as quickly

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as possible and not leave it torn up for long periods of time.

- The street has always had a placque. It doesn't matter if its blue or green. What we need here is lighting as the street has only three lamps. A week ago, a young lady was running in the street because she was afraid of the dark.

More than twenty respondents at sites where street lighting had been installed all thought that the quality of the sub-project was excellent. Only a few made complaints about the street lighting, with one saying "they have not been lit for more than four months now"; another saying "many of the bulbs are burned out"; and the other saying "now the children play ball in the street at night and they make a great deal of noise". About half of the respondents, however, did not feel that street lighting was the most important need. These tended to say that such things as sewerage, garbage collection, and cleanliness were more important needs.

Following are examples of comments made about improvements at gardens:

- An excellent project. It used to be a garbage dump. It meets an important need but there should also be a cafeteria, a children's garden with lights so that it can be used at night, and a police station to prevent abuses.

- Excellent and it meets an important need. But there are other improvements that need to be made here, such as repairing the rest of the walls, as well as the umbrellas and the kiosks. There also needs to be better maintenance, and it needs a gate.

Most respondents at sewerage sub-projects felt that they were excellent and met very important needs. Examples of comments are:

- Excellent. It prevented the accumulation of water and the flooding of sewage. It made the district clean and it prevented dieseases.

- Excellent and a very important need. But they always get clogged up and it is very difficult to get them to fix it.

- An excellent idea and an important need but the project was very bad. The pipes are small and do not meet the needs. It is near the mosque and the pipes are always bursting and the street is flooded.

The provision of garbage collection trucks was seen by 15 respondents as being of excellent quality and of meeting a very important need. As one respondent said: "The garbage is collected everyday and sometimes three times a day. This project provided comfort and cleanliness for the people of the district".

At a market, a vendor said that it was a very bad sub-project and of no use. He added: "There should be a way to close each stall and it should have a door and they should allow us to have electricity. I am willing to pay for all that or pay rent to have them close the stalls. We have gone bankrupt because these stalls are open, and children get in and play with the goods. So we have to stay all night guarding it. It was an important need but it was poorly executed".

At the same market, a shopper, however, said that it was excellent and met a very important need and: "It is easy for us now to do our shopping. The fish store is also something we needed very badly".

Most respondents at a street paving sub-project site said that it was excellent and an important need. A few thought that it was of only medium quality "because in Egypt paving is not done well", as one said, and a few said other things were more important--such as "water, sewerage, schools and hospitals".

A water standpipe was considered by sixteen respondents to be an excellent sub-project that meets a very important need but many of these said that it was not enough and that needed more taps. Also, as one said: "The water here is very limited and most of the week it does not flow and we are forced to get up at three in the morning to fill up with water". Another said: "It is contaminated with petrol because the pipe passes next to the gas pipe underground".

Eight respondents evaluated a pedestrian bridge as having met an important need. But one said: "The stairs need repair and the children trip on them"; while another said: "There is difficulty using it because the steps are too high".

Asked who funded the infrastructure project, most respondents (75%) said that they did not know. Ten percent said it was funded by the Americans or USAID. Almost as many thought it had been funded by the Egyptian government with five saying it had been funded by the Japanese.

CHAPTER FOUR

IMPACT OF NUS ON DISTRICT LOCAL GOVERNMENT PERSONNEL

4.1 INTRODUCTION

In this chapter, data on the impact of NUS on the various district local government personnel are presented. Several different issues are addressed. These include the effect that NUS had on the workloads and on the capacities of personnel who were involved in the project. Also, data on the role of training are presented.

4.2 EFFECT ON WORKLOADS AND CAPACITIES

Table 4.1 shows how district personnel feel about the way that NUS affected the workloads of employees who were involved in it. As is not surprising, the majority (53.7%) said that NUS increased the amount of work they had to do. Those who said it brought more work were mainly district chiefs, secretary generals, directors of planning and follow-up, of finance, of

TABLE 4.1
WHETHER NUS PROJECT AFFECTED WORKLOAD OF EMPLOYEES INVOLVED IN IT / BY POSITION

POSITION-> / WORKLOAD	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
Same		4 21.1 20.0	4 21.1 17.4	2 10.5 11.1	5 26.3 20.0	4 21.1 11.4	19 15.7
More		4 6.2 20.0	15 23.1 65.2	15 23.1 83.3	19 29.2 76.0	12 18.5 34.3	65 53.7
Not Know		7 31.8 35.0			1 4.5 4.0	14 63.6 40.0	22 18.2
NA		5 33.3 25.0	4 26.7 17.4	1 6.7 5.6		5 33.3 14.3	15 12.4
	Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q94/Q7.

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projects, of housing, and engineers. Members of the popular councils and directors of service ministries, as categories, did not particularly feel this way.

A minority of 15.7% felt that NUS did not bring more work, saying that the employees had the same amount of work as usual.

Almost one-third of the respondents said they did not know how NUS had affected workloads or they did not answer the question. These were mainly popular council members or directors of service ministries.

Asked whether employees were given incentives for NUS-related work, 61.2% said "yes", as is shown in Table 4.2. Only eight individuals said that no incentives were given. However, almost a third said they did not know or they did not answer the question. Once again, these were mainly popular council members or directors of service ministry departments.

TABLE 4.2
WHETHER EMPLOYEES GIVEN INCENTIVES
FOR NUS-RELATED WORK / BY POSITION

POSITION-> INCENTIVES	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
No				1 12.5 5.6	3 37.5 12.0	4 50.0 11.4	8 6.6
Yes		5 6.8 25.0	19 25.7 82.6	16 21.6 88.9	19 25.7 76.0	15 20.3 42.9	74 61.2
Not Know		9 45.0 45.0			3 15.0 12.0	8 40.0 22.9	20 16.5
NA		6 31.6 30.0	4 21.1 17.4	1 5.3 5.6		8 42.1 22.9	19 15.7
	Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q95/Q7.

Almost half (47.3%) of the 74 who said that incentives had been given said that they were adequate. However, almost as many said that they were not enough. Those who said they were not enough were mainly directors of housing and of projects and engineers. Indeed, 17 out of 19 respondents in this category said the incentives were inadequate. (See Table 4.3).

TABLE 4.3
WHETHER INCENTIVES ADEQUATE
FROM VIEW POINT OF EMPLOYEES / BY POSITION

POSITION-> ADEQUATE	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
No		1 2.9 20.0	4 11.8 21.1	4 11.8 25.0	17 50.0 89.5	8 23.5 53.3	34 45.9
Yes		3 8.6 60.0	13 37.1 68.4	11 31.4 68.8	1 2.9 5.3	7 20.0 46.7	35 47.3
NA		1 20.0 20.0	2 40.0 10.5	1 20.0 6.3	1 20.0 5.3		5 6.8
	Column Total	5 6.8	19 25.7	16 21.6	19 25.7	15 20.3	74 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q96/Q7.

District chiefs, secretary generals, engineers, and directors of planning and follow-up, of finance, of projects and of housing were asked if they felt that participation in NUS had affected their efficiency in carrying out their regular duties. As Table 4.4 shows (presented in Appendix A), the majority (62.2%) said that it had. This implies that they feel that they improved their capacities. About one-quarter said it had not affected their efficiency in doing their regular work, while a few did not answer.

Asked to evaluate their own experience in work related to NUS, almost half (46.3%) of all respondents said that they had found it to be very beneficial. Fourteen percent said that it had been partly beneficial, while 17.4% said it had not been beneficial at all. A significant minority of 22.3% did not answer, indicating that they may not have been much involved in NUS.

Those who said that their experience in NUS had been very beneficial included quite large proportions of the categories of district chiefs and secretary generals and of directors of planning and follow-up and of finance. (See Table 4.5).

A large number of those who rated their personal experience with NUS as very beneficial either said that NUS had added greatly to their practical experience and skills in the scientific study, planning, execution and follow-up of projects. An equally large number expressed their great satisfaction that NUS made possible the execution of projects badly needed to improve the services or

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TABLE 4.5

EVALUATION OF EXPERIENCE IN NUS / BY POSITION

POSITION-> / EVALUATION (Count / Row Pct / Col Pct)	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Min-istries	Row Total
Not Beneficial	2 9.5 10.0	4 19.0 17.4	1 4.8 5.6	7 33.3 28.0	7 33.3 20.0	21 17.4
Partly Beneficial	3 17.6 15.0	1 5.9 4.3	3 17.6 16.7	7 41.2 28.0	3 17.6 8.6	17 14.0
Very Beneficial	7 12.5 35.0	14 25.0 60.9	12 21.4 66.7	9 16.1 36.0	14 25.0 40.0	56 46.3
NA	8 29.6 40.0	4 14.8 17.4	2 7.4 11.1	2 7.4 8.0	11 40.7 31.4	27 22.3
Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q102/Q7.

infrastructures for which they are responsible. Additional NUS benefits mentioned by other respondents include: the training they received through NUS, the opportunity that working on the NUS projects gave them of learning to deal and work with various bodies at the district and at higher levels, the fact that NUS allowed the districts to exercise the authority that the local government law decreed for them, and, finally, the financial incentives received.

Typical answers:

- The most important thing I gained was the training I received in how to plan a project--from its conception and until it becomes a reality. It was a very fruitful experience.

- I learned how to evaluate the program, the progress of the work and the performance of the workers, in addition to the experience I gained as a participant in the decision-making process.

- I gained a great deal of experience in all the steps that are involved in the planning and execution of a project. It

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was especially useful to me, as a young engineer and a recent graduate, to have projects at the district level in which I can get practical training. The practice received in handling projects and avoiding some of the problems added greatly to my experience.

- I learned a great deal from the follow-up reports that the technical assistant team prepared. I learned new, scientific and very useful technical and engineering information.

- We learned to compare projects and set priorities. What was even more useful was learning about the procedures used in the follow-up of the execution, such as the preparation of the monthly follow-up record.

- Since my involvement with NUS, I learned many things I had not known before. I had not known that the Americans were doing anything for Egypt and I had had no idea how their aid funds were used. I also learned from NUS how to follow-up on the progress of the projects and to keep them moving. When I follow up on the work of those under me, they keep moving; then everyone else down the line starts working and thus the whole system is kept in motion.

Most of those who evaluated the NUS experience as only partially beneficial reiterated their reservations concerning some of the project selection criteria, like the size and cost limitations. A few said that, whereas the NUS project "realized many important projects that benefited the people", "gave them personally additional experience in planning and executing projects" or "gave them some financial incentives", they did not learn anything that was essentially "new " or that differed from their "routine operation".

Those who felt that the NUS did not benefit them in any way said that it had not taught them anything that was new. As one respondent put it "Since the funding agency was American, we would have liked to get from them new ideas, new approaches to improve our services. But that did not happen. They only supplied us with equipment and made some renovations--things we could have done ourselves without their help".

Asked if they had faced any problems with respect to NUS project, 43.0% said they had not, while 40.5% said that they had faced problems. The various categories of respondents were generally quite equally divided on this issue, with the exceptions of district chiefs/secretary generals and directors of planning and follow-up and of finance. More of the former said they had faced problems while more of the latter said they had not. (See Table 4.6).

Twenty-one of the 49 interviewers who had problems with the NUS projects mentioned difficulties with the contractors. They complained that the quality of the contractors' work was poor and

TABLE 4.6
WHETHER RESPONDENT FACED PROBLEMS WITH RESPECT
TO NUS / BY POSITION

POSITION-> PROBLEMS	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
No		9 17.3 45.0	7 13.5 30.4	11 21.2 61.1	11 21.2 44.0	14 26.9 40.0	52 43.0
Yes		5 10.2 25.0	11 22.4 47.8	6 12.2 33.3	13 26.5 52.0	14 28.6 40.0	49 40.5
NA		6 30.0 30.0	5 25.0 21.7	1 5.0 5.6	1 5.0 4.0	7 35.0 20.0	20 16.5
	Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q104/Q7.

that the execution of the projects took much longer than agreed. The respondents spoke of the contractors as "incompetent", "irresponsible, and "careless"; and described their work as "of poor quality", "shoddy" and "of low technical standard". As one interviewee summed it, "The contractors are not of high caliber. They were selected because they were the lowest bidders, and they proved to be also the least capable. Their work is shoddy and their execution slow." Others said, "The poor quality of the work in the projects is due to the low level of the contractors who monopolized all the work in the district from the start of the NUS Project" and "The level of technical skill of the manpower available today is very low, not only in NUS but in all projects."

Sixteen respondents said that the main problem confronting them was the funding limits set for the NUS projects. They complained that project costs sometimes exceeded the earmarked funds; with the result that, either the work on the project is interrupted until additional funds are secured, or the project is totally abandoned. Because of the shortage in funds, some projects did not provide for all the complementary facilities or equipment essential for the real improvement of a service or for the utilization of a new facility--such as, for example, when a classroom is constructed and funds are not made available to supply the necessary furnishings and equipment.

Examples of answers:

- When the project involves the setting up of a service unit but the maximum funds available per year are too small, the work has to be interrupred until more funds are made available in the budget of the following years. Also when project funds do not include furnishings and equipment, then the unit cannot be utilized and the executed project is useless.

- The problem is poor planning. There is, for example, a project involving the establishment of a school; but the work is now at a standstill. Inspite of the fact that the project is funded by NUS and with additional contributions from the Services Fund, it has not been completed because the project is costly and the funds are short.

- When the actual cost of the projects proves to be greater than that originally estimated, serious delays occur because the procedures for getting additional funds are slow. What usually happens in such cases, the contractor goes off to do other jobs, and the work on the project gets interrupted and the deadline for completion put off.

Six persons found that the small number of engineers at the district level paused a problem. NUS projects, they say, add greatly to the engineers' work load, who, as a result, find it difficult to achieve proper supervision of the projects. Their difficulties are exacerbated by the lack of adequate means of transportation for easy movement to project sites.

Another small number said that their biggest problem is the irresponsible behavior of members of the general public, who are not protective of some of the new facilities and improvements--such as motorists who use the newly paved sidewalks for parking their cars. Only one person mentioned that the financial incentives NUS offered to the personnel cause some difficulties, "because they were limited to those working directly in the Project; whereas there were other individuals whose work helped the projects and who should have also received some remuneration".

4.3 TRAINING

Tables 4.7, 4.8, and 4.9 present data related to training. Just over half of the respondents (52.9%) said that they had participated in at least one training session organized by the TA for personnel involved in NUS. Thirty-eight percent said they had not participated in any training, while 9.1% did not answer.

Those most likely to have participated in training were directors of planning and follow-up and of finance, of whom 77.8% said they had participated in training sessions. These were followed by directors of projects and of housing and engineers, of whom 64.0%

had participated. Popular council members and directors of service ministry departments were slightly less likely than the average to say they had received training. (See Table 4.7).

Those who said they had participated in NUS training were asked if they had ever participated in any similiar training. The majority (56.3%) said they had, while the remainder said they had not. (See Table 4.8 in Appendix A).

TABLE 4.7

WHETHER RESPONDENT PARTICIPATED IN ANY TRAINING SESSIONS ORGANIZED BY TA FOR PERSONNEL INVOLVED IN NUS / BY POSITION

POSITION->	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
No		10 21.7 50.0	7 15.2 30.4	3 6.5 16.7	8 17.4 32.0	18 39.1 51.4	46 38.0
Yes		8 12.5 40.0	12 18.8 52.2	14 21.9 77.8	16 25.0 64.0	14 21.9 40.0	64 52.9
NA		2 18.2 10.0	4 36.4 17.4	1 9.1 5.6	1 9.1 4.0	3 27.3 8.6	11 9.1
	Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q107/Q7.

Over three-quarters of those who had received training under the NUS project said that they felt that either improved or additional training was needed, as shown in Table 4.9 in Appendix A. All of the popular council members said more or better training was needed while most of the officials, with the exception of service ministry directors, also felt this way.

The largest number of suggestions given by the government officials and popular representatives for the improvement of NUS training concerned mainly the method and duration of training. A few additional recommendations were made as to specific subjects, and categories of local government officials that the respondents would be interested to see included in the training programs.

The main recommendation for the improvement of training, made by 17 respondents, is the need to put the emphasis on "pratical" or "technical" training that is directly related to the persons' job

in lieu of, or as a complement to, theoretical/academic presentations. Specific educational approaches were suggested including: on-the-job training field visits to project sites for the observation and monitoring of various stages of project planning and execution, the use of visual aids to present case-studies demonstrating "up-to-date" ways of "doing things" and of handling problems, and requiring the trainees to write up a paper on a specific topic relating to the subject of the training course. Respondents naturally tend to make suggestions that are relevant to the particular category to which they belong--be it engineers, financial officers, local government administrators, popular representativces, etc.

TABLE 4.9
WHETHER IMPROVED OR ADDITIONAL TRAINING IS NEEDED / BY POSITION

POSITION-> MORE TRAINING	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
No			3 21.4 25.0	3 21.4 21.4	2 14.3 12.5	6 42.9 42.9	14 21.9
Yes		8 16.3 100.0	9 18.4 75.0	11 22.4 78.6	14 28.6 87.5	7 14.3 50.0	49 76.6
NA						1 100.0 7.1	1 1.6
	Column Total	8 12.5	12 18.8	14 21.9	16 25.0	14 21.9	64 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q112/Q7.

There was also an inclination on the part of some of the specialized personnel, such as engineers, to emphasize the need for more technical training in their own field of specialization and for less extensive training in such things as management procedures and methods. On the other hand, local government administrators and Popular Council representatives, though they also emphasize the need for practical experience, do appreciate learning about managerial procedures and problems of project planning and execution; and about local government processes, specifically ways of promoting cooperation and collaborating among various local government bodies.

Typical answers:

- There is need for on-the-ground practical training. An engineer is in need of field experience. He needs to

participate in large-sized operations and to spend time learning all the fine details concerning each stage of project execution. There is no doubt that this kind of training would increase the competence of the engineer and add to his ability to handle projects executed at the district level.

- Engineers need technical training. They do not need to learn a great deal about management procedures nor do they have much use for academic and theoretical lectures. Engineers, and particularly young graduates who do not have enough practical experience need training in the actual execution of work.

- The training should not be through theoretical presentations only. It should be through practical experience, especially for the members of the Popular Council. There should be discussions of actual projects and studies of real problems with the aim of arriving at practical solutions--whether such problems have to do with the selection, execution or funding of projects.

- The training of members of the Popular Council should be practical and directly related to the job he has to perform --how to deal with people and to respond to their needs, how to get the projects they ask for executed, and how to deal with the Executive Council. The training should involve applied work on real projects that would get executed during the training period.

- The training should be realistic and directly related to the work we perform and problems we face. It should not involve general lectures that depend on information from other parts of the world and that do not fit the local conditions of Egypt. The only result of such training is to frustrate us because they present us with ideal situations we can never realize in the circumstances that surround us.

- The training should be offered through workshops in which intensive exercises are undertaken relating to real cases... Training through lectures is an old fashioned approach, not up-to-date.

- Most of the lectures were theoretical in content and only one day was spent on field visits. It is preferable that the training consist mostly of field visits to project sites so that the discussion may relate to real situations.

- For the training to be useful, it has to be practical. Each participant should be asked to present a special study or a commentary on a topic relating to the subject matter of the training course. Discussions should be held on these topics, which should be directly related to the trainees' work and experience so they may benefit from the exchange of views with one another and with the trainers.

The second most frequently made suggestion, offered by 14 respondents, is the need to increase the duration of the training program. The interviewees either found that the length of the training session was too short (from a few days to a week) or that one course was not enough to provide them the training they need. They, therefore, suggested increasing the number of days for each course, offering additional courses, or offering periodic training.

Examples of answers:

- To really benefit from the training, it should be longer and there should be more than one round. The training course I took lasted only one week and for only two hours a day. That is certainly not enough.

- We need more training courses in our own area of concern. We still need additional information that can be useful to us as we deal with similar projects [like those of NUS].

- The subject of the course I attended was the management of urban development projects and it lasted a week. In my opinion the trainees needed to learn more details than was possible to present in this short period. There should be a training session for each operation involved in the execution of a project--the funding, the assessment of needs, and the supervision and follow-up.

- The training period should be longer, and there should be more than one specialized course. We should not be given fifty things in three or four days. Each course should concentrate only on a specific operation--on planning, on evaluation, or on follow-up. In this way, it would be possible to have discussion and debate, which are very important in any training program.

- There should be periodic training for the workers, let us say twice a year, as a one-shot training course is certainly not enough.

- The course on maintenance lasted six days. There should be two courses a year and a greater variety in the materials presented.

Specific subjects for inclusion in the training program were suggested by a few participants such as: special courses "in how to set the targets and time schedule for project execution", "in financial and administrative aspects", or "in maintenance".

Several persons recommended greater participation in training, or special training for, the members of Popular Council. "The popular bodies should be trained to understand their roles, rights and responsibilities so that they may take seriously the NUS program" and "the popular leaders should be given training as

they are constantly changing and some of them do not know anything about the NUS Project".

Other interesting proposals include: "The engineers and the persons responsible for finance should be brought together in one training program to help coordinate their complementary functions"; "Training the high level leadership in the local government"; "More training for the lower echelon workers who are executing projects and less concentration on the personnel at the top"; "Training the holders of intermediate certificates, and not just university graduates, as they form the majority of workers in local government"; and "Include liaison officers [coordinators] in all the training courses".

Five respondents suggested that the training be undertaken in the United States in order, as one put it, "to see how they do things in their country, to benefit from their experience so that later on one can apply what is suitable to Egypt."

The overall significance of NUS in the districts in terms of sub-projects is suggested by the answers that respondents gave to the qeustion of whether they felt that the sub-projects done under NUS would have been implemented if NUS funding had not been made available.

As Table 4.10 in Appendix A shows, respondents were divided in their opinions. Only a few (12, or 9.9%) said that most of them would have been done anyway. Just over one-third said that some of them would have been implemented without NUS. More (44.6%) said that none of them would have been implemented. Those least likely to say that none of them would have been implemented were district chiefs or secretary generals.

A P P E N D I X 'A'

TABLES

APPENDIX 'A'

1.3 GOVERNMENT SUB-PROJECTS STUDIED BY DISTRICT AND TYPE
1.4 PVO SUB-PROJECTS STUDIED BY DISTRICT AND TYPE

2.1 RESPONDENT'S SEX / BY POSITION
2.2 RESPONDENT'S AGE / BY POSITION
2.3 RESPONDENT'S HIGHEST LEVEL OF EDUCATION ACHIEVED / BY POSITION
2.4 NO. OF YEARS RESPONDENT IN LOCAL GOVERNMENT / BY POSITION
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2.7 NO. OF YEARS RESPONDENT INVOLVED IN NUS / BY POSITION

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3.7 WHETHER RESPONDENT PARTICIPATED IN TA GENERAL SURVEY OF SERVICES / BY POSITION (OF THOSE WHO KNEW ABOUT IT)
3.8 EVALUATION OF TA'S GENERAL SURVEY OF SERVICES / BY POSITION (OF THOSE WHO KNEW ABOUT IT)
3.9 WHETHER RESPONDENT USED NUS BOOKLET IN ASSESSING NEEDS AND PLANNING PROJECTS / BY POSITION (OF THOSE WHO PARTICIPATED IN TA'S SURVEY)
3.16 WHETHER NUS METHOD OF CHOOSING CONTRACTORS DIFFERED FROM REGULAR METHOD / BY POSITION
3.17 EVALUATION OF REGULAR METHOD OF SELECTING CONTRACTORS / BY POSITION (OF THOSE WHO SAID NO DIFFERENCE FROM NUS METHOD)
3.18 EVALUATION OF NUS METHOD OF CONTRACTOR SELECTION COMPARED TO REGULAR METHOD / BY POSITION (OF THOSE WHO SAID NUS METHOD DIFFERENT)
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3.21 WHETHER NUS PROCEDURES FOR SUPERVISION AND FOLLOW-UP DIFFERENT FROM THOSE REGULARLY USED / BY POSITION
3.22 EVALUATION OF NUS PROCEDURES FOR SUPERVISION AND FOLLOW-UP COMPARED TO REGULAR PROCEDURES / BY POSITION (OF THOSE WHO SAID THEY DIFFER)
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3.24 EVALUATION OF TA'S ROLE IN SUPERVISION AND FOLLOW-UP / BY POSITION
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BY POSITION (OF THOSE WHO SAID NUS SYSTEM DIFFERENT)

3.27 EVALUATION OF NUS MAINTENANCE SYSTEM COMPARED TO REGULAR SYSTEM WITH REGARDS TO FUNDING / BY POSITION (OF THOSE WHO SAID NUS SYSTEM DIFFERENT)

3.28 EVALUATION OF NUS MAINTENANCE SYSTEM COMPARED TO REGULAR SYSTEM WITH REGARDS TO EXECUTION / BY POSITION (OF THOSE WHO SAID NUS SYSTEM DIFFERENT)

3.29 NO. OF SUB-PROJECTS SURVEYED BY TYPE / BY DISTRICT

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3.33 WHETHER PERSONNEL AT SITE (OTHER THAN RESPONDENT)HAD ROLE IN IDENTIFYING AND SELECTING SUB-PROJECT /BY TYPE_

3.40 WHETHER OTHER IMPROVEMENTS MADE AT SITE SINCE BEGINNING OF NUS / BY TYPE

3.41 TYPE OF MAINTENANCE SYSTEM USED AT SITE / BY TYPE

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3.43 LOCATION OF RESPONDENT AT INFRASTRUCTURE SUB-PROJECT SITES

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3.45 ECONOMIC LEVEL OF USERS AT INFRASTRUCTURE SUB-PROJECT SITE

3.46 WHETHER INFRASTRUCTURE SUB-PROJECT ADDRESSES AN IMPORTANT NEED

3.47 WHO FUNDED INFRASTRUCTURE SUB-PROJECT ACCORDING TO RESPONDENT

3.48 WHETHER SUB-PROJECT MOST IMPORTANT NEEDS /BY SECTOR FOR GOVERNMENT SITES

3.49 EVALUATION OF QUALITY OF SUB-PROJECT / BY SECTOR FOR GOVERNMENT SITES

3.50 WHETHER SUB-PROJECT ADDRESSED MOST IMPORTANT NEEDS / BY TYPE FOR PVO SITES

3.51 EVALUATION OF QUALITY OF SUB-PROJECT / BY TYPE FOR PVO SITES

4.4 WHETHER PARTICIPATION IN NUS AFFECTED EFFICIENCY OF EMPLOYEES (OTHER THAN SERVICE MINISTRY DIRECTORS) IN CARRYING OUT THEIR REGULAR DUTIES / BY POSITION

4.8 WHETHER RESPONDENT EVER ATTENDED OTHER TRAINING PROGRAMS SIMILIAR TO THOSE GIVEN BY NUS / BY POSITION

4.10 WHETHER SUB-PROJECT WOULD HAVE BEEN IMPLEMENTED IF NUS FUNDS HAD NOT BEEN MADE AVAILABLE TO THE DISTRICT / BY POSITION

TABLE 1.3
GOVERNMENT SUB-PROJECTS STUDIED BY DISTRICT AND TYPE

DISTRICT/TYPE	NUMBER
East (Cairo)	
Infrastructure/Utilities	2
Education	2
Social Affairs	1
Public Health	1
Central (Cairo)	
Infrastructure/Utilities	1
Education	1
Zeitoun (Cairo)	
Infrastructure/Utilities	1
Education	1
Helwan (Cairo)	
Infrastructure/Utilities	1
Education	1
Public Health	1
Shoubra (Cairo)	
Infrastructure/Utilities	2
Education	1
Social Affairs	1
West (Cairo)	
Infrastructure/Utilities	1
Education	1
Social Affairs	1
Public Health	1
South (Cairo)	
Education	2
Social Affairs	1
East (Alexandria)	
Infrastructure/Utilities	2
Education	2
Public Health	2
Food Security	1
Gumruk (Alexandria)	
Infrastructure/Utilities	1
Education	1
Public Health	1
Amreya (Alexandria)	
Infrastructure/Utilities	2
Education	1
Public Health	1
Food Security	1
West (Giza)	
Infrastructure/Utilities	2
Education	1
Social Affairs	1
Public Health	1
TOTAL	43

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TABLE 1.4
PVO SUB-PROJECTS STUDIED BY DISTRICT AND TYPE

DISTRICT/TYPE	NUMBER
East (Cairo)	
Nurseries	2
Health	1
Skill Centers	2
Productive & Other	1
Central (Cairo)	
Nurseries	1
Health	1
Skill Centers	1
Hostel	1
Zeitoun (Cairo)	
Nurseries	1
Health	1
Helwan (Cairo)	
Nurseries	2
Health	1
Skill Centers	1
Social Club	1
Shoubra (Cairo)	
Nurseries	1
Health	1
Skill Centers	1
Orphanage	1
West (Cairo)	
Health	1
Skill Centers	1
Productive & Other	1
Hostel	1
South (Cairo)	
Nurseries	1
Health	1
Skill Centers	1
Productive & Other	1
East (Alexandria)	
Nurseries	2
Health	1
Skill Centers	1
Hostel	1
Gumruk (Alexandria)	
Nurseries	1
Health	1
Skill Centers	1
Social Club	1
Amreya(Alexandria)	
Nurseries	1
Skill Centers	1
Productive & Other	1
West (Giza)	
Nurseries	2
Skill Center	1
TOTAL	44

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TABLE 2.1
RESPONDENT'S SEX / BY POSITION

POSITION-> SEX	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Min-istries	Row Total
Male		18 18.8 90.0	23 24.0 100.0	9 9.4 50.0	19 19.8 76.0	27 28.1 77.1	96 79.3
Female		2 8.0 10.0		9 36.0 50.0	6 24.0 24.0	8 32.0 22.9	25 20.7
	Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q10/Q7.

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TABLE 2.2
RESPONDENT'S AGE / BY POSITION

POSITION-> / YEARS	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
30-34		1 20.0 5.0		1 20.0 5.6	3 60.0 12.0		5 4.1
35-39		3 25.0 15.0		2 16.7 11.1	6 50.0 24.0	1 8.3 2.9	12 9.9
40-44		4 19.0 20.0	1 4.8 4.3	6 28.6 33.3	8 38.1 32.0	2 9.5 5.7	21 17.4
45-49		2 8.3 10.0	6 25.0 26.1	5 20.8 27.8	5 20.8 20.0	6 25.0 17.1	24 19.8
50-54		5 17.2 25.0	7 24.1 30.4	2 6.9 11.1	2 6.9 8.0	13 44.8 37.1	29 24.0
55-59		2 9.1 10.0	8 36.4 34.8		1 4.5 4.0	11 50.0 31.4	22 18.2
60 and over		3 75.0 15.0	1 25.0 4.3				4 3.3
NA				2 50.0 11.1		2 50.0 5.7	4 3.3
	Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q11/Q7.

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TABLE 2.3
RESPONDENT'S HIGHEST LEVEL OF EDUCATION ACHIEVED /
BY POSITION

POSITION-> / LEVEL (Count / Row Pct / Col Pct)	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
General or technical secondary or less	5 71.4 25.0			2 28.6 8.0		7 5.8
Post-secondary diploma	1 20.0 5.0			2 40.0 8.0	2 40.0 5.7	5 4.1
Police or military academy		4 100.0 17.4				4 3.3
Police or military academy plus a univ. degree		6 85.7 26.1	1 14.3 5.6			7 5.8
B.A. (includes commerce)	9 30.0 45.0	6 20.0 26.1	10 33.3 55.6		5 16.7 14.3	30 24.8
B.Sc.	4 9.8 20.0	1 2.4 4.3	4 9.8 22.2	20 48.8 80.0	12 29.3 34.3	41 33.9
M.A.	1 7.1 5.0	4 28.6 17.4	3 21.4 16.7		6 42 9 17.1	14 11.6
M.Sc.		1 9.1 4.3		1 9.1 4.0	9 81.8 25.7	11 9.1
Ph.D. (science)		1 50.0 4.3			1 50.0 2.9	2 1.7
Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q12/Q7.

TABLE 2.4
NO. OF YEARS RESPONDENT IN LOCAL GOVERNMENT
/ BY POSITION

POSITION-> / YEARS	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
1-4		7 46.7 35.0	5 33.3 21.7		2 13.3 8.0	1 6.7 2.9	15 12.4
5-9		5 33.3 25.0	3 20.0 13.0	2 13.3 11.1	1 6.7 4.0	4 26.7 11.4	15 12.4
10-14		4 15.4 20.0	6 23.1 26.1	5 19.2 27.8	6 23.1 24.0	5 19.2 14.3	26 21.5
15-19		4 18.2 20.0	1 4.5 4.3	5 22.7 27.8	9 40.9 36.0	3 13.6 8.6	22 18.2
20-24			3 16.7 13.0	6 33.3 33.3	4 22.2 16.0	5 27.8 14.3	18 14.9
25 and more			5 20.0 21.7		3 12.0 12.0	17 68.0 48.6	25 20.7
	Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q13/Q7.

TABLE 2.5
NO. OF YEARS RESPONDENT IN PRESENT POSITION
(EMPLOYEES ONLY) / BY POSITION

POSITION-> / YEARS	Count / Row Pct / Col Pct	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
1 and less		4 22.2 17.4	2 11.1 11.8	6 33.3 24.0	6 33.3 17.1	18 18.0
2-3		4 19.0 17.4	1 4.8 5.9	8 38.1 32.0	8 38.1 22.9	21 21.0
3-4		6 42.9 26.1		4 28.6 16.0	4 28.6 11.4	14 14.0
4-5		5 31.3 21.7	2 12.5 11.8	3 18.8 12.0	6 37.5 17.1	16 16.0
5-6		3 37.5 13.0	2 25.0 11.8		3 37.5 8.6	8 8.0
6 and more		1 4.3 4.3	10 43.5 58.8	4 17.4 16.0	+8 34.8 22.9	23 23.0
	Column Total	23 23.0	17 17.0	25 25.0	35 35.0	100 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q15/Q7.

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TABLE 2.6
NO. OF YEARS RESPONDENT IN PRESENT DISTRICT
(EMPLOYEES ONLY) / BY POSITION

POSITION-> / YEARS	Count / Row Pct / Col Pct	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
1 and less		3 25.0 13.0	1 8.3 5.9	2 16.7 8.0	6 50.0 17.1	12 12.0
1-2		2 13.3 8.7	2 13.3 11.8	4 26.7 16.0	7 46.7 20.0	15 15.0
2-3		5 38.5 21.7		3 23.1 12.0	5 38.5 14.3	13 13.0
3-4		6 33.3 26.1	2 11.1 11.8	4 22.2 16.0	6 33.3 17.1	18 18.0
4-5		3 60.0 13.0	1 20.0 5.9		1 20.0 2.9	5 5.0
5 and more		4 10.8 17.4	11 29.7 64.7	12 32.4 48.0	10 27.0 28.6	37 37.0
	Column Total	23 23.0	17 17.0	25 25.0	35 35.0	100 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q16/Q7.

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TABLE 2.7
NO. OF YEARS RESPONDENT INVOLVED IN NUS /
BY POSITION

POSITION-> / YEARS	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
1 and less			2 25.0 8.7		3 37.5 12.0	3 37.5 8.6	8 6.6
1-2		1 7.7 5.0	2 15.4 8.7	2 15.4 11.1	2 15.4 8.0	6 46.2 17.1	13 10.7
2-3		10 37.0 50.0	7 25.9 30.4	1 3.7 5.6	2 7.4 8.0	7 25.9 20.0	27 22.3
3-4		2 10.0 10.0	5 25.0 21.7	4 20.0 22.2	6 30.0 24.0	3 15.0 8.6	20 16.5
4-5		5 15.2 25.0	6 18.2 26.1	9 27.3 50.0	5 15.2 20.0	8 24.2 22.9	33 27.3
NA		2 10.0 10.0	1 5.0 4.3	2 10.0 11.1	7 35.0 28.0	8 40.0 22.9	20 16.5
	Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q14/Q7.

.99

TABLE 3.6
WHETHER RESPONDENT AWARE TA CONDUCTED GENERAL SURVEY
OF SERVICES AND SET PLAN RE PRIORITIES OF NEEDS / BY POSITION

POSITION-> AWARENESS	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Min-istries	Row Total
No		8 25.8 40.0	2 6.5 8.7	2 6.5 11.1	15 48.4 60.0	4 12.9 11.4	31 25.6
Yes		9 14.8 45.0	19 31.1 82.6	12 19.7 66.7	3 4.9 12.0	18 29.5 51.4	61 50.4
NA		3 10.3 15.0	2 6.9 8.7	4 13.8 22.2	7 24.1 28.0	13 44.8 37.1	29 24.0
	Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q38/Q7.

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TABLE 3.7
WHETHER RESPONDENT PARTICIPATED IN TA GENERAL SURVEY OF SERVICES / BY POSITION (OF THOSE WHO KNEW ABOUT IT)

POSITION-> Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Min-istries	Row Total
No	7 15.9 77.8	12 27.3 63.2	10 22.7 83.3	3 6.8 100.0	12 27.3 66.7	44 72.1
Yes	1 6.3 11.1	7 43.8 36.8	2 12.5 16.7		6 37.5 33.3	16 26.2
	1 100.0 11.1					1 1.6
Column Total	9 14.8	19 31.1	12 19.7	3 4.9	18 29.5	61 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q39/Q7.

TABLE 3.8
EVALUATION OF TA'S GENERAL SURVEY OF SERVICES / BY POSITION (OF THOSE WHO KNEW ABOUT IT)

POSITION-> Count / Row Pct / Col Pct EVALUATION	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Min-istries	Row Total
Regular Better			1 25.0 8.3		3 75.0 16.7	4 6.6
The Same	3 21.4 33.3	4 28.6 21.1	3 21.4 25.0	1 7.1 33.3	3 21.4 16.7	14 23.0
NUS Better	5 13.9 55.6	12 33.3 63.2	8 22.2 66.7	1 2.8 33.3	10 27.8 55.6	36 59.0
NA	1 14.3 11.1	3 42.9 15.8		1 14.3 33.3	2 28.6 11.1	7 11.5
Column Total	9 14.8	19 31.1	12 19.7	3 4.9	18 29.5	61 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q41/Q7.

TABLE 3.9
WHETHER RESPONDENT USED NUS BOOKLET IN ASSESSING NEEDS
AND PLANNING PROJECTS / BY POSITION
(OF THOSE WHO PARTICIPATED IN TA'S SURVEY)

POSITION->	Count Row Pct Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
No		2 9.1 22.2	5 22.7 26.3	4 18.2 33.3		11 50.0 61.1	22 36.1
Yes		3 13.0 33.3	10 43.5 52.6	6 26.1 50.0	1 4.3 33.3	3 13.0 16.7	23 37.7
Not Know		3 25.0 33.3	3 25.0 15.8	1 8.3 8.3	2 16.7 66.7	3 25.0 16.7	12 19.7
		1 25.0 11.1	1 25.0 5.3	1 25.0 8.3		1 25.0 5.6	4 6.6
	Column Total	9 14.8	19 31.1	12 19.7	3 4.9	18 29.5	61 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q43/Q7.

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TABLE 3.10
WHETHER TA HAD ROLE IN ACTUAL NEEDS ASSESSMENT
AND ACTUAL FINAL SELECTION OF PROJECTS / BY POSITION

POSITION-> HAD ROLE	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Min-istries	Row Total
No		5 17.2 25.0	8 27.6 34.8	8 27.6 44.4	4 13.8 16.0	4 13.8 11.4	29 24.0
Yes		10 27.0 50.0	10 27.0 43.5	7 18.9 38.9	6 16.2 24.0	4 10.8 11.4	37 30.6
Not Know		4 13.3 20.0		2 6.7 11.1	8 26.7 32.0	16 53.3 45.7	30 24.8
NA		1 4.0 5.0	5 20.0 21.7	1 4.0 5.6	7 28.0 28.0	11 44.0 31.4	25 20.7
	Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q55/Q7.

TABLE 3.16
WHETHER NUS METHOD OF CHOOSING CONTRACTORS DIFFERED
FROM REGULAR METHOD / BY POSITION

POSITION-> / Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
DIFFERENCE No	7 12.1 35.0	14 24.1 60.9	11 19.0 61.1	20 34.5 80.0	6 10.3 17.1	58 47.9
Yes		4 26.7 17.4	5 33.3 27.8	4 26.7 16.0	2 13.3 5.7	15 12.4
Not Know	11 39.3 55.0		1 3.6 5.6	1 3.6 4.0	15 53.6 42.9	28 23.1
NA	2 10.0 10.0	5 25.0 21.7	1 5.0 5.6		12 60.0 34.3	20 16.5
Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q61/Q7.

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TABLE 3.17
EVALUATION OF REGULAR METHOD OF SELECTING CONTRACTORS
/ BY POSITION (OF THOSE WHO SAID NO DIFFERENCE FROM NUS METHOD)

POSITION-> / EVALUATION	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
Poor				1 20.0 9.1	3 60.0 15.0	1 20.0 16.7	5 8.6
Fair		5 20.0 71.4	8 32.0 57.1	2 8.0 18.2	9 36.0 45.0	1 4.0 16.7	25 43.1
Good			5 26.3 35.7	4 21.1 36.4	6 31.6 30.0	4 21.1 66.7	19 32.8
NA		2 22.2 28.6	1 11.1 7.1	4 44.4 36.4	2 22.2 10.0		9 15.5
	Column Total	7 12.1	14 24.1	11 19.0	20 34.5	6 10.3	58 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q62/Q7.

TABLE 3.18
EVALUATION OF NUS METHOD OF CONTRACTOR SELECTION
COMPARED TO REGULAR METHOD / BY POSITION
(OF THOSE WHO SAID NUS METHOD DIFFERENT)

POSITION-> / EVALUATION	Count / Row Pct / Col Pct	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
The Same		1 25.0 25.0	1 25.0 20.0	1 25.0 25.0	1 25.0 50.0	4 26.7
NUS Better		3 30.0 75.0	4 40.0 80.0	3 30.0 75.0		10 66.7
NA					1 100.0 50.0	1 6.7
	Column Total	4 26.7	5 33.3	4 26.7	2 13.3	15 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q64/Q7.

TABLE 3.19
EVALUATION OF PERFORMANCE OF CONTRACTORS IN EXECUTING SUB-PROJECTS AND COMPLETING WORK ON SCHEDULE / BY POSITION

POSITION-> / EVALUATION	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
Poor		3 25.0 15.0	1 8.3 4.3	2 16.7 11.1	2 16.7 8.0	4 33.3 11.4	12 9.9
Fair		6 17.1 30.0	11 31.4 47.8	2 5.7 11.1	12 34.3 48.0	4 11.4 11.4	35 28.9
Good			4 15.4 17.4	7 26.9 38.9	10 38.5 40.0	5 19.2 14.3	26 21.5
No Opinion		8 30.8 40.0	2 7.7 8.7	4 15.4 22.2	1 3.8 4.0	11 42.3 31.4	26 21.5
NA		3 13.6 15.0	5 22.7 21.7	3 13.6 16.7		11 50.0 31.4	22 18.2
	Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q68/Q7.

TABLE 3.20
EVALUATION OF NUS CONTRACTORS COMPARED TO OTHER CONTRACTORS WORKING IN DISTRICT / BY POSITION

POSITION-> / EVALUATION (Count / Row Pct / Col Pct)	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
Regular Better					1 100.0 2.9	1 .8
The Same	5 8.3 25.0	16 26.7 69.6	10 16.7 55.6	20 33.3 80.0	9 15.0 25.7	60 49.6
NUS Better	4 28.6 20.0	1 7.1 4.3	3 21.4 16.7	3 21.4 12.0	3 21.4 8.6	14 11.6
No Opinion	7 29.2 35.0	2 8.3 8.7	3 12.5 16.7	2 8.3 8.0	10 41.7 28.6	24 19.8
NA	4 18.2 20.0	4 18.2 17.4	2 9.1 11.1		12 54.5 34.3	22 18.2
Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q70/Q7.

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TABLE 3.21
WHETHER NUS PROCEDURES FOR SUPERVISION AND FOLLOW-UP
DIFFERENT FROM THOSE REGULARLY USED / BY POSITION

POSITION-> / DIFFERENCE	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
No		6 10.3 30.0	11 19.0 47.8	7 12.1 38.9	22 37.9 88.0	12 20.7 34.3	58 47.9
Yes		4 16.0 20.0	7 28.0 30.4	8 32.0 44.4	3 12.0 12.0	3 12.0 8.6	25 20.7
Not Know		8 38.1 40.0	1 4.8 4.3			12 57.1 34.3	21 17.4
NA		2 11.8 10.0	4 23.5 17.4	3 17.6 16.7		8 47.1 22.9	17 14.0
	Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q72/Q7.

TABLE 3.22
EVALUATION OF NUS PROCEDURES FOR SUPERVISION AND FOLLOW-UP
COMPARED TO REGULAR PROCEDURES / BY POSITION
(OF THOSE WHO SAID THEY DIFFER)

POSITION-> / EVALUATION (Count / Row Pct / Col Pct)	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Min-istries	Row Total
Regular Better					2 100.0 66.7	2 8.0
The Same			4 100.0 50.0			4 16.0
NUS Better	4 22.2 100.0	6 33.3 85.7	4 22.2 50.0	3 16.7 100.0	1 5.6 33.3	18 72.0
NA		1 100.0 14.3				1 4.0
Column Total	4 16.0	7 28.0	8 32.0	3 12.0	3 12.0	25 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q73/Q7.

TABLE 3.23
WHETHER TA HAD ROLE IN SUPERVISION AND FOLLOW-UP
/ BY POSITION

POSITION-> HAD ROLE	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
No		3 23.1 15.0		1 7.7 5.6	4 30.8 16.0	5 38.5 14.3	13 10.7
Yes		7 9.3 35.0	19 25.3 82.6	16 21.3 88.9	21 28.0 84.0	12 16.0 34.3	75 62.0
NA		10 30.3 50.0	4 12.1 17.4	1 3.0 5.6		18 54.5 51.4	33 27.3
	Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q77/Q7.

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TABLE 3.24
EVALUATION OF TA'S ROLE IN SUPERVISION AND FOLLOW-UP
/ BY POSITION

POSITION-> / EVALUATION	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
Poor		1 25.0 14.3		1 25.0 6.3	1 25.0 4.8	1 25.0 8.3	4 5.3
Fair		2 6.9 28.6	6 20.7 31.6	5 17.2 31.3	12 41.4 57.1	4 13.8 33.3	29 38.7
Good		3 8.1 42.9	13 35.1 68.4	10 27.0 62.5	8 21.6 38.1	3 8.1 25.0	37 49.3
NA		1 20.0 14.3				4 80.0 33.3	5 6.7
	Column Total	7 9.3	19 25.3	16 21.3	21 28.0	12 16.0	75 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q79/Q7.

TABLE 3.25
WHETHER NUS MAINTENANCE SYSTEM DIFFERENT FROM REGULAR SYSTEM IN DISTRICT / BY POSITION

POSITION-> DIFFERENCE	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
No		1 8.3 5.0	2 16.7 8.7	3 25.0 16.7	4 33.3 16.0	2 16.7 5.7	12 9.9
Yes		1 2.7 5.0	11 29.7 47.8	9 24.3 50.0	13 35.1 52.0	3 8.1 8.6	37 30.6
No NUS Maintenance		6 16.7 30.0	5 13.9 21.7	4 11.1 22.2	6 16.7 24.0	15 41.7 42.9	36 29.8
NA		12 33.3 60.0	5 13.9 21.7	2 5.6 11.1	2 5.6 8.0	15 41.7 42.9	36 29.8
	Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q84/Q7.

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TABLE 3.26
EVALUATION OF NUS MAINTENANCE SYSTEM COMPARED TO REGULAR SYSTEM WITH REGARDS TO NEEDS ASSESSMENT AND COSTING / BY POSITION (OF THOSE WHO SAID NUS SYSTEM DIFFERENT)

POSITION-> Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
EVALUATION						
Regular Better			1 100.0 11.1			1 2.7
The Same		5 35.7 45.5	2 14.3 22.2	5 35.7 38.5	2 14.3 66.7	14 37.8
NUS Better	1 5.9 100.0	6 35.3 54.5	5 29.4 55.6	5 29.4 38.5		17 45.9
NA			1 20.0 11.1	3 60.0 23.1	1 20.0 33.3	5 13.5
Column Total	1 2.7	11 29.7	9 24.3	13 35.1	3 8.1	37 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q85/Q7.

TABLE 3.27
EVALUATION OF NUS MAINTENANCE SYSTEM COMPARED TO REGULAR SYSTEM WITH REGARDS TO FUNDING / BY POSITION
(OF THOSE WHO SAID NUS SYSTEM DIFFERENT)

POSITION-> / EVALUATION (Count / Row Pct / Col Pct)	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
Regular Better					1 100.0 33.3	1 2.7
The Same		2 66.7 18.2		1 33.3 7.7		3 8.1
NUS Better	1 3.4 100.0	9 31.0 81.8	8 27.6 88.9	10 34.5 76.9	1 3.4 33.3	29 78.4
NA			1 25.0 11.1	2 50.0 15.4	1 25.0 33.3	4 10.8
Column Total	1 2.7	11 29.7	9 24.3	13 35.1	3 8.1	37 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q87/Q7.

TABLE 3.28
EVALUATION OF NUS MAINTENANCE SYSTEM COMPARED TO REGULAR SYSTEM WITH REGARDS TO EXECUTION / BY POSITION
(OF THOSE WHO SAID NUS SYSTEM DIFFERENT)

POSITION-> / EVALUATION	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
The Same			6 40.0 54.5	2 13.3 22.2	6 40.0 46.2	1 6.7 33.3	15 40.5
NUS Better		1 5.6 100.0	5 27.8 45.5	6 33.3 66.7	5 27.8 38.5	1 5.6 33.3	18 48.6
NA				1 25.0 11.1	2 50.0 15.4	1 25.0 33.3	4 10.8
	Column Total	1 2.7	11 29.7	9 24.3	13 35.1	3 8.1	37 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q89/Q7.

TABLE 3.29
NO. OF SUB-PROJECTS SURVEYED BY TYPE / BY DISTRICT

TYPE-> / DISTRICT (Count / Row Pct / Col Pct)	GOVT	PVO	Row Total
East(Cairo)	4 40.0 13.3	6 60.0 13.6	10 13.5
Central(Cairo)	1 20.0 3.3	4 80.0 9.1	5 6.8
Zeitoun(Cairo)	1 33.3 3.3	2 66.7 4.5	3 4.1
Helwan(Cairo)	2 28.6 6.7	5 71.4 11.4	7 9.5
Shoubra(Cairo)	2 33.3 6.7	4 66.7 9.1	6 8.1
West(Cairo)	4 50.0 13.3	4 50.0 9.1	8 10.8
South(Cairo)	2 33.3 6.7	4 66.7 9.1	6 8.1
East(Alex)	5 50.0 16.7	5 50.0 11.4	10 13.5
Gumruk(Alex)	2 33.3 6.7	4 66.7 9.1	6 8.1
Amreya(Alex)	3 50.0 10.0	3 50.0 6.8	6 8.1
West(Giza)	3 50.0 10.0	3 50.0 6.8	6 8.1
NA	1 100.0 3.3		1 1.4
Column Total	30 40.5	44 59.5	74 100.0

SOURCE: SRC, Sub-project survey, 1986. Q9/Q8.

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TABLE 3.30
SIZE OF SUB-PROJECT BY TYPE

TYPE-> / SIZE (Row Pct / Col Pct)			Row Total
Small	10 22.7 33.3	34 77.3 77.3	44 59.5
Medium	7 41.2 23.3	10 58.8 22.7	17 23.0
Large	8 100.0 26.7		8 10.8
NA	5 100.0 16.7		5 6.8
Column Total	30 40.5	44 59.5	74 100.0

NOTE: Small = Up to LE 20,000 in govt.; up to LE 10,000 in PVO
Medium = From LE 20,001 to 50,000 in govt.;
From LE 10,001 to 20,000 in PVO
Large = Over LE 50,000 in govt.; and over LE 20,000 in PVO

SOURCE: SRC, Sub-project Survey, 1986. Q17/Q8

TABLE 3.31
INTERVIEWER'S OBSERVATIONS ABOUT THE CONDITION
OF THE SITE / BY TYPE

TYPE-> / CONDITION	Count / Row Pct / Col Pct	GOVT	PVO	Row Total
Old		11	23	34
		32.4	67.6	45.9
		36.7	52.3	
New		16	20	36
		44.4	55.6	48.6
		53.3	45.5	
NA		3	1	4
		75.0	25.0	5.4
		10.0	2.3	
	Column Total	30	44	74
		40.5	59.5	100.0

SOURCE: SRC, Sub-project Survey, 1986: Q29/Q8.

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TABLE 3.33

WHETHER PERSONNEL AT SITE (OTHER THAN RESPONDENT)
HAD ROLE IN IDENTIFYING AND SELECTING SUB-PROJECT / BY TYPE

TYPE-> / HAD ROLE	Count / Row Pct / Col Pct	GOVT	PVO	Row Total
No		15 34.9 50.0	28 65.1 63.6	43 58.1
Yes		12 44.4 40.0	15 55.6 34.1	27 36.5
NA		3 75.0 10.0	1 25.0 2.3	4 5.4
	Column Total	30 40.5	44 59.5	74 100.0

SOURCE: SRC, Sub-project Survey, 1986. Q37/Q8.

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TABLE 3.40
WHETHER OTHER IMPROVEMENTS MADE AT SITE
SINCE BEGINNING OF NUS / BY TYPE

TYPE->	Count / Row Pct / Col Pct	GOVT	PVO	Row Total
OTHER IMPROVEMENTS				
No		10	11	21
		47.6	52.4	28.4
		33.3	25.0	
Yes		17	32	49
		34.7	65.3	66.2
		56.7	72.7	
NA		3	1	4
		75.0	25.0	5.4
		10.0	2.3	
	Column Total	30	44	74
		40.5	59.5	100.0

SOURCE: SRC, Sub-project Survey, 1986. Q62/Q8.

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TABLE 3.41
TYPE OF MAINTENANCE SYSTEM USED AT SITE / BY TYPE

TYPE-> / SYSTEM (Count / Row Pct / Col Pct)	GOVT	PVO	Row Total
Regular; also applied to NUS	20 46.5 66.7	23 53.5 52.3	43 58.1
Regular; plus NUS system		2 100.0 4.5	2 2.7
NUS system only	2 100.0 6.7		2 2.7
None	5 21.7 16.7	18 78.3 40.9	23 31.1
NA	3 75.0 10.0	1 25.0 2.3	4 5.4
Column Total	30 40.5	44 59.5	74 100.0

SOURCE: SRC, Sub-Projects Survey, 1986. Q68/Q8.

TABLE 3.42
WHETHER RESPONDENT ATTENDED TRAINING PROGRAM
OR WORKSHOPS SPONSORED BY NUS / BY TYPE

TYPE-> TRAINING	Count / Row Pct / Col Pct	GOVT	PVO	Row Total
No		23 41.1 76.7	33 58.9 75.0	56 75.7
Yes		4 28.6 13.3	10 71.4 22.7	14 18.9
NA		3 75.0 10.0	1 25.0 2.3	4 5.4
	Column Total	30 40.5	44 59.5	74 100.0

SOURCE: SRC, Sub-project Survey, 1986. Q95/Q8.

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TABLE 3.43
LOCATION OF RESPONDENT AT INFRASTRUCTURE SUB-PROJECT SITES

ITEM	Frequency	Percent
Lives near-by	53	44.2
Shopkeeper near-by	14	11.7
Passer-by at site	53	44.2
TOTAL	120	100.0

TABLE 3.44
SEX OF RESPONDENTS AT INFRASTRUCTURE SUB-PROJECT SITES

SEX	Frequency	Percent
Male	82	68.3
Female	38	31.7
TOTAL	120	100.0

TABLE 3.45
ECONOMIC LEVEL OF USERS AT INFRASTRUCTURE SUB-PROJECT SITE

LEVEL	Frequency	Percent
Low income	53	44.2
Average income	55	45.8
Above average income	11	9.2
NA	1	.8
TOTAL	120	100.0

TABLE 3.46
WHETHER INFRASTRUCTURE SUB-PROJECT ADDRESSES AN IMPORTANT NEED

ITEM	Frequency	Percent
NA	2	1.7
NO	28	23.3
YES	90	75.0
TOTAL	120	100.0

TABLE 3.47
WHO FUNDED INFRASTRUCTURE SUB-PROJECT
ACCORDING TO RESPONDENT

WHO FUNDED		Frequency	Percent
Not know	0	90	75.0
The government	1	11	9.2
The Americans	2	11	9.2
The municipality	3	2	1.7
The district	4	1	.8
The Japanese	5	4	3.3
USAID	6	1	.8
	TOTAL	120	100.0

TABLE 3.48

WHETHER SUB-PROJECT ADDRESSED MOST IMPORTANT NEED
/BY SECTOR FOR GOVERNMENT SITES

NEEDS / SECTOR (Count / Row Pct / Col Pct)	NONE	SOME	MOST	NA	Row Total
EDUCATION	1 7.1 50.0	8 57.1 53.3	5 35.7 50.0		14 48.3
PUBLIC HEALTH		4 50.0 26.7	3 37.5 30.0	1 12.5 50.0	8 27.6
SOCIAL AFFAIRS	60.0	3 20.0 20.0	1 20.0 10.0	1 17.2 50.0	5
FOOD SECURITY	1 50.0 50.0		1 50.0 10.0		2 6.9
Column Total	2 6.9	15 51.7	10 34.5	2 6.9	29 100.0

SOURCE: SRC, Sub-project Survey, 1986. Q58/Q16.

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TABLE 3.49

EVALUATION OF QUALITY OF SUB-PROJECT
/ BY SECTOR FOR GOVERNMENT

EVALUATION SECTOR (Count / Row Pct / Col Pct)	LOW	MED	HIGH	NA	Row Total
EDUCATION	1 7.1 50.0	3 21.4 42.9	9 64.3 56.3	1 7.1 25.0	14 48.3
PUBLIC HEALTH		3 37.5 42.9	3 37.5 18.8	2 25.0 50.0	8 27.6
SOCIAL AFFAIRS		1 20.0 14.3	3 60.0 18.8	1 20.0 25.0	5 17.2
FOOD SECURITY	1 50.0 50.0		1 50.0 6.3		2 6.9
Column Total	2 6.9	7 24.1	16 55.2	4 13.8	29 100.0

SOURCE: SRC, Sub-project Survey, 1986. Q60 /Q16.

TABLE 3.50

WHETHER SUB-PROJECT ADDRESSED MOST IMPORTANT NEEDS / BY TYPE FOR PVO

NEEDS TYPE	Count / Row Pct / Col Pct	NONE	SOME	MOST	NA	Row Total
NURSERIES			6 42.9 30.0	7 50.0 31.8	1 7.1 100.0	14 31.8
CLINICS			6 66.7 30.0	3 33.3 13.6		9 20.5
SOCIAL CLUBS			1 50.0 5.0	1 50.0 4.5		2 4.5
VOC. CENTERS			4 40.0 20.0	6 60.0 27.3		10 22.7
ORPHANAGE				1 100.0 4.5		1 2.3
PROD. CENTERS/ OTHERS			2 40.0 10.0	3 60.0 13.6		5 11.4
HOSTELS		1 33.3 100.0	1 33.3 5.0	1 33.3 4.5		3 6.8
	Column Total	1 2.3	20 45.5	22 50.0	1 2.3	44 100.0

SOURCE: SRC, Sub-project Survey, 1986. Q58 /Q16.

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TABLE 3.51

EVALUATION OF QUALITY OF SUB-PROJECT
/ BY TYPE FOR PVO

EVALUATION TYPE (Count / Row Pct / Col Pct)	LOW	MEDIUM	HIGH	NA	Row Total
NURSERIES		1 7.1 25.0	11 78.6 29.7	2 14.2 100.0	14 31.8 100.0
CLINICS			9 100.0 24.3		9 20.5
SOCIAL CLUBS			2 100.0 5.4		2 4.5
VOC. CENTERS		2 20.0 50.0	8 80.0 21.6		10 22.7
ORPHANAGE			1 100.0 2.7		1 2.3
PROD. CENTERS/ OTHERS		1 20.0 25.0	4 80.0 10.8		5 11.4
HOSTELS	1 33.3 100.0		2 66.7 5.4		3 6.8
Column Total	1 2.3	4 9.1	37 84.1	1 4.6	44 100.0

SOURCE: SRC, Sub-project Survey, 1986. Q60/Q16.

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TABLE 4.4

WHETHER PARTICIPATION IN NUS AFFECTED EFFICIENCY OF EMPLOYEES (OTHER THAN SERVICE MINISTRY DIRECTORS) IN CARRYING OUT THEIR REGULAR DUTIES / BY POSITION

POSITION->	Count Row Pct Col Pct	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Row Total
AFFECT EFFICIENCY No		5 55.6 21.7	4 44.4 30.8		9 24.3
Yes		14 60.9 60.9	8 34.8 61.5	1 4.3 100.0	23 62.2
NA		4 80.0 17.4	1 20.0 7.7		5 13.5
	Column Total	23 62.2	13 35.1	1 2.7	37 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q98/Q7.

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TABLE 4.8
WHETHER RESPONDENT EVER ATTENDED OTHER TRAINING PROGRAMS
SIMILIAR TO THOSE GIVEN BY NUS / BY POSITION

POSITION->	Count Row Pct Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
OTHER TRAINING No		4 14.3 50.0	4 14.3 33.3	3 10.7 21.4	9 32.1 56.3	8 28.6 57.1	28 43.8
Yes		4 11.1 50.0	8 22.2 66.7	11 30.6 78.6	7 19.4 43.8	6 16.7 42.9	36 56.3
	Column Total	8 12.5	12 18.8	14 21.9	16 25.0	14 21.9	64 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q108/Q7.

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TABLE 4.10

WHETHER SUB-PROJECTS WOULD HAVE BEEN IMPLEMENTED IF NUS FUNDS HAD NOT BEEN MADE AVAILABLE TO THE DISTRICT / BY POSITION

POSITION-> IMPLEMENT	Count / Row Pct / Col Pct	Popular Council	Chief Sec Gen	Planning Finance	Projects Housing Engrs	Ser Ministries	Row Total
NA		2 14.3 10.0	5 35.7 21.7	2 14.3 11.1		5 35.7 14.3	14 11.6
None		9 16.7 45.0	7 13.0 30.4	10 18.5 55.6	9 16.7 36.0	19 35.2 54.3	54 44.6
Some		8 19.5 40.0	9 22.0 39.1	6 14.6 33.3	14 34.1 56.0	4 9.8 11.4	41 33.9
Most		1 8.3 5.0	2 16.7 8.7		2 16.7 8.0	7 58.3 20.0	12 9.9
	Column Total	20 16.5	23 19.0	18 14.9	25 20.7	35 28.9	121 100.0

SOURCE: SRC, District Local Government Survey, 1986. Q114/Q7.

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A P P E N D I X 'B'

INTERVIEW SCHEDULES

APPENDIX 'B'I

PHASE III EVALUATION OF USAID/CAIRO'S NEIGHBORHOOD URBAN SERVICES (NUS) PROJECT

Interview Schedule For District Local Government Officials and District Popular Council Members

1. Serial Number:_____

2. Name of Interviewer:_____

3. Date:_____

4. Length of 1st interview:_____

5. Length of 2nd interview:_____

6. Interviewee:_____

7. Position:
   1. President of Popular Council
   2. Member of Popular Council
   3. District Chief
   4. Secretary General
   5. Secretary General and NUS Coordinator
   6. Director of Planning and Follow-Up
   7. Director of Planning and Follow-Up and NUS Coordinator
   8. Director of Housing
   9. Director of Housing and NUS Coordinator
   10. " " Projects
   11. " " Projects and NUS Coordinator
   12. " " Finance
   13. " " Finance and NUS Coordinator
   14. Electricty Engineer
   15. Sewage Engineer
   16. Pavement Engineer
   17. Director of Education
   18. Director of Health
   19. Director of Youth and Sports
   20. Director of Social Affairs

TO MEMBERS OF POPULAR COUNCIL ONLY:

8. Current Occupation/job:_____

9. District, Zone and Governorate

1. East (E. Cairo)
2. Waily (E. Cairo)
3. Central(W. Cairo)
4. Zeitoun (N. Cairo)
5. Helwan (S. Cairo)
6. Shoubra (N. Cairo)
7. West (W. Cairo)
8. South (S. Cairo)
9. East (E.Alex)
10. Gomrok (Cen. Alex)
11. Amreya (W. Alex)
12. West (W. Giza)
13. East (E. Qaliubiya)

10. Sex:

1. Male

2. Female

11. Age:_____

12. Education:(Specify degrees after high school certificate or highest level reached for those with high school or less)

13. How long have you served in local government (for employees) or as a member of Popular Council (for council members)?

14. How long have you participated in NUS?

FOR EMPLOYEES ONLY

15. At what date did you begin your present job? (month/year)

16. How long have you served in this district?

17. What was your last position?

GENERAL QUESTION ON LOCAL GOVERNMENT SYSTEM

What is your evaluation of the local government system with respect to:

18. Its having achieved the basic goal of decentralization?

    1. Did not achieve the goal

    2. It achieved the goal to a certain extent

    3. It fully achieved the goal

19. Why?

20. What is your evaluation of the local government system with respect to its having achieved the basic goal of popular participation (especially with regards to decision-making and in terms of contributions)?

    1. Did not achieve the goal

    2. It achieved the goal to a certain extent

    3. It fully achieved the goal

21. Why?

22. Are there any problems with respect to work and decision-making among the different bodies (executive council, popular council, and service departments)?

    1. No

    2. Yes

23. Why?

NUS PROJECT

24. What are the specific goals of the NUS project?

25. Are these goals different from those of the other service programs and projects in the district?

    1.No (skip to 27)

    2. Yes

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26. In what ways are they different?

27. What is your evaluation of the specific goals of the NUS project?

    1. Do not approve

    2. Approve them partially

    3. Approve them totally

28. Why?

ASSESSMENT OF NEEDS AND FINAL PROJECT SELECTION

29. What were the steps taken in assessing the annual needs and final selection of projects in the district for the NUS project, beginning in 1981? (define role of each of executive council, popular council and service departments).

30. Did the NUS system differ from what was regularly done in assessment of needs and selection of projects in the district regarding Service Development Fund Project?

    1. No (Skip to 32)

    2. Yes

31. In what ways did they differ?

31a. What is your evaluation of the NUS procedures for assessing needs and selection of projects compared to what was regularly used by the Service Development Fund Project?

    1. Regular better

    2. The same

    3. NUS better

31b. In what ways did they differ?

32. Did the NUS system differ from what was regularly done in assessment of needs and selection of projects regarding Service Department projects?

    1. No (Skip to 36)

    2. Yes

33. In what ways did they differ?

34. What is your evaluation of the NUS procedures for assessing needs and selection of projects compared to what was regularly used by the district and service departments?

1. Worse

2. The Same

3. Better

35. Why?
(At end of answer skip to 37b)

36. What is your evaluation of this procedure?

1. Negative

2. Partially negative/partially positive

3. Positive

37. Why?

37a. Did the public at large have any role in the assessment of needs and selection of sub-projects?

1. No (Skip to 38)

2. Yes

37b. What was it?

38. Did you know that the TA conducted a general survey of service and set a plan relating to priorities of needs?

1. No (skip to 45)

2. Yes

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39. Did you participate in this survey?

1. No (skip to 41)

2. Yes

40. What was your role in the survey?

41. How do you evaluate this procedure of planning compared to the regular procedure?

1. Worse

2. The Same

3. Better

42. Why?

43. Have you used the Booklet (NUS) in assessing the needs & in planning your projects in the district?

1. No

2. Yes

6. Don't know (skip to 45)

44. Why?

We would like to ask your opinion on the following NUS criteria used in selecting sub-projects.

45. That the sub-project should serve the lower-income and a good percentage of the population?

1. Does not approve

2. Partially approves

3. Fully approves

4. Does not know about criterion

5. Criterion not applied in district

6. No opinion

46. Why?

47. That the sub-project should not cost more than LE 83,000?

1. Does not approve
2. Partially approves
3. Fully approves
4. Does not know about criterion
5. Criterion not applied in district
6. No opinion

48. Why?

49. That the project should be completed one year after beginning construction?

1. Does not approve
2. Partially approves
3. Fully approves
4. Does not know about criterion
5. Criterion not applied in district
6. No opinion

50. Why?

51. That the selection, funding and execution of projects be carried by the district?

1. Does not approve
2. Partially approves
3. Fully approves
4. Does not know about criterion
5. Criterion not applied in district
6. No opinion

52. Why?

53. That the sub-project be an addition to a building already in place?

1. Does not approve

2. Partially approves

3. Fully approves

4. Does not know about criterion

5. Criterion not applied in district

6. No opinion

54. Why?

55. Did the TA take any role in the assessment of needs and in the final selection of sub-projects in the district?

1. No (skip to 58)

2. Yes

3. Doesn't know (skip to 58)

56. What is your evaluation of the TA's role in the final selection process?

57. In your opinion, what sub-projects met more of the needs of the poor in the district?

58. In your opinion, what sub-projects would you consider less successful and why?

THE RELATION BETWEEN NUS SUB-PROJECTS AND OTHER PROJECTS IN THE DISTRICT OR SERVICE DEPARTMENT PROJECTS

59. What is the importance (volume) of NUS sub-projects compared to other projects in the district?

60. What coordination was there between NUS sub-projects and other governmental projects in the district?

CONTRACTORS

61. Did the method used by NUS in choosing contractors differ from that regularly used?

    1. No

    2. Yes (skip to 64)

    6. Don't know (skip to 68)

62. What is your evaluation of the regular method in choosing contractors?

    1. Negative

    2. Partially Negative

    3. Positive

63. Why? (at end of question skip to 68)

64. What is your evaluation of the NUS method in choosing contractors compared with that regularly used?

1. District procedure better

2. The same

3. NUS procedure better

65. Why?

66. Did you adopt the NUS procedure in the district with respect to contracting?

1. No

2. Yes

67. Why?

68. How would you evaluate the performance of the contractors in executing the sub-projects and completion of work in the time designated?

1. Poor

2. Fair

3. Good

6. Don't know (skip to 70)

69. Why?

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70. How would you compare the performance of NUS contractors with other contractors used for projects in the district?

1. District (projects) contractors better

2. The same (skip to 72)

3. NUS contractors better

6. Don't know (skip to 72)

71. Why?

SUPERVISION AND FOLLOW-UP

72. Did the NUS procedures for supervision and follow-up differ from that regularly done? (ask each about his specialization)

1. No (Skip to 77)

2. Yes

3. Don' know (Skip to 77)

73. How would you evaluate the NUS procedures of supervision and follow-up compared to that regularly done?

1. District procedures better

2. The same (skip to 75)

3. NUS procedures better

74. Why?

75. Did you adopt NUS supervision and follow-up procedures in this district?

1. No

2. Yes

6. Don't know (Skip to 77)

76. Why?

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77. Did the TA take any role with respect to follow-up and supervision?

1. No (Skip to 81)

2. Yes

78. What was this role?

79. How would you evaluate this role?

1. Poor

2. Fair

3. Good

80. Why?

MAINTENANCE OF SUB-PROJECTS

What is the NUS system of maintenance with respect to:

81. Maintenance needs assessment and costing?

82. Funding for maintenance?

83. Execution for maintenance?

84. Did this differ from the maintenance system regualarly done in the district?

1. No (Skip to 93)

2. Yes

3. No maintenance was undertaken by NUS (Skip to 93)

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How would you evaluate the NUS maintenance system compared to the regular system with respect to:

85. Needs assessment and costing?

    1. Regular system better

    2. The same (Skip to 87)

    3. NUS system better

86. Why?

87. Funding?

    1. Regular system better

    2. The same (Skip to 89)

    3. NUS system better

88. Why?

89. Execution?

    1. Regular system better

    2. The same (Skip to 91)

    3. NUS system better

90. Why?

91. Did the district adopt the NUS maintenance system?

    1. No

    2. Yes

92. Why?

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DISTRICT PERSONNEL

To District Chief only:

93. How was the NUS Coordinator chosen?

94. Did the NUS project effect the workload for those employees involved in NUS?

    1. The same amount as usual

    2. More work

    6. Don't know

95. Were the employees given incentives?

    1. No (Skip to 98)

    2. Yes

    3. Don't know (Skip to 98)

96. Were these incentives enough from the view point of the employees?

    1. No

    2. Yes (Skip to 98)

97. Explain:

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To District Chief, Secretary General, NUS Coordinator, Director of Planning and Follow-up:

98. Did their participation in NUS effect their efficiency in carrying out their regular duties?

    1. No (Skip to 100)

    2. Yes

99. How did it effect their work?

ROLE OF INTERVIEWEE IN THE NUS PROJECT

100. What was your role and responsibility in NUS as (mention position) and did it differ from your regular responsibilities?

101. Did it differ from you regualar responsibilities?

102. How would you evaluate your experience in NUS?

    1. Not beneficial

    2. Partially beneficial

    3. Very beneficial

103. Why?

104. Have you faced any problems with respect to NUS?

    1. No (Skip to 107)

    2. Yes

105. What were the problems?

106. How were they resolved?

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107. Did you participate in any training sessions organized by the TA for employees involved in NUS?

1. No (Skip to 114)

2. Yes (If yes, complete the following table).

Training Session	Organization	Date and Duration	Attendance		Place	Evaluation			Related to Work		
			All	Some		Ver Ben	Par Ben	Not Ben	Rel	Par Rel	Not Rel
				Why		Specify			Specify		

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108. Have you attended any training program(s) similiar to NUS?

1. No (Skip to 112)

2. Yes

109. Number of training programs attended?

110. What institution(s) organized the program(s)?

111. How would you compare it (them) to the NUS training?

112. Do you have suggestions for improving training or any additional training you feel is needed?

1. No (Skip to 114)

2. Yes

113. Specify:

OVERALL EVALUATION OF NUS PROJECTS IN THE DISTRICTS

114. Do you feel that if NUS funds were not made available to the district, the projects would have been implemented nevertheless?

1. None

2. Some of them

3. Most of them

115. Why?

116. In your opinion, what are the most important achievements of NUS?

117. In your opinion, what are the most negative aspects of NUS?

118. If NUS was extended, what suggestions do you have with respect to planning and execution?

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APPENDIX 'B' II

NEIGHBORHOOD URBAN SERVICES (NUS) PHASE III EVALUATION
INTERVIEW SCHEDULE FOR HEAD ADMINISTRATOR AT
SUB-PROJECT SITE (GOVERNMENT AND PVO)

1. Serial No.____

2. Name of Interviewer:_____

3. Date:_____

4. Duration of the first interview:_____

5. Duration of the second interview:_____

6. Name of the interviewee:_____

7. Current position (current position):_____
7a. For PVO: Current occupation:_____

8. Indicate whether site of sub-project is:

   1. Government

   2. PVO

9. District, Zone, and Governorate:

1. East (E. Cairo)	7. West (W. Cairo)
2. Waily (E. Cairo)	8. South (S. Cairo)
3. Central (W. Cairo)	9. East (E. Alex)
4. Zeitoun (N. Cairo)	10. Gomrok (Cen. Alex)
5. Helwan (S. Cairo)	11. Amreya (W. Alex)
6. Shoubra (N. Cairo)	12. West (W. Giza)
	13. East (E. Qaluibiya)

10. Sex:

   1. Male

   2. Female

11. Age:_____

12. Respondent's education (Specify degrees after high school certificate of highest level reached for those with high school or less):

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13. Length of time in current position (year/months):_____

*Information from TA Forms

14. Sub-project name:

15. Sub-project address:

16. Sector

1. Education	5. Infrastructure/Utilities:Streetlights
2. Public Health	6. " " :Sewage
3. Social Affairs	7. " " :Paving
4. Food Security	8. Other (identify)_____

17. The size of the sub-project fund:

1. Small
2. Medium
3. Large

18. Type of the sub-project:

1. CN	5. E
2. CE	6. MX
3. CA	7. MX
4. R	8. MX

19. Date sub-project work started:

20. Scheduled completion date:

21. Actual completion date:

22. Cost of sub-project:

23. TA remarks:

24. Number of beneficiaries:

Interviewer: Indicate the following

25. Type of activity at site:

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26. Type of users:

27. Economic level of users:

    1. Low income
    2. Average
    3. Above average

28. Number of users (if possible):

29. Condition of the site:

    1. Old
    2. New

30. Age of the site: (year/months)

31. The interviewer's observation about the sub-project:

32. What was the sub-project implemented here through the NUS program? (in detail)

33. How was this particular sub-project (mention the name of the sub-project) identified and selected?

    (If he mentions his role and that of others at site, skip to 40)

(If he didn't mention both his role and that of others at the site in this respect, ask the following questions:)

34. Did you have a role in this?

    1. No
    2. Yes (skip to 36)

35. Why?

(at end skip to 37)
36. What was it?

37. Did others here have a role in this?

1. No
2. Yes (skip to 39)

38. Why?

(at end skip to 40)
39. What was it?

What about the roles of the following bodies in identifying and selecting this sub-project (the name of the project) in particular:

40. District executive council:
1. Did not have a role
2. Had a role (skip to 42)

41. Why?

(at end skip to 43)
42. What was it?

43. District popular council:
1. Did not have a role
2. Had a role (skip to 45

44. Why?

(at end skip to 46)
45. What was it?

40. For PVO: Organization Administrative Committee:
1. Did not have a role
2. Had a role (skip to 42)

41. Why?

(at end skip to 46)

46. Departments of service ministries: 45.
    1. Did not have a role
    2. Had a role (skip to 48)

47. Why?

48. What was it?

49. The technical assistant:
    1. Did not have a role
    2. Had a role (skip to 51)

50. Why?

51. What was it?

52. Was the procedure used by the NUS in identifying and selecting the actual needs different from the one regularly used?

    1. No (skip to 56)
    2. Yes

53. How does it differ?

54. How would you evaluate the procedure used by NUS compared with your usual procedure?

    1. Usual procedure better
    2. The same
    3. NUS procedure better

55. Explain:

56. How would you evaluate the usual procedure you use in identifying and selecting the actual needs?

    1. Not successful
    2. Somewhat successful
    3. Completely successful

57. Explain:

58. In your opinion, do you think this sub-project addressed your most important actual needs for improving the services you offer here?

1. Did not address any
2. Addressed some, but there are more important others
3. Addressed the most important ones

59. What are these important needs for improving the services you offer?

60. What is you opinion with regards to (name of project) in terms of its quality and its usefulness in respect to your needs?

1. Low quality and not useful
2. Average
3. Excellent quality and very useful

61. Explain:

62. Have any other improvements been made here since the beginning of the NUS project in 1981?

1. No (skip to 66)
2. Yes

What are these improvements and who funded them?
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63. Improvements	64. Funding Agency
1.	1.
2.	2.
3.	3.
4.	4.
5.	5.
6.	6.

65. Can you identify exactly those who benefitted most from these

improvements?

66. Who funded the NUS project?

67. Are those who are working in this site aware of the agency which funded this project? (name the project)

    1. None
    2. Some
    3. Most of them

68. What is the system of maintenance you use?

    1. A regular system of maintenance which also time applied to NUS project (skip to question 70 to 78 then skip to question 95)

    2. A regular system of maintenance but a different system applied to the NUS project. (skip to question 70 and then to the end of the questionnaire)

    3. No regular system but a special system of maintenance for the NUS project (move to question 79 to 87, then move to question 95)

    4. No system of maintenance

69. Why don't you have a system of maintenance?

(skip to 95)

<u>* a regular system of maintenance also applied to NUS sub-projects</u>

70. What are the procedures undertaken to assess and survey the needs and costs of maintenance?

71. What is your evaluation of these procedures?

    1. Do not address the demands of maintenance
    2. Address some
    3. Address all the demands of maintenance

72. Explain:

73. What are the procedures undertaken in order to receive the fundings?

74. What is your evaluation of these procedures?

1. Not efficient at all
2. Efficient to some extent
3. Very efficient

75. What are the procedures undertaken for the implementation of the maintenance work?

76. What is your evaluation of these procedures?

1. Not efficient
2. Efficient to some extent
3. Very efficient

77. Explain:

* A special system of maintenance for the NUS sub-projects

78. What are the procedures undertaken to assess and survey the needs and costs of maintenance?

79. What is your evaluation of these procedures?

1. Do not address the demands of maintenance
2. address some
3. address all the demands of maintenance

80.Explain:

81. What are the procedures undertaken in order to receive the fundings?

82. What is your evaluation of these procedures?

1. Not efficient at all

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2. Efficient to some extent
3. Mostly efficient

83. Explain:

84. What are the procedures undertaken for the implementation of the maintenance work?

85. What is you evaluation of these procedures?

1. Not efficient at all
2. Efficient to some extent
3. Mostly efficient

86. Explain:

* If different systems of maintenance:

87. What are the differences between the system of maintenance used on NUS sub-projects and the regular one?

88. What is your evaluation of the NUS system of maintenance compared with your regular system of maintenance?

1. Regular system better
2. The same
3. NUS system better

89. Explain

90. What is your evaluation of the procedures undertaken in order to receive the fundings?

1. Regular system better
2. The same
3. NUS system better

91. Explain:

92. What is your evaluation of the procedures undertaken for the maintenance work?

1. Regular system better
2. The same
3. NUS system better

93. Explain:

94. Did you attend any training program or workshops sponsored by the NUS program?

1. No (end of questionnaire)
2. Yes

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*What are these training programs, their dates, duration and program?

96. Name of training program	97. Dates	98. Duration	99. Program

100. How do you evaluate them?

1. Not useful at all
2. Usefule to some extent
3. Very useful

101. Explain:

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ARAB REPUBLIC OF EGYPT

NEIGHBORHOOD URBAN SERVICES PROJECT EVALUATION

PHASE III

Prepared for

The United States Agency for International Development

Prepared by

The International Science and Technology Institute, Inc and

The Social Research Center of the American University in Cairo

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NEIGHBORHOOD URBAN SERVICES EVALUATION PROJECT

PHASE III

JUNE 1986

ANNEX 2:
PUBLIC FINANCE CONSULTANT'S REPORTS

LOCAL GOVERNMENT FINANCE
NUS IMPACT ON THE PRIVATE SECTOR

BY: MONIRA Y. FOUAD, I.D.O. II

Submitted to:

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NEIGHBORHOOD URBAN SERVICES EVALUATION PROJECT

PHASE III

CONSULTANT'S REPORT
ON LOCAL GOVERNMENT FINANCE

Submitted by:

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NUS AND LOCAL GOVERNMENT FINANCING

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NUS AND LOCAL GOVERNMENT FINANCING

SUMMARY OF MAJOR FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

BACKGROUND

1. Scope and Purpose

NUS was basically designed to increase the capacity of the local government system to adequately provide neighborhood urban services. Completion of NUS is resulting in over 2600 sub-projects that were badly needed in the Greater Cairo area and Alexandria. Also, NUS made a significant impact on the technical capacity of GOE officials at the Governorate and District levels within the project area.

The purpose of this paper is to assess the role and implications of NUS funding on the financial capacity of the local government system to provide neighborhood urban services. In particular, the assessment is focussed on concerns with the sustainability and extension of the valuable achievements attained by this NUS project.

MAJOR FINDINGS

2. NUS Local Financial Role

- NUS financing played a very valuable and important role in relation to the local government finance system in the Greater Cairo area and Alexandria. For the first time in local government in Egypt, NUS created three new mechanisms specifically aimed at upgrading the adequacy of neighborhood urban services. It introduced additional capital investments at the district level. It established a special Maintenance Fund. And it increased the role of Private Voluntary Organizations (PVOs) in providing neighborhood urban services.

- More specifically; NUS increased financing for capital investments normally provided under the GOE budget by a total amount of about LE. 62 million over the last five years. This constituted an average annual increase of about 10-20% in capital investments. Also, the special Fund established for Maintenance calls for allocating about LE. 4.5 million to ensure the continuity of sub-projects completed under this project. Moreover, NUS increased existing financing by an average of about 30% to support PVOs in providing urban neighborhood services. In sum, NUS did not only increase financing for both Capital and Maintenance expenditures, but also provided great discretion to meet local priorities at the District level. As well, it started mobilizing local private resources, through PVOs, and this reduces the dependency on the government.

- All these achievements were not, however, without cost. NUS financing reinforced and indeed increased the dependency of the local government finance system on outside grants, rather than reorienting it towards self-financing. Also, in ensuring the creation of the Maintenance Fund, NUS increased budgetary pressures on the central GOE budget, rather than setting mechanisms for gradually building such financing payments by the beneficiaries. Finally, although it triggered local resource mobilization through PVOs again, NUS

increased their dependancy on the grant system rather than capturing their great potential, for stimulating and encouraging the popular participation approach to financing capital/current expenditures for neighborhood urban services.

3. Local Government Financial System

* Governorate Level:

- The existing local government finance system is facing great financial gaps between local expenditure requirements and local revenues. These gaps usually result from lower rates of growth in local revenues compared to growth in expenditure requirements. Typically, these financial gaps are closed by transfers from the central to local government budgets. 3 The dependency on these central transfers increased slightly between 1982/8 and 1985/86 in the governorates of Alexandria, Giza and Qalubiya. For the governorate of Cairo, dependency on central transfers continued but decreased noticeably from 42.8% in 1984/85 to 36.8% in 1985/86. X

- Total budgetary expenditures at the governorate level are quite significant in the NUS project area. In 1985/86, total budget expenditures ranged between over LE 319 million for the Governorate of Cairo and about LE 109 million for the Governorate of Qalubiya. On the average, the largest majority is usually committed to (Bab I) Salaries and Wages (between 60% - 77%), followed by (Bab II) Operation and Current Finance (15%) and then (Bab III & IV) Capital Expenditures (between 25% to only 11%).

- The existing pattern of governorate expenditures changed significantly over the last five years (1982/83 and 1985/86). The most important result of this change is that growth in capital expenditures is declining. This is due to two unavoidable obligations to increase other current expenditures and capital payments. First is coping up with inflationary requirements, particularly for increases in Salaries and Wages. Second is debt management requirements, for short - medium and long term loans.

- On the revenue side, there are two important observations. First in terms of the size, the total amount of locally generated revenues is typically smaller than total expediture requirements. Second, in terms of structure and growth, the largest source of local revenues is from "Revenue Sharing" (literally called "Sovereignty Revenues"), but this is due to the relatively large share from the Joint Revenues, rather than items like the Property Tax (on Buildings) which is the usual revenue source for local government finance in most developing and developed countries. Also, the Special Accounts, particularly for Services and Local Developments have a high elasticity of growth. But, this is not from income generating activities or increased popular participation. Rather it is due to budgetary book-keeping practices which credits to this Account half of the increase between estimated budget and actual collected revenues.

* City Level:

- At the urban/municipal or district level, a detailed analysis using the City of

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Giza as a case study revealed more severe problems (than those at the governorate level). Growth in capital expenditures (Bab III & IV) is declining and an increasing portion is being committed to capital payments (Bab IV) rather than new capital investments (Bab III). Allocations for maintenance expenditures are very small; with only 5% of total expenditures budgeted for Operation and Current Finance (Bab II). Also, growth of maintenance allocations has been declining over the last few years.

- On the revenue side at the urban/municipal level, the Property Tax (on Buildings) is not utilized as a major source of local government financing for urban/municipal services. In 1985/86, revenues from this tax contributed only 3.4% of total expenditures in the City of Giza. More importantly, a detailed review of budget estimates and actual collection of this tax in Giza revealed an absolute necessity to upgrade the administrative efficiency of revenue collection, management and reform of local revenues in urban areas.

- The revenue generating potential of the Special Account for Services and Local Development is not fully utilized in the City of Giza. On the expenditure side, the bulk of spending under this account is being used largely to supplement insufficient financing for maintenance and capital allocations under the City Budget. On the revenue side, this Account is not used for income generating activities or to systematically stimulate popular participation for capital or current expenditures for the badly needed NUS-type of sub-projects.

CONCLUSIONS AND RECOMMENDATIONS

4. Conclusions

- Three basic conditions are necessary to ensure continued sustainability of NUS achievements. First is sufficient future growth in capital investments and maintenance expenditures. Second is adequate discretionary power and predictability for local financing at the District/City level. And third is a systematic (rather than voluntary) increase in the role of PVOs in providing NUS-type sub-projects.

- However, the existing local government finance system if not altered, does not have the capacity to independently ensure the availability of these necessary conditions in the future. A number of constraints/limitations are faced. Growth is declining for capital investments and maintenance expenditures. Discretionary power and predictability are relatively low, particularly at the City/Municipal level. This is due to not only underutilization of potentially elastic local revenue sources, but also total absence of basic administrative efficiency in revenue collection, tax management and reform. In addition, there is no systematic mechanism in place to continue an increasing role for PVOs and stimulate popular participation in providing badly needed neighborhood urban services.

- To ensure NUS sustainability, future activities and funding under LD-II and LD-III have to pay special attention to address the above limitations faced by the existing local government finance system. Intensive efforts are required on at least two fronts. First is to maximize Local Resource Mobilization (LRM) to gradually increase growth, predictability and discretionary in local

revenues. Second is to review and reform fiscal relations between central and local governments to increase their capacity for LRM and hence reduce their dependancy on central transfers.

5. Recommendations

- Upgrade Administrative Efficiency for local revenue collections and reforms within the evolving trends for various laws governing local government finance. A preliminary assessment of impacts for modernization and administrative efficiency of revenue collections indicates that Property Tax revenues can be increased by about 25% in the City of Giza.

- Establish an "NUS Revolving Fund" that would be aimed at encouraging, strengthening, and financing the establishment of Economic/General Organizations and/or Public Companies to provide neighborhood urban services on economic and self-financing basis. The target would be to gradually increase collections from beneficiaries for improved municipal services such as for solid waste management; street cleaning; lighting; pavement and sidewalk repairs; parking services; etc., as desirable and feasible.

- Establish an "NUS Participation Fund" that would systematically encourage and stimulate Popular Participation and PVOs in providing capital/maintenance expenditures required for municipal services. Such a "Participation Fund" would give highest priority incentive to NUS-type sub-projects (e.g. shifting from a dirt to a paved road) for which beneficiaries would voluntarily contribute (say 25%) to capital/maintenance expenditures required.

- Review and reform, as desirable, the central-local fiscal transfers. Efforts in this area should have a dual objective. First is to increase/strengthen the capacity of local governments to mobilize and gradually maximize their local resources. Second, is to increase the predictability of transfers from the central to local governments. Analysis of central current transfers (in FY 1984/85) reveals an implicit equalization formula built in the allocations of central transfers. In addition to this important equalization role, central transfers should also be aimed at stimulating/rewarding local government efforts for Local Resource Mobilization.

1. SCOPE AND PURPOSE

NUS was basically designed to increase the capacity of the local government system to adequately provide neighborhood urban services. It gave highest priority to maximize resonsiveness to implement basic urban services that are delayed due to insufficient financing under the regular GOE budget. Completion of NUS is resulting in over 2600 sub-projects that were badly needed in the Greater Cairo area and Alexandria. Also, NUS made a significant impact on the technical capacity of GOE officials at the Governorate and District levels within the project area.

The purpose of this paper is to assess the role and implications of NUS funding on the financial capacity of the local government systme to provide neighborhood urban services. In particular, the assessment is focussed on concerns with the sustainability and extension of the valuable achievements attained by this NUS project.

In undertaking this assessment, first the role of NUS financing is determined in relation to the local government finance system. Particular attention is paid to both capital and current expenditures as well as revenue sources. The requirements for sustaining and extending NUS achievements are identified. Second, the structure, growth and performance of the existing local government finance system is examined within NUS project area at two levels: the Governorate and City levels. At the governorate level focus is centered on the four governorates of Cairo, Alexandria, Giza and Qalubiya. Ideally, the analysis should also be made at the District level. However, data is not readily available at this level. Instead, a case study for the City of Giza was examined to understand the characteristics/conditions of local financing at the urban/municipal level. Third, the capacity of the existing local government financing system is assessed for independantly sustaining NUS-type of achievements after the completion of this project. Finally, conclusions and recommendations are developed for ensuring future sustainability and extension of NUS-type sub-projects.

2. ROLE OF NUS FINANCING

Over the last five years 1981/82 - 1985/86, the NUS project substantially increased expenditures usually available under the local government financing system for urban neighborhood services. The initial design of this project was primarily aimed at implementing badly needed neighborhood sub-projects rather than strictly upgrading the performance of the local financing system. However, in achieving its initial objectives NUS played a very important role for local government finance. The following is an attempt to understand the nature and significance of this role, and the required conditions to ensure the sustainability of the valuable NUS achievements after the completion of this project.

2.1 NUS Funding Portfolio:

The NUS project basically introduced additional funding for Capital Investments for urban neighborhood sub-projects (SP) in Greater Cairo and Alexandria. This was not only for SP implemented through the local government system but also SP sponsored by PVOs. According to the Project Paper, funding for capital investments totaled about LE 62 million during the five year period between 1981/82 and 1985/86. Table 1 shows that these capital investments were allocated for three types of NUS sub-projects.

-the largest majority of about LE 34 million (or 56%) of these capital investments were made for sub-projects at the District level;

-the second largest of about LE 18 million (or 29%) were made for Special sub-projects; and

-the remaining investments of about LE 9.5 million (or 15%) were allocated for PVOs sub-projects.

TABLE 1

NUS ALLOCATIONS OVER THE LIFETIME OF PROJECT

According to Project Performance 1981/82 - 1985/86

Type of Sub-Projects	In Million LE	As % of Total
District	34.3	55.6
Special	18.0	29.1
Local Government	52.3	84.7
PVO	9.5	15.3
TOTAL	61.8	100.0

The NUS also introduced a Special Maintenance Fund to provide systematic maintenance for sub-projects completed under this project. This Maintenance Fund is an important mechanism for ensuring current expenditures required for capital investments made. NUS Project Paper calls for about LE 4.5 million to be financed by the GOE for establishing this Maintenance Fund in a special NUS account (under Bab III).

2.2 Impacts on Local Finance

The NUS portfolio had significant impacts on the local financing system in relation to: Capital Investments; Maintenance Financing; and PVOs.

2.2.1 Capital Investments

In total, NUS allocations for capital investments (LE 62 million) amounted to over 10% of all capital investments (LE 611 million) allocated under the local government financing system for the project area. Table 2 summarizes total

capital expenditures budgeted for each of the four governorates of Cairo, Alexandria, Giza, and Qalubiya (as a preliminary approximation of NUS project area).[1]

This table shows that over the last five years, nominal capital expenditures (combining both capital investments and capital payments) have been increasing by an average annual rate of growth of about 1.7% in the four governorates. However, most of this growth was due to the steady increase in capital payments rather than capital investments. As a result, growth in capital investments decreased in all governorates except Alexandria. Indeed, if allocations are adjusted to account for both inflation and population growth, it will become clear that real capital investments per capita decreased over the last five years in the project area. Given this declining growth in capital investments under the GOE budgets, the NUS project was indispensible for ensuring increased capital investments required for the various types of sub-projects.

More specifically, a detailed case study for FY 1982/83 shows that NUS had a substantial impact on District specific capital investments for the NUS-type SPs.[2] In the four governorates (of Cairo, Alexandria, Giza and Qalubiya), NUS financing accounted for more than 19% of all District specific capital investments for 1982/83. In terms of sectors, NUS had substantial financial impacts in the service sector. For the same 1982/83 year, NUS constituted about 32% of capital investments for Education, Health, Youth and other Social sub-projects.

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[1] More accurately, the project area should include only the Governorate of Cairo, the City of Giza (Governorate of Giza), the City of Shubra Al-Khima (Governorate of Qalubiya), and the Governorate of Alexandria.

[2] Source: NUS Mid-project Report, Dec. 1984.

TABLE 2

CAPITAL EXPENDITURES BY GOVERNORATE, 1982/82 - 1985/86
Budget Estimate (in LE. million)

GOVERNORATE	81/82*	82/83	83/84	84/85	85/86	TOTAL
CAIRO						
III. Capital Investments	69.5	67.3	67.4	66.4	66.6	337.2
IV. Capital Payments	3.5	3.9	7.2	9.1	11.5	35.2
Total Capital Expenditures	73.0	71.2	74.6	75.5	78.1	372.4
ALEXANDRIA						
III. Capital Investments	16.7	17.3	17.5	18.5	18.4	87.9
IV. Capital Payments	1.5	1.6	2.3	2.9	3.8	12.1
Total Capital Expenditures	18.2	18.9	19.8	20.9	22.2	100.0
GIZA						
III. Capital Investments	26.5	26.4	27.1	26.3	24.1	130.4
IV. Capital Payments	0.9	0.9	1.4	1.2	2.3	6.7
Total Capital Expenditures	27.4	27.3	28.5	27.5	26.4	137.1
QALUBIYA						
III. Capital Investments	11.0	11.0	11.1	11.1	11.5	55.7
IV. Capital Payments	0.4	0.4	0.6	0.7	0.8	2.9
Total Capital Expenditures	11.4	11.4	11.7	11.8	12.3	58.6
ALL FOUR GOVERNORATES						
III. Capital Investments	123.7	122.0	123.1	121.8	120.6	611.2
IV. Capital Payments	6.3	6.8	11.5	13.9	18.4	56.9
Total Capital Expenditures	130.0	128.8	134.6	135.7	139.0	668.1

* Estimates based on the average annual increase between 1982/83 and 1985/86.

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2.2.2 Maintenance Expenditures

The creation of the NUS Maintenance Fund introduces an opportunity for local officials to formulate maintenance plans and systematically undertake maintenance activities for ensuring the sustainability of completed NUS SPs. The actual allocations from this fund was disbursed to various Districts for SPs of 1981/82, 1982/83 and 1983/84. However, only 24% of the funds disbursed for maintenance of 1981/82 SPs are actually spent to date (Feb. 86). Under the existing arrangements, financing in the Maintenance Fund is kept (under Bab III) away from the usual GOE Budget Procedures which require unspent current expenditures (e.g. for maintenance) to be returned to the Central Treasurer by the end of the FY.

This special arrangement provides a transitional stage which allows local officials to develop an expertise for formulating maintenance plans and establishing reliable up-to-date records for maintenance cost requirements. Although this Maintenance Fund is focused only on NUS SPs, it should provide a model for linking the planning, funding and contract management of maintenance activities to capital investments for other neighborhood projects regularly implemented under the local government finance system.

2.2.3 PVOs and Urban Services

NUS financing also increased financing for PVOs involved in providing neighborhood urban services. The financial impacts of NUS are substantial for the financial resource of PVOs. Detailed analysis of the financial impacts of NUS allocations on PVOs' resources indicate that NUS funding made through 1983/84 increased the 1982 total annual revenues of funded PVOs in Cairo, Alexandria, and Urban Giza by about 32%.[3] This impact was even greater within some districts and more so for some individual PVOs. By 1983/84, one quarter of all PVOs funded received NUS grants that were equivalent to more than 200% of their annual revenues in 1982. Also, more than one third of all these PVOs received NUS

[3] For more details, see "Summary Profile of Private Voluntary Organizations and Their Services in Cairo, Alexandria, Urban Giza, and Shubra Al-Khima", October 1984.

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grants equal to or more than their annual revenues for that year.

2.3 Requirements for Sustaining NUS Achievements

NUS achievements were made possible by ensuring at least three basic conditions related to the local government financial system.

-increasing and ensuring capital investments for neighborhood urban services, particularly at the district level.

-increasing and ensuring adequate financing for required maintenance expenditures.

-increasing financing to encourage greater participation of PVOs in providing neighborhood urban services.

The NUS funding secured the existance of all these three conditions, and hence, was able to achieve its targetted objectives. However, all these achievements were not made free of costs. NUS financing reinforced and indeed increased the dependency of local government finance system on outside grants, rather than reorienting it towards self-financing. Also, in ensuring the creation of the Maintenance Fund, NUS increased budgetary pressures on the central GOE budget, rather than setting mechanisms for gradually building such financing payments by the beneficiaries. Finally, although it triggered local resource mobilization through PVOs again, NUS increased their dependancy on the grant system rather than capturing their great potential, for stimulating and encouraging the popular participation approach to financing capital/current expenditures for neighborhood urban services.

With the completion of NUS, there will be no external financing to ensure the continuity of the above required conditions. Therefore, the sustainability of NUS achievements in the future will be determined by the future capacity of the local government financing system to continue and ensure the identified conditions for upgrading badly needed neighborhood urban services.

3. EXISTING LOCAL GOVERNMENT FINANCE SYSTEM - Structure and Growth Trends Within the NUS Project Area

This section analyzes the existing and changing trends of the structure and growth of the local financing system in the NUS project area. Results of this analysis should provide a reasonable basis for assessing the future capacity of this system to ensure the required conditions for sustaining NUS achievements. Basic methodological aspects are discussed first. Then, the local finance system is examined at both the Governorate and City levels.

3.1 Methodological Aspects

The scope of analyzing the local government finance system is focused on major concerns with continuing the conditions required for sustaining NUS achievements. That is, particular attention is given to understanding the present trends in the growth of capital investments and current maintenance expenditures. Also, special attention is given to examining various sources of revenues financing these expenditure requirements. Emphasis is given not only to these sources that are presently used but also those that can be utilized more effectively in the future.

Annex A presents some major methodological considerations which are applied in this preliminary analysis of the local government finance system in the NUS project area. Also it includes summary Tables for the budgetary information on Expenditures and Revenues for each of the governorates of Cairo, Alexandria, Giza and Qalubiya as well as a case study for the City of Giza. The following are the three basic concepts utilized in examining recent trends of local government finance in NUS area over the 1981/82 to 1985/86 period.

-**Structural Trends:** are examined to determine the importance of various expenditure and revenue items in relationship to the total. Indices used measure the value of each item as a percentage of total. Changes in structural trends are also reviewed.

-**Growth Trends:** are studied to determine and compare variations in the rate of growth of each expenditure and revenue item. The year 1982/83 is used as a base year for a growth index of 100. Growth indices for other years measure the amount of each expenditure or revenue item as a percentage of its value in 1982/83. Changes in growth trends are used to determine the

elasticity or rigidity of growth for various expenditure and revenue items. Also, changes in growth trends explain changes in structural trends for each of the expenditure and revenues. Moreover, comparisons between growth trends in expenditures and revenues determine the extent and changes in the fiscal gap between them.

-Dependency or Discretionary Budget Powers: are measured by two complementary indices that add up to unity for revenue sources. The "Dependency" index measures the degree of revenue reliance on transfers from the central governorate (measuring central transfers as a percentage of total revenue). The "Discretionary" index measures the significance of local revenues as a percentage related to total revenue. The Discretionary index indicates greater flexibilities and hence, local capacity to be responsive to local priorities. By contrast, the Dependency index suggests the rigidities and less flexibilities to respond to such local priorities. The higher the "Dependency" the lower the "Discretionary" Budgetary powers; and vice versa.

3.2 Local Finance at the Governorate Level - Cairo, Alexandria, Giza and Qalubiya

The existing local government finance system is faced with serious constraints at the governorate level. Although they vary from one governorate to another, these fiscal constraints limit the capacity of the government system to adequately provide neighborhood urban services, in absence of NUS financing (see Annex A).

3.2.1 Structural Trends:

- Total budgetary expenditures at the governorate level are quite significant in the NUS project area. In 1985/86, for example, total budget expenditures ranged between over LE 319 million for the Governorate of Cairo and about LE 109 million for Qalubiya. Table 3 shows that on the average, the largest majority of these expenditures is usually committed to current expenditures, particularly salaries and wages. In 1985/86, spending for salaries and wages (Bab I) ranged between 60% and almost 77%. Also, spending for Operation and Current Finance (Bab II) averaged about 15% of total spending. Capital expenditures (Bab III & IV) ranged between 25% in Cairo Governorate and only 11% in Qalubiya. The existing pattern of governorate expenditures changed significantly over the last four years (between 1982/83 and 1985/86). The most

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TABLE 3

PATTERN OF BUDGET EXPENDITURES BY GOVERNORATE, 1982/83 - 1985/86
(Percent of Total Budgeted Expenditures)

	I. Salaries & Wages		II. Operation & Current Finance		III. Capital Investments		IV. Capital Payments	
GOVERNORATE	1982/83	1985/86	1982/83	1985/86	1982/83	1985/86	1982/83	1985/86
Cairo	59.4	60.0	11.1	15.6	27.9	20.8	1.6	3.6
Alexandria	68.5	69.7	13.4	15.5	16.5	12.3	1.6	2.5
Giza	58.8	63.6	11.0	14.9	29.2	19.6	1.0	1.9
Qalubiya	73.3	76.7	10.9	12.0	15.2	10.5	0.6	0.8

TABLE 4

PATTERN OF BUDGET REVENUES BY GOVERNORATE 1982/83 - 1985/86
(As a percentage of total revenues)

	Tax on Buildings		Other Own Revenues		NIB & Other Loans	
GOVERNORATE	1982/83	1985/86	1982/83	1985/86	1982/83	1985/86
Cairo	1.2	2.8	3.3	8.1	27.9	20.9
Alexandria	1.5	1.5	3.4	6.7	16.9	12.3*
Giza	0.5	0.6	1.6	5.7	29.2	17.7*
Qalubiya	0.5	0.6	0.8	1.8	15.2	10.5

* This figure represents NIB financing only. There were no loans in 1985/86.

important result of this change is that the share of capital investments is substantially declining (See figure 1).

- On the revenue side, there are two important observations. First, in terms of the size, the total amount of locally generated revenues is typically smaller than total expenditure requirements (See figure 2). Second, in terms of the structure or pattern, the major sources of local revenues comprise three sub-categories. First, "Revenue Sharing" (literally called "sovreignty revenues") is relatively high in Cairo and Alexandria governorates, reaching about 26-28% of total expenditures in 1985/86. But this is mainly due to the relatively large revenues from the Joint Revenues, rather than items like Property Tax which is a typical source of local government finance in most developed and developing countries. Second, "Local Sources" of revenues (including local fees/taxes, special accounts, etc.) represent a smaller proportion, about 6-12% of total expenditures. The largest revenue source in this category is mainly from the Special Accounts/Funds (e.g. Services and Local Development Account, Cleansing Fund, etc.), rather than local fees/taxes or charges on utilities managed by the governments. The last revenue category is that of "Other Capital Revenues". The primary source of these revenues is NIB and other loan financing. (See Annex A and Table 4).

3.2.2 Growth Trends:

- The growth for capital investments is declining in Cairo and Giza and only marginally increasing in Alexandria (Table 5). Two main reasons contribute to this decline. First the growth in current expenditures continues to increase at a much higher rate than capital or even total expenditures. This high rate is due to two unavoidable obligations, inflationary pressures, and debt management. Salaries and wages have to be increased continuously to cope with continued price inflation. Also, management of debt repayments started to rise pronouncedly over the last few years. Second, the growth of total capital expenditures (Bab III & IV) declined. Meanwhile, payments for capital financing (Bab IV) increased at a growing rate. This means that growth in capital investments is declining more significantly than total capital expenditures.

- Growth in expenditures for maintenance is also declining. Table 5 shows that spending for Operation and Current Finance (Bab II) clearly increased over the 1982/83 - 1985/86 period. But, review of more detailed expenditure sub-items shows that most of this growth was needed for repayments of short-medium term loans (e.g. for equipment, city trucks, etc.).

- On the revenue side, "Other Own Revenues" from local Special Accounts especially for Services and Local Development shows the highest elasticity of growth (Table 6 and Annex A). However, it is important to point out that increasing revenues in these special accounts are often due to increases between estimated budget and actual collected revenues. This seems to be a usual budgetary practice through which incentives for employees are maximized and local revenues are redirected to be contained in the more flexible Services and Local Development Account. That is increasing revenues are not necessarily resulting from either growing benefit charges/fees or income generating activities or systematic increase of popular participation under this Account.

- On the other hand, growth in revenues from the Property Tax (on Buildings) varied widely between different governorates (Table 6). Nevertheless, the Property Tax continued to constitute a much smaller revenue share than, for example, that generated by Auto Registration (Annex A). Also, growth continued to be small in revenues from local fees/taxes and utilities managed by the governorates (Annex A).

- Finally, revenues from NIB and other loans increased consistently up to 1984/85. But, since repayments of these increasing loans are not based on cost-recovery or self-financing schemes, the increasing use of loans increased requirements for capital payments (Bab IV) and hence the need for capital transfers from the central government. Between 1984/85 and 1985/86 growth in other loans decreased substantially in Cairo, Alexandria and Giza governorates.

3.2.3 Dependency and Discretionary Budget Powers:

- The existing local government finance system is facing great financial gaps between local expenditure requirements and lcoal revenues. This gap usually

TABLE 5

GROWTH IN BUDGET EXPENDITURES BY GOVERNORATE, 1982/83 - 1985/86
(Percent of Expenditures in 1982/83)

	I. Salaries & Wages		II. Operation & Current Finance		III. Capital Investments		IV. Capital Payments	
GOVERNORATE	1982/83	1985/86	1982/83	1985/86	1982/83	1985/86	1982/83	1985/86
Cairo	100.0	133.6	100.0	186.8	100.0	98.9	100.0	292.2
Alexandria	100.0	145.6	100.0	165.4	100.0	106.1	100.0	230.4
Giza	100.0	147.3	100.0	185.4	100.0	91.6	100.0	268.5
Qalubiya	100.0	157.2	100.0	165.2	100.0	212.8	100.0	107.5

TABLE 6

GROWTH OF BUDGET REVENUES BY GOVERNORATE 1982/83 - 1985/86
(Revenues as a percentage of 1982/83 revenues)

	Tax on Buildings		Other Own Revenues		NIB & Other Loans	
GOVERNORATE	1982/83	1985/86	1982/83	1985/86	1982/83	1985/86
Cairo	100.0	318.5	100.0	326.9	100.0	98.9
Alexandria	100.0	140.6	100.0	283.2	100.0	124.9
Giza	100.0	154.8	100.0	499.1	100.0	100.0*
Qalubiya	100.0	187.3	100.0	335.4	100.0	103.7

* This figure represents NIB Financing only. There were no loans in 1985/86.

results from lower rates of growth in local revenues compared to growth in expenditures requirements (Figure 2). Typically, this financial gap is closed by transfers from the central government budget. Table 7 shows that dependency of local governorate budgets on these central transfers increased slightly between 1982/83 and 1985/86 in the governorates of Alexandria, Giza and Qalubiya. In 1982/83, the dependency indices ranged between 50.1% for Alexandria and 72.7% for Qalubiya. By 1985/86, these two indices increased to 50.4% and 73.6% respectively. For the governorate of Cairo, dependency on central transfers also continued, but substantially decreased from 42.8% in 1982/83 to 36.8% in 1985/86.

- In principle, the Governorate of Cairo has the highest Discretionary Budget Powers - over almost two thirds of its total expenditures. It also has the highest proportion of total expenditures for capital investments. But the potential benefits of these two valuable features are not necessarily trickled down to the District level. There is no Special Account for Services and Local Development at the District level. There are no budgets for capital investments at this level either. Effective benefits for Districts' Sub-Projects, from the relatively high Discretionary Budget Power and the relatively large share of capital investments require a highly effective and responsive co-ordination system for planning, programming and budgeting between the Districts and the Governorate. At present, there is no mechanism in place to ensure that each of Cairo Districts would systemactically enjoy the high Discretionary and Capital investments share observed at the governorate level.

- In Cairo Governorate, the relatively high Discretionary Budget Power is largely due to the clearly higher share of the Joint Revenues. Alexandria receives a relatively high Joint Revenues share, but does not enjoy as high a Discretionary level as in Cairo. Further potential should be examined for increasing the Discretionary Budget Power for local finance in Alexandria.

TABLE 7

DEPENDENCY AND DISCRETIONARY BUDGETORY POWER
Changes in Indices between 1982/83 and 1985/86

	Discretionary 82/83	Discretionary 85/86	Dependency 82/83	Dependency 85/86	Change in Discretionary Indices 82/83 - 85/86 Increase	Change in Discretionary Indices 82/83 - 85/86 Decrease
Cairo	57.2	63.2	42.8	36.8	6	
Alexandria	49.9	49.6	50.1	50.4		(0.3)
Giza	45.1	42.9	54.9	57.1		(2.2)
Qalubiya	27.3	26.4	72.7	73.6		(0.9)

Notes:

1. Discretionary index measures the degree of flexibility the governorate has from locally raised revenues as a % of total expenditures.

2. Dependency index measures the degree of inflexibilities or rigidities associated with central transfers as a % of total expenditures.

3.3 Local Finance at the City Level - A Case Study for the City of Giza

3.3.1 Structural & Growth Trends:

- At the urban/municipal or district level, a detailed analysis using the City of Giza as a case study, revealed severer problems (than those at the governorate level), to ensure future financing required for not only capital investments but also maintenance expenditures. Recent structure and growth trends point out two important features (See Annex A). First, unlike at the governorate level, the bulk (73%) of expenditure requirements is for capital expenditures not current spending. But, total capital expenditures are declining and on increasing portion of them is being committed to capital payments (Bab IV) rather than new capital investments (Bab III). Second, the majority of the relatively small (27%) current spending is committed to Salaries and Wages. This leaves only 5% of total expenditures for operation/maintenance and current financing (Bab II). Moreover, during the last four years (1982/83 - 1985/86) the rate of growth decreased substantially not only for capital expenditures (Bab III & IV) but also operation/maintenance and current financing (Bab II).

- On the revenue side, analysis of the City of Giza, shows a significant increase in locally raised revenues from combined Local Resources and Revenue Sharing. Between 1981/82 and 1985/86, combined revenues from these two categories increased from 8% to 28% of total expenditures (Annex A). The main source of this increase was from the local Special Accounts. But growth of these accounts was not from income generating activities, but rather differences between estimated and collected revenues by the city. Also, unlike most developed and developing countries, the Property Tax (on Buildings) is not a major source of revenues for urban/municipal services. In 1985/86, revenues from this tax contributed only 3.4% of total expenditures. This underutilization of the revenue generating capacity of both the property tax and the Special Account for Services and Local Development limits growth in local revenues and hence increases dependency on transfers from the central government.

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3.3.2 Property Tax & Administrative Efficiency:

- Even within this underutilization of existing revenue base for Local Resource Mobilization, a detailed review comparing the estimated and actual collection of local revenue efforts in the City of Giza, revealed an absolute necessity to upgrade the administrative efficiency of revenue collection, management and reform of local revenues in urban areas. Using the Property Tax (on Buildings) as an example, typically the value of budget estimates were much lower than actual collection. Table 8 shows that actual collections for the Property Tax (on Buildings) are indeed smaller than revenues collected under the Cleansing Fund. That is, the effective rate of Property Tax in the City of Giza is only 1.7%, i.e. less than the 2% tax rate for the Cleansing Fund.

- The relatively low revenue estimates in relation to actual collection of the Property Tax in Giza City is partly due to the usual administrative tendency of deliberately understating expected revenue estimate in the budgets in order to increase incentive benefits. However, discussions with collection officials strongly point out that the need for this practice to avoid administrative default in achieving revenue recovery targets under the very difficult work conditions for local revenue collection. For example, collection of Property Tax is severely limited by a number of basic factors. All records are kept manually. Physically, there is no adequate space to keep and update all these manual records, as well as payment receipts. The number of property tax records/tax collectors is relatively high. Revenue collectors have to use public transportation to collect revenues. The administrative procedures are not simple for eliminating or settling overdues. The time left for actual revenue collection is relatively very small (only about two months annually); since the bulk of the time (about 10 months a year) is spent on keeping the records manually. Finally, there are eleven laws that govern the property tax in Egypt. A strong need exists for "cleaning" (or as literally referred to "purifying: or "distilling") the records from outstanding disputes on overdues, exemptions or other contradictions resulting from the multiplicity of applying these eleven laws.

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TABLE 8

CITY OF GIZA - TAX ON BUILDING & CLEANSING FUND
Budget Estimates and Actual Collection (LE) 1981/82 - 1985/86

	1981/82	1982/83	1983/84	1984/85	1985/86
TAX ON BUILDING					
. Budget Estimates	369,000	407,000	401,000	564,000	620,000
. Actual Collection	517,641	464,728	518,328	863,596	1,070,000*
. Tax Recovery Indices	1.40	1.14	1.29	1.53	1.73
CLEANSING FUND					
. Budget Estimates	346,289	346,594	n.a.	n.a.	500,000
. Actual Collection	484,813	462,626	600,000	1,059,437	1,240,000*

Notes:

1. Figures with asterisks are estimated on basis of actual collection of the first 9 months for 1985/86.

2. "Tax Recovery Indices" measure actual collection as a % of budget estimates.

3.3.3 Special Account for Services & Local Development:

- The revenue generating potential of the Special Account for Services for Local Development is not fully utilized in the City of Giza. Tables 9 and 10 show that on the expenditure side, the bulk of spending under this account is being used largely to supplement insufficient financing for maintenance and capital allocations under the city budget. On the revenue side, discussions indicate that this Account is not fully utilized for income generating activities or to systematically stimulate popular participation for capital or current expenditures for the badly needed NUS-type services.

TABLE 9

CITY OF GIZA - SERVICES AND LOCAL DEVELOPMENT FUND
Budget and Actual Expenditures - 1981/82 - 1985/86

	1981/82	1982/83	1983/84	1984/85	1985/86
BUDGET ESTIMATES					
I. Salaries & Wages	78,000	51,000	46,000	70,000	110,000
II. Operat.& Current Finance	273,390	421,154	336,000	200,000	175,200
III. Capital Investments	69,325	96,000	100,000	80,000	146,000
TOTAL	420,715	568,154	482,000	350,000	431,200
ACTUAL SPENDING					
I. Salaries & Wages	77,346	66,423	49,724	129,784	n.a.
II. Operat.& Current Finance	230,232	154,439	116,152	189,981	n.a.
III. Capital Investments	57,230	80,000	n.a.	89,272	n.a.
TOTAL	364,808	300,862	n.a.	409,037	n.a.

TABLE 10

CITY OF GIZA - SERVICES AND LOCAL DEVELOPMENT FUND
Expenditure Patterns, Budget and Actual - 1981/82 - 1985/86

	1981/82	1982/83	1983/84	1984/85	1985/86
BUDGET ESTIMATES					
I. Salaries & Wages	18.5	9.0	9.5	20.0	25.5
II. Operat.&Current Finance	65.0	75.1	69.7	57.1	40.6
III. Capital Investments	16.5	16.9	20.8	22.9	33.9
TOTAL	100.0	100.0	100.0	100.0	100.0
ACTUAL SPENDING					
I. Salaries & Wages	21.2	22.1	n.a.	31.7	n.a.
II. Operat.&Current Finance	63.1	51.3	n.a.	46.5	n.a.
III. Capital Investments	15.7	26.6	n.a.	21.8	n.a.
TOTAL	100.0	100.0	100.0	100.0	100.0

4. CAPACITY OF LOCAL FINANCE SYSTEM

Over the last five years, NUS funding gave the top priority to respond to the urgent demands for necessary basic NUS SPs. These were, and still a lot more remain to be, way overdue and waiting untill sufficient GOE financing could be made available through the local finance system.

To make ends meet at time of scarce public finance resources, efforts are usually made in order to reduce immediate requirements for expenditures. Typically, small capital investments projects at the District level are the first to hit by this logic. These are precisely the projects NUS funding focussed on. Whenever NUS activities are completed financing of NUS type SPs will again strictly depend on the fiscal capacity of the local government finance system. The above review identified recent trends for the structure and growth of local expenditures and revenues in the NUS project area. The following are some comments for assessing the capacity of the existing local finance system to independantly sustain NUS achievements in the future.

4.1 Central Transfers

Except for Cairo, the capacity of the local finance system in the Governorates of Alexandria, Giza and Qalubiya is highly dependent on transfers from the Central Government. Dependency on these transfers is about 50% in Alexandria and Giza and almost 75% in Qalubiya. The largest majority of these transfers are for current expenditures. And most of Capital Transfers are for capital payments.

The capacity of the local financing system will be partly affected by the availability and growth in central transfers for the governorates in the NUS area. At present, there is no explicit formula for predicting the future level of central transfers to these governorates. But, the analysis of central current transfers in 1984/85 indicates that allocations of these transfers is not purely ad hoc. Table 11 shows that implicitly there is a built in equalization formula in the distribution of central transfers among various governorates. The urban governorates, especially Cairo, Alexandria and Giza, receive less transfers than

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TABLE 11

POTENTIAL IMPACT ON CENTRAL CURRENT TRANSFE OF APPLYING A POPULATION-BASED FORMULA
1984/85 (LE. '000)

GOVERNORATES	CURRENT TRANSFERS BUDGET 84/85	TRANSFERS BASED ALLOC. FORMULA.	DIFFERENCE* GAIN(+ve)	LOSS(-ve)
1.Cairo	100,090	207,068	106,978	
2.Giza	61,662	99,732	38,070	
3.Qalubiya	70,853	68,876		1,977
4.Alexandria	76,778	85,637	18,969	
5.Matruh	9,325	4,533		4,792
6.Behira	83,567	100,170	16,603	
7.Gharbiya	110,511	88,764		21,747
8.Monofiya	89,679	65,221		24,458
9.Kafr El Sheikh	52,625	55,276	2,651	
10.Port Said	25,447	14,477		10,970
11.Ismalia	20,962	15,647		5,315
12.Suez	12,583	10,968		1,615
13.N. Sinai	14,237	8,482		1,031
14.S. Sinai	5,376			
15.Red Sea	9,814	2,340		7,474
16.Sharkiya	114,680	102,657		12,023
17.Dakahliya	113,624	105,142		8,482
18.Damietta	29,645	22,228		7,417
19.Fayoum	46,562	44,309		2,253
20.Beni Suef	55,500	42,700		12,800
21.Minia	75,402	79,405	4,003	
22.Assiut	65,720	65,221		499
23.Sohag	82,529	72,386		10,143
24.Qena	72,731	64,636		8,095
25.Aswan	47,822	23,690		24,132
26.New Valley	14,576	2,778		11,798
TOTAL	1,462,347	1,462,343	187,274	187,274*

* Difference is (rounded in thousand LEs) between 1984/85 Budget Transfers and preliminary figures based on population-based allocation formula. Disagreement in addition is due to rounding error of 10,253 or 6%.

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amounts based on applying a population-based formula (with equal per capita transfers from the central government).

This suggests that growth of central transfers in the urban governorates will be less than growth in total transfers. More importantly, the overall growth of central transfers may actually decline, until the overall economic growth in the country at large will be substantially improved. To the extent future increases for capital investments and/or maintenance expenditures to NUS-type SPs depend on central transfers, the future capacity of the local financing system will be constrained to independantly sustain NUS achievements in the future.

4.2 Local Resources

The Discretionary Budget Power for NUS area governorates is relatively low, except for Cairo. However, this is mainly due to underutilization of the existing revenue generating base for local resources. Serious efforts to mobilize local resources should achieve the potential for high elasticity of some of local revenues.

In addition, the existing local system is badly limited with the current level of administrative efficiency. There is an absolute necessity to upgrade the efficiency for local revenue collection, and basic reforms within the guidelines of existing laws. Such upgrading should include modernization of revenue collections as well as cost efficiency of revenue collection and elimination of nuisance tax/revenue items, if any.

Moreover, the local finance system does not systematically encourage popular participation and other contributions from beneficiaries for self-financing of small neighborhood projects. Absence of any mechanisms to systematically encourage popular participation and the PVO's role in providing NUS-type SPs will continue to limit the local financing system.

4.3 Continuing Constraints

From the above, if the status quo continues, the local financing system will continue to face a number of constraints. Intensive efforts are needed to address and minimize these constraints in order to ensure the future sustainability of NUS achievements.

5. CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusions

- Three basic conditions are necessary to ensure continued sustainability of NUS achievements. First is sufficient future growth in capital investments and maintenance expenditures. Second is adequate discretionary power and predictability for local financing at the District/City level. And third is a systematic (rather than voluntary) increase in the role of PVOs in providing NUS-type sub-projects.

- However, the existing local government finance system if not altered, does not have the capacity to independently ensure the availability of these necessary conditions in the future. A number of constraints/limitations are faced.

  -Growth is declining for capital investiments and maintenance expenditures.

  -Discretionary power and predictability are relatively low, particularly at the City/Municipal level. This is due to not only underutilization of potentially elastic local revenue sources, but also total absence of basic administrative efficiency in revenue collection, tax management and reform.

  -There is no systematic mechanism in place to continue an increasing role for PVOs and stimulate popular participation in providing badly needed neighborhood urban services.

- To ensure NUS sustainability, future activities and funding under LD-II and LD-III have to pay special attention to address the above limitations faced by the existing local government finance system. Intensive efforts are required on at least two fronts.

  -First is to maximize Local Resource Mobilization (LRM) to gradually increase growth, predictability and discretionary in local revenues.

-Second is to review and reform fiscal relations between central and local governments to increase their capacity for LRM and hence reduce their dependancy on central transfers.

5.2 Recommendations

The following are some major recommendations strongly suggested for condsideration under LD-II and LD-III. The Conceptual Framework and Scope of Implementation for each of these recommendations are discussed in more detail in a separate document.

5.2.1 Upgrade Administrative Efficiency

- Upgrade Administrative Efficiency for local revenue collections and reforms within the evolving trends for various laws governing local government finance. A preliminary assessment of impacts for modernization and administrative efficiency of revenue collections indicates that Property Tax revenues can be increased by about 25% in the City of Giza (see Table 12).

5.2.2 NUS Revolving Fund

- Establish an "NUS Revolving Fund" that would be aimed at encouraging, strengthening, and financing the establishment of Economic/General Organizations and/or Public Companies to provide neighborhood urban services on economic and self-financing basis. The target would be to gradually increase collections from beneficiaries for improved municipal services such as for solid waste management; street cleaning; lighting; pavement and sidewalk repairs; parking services; etc., as desirable and feasible.

5.2.3 NUS Participation Fund

- Establish an "NUS Participation Fund" that would systematically encourage and stimulate Popular Participation and PVOs in providing capital/maintenance expenditures required for municipal services. Such a "Participation Fund" would give highest priority incentive to NUS-type sub-projects (e.g. shifting

from a dirt to a paved road) for which beneficiaries would voluntarily contribute (say 25%) to capital/maintenance expenditures required.

5.2.4 Central Local Financial Relations

- Review and reform, as desirable, the central-local fiscal transfers. Efforts in this area should have a dual objective. First is to increase/strengthen the capacity of local governments to mobilize and gradually maximize their local resources. Second, is to increase the predictability of transfers from the central to local governments. Analysis of central current transfers (in FY 1984/85) reveals an implicit equalization formula built in the allocations of central transfers. In addition to this important equalization role, central transfers should also be aimed at stimulating/rewarding local government efforts for Local Resource Mobilization.

TABLE 12

CITY OF GIZA - ESTIMATED POTENTIAL IMPACT
of Property Tax Modernization & Reform(LE)

	1981/82	1982/83	1983/84	1984/85	1985/86
TAX ON BUILDING					
. Budget Estimates	369,000	407,000	401,000	564,000	620,000
. Actual Collection	517,000	464,728	518,328	863,596	1,070,000*
ESTIMATED POTENTIAL IMPACTS FOR TAX ON BUILDINGS					
. With Modernization & Admin. Efficiency	647,051	580,910	647,910	1,079,495	1,337,500
. With Tax Reform	1,941,153	1,742,730	1,943,730	3,238,485	4,012,500

NOTES: 1. Figures with astrisks are estimated o oasis of actual collection of the first 9 months for 1985/86.

2. Based on actual experience of some modernization in revenue collection of the Cleansing Fund, modernization impact is estimated to increase actual property tax collection by an average of about 25%.

3. Property tax reform is assumed to at least minimize tax exemptions and revise tax rates on non-residential uses in such a way that the average effective tax rate would increase from the present 1.7% to 5%.

ANNEX A

STRUCTURE AND GROWTH OF LOCAL GOVERNMENT FINANCE

IN NUS PROJECT AREA 1981/82 - 1985/86

* Methodological Aspects
* Governorate of Cairo
* Governorate of Alexandria
* Governorate of Giza
* Governorate of Qalubiya
* Case Study for the City of Giza

METHODOLOGICAL ASPECTS

The following are major methodological considerations that are applied in the analysis of local government finance in NUS project area.

* The analysis of local government finance for the NUS project area is done at both the governorate and city levels. The governorate level is selected as a first approximation for this project area because Budget information is more readily available at the governorate rather than the city/district level. At the governorate level, four governorates are included: Cairo, Alexandria, Giza and Qalubiya. A more accurate analysis should include: Cairo governorate, Alexandria Governorate, City of Giza (Giza Governorate), and City of Shubra Al Khima (Qalubiya Governorate). Approximate results at the governorate level should be valid given the relatively larger significance of the governorates of Cairo and Alexandria.

* A case study for the City of Giza is examined to highlight variations between the structure and growth trends at the urban/city level as compared to the governorate level.

* Both capital and current expenditures are examined to assess the significance and continuity of both capital investments and maintenance expenditures which are particularly relevant to the sustaining of NUS.

* Special attention is be given to understand the significance and potential of the revenue generating capacity of various revenue sources which can be utilized in absence of NUS financing, which is provided externally to the local government finance system.

* Historical data is examined to analyze changes in both expenditure and revenue trends as well as aggregating a cumulative picture over the NUS lifetime. The five year period 1981/82 to 1985/86 was selected to coincide with NUS implementation schedule. However, technically, the use of 1981/82 as a base year is not desirable for at least two reasons. First, both salaries and wages and Central current transfers were suddenly increased to account for the

organizational shift of certain public officials from the Central Ministries to the Governorates (Diwan Am). Second, 1982/83 was the first year of the current five year development plan for capital investments. For these reasons, the review of growth trends are based to FY 1982/83, rather than 1981/82. Also, capital expenditures for 1981/82 are estimated on the basis of average annual growth for the current five-year plan.

* Analysis of the local government finance system is based on data for budget estimates rather than actual figures. Only in few specific items for revenue sources at the City level a comparison was made between Budget estimates and Actuals. Ideally, both Budget and Actual figures should be examined. But this will clearly require more time not only for data collection of both, but also for interpreting and explaining differences between actual and budgetary trends.

* The analysis of both local expenditures and revenues does not account for price inflation. That is, the analysis of budgetary expenditures and revenues is based on nominal rather than constant LE values. Results are, therefore, understating the severity of budgetary pressures and hence the more urgent need for ensuring growth in future expenditure requirements.

* Likewise, the analysis does not account for impacts of population growth over the last five years. No indices are utilized in the analysis for per capita expenditures or revenues. Results are, therefore, again understating the severity of financing required growth in capital and maintenance expenditures to cope with population growth, let alone upgrading or providing neighborhood urban serivces that are badly needed.

* The quality of existing budgetary data for local government finance does not automatically lead to accurate information or figures. Detailed budgetary data is often kept manually, and in a very fragmented form. Totals do not always agree or add-up depending on the differences in the sources of data. The use of detailed data for certain items to reconstruct sub-totals does not necessarily agree with totals provided in a more aggregated budget format.

- Given all the above considerations, results of the analysis of local government finance in this paper should, understandably, be referred to as preliminary and suggestive, rather than absolutely conclusive. Nevertheless, these preliminary results are more than adequate, and hence reliable for the purposes of project evaluation and recommendations for future activities. This is because these preliminary results understate the problems indentified. More accurate/elegant results should only add to the greater severity of these problems, and hence the greater urgency to consider recommendations made for future actions required to ensure the sustainability of NUS achievements.

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GOVERNORATE OF CAIRO - PATTERN OF GOVERNORATE EXPENDITURES
As % of Total Budget Estimates - 1981/82 -1985/86

		1981/82	1982/83	1983/84	1984/85	1985/86
I.	Salaries and Wages		59.4	58.3	60.2	60.0
II.	Operations & Current Finance		11.1	14.2	13.4	15.6
	Sub-total Current Exp. (I & II)		70.5	72.5	73.6	75.6
III.	Capital Investments		27.9	24.8	23.3	20.8
IV.	Capital Payments		1.6	2.7	3.2	3.6
	Sub-Total Capital Exp. (III & IV)		29.5	27.5	26.4	24.4
	GRAND TOTAL	100.0	100.0	100.0	100.0	100.0

GOVERNORATE OF CAIRO - GROWTH IN GOVERNORATE EXPENDITURES*
By Item of Total Budget Estimates - 1981/82 - 1985/86

		1981/82	1982/83	1983/84	1984/85	1985/86
I.	Salaries & Wages		100.0	110.7	119.7	133.6
II.	Operation & Current Finance		100.0	144.9	143.5	186.8
	Sub-Total Current Exp.		100.0	155.5	123.4	141.9
III.	Capital Investments		100.0	100.1	98.6	98.9
IV.	Capital Payments		100.0	182.7	232.2	292.2
	Sub-Total Capital Exp. (III & IV)		100.0	104.7	106.0	109.6
	GRAND TOTAL		100.0	112.3	118.3	132.3

* Growth index is based on 1982/83 equals 100.

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GOVERNORATE OF CAIRO - PATTERN OF GOVERNORATE BUDGET REVENUES

	1981/82	1982/83	1983/84	1984/85	1985/86
I. LOCALLY RAISED REVENUES					
A. Revenue Sharing					
1. Ag. Land Tax		0.0	0.0	0.0	0.0
2. Tax on Buildings		1.17	1.5	2.4	2.8
3. Entert. Tax		0.8	0.9	1.2	1.3
4. Auto Registration		5.3	5.5	6.3	6.1
5. Joint Revenues		15.3	19.2	18.6	17.4
6. Joint Fund		0.0	0.0	0.0	0.0
7. Suez Canal Sur-Tax		0.0	0.0	0.0	0.0
Rev. Sharing Sub-total		22.6	27.1	28.5	27.6
B. Local Resources					
1&2. Utilities		n.a	n.a	0.5	0.6
3. Local Fees/Taxes		1.9	2.2	2.5	2.3
4&6 Misc.(&Productive)		.9	1.0	1.1	1.2
5. Quarries		0.2	0.2	0.2	0.2
7. Other (own) Rev.&Activ.		3.3	6.1	5.6	8.1
Local Resources Sub-Total		6.3	9.5	9.9	12.4
C. Other Capital Revenues					
1. Sales of Assets		n.a	n.a	0.0	0.0
2. Housing Fund		.3	.3	1.3	2.3
3. NIB Financing and Other Loans		27.9	24.9	23.3	20.9
Other Capital Rev. Sub-total		28.2	25.2	24.6	23.2
Locally Raised Rev.Sub-total		57.2	61.8	63.1	63.2
II. CENTRAL GOV. TRANSFERS					
1. Current Transfers		41.5	35.9	35.1	35.5
2. Capital Transfers		1.3	2.3	1.8	1.3
Central Gov. Transf. Sub-total		42.8	38.2	36.9	36.8
GRAND TOTAL	100.0	100.0	100.0	100.0	100.0

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GOVERNORATE OF CAIRO - GROWTH OF GOVERNORATE BUDGET REVENUES 1982/83 TO 1985/86

	1981/82	1982/83	1983/84	1984/85	1985/86
I. LOCALLY RAISED REVENUES					
A. Revenue Sharing					
1. Ag. Land Tax		100.0	100.0	100.0	100.0
2. Tax on Buildings		100.0	141.5	240.6	318.5
3. Entert. Tax		100.0	117.5	170.0	200.0
4. Auto Registration		100.0	116.9	140.3	152.0
5. Joint Revenues		100.0	141.4	144.9	151.3
6. Joint Fund		100.0	0.0	0.0	0.0
7. Suez Canal Sur-Tax		100.0	0.0	0.0	0.0
Rev. Sharing Sub-total		100.0	134.8	149.3	161.9
B. Local Resources					
1&2. Utilities		100.0	84.2	n.a	n.a
3. Local Fees/Taxes		100.0	129.1	155.0	159.8
4&6 Misc.(&Productive)		100.0	123.9	137.8	163.0
5. Quarries		100.0	112.5	129.5	156.5
7. Other (own) Rev.&Activ.		100.0	207.8	202.1	326.9
Local Resources Sub-Total		100.0	168.8	186.0	258.6
C. Other Capital Revenues					
1. Sales of Assets		100.0	n.a	n.a	n.a
2. Housing Fund		100.0	99.9	425.6	817.1
3. NIB Financing and		100.0	n.a	n.a	n.a
Other Loans		100.0	100.1	98.6	98.9
Other Capital Rev. Sub-total		100.0	100.1	103.1	108.5
Locally Raised Rev.Sub-total		100.0	121.4	130.5	146.2
II. CENTRAL GOV. TRANSFERS					
1. Current Transfers		100.0	96.9	99.9	113.3
2. Capital Transfers		100.0	206.8	171.7	134.9
Central Gov. Transf. Sub-total		100.0	100.2	102.4	113.9
GRAND TOTAL	100.0	100.0	112.3	118.3	132.4

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GOVERNORATE OF GIZA - PATTERN IN GOVERNORATE EXPENDITURES
As % of Total Budget Estimates - 1981/82 - 1985/86

	1981/82	1982/83	1983/84	1984/85	1985/86
I. Salaries & Wages		58.8	58.9	63.1	63.6
II. Operation & Current Finance		11.0	12.6	11.9	14.9
Sub-Total Current Exp.		69.8	71.5	75.0	78.5
III. Capital Investments		29.2	27.1	23.9	19.6
IV. Capital Payments		1.0	1.4	1.1	1.9
Sub-Total Capital Fin. (III & IV)		30.2	28.5	25.0	21.5
GRAND TOTAL	100.0	100.0	100.0	100.0	100.0

GOVERNORATE OF GIZA - GROWTH IN GOVERNORATE EXPENDITURES*
By Item of Total Budget Estimates - 1981/82 - 1985/86

	1981/82	1982/83	1983/84	1984/85	1985/86	Ranking
I. Salaries & Wages		100.0	110.8	130.7	147.3	(4)
II. Operation & Current Finance		100.0	126.9	132.1	185.4	(2)
Sub-Total Current Exp.		100.0	113.3	130.9	153.3	(3)
III. Capital Investments		100.0	102.7	99.7	91.6	(7)
IV. Capital Payments		100.0	162.7	138.8	268.5	(1)
Sub-Total Capital Fin.		100.0	104.6	100.9	97.2	(6)
GRAND TOTAL	100.0	100.0	110.7	121.9	136.4	(5)

* Growth index is based on 1982/83 equals 100.

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GOVERNORATE OF GIZA - PATTERN OF GOVERNORATE REVENUES
As % of Total Budget Estimates

	1981/82	1982/83	1983/84	1984/85	1985/86
I. LOCALLY RAISED REVENUES					
A. Revenue Sharing					
1. Ag. Land Tax		1.42	1.33	1.21	1.14
2. Tax on Buildings		0.49	0.44	0.56	0.55
3. Entert. Tax		0.59	0.53	0.60	1.06
4. Auto Registration		3.97	3.58	4.55	5.28
5. Joint Revenues		0.19	0.44	0.40	0.42
6. Joint Fund		5.56	6.86	6.23	5.98
7. Suez Canal Sur-Tax		0.00	0.00	0.00	0.00
Rev. Sharing Sub-total		12.21	13.18	13.55	14.42
B. Local Resources					
1&2. Utilities		0.11	0.15	0.65	0.39
3. Local Fees/Taxes		1.10	1.11	1.18	1.20
4&6 Misc.(&Productive)		0.59	0.66	0.70	0.66
5. Quarries		0.18	0.26	0.38	0.39
7. Other (own) Rev.&Activ.		1.56	2.53	2.50	5.71
Local Resources Sub-Total		3.54	4.70	5.41	8.36
C. Other Capital Revenues					
1. Sales of Assets		0.00	0.00	0.03	1.95*
2. Housing Fund		0.15	0.13	0.33	0.47
3. NIB Financing and		24.11	24.82	17.89	17.67
Other Loans		5.10	2.29	6.00	0.0
Other Capital Rev. Sub-total		29.36	27.24	24.25	20.09
Locally Raised Rev.Sub-total		45.11	45.13	43.21	42.87
II. CENTRAL GOV. TRANSFERS					
1. Current Transfers		54.07	53.59	56.05	55.71
2. Capital Transfers		0.82	1.28	0.73	1.42
Central Gov. Transf. Sub-total		54.89	54.87	56.79	57.13
GRAND TOTAL	100.0	100.0	100.0	100.0	100.0

* Including External Cooperative Agreements

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GOVERNORATE OF GIZA - GROWTH OF GOVERNORATE REVENUES*

	1981/82	1982/83	1983/84	1984/85	1985/86
I. LOCALLY RAISED REVENUES					
A. Revenue Sharing					
1. Ag. Land Tax		100.0	103.8	103.8	109.0
2. Tax on Buildings		100.0	100.0	141.0	154.8
3. Entert. Tax		100.0	100.0	125.5	245.3
4. Auto Registration		100.0	100.0	139.7	181.6
5. Joint Revenues		100.0	260.1	260.1	306.0
6. Joint Fund		100.0	136.5	136.5	146.6
7. Suez Canal Sur-Tax		0.0	0.0	0.0	0.0
Rev. Sharing Sub-total		100.0	119.5	135.3	161.1
B. Local Resources					
1&2. Utilities		100.0	147.6	689.7	468.9
3. Local Fees/Taxes		100.0	111.7	132.2	149.5
4&6 Misc.(&Productive)		100.0	123.1	143.8	154.6
5. Quarries		100.0	162.5	262.5	296.9
7. Other (own) Rev.&Activ.		100.0	179.3	195.1	499.1
Local Resources Sub-Total		100.0	147.1	186.4	322.3
C. Other Capital Revenues					
1. Sales/Local Particpation		100.0	100.0	330.0	2401.0
2. Housing Fund		100.0	100.0	278.5	437.4
3. NIB Financing and		100.0	113.9	90.4	100.0
Other Loans		100.0	49.9	143.4	0.0
Other Capital Rev. Sub-total		100.0	102.7	100.7	93.3
Locally Raised Rev.Sub-total		100.0	100.7	116.8	129.6
II. CENTRAL GOV. TRANSFERS					
1. Current Transfers		100.0	109.7	126.3	140.5
2. Capital Transfers		100.0	173.9	109.6	237.0
Central Gov. Transf. Sub-total		100.0	110.6	126.1	141.9
GRAND TOTAL		100.0	110.7	121.9	136.4

*Growth index is based to 1982/83 equals 100.

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GOVERNORATE OF ALEXANDRIA - PATTERN OF GOVERNORATE EXPENDITURES
As % of Total Budget Estimates - 1981/82 - 1985/86

	1981/82	1982/83	1983/84	1984/85	1985/86
I. Salaries & Wages		68.5	69.0	71.5	69.7
II. Operation & Current Finance		13.4	15.3	14.0	15.5
Sub-Total Current Exp.		81.9	84.3	85.4	85.2
III. Capital Investments		16.5	13.9	12.6	12.3
IV. Capital Payments		1.6	1.8	2.0	2.5
Sub-Total Capital Exp. (III & IV)		18.1	15.7	14.6	14.8
GRAND TOTAL	100.0	100.0	100.0	100.0	100.0

GOVERNORATE OF ALEXANDRIA - GROWTH IN GOVERNORATE BUDGET EXPENDITURES
1981/82 - 1985/86

	1981/82	1982/83	1983/84	1984/85	1985/86
I. Salaries & Wages		100.0	121.1	143.5	145.6
II. Operation & Current Finance		100.0	136.8	143.3	165.4
Sub-Total Current Exp.		100.0	123.6	143.5	148.9
III. Capital Investments		100.0	101.1	104.2	106.1
IV. Capital Payments		100.0	137.4	175.9	230.4
Sub-Total Capital Exp. (III & IV)		100.0	104.2	110.4	116.9
GRAND TOTAL	100.0	100.0	120.0	137.5	143.1

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GOVERNORATE OF ALEXANDRIA - PATTERN OF GOVERNORATE BUDGET REVENUES
As % of Total Budget Estimates - 1981/82 - 1985/86

	1981/82	1982/83	1983/84	1984/85	1985/86
I. LOCALLY RAISED REVENUES					
A. Revenue Sharing					
1. Ag. Land Tax		0.13	0.11	0.11	0.12
2. Tax on Buildings		1.53	1.43	1.74	1.50
3. Entert. Tax		0.91	1.11	1.18	1.40
4. Auto Registration		5.94	5.17	5.91	7.35
5. Joint Revenues		18.16	16.90	14.76	15.66
6. Joint Fund		0.00	0.00	0.00	0.00
7. Suez Canal Sur-Tax		0.00	0.00	0.00	0.00
Rev. Sharing Sub-total		26.67	24.73	23.71	26.03
B. Local Resources					
1&2. Utilities		0.30		0.48	0.50
3. Local Fees/Taxes		1.66	1.81	1.64	2.01
4&6 Misc.(&Productive)		0.76	0.92	0.80	0.93
5. Quarries		0.11	0.09	0.08	0.10
7. Other (own) Rev.&Activ.		3.39	5.92	5.33	6.72
Local Resources Sub-Total		6.22	8.73	8.33	10.25
C. Other Capital Revenues					
1. Sales of Assets		0.00	0.00	0.00	0.00
2. Housing Fund		0.47	0.74	0.85	1.01
3. NIB Financing and		14.07	11.75	10.24	12.28
Other Loans		2.49	2.18	2.31	0.0
Other Capital Rev. Sub-total		17.02	14.70	13.41	13.30
Locally Raised Rev.Sub-total		49.91	48.16	45.45	49.58
II. CENTRAL GOV. TRANSFERS					
1. Current Transfers		48.99	50.81	53.40	48.91
2. Capital Transfers		1.10	1.06	1.15	1.51
Central Gov. Transf. Sub-total		50.09	51.87	54.55	50.42
GRAND TOTAL	100.00	100.00	100.00	100.00	100.00

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GOVERNORATE OF ALEXANDRIA - GROWTH IN GOVERNORATE BUDGET REVENUES 1982/83 - 1985/86

	1981/82	1982/83	1983/84	1984/85	1985/86
I. LOCALLY RAISED REVENUES					
A. Revenue Sharing					
1. Ag. Land Tax		100.0	107.5	122.6	130.1
2. Tax on Buildings		100.0	112.5	156.3	140.6
3. Entert. Tax		100.0	147.4	178.9	221.1
4. Auto Registration		100.0	104.6	136.8	177.1
5. Joint Revenues		100.0	111.8	111.8	123.4
6. Joint Fund		100.0	n.a	n.a	n.a
7. Suez Canal Sur-Tax		100.0	n.a	n.a	n.a
Rev. Sharing Sub-total		100.0	111.4	122.2	139.7
B. Local Resources					
1&2. Utilities		100.0	n.a	217.6	237.4
3. Local Fees/Taxes		100.0	131.0	135.3	172.5
4&6 Misc.(&Productive)		100.0	145.4	145.4	176.0
5. Quarries		100.0	100.0	100.0	131.8
7. Other (own) Rev.&Activ.		100.0	209.5	216.2	283.2
Local Resources Sub-Total		100.0	168.7	184.0	235.8
C. Other Capital Revenues					
1. Sales of Assets		100.0	n.a	0.0	0.0
2. Housing Fund		100.0	189.3	250.6	310.0
3. NIB Financing and		100.0	100.3	100.1	124.9
Other Loans		100.0	105.4	127.7	0.0
Other Capital Rev. Sub-total		100.0	103.7	108.3	111.7
Locally Raised Rev.Sub-total		100.0	115.9	125.2	142.1
II. CENTRAL GOV. TRANSFERS					
1. Current Transfers		100.0	124.6	149.9	142.8
2. Capital Transfers		100.0	115.3	143.6	195.9
Central Gov. Transf. Sub-total		100.0	124.4	149.7	144.0
GRAND TOTAL	100.0	100.0	120.1	137.5	143.1

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GOVERNORATE OF QALUBIYA - PATTERN OF LOCAL GOVERNORATE EXPENDITURES
As % of Total Budget Estimates - 1981/82 - 1985/86

	1981/82	1982/83	1983/84	1984/85	1985/86
I. Salaries & Wages		73.3	74.3	75.5	76.7
II. Operation & Current Finance		10.9	11.3	12.4	12.0
Sub-Total Current Exp.		84.2	85.6	87.8	88.7
III. Capital Investments		15.2	13.7	11.4	10.5
IV. Capital Payments		0.6	0.7	0.8	0.8
Sub-Total Capital Exp. (III & IV)		15.8	14.4	12.2	11.3
GRAND TOTAL	100.0	100.0	100.0	100.0	100.0

GOVERNORATE OF QALUBIYA - GROWTH IN BUDGET EXPENDITURES
1981/82 - 1985/86

	1981/82	1982/83	1983/84	1984/85	1985/86
I. Salaries & Wages		100.0	113.6	138.1	157.2
II. Operation & Current Finance		100.0	115.3	151.8	165.2
Sub-Total Current Exp.		100.0	113.8	139.9	158.3
III. Capital Investments		100.0	115.0	183.9	212.8
IV. Capital Payments		100.0	102.5	103.6	107.5
Sub-Total Capital Exp. (III & IV)		100.0	104.7	106.0	109.6
GRAND TOTAL		100.0	112.0	134.1	150.3

GOVERNORATE OF QALUBIYA - PATTERN OF GOVERNORATE BUDGET REVENUES

	1981/82	1982/83	1983/84	1984/85	1985/86
I. LOCALLY RAISED REVENUES					
A. Revenue Sharing					
1. Ag. Land Tax		1.6	1.4	1.2	1.1
2. Tax on Buildings		0.5	0.5	0.5	0.6
3. Entert. Tax		0.0	0.0	0.0	0.0
4. Auto Registration		1.3	1.5	1.5	1.6
5. Joint Revenues		0.6	0.8	0.7	1.1
6. Joint Fund		5.2	5.9	4.9	4.7
7. Suez Canal Sur-Tax		0.0	0.0	0.0	0.0
Rev. Sharing Sub-total		9.1	10.0	8.7	9.1
B. Local Resources					
1&2. Utilities		0.5	0.5	1.2	1.3
3. Local Fees/Taxes		0.9	0.9	0.9	1.0
4&6 Misc.(&Productive)		0.6	0.6	2.4	2.3
5. Quarries		0.1	0.1	0.1	0.1
7. Other (own) Rev.&Activ.		0.8	1.3	1.7	1.8
Local Resources Sub-Total		2.8	3.3	6.3	6.4
C. Other Capital Revenues					
1. Sales of Assets		0.0	0.0	0.0	0.0
2. Housing Fund		0.2	0.2	0.3	0.3
3. NIB Financing and Other Loans		15.2	13.7	11.4	10.5
Other Capital Rev. Sub-total		15.4	13.9	11.8	10.9
Locally Raised Rev.Sub-total		27.3	27.2	26.8	16.4
II. CENTRAL GOV. TRANSFERS					
1. Current Transfers		72.3	72.3	72.9	73.2
2. Capital Transfers		0.4	0.6	0.4	0.4
Central Gov. Transf. Sub-total		72.7	72.9	73.3	73.6
GRAND TOTAL	100.0	100.0	100.0	100.0	100.0

GOVERNORATE OF QALUBIYA - GROWTH OF BUDGET REVENUES

	1981/82	1982/83	1983/84	1984/85	1985/86
I. LOCALLY RAISED REVENUES					
A. Revenue Sharing					
1. Ag. Land Tax		100.0	100.0	100.0	100.0
2. Tax on Buildings		100.0	113.6	136.4	187.3
3. Entert. Tax		100.0	100.0	266.7	433.3
4. Auto Registration		100.0	125.5	151.7	183.1
5. Joint Revenues		100.0	154.4	154.4	302.0
6. Joint Fund		100.0	125.6	125.6	134.9
7. Suez Canal Sur-Tax		100.0	0.0	0.0	0.0
Rev. Sharing Sub-total		100.0	122.4	127.3	148.9
B. Local Resources					
1. Utilities[1]		100.0	109.1	128.0	157.5
3. Local Fees/Taxes		100.0	110.6	140.9	168.2
6. Misc. (& Productive)[2]		100.0	100.0	123.7	104.4
5. Quarries		100.0	100.0	152.5	187.5
7. Other (own) Rev.&Activ.		100.0	174.3	275.5	335.4
Local Resources Sub-total[3]		100.0	130.6	301.0	345.0
C. Other Capital Revenues					
1. Sales of Assets		100.0	0.0	31,000.0	31,100.0
2. Housing Fund		100.0	119.7	229.6	313.2
3. NIB Financing and Other Loans		100.0	100.7	100.7	103.7
Other Capital Rev.Sub-total		100.0	100.9	102.3	106.2
Locally Raised Rev.Sub-total		100.0	111.1	131.0	145.0
II. CENTRAL GOV. TRANSFERS					
1. Current Transfers		100.0	112.1	135.3	152.2
2. Capital Transfers		100.0	166.0	153.0	158.2
Central Gov. Transf. Sub-Total		100.0	112.4	135.3	152.3
GRAND TOTAL		100.0	112.0	134.1	150.3

[1] Data is not included for "#2" because the category was not introduced until 1984/85.

[2] Data is not included for "#4" because the category was not introduced until 1984/85.

[3] The figures for 1984/85 and 1985/86 reflect the inclusion of data from nos. "2" and "4" above.

CITY OF GIZA - PATTERNS OF CITY EXPENDITURES
As % of Total Budget Estimates - 1981/82 - 1985/86

	1981/82	1982/83	1983/84	1984/85	1985/86
I. Salaries & Wages	16.6	21.8	22.5	18.6	22.0
II. Operation & Current Finance	3.4	9.8	5.6	5.0	5.0
Sub-total Current Exp. (I & II)	20.0	31.6	28.1	23.6	27.0
III. Capital Investments	78.1	65.3	67.2	71.7	63.4
IV. Capital Payments	1.9	3.1	4.7	4.7	9.6
Sub-total Capital Exp. (III & IV)	80.0	68.4	71.9	76.4	73.0
GRAND TOTAL	100.0	100.0	100.0	100.0	100.0

CITY OF GIZA - GROWTH IN CITY EXPENDITURES*
By Item of Total Budget Estimates - 1981/82 - 1985/86

	1981/82	1982/83	1983/84	1984/85	1985/86
I. Salaries & Wages	92.9	100.0	112.9	79.0	88.7
II. Operation & Current Finance	42.1	100.0	62.9	47.5	45.2
Sub-total Current Exp. (I & II)	77.15	100.0	97.4	69.2	75.3
III. Capital Investments	145.9	100.0	88.9	101.4	85.5
IV. Capital Payments	75.5	100.0	162.5	138.8	268.5
Sub-total Capital Exp. (III & IV)	142.6	100.0	114.8	103.1	93.8
GRAND TOTAL	122.0	100.0	109.3	92.4	88.0

* Growth index using 1982/83 as a base 100.0

CITY OF GIZA - GROWTH IN CITY REVENUES*
By Item for Budget Estimates - 1981/82 - 1985/86

	1981/82	1982/83	1983/84	1984/85	1985/86
I. LOCALLY RAISED REVENUES					
A. Revenue Sharing					
1. Tax on Land	58.7	100.0	78.0	78.0	81.8
2. Tax on Buildings	90.7	100.0	98.5	138.6	152.3
3. Entart. Tax	56.6	100.0	100.0	125.5	245.3
4. Auto Registration	00.0	00.0	00.0	00.0	00.0
5. Joint Revenues	00.0	00.0	00.0	00.0	00.0
6. Joint Fund	00.0	00.0	00.0	00.0	00.0
7. Suez Canal Sur-Tax	00.0	00.0	00.0	00.0	00.0
Rev. Sharing Sub-Total	70.7	100.0	98.2	128.4	198.5
B. Local Resources					
1&2 Utilities	00.0	100.0	00.0	00.0	00.0
3. Local Fees/Taxes	70.2	100.0	113.0	128.4	145.5
4&6 Misc. (& Productive)	65.4	100.0	98.2	114.4	114.6
5. Quarries	00.0	100.0	00.0	00.0	00.0
7. Other (own)Rev&Activ.	89.2	100.0	123.5	146.0	322.1
Local Resources Sub-total	74.6	100.0	112.7	130.0	186.7
Locally Raised Rev. Sub-total (A & B)	75.8	100.0	97.7	117.7	173.8
II. CENTRAL TRANSFERS and other Capital Revenues	127.7	100.0	109.6	86.9	72.7
GRAND TOTAL	122.0	100.0	109.3	92.4	88.0

* Growth index using 1982/83 as a base 100.0

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CITY OF GIZA - PATTERN OF LOCAL CITY REVENUES
As % of Total Budget Estimates - 1981/82 - 1985/86

	1981/82	1982/83	1983/84	1984/85	1985/86
I. LOCALLY RAISED REVENUES					
A. Revenue Sharing					
1. Tax on Land	0.1	0.2	0.2	0.2	0.2
2. Tax on Buildings	1.4	2.0	1.8	2.9	3.4
3. Entart. Tax	1.2	2.5	2.3	3.5	7.0
4. Auto Registration	0.0	0.0	0.0	0.0	0.0
5. Joint Revenues	0.0	0.0	0.0	0.0	0.0
6. Joint Fund	0.0	0.0	0.0	0.0	0.0
7. Suez Canal Sur-Tax	0.0	0.0	0.0	0.0	0.0
Rev. Sharing Sub-Total	2.7	4.7	4.3	6.6	10.6
B. Local Resources					
1&2 Utilities	0.0	0.0	0.0	0.0	0.0
3. Local Fees/Taxes	2.4	4.2	4.3	5.7	6.8
4&6 Misc. (& Productive)	1.0	1.8	1.6	2.2	2.4
5. Quarries	0.0	0.0	0.0	0.0	0.0
7. Other (own) Rev.&Activ.	1.6	2.2	2.5	3.6	8.2
Local Resources Sub-total	5.0	8.2	8.4	11.5	17.1
Locally Raised Rev. Sub-total (A & B)	8.0	12.9	12.7	18.0	28.0
II. CENTRAL TRANSFERS and other Capital Revenues	91.2	87.1	87.3	82.0	72.0
GRAND TOTAL EXPENDITURES	100.0	100.0	100.0	100.0	100.0

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NEIGHBORHOOD URBAN SERVICES EVALUATION PROJECT

PHASE III

CONSULTANT'S REPORT ON IMPACT OF NUS ON THE PRIVATE SECTOR

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NUS IMPACT ON THE PRIVATE SECTOR

EXECUTIVE SUMMARY

ASSESSMENT OF NUS PROJECT ON THE PRIVATE SECTOR

Summary of Major Findings, Conclusions

Background

NUS was initially conceived to finance, upgrade and strengthen the capacity of the local government system to provide small-scale projects for delivery of urban neighborhood services. A total of about LE. 61.7 million was budgeted to finance close to 3,000 Sub-Projects in the Greater Cairo area and Alexandria. About 85%, or LE. 52.3 million, of this budget was allocated to district and special sub-projects through local government budgets. The remaining 15%, or LE. 9.4 million was allocated through PVOs. Actual implementation of both government and PVO Sub-Projects involved many contractors primarily from the private sector. The purpose of this paper is to assess NUS impact on the private sector with particular reference to private contractors and PVOs.

Major Findings

1) Virtually all NUS Sub-Project allocations, whether channeled through the local government system or the PVOs, were utilized to procure services or supplies from private sector contractors.

2) Approximately 1100 private contractors benefitted from NUS project financing over the past five years. About two thirds of these contractors were in the Greater Cairo area and one third in Alexandria. The bulk (60%) of the private contractors provided construction or integrated services to NUS Sub-projetcs, and the remainder (about 40%) supplied equipment.

3) Over its lifetime, the Project was responsible for creating a total business volume worth over LE 60 million to the private sector in the Greater Cairo area and Alexandria. This volume is about 20% higher than the business opportunities usually contracted for NUS-typ projects financed under the GOE local budget.

4) The NUS SP contracts lead to substantial increases in both employment and income generating opportunities in the private sector. Over the five year period a total of more than 10,000 person year jobs were created for skilled/semi-skilled workers. In turn, these jobs generated about LE 20 million in salaries and wages for lower income group.

Conclusion

The NUS Project has a substantial impact on the private sector. This impact was apparent in two major areas: economic performance and institutional capacity. In terms of economic performance, contracts for various sub-projects provided a source of income and employment-generation for the private sector. In addition, the channelling of funds through the PVOs represents a step forward in building the institutional capacity towards privatization of provision of selected urban services.

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1. SCOPE AND PURPOSE

The NUS Project was designed to improve local government capacity for urban service delivery, particularly to low-income communities. Phase I of the Project centered on the Greater Cairo Urban Areas and Alexandria. Allocations for NUS Sub-Projects (SPs) were channelled primarily through the local government system. However, an unprecedent 15% of total allocations was funnelled through Private Voluntary Organizations (PVOs). Actual implementation of the SPs was largerly undertaken by private contractors and PVOs.

The purpose of this paper is to assess the Project impact on the private sector. To this end, Project effectiveness in increasing the role of private contractors and PVOs in the provision of local urban services is evaluated. Three major criteria are utilized for assessment purposes:

1) The extent to which the Project promoted income-generation for private contractors and their employees;
2) Project effect, if any, on local employment creation, particularly for lower income groups; and
3) The degree to the which the Project enhanced local institutional capacity to sustain and increase the role of the private sector in provision of local urban services.

The following sections, review the Project impact on and by means of private sector contractors and PVOs. Future implications of these impacts are discussed briefly.

2. NUS SUB-PROJECT PROFILE

Table (1) presents a summary of the LE. 61.75 million in NUS Project budget allocations for the various types of SPs over the five year lifetime (for more details see Annex A). As planned under the Project paper (PP), the bulk (LE. 52.3 million or 85%) of allocations were channelled through the local government system. The remaining (LE. 9.5 million or 15%) allocations were made through PVOs sponsoring neighborhood services (Table 2).

2.1 Sub-Projects by Urban Service Category

Table (3) shows the pattern of the NUS allocations by type/category of urban services. The majority of 55% of NUS allocations were made to SPs for infrastructure and utilities. Such Sub-Projects included the provision of street paving, street lighting, street cleaning, construction of toilets, sewerage and drainage, potable water services, and so forth. The second largest share of the allocations, 30% was made to construction and renovation SPs for improvements in the field of education, health, markets, social affairs and cultural services. The remaining 15% of allocations was made largerly to equipment SPs.

TABLE 1 - Distribution of NUS Allocations by Type of Sub-Projects
As a % of Total for 1981/82 - 1985/86*

Type of Sub-Projects	1981/82	1982/83	1983/84	1984/85	1985/86	Total 5 Year Period
District	89.7	51.3	38.3	73.4	93.1	55.6
Special	--	39.2	42.6	--	--	29.1
Local Gov.	89.7	90.5	80.9	73.4	93.1	84.7
PVO	10.3	9.5	19.1	26.6	6.9	15.3
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0

Note: Amounts for 1981/82 - 1984/85 as of end of January 1986 and remainder is allocated to 1985/86.

TABLE 2 - Comparison of NUS Project Allocation and Project Paper by Type of Sub-Project by Year as % of Total LE Amounts

Type of Sub-Projects	1981/82	1982/83	1983/84	1984/85	1985/86	Total 5 Year Period
Project Paper						
. District/Local Government	6.8	17.4	26.0	26.0	23.0	100.0
. PVO	12.3	31.6	25.4	18.4	12.3	100.0
TOTAL	7.7	19.5	25.9	24.9	22.0	100.0
Project Allocations						
. Districts	10.9	35.9	22.4	21.5	9.3	100.0
. Special	--	52.3	47.7	--	--	100.0
. Local Gov.	7.2	41.5	31.1	14.1	6.1	100.0
. PVO	4.5	24.2	40.5	28.3	2.5	100.0
TOTAL	6.8	38.8	32.6	16.2	5.6	100.0

TABLE 3 - Pattern NUS Allocations by Urban Service Category*
(As % of Total Allocations)

Urban Service Category	Total NUS Allocations (%)
Infrastructure & Utilities	55
Education	16
Health	7
Markets/Food Security	3
Youth/Culture/Social Affairs	4
Equipment	6
Misc. (including office equipment)	9
Total	100

* Preliminary pattern is estimated on the basis of information taking 1982/83 allocations as a sample representing almost 40% of total NUS allocations.

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2.2 Sub-Projects per Contractor

The majority of NUS allocations were made for District SPs. Between FY 1982/83 and 1984/85 detailed information indicates that 78% of these Districts SPs were implemented. Of total allocations for these District SPs, 80% were made for construction SPs, 6% for integrated SPs, and about 14% for equipment SPs. Based on discussions with the T.A. and District staff and the analysis of available data, it is clear that all regular construction activties for all three types of SPs were implemented by small private sector contractors. More specifically, the 1984 evaluation of contractors was used to determine the average number of SPs per private contractor.[1] Table (4) summarizes the number of SPs per contractor by governorate. On average, each contractor was awarded 2.5 contracts. Detailed information shows that about 44% of the contractors received only one contract and about 27% received two contracts. That is, through mid-1984, over 70% of the contractors worked on NUS only once or twice. Fewer contractors were awarded three or more NUS contracts.

TABLE 4 - Number of Sub-Projects per Contractor
Distribution Estimates by Governorate*

	Average No. Of SP per Contractor	As a % Total by Number of SP per Contractor						
		1	2	3	4	5	over 5	Total
Cairo	2.3	41.0	25.8	16.7	3.0	3.0	7.5	100.0
Alexandria	2.31	47.5	26.2	11.5	5.0	1.6	8.2	100.0
Giza	6.33	11.1	11.1	--	11.1	11.1	55.6	100.0
Qalubiya	1.33	50.0	50.0	--	--	--	--	100.0
TOTAL	2.49	43.6	26.7	12.6	4.2	2.8	10.5	100.0

Note: Based on about 15% sample of District Sub-projects completed or sufficiently begun in the 1982/83 and 1983/84 period during which over 70% of NUS funding was allocated.

1) The contractor evaluation conducted in mid-1984 reviewed the performance of contractors for 353 FY 1981/82 and 1982/83 District SPs sufficiently complete to permit a meaningful evaluation. This represents 39% of the 904 District SPs begun through the end of FY 1984/85.

3. IMPACT THROUGH SUB-PROJECT CONTRACTORS

NUS SP activities were basically of three types: construction, equipment and integrated (which is a combination of both). The contractors performing services in the integrated SPs are of the same nature as those in either the construction or equipment category alone. Thus, the following discussion of NUS impact on the private sector through contractors will basically focus on two types of contractors: Construction/Renovation and Equipment. Variations will be pointed out as necessary among District, Special, and PVO SPs.

The analysis of both Construction and Procurement Contractor profiles below reflects the best understanding based on the relatively little data that was available for the Evaluation Team. No greatly specific detailed data or information about contractors was gathered, synthesized or analyzed during the course of the project. The primary source of information was the evaluation of contractor performance conducted by NUS TA/Engineering in mid-1984. This was supplemented by information from the regular NUS monthly and Mid-Project reports. Interviews were also conducted with TA staff and District Engineers. In addition, special interviews were conducted with two contractors representing two case studies for construction contractors.

The construction activities carried out under the local government system and through the PVOs were implemented overwhelmingly by small, private sector contractors.

The exception was perhaps for the Special SPs where some SPs were undertaken by governmental authorities responsible for specific infrastructure services, e.g. potable water, etc. Also, because of particular requirements for some projects, such as street lighting or paving work, a number of Special SPs were implemented by larger, public sector companies. But all other construction activities for the Special SPs were implemented by the typical type of small private sector contractor.

To understand more about the detailed impact of NUS on these private contractors, two special interviews were conducted with two private sector contractors. Contractors interviewed were selected with assistance from T.A. and District Engineers to be representative case studies for private contractors who implemented District SP construction activities and Special SP pavement work. The following profile of each contractor should be considered as representative of all other contractors who implemented construction activities for District or Special SPs under the local government system.

3.1 Private Construction Contractor

Mr. Gamil Fawzi Rizk is an experienced private contractor mainly involved in general construction activities (Misr El Qadima District). He is one of the highly related contractors by NUS not only for this District, but for the project area as a whole. The following discussion outlines representative impacts of NUS on the private sector contractors who were involved with construction activities of Sub-Projects.

. Contractor Profile:

"Gamil General Contractors" was established in 1979 with more than 15 years of work experience in general construction activities. Over the last four years, the average annual volume of contracts is estimated to have been about LE. 300,000. Like all small contractors, this company employs professional and technical staff as required for the volume of its contracts. Presently the contractor's staff includes 3 professional engineers, 6 assistance engineers, and the equivalent of 100 person days/week of skilled, semi-skilled and unskilled construction workers. The contractor owns the traditional equipment for small construction activities (e.g. wooden scaffolding, water pump, generator, concrete mixer, vibrator) and rents heavier equipment whenever required.

. Impact of NUS on private Contractor:

Gamil Contractors was awarded four NUS District Sub-Projects in Misr El Qadima (see Table 5). In total, these four Sub-Projects accounted for about LE. 390,000 worth of business for this contractor over the last four years (1982-85). In terms of total LE. value, NUS Sub-Projects were quite significant, constituting about one third (30-35%) of this contractor's activities in the construction sector. In brief, during the three year period when NUS allocations were made:

- the volume of business for this contractor was increased by about 50%;
- additional jobs for about 12 semi-skilled/skilled construction workers were added annually;
- about LE. 30,000 were added annually to the salaries and wages of technical and construction workers employed by this contractor.

TABLE 5 - NUS District Sub-Projects Implemented by Contractor Interviewed in Misr El Qadima

Sub-Projects	Allocation (LE.'000)	Year	Completion Status
. Abu El Soud Youth Centre Gym. Hall	51	1982/83	100% completed and accepted & utilized
. Abu El Soud Youth Centre Day Care Centre	15	1982/83	100% completed and accepted & utilized
. Dar El Salam Hospital Phase I	161	1983/84	100% completed, handled accepted but not utilized until completion of Phase II
. Dar El Salam Hospital Phase II	166	1984/85	Under completion

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. Contractor's Comments on Experience with NUS

In general, Gamil Contractors confirms that the impact of NUS SPs is just as positive and important to stimulating the private sector as it is for providing local urban services badly needed by lower income groups in districts like Misr El Qadima. NUS allocations created new business opportunities especially for small-medium size contractors in the private sector. Implementation of NUS SPs increased job opportunities, and hence income generation, especially for skilled and semi-skilled workers in the construction sector.

While strongly recommending that NUS activities be continued in the future, Contractor Gamil stressed the importance of lifting the ceiling of LE. 83,000 per District SP as this results in difficulties and insufficiencies. To this contractor the limit on allocations restricts the selection and components of District Sub-Projects and often leads to fragmenting one project into consecutive stages of construction or implementation. This fragmentation and multi-staged construction in turn leads to difficulties, waste, and sometimes underutilization due to the following:

- unnecessary steps and hence additional costs such as for repeating the preparation and advertising of tenders, submitting proposals, reviewing and selecting contractors, moving equipment at the end of each stage, etc;
- final finishing of completed stages and transferring completed stage to relevant officials;
- substantial time delays;
- increased costs due to inflated input prices;
- lower finishing quality.

According to Mr. Gamil, the cumulative impact of the above effects could result in increasing project costs by about 20-30%. Therefore, it is recommended that allocations not be limited to LE. 83,000 for district Sub-Projects. Qualified small-medium sized contractors in the private sector can efficiently handle projects between LE. 200-300,000.

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3.2 Private Pavement Contractor

Hussein Shalaby Contracting Co. is an experinced private sector contractor specializing in pavement in the Heliopolis District. This is a representative medium-sized private contractor in pavement activities. This contractor is one of those rated most highly by Heliopolis District. The following highlights the impact of and experience with NUS activities on this private contractor.

. Contractor Profile:

Shalaby Contracting Company was established in 1929. The two sons of the founder started managing this company beginning 1965. With such long experience and expanding business, the company is planned to be divided into two sister companies beginning in July 1986.

Shalaby contractors owns its own fleet of equipment which is worth more than LE. 3.0 million. This equipment includes an electronic S.I.M. for asphalt production (70 ton/hr capacity), 6 finishers, 2 loaders, 7 trucks, 3 rollers, and 1 compactor & vibrator and 1 small compactor. The company also owns an asphalt production plant which is located between Heliopolis and Madinat Nasr, and accordingly Shalaby contractors is focusing on pavement projects in these two regions. With such equipment, the company' present capacity is about 4 jobs annually with a total volume of business of about LE. 1.0 million.

In terms of employment, the two owners are responsible for technical and financial management. Permanent staff include 2 accountants, one secretary and 20 technical/skilled workers responsible for the operation and maintenance of equipment. In addition, unskilled workers are employed according to business load and project handled. On the average about 20 unskilled workers/work day are employed.

Impact of NUS on Private Contractor:

Shalaby Contracting was awarded two contracts for NUS Special Sub-Projects in Heliopolis. In total, these two Sub-Projects amounted to LE. 289,000 worth of additional business to this contractor over the

last two years. Compared to the annual volume of business for this contractor, NUS Sub-Projects amounted to only a small fraction in 1983/84, and about one fifth of the contractors business in 1984/85. Over the two year period when NUS allocations were made for pavement, the following occurred:

- The volume of business for this contractor was increased by about 15%;
- additional jobs for about 660 work days for unskilled workers in pavement activities were created;
- about LE. 6,000 - 7,000 of additional income for salaries/wages of unskilled pavement workers was generated.

. Contractor's Comments on Experience with NUS:

For this contractor, NUS Sub-Projects resulted in some additional business. However, the first Sub-Project was relatively small in size, at a value of only LE. 60,000. This relatively small size of job is not attractive to a medium-sized private sector pavement contractor. The administrative and equipment costs are relatively high for such a small projects given the need to keep prices competitive. Accordingly, experienced private contractors will not be interested in executing such jobs. This would leave only marginal or less experienced private contractors for these jobs, resulting in a possible sacrifice of the quality of the final product.

According to Shalaby Contracting, which represents the average of private pavement contractors, the optimal size of project contract is about LE. 200,000-300,000. This size of job is more attractive to the private sector, and is still relatively smaller than what public sector companies would be interested in. With LE. 200-300,000 size of projects, more experienced private contractors can participate in executing paving projects with better finish quality and lower prices than public sector contractors. Given previous experience, Shalaby contracting can complete quality projects for prices 20-50% lower than those of public sector contractors.

3.3 Concerns with Size and Schedule of Sub-Project Allocations

Private contractors and some GOE officials expressed concerns about the relatively small size of allocations for SPs. Annex A provides detailed avalysis of both the schedule and average size of allocations by type of sub-project. Results of this analysis indicate the following:

- The average annual budget for a given NUS Sub-Project appears to be much smaller than its actual cumulative average budget over the project lifetime. For example, the average annual budget for SP was only about LE. 40-50,000. However, closer analysis of the cumulative SP allocations indicated that the real amount spent on a Sub-Project was more than double for this figure, averaging LE. 110,000.

  Despite the initial funding schedule presented in the Project paper, actual annual allocations for the NUS Project fluctuated dramatically from year to year. Allocations peaked suddenly in the second year at almost LE. 24 million, double the projected LE. 12 million in the Project paper. They had dropped to LE. 3.4 million, only one fourth of the scheduled allocation to the private sector, these erratic fluctuations must have seemed similar to the unpredicatability of financing typically provided by the GOE for NUS-type services.

4. IMPACT THROUGH PVOS

NUS introduced some basic steps towards privatization of urban neighborhood service provision. Special financing for PVOs increased the role of the private sector in providing NUS-type services. This lead to two sets of impacts. The first derives from the implementation of PVO SPs by private sector contractors. As discussed above, the impact on the private sector was quite significant in generating business opportunities, creating almost LE. 9.5 million of business for the procurement of equipment or construction services from private sector contractors. The second set of NUS impacts through PVOs came from increasing their level of involvement in providing urban services and henece reducing their dependency on the local government financing system. In turn, this introduced some of the basic conditions needed for privatization of the provision of selected services. The following discussion attempts to assess progress made in this desirable trend towards privatization.

4.1 Toward Selected Privatization

Impacts of NUS funding to PVOs were reviewed in detail in the Mid-project Report. On the average, the report indicated that NUS funding increased financing to PVOs by about 30%. This impact was even greater for certain individual PVOs and in selected neighborhoods.

This significant increased financing is a positive step towards creating necessary the transitional conditions for the privatization of selected neighborhood services. Increased financing is more effective through PVOs since their operation should save on expenditure requirements for Operation and Maintenance. Such savings usually result from the tendency of PVOs to involve volunteer rather than paid staff. In turn, this reduced Operation and Maintenance requirement lowers the overall costs of providing neighborhood urban services.

Also, NUS funding for PVOs concentrated largerly on Social Services. About 75% of NUS funding for PVOs was allocated to SPs for Nurseries, Skills Centers, and Health. Technically, these are usually labour

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intensive services where an increased PVO role, if successful, can eventually result in upgrading the quality of services currently delivered under unsufficient GOE funding.

In effect, NUS financing reduced PVO dependency on local financing for providing NUS-type SPs. This reduced dependency resulted in savings for public investment requirements. The ultimate savings for public expenditure requirements was indeed larger than the apparent allocation of LE. 9.5 million NUS allocations for PVO SPs. This is due to asssociated savings for Operation and Maintenance expenditures that would have been also required if SPs were funded through the local government system instead of the PVOs. In a way, these savings in public expenditure requirements ar shifted down through the PVOs to private sector activities.

In brief, NUS funding to PVOs made some progress towards ensuring some of the basic conditions for privatization of selected neighborhood urban services, such as for Nurseries, Skills Centers and Health. On the other hand, the full potential of PVOs for the gradual privatization of some neighborhood urban service provision has not yet been totally utilized. Future NUS activities could support additioal progress, for example by encouraging PVOs to gradually promote use of the following:

1) Popular participation in contributing towards capital investment requirements. This could speed up and broaden the scope of privatization of more urban neighborhood services.

2) A self-financing approach for Operation and Maintenance of services provided. This would be a reasonable interim step towards privatization.

4.2 Equipment Procurement Contractors

The largest bulk of PVO SPs involved procurement of Equipment. The equipment purchased under PVO and other SPs covers a wide range of needs. Equipment companies are normally specialized in only a relatively limited number of areas (e.g. furniture, office supplies, health equipment, solid waste equipment, etc.). Accordingly, a broad spectrum of these companies - in both public and private sectors - was awarded NUS contracts. While no deteiled information regarding the nature of these contractors was available, the following was gathered from discussions with NUS staff.

Overall, it appears that equipment purchases under PVO SPs were split nearly equally between public and private sector contractors. However, there are definite preferences from one area to another. For example, procurement of equipment for education SPs were largerly (perhaps 75%) made directly from GOE workshops. Also, health equipment, because of its specialized nature and because medical equipment is exclusively handled by a GOE agency, was virtually all (approximately 80-90%) acquired through the public sector. Office and cleaning equipment were obtained almost exclusively from the private sector.

Relatively little equipment was purchased under the District SPs. Although the precise mechanism is somewhat unclear, it seems that a good deal of this was apparently acquired from government workshops through the use of the Purchse Order System.

Under the special SPs, approximately LE. 1.0 million was spent on acquiring office equipment for various government offices. This was purchased mostly from private sector companies. There was a small percentage, however, bought through the public sector. However, all of the cleaning equipment acquired under Special SPs for the Solid Waste Cleaning Program was procured from the private sector.

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5. ASSESSMENT OF NUS IMPACT ON THE PRIVATE SECTOR: CONCLUSIONS AND FUTURE IMPLICATIONS

The above review highlighted the impact of NUS financing on the private sector through both private contractors and PVOs. The following is a summary of major impacts in employment and income-generation as well as institution building. Future implications are also discussed for sustaining NUS achievements.

5.1 Economic and Institutional Impacts

Review of the impact of NUS through private contractors and PVOs revealed that, although largely financed through the local government system, NUS indeed had a significant impact on private sector contractors.

Tables (6) and (7) show that almost 1100 private sector contractors are estimated to have benefitted from NUS financing during the last five years. About two thirds of these contractors were in the Greater Cairo area and one third in Alexandria. The bulk (60%) of all these private contractors provided construction or integrated services to NUS Sub-Projects and about 40% supplied equipment.

Also, the impact of NUS is estimated to be significant for employment and income-generation in the private sector. On the average for small-medium size private sector construction contractors, NUS is estimated to have increased employment particularly for semi-skilled and skilled workers by about 10-20%. Income-generation is estimated to be even greater, with a 30-50% increase in the volume of business for some private contractors and about 20-30% of salaries and wages for semi-skilled and skilled workers. More specifically, for a typical small-medium construction contractor in the private sector, NUS funding led to:

- increasing the volume of business to the contractor by about 50%.

- creating additional jobs for about 12 semi-skilled/skilled construction workers annually.

- generating additional LE 30,000 annually to salaries and wages of technical and construction workers.

TABLE 6 - Estimated Number of Contractors
by Type of Sub-Project Governorate

Type of Sub-Project	Cairo	Alex.	Giza	Qalubiya	Total
District	212	109	23	28	372
Special	100	38	7	21	166
PVO	303	181	23	42	549
TOTAL	615	328	53	91	1087

TABLE 7 - Estimated Number of Contractors
by Type of Sub-Project by Focus of Activity

Type of Sub-Project	Construction	Equipment	Integrated or others	Others
District	281	48	43	372
Special	64	66	36	166
PVO	42	319	188	549
TOTAL	387	433	267	1,087

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In terms of building the institutional capacity of the private sector, NUS had some impact on both the private contractors and PVOs. For the contractors, the contractors performance evaluation found that just under 30% of the contractors are rated good, 70% acceptable, and the remaining 30% poor. Based on these results, a number of steps were taken to upgrade the performance of poorly rated contractors. One of the procedural changes which was implemented by the districts is to pre-qualify contractors before allowing them to bid on NUS SPs. This improved the overall quality of NUS funded activities.

For the PVOs, training was offered to build their institutional capacity to implement NUS SPs. However, a lot more can be done to increase the institutional capacity of PVOs to play a more effective role in gradual privatization of selected neighborhood urban services, as appropriate.

5.2 Conclusions

The above assessment shows that NUS had a significant impact on the private sector.

- NUS SPs were implemented largely by private sector contractors. Over 1100 contractors benefitted from NUS funding, the majority of these were small-medium sized contractors.

- NUS impacts on employment and income-generation were substantial for the private sector. The income-generation ranged between 30-50% worth of business to private contractors, about 20-30% of salaries and wages to workers, and about 10-20% of employment. Most importantly, the largest employment and hence employment income-generation was for semi-skilled and skilled workers, i.e. the relatively poorer segment of the population.

- NUS reduced the dependency on the local government system for providing NUS-type SPs. Simultaneously, NUS increased the capacity of PVOs to play a more effective role in providing neighborhood urban services.

- The average size of NUS allocations per SP is not as small as some contractors (and public officials) seem to think. The average cumulative allocations over NUS lifetime is about LE 110,000 as compared to only LE 43,000 per neighborhood service.

- NUS actual allocations were made a lot faster than initially conceived under the Project Paper. This made the NUS project highly responsive to badly needed urban services in low-income neighborhoods. However, this pattern did not allow for building the institutional capacity required to sustain NUS achievements in the future.

ANNEX A - NUS SUB-PROJECT ALLOCATIONS

A.1 Allocation Schedule

A.2 Average Size of Allocations per Sub-Project

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A.1 Allocation Schedule:

The NUS annual budget allocations for the SPs are quite different from those originally conceived under the PP (Table A-1). Table (A-2) and Figure (1) show that this is particularly true for the local government District SPs.

According to the PP, all allocations to the local government system were originally planned to be distributed only through the district. Annual allocations were planned to begin with about LE. 3.6 million for the first year, increase gradually to about 9.0 million for the second, then level off at about LE. 12-14 million annually for the remaining three years of the project.

However, in the actual Project performance, initial allocations for District SPs wer divided into two sub-groups. About LE. 34.3 million (or two-third of original amount in the PP) was allocated for District SPs. The remaining LE. 18 million was reserved for Special SPs administered at the governorate level. Also, unlike the PP, the allocation schedule for these District and Special SPs started at a higher level of LE. 4.2 million in the first year, peaked suddenly to LE. 12.2 million in the second, and dropped quickly to about LE. 7.0 million in the third and fourth years, reaching a low of about LE. 3.0 million only at the last fifth year (see Figure 1).

This advanced peak of allocations made the NUS Project highly responsive to the urgent needs for basic services in low income neighborhoods. However, this early peak did not necessarily lead to optimal impacts for building the capacity of private sector contractors to implement NUS SPs at desirable standards. The sudden increase in NUS capital investments allowed no time for phasing-in more qualified private contractors. Also, the subsequant substantial drop in allocations reinforced the usual unpredictability in the availability of allocations for such projects under the GOE budgets. Both these features reduced the potential for upgrading the productive capacity of the private contractors.

TABLE A-1 - NUS Orginal Allocations According to the Project Paper 1981/82 - 1985/86 (amounts in '000 LE)

Type of Sub-Projects	1981/82	1982/83	1983/84	1984/85	1985/86	Total 5 Year Period
District Sub-Projects	3,569	9,047	13,612	13,612	12,450	52,290
PVO Sub-Projects	1,162	2,988	2,407	1,743	1,162	9,462
TOTAL Sub-Projects	4,731	12,035	16,019	15,355	13,612	61,752

TABLE A-2 - NUS Actual Allocations According to Project Performance 1981/82 - 1985/86 (amounts in '000 LE)

Type of Sub-Projects	1981/82	1982/83	1983/84	1984/85	1985/86	Total 5 Year Period
District Sub-Projects	3,751.6	12,308.1	7,702.8	7,365.2	3,197.7*	34,325.4
Special Sub-Projects	--	9,396.6	8,568.0	--	--	17,964.6
Government Sub-Projects	3,751.6	21,704.7	16,270.8	7,365.2	3,197.7*	52,290.0
Sub-Total PVO Sub-Projects	429.6	2,287.6	3,834.1	2,673.5	237.2*	9,462.0
TOTAL Sub-Projects	4,181.2	23,992.3	20,104.9	10,038.7	3,434.9*	61,752.0

Note: Amounts for 1981/82 - 1984/85 as of January 1986 and remainder is allocated to 1985/86 as indicated with asterisks.

A.2 Average Size of Allocations Per Sub-Project

The average size of the NUS allocations was initially designed to be small, i.e. up to LE. 83,000 as specified in the PP. The actual annual allocations for the Project show that the average allocation per SP was only about LE. 40-45,000. This annual average gave the impression that the NUS SPs were "too small" in size, or "too fragmented" for neighborhood services.

However, a more detailed multi-year analysis shows that the cumulative average allocations were much greater, reaching about LE. 110,000 during the five year life-time of NUS project. Table A-3 compares both annual and multi-year cumulative NUS allocations by neighborhood services for a selected sample of NUS SPs. This comparison shows that, while the annual average allocations were about LE, 43,000, the multi-year average was about LE. 110,000, or more than double.

Indeed, this comparison highlights a very desirable outcome for what can be called a phased implementation approach. Under such an approach, the upgrading of urban services is gradually phased-in over more than one year. Its most desirable feature is that the implementation of each phase (or, in this case, SPs) is completed and made available for use as quickly as possible.

There is no information to indicate whether this phased implementation approach was indeed a result of deliberate systematic planning, or merely accidental. Nevertheless, this trend is clearly desirable compared to the "non-phased" approach that leads to many unfinished neighborhood services that remain unused until all the requisite financing is made available after many years under the GOE budget system.

Table A-3- CAIRO GOVERNORATE - A SAMPLE OF DISTRICT SUB-PROJECTS BY ALLOCATIONS, BY DISTRICT, BY FACILITY

Year	Sub-Projects by District by Facility	NUS Allocations Annual Sub-Projects	LE '000 Total Sub-projects
	* WEST		
	. Ibrahimia Secondary School		34.5
83	1st Storey Add.	16.5	
83	W.C. Renov.	8	
	1st. Storey Structure	10	
	. El Nil Primary School		49.0
83	1st. Storey Structure	13	
85	4 Classroom & W.C.'s	36	
	. El Gezira Youth Centre		120.0
84	Const. 3 Basketball Cont.	60	
84	Const. 3 Locker	60	
	. Boulak Public Hospital		298.0
82	Medical Equipment	50	
83	Elevator Renovation	35	
83	Potable Water Reservoir	10	
83	Laundry Equipment	80	
85	Const. & Inst./New Elev.	40	
85	Const. & Renov. Kitchen	83	
	* WAILY		
	. El Dowayeka Basic New School		89.0
84	2 Storey Struct. 12 Classroom & W.C.	83	
85	Completion	6	
	. Manshial Nasr Youth Centre		109.0
85	Construction	83	
85	Installation of fence	26	
	* SHOUBRA		
	. El-Maeltaalimi Primry School		97.0
84	Construction 9 Classroom & W.C.	82	
85	Phase II Completion	15	
	. Ramsis Prep. School		88.9
85	Construction	75	
85	Equipment	13.9	
	. Zawya Elttwra Youth Centre		29.0
82	Water Conduit Install	5.5	
83	Playground & Structure	15	
83	Sewing Equipment (Procurement)	8.5	

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	. Amirya Youth Centre		198.0
82	Locker Rms. & W.C. Strucure	10	
83	Phase II	30	
84	Vocational Training Centre	75	
85	Phase II	83	
	. Tereit El Guindy (Market Food Sec.)		51.5
82	Structure	21.5	
	Phase II	30	
	* CENTRAL		
	. District Garage		55
82	2 Storey Structure	28.3	
82	Tools & Equipment	11.7	
83	Furniture	15	
	. District Stable Storeroom		47
83	Structural Addition	20	
83	Equipment	27	
	. Bab El Shaaria Sec. School		45
82	Equipment Language Lab.	15	
84	Equipment	30	
	. Ahmed Maher Hospital		144
85	Constr. Centre on Exist. Struct.	72	
85	Constr. Liver Treatment Lab.	72	
	* SOUTH		
	. South District Cultural Centre		15
82	Hall Structure	10	
82	Equipment	5	
	* HELWAN		
	. Japanese Garden		70
82	Fence & Structure	50	
82	Pools & Lakes renov.	20	
	. Helwan Industrial School		117
83	1st. Storey Structure	75	
85	2nd. Storey Structure	42	
	. Helwan Public Hospital		229
83	Outpatient Clinic - 1 Storey Str.	80	
84	Equipment	75	
85	Additional Storey	72	
85	Laundry	72	

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	* EAST		
	. Matariya Youth Centre		199
85	Vocational Training Centre Str.	75	
85	Equipment	54	
85	Illumit. of Sports Field	25	
85	Sports Hall Structure	45	
	. Ein Shams Medical Centre		130
83	Construction	80	
84	Phase II Completion	50	

* SAMPLE TOTAL

. Allocations	2521.5	2521.5
. Number of Sub-projects	#59	#23
. Average Allocation/Sub-project	42.7	109.6

Total Sample was 67 District Sub-Projects (S.R.C. 62)

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ARAB REPUBLIC OF EGYPT

NEIGHBORHOOD URBAN SERVICES PROJECT EVALUATION

PHASE III

Prepared for

The United States Agency for International Development

Prepared by

The International Science and Technology Institute, Inc and

The Social Research Center of the American University in Cairo

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NEIGHBORHOOD URBAN SERVICES EVALUATION PROJECT

PHASE III

JUNE 1986

ANNEX 3:
ENGINEERING CONSULTANT'S REPORTS

MAINTENANCE OF DISTRICT SUBPROJECTS
ENGINEERS TRAINING REVIEW

BY: BARRY D. FRAZIER

Submitted to:

Office of Local Administration and Development
United States Agency for International Development
Cairo, Egypt

Submitted by:

International Science and Technology Institute, Inc.
Washington, D.C.

Social Research Center,
The American University in Cairo
Cairo, Egypt

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NEIGHBORHOOD URBAN SERVICES EVALUATION PROJECT

PHASE III

CONSULTANT'S REPORT ON MAINTENANCE OF DISTRICT SUBPROJECTS

Submitted by:

Barry D. Frazier

JUNE 1986

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EXECUTIVE SUMMARY

1. Overall NUS Subproject Maintenance Activities

The NUS project has addressed the subproject maintenance problem on several levels and through several mechanisms.

First of all the inclusion of the 10% subproject maintenance set aside of GOE money in the project agreement signalled the importance of maintenance, put the responsibility with the GOE, and assured the availability of resources. AID project management and the TA contractor have worked to make sure that those funds be released.

The TA contractor has through its maintenance surveys, formal training courses, and on the job training acted to bring about maintenance actions by the districts.

Additionally, NUS has used the vehicle of the evaluation contract to study and review district level subproject management and maintenance procedures, and to prepare a study of the costs associated with a program of rehabilitation and preventive maintenance of urban services.

Finally, the design of the next phase of Local Development, LD II, builds upon the experiences of NUS, regularizing, expanding, and focusing on the maintenance issue.

2. Maintenance Fund

The maintenance fund called for in the project agreement has been established, funds have been distributed to the districts, and maintenance activities have begun on early NUS subprojects. Much work remains to make sure that the process continues and that the subprojects in need of maintenance receive attention.

To date less than 4% of the GOE money earmarked for subproject maintenance has been expended. Another 46% of the maintenance fund has been distributed to the districts, but not yet expended. Fifty percent of the maintenance fund has not yet been disributed to the districts.

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This delay is partly the nature of maintenance which should not take place during the first year of subproject life when the work is supposedly under warranty from the construction contractor. Hence for the FY 82/83 subprojects, 82% of the funds have been distributed, and for FY 83/84, 56% of the funds have been distributed to the districts.

The maintenance fund of NUS was designed as a one shot affair and as such is somewhat anomalous in that it comes to the districts as part of the Bab III budget for capital investments and not as part of the annual Bab II budget for operation and maintenance. For LD II this anomaly has been corrected and the maintenance fund of subprojects will be a regular recurring item of Bab II and in theory returned to the central government if not spent. This will provide an improved financial mechanism and incentive for the districts to regularize their maintenance activities.

3. Subproject Maintenance Activities

Subproject maintenance activities take place within the context of the TA contractor's surveys of the maintenance needs of subprojects. The survey of 200 FY 81/82 subprojects was carried out in 1984. The TA contractor is now completing a similar survey of the 415 subprojects of FY 82/83. These surveys are a major undertaking of the TA contractor and they indicate that over 60% of the completed subprojects are in need of maintenance attention.

The records of the FY 81/82 survey show 20% - 30% of the construction subprojects seriously deficient, damaged, or unused; and 29% of the equipment subprojects in which equipment is unused. (FY 81/82 Maintenance Survey pp. 5 -10)

The TA contractor took a number of steps to guide the districts in addressing this problem.

First. The TA contractor took preventive steps to minimize the repetition of specific maintenance problems in later projects. Site selection criteria were strengthened to include soil analysis and other factors. Design problems were addressed through having some districts subcontract

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the more complex design tasks to private firms. Problems of workmanship quality were addressed through better contractor selection procedures.

The distribution of engineering staff among districts was rationalized. More coordination and planning between directorates, districts, and utility authorities was encouraged in the subproject planning process.

Second. The TA contractor designed and implemented a training course for district engineers on the topic of building maintenance. This course has been given seven times to over 150 district engineers and technicians. The course combines lectures, discussions, a visit to an NUS site, and study of an actual NUS subproject.

Third. The FY 81/82 maintenance survey itself provided the districts with the detailed survey forms from each of the subprojects in order to provide a guide of the maintenance. To date, the required maintenance has been completed on 30% of these subprojects and initiated on 19%.

However, the fact that maintenance has begun on 100 district subprojects, maintenance based on a systematic survey and provided for in a regular manner by GOE funds allocated to the district level, is an event of some importance in Egypt.

The maintenance job remaining on NUS is a large one. If the surveys on the first two years' SPs are a guide and assuming an improvement in the quality of subprojects completed, 300 to 400 NUS district subprojects will need urgent maintenance attention; and at least 100 of them will need this attention very badly. Procedures are not yet well enough established in District Governments to allow them to carry out the tasks of systematically surveying subprojects, identifying maintenance priorities, and implementing the work. Major impetus and input from NUS project management and the TA contractor are necessary.

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RECOMMENDATIONS

1. Each district should immediately prepare a plan and schedule for addressing the unmet maintenance needs identified for FY 81/82 and FY 82/83 district subprojects.

2. The TA Contractors for LD II should help and encourage the districts to establish procedures and processes for the development of maintenance plans, schedules, and budgets for new proposed district subprojects.

3. The TA Contractors for LD II should assist the districts and the governorates with the establishment of procedures and processes for the development of annual maintenance programs for all facilities and equipment within their respective responsiblities.

4. LD II TA Contractors should assist the governorates in developing an O and M Management Information System for reporting and documenting actual maintenance costs on all subprojects.

5. The LD II TA Contractors should develop a public awareness component to maintenance programs at schools and public housing areas. This effort could include development of graphics and signage regarding proper use to be posted at public facilities. Meeting with schoolmasters and public housing resident associations to provide useage information and increase awareness of maintenance problems could also be initiated.

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SUBPROJECT MAINTENANCE

I. INTRODUCTION

II. SUBPROJECT MAINTENANCE FUND

MF Procedures
MF Resources
Institutionalization of the Maintenance Fund

III. SUBPROJECT MAINTENANCE ACTIVITIES

SP Maintenance Evaluations Findings
Improving SP Maintenance

IV. SUBPROJECT MAINTENANCE TRAINING

V. RECOMMENDATIONS

SUBPROJECT MAINTENANCE

I. INTRODUCTION

The NUS Project Paper envisioned that the Project would provide some 900 public services or infrastructure facilities to low-income Egyptian neighborhoods. In addition, the Project was to support extensive PVO activities in these same communities. It was further recognized that providing these services alone would not be sufficient. If these services, the NUS subprojects, were ever to meet their ultimate goal of improving the quality of life of the urban poor in Greater Cairo and Alexandria, the GOE must make a continuing commitment to their sustained maintenance. Because of this desire, and in order to strengthen the institutional capability of local-level government, the PP incorporated the SP Maintenance Fund and a program of training for local-level officials.

This Attachment examines the implementation of the MF and the activities which have surrounded the provision of maintenance to the SPs during the project. A detailed discussion of the SP maintenance training aspects of the project is found in the Engineers' Training Attachment to this Evaluation.

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II. SUBPROJECT MAINTENANCE FUND

The NUS Project addresses the present dearth of vitally essential basic urban services available to the urban poor. The SP Maintenance Fund (MF) attempts to encourage and insure on the part of the GOE the longer-term commitment to meeting the recurrent costs of operations, maintenance, and rehabilitation throughout the life-cycles of SPs initially financed by NUS project funds.

MF Procedures

Financing for the MF is provided entirely from GOE funds. The monies are a portion of the total GOE funding commitment. The amount required for each fiscal year is 10% of the SP funds allocated to the 4 Governorates. The MF monies are disbursed at the beginning of the FY to the Governorates. Each of the Governorates' accounts is for the sole use of NUS activities. During NUS, these funds have been alloted from Bab III - Capital Investments-of the central GOE budget and did not have to be returned to the Central Bank if any remained at the end of the FY. (Under LD II, present plans are for the MF monies to be disbursed from Bab II - Operations and Maintenance. Whether these would be required to be returned at the end of the FY if not used is not yet clear).

At this level, two procedures have been followed. In all Governorates except Alexandria, the funds are directly transferred to

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a similar special account in the name of each District. In Alexandria, the funds are retained by the Governorate until it receives a request from a District for a specific need. (According to the TA Contractor financial staff, next FY, Alexandria will be adopting the same procedures as the other Governorates.)

Once at the individual District level, normal GOE accounting and disbursment procedures are followed in actually implementing the maintenance required. However, the bidding, contracting, accounting, and funding for all NUS SPs is conducted and processed separately from GOE-financed work.

As the Districts are responsible for the maintenance of all the NUS SPs, it is logical that the monies be distributed directly to this level. The flow of these MF monies parallels that of the maintenance funds normally allocated by the GOE to the District level. This is true even to the extent that the funds are deposited in a general maintenance account and are not designated by use (facility type, equipment etc.).

Under current GOE financial procedures, maintenance money is also alloted through the various Ministries to their respective Directorate levels. As a general rule, the Directorate is charged with the maintenance of its existing buildings and equipment. For a number of reasons, the Directorate rou tinely transfers this money to

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an account in its name at the District. Using these funds and at the request of the Directorates, the District provides the actual maintenance services required - usually through its "annual contractor". The District accounting section keeps track of the use of the funds, and at the end of the fiscal year, returns any remaining money to the Directorates.

Although the Districts are not administratively charged with the initial responsibility of maintaining facilities under the control of the Directorates, they are the ones who ultimately provide the actual maintenance services.

MF Resources

The amounts envisioned for the MF at the writing of the PP and as currently required (February 1986) based on SP expenditures are shown in Table 1

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TABLE 1. GOE NUS SUBPROJECTS MAINTENANCE FUND REQUIREMENTS (LE.1000)

GOVERNORATE	FY 1981/82	FY 1982/83	FY 1983/84	FY 1984/85	FY 1985/86	TOTAL
CAIRO	244.3	682.9	362.8	369.0		1659
ALEXANDRIA	130.9	322.0	177.4	143.2	-	773.5
GIZA	-	151.0	154.5	149.8	-	455.3
QALIUBIA	-	75.0	75.5	74.5	-	225
TOTAL REQUIRED	375.2	1230.9	770.2	736.5	-	3112.8
PLANNED P.P. DISBURSEMENTS	305	770	1155	1155	1050	4435

1) Because the project agreement between GOE and AID was signed in FY 1981/82, the total 5 year GOE contribution is to be made over a 4 year period.

2) No MF funds have been distributed to the Districts for FY 1981/82, FY 1984/85, or FY 1985/86.

3) There were no subprojects in Giza and Qaliubia in FY 1981/82.

Source: February 1986 TA Contractor Monthly Report.

As of January 1986, the funds required for all GOE NUS activities, a portion of which is the MF monies, had been deposited in the NUS bank accounts for all 4 Governorates for FYs 1982/83 to 1985/86 inclusive. Table 2 shows the maintenance funds disbursed to the Districts and amounts actually expended to maintain SPs. As it shows, no MF monies were allocated for the FY 1981/82 SPs. This is because the AID/GOE NUS agreement was signed after FY 1981 began.

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Consequently, FY 1982/83 MF monies are being used to finance these maintenance activities on FY 1981/82 SPs. The current understanding is that the total MF amount required for the 5 fiscal year period of the project will be disbursed over the 4 fiscal years beginning after FY 1981/82. Of the required amount for FY 1981/82, about 24% has been spent on maintenance of the SPs. No funds have been expended on maintenance of SPs from later fiscal years. In FY 1982/83, approximately 82% of the required funds have been disbursed to the Districts, and in FY 1983/84 the figure is 56%.

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TABLE 2. SUBPROJECTS MAINTENANCE FUND ACTIVITIES
(LE 1000)

GOVERNORATE	1981/1982 SUBPROJECTS							1982/1983 SUBPROJECTS					1983/84 SUBPROJECTS				
	# SPs	Maint. SPs	Maint. SPs Complete	Required GOE Maint Fund Contribution	Funds Disbursed to District	Funds Expended	% of Funds Expended	# SPs	Maint. SPs	Required GOE Maint. Fund Contribution	Funds Disbursed to District	Funds Expended	# SPs	Maint. SPs	Required GOE Maint. Fund Contribution	Funds Disbursed to District	Funds Expended
CAIRO	131	75	41	244.3	-	53.1*	21.7	211	135	682.9	673.1	-	67	-	362.8	356.5	-
ALEXANDRIA	69	20	13	130.9	-	37.6*	28.7	122	68	322.0	105.5	-	32	-	177.4	-	-
GIZA	-	-	-	-	-	-	-	70	52	151.0	150.0	-	42	-	154.5	-	-
QALIUBIA	-	-	-	-	-	-	-	12	9	75.0	75.0	-	12	-	75.5	75.0	-
TOTAL	200	95	54	375.2	-	90.7*	24.2	415	264	1230.9	1003.6	-	153	-	770.2	431.5	-

* Expenditure made from FY 1982/83 MF monies

Source: Status of GOE Maintenance Contribution memo - January 23, 1986.
February 1986 TA Contractor Monthly Report.

Institutionalization of the Maintenance Fund

The MF has been an important mechanism in focusing attention -at the District and Governorate levels - on the need for and importance of a system for providing sustained maintenance ot capital investment projects. Although the activities of budgeting, funding, contractor bidding etc. for maintenance of NUS SPs have been held in isolation from other GOE-financed projects, these activities - made possible by the MF - have allowed the District engineer staff the opportunity to become acquainted with the requirements of maintenance programming, scheduling, budgeting etc.

However, because District personnel have not traditionally developed maintenance plans for new capital investment projects, and did not do so for the NUS SPs, maintenance activities on the SPs did not begin until well into the project. This is evidenced by the fact that the maintenance survey of FY 1981/82 SPs was not completed until May 1984, and the survey of FY 1982/83 SPs is only underway in March 1986. In addition, both of these surveys have been conducted by the TA contractor Engineering Group. Thus, the experience of the District-level engineer staff in the maintenance planning/programming area is understandably limited.

The District engineer staff must develop competency in this entire planning/budgeting cycle if the maintenance requirements of

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existing (NUS) and new (LD II) investments are to be addressed. A major focus of the continuation of TA to the GOE needs to be in establishing within the District and Governorate-level organizational structures the framework and staff capability to develop annual maintenance plans and budgets for all existing SPs. Proposals for any new capital investment project developed under LD II should also be required to include plans and cost projections for operation and maintenance.

Additionally, a system for documenting actual maintenance costs for the various types of infrastructure, facilities, and equipment needs to be established. This would allow not only a detailed cost accounting on a subproject-by-subproject basis, but would also provide input for two other vital processes. First, the information could be used in identifying the source of any recurrent maintenance problems. These problems could then be addressed in a systematic manner; either by taking corrective measures in-place, or by making changes to designs, specifications, or installation/construction procedures for future facilities. Secondly, this system could act as a data base for refining O & M planning/budgeting estimates in successive future cycles.

Use of the MF was geared to mesh, to the extent possible, with existing GOE fiscal processes, procedures, and mechanisms. Requests for its funds and disbursements were integrated with the normal GOE

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fiscal year budgeting patterns and approval processes. The Fund did not create new banking arrangements or use unnecessarily complicated computations to determine the required amounts. All of these factors facilitated the incorporation and use of the MF.

One significant aspect of the MF which was found to be deficient is the fact that the source of monies for the MF is the GOE Bab III -Capital Investment-budget. Under the LD II program, maintenance funds will be allocated from the central government's Bab II -Recurrent Cost-budget.

III. SUBPROJECT MAINTENANCE ACTIVITIES

As previously mentioned, the District and Governorate project personnel did not plan and program maintenance activities for NUS SPs while they were being developed. These activities did not begin in earnest until after the first maintenance survey of FY 81/82 SP was undertaken during early 1984. This survey was conducted by the TA contractor Engineering and Budget/Finance Groups. It was a comprehensive survey which examined all FY 81/82 SPs, both construction and equipment. In January 1985, the Phase II NUS evaluation which focused on SP maintenance and contracting was completed. In April 1985, the Phase II B NUS evaluation "Facilities Rehabilitation and Maintenance Costs" was conducted. Both of the latter studies were undertaken by a team of ISTI and SRC consultants. Most recently,

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(March 1986) a comprehensive survey similar to the one conducted for FY 81/82 SPs is being compiled by TA contractor staff for FY 82/83 SPs. There are, however, only preliminary data available from this survey and they will require further analysis before reliable conclusions can be drawn from them.

SP Maintenance Evaluations Findings

The NUS survey completed in May 1984 found that of the 200 total FY 81/82 SPs, 54% were in need of maintenance at that time. A closer review of the data later brought the number to 63%. Based on the initial findings, it was found that:

1. On 23% of the SPs, the contractor had not completed the work, and of those, 36% were seriously deficient.
2. 38% of the SPs needed repair or maintenance, and of those, 37% were seriously damaged.
3. 16% of the SPs were wholely or partially unused.
4. In 56% of the construction SPs needing repair, user abuse or vandalism was found. Of those, 65% had plumbing problems and an identifiable use group; schools and housing.
5. 38% of the equipment SPs were experiencing problems. Equipment purchased on 29% of the SPs was unused.

After this survey, actions were taken to correct problems on these SPs, and as of the end of January 1986;

- 30% have completed the required maintenance,
- 19% have begun the required maintenance,
- 51% have not begun the required maintenance.

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The FY 1981/82 SP Maintenance Survey included an appendix which organized all of the SPs and their deficiencies by Governorate and District. Detailed survey forms for each SP were also included. This appendix was intended to serve each District as a guide in instituting the corrective measures necessary for each SP. Twenty-one months after the Survey Report was issued, maintenance activities have been begun on about 50% of the SPs and maintenance is complete on 30%.

The preliminary data from the maintenance survey of FY 82/83 SPs show that of the 415 total SPs, 264 or 64% require maintenance. By the end of February 1986, maintenance on two of these SPs had been completed.

A comparison of the data for the SPs carried out during the two fiscal years shows that the percentage of SPs requiring maintenance (63% FY 1981/82 and 64% FY 1982/83) is virtually unchanged.

The reasons for such performance in both correcting maintenance deficiencies and improving the SP Planning/Design and Construction Supervision phases are numerous and open to investigation and debate. However, one conclusion is clear. The procedures and processes which currently constitute the Districts' SP maintenance Program are undeniably incapable of coping with present demands. If the Districts are ever expected to manage the maintenance requirements of SPs from

later years, implementation of the program must undergo significant improvement.

Improving SP Maintenance

As stated in the Phase II Evaluation, consideration of maintenance does not begin with the completion of a building or the installation of equipment. Rather, it is a concern which begins in the early planning stages and continues throughout the useful life of the facility. It is for this reason, the issues identified by the various SP maintenance studies have been grouped into three categories: Subproject Design; Construction Supervision; and Use and Maintenance. The table below illustrates the findings of the studies and the actions which have been taken in response to them.

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MAINTENANCE PROBLEM AREA	CORRECTIVE ACTION
I. SUBPROJECT DESIGN	
A. Unsuitable Site	
1. Soil bearing capacity not sufficent for structure	1. Development and use of SP/site selection criteria
2. Access to utilities unavailable	2. Development and use of SP/site selection criteria
B. Unused Equipment	
1. Equipment incompatible with user needs	1. Closer coordination between District-level equipment users and providers
2. Spare parts or accessories needed	2. -
3. Awaiting new facility	3. -
C. Insufficient Design/Construction Documents	
1. District-level Engineers are primarily implemention (construction) not design oriented	1. Some contracting with design firms
	1. District Engineers exercise more professional discipline/judgement in executing designs
	1. Formal and on-job training provided by NUS creating awareness and encouraging a change in approach to design tasks
2. Design/construction drawings lacking in sufficient detail and completeness	2. Actions cited under 1 above
3. Construction specifications and general and special conditions incomplete or not provided to contractor	3. Districts now including all relevant specifications with construction documents

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MAINTENANCE PROBLEM AREA	CORRECTIVE ACTION
II. CONSTRUCTION SUPERVISION	
A. Inadequate Supervison of Construction Trades Laborers	1. Better quality contractors selected using short list/prequalifying procedures 1. Over time, performance of contractors appears to have improved
B. Inadequate Number of Site Inspections	
1. Shortage and poor distribution of District Engineers	1. Redistribution of Engineering staff among the Districts 1. More Engineering staff are now being obtained by Districts
2. Lack of transportation for District Engineers to job site	2. Contractor provides transport 2. District Engineers are reimbursed for taxi fare to job site 2. District makes vehicles more available
C. Lack of Exercise of District Government Authority/Control over Contractors	
1. Poor quality workmanship during construction period	1. Better quality contractors selected using short list/prequalifying procedures 1. Formal and on-job training provided by NUS creating awareness of and increased demand for higher quality product
2. Final acceptance of poorly finished and uncompleted SPs by District Governments	2. Actions cited under 1 above 2. Ministry Directorates' refusal to accept facilities 2. At requests of Districts, utility authorities provide services to job sites during construction

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MAINTENANCE PROBLEM AREA	CORRECTIVE ACTION
III. USE AND MAINTENANCE	
A. Inadequate Routine Operational Maintenance Provided	1. Formal and on-job maintenance training 2. Survey of FY 81/82 SP conducted to identify maintenance needs 3. Phase II Evaluation identified problems and opportunities associated with SP maintenance 4. Phase II B Evaluation estimated costs of rehabilitating and maintaining schools, clinics, youth centers in Greater Cairo and Alexandria
B. Misuse and Abuse of Facilities by Users	1. Discontinuation of funding for selected types of facilities 2. Directors of schools having habitual maintenance problems were asked to take corrective actions with students

IV. SUBPROJECT MAINTENANCE TRAINING

The formalized maintenance training which was provided to District engineers was contained in the Maintenance of Buildings and Structures in Local Districts "Core Course" developed by the TA contractor Training Group. This 3-day course was first given in October 1985. The last course is scheduled to be given in April 1986. A detailed discussion of this training is found in the Engineers' Training Attachment.

V. RECOMMENDATIONS

Based on discussions with the TA contractor, GOE staff and AID officials, a review of available project information and documents, and the information presented in this Attachment, the following recommendations are presented for consideration.

1. Each district should immediately prepare a plan and schedule for addressing the unmet maintenance needs identified for FY 81/82 and FY 82/83 district subprojects.

   Maintenance needs on FY 81/82 subprojects have been known since May 1984. Needs on all FY 82/83 subprojects have also now been identified. Monies to finance the required maintenance have been disbursed from the Maintenance Fund and are available to the

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Districts. The contractual mechanism for implementing the actual maintenance, the "annual contractor", is also in-place at the District level. What is not in place is any plan or schedule for this work. Completing this already identified, already financed maintenance on early NUS subprojects must be a high priority as we move into LD II.

2. The TA Contractors for LD II should help and encourage the districts to establish procedures and processes for the development of maintenance plans, schedules, and budgets for new proposed district subprojects.

   A major focus of TA to the Districts and Governorates should be in establishing the organizational structures and staff capabilities for formulating maintenance plans and cost projections for new subprojects. As long-term building owners, the GOE must recognize the advantages to reducing facilities' life-cycle costs, not just initial costs. Construction and maintenance budgets for proposed subprojects should take this planning concept into consideration. Mechanisms for comparing life-cycle costs among competing bids should be incorporated into selection criteria. This should be a major life-of-project objective for LD II.

3. The TA Contractors for LD II should assist the districts and the governorates with the establishment of procedures and processes for the development of annual maintenance programs for all facilities and equipment within their respective responsiblities.

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Local governments now have maintenance needs identified for all FY 81/82 and 82/83 subprojects. The financial resources and contracting mechanisms are also available to them. These elements must now be organized within a framework of time, staffing, administrative, and other constraints to establish a rational program for accomplishing the maintenance tasks. While the procedures developed must accommodate the day-to-day operations and functioning of the Districts and the actual facilities and equipment, they must also integrate the annual planning and budgeting cycles of the GOE.

4. LD II TA Contractors should assist the governorates in developing an O and M Management Information System for reporting and documenting actual maintenance costs on all subprojects.

   An information management system such as this would allow the following: 1) a long-term maintenance cost accounting for each subproject; 2) the identification and reduction/elimination of habitual maintenance problems; 3) the creation of a data base which the governorate maintenance office could use to advise district engineers regarding budget estimates for new subprojects and for annual maintenance activity.

5. The LD II TA Contractors should develop a public awareness component to maintenance programs at schools and public housing areas. This effort could include development of graphics and

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signage regarding proper use to be posted at public facilities. Meeting with schoolmasters and public housing resident associations to provide useage information and increase awareness of maintenance problems could also be initiated.

Plumbing installations have surfaced as a major source of maintenance problems in all subproject building types. Among these, schools and publicly-owned housing are unique in that their problems are habitually serious and show signs of user abuse. Additionally, these building types have discrete, identifiable user groups with whom communication is possible, and who have a self-interest in the proper functioning of the facility.

NEIGHBORHOOD URBAN SERVICES PROJECT

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June 10,1986

To : Dr. Graham Kerr

From : Richard E. Miller

Subject : Maintenance Survey, FY 81/82 and FY 82/83

I thought you would be interested in the progress made in sub-project implementation between FY 81/82 and FY 82/83. Copies of these are being held for ISTI.

NWS Sub-project Functional Analysis

(FY 81/82 - FY 82/83)

Overview

	CATEGORY 1- Const SPs Not in Use 3 Months After Accepted By District	CATEGORY 2- Const SPs Not Operating Properly 3 Months After District Accept	CATEGORY 3- Equip SPS Not Operating Properly Months After District Accept	Total NUS
FY 81/82				
1. Number of FY 82 SPs	127	127	73	200
2. FY 82 Problem SPs - No.	20	39	22	81
3. FY 82 Problem SPs - %	15.7	30.7	30.1	40.5
4. FY 82 Problem SPs - Corrected	8	19	19	46
FY 82/83				
1. Number of FY 83 SPs	344	344	71	415
2. FY 83 Problem SPs - No.	25	41	3	68
3. FY 83 Problem SPs - %	7.3	11.9	4.2	16.4
4. FY 83 Problem SPs - Corrected	14	3	0	17
Change FY 81/82 - FY 82/83				
1. Number of SPs	+ 217	+ 217	- 2	+ 215
2. Problem SPs - %	- 53.6	- 72.3	- 86.0	- 59.5

NUS SUB-PROJECT FUNCTIONAL ANALYSIS

(FY 81/82 - FY 82/83)

REASONS FOR POOR FUNCTIONING

Category	FY 81/82 No.	FY 81/82 %	FY 82/83 No.	FY 82/83 %
Total Sub-Projects	200	100.0	415	100.0
1. Poor Planning	5	2.5	5	1.2
2. Physical Defects	18	9.0	20	4.8
3. Site/Eviron Problems	15	7.5	15	3.6
4. Utilities Not Connected	3	1.5	4	1.0
5. Operator Will Not Use	2	1.0	11	2.7
6. Not Equip/Staffed	20	10.0	3	.7
7. Misuse/Vandalism	18	9.0	10	2.4
Total	81	40.5	68	16.4

? which was corrected

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MUS CORRECTIVE MAINTENANCE ANALYSIS
FY 81/82 - FY 82/83

Category	FY 81/82 No.	FY 81/82 %	FY 82/83 No.	FY 82/83 %
Total Number Of SPs	200	100.0	415	100.0
Construction SPs	127	63.5	344	82.9
Equipment SPs	73	36.5	71	17.1
1. Const. SPs Not in Use 3 Months After District Acceptance				
. Not Physically Completed	8	6.3	5	1.5
. Utilities Not Connected	3	2.4	4	1.2
. Vandalism	2	1.6	4	1.2
Sub-Total	13	10.3	13	3.9
2. Const SPs Not Operating At Acceptance Standard 3 Months After District Acceptance				
. Physical Defects	10	7.9	15	4.4
. Site Problems	15	11.8	15	4.4
. Vandalism Missued	7	5.5	6	1.7
Sub-Total	32	25.2	36	10.5
3. Equipment SPs Not Operating At Acceptance Standard 3 Months After District Acceptance				
. Equipment Not in Use	13	17.8	3	4.2
. Equipment Missued	9	12.3	3	4.2
Sub-Total	22	30.1	6	8.4
Total MUS	67	33.5	55	13.2

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NEIGHBORHOOD URBAN SERVICES EVALUATION PROJECT

PHASE III

CONSULTANT'S REPORT ON ENGINEERS' TRAINING

Submitted by:

Barry D. Frazier

JUNE 1986

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EXECUTIVE SUMMARY

1. Purpose of NUS Engineers Training

The purpose of the training provided to the NUS engineers is to support directly the NUS effort, not to enhance the technical skills and knowledge of the district engineers. A major objective is to reorient the district engineers toward the role of managing and supervising subprojects. Toward this end, three engineers' courses were developed:

Project Management: Planning and Design
Project Management: Scheduling, Monitoring, and Evaluation
Maintenance of Building and Structures in Local Districts

In addition to these three core courses, implementing the subproject process for a number of similar cases under the guidance and with the assistance of the TA contractor, adds an important dimension of "on the job" and "learning by doing" type of training.

2. Meeting Training Targets

260 district engineers and technicians attended the six-day course on project planning and design. Most of these engineers and technicians also attended the six-day course on project scheduling, monitoring, and evaluation. 160 district engineers and technicians have attended the three-day course on subproject maintenance.

3. The Problem of Timing

The orientation courses at the beginning of NUS were crucial to the project's success in initiating a large number of subprojects in FY 82/83. However, the core courses were delayed by a number of factors so that their direct contribution to the operation of the NUS project was limited. Fifty percent of the NUS subprojects were completed before the engineering courses on subproject design and management even began. To the extent that subproject activity will continue under L.D. II, these courses are contributing to the local development effort.

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4. The Institutionalization of Training Courses

The engineers' courses are conducted by TOMOHAR, the Training Organization for Building and Construction, under the Ministry of Housing and Utilities. TOMOHAR has a network of some 24 training centers throughout Egypt. The agreement between TOMOHAR and NUS provided that TOMOHAR would work with the NUS training advisors in developing courses, identify courses instructors, implement courses, monitor courses, develop a course evaluation plan, and do course modifications and improvements. Importantly, TOMOHAR also agreed to assume full responsibility for continuing the training program at the completion of NUS.

During the implementation of the courses, the NUS Training Group experienced considerable difficulty in locating qualified trainers who were able to adapt to the NUS training approach and course material. TOMOHAR does not have an in-house staff of trainers, but makes use of a roster of part time and independent trainers.

The NUS Training Group also had to take on the role of monitoring the courses to assure the quality and to adjust the courses.

These problems are being addressed in L.D.II through the creation of the Sakkara Training Center.

5. Course Content and Training Manuals

The Project paper presented ambitious plans for the training program as a pragmatic, problem-oriented, state-of-the-art activity. The training courses were to focus on case studies, group work, site visits, and team building. The manuals were to provide an on-going, detailed, and practical guide for district level operations.

There have been necessary trade-offs between these goals and the efforts to institutionalize the training into the Egyptian context. The training manuals produced and the curricula designed are more general and theoretical than hoped for in the project paper. This was in large part a response to the practical difficulties of locating trainers competent in

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the style of training envisioned. None the less, training sessions did include a certain combination of general lectures, specific site visits, and group discussion.

6. Recommendations

Training of Trainers. LD II training efforts must assemble a cadre of qualified trainers which is able over a prolonged period of time to deliver training courses to district and governorate staff.

Team Building. Training should continue to promote the concept of team management of the subproject implementation process.

Location of Training. Some of the training needs to be delivered to GOE staff at convenient and appropriate venues in their respective districts.

Orientation Packages. The LD II TA contractors should develop succinct LD II orientation training "packages" for senior-level officials and mid-level managers, to be presented to all appropriate district and governorate staff early in the project and repeated as staff turnover requires.

Restructured Engineers' Core Courses. Continue restructuring of engineers' core courses to incorporate more fully the original project paper goals.

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ENGINEERS' TRAINING

EXECUTIVE SUMMARY

I. INTRODUCTION

II. TRAINING APPROACH/METHODS

Training Manuals
Training Courses
On-job Training

III. INSTITUTIONALIZATION OF CORE COURSES

IV. RECOMMENDATIONS

V. ANNEX

Courses Review

ENGINEERS' TRAINING

I. INTRODUCTION

The purpose of the NUS project is to expand and strengthen the institutional capability of local-level government to respond to urban service needs in low income neighborhoods. The Project approached this institution-building process in two ways; technical assistance and training. Over the course of the Project, the NUS Training Staff developed 12 "Core Courses": 5 in Local Government; 4 for PVOs; 3 for Engineers. The following sections review training provided to local government engineering staff by the NUS Project and offer recommendations for consideration during the implementation of LD II.

II. TRAINING APPROACH/METHODS

The techniques proposed for accomplishing the training task of the Project were a combination of formal, structured courses - in both Egypt and the U.S. - and on-job training (OJT). As regards the engineers' training, none was provided in the U.S. Three formalized "Core Courses" were developed for the District engineer staff by the TA contractor Training Group. The titles of these courses are Project Management: Planning and Design for Engineers, Project Management: Scheduling, Monitoring, and Evaluation for Engineers,

and Maintenance of Buildings and Structures in Local Districts. The TA contractor's Engineering Group worked very closely with the District engineers, and through these efforts furnished OJT.

The focus of this evaluation is the core courses, as a comprehensive assessment of the OJT effort would require time and resources beyond the scope of this effort. A brief analysis of this aspect is included, however.

The nature and purpose of training intended to be provided by the NUS Project must be clear from the beginning of this discussion. The approach outlined in the original Project documents is that the materials, methods, techniques etc. be geared to specific NUS Project implementation needs. At the same time however, the information must be useful and relevant to other non-NUS funded activities at the local level. The training is not intended to be for the improvement of technical engineering skills of in-service professionals. Indeed, an aim specifically stated is to provide a means to reorient District engineers to function as supervisors and managers.

Training Manuals

The intent and use of the manuals as outlined in the Project Paper are quite clear. These documents are to serve as more than just texts for courses. They are to form the basis for establishing

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a foundation of continuity for the NUS Project itself. Moreover, they are to create a shared understanding of purpose among the NUS-related District engineers who receive the training. They are meant to provide the participants with a set of guidelines and procedures in the analysis, planning, administration, budgeting etc. aspects of NUS and local government projects. They also provide the means by which examples of successful NUS SPs can be documented and retained.

Analysis

Throughout the manuals for the 3 courses, documentation of and references to NUS project-specific goals and objectives, roles and responsibilities of project participants, documents, forms etc. were kept at a general level. There is no comprehensive diagram or list showing the various participants and their relationships in the NUS project or subproject process. Occasionally, there are references to the District Chief or Public Authorities, but there is little mention of specific District departments (Budgeting, Accounting, etc.), Directorates (Education, Health, etc.), or utilities agencies (NOPWASD, EEA, etc.). Irrespective of references which may have been made to NUS-specific activities and interactions during the actual presentation of the courses, the manuals themselves do not provide a thorough explanation of the NUS Project structure. Some NUS forms and checklists are included in the manuals (Forms 1,2,3, and 4 and

the Ministry of Housing maintenance list) and there is reference to the MOF Bidding and Tendering Law, the Engineering Syndicate Statute, and the Arab Bureau Specification forms for Design and Consulting. Other pertinent documents such as NUS Forms 13 and 14 are not included.

It is not clear from the manuals that an overall orientation to the NUS Project was given to the training participants. At the Planning and Design course, a pamphlet was distributed to the trainees. However, this information along with seven other topics is covered in the first hour of the course. Some of the engineers at the core courses may have attended the NUS Orientation courses held for District and Governorate staff. These were conducted more than 2 years before the first of the engineers' courses and some, if not many, of the engineers may have not attended them.

The approach to general project planning and design is graphically well presented. The Scheduling, Monitoring, and Evaluation manual also incorporates some graphics, although primarily in the network planning presentation. While the maintenance checklist presented in the Maintenance of Buildings and Structures (MBS) manual is quite thorough, actual procedures for carrying out the survey are only generally referenced in respect to 2- and 3-man teams and 90- to 180-day maintenance cycles. In some respects, these sections are the most organizationally specific, yet the information is presented

within the context of a proposal for a District Maintenance Department.

The areas most clearly lacking in procedural detail and specifics are budgeting/finance and administration. As a manual for familiarizing District engineering staff with the NUS Project processes and procedures, these two topics would need virtually supplemental explanation/discription. One possible reason for this might be that after working on NUS subprojects for such a long period, the trainees are well versed in these matters. On the other hand, if NUS is viewed as only the first phase of a long-term program, the need to provide documentation in these areas for future engineering staff is clear.

Using the case study approach in each of the courses brings a high degree of practicality and relevance to the training experience. It also allows the engineers to see and discuss circumstances in other than their own District. Information about the case or facility used is not in the manuals as the building surveyed changed from course to course. The information was prepared by an engineer familiar with the building and was distributed during the course. The degree to which this information about NUS SPs was collected for possible later use by the Project or in LD II varied from course to course and without further effort would be difficult retrieve.

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Training Courses

The notion of the training courses presented in the PP is that they be very pragmatically oriented and relate directly to NUS SP work and problems in implementation. An important aim of the courses was to foster the development of a nucleus of capable units at the District level. The specific content of courses is left open; to be defined during the course of the project. However, a sequencing of course topics is suggested. This would begin with an orientation and then move to the other topics corresponding to the project phases through which Districts (trainees) pass.

Analysis

As mentioned in the previous section, to a large degree, the material presented in the courses was on a theory or relatively general level. The in-depth examination of specific NUS SP case studies is a notable exception, however. This is particularly true in the Building Maintenance course, as this area is not one to which Districts have traditionally dedicated significant efforts. The course provided the engineers the opportunity for direct 'hands-on' experience in an area strongly tied to the execution of the NUS Project.

The 3 'Core Courses' were developed specifically for the Districts' engineering staffs. These courses were to assist the

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engineers in becoming better able to manage and supervise NUS SP activities at the District level. The course content was designed to focus on areas of particular usefulness and interest to the engineering staff. Similarly, courses focusing on several of the same topics of the SP process; planning, management, and monitoring, were developed for staffs in other disciplines of local government. The similarity between the engineering and local government core course topics shows the overlapping areas of concern among the several disciplines involved in the management of the SP process at the District level. Categorizing the delivery of training courses according to the professional disciplines of the trainees, did not act to encourage the creation of integrated project management teams or "units" composed of representatives of the various departments involved.

The primary format of the courses is lecture-discussion, but some work was conducted in teams. The composition of the teams may have been such that the members were from the same home Districts. Neither the trainers' nor trainees' manuals state whether this was or was not encouraged. Based on this fact and discussions with the training staff, it is not clear that the courses fostered the formation of groups or teams which would work together more efficiently or effectively when they returned to their respective Districts.

The development and delivery of the engineers' courses occurred over an extended period of the project. Table 1 shows when the various courses were held in each of the Governorates.

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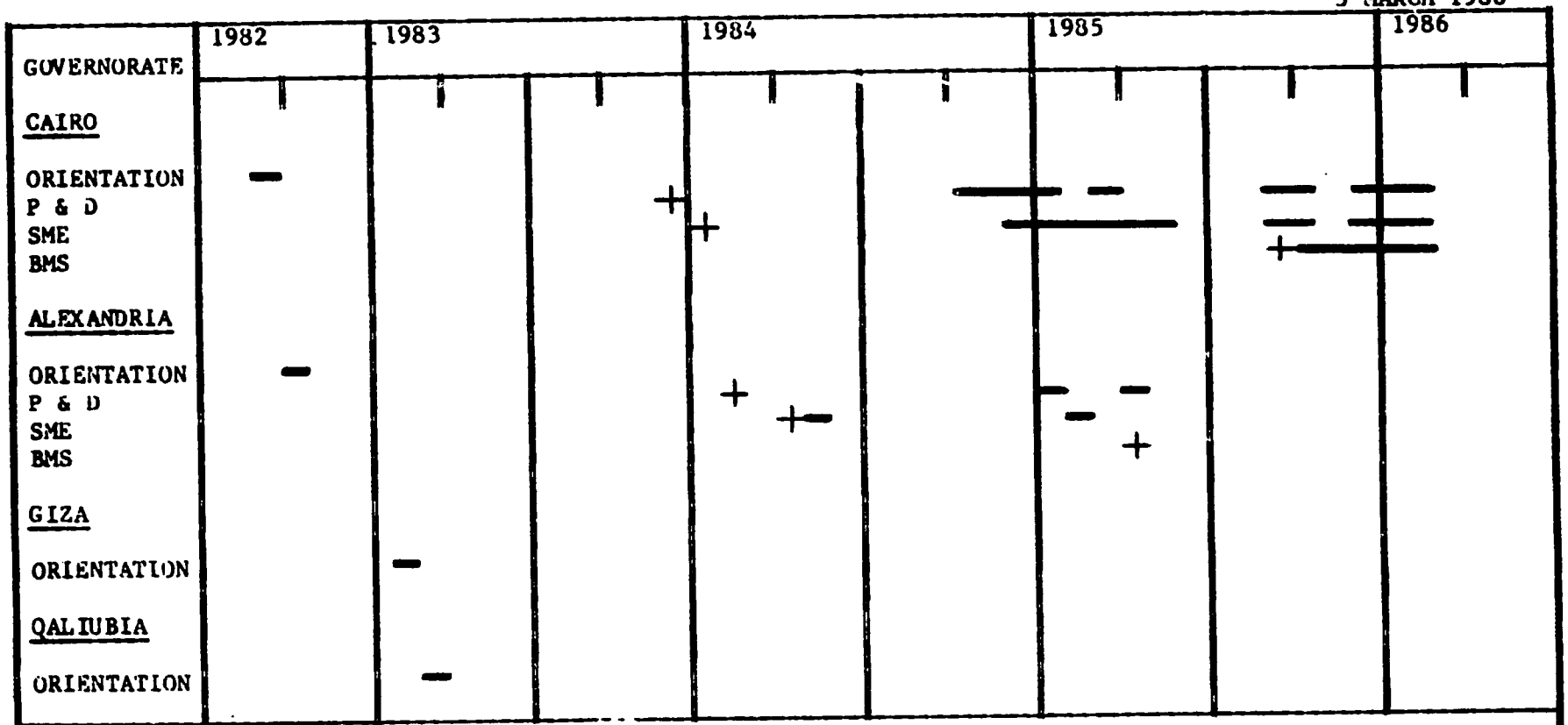
TABLE 1
ENGINEERS' TRAINING
SCHEDULE OF COURSES

3 MARCH 1986



+ = PILOT COURSE
P & D = PROJECT MANAGEMENT: PLANNING AND DESIGN
SME = PROJECT MANAGEMENT: SCHEDULING, MONITORING, AND EVALUATION
MBS = MAINTENENANCE OF BUILDINGS AND STRUCTURES

The Orientation courses for Cairo and Alexandria Governorates were held in September and October 1982. The Giza and Qaluibia Governorates courses were held in February and March 1983. The timing of these courses was quite advantageous for the Project in that the TA contract had only been signed in May. Initiating the Orientation courses so quickly allowed dissemination of information to local government participants in the very early stages of the Project. A total of 309 participants attended these courses. At the time of this evaluation, some 3½ years later, it is not easily possible to determine from Project documents how many and which engineers may have attended the Orientation courses.

It was another 2 years after the Orientation courses, in October 1984, before the first of the engineer core courses was offered on a regular basis. Pilot courses for the Planning and Design and Scheduling, Monitoring, and Evaluation courses had been conducted between December 1983 and April 1984. The pilot courses for the Maintenance of Buildings and Structures course were held in April and September 1985, in Alexandria and Cairo Governorate respectively. Since October 1985, this course has been offered each month.

All the engineers' courses have been conducted in the ending year-and-a-half of the planned 4-year life of the NUS Project. When the first course was offered, some 50% of the District SPs had already been completed. In April 1986, when the last course is sche-

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duled, the percentage of completed SPs will a have reached 80% or more. The phasing of these 3 engineer courses does not seem to be in keeping with the original intent of the Project Paper and TA scope of work. There have been of course, reasons for the delays and these are well documented in the monthly progress reports and annual work plans - training group staffing level deficiencies, delays in releasing the training funds from USAID, difficulties reaching agreement with the training agencies, and others. Nevertheless, the time periods from Orientation to pilot courses and from pilot courses to initiation of the 2 Project Management courses appear to have been excessive.

As regards the timing of the MBS course, the period required for its development was greatly reduced from that of the other 2 courses - to the credit of the TA contractor. Based on course evaluations and discussions with District officials, the MBS course was developed in late 1984 and tested in April and September 1985. Even given this relatively quick timing, the course still suffered from the same constraint as the other 2 engineers' courses, only more acutely. It was not available until October, 1985 - only 8 months before the planned termination of the NUS Project. Best estimates are that it will be held a total of 9 times before the end of the Project.

All Engineer Core Courses were implemented through the Ministry of Housing's training agency TOMOHAR. It provided all instructors,

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facilities, equipment etc. Trainees for the courses must be District or Governorate engineers and be working on the implementation of NUS SPs. Participants were intended to take the 2 Project Management courses in close succession as they are complementary. Course size was limited to a maximum of 15 participants. Course format was lecture-discussion combined with site visits. The courses were held from 9:00 a.m. to 2:00 p.m. Table 2 presents a summary of statistical information regarding the engineers' training courses. A review of the engineers' courses is presented in the anned to this Attachment.

On-job Training

Three specific on-job training (OJT) methods are mentioned in the PP. They are:

- joint participation in all phases of SP execution;
- sharing of knowledge and experience with individual counterparts on a one-to-one basis;
- sharing of printed materials specifically relevant to SPs.

By all accounts, the TA contractor Engineering Group staff worked very closely with the District engineers associated with the execution of the NUS SPs. This included visits to the offices of the NUS District engineers to discuss SP issues. It also included making inspections on numerous site visits, often accomplained by a District

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TABLE 2
ENGINEERS' TRAINING
SUMMARY

	No. of District Staff		No. of GOE NUS-Project Staff	No. of GOE NUS-Project Staff to Train	No. of GOE NUS-Project Staff Trained	% of GOE NUS-Project Staff Trained	No. of Courses held	No. of Trainee-Days	Cost/ Trainee Day (LE)
CONSTRUCTION MANAGEMENT: PLANNING & DESIGN (6 Day Course)	Engineers Technicians	325 400	100 150	270	260	96%	16	1560	11.88
CONSTRUCTION MANAGEMENT: SCHEDULING, MONITORING, EVALAUTION (6 Day Course)	Engineers Technicians	325 400	100 150	270	251	93%	15	1506	10.09
MAINTENANCE OF BUILDINGS & STRUCTURES (3 Day Course)	Engineers Technicians	325 400	135	135	160	119%	7	480	16.04
TOTALS				675	671	99%	38	3546	

Note: The same individuals are scheduled to take both 6-Day Courses
Source: NUS Mid-Project Report
Data from TA Training Group

engineer. Throughout this process, each of the OJT methods mentioned above was employed repeatedly.

According to the TA contractor, efforts were not made to collect data or compile statistics regarding the training which took place during this process. To gather this type of data at this point in the Project, is beyond the scope of this evaluation activity. Based on interviews with the Engineering Group staff and existing data, it is estimated that on average, an NUS-District engineer received the equivalent of approximately 3½ training-days /year. Presented below is the derivation of this estimation.

- TA Engineering Group Visits to District Offices

  6 TA engineers

  100 NUS-District engineers

  23 NUS Districts

  905 NUS SPs

  4 NUS-District engineers/District on average
  (100 - 23 = 4.3)

  4 Districts/TA engineer on average
  (23 - 6 = 3.83)

  4 TA engineer visits to District engineers' offices/month

  1 TA engineer visit/District/month

  1 TA engineer visit/NUS-District engineer/month

  If one hour of OJT occurred as a result of a visit with each NUS-District engineer, then there are:

  1 Hour of OJT/NUS-District engineer/month;

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16 Hours of OJT given/TA engineer/month;
(4 x 4 = 16)

96 Hours of OJT/month for the NUS Project;
(16 x 6 = 96)

1152 Hours of OJT/year for the NUS Project;
(96x 12 = 1152)

11.52 Hours of OJT/year/NUS-District engineer;
(1152 - 100 = 11.52)

1.92 Trainee-Days/year/NUS-District engineer.
(11.52 - 6 = 1.92)

- TA Enginerring Group SP Site Inspections accompanied by an NUS District Engineer
(Through February 1986)

5298 inspections by TA engineers

According to TA engineer staff, NUS-District engineers accompanied these inspections between 60% and 75% of the time. Using the higher figure:

3974 Site inspections
(5298 x .75 = 3974)

If 1 hour of OJT Training occurred on each of these visits:

662 Trainee-Days for the NUS Project
(3974 - 6 hours/trainee-day = 662.33)

6.62 Trainee-Days/NUS-District engineer for the NUS Project
(o62 - 100 NUS District engineers = 6.62)

1.66 Trainee-Days/NUS-District engineer/year
(6.62 - 4 years = 1.655)

Combining the OJT from the TA Engineering Group District office visits and the Site Inspections would give:

1.92 District Office Visits
1.66 Site Inspections

3.58 Total OJT Trainee-Days/NUS-District engineer/year

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III. INSTITUTIONALIZATION OF CORE COURSES

The duration of the NUS Project and the training which can be provided during that period are, of course, limited. With this understanding in mind, the Training Needs Assessment of March 1983, recommended that the courses developed by NUS be incorporated into the programs of existing GOE or private training organizations. The institution chosen to implement the engineers' courses is The Training Organization for Building and Construction, (TOMOHAR) under the Ministry of Housing and Utilities.

TOMOHAR is responsible for providing the training for GOE personnel in the building construction area. It has a network of some 24 training centers throughout Egypt through which it trains workers and trainers. Training is in the mechanical and electrical fields, civil and sewerage treatment maintenance, trades and equipment operators skills, and other related areas.

After a number of delays caused by difficulties related to the release of NUS funds for training, an agreement was signed with TOMOHAR (and institutions implementing the other NUS training courses). This agreement provided that TOMOHAR would furnish certain services during the conduct of the courses: 1) collaborate with NUS advisors in course development; 2) identify course instructors; 3) implement courses; 4) monitor courses; 5) coordinate the development

of the evaluation plan; and 6) recommend modifications and improvements to course content.

The agreement also addressed the responsibility of TOMOHAR after the termination of NUS active involvement. The agreement states that "it is expected that TOMOHAR will assume full responsibility for implementing NUS-related courses as they would any other courses offered through their program." There are however, no guarantees that this will occur nor are there sanctions prescribed if it does not occur. There are no accompanying letters of assurance or directives from top TOMOHAR or Ministry of Housing officials. There are obviously no financial incentives or payments made for the services as there were during the NUS program. Given the shortage of funds made available to the District level for training and to TOMOHAR directly, it is highly doubtful that the NUS engineer courses would receive priority over other courses TOMOHAR is mandated to conduct.

However, if TOMOHAR were to continue conducting the engineer courses, there are a number of activities which the NUS Training Group had performed that would no longer be provided for. Primary among these is the assessment and selection of trainers. During the implementation of the courses, the NUS Training Group experienced considerable difficulty in locating and incorporating qualified, knowledgeable trainers who were also able to adapt to the NUS training approach and course material. TOMOHAR does not have an

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"in-house" staff of trainers. Rather there is a roaster of associated individuals from which trainers can be chosen. The trial and error process by which the Training Group selected the trainers was very difficult and time-consuming. The trainers are of course, key to the success of the courses and, if not selected wisely, greatly decrease the effectiveness of the training experience.

The second activity which would likely go uncompleted is that of continually monitoring each course to assure it is conducted as programmed and to maintain a standard of acceptable quality. This monitoring also provides the opportunity to modify, and adjust a course to meet the needs of a particular group of trainees.

The overall upgrading of the courses is a function for which the Training Group is in a unique position to fulfill. The courses have now been held several times and a number of District engineers have been exposed to them. Having developed the courses and observed them conducted several times, would allow the Training Group to address the shifts in course emphasis or the more significant changes in approach or format which may be necessary.

Based on the knowledge gained by monitoring the courses, the training staff is now of the opinion that in order to maintain their relevance and effectiveness, and better meet the needs of the District engineers, the courses as presently designed could be improved by updating and restructuring.

On the part of the Districts, training presents its own problems. District engineers are busy - some say overworked. Consequently, they find it difficult to take time away from their jobs as they would see this increasing their work burden. They are willing to participate however, when they see the direct benefits. Their supervisors are aware of these circumstances and have allowed their staffs the opportunity to attend courses, but within time constraints imposed by the demands of the job. Because of these constraints, some of the courses had to be conducted on a very flexible basis, adjusted to times and locations convenient to the trainees.

IV. RECOMMENDATIONS

Based on discussions with the TA contractor, GOE staff, and AID officials, a review of project documents, and information developed for this Attachment, the following recommendations are presented for consideration.

1. Training of Trainers. LD II Training efforts must assemble a cadre of qualified trainers which is able over a prolonged period of time to deliver training courses to District and Governorate staff.

   One of the most significant problems which faced the NUS training program was locating and retaining quality trainers. A priority

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for any training under the LD-II program must be the creation of a permanent staff of trainers which is available throughout the project and beyond. These trainers must be able to adapt to a job-oriented training approach and pragmatic training methods. They must be skilled in communicating and working with busy, professional, adult learners.

2. Team Building. Future training should continue to promote the concept of subproject management by teams composed of District and Governorate staff from the several disciplines required by the subproject implementation process.

This approach is clearly spelled out in the NUS project paper. The Phase II Evaluation brought it to light again and two pilot workshops were conducted during the evaluation. The project later conducted six "advanced District" workshops which were adjudged by participants as quite successful. The principle behind this approach and the training which supports it - whether formal, on-the-job, workshops or other - is that the basic subproject implementing unit is the District staff. Regardless of their professional training, they must work together as an integrated management team in carrying out the subproject process.

3. Location of Training. Training must be delivered to GOE staff at convenient and appropriate venues in their respective districts.

The experience of the NUS project has shown that District engineers and their supervisors are hard pressed to take time from already busy schedules to attend lengthy training courses. This fact and the decentralized nature of the project activities, require that training be tailored to the time, logistic, and other constraints of District staff. While a central facility such as the Sakkara Training Center may be necessary for development of training staff and certain training programs, attempts to conduct a major portion of LD II training activities at such a distant facility could have detrimental consequences on program objectives.

4. Orientation Packages. The LD II TA Contractors should develop succinct LD II orientation training "packages" for senior-level officials and mid-level managers to be presented to all appropriate District and Governorate staff very early in the project and as staff turn-over requires.

A shared understanding of the overall goals and objectives of LD II among program participants is a cornerstone of a successful program. Brief introductory modules should be developed and administered in the earlist phase of LD II. At least 2 different orientation "packages" should be developed; one geared to senior-level staff e.g. secretaries general and District chiefs; and a

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second to mid-level managers e.g. engineers and accountants. They could be composed of brief oral presentations and discussions supplemented by limited written material. NUS experience has shown a high degree of change in senior management in the Districts. Presenting a concise orientation briefing to newly installed key officials could be useful in reducing time lost because of these transitions.

5. Restructured Engineers' Core Courses. Continue restructuring of engineers' core courses to incorporate more fully original project paper goals.

The engineers' courses have now been held and monitored by the Training Group several times. Preliminary trainee follow-up survey questionnaires are being received by TOMOHAR. Discussions with Training Group staff indicate that present courses could benefit from incorporation of this information and other structural modifications. Our analysis and assessment of the curricula and manuals for the three engineers' courses would support this view.

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V. ANNEX

Courses Review

An analysis of the trainee evaluations of the courses has not yet been prpared by TOMOHAR. An assessment of the courses' impact at this point in time would be premature. This type of analysis is important and needs to be conducted when the results would be more clear. The findings of interviews with District officials regarding the NUS training are presented in the main evaluation report and in Attachement to main report.

Course Title:

Project Management: Project Planning and Design for Engineers

Description:

Divides project construction management into the following stages:

1) planning, including needs assessment, site selection, environmental analysis, preliminary design, cost estimating;

2) preparing recommendations on functional, technical, and financial feasibility;

3) layout, method and design;

4) construction phase;

5) delivery of operational project to users with operating instructions and staff training (analyzes what steps are to be taken and by whom at each stage). Considers procurement of required human and physical resources for each stage of planning and design, including methods and procedures for contracting.

Course Length:
6 Days

Pilot Course:
Cairo, December, 1983
Alexandria, February, 1984

Comments:

1) There seems to be an unusual amount of overlapping of topics between this course and the Scheduling, Monitoring, and Evaluation course. Both have as agenda items Principles of Project Management and Planning a Construction Project.

2) Of the total course time, only 2½ hours or 8% is devoted uniquely to planning. The same amount of time is allocated to the combination of design, construction, and commissioning. The case study and site visit are each allocated equal time (22% and 21% respectively). Opening and closing sessions and "Breaks" occupy 18% of course time. Overall, it appears as though course priorities, at least in respect to allocation of time, could be reordered.

3) There is virtually no consideration given to project budgeting and finance. NUS Form 1 is included in the manual. However, as these had been areas of some difficulty during the Project, it would seem appropriate to focus on them during the course.

4) In planning and budgeting a project, managers need to have good "rules of thumb" for estimating time and costs for tasks. Estimates for small-scale tasks e.g. per meter estimates for digging a trench, installing sewer lines of various dimensions etc. and large-scale and aggregated tasks e.g. a one room addition, a first, second, third etc. floor stab would be very useful in the planning and design phases.

Course Title:

Project Management: Scheduling, Monitoring, and Evaluation for Engineers

Description:

Begins with discussion of management goals, quality, cost, and time; analyzes the function and importance of planning and scheduling in project construction with particular attention to network planning; introduces project monitoring as a means of comparing actual completion of project phases with original plan, in order to identify problems or errors in the original plan, in order to identify problems or errors in the original design and to make adjustments in the time schedule or scope of the project; also includes a discussion of the role and importance of effective communication at all stages of project construction and the means of communication.

Course Length:
6 days

Pilot Course:
Cairo, February, 1984
Alexandria, April, 1984

Comments:

1) The largest amount of course time (23%) is dedicated to Network Planning. The site visit occupies 20% and opening and closing sessions and "Breaks" consume another 18%. Fifteen percent is devoted to Monitoring and Control topics. The remaining 24% is divided among 4 other topics. The goal and purpose of the site visit are not completely explicit in the training manuals. For a topic occupying such an important portion of the course, the content and structure could be explained in greater detail. Reducing the Break and administrative time would allow the other topics to be discussed in greater depth.

2) Network Planning - This can be a very useful planning tool for project management. The examples used focused on management of construction activities. They need to identify key project management points: approvals of concrete pours, electrical and plumbing installations, etc. Using examples which incorporate schedule changes because of construction problems is a very useful and practical exercise for the engineers.

3) Monitoring and Control - This section does not address quality control of plumbing and electrical installation. As plumbing is a major source of maintenance problems in SPs, it could be dicussed here. The quality control checklist is quite comprehensive, but could be presented in a way which relates more directly to the phases of the building process. Monitoring of project expenditures is addressed only generally. NUS Form 3 is included, but is not referred to in the manuals. Training in finincial monitoring could be quite helpful to District engineers in their day-to-day tasks.

Course Title:

Maintenance of Buildings and Structures in Local Districts

Description:

This workshop includes the following main topics:

1) Introduction, explaining the importance of effective maintenance and related aspects to be considered through different stages of a construction project.

2) Maintenance management for buildings and structures.

3) Organizational principles.

4) Inspection/work guidelines for maintenance.

A visit is made to one of the NUS sub-projects that needs maintenance and repair work. Inspection reports are made, costs estimated, and work needed specified.

Course Length:
3 Days

Pilot Course:
Cairo, September, 1985
Alexandria, April, 1985

Comments:

1) This course is one in which alloting the greatest portion of time (32%) to the site visit is quite warranted. Because this course is only 3 days in length, the administrative and "Break" time (23%) is even greater than in the other two courses. Three topics; Organizational Principles, Maintenance Management, and Life Cycle of a Construction Project, share the remaining time roughly equally. The last topic - Inspection/Work guides for Maintenance-is dedicated only 1 hour. On balance, the time distribution among the course topics appears equitable. Because of the current and future importance of maintenance in the SPs, it may be advisable to allocate more than 3 days for the conduct of this course.

2) The course does not incorporate the maintenance of SP equipment and machines. Equipment maintenance was a serious problem discussed in the Maintenance Survey of FY 1981/82 SPs published in May 1984. While it is recognized that much of the equipment is of a specialized nature and sometimes the responsibility of the Service Directorates, nevertheless, issues regarding its maintenance merit discussion among the engineers.

3) The section on planning a maintenance program sets maintenance priorities in the following manner:

   a. schools;
   b. public housing;
   c. hospitals and clinics;
   d. other permanent facilities;
   e. temporary facilities.

   Establishing priorities for a maintenance program is very important, especially when resources are limited and it is not clear on what basis this ranking is derived. Another approach commonly used establishes priorities based on specific criteria, such as the effect on functioning of the facility, safety implications, cost, etc. irrespective of the building type.

4) The Organizational Principles section outlines a proposal for staffing, organizational relationships, and staff responsibilities for a District maintenance department. Although a formal proposal such as this is very useful in generating thought and reaction,

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the manuals do not make clear the ultimate intent of the proposal. This may have been more apparent during the course itself. Under the maintenance management section of the manual, tasks involved in the maintenance process are described. Relating these tasks graphically to the staff roles and responsibilities in the annual and building maintenance program cycles in the Maintenance Department proposal would give the participants (and the Project) a preliminary framework for pursuing the creation of a Maintenance Department.

5) There is a discussion of an annual maintenance budget. However, the timing of its preparation relative to the fiscal year and approval processes is not mentioned. The NUS Maintenance Fund and associated topics are also not presented. This deficiency is clearly one which should be corrected in any future courses which are conducted.

6) The Ministry of Housing maintenance list presented in Part IV of the manual seems to be comprehensive. Its relation to the NUS Maintenance and Repair form and the Maintenance and Repair Annual Estimate is not explicitly described. When these forms would be used in development of the annual maintenance plan and in relation to the warranty period on new facilities is not made clear.

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May 29, 1986

Dr. Graham Kerr
NUS Project Officer
USAID/Cairo

Dear Dr. Kerr,

In accord with your request, we have reviewed the ISTI Evaluation Report draft for Engineer Training and have prepared a series of comments for your review and action (see attached material). As a general comment, we feel that Mr. Frazier tried to taken an even-handed approach to his assignment and that several of his recommendations will be of value to LD II efforts.

There are some areas, of the report, however, which we feel need some adjustment and/or revision- and we provide specific comments for ISTI to consider. It appears in some instances that Mr. Frazier was not able to monitor our courses or to go to the field with our engineers and, therefore, may have been somewhat handicapped in relying on reports and manuals.

We hope to have our comments on the Maintenance Evaluation Report draft to you early next week.

Respectfully submitted,

Richard E. Miller

Richard E. Miller
Chief of Party

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C O M M E N T S	Reference To Consultant's Report	
	Pages	Lines
1. Institutionalization of Training Courses		
TOMOHAR has its in-house qualified trainers.	2	11-15
although TOMOHAR is rather short in staff, the	3	4-7
NUS training group has only to monitor NUS	14	all lines
Courses.	15	1-17
Recruiting trainees should be the responsibility of L.G. training departments. TOMOHAR would coordinate with the training departments and LGDCS in the Governorates in deciding upon type, dates and number of courses needed.		
2. Course Content And Training Manuals:		
a. The training needs assessment done before	2	20-30
producing the training manuals showed a	3	4-end
great need for theoretical instruction on	6	12-17
construction management. This explains why	7	10-14
a general and theoretical approach to construction management was introduced.		
b. The case studies, the discussions and the site visits are the most time consuming activities in these workshops. Nearly all trainees, in their evaluation reports, stated that the discussions were most fruitful as they were open and in-depth, and dealt with most of the actual problems engineers are facing when implementing NUS sub-projects.		
c. In the planning and design course, check lists clarifying the role and responsibilities of the different parties taking part		

C O M M E N T S	Reference To Consultant's Report	
	Pages	Lines
in a sub-project are provided in the Trainees Manual, detailing the role of the District Chief (the owner), the project manager, and the different teams working on the sub-projects.		
d. When working on the case studies and the exercises trainees were required to fill in the different NUS forms, according to the sequence of the material provided. Perhaps the writer of the evaluation report did not have the chance to attend any of the three courses, to find out how the forms were dealt with.		
e. The opening session in the engineering courses is designed to give trainees an overall orientation to the project. This orientation was given by one of the NUS staff. In most cases, Mr. Ali Fawzi Younis made the presentation.	4	9 & 10
3. <u>Training Approach/Methods</u> The NUS Project sent 30 engineers and technicians to the U.S. They received training in maintenance management, and garage and district workshop operations. One U.S. course was oriented to solid waste management, the other to maintenance management.	1	16
4. <u>The Maintenance Course</u>: a. In fact, in the districts, the maintenance	5	18-end of

C O M M E N T S	Reference To Consultant's Report	
	Pages	Lines
Department) functions poorly and does not use common, specified procedures for carrying out maintenance requirements.		
b. The Maintenance Manual is designed to give the trainees a common approach to maintenance management. The course includes: initial and annual survey of facilities, budgeting, developing maintenance plans and implementation procedures.		
c. In the course site visit, engineers are required to make an initial survey and cost estimate for one of the existing district projects.		
d. An extra exercise was introduced later in the course to train engineers on preparing budget proposals for annual maintenance in the district, and how to implement maintenance after the district receives its budget.		
e. The organizational structure proposed in the course manual is partially based on discussions held with several district chiefs and their engineers. The LD II TA contractor will assist L.G. to develop the maintenance section in districts into a workable organization.		
5. On The Job-Training (OJT)		
The calculations on these two page are misleading. A more accurate estimate is as follows:	11 12	Whole page Whole page

C O M M E N T S	Reference To Consultant's Report	
	Pages	Lines
a. The number of TA Contractor engineers available for 23 districts was 9 and not 6 as in the report.		
b. In each TA Contractor engineers visit to a district, OJT occurs through discussions with the district engineers (average, 4 to a district), usually at a group meeting. Usually the head of the Engineer Department attends this discussions. The 1152 hours of OJT/Year, would then be divided by 25 and not by 100.	12	344
Making corrections to these calculations, the result will be a total of 21 OJT training days are received by each NUS District engineer/year (3.5 x 4) x 1.5 = 21 Besides, the "Learning by Doing" type of training was not included in these calculations.		
6. Recommendations	3	16 & 17
a. Training of Trainers:		
One LD II training effort should be to assist TOMOHAR to up-grade its in-house training staff.	16 17	17-2nd 1-6
b. Location at Training		
NUS does run in-district courses, both for engineers of one district and for engineers of 2 or 3 neighboring districts. The engineer courses were run successively in a		

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C O M M E N T S	Reference To Consultant's Report	
	Pages	Lines
15 working day workshop program. Such courses were run 9 times in 1985 & 1986.		
c. Orientation Package		
The NUS Project does run 3-day workshops in different districts in Greater Cairo and Alexandria for senior level officials and mid-level managers. The LD II TA Contractor is expected to build-upon and expand these workshops.	18	12-end
d. Restructuring Engineer Core Courses:		
It should be noted that a review of trainee evaluations shows a consistantly positive reaction to the engineering courses with respect to the disbursement of practical and useful information. The evaluation report should not give the impression that major course changes are necessary. On the otherhand, we recognize that all courses need constant review and improvement - if only to stay current with changing criteria and procedures. Some changes have already been made with respect to trainee evaluations	19	8-end