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DEVELOPMENT TRAINING PROJECT PAPER SUPPLEMENT
October 13, 1993

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SANITIZED VERSION

NO PROCUREMENT SENSITIVE INFORMATION INCLUDED

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ACRONYMS

AALC	African American Labor Center
AUC	American University in Cairo
CDELT	Center for the Development of English Language Training
EBA	Egyptian Businessmen's Association
ECEB	Egyptian Cultural and Educational Bureau
EFL	English as a Foreign Language
ELT	English Language Teaching
ESP	English for Specific Purposes
ETTP	English Teachers' Training Program
ETUF	Egyptian Trade Union Federation
GOE	Government of Egypt
IELP	Integrated English Language Program
MDCI	Management Development Center for Industry
MOHE	Ministry of Higher Education
PIL	Project Implementation Letter
PM	Person/month
TES	Teacher Exchange Program
TESOL	Teachers of English to Speakers of Other Languages
TOEFL	Test of English as a Foreign Language
USAID	U.S. Agency for International Development
WEA	Workers' Education Association
WU	Workers' University

I. EXECUTIVE SUMMARY

The Development Training Project was authorized in September 1985, as a multi-component umbrella project designed to create a better organized and more efficient Egyptian training program, and to train Egyptians both in-country and in the U.S. in a variety of important development areas. The original Project included Peace Fellowships; Non-Project Training; English Language Training; and Upgraded In-Country Training Capacity programs. These original components also had sub-components which are outlined later on in this Project Paper Supplement.

In addition to a series of seven Project amendments to the Development Training Project Grant Agreement, changes to the original activities, as well as funding level and PACD modifications have been undertaken through a Mission Action Memorandum. The current PACD for the Development Training Project is 9/25/95.

The Development Training Project goal remains the same and is as follows: "To increase the operational effectiveness and efficiency of Egyptian institutions contributing to selected key development goals." The Project purpose has been refocused from "To design and implement a better organized and more efficient Egyptian training program to train Egyptians in the U.S. and Egypt" to "To provide Egypt with a nucleus of adequately trained people to help lead the development effort." The activities of the Project identified within this Project Paper Supplement will all continue to contribute toward achievement of the original Project's goal, as well as the revised purpose.

The purpose of this Project Paper Supplement is to outline the continuing contribution of the Project to the overall Mission country strategy, identify the Project's continuing activities that will contribute to the attainment of the Project's objectives, and provide a revised \$ million estimate of approximate costs of these activities, falling within the original overall LOP funding authorization of \$ million.

II. PROJECT BACKGROUND AND PURPOSE OF THE AMENDMENT

A. Project Background

The Development Training Project was authorized as a total Life of Project grant of \$ million on September 26, 1985 with a PACD of

9/30/91. It originally included the following five components and four sub-components:

- ▶ Component 01, Peace Fellowships
- ▶ Component 02, Non-Project Training
- ▶ Component 03, English Language Training, including:
 - (a) English Language Survey
 - (b) Fulbright
 - (c) AUC
 - (d) Up-grading In-country Facilities
 - (e) Evaluation/Audit)
- ▶ Component 04, Institutional Development
- ▶ Component 05, Upgraded In-Country Training Capacity

The Project's objectives were to provide: 16,000 PM or 1,275 fellowships under the Peace Fellowship Program; 4,500 PM of training to increase operational efficiency; English language training for overseas training of 4,000 individuals; English Language Teacher Training for 1,000 teachers; and training in English language for use in Egypt for 5,000 Egyptians.

Subsequent Grant Agreements realigned the activities slightly and extended individual component PACDs. However, a major change in the Project was documented by the Fifth Amendment to the Grant Agreement, dated 9/30/90 which was based on an Action Memorandum signed by the Director and dated 5/8/90. The Project now consists of the following components:

- ▶ Component 01, Peace Fellowships
- ▶ Component 02, Non-Project Training
- ▶ Component 03/04/06, Integrated English Language Training
- ▶ Component 05, English Language Testing and Training
- ▶ Component 07/08 Management Training
- ▶ Component 09 African American Labor Center

This 5/90 Action Memorandum also reduced the planned life of Project to \$77 million and adjusted the funding of the individual components. Table II in Section V, below, outlines both the financial history of the various components, as well as the anticipated level of funding projected under this Project Paper Supplement. Annex B outlines the evolution of the various components in terms of their respective outputs and the level of funding: from the original design of 9/85, through the modifications attributable to the Action Memorandum of 5/90 (as expressed in Q-Sheet Reports), to the present redesign.

The Seventh Amendment to the Grant Agreement, dated 8/24/92, extended the overall PACD for the entire Project to 9/25/95.

B. Purpose of Project Paper Supplement

The purpose of this Project Paper Supplement is to outline the continuing contribution of the Project to the overall Mission strategy, identify the Project's activities that will contribute to the attainment of the Project's objectives, and provide a revised \$ million estimate of approximate costs of these activities, falling within the overall LOP funding authorization of \$ million.

III. PROJECT GOAL, PURPOSE, AND STRATEGY

A. Project Goal and Purpose

The Project's original Goal remains unchanged for the purposes of this Project Paper Supplement, and is as follows: "To increase the operational effectiveness and efficiency of Egyptian institutions contributing to selected key development goals." The Project purpose has been refocused from "To design and implement a better organized and more efficient Egyptian training program to train Egyptians in the U.S. and Egypt" to "To provide Egypt with a nucleus of adequately trained people to help lead the development effort." The continuing activities of the Project identified within this Project Paper Supplement all contribute toward achievement of the Project's Goal and revised Purpose. This change is reflected in the deletion of one of the four EOPS identified in the original Project Paper. The substance of the three remaining EOPS is included as follows:

- ▶ Egyptians trained in the US and Egypt in key development areas.
- ▶ Expanded and improved English language training programs are producing more and/or better trained Egyptians able to access information and training in key development areas.
- ▶ The GOE implementing agencies have adopted concept of training plans as a means to make more efficient use of its resources to train and use people to meet key development needs.

The fourth EOPS identified in the original Project Paper was:

- ▶ A talent bank and in-country inventory system of training institutions are being used in preparation of training plans.

This EOPS has been deleted because the GOE indicated in the early years of the Project that it did not wish to follow through on this element of Component 07 "Institutional Development". The remaining institutional strengthening activities of this Component were

subsequently folded into Component 08 "Upgraded In-Country Training Capacity".

B. Project Strategy

The Project is designed to provide cost effective education and training opportunities (in the U.S. and Egypt) for key individuals in various development sectors, while simultaneously helping the GOE improve its capacity to identify and assess its training needs, select in-country and off-shore cost-effective training opportunities, and optimize the use of individuals once trained.

The Development Training Project both directly and indirectly supports the Mission's overall strategy in Egypt through its varied components. The multi-faceted, multi-sectoral training programs of this Project all contribute toward "Enhanced Human Resource Productivity and Quality of Life," Sub-goal II of USAID/Egypt's Country Program Strategy for FY 1992 - FY 1996. The cross-cutting training objectives and activities of the Project, and the flexibility of the components as to selection of potential trainees, are designed to have a positive impact on human resource development in all sectors of the Egyptian economy and society.

Public and private sector trainees who participate in and complete these programs return to the Egyptian workforce armed with new and valuable skills (e.g. English language capability--both in general and to upgrade technical expertise in areas like economics and policy analysis; graduate degrees in useful fields; long-term and short-term technical training at U.S. institutions) which will facilitate their professional career development. Trainees with these new skills and expanded capabilities will in turn contribute to the smooth and efficient functioning of the public and private sectors, and to the growth of the Egyptian economy.

There are also direct links between several of the Project's components and other aspects of the Mission's country strategy. Components of the Development Training Project will help address the needs of Egypt's growing private sector where possible. Certain short-term training slots have already been reserved for private sector candidates, reflecting the Mission's objective of developing the private sector in Egypt.

Another important linkage between the Project's activities and the Missions's country strategy is the expanded and refocused African-American Labor Center (AALC) Component as described in this Project Paper Supplement. The labor union training and strengthening activities of the AALC Component will be a part of the Mission's future efforts to foster democratic initiatives in Egypt.

The Development Training Project, with its multi-sector emphasis on training, and the relative flexibility of its components, will play

a significant role in responding to, and carrying out numerous facets of USAID/Egypt's current and evolving country strategy. The contribution that each component brings to promoting this strategy in the short term is outlined under the individual component descriptions below.

To support its strategy in the longer term, the Mission is beginning the design of a follow-on Development Training II Project, with initial obligation in FY95. This new project will build on the activities of this Project and will continue training Egyptians in development areas such as business, finance, health, the environment, human resources and democracy. It will also continue the Integrated English Language Program and will provide the following services for Mission training activities: English language testing and training, integrated orientation, follow-up, and evaluation services to Mission participants. Therefore, continued funding of this Project takes on added importance to ensure an orderly transition to activities contemplated under the follow-on project.

IV. ACTIVITIES UNDER THE EXTENSION PERIOD

A. Peace Fellowship Program, Component 01

1. **Background and Progress through FY93** - The Peace Fellowship Program emerged from discussions between the U.S. and Egypt following the Camp David Peace Accords. The Program originally was established to strengthen the pool of trained manpower available to assist with Egyptian development efforts by providing graduate studies and training opportunities for Egyptians at U.S. institutions.

Under Phases One and Two of the Program (financed with \$60 million under the predecessor project, number 263-0110), 2,046 participants were trained between 1980 and 1990 at the graduate level in fields related to economic and social development. Phase Three of the Peace Fellowship Program (financed under this Project) began in 1985 with an initial planned funding level of \$ million from A.I.D. and approximately \$ million equivalent in local currency from the GOE. The LOP funding level of this Project Component was reduced to \$ million by the Fifth Amendment to the Grant Agreement, and the GOE local currency contribution to approximately \$ million equivalent. An additional 1,275 participants were targeted under Phase Three; this was subsequently revised to 1,250 participants in 5/90. As of the end of FY93, approximately 1,070 participants will have undertaken training in the U.S. The GOE implementing agency of this Component is the Ministry of Higher Education.

A performance audit of the Peace Fellowship Program was completed by the A.I.D. Inspector General in 8/28/91, resulting in several audit recommendations which have subsequently been addressed and closed by USAID/Cairo. This audit drew largely from issues identified by a project evaluation requested by the Office of Education and Training at USAID/Cairo, and completed in January 1989.

2. **Activities Planned for the Remaining LOP** - It is projected that approximately 50 additional long-term participants and 130 additional short-term participants will undertake Peace Fellowship training before the PACD. There is a commitment to complete the funding of Peace Fellows currently in training. In addition, candidates for the remaining years of the project through PACD have already been identified as a result of the January 1992 announcement. Qualifying respondents to this announcement have been given initial acceptance, although not necessarily placed in programs. No further announcements for Peace Fellowships are anticipated; however, an additional limited announcement would be undertaken if the current applicants cannot meet the targets set for women and private sector participation.

3. **Impact of Revised Level of Funding**

Peace Fellows training is currently making progress toward the revised project objectives. The original Project Paper allocated \$ million to this Component for a target of 1,275 participants. This Project Paper Supplement proposes to reach 1,250 Peace Fellowship programs with a funding level of \$ million. Although this reduced participant target level was originally identified in the 5/90 Action Memorandum with a funding level of \$ million, during 1991 and 1992, there was a major increase (10-25% on average) in tuition and fees at state universities, where the majority of Peace Fellows are placed. This larger than anticipated increase can be partially attributed to a decrease in federal funding to states, which created additional strain on funding available to these institutions, and necessitated increased charges to students. This rate of increase of tuition and fees is expected to continue through 1993/94.

Curtailement of the program at this time would result in negative repercussions, as it could preclude training for candidates already selected and it is highly visible and politically linked. Without the \$ million in additional funding, there will be no new long-term starts as of FY94, with short term training reduced by 10%; funding will cease as of the end of FY94; and the Component would only benefit 1,128 participants.

B. Non-Project Training, Component 02

1. **Background and Progress through FY93** - This Project Component was a continuation of a predecessor project (263-0026) initiated in 1976 which provided \$42.5 million for training of 1,782 individuals. The current Component is directed to help upgrade and update the skills of Egyptian professionals, managers and technicians and solve technical/managerial problems in both public and private sectors. It was expected that this Component would eventually provide up to 3,000 PM (subsequently revised to 2,700 PM in 5/90) of short-term training in-country and in the U.S. and 1,500 PM (subsequently revised to 740 PM in 5/90) of long-term U.S. training. The Project also provides funding for American experts to assist the GOE in improving economic analysis and with policy dialogue-related studies. The Component started with a total budget of \$ million in A.I.D. funds and \$ million equivalent from the GOE in its local currency contribution. The Fifth Grant Agreement Amendment reduced the level of A.I.D. funding for this Component to \$ million.

The Non-Project Training Component is focused on updating skills of public and private sector managers in development areas not covered specifically by other A.I.D projects. Through the end of FY93, the Project will have financed a total of 694 PM of long-term training, and 2,514 PM of short-term training. This represented training of nearly 901 individuals from Egypt's public and private sectors. The GOE implementing agency is the Ministry of Administrative Development.

2. **Activities Planned for the Remaining LOP** - During the remainder of the Project, an additional 350 short-term participants and 50 new long-term non-degree participants may undertake training in the U.S. (for a total of 1,336 additional PM of overseas training.) In addition, an estimated 200 participants are projected for in-country training.

3. Impact of Revised Level of Funding

USAID will continue to receive a large number of requests for training that are within the scope of our program strategy, but are not related to training under existing projects. This Component provides a mechanism to respond to these requests. This Component also allows the Mission to focus on skills updating in development areas included in the Mission's program strategy, but not covered by specific USAID projects. Because it is not tied to a particular project or sector, it enhances the Mission's flexibility in adapting to changing Mission priorities. Areas of emphasis have recently been tightened, and coordination with the technical offices has been increased in order to assure consistency with USAID's strategic framework and avoid duplication with project funded training. Training is beginning to focus on management training, marketing, and banking in support of the private sector,

an area that has increased in importance since the original Project design in 1985.

Although this increased level of funding will enable the Component to provide additional PM of long term and short term training over and above the revised planning levels identified in the 5/90 Action Memorandum, these targets are in line with those originally projected in the Project Paper. In line with these targets, the increased funding also is necessary in order to finance increased costs. These increased costs can be attributed to the increased tuition and fees encountered in 1991 and 1992, as well as increased costs associated with tailored training (e.g., journalists, nurses, medical equipment training). In addition to the program in general moving towards a greater proportion of "tailored training" (encouraged by the increased focus on the needs of the private sector), this has also been encouraged by the use of HBCU add-ons, which are generally (90%) tailored training.

Without the adjustment in funding of \$ million, funding of this Component will terminate as of the end of FY94; during FY94, there would be no new long term starts, only carry-overs; and short term training would be reduced by 10%. This would limit this Component to financing only 3,718 PM of long term and short term participants, while only 115 individuals would benefit from local training. In addition, the Mission's level of HBCU participation would drop dramatically.

C. Integrated English Language Program, Component 03/04/06

1. **Background and Progress through FY93** - The Integrated English Language Program Component is designed to upgrade pre-service (English Teacher Training Program - ETP) and in-service training (IST) of English language teachers in Egypt's Ministry of Education and faculties of education in the regional universities, and to provide limited training in English for Specific Purposes (ESP). ETP currently places American lecturers and assistant professors in English departments of faculties of education at eleven locations throughout Egypt to teach language and methodology courses, supervise teaching practice, and assist with university staff development. IST provides long- and short-term consultants to work with the Ministry of Education's General Department of In-Service Training in setting up training courses in language methodology for English teachers and teacher trainers in MOE in-service training centers in six locations throughout Egypt. ESP offers technical assistance to new and established ESP Centers affiliated with four regional universities. This Integrated English Language Program Component is also directed toward strengthening the English teaching profession in Egypt by supporting the Center for the Development of English Language Teaching (CDELT) program at Ain Shams University in Cairo. CDELT offers a forum for all English teachers to interact through the

annual National Symposium on English Language Teaching in Egypt, which it organizes, and through its publications, particularly the magazine "Teaching English in Egypt", which is aimed at classroom teachers of English throughout the country. The Ministry of Education is the GOE implementing agency for this Component and the Project assistance is administered by the Binational Fulbright Commission through a Cooperative Agreement.

As of the end of FY93, this Project Component will have resulted in the following accomplishments:

- ▶ English Teacher Training Program (ETTP): Approximately 19,800 English instructors will have received training; 295 junior staff, professors, and deans of education faculties have participated in the Summer Enrichment Program and TESOL programs.
- ▶ In-Service Training (IST): A total of 1,391 English language teachers will have completed the sixth level of the Spectrum course, while over 3,000 teachers will have participated at some level of the Spectrum course. Approximately 1,300 teachers will have taken the methodology course (School Based Training or Basic Teaching Methods). In addition, a Management Information System (MIS) has been designed and is operating in the six In-Service Training centers.
- ▶ English for Specific Purposes (ESP): ESP advisors are working in curriculum development and teacher training in Alexandria, Mansoura and Ismailia Centers.
- ▶ CDEL: Support is being provided for professional gatherings such as the English Language Symposium, and professional publications such as English Teaching Forum and Teaching English in Egypt.

2. **Activities Planned for the Remaining LOP** - During the remainder of the Project, it is anticipated that the following will be undertaken:

- ▶ Pre-Service (ETTP): Approximately 4,000 additional English instructors will receive training; approximately 92 additional junior staff, professors, and deans of education faculties will participate in the Summer Enrichment Program and TESOL programs.
- ▶ In-Service Training (IST): Approximately 2,000 additional English language teachers will complete the sixth level of the Spectrum course, while an additional 1,400 teachers are projected to participate at some level of the Spectrum course. Approximately 700 additional teachers are expected to take the methodology course. In addition, 30 administrators will participate in training in administrative, pedagogical, and

specialized areas; 250 inspectors will attend local orientations, while 50 of these will participate in training in teacher training methodology.

- ▶ English for Specific Purposes (ESP): ESP advisors will continue to work in curriculum development and teacher training in Alexandria, Mansoura and Ismailia Centers; however, administration of this activity will be folded into the pre-service ETPP.
- ▶ CDELT: Support will continue to be provided for English language professional gatherings and selected publications.

In addition, a Teacher Exchange Segment (TES) will be added to the IST activity. English language instruction in government schools, despite recent efforts at educational reform and further training for teachers, has not yet met its stated goals of producing a sufficient cadre of Egyptians who know this language of international communication sufficiently well to use it as a medium for the exchange of scientific, technical and commercial information. Adequate mastery of English is an asset for individual students; it opens career opportunities and enhances job advancement.

The presence of native-speaker American teachers working on teams or in partnerships with Egyptian counterpart teachers and administrators in the Egyptian preparatory and secondary schools would provide an important source of information about the English language to their Egyptian colleagues and would serve as resources for modern teaching methodologies. Exchange teachers (both short and long term) will be placed in governmental experimental language schools in Cairo to team and conduct professional development activities with at least 100 teachers and administrators in the subject areas of English, science, and mathematics. Over a two-year period, the exchange teachers will contribute to the English language enhancement of 2,500 Egyptian school children of preparatory and secondary levels. The exchange teachers will: (1) teach EFL or conduct language enhancement activities in subjects where English is the language of instruction; (2) teach model lessons applying practical, student-based, methodologies for observation by members of the schools' teaching staff; (3) organize and participate in on-going professional development programs; (4) assist in the development of user-oriented resource facilities in their host institutions; (5) assist in the identification and preparation of candidates for participant training; and (6) host Egyptian counterpart teachers in U.S. schools. It is anticipated the TES will provide the following benefits: Egyptian teachers' English language skills will be enhanced in the areas of English, science, and math teaching; teachers will be exposed to other methodologies in teaching English and scientific subjects; teachers will become aware of, and participate in, a variety of professional development activities which they can adapt into a school-based

program to suit their needs; student in the government schools will improve their English language proficiency through instruction from, and interaction with, native speakers; and there will be increased utilization of faculties and resources within the Egyptian schools.

3. Impact of Revised Level of Funding

This Component receives strong support from the Embassy, USIS, and the Ministry of Education. Improved English language training capacity is essential if secondary school graduates are to be prepared for continuing education in areas that require English, and to operate in an increasingly international environment requiring English. The increasingly export oriented economy coupled with advances in communications and other technologies demand greatly enhanced English language capacity in Egypt. Improved capacity for pre- and in-service teacher training are essential to develop this capacity.

The level of funding projected under this Project Paper Supplement builds on the outputs envisioned in the 5/90 Project revision by adding additional beneficiaries to the program: *inter alia*, an additional 3,800 English instructors will have received pre-service training, an additional 157 professors and lecturers will have participated in Summer Enrichment and TESOL programs, an additional 1,791 English teachers will have received in-service English language training, and 2,000 teacher will have taken a school-based methodology course.

The adjusted funding level of \$ million for this Component includes \$ million for the TES program, identified above. Without the additional funding of \$ million, funding of this Component would terminate as of the end of FY 94. Activities during FY94 would be reduced by 10%. This would represent a cut back in the face of the June 1993 evaluation which stated that "IELP is an exceptionally active program which has had a marked impact on ELT training in Egypt". The evaluation found that the Component was successful and that it had developed a momentum that should be continued. It also included specific recommendations for expansion and strengthening of the Component activities. As the Mission intention currently is to provide continued support of this activity under any follow-on Project, these funding restrictions would effectively force the program to shut down and result in a one and a half year gap in activities.

D. English Language Testing and Training, Component 05

1. Background and Progress through FY93 - The English Language Testing and Training Component provides English language testing and training to prospective participant trainees selected from

different A.I.D projects. Testing is provided for up to 96 prospective participant trainees twice a week to determine status for placement in language classes, and language readiness to undergo U.S. training. Those who do not yet meet A.I.D. Handbook 10 (Participant Training) requirements are given English language training at the American University in Cairo (AUC). Training is focused on skills required to pass the Test of English as a Foreign Language (TOEFL). Following the training, all A.I.D. participant trainees are required to take a final test prior to departure for the U.S.

Training of GOE counterparts of other USAID/Cairo projects has also become possible under the English Language Testing and Training Component on a space available basis. Priority is still given to A.I.D.-sponsored participant trainees. However, if a class is not filled to capacity, GOE counterparts from A.I.D. projects may be nominated as class candidates. All the activities of the Component are implemented through a direct contract with AUC. As of the end of FY93, 7,963 screening tests will have been administered, and 3,985 participants will have been given English language training.

2. **Activities Planned for the Remaining LOP** - It is anticipated that an additional 4,480 participants will be screened, and that an additional 2,250 participants will be given English language training during the remaining years of the Project.

3. **Impact of Revised Level of Funding**

This Component is a mechanism for continuing English Language testing and training for all Mission participants, a Handbook requirement which must be maintained with financing from some USAID source. Therefore, this activity is needed whether it is funded under this Project or transferred to another funding source, e.g. Project 0225. The level of testing and training identified in this Project Paper Supplement reflects technical office staff projections of the demand for this type of program, based on previous experience. The estimated level of funding reflects the 10% increase in contract costs per class experienced in 1991 and 1992; in 1993 this decreased to 5%.

Without this additional funding of \$ million, this funding of this Component will terminate as of the end of FY94, with FY94 tests and training reduced by 10%.

E. Management Training, Component 07/08

1. **Background and Progress through FY93** - The Management Training (Management Training and Entrepreneurial Development) Component was designed to promote the growth and competitiveness of private enterprise in Egypt and to facilitate the transition into the

private sector of public sector enterprises scheduled for privatization.

The original plan for this Project was to strengthen existing management programs and staff capacity for up to ten in-country training institutions. After the Ministry of Administrative Development assumed responsibility for the Project, focus switched to one institution, the MDCI or "Agouza Center." Renovation of the Agouza Center was undertaken as was a Training of Trainers program for twelve staff and a Management Course (8 months) for 46 enterprise managers. There were intermittent attempts to expand the scope of USAID assistance to the Agouza Center, but efforts prior to the original component PACD of September 30, 1991 were not successful, and the Component was allowed to lapse. In April 1992, USAID obtained a copy of a signed memorandum of understanding between the Minister for Cabinet Affairs and Administrative Development, and the Egyptian Businessmen's Association (EBA). This memorandum described agreed-upon logistic arrangements that would enable the Agouza Center to serve as a suitable venue for both public and private sector management training. Subsequently, Project Implementation Letter (PIL) No. 19, counter-signed by the Minister for Cabinet Affairs and Administrative Development on 8/31/92, re-established Component 07/08.

The PIL also provided GOE approval for follow-on design/assessment activities under the new Component title, "Management Training for Enterprise Development." A design consultant team was tasked with preparing an assessment of Egypt's management training needs, and with developing a feasible design for a joint management training program. Following the completion of the consultant's design paper and subsequent deliberations by the Project Design Team, USAID/Cairo transmitted on 3/21/93 a draft design paper as preliminary written guidance to the Minister for Cabinet Affairs and Administrative Development and the EBA on the development of a Management Training Program.

2. **Activities Planned for the Remaining LOP** - A key element of the design paper were certain "Design Specifications" which USAID had requested EBA and the Ministry to agree upon and meet within ninety days. The Design Specifications were those pre-implementation actions that the Mission identified as necessary to ensure the successful implementation of the Project and, as they were not met, the Component will once again be allowed to lapse. No additional activities are planned under this Component.

F. African American Labor Council, Component 09

1. **Background and Progress through FY93** - The African American Labor Center (AALC) Component is designed to develop the Egyptian Trade Union Federation (ETUF) as a labor organization with the institutional capacity to be an actor in the economic, social and

political development of the country. It also serves to reinforce the relationship between the AFL-CIO, the ETUF and their affiliated unions. The Component is being implemented through a Cooperative Agreement with the African American Labor Center to provide assistance to the ETUF, the Workers' Education Association (WEA) and the Workers' University (WU). Assistance is focused in the areas of:

- ▶ **Worker Education and Training** - Includes curriculum development and instructional training, sponsoring specialized seminars and conferences, arranging for study tours for Egyptian labor (ETUF) members, and upgrading labor center facilities at the Workers University and Workers Education Association. As of the end of FY93, 320 seminars will have been conducted by WEA in the Workers' University and ETUF training centers throughout Egypt; and specialized training programs for Egyptian union officials in occupational health and safety, vocational training, rural health care delivery and women's programs will have been completed.
- ▶ **ETUF Relations with U.S. Unions** - Facilitates direct contact between U.S. and Egyptian unions in the same industry or sector. As of the end of FY93, 51 WEA/ETUF members will have been sent to the U.S. on observational and educational tours.
- ▶ **Development and Social Services** - Designed to increase attention of ETUF to occupational health and safety issues, vocational training, health care, and programs which encourage greater participation by women in trade unions. As of the end of FY93, 6 sewing centers will have been supported by AALC in Kafr El Dawar, Helwan, Giza, Ismailia, Zagazig and Shubra for training of women in sewing skills; and a center for day care was established in Helwan.
- ▶ **Impact Fund/Response to ETUF Priorities** - Designed to respond to ETUF needs not anticipated when the Project was first established. As of the end of FY 93, this will have included sponsoring an ETUF conference for regional trade union leaders and ETUF participation in important international labor union conferences.

A management information system (MIS) has been set up in the AALC office, and training of AALC staff for MIS operation has been completed. A mid-term evaluation of the AALC Component was completed in November 1992.

2. Activities Planned for the Remaining LOP - It is expected that assistance for the AALC Component will be provided by a Cooperative Agreement with AALC for an additional two year period. Many of the activities are designed to help Egyptian labor cope with likely significant structural changes in the Egyptian economy and society over the next several years.

AALC's proposed activities will be directed toward accomplishing the following objectives:

- ▶ Encourage development of strategic planning activities and an up-to-date education administration system in WEA and the WU.
- ▶ Provide improved worker education programs in key areas for Egypt.
- ▶ Develop professional staff resources within ETUF and affiliated organizations sufficient to create support services related to worker education, research, safety and health, and communication.
- ▶ Train a cadre of professional negotiators within the ETUF and affiliated labor groups to engage in dispute resolution, collective bargaining, and preparing of labor agreements.
- ▶ In cooperation with WEA, develop model training programs for collective bargaining, occupational safety and health, and dispute resolution.
- ▶ Encourage participation of women in union activities by providing training and educational activities sponsored by ETUF and affiliated unions, and by continuing to assist in the establishment of sewing centers, day care centers, and other clinics which provide membership services.
- ▶ Develop and maintain contacts between officers of ETUF and affiliates and their U.S. counterparts through team and task force exchanges.
- ▶ Continue contacts between U.S. and Egyptian trade unionists in programs in Egypt sponsored by certain International Trade Secretariats.

In addition, the anticipated program to be administered by AALC specifies additional complementary objectives designed to strengthen the Egyptian labor movement and improve the quality of life for workers in Egypt. It is anticipated that Project Component 09 will also include a program proposal for vocational training from the Egyptian Building and Construction Union through the AALC. As a broad-based objective, the program proposes to boost productivity in the private sector by enabling the Egyptian construction industry to train a cadre of skilled construction tradesman. Specifically, the objectives of the Building and Construction Union program are to:

- ▶ Train skilled tradesmen capable of building and improving structures within the country;

- ▶ Create a self-sustaining, industry-driven training program, ultimately funded and maintained by the construction industry;
- ▶ Develop training materials that allow an ongoing training program to provide sufficient numbers of skilled construction tradesman;
- ▶ Create a labor/management relationship structure which will be capable of continuing to stimulate investment in Egypt;
- ▶ Introduce improved occupational safety and health practices and standards in the construction industry;
- ▶ Develop a funding mechanism and policy sufficient to allow an on-going indigenous skills training program in Egypt.

3. Impact of Revised Level of Funding

This Component has strong U.S. political support and addresses democratic initiatives which support the development of advocacy groups, i.e., private and civic associations that encourage participation in the political democratic process. Among these, labor unions are an important component. It was not factored into the original Project Paper.

The additional funding of \$ million will allow this Component to finance a follow-on Cooperative Agreement during FY 94 and FY 95, including a new vocational training program with the Egyptian Building and Construction Union. Without this additional funding, this Component would have to be terminated at the end of FY94.

G. Evaluation/Analyses

All components of the Development Training Project, except Component 07/08, had mid-term evaluations in 1992 and 1993. The Peace Fellowship Program (Component 01), which was also evaluated in 1989 and audited by RIG/A/C in 1991, will be evaluated again in late summer 1993. The timing of the mid-term evaluations was as follows:

- ▶ Non-Project Training (Component 02) - October/November 1992
- ▶ Integrated English Language Program (Component 03/04/06) - March/April 1993
- ▶ AUC English language training for participants (Component 05) - June 1992
- ▶ AALC (Component 09) - September/October 1992

The mid-term evaluations generally focused on component-specific issues such as progress in achieving targets, performance of the

component contractors/grantees, and other operational issues. The various evaluations also made recommendations for implementation improvements during the remaining years of each of the components.

A final Project evaluation is planned for FY 1994 to assess if the overall Project attained its purpose. Unlike the mid-term evaluations of the individual components, the final evaluation will focus less on specific component issues than on the contributions of the individual components to the overall Project purpose. In addition, other objectives of the final evaluation will be to make recommendations on design of a follow-on to the Project in light of the Mission's current program strategy, whether the present components should be continued, and if so how the components should be re-designed.

Other analyses will be contracted for in FY 1994 to provide information for the design of a follow-on project. For example, training needs assessments should be carried out to aid HRDC/ET in determining what sectors and fields of education and training should be emphasized in the future, to provide guidance on the numbers and estimated costs of training, and recommendations for improved implementation methods.

V. SUMMARY ILLUSTRATIVE FINANCIAL PLAN

The financial plan presented in the body of the Project Paper Supplement represents the funding required for the entire Project, as revised. The detailed assumptions supporting the planned funding for the ongoing activities can be found in the Financial Analysis, Annex C.

A. USAID Contribution

The total A.I.D. contribution to the Project is estimated to be \$ million. The majority of these funds have been, and will continue to be, used to finance training, and related TA and commodities. Funds are also allotted for audit and mid-term evaluation within each of the individual component line items, as well as for an overall Project final evaluation.

The budget estimates on the following pages for the Development Training Project have been developed on the basis of implementation experience to date and the preliminary analyses done for the new TES activities under Component 03/04/06 and the new activities to be undertaken with AALC under Component 09. Details of inputs and cost estimates are shown in Annex C. Table I outlines total planned Project costs and provides a breakdown by foreign exchange and local currency. Table II compares total costs to the previous estimates identified in the original Project Paper, the Action Memorandum signed by the Director on 5/8/90, and PIL No. 18 which

revised the current obligation budget in June 1993. Table III identifies the planned expenditures by Fiscal Year. Table IV outlines the planned methods of implementation and financing. The methods of implementation and financing are those that have been used to implement the Project to date and are all in accordance with the Agency's payment and verification guidelines. The implementation methods proposed for this Project are PIO/Ps, PILs, direct contracts, Cooperative Agreements, and Grants. Each is standard, and has been used successfully in the Egyptian context under the Project.

B. Host Country Contribution

The total GOE contribution of the Project is estimated to be LE million, consisting of LE of in-kind costs, and LE in cash from FT-800 funds. Planned GOE Project inputs differ by Project Component and include the following: staff salaries, office space, utilities, furniture, operating expenses, participant medical exams, and participant travel. The GOE contribution represents approximately 14.97% of the total Project cost. Annex C presents a table outlining the GOE contribution by Project component.

The method of verifying the GOE in-kind contribution will be by observation. USAID's Office of Financial Management, in coordination with each Project Officer, will work closely with staff of the implementing organizations in order to advise them on establishing systems for monitoring, verifying, and reporting on the GOE in-kind counterpart contribution. The GOE cash contribution will be monitored through review of FT-800 account MACS reports.

C. Audit Coverage

During the life of this Project, non-federal/recipient audits will be performed to determine whether the recipients have properly accounted for and used A.I.D. funds for the purposes intended in accordance with applicable laws and regulations. USAID will ensure that all commitments over \$25,000 under this Project are in the Mission's audit universe. The Mission will schedule audits for those commitments over \$25,000 and ensure funds are available for audits in accordance with AID/W guidance dated 3/31/92 on Audit Management and Resolution Program. Not all of the planned commitments over \$25,000 under this Project will require non-federal recipient audits because of the nature of the activity (i.e., PSCs, PIO/Ps). The Regional Inspector General for Audit will perform quality and compliance reviews of non-federal/recipient audits under this Project and provide or arrange for additional audit coverage requested by USAID, if deemed necessary.

**TABLE I
SUMMARY ESTIMATES
(\$000)**

SUMMARY TABLE	FX	LC	TOTAL
Component 01 PEACE FELLOWSHIPS			
Component 02 NON-PROJECT TRAINING			
Component 03/04/06 INTEGRATED ENGLISH LANGUAGE			
Component 05 ENGLISH LANGUAGE TESTING/TRAINING			
Component 07/08 MANAGEMENT TRAINING			
Component 09 AFRICAN AMERICAN LABOR CENTER			
FINAL EVALUATION/ ANALYSES			
Total			
Contingency			
TOTAL			

**TABLE II
CHANGES FROM PREVIOUS PLANNING DOCUMENTS
(\$000)**

	ORIG. PP	ACTION MEMO	PIL 18 6/93	ASSUMED BUDGET W/O PPS	ASSUMED BUDGET W/ PPS	CHANGE \$77 M TO PPS	CHANGE ORIG. PP TO PPS
SCENARIO W & W/O ADJUSTMENT	9/85	5/90	6/93	PPS	PPS	PPS	PPS
Component 01 PEACE FELLOWSHIPS							
Component 02 NON-PROJECT TRAINING							
Component 03/04/06 INTEGRATED ENGLISH LANGUAGE							
Component 05 ENGLISH LANGUAGE TESTING/TRAINING							
Component 07/08 MANAGEMENT TRAINING							
Component 09 AFRICAN AMERICAN LABOR CENTER							
FINAL EVALUATION/ ANALYSES							
Total							
Contingency							
TOTAL							

**TABLE III
ESTIMATES BY FISCAL YEAR
(\$000)**

EXPENDITURE TABLE	PROJECTED EXPEND. THRU FY93	FY94	FY95	TOTAL
Component 01 PEACE FELLOWSHIPS				
Component 02 NON-PROJECT TRAINING				
Component 03/04/06 INTEGRATED ENGLISH LANGUAGE				
Component 05 ENGLISH LANGUAGE TESTING/TRAINING				
Component 07/08 MANAGEMENT TRAINING				
Component 09 AFRICAN AMERICAN LABOR CENTER				
FINAL EVALUATION/ ANALYSES				
Total				
Contingency				
TOTAL				

**TABLE IV
METHODS OF IMPLEMENTATION AND FINANCING
(\$000)**

COMPONENT	METHOD OF IMPLEMENTATION	METHOD OF FINANCING	AMOUNT
Component 01 PEACE FELLOWSHIPS	PILs Direct Contract	Advance/Reimbursement Direct Payment	
Component 02 NON-PROJECT TRAINING	PIO/P PIL Direct Contract	Direct Transfer Advance/Reimbursement Direct Payment	
Component 03/04/06 INTEGRATED ENGLISH LANGUAGE	Coop.Ag. Grant Direct Contract	Advance/Reimbursement Advance/Reimbursement Direct Payment	
Component 05 ENGLISH LANGUAGE TESTING/TRAINING	Direct Contract	Direct Payment	
Component 07/08 MANAGEMENT TRAINING	PIL Direct Contract	Reimbursement Direct Payment	
Component 09 AFRICAN AMERICAN LABOR CENTER	Coop.Ag. Direct Contract	Advance/Reimbursement Direct Payment	
FINAL EVALUATION/ ANALYSES	Direct Contract	Direct Payment	
Total			
Contingency			
TOTAL			

VI. IMPLEMENTATION

Development Training Project Components 01, 02, 03/04/06, 05, and 09 have all developed successful means of implementation, and during the remainder of the Project it is not anticipated that these components will undergo major changes in these implementation methods.

A. Buy America Considerations

As the Project funds were originally authorized in 1985, they are not subject to the current Buy America requirements which came into effect in December of 1990. However, the procurements, as outlined above, are in compliance with the requirements.

The IELP cooperative agreement and grant are with the Bi-National Fulbright Commission. The direct contract is with the American University in Cairo (AUC), while the remaining cooperative agreement is with AALC, both of which are U.S. organizations. These instruments include technical assistance, commodities, and training. It is anticipated that a portion of the funds provided through these instruments will be spent locally by the recipients/contractors on residential rent, utilities, temporary lodging allowance, education allowance, local per diem, local travel, training, honoraria, telecommunications, training materials, conference space rental, salaries of local staff, etc. However, as these are composed of commodities and services that are available only locally, local procurement of these items is eligible in accordance with A.I.D. Handbook 1B, Chapter 18A1c(6). Other local expenditures (e.g., for office supplies, office equipment, furniture) are for items available from the U.S., however since no single transaction is expected to exceed \$5,000, local procurement of these items is eligible in accordance with HB 1B Chapter 18A1c(3).

Local professional services contracts for consultants are not expected to exceed \$250,000 per contract, therefore local procurement is eligible in accordance with HB 1B Chapter 18A1c(4). Local construction/renovation services contracts are not expected to exceed \$5,000,000, therefore local procurement is eligible in accordance with HB 1B Chapter 18A1c(5).

Audit services will be obtained locally, but as these will be professional services contracts estimated not to exceed \$250,000, they are exceptions in line with HB 1B Chapter 18A1c(4).

B. Implementation Schedule

Activity	Responsible Party	FISCAL YEAR		
		FY93	FY94	FY95
		QUARTER		
		1234	1234	1234
GENERAL				
PROAG Amendment	USAID/MIC	...■	..■	
Final Evaluation	USAID	....	...■
PACD	USAID	....	....	...■
PEACE FELLOWSHIPS				
Annual Training Plan developed	MOHE	■....	■....	■
Training undertaken	MOHE	■■■■■	■■■■■	■■■■■
Mid-term Evaluation	USAID	...■	..■	..■
Audit	USAID	...■	..■	..■
NON-PROJECT TRAINING				
Annual Training Plan developed	MAD	■....	■....	■
Training undertaken	MAD	■■■■■	■■■■■	■■■■■
Mid-term Evaluation	USAID	■		
INTEGRATED ENGLISH LANGUAGE TRAINING				
Cooperative Agreement amendment	USAID	...■		
ETTP training continued	Fulbright	■■■■■	■■■■■	■■■■■
IST training continued	Fulbright	■■■■■	■■■■■	■■■■■
ESP training continued	Fulbright	■■■■■	■■■■■	■■■■■
IST/TES initiated	Fulbright	....	■■■■■	■■■■■
Mid-term Evaluation	USAID	..■	...■	
Audit	USAID	....	...■
ENGLISH LANGUAGE TESTING				
Annual funding contract amendment	USAID/AUC	...■		
Contract renewed	USAID/AUC	....	..■
Testing and training undertaken	AUC	■■■■■	■■■■■	■■■■■
Audit	USAID	....	...■
MANAGEMENT TRAINING				
None				
EGYPTIAN LABOR DEVELOPMENT				
New Cooperative Agreement with AALC executed	USAID	...■		
Union strengthening activities continues	AALC	■■■■■	■■■■■	■■■■■
Cooperative Agreement amended	USAID	....	..■
Construction and Building Union activities implemented	AALC	....	...■	■■■■■
Mid-term Evaluation	USAID	■		
Audit	USAID	....	...■

VII. ANNEXES

Annex A. Revised Logical Framework

Narrative Summary	Objectively Verifiable Indicators	Means of Verifications	Important Assumptions
<p>GOAL</p> <p>To increase the operational effectiveness and efficiency of Egyptian institutions contributing to selected key development goals by providing more and better training opportunities.</p>	<p>Egyptian organizations involved in the Project will be able to better plan and execute their activities.</p>	<p>► Surveys of particular Egyptian institutions served by the Project.</p> <p>► Project evaluations.</p>	<p>► That technical and managerial skills acquired in the US are appropriate for the organizational structures/operations of Egyptian institutions working in key development areas.</p> <p>► Egyptian institutions will place individuals trained under the Project in positions commensurate with the level and kind of training received</p> <p>► Egypt will continue its developmental relationships with the West, particularly the US.</p>
<p>PURPOSE</p> <p>To provide Egypt with a nucleus of adequately trained people to help lead the development effort</p>	<p>► Egyptians trained in the US and Egypt in key development areas.</p> <p>► Expanded and improved English language training programs are producing more and/or better trained Egyptians able to access information and training in key development areas.</p> <p>► The GOE implementing agencies have adopted concept of training plans as a means to make more efficient use of its resources to train and use people to meet key development needs.</p>	<p>► USAID and GOE training records; annual reports and evaluations</p> <p>► Annual reports of admissions, test results and measurement of the cost effectiveness of programs</p> <p>► Receipt of training plans, evaluation of the plans and USAID and GOE allocation of resources based on the plans</p>	<p>► People trained will return to Egypt and use their skills in key development areas as reflected in Egypt's Five Year Plan and USAID's strategy documents</p>
<p>OUTPUTS</p> <p>(a) Peace Fellowships - Peace Fellows with completed study programs.</p> <p>(b) Non-Project Training - Individuals trained to increase operational efficiency.</p> <p>(c) English Language Testing and Training - Individuals provided English language training for overseas training.</p>	<p>► Approximately 1,250 participants have undertaken training in the U.S</p> <p>► A total of 1,330 PM of long-term training, and 3,214 PM of short-term training (representing approximately 1,301 participants).</p> <p>► A total of 12,443 screening tests administered, and 6,235 participants given English language training.</p>	<p>► Project files and data from Mission Department</p> <p>► Project files.</p> <p>► Project and contractor files. Test results from institutions providing the training.</p>	<p>► The GOE will continue to seek overseas training for key individuals. Egyptians will continue to seek training opportunities.</p>

ANNEX A
Logical Framework

Narrative Summary	Objectively Verifiable Indicators	Means of Verifications	Important Assumptions
<p>(d) Integrated English Language Program - English language teachers trained, English language institutions improved; Egyptians receiving English language for use in Egypt</p>	<ul style="list-style-type: none"> ▶ Pre-Service (ETTP): Approximately 23,800 English instructors have received training, 387 junior staff, professors, and deans of education faculties have participated in the Summer Enrichment Program and TESOL programs ▶ In-Service Training (IST) Approximately 3,391 English language teachers completed the sixth level of the Spectrum course, while over 4,400 teachers have participated at some level of the Spectrum course. Approximately 2,000 teachers have taken a methodology course Management Information System (MIS) designed and is operating in the six In-Service Training centers 	<p>▶ Survey of English language training institutions Fulbright program files</p>	
<p>(e) The in-country training capacity of MDCl improved in key development areas improved by staff upgrading, new materials and equipment.</p>	<ul style="list-style-type: none"> ▶ English for Specific Purposes (ESP): Curriculum developed and teachers trained in Alexandria, Mansoura and Ismailia Centers. A total of 30 administrators trained in administrative and pedagogical areas, 250 inspectors/trainers receiving orientation, and 50 inspectors/trainers receiving training as teacher trainers. ▶ CDELT: English language professional gatherings and selected publications. ▶ TES. Professional development activities with at least 100 teachers and administrators in the subject areas of English, science, and mathematics English language. Capabilities of 2,500 Egyptian school children of preparatory and secondary levels enhanced. ▶ MDCl Agouza Training Center: 1 in-country training institution improved by upgrading 12 staff and provision of materials. 	<p>▶ Project files; reports from training institutions on numbers trained and test results.</p>	<p>▶ There is a basic in-country training capacity in place and it can be improved by selected inputs The GOE will meet normal operating and capital costs.</p>

ANNEX A
Logical Framework

Narrative Summary	Objectively Verifiable Indicators	Means of Verifications	Important Assumptions									
<p>(f) Development of in-country trade union and affiliates as democratic institutions capable of developing grass-roots democracy</p>	<ul style="list-style-type: none"> > Strategic planning activities and updated administration system, 450 seminars conducted for workers; specialized training programs for Egyptian union officials, study tours for ETUF members. > 100 WEA/ETUF members on educational tours, 14 senior AFL/CIO officials on exchange delegations > Increased attention of ETUF to occupational health and safety issues, vocational training, health care, and programs which encourage greater participation by women in trade unions, 12 sewing centers, 7 day care centers, and 5 clinics supported by AALC 											
<p>INPUTS</p> <p>PEACE FELLOWSHIPS NON-PROJECT TRAINING INTEGRATED ENGLISH LANGUAGE ENGLISH LANGUAGE TESTING/TRAINING MANAGEMENT TRAINING AFRICAN AMERICAN LABOR CENTER FINAL EVALUATION/ ANALYSES Contingency</p> <p>TOTAL</p>	<table border="1"> <thead> <tr> <th colspan="3" data-bbox="695 792 1031 841">(\$ Millions)</th> </tr> <tr> <th data-bbox="695 841 800 1157">Original</th> <th data-bbox="800 841 905 1157">Revised</th> <th data-bbox="905 841 1031 1157">Proposed</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	(\$ Millions)			Original	Revised	Proposed				<p>Project records.</p>	
(\$ Millions)												
Original	Revised	Proposed										