

PD-ABE-414

**LOCAL DEVELOPMENT II  
URBAN PROJECT**

**FINAL DIAGNOSTIC REPORT**

Submitted to

**USAID / GOE**

Submitted by

**WILBUR SMITH ASSOCIATES**

In association with

Deloitte, Haskins And Sells

Engineering And Geological  
Consulting Office

Public Administration Service Development Consulting Group

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December, 1989

H.E. Youssef Sabri Abu Taleb  
Chairman of LD II Urban Local  
Development Committee And  
Governor of Cairo

Mr. Jack Gisiger  
Chief, Urban Development Section  
Office of Local Development  
USAID/Cairo

Gentlemen,

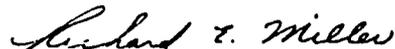
In accord with the provisions of our Technical Assistance Contract with USAID Cairo, we are pleased to submit, in Arabic and English, final copies of the Local Development II Urban Project Diagnostic Report. The Final Report reflects all GOE and USAID comments on draft report findings and recommendations.

The Diagnostic Phase, conducted during the first six months of the Project, resulted in substantial progress being made in most technical areas. At the same time, a number of concerns and resource constraints surfaced which require adjustments to the Work Plans presented in the Inception Report (March 1988). These proposal adjustments are highlighted in both the narrative and Work Plan sections of the Report. Additionally, it is the strong recommendation of the TA Contractor that additional staff resources are needed in some technical areas.

We trust that you will find the Report informative and comprehensive. We look forward to your review of and response to the enclosed material.

Respectfully submitted,

WILBUR SMITH ASSOCIATES



Richard E. Miller  
Chief of Party

- cc: - Deloitte, Haskins And Sells  
- Public Administration Service  
- Development Consulting Group  
- Engineering And Geological  
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WILBUR SMITH ASSOCIATES

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ENGINEERING AND GEOLOGICAL  
CONSULTING OFFICE

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## Section I

### INTRODUCTION AND EXECUTIVE SUMMARY

This Report, entitled Local Development II Urban Diagnostic Report, has as its main objective the presentation of a detailed Project implementation strategy to accomplish the goals and targets outlined in the USAID Project Paper and the Terms of Reference (TOR) for the Technical Assistance (TA) Contractor. To this end, a series of work plans have been prepared which outline the step-by-step activities to be undertaken by the various TA Contractor technical teams in fulfillment of their respective work program mandates.

This exercise obviously builds upon the concepts, work program approaches and strategies presented in the Inception Report, submitted by the TA Contractor to the Government of Egypt (GOE) and USAID at the end of March 1988. To date, comments have been received and discussions held on Report contents with USAID, but there has been no reaction from the GOE.

At the same time, however, the Diagnostic Report, through intensive field reconnaissance and discussions with local government officials and staff, attempts to assess the validity of LD II Urban Program achievements in terms of time and budget constraints, staff resources and GOE priorities and/or receptivity to various program components and targets.

By validity is meant what level of achievement can reasonably be expected to be attained during the two-year TA Contract period. And, based upon these assessments, significant affirmations of and/or deviations from the TOR Scope Of Work and from initial program implementation strategies are presented for discussion to the GOE and USAID by the TA Contractor.

This Report, therefore, becomes the vehicle through which the various parties to the LD II Urban Project debate those significant program element issues surfacing during the first six months of the Project and come together in agreement upon a final Work Plan for the remaining 18 months of the initial Project period. As such, this Report is presented in draft form with the expectation that substantial discussion will result from USAID and GOE review of Report content, findings and recommendations.

#### 1.1 Diagnostic Report Structure

1.1.1 Section 1, Introduction And Executive Summary, is designed to provide the reader with an overview of Project progress to date, as well as a general summary of TA Contractor recommendations for realistic implementation of program mandates and targets. In support of the proposed Project implementation strategy, Section 1 presents a summary of amended and/or additional GOE and TA Contractor resources required to fully execute the proposed Work Plan.

Section 1 also addresses the issue of which work program tasks are feasible and minimally required for satisfactory Project performance. In this regard, however, it must be noted that "feasibility" is relative with respect to various GOE structures and interests.

1.1.2 Sections 2 through 8 present Core Action Package assessments of progress to-date and proposed Project implementation strategies relative to their respective areas of technical interest. For the Diagnostic Report, the refined Work Plans and Chronograms are put together in Appendix A. However, should the reader desire, the Work Plans and Chronograms can be collated with their respective Action Package narrative sections to form a complete and independent scope of work for each major technical component of the LD II Urban Project.

The Action Packages are:

- Section 2 - Basic Services Delivery System (BSDS)
- Section 3 - Programming And Budgeting (OMED)
- Section 4 - Management Information Systems (MIS)
- Section 5 - Operations And Maintenance (O&M)
- Section 6 - Land Management (LMU)
- Section 7 - Solid Waste Management
- Section 8 - Training

Programming And Budgeting and Management Information Systems are split into separate sections for this Report to reflect the varying aspects of implementation and feasibility of target achievement between these two areas.

Each of the Core Action Package Sections are organized as follows:

#### **Part A - BACKGROUND ANALYSIS**

- o Review of Project Targets And Mandates
- o Data Reconnaissance Efforts
- o Analysis of Existing Situation

#### **Part B - WORK PROGRAM IMPLEMENTATION**

- o Implementation Strategy
- o TA/GOE Resources Required
- o Program Outputs.

1.1.3 The Diagnostic Report also contains three appendices; one for the Work Plans and Chronograms, one for MIS forms and charts and one for Phase II training course descriptions. It should also be noted that the Diagnostic Report exercise has generated a number of technical analyses and proposals which will be submitted separately as technical memoranda.

## **1.2 Progress To-Date**

As can be obtained from a review of the Monthly Progress Reports, progress on the LD II Urban Project has been quite mixed. In some areas, where the collection of data is required to develop new GOE staffing and systems structures, the results have not been good. In other areas, where additional funding and equipment is involved, more progress has been made, although surprisingly sub-project implementation (Investment and Maintenance Plans), which has been the backbone of both the NIJS and LD II Projects, is extremely disappointing.

**1.2.1 Review Of Project Agreement** - In assessing the progress of the various Program elements, it is appropriate to recall the commitments made in the USA/GOE Program Grant Agreement for Local Development II. This Protocol, signed by the American Ambassador, the Director of USAID/Egypt, the GOE Deputy Prime Minister and the GOE Ministers of Finance and Local Government, clearly states that the following activities must be undertaken to honor the Agreement:

- o Establishment of a Basic Services Delivery System, incorporating:
  1. Assessment of needs
  2. Allocation of resources to each participating unit
  3. Preparation of detailed Investment and O&M Plans
  4. Implementation of same within one year; and
  5. Evaluation of results.
  
- o Establishment of a Local Resource Mobilization (LRM) system, incorporating:
  1. Improved Local Government budgeting and financial systems (OMED)
  2. Increased collection of local revenues; and
  3. Improved management and administrative systems such as MIS and accounting.
  
- o Establishment of Training Programs, to include:
  1. In-country training for professional and technical staff in support of project goals, targets and mandates.
  2. USA training, on a selected basis, to provide in-depth skill upgrading to promising GOE managers in key Project technical areas.
  
- o Creation of appropriate administrative and management structures (committees, sub-committees, Amana, etc) to ensure the timely and successful implementation of Project components.

Successful implementation of the above cited technical and administrative efforts should result in;

- o Significant improvement of administrative and operational efficiency in each governorate, vis-a-vis upgraded management structures, operational systems, staffs, equipment and training.
  
- o More effective dialogue and inter-coordinated functional relationships with regional, central and parastatal authorities. This can also be a basis for improvement of inter-agency services and investments according to agency plans and Country policies.

- o Tangible improvements in the prioritization, planning, and management of basic infrastructure projects required for local development.
- o Support and participation of private sector assistance in the implementation and maintenance of local government capital investments and basic services.
- o An in-place functioning OMED staff with supporting administrative and management systems.
- o As an important component of the above, an operational Management Information System (MIS) structured to track the status of governorate and district basic service investments and to provide all data necessary to assess performance levels in the development and implementation of these investments.
- o A rationalized maintenance system(s) which reflects realistic levels of available manpower and financial resources, and efficient application of the same to ensure appropriate public and private sector participation in meeting basic local government needs in this area.
- o Integration of all LD II Urban management and investment procedures and systems with GOE planning and budgeting cycles.
- o An institutionalized manpower development and training program that can be basically supported through GOE resources.
- o New plans and programs emphasizing local resource mobilization, cost recovery and public participation (financial and in-kind) inputs.

**1.2.2 General Progress Assessment** - In reviewing progress to-date, Project components can be categorized into administrative and technical activities:

**1.2.2.1 Administrative Activities:** Administrative activities can be defined as those functions necessary to the overall coordination and general implementation of the LD II Urban Project.

- o **Project Implementation Coordinators (PICs)**; One of the brighter Project aspects to date, although PIC selection did not occur as quickly as anticipated. The original concept in the TOR was six PICs. This was expanded to nine by the ULDC. Eight of the nine have been appointed as follows:

<u>Governorate</u>	<u>Name of Coordinator</u>	<u>Date Appointed</u>
Cairo	Mr. Basseem Sabra	January 1988 (Previously NUS Coordinator) (Responsible for O&M at Governorate)
	Mr. Abdel Raheem Ahmed	January 1988 (Previously NUS Coordinator)
Suez	Mr. Hosni el Dessouki	February 1st, 88
Port Said	Mr. Yehia Khalil	March 1st, 1988
Giza	Mr. Saad Kamel	March 1st, 1988
Qalubia	Mr. Mahmoud Ismail	April 1st, 1988
Alexandria	Mr. Ahmed Mokhtar	June 1st, 1988
	Mr. Mounir Mokhtar	June 1st, 1988

Starting May 1st, Mr. Basseem Sabra has been appointed as the ULDC Coordinator, replacing Mr. Hosni el Hoteibi. Consequently, the third coordinator, yet to be nominated by Cairo Governorate, should be responsible for O&M.

Except for the Alexandria PICs, seven coordinators participated in extensive on-the-job orientation conducted by the various TA Task Groups during the months of April and May, 1988. Also, all PICs meet regularly on every third Thursday of the month at the TA Contractor office in Cairo. In addition, consecutive and rotating scheduling of site visits to the projects in each governorate are now in progress. These site visits include the TA Contractor teams and all PICs, so that a team approach is brought into the coordinator effort.

Accelerated orientation has been offered to the two PICs lately appointed for the Alexandria program to catch up with the rest of the group. Mr. Mounir Mokhtar will be responsible for O&M in Alexandria.

All spaces allocated for PIC work stations have been furnished by the TA Contractor.

- o Committees: General administration, policy development and program decision-making related to LD II Urban matters, according to the Project Agreement, is basically to be accomplished through a committee system. The status of this system is:
  - Urban Local Development Committee (ULDC): The "umbrella" body for deciding urban matters, it should serve as a forum for policy discussion and program development in all Project areas. Has met once since the Project started six months ago.

- ULDC Amana; The staff support group for the ULDC, composed of governorate secretary generals and their staffs. Was formed in April, has met three times since then. At present, is the only forum for discussing Project matters in-depth. Needs to meet more often.
- Training Sub-Committee; Essential to formulating and implementing all aspects of the LD II Urban training program, as well as interfacing with the LD II Amana, the Ministry of Local Government and the general consultant firm of DAC on overall training issues. The sub-committee is the focal point for implementing the training block grants. This sub-committee has not yet been formed.

Operations And Maintenance (O&M) Sub-Committees; Essential to the overall improvement of maintenance management systems in the urban governorates, this sub-committee also has not yet been formed. When in operation, this body should serve as the forum for discussing facility and equipment needs, systems development and maintenance training programs.

- MIS Sub-Committee; Not a part of the original committee structure, nevertheless considered by the TA Contractor to be an essential ingredient to successful implementation of Project MIS activities, including office establishment, staffing, program development and training.
- o Orientation - Another Project area which has gone well. The Orientation Program was an important early activity to expose all major GOE LD II Urban participants to the basics of the Project. Essentially finished on-time, over 1280 persons participated in these one-day orientation sessions.

1.2.2.2 Technical Activities: This section reports on the progress made to-date by the seven TA Contractor Action Package Groups.

- o Basic Services Delivery System (BSDS); Considered the heart of the Project, the BSDS effort has been disappointing in the first six months of the Project. Investment Plan and Maintenance Plan implementation for FY 87 and FY 88 is months behind. The NUS Program has not been closed out in several districts. Continuing at this rate, most districts will not be eligible for funding in November/December of this year.

Part of the problem can be attributed to changing district personnel in the old (NUS) districts and "first time" efforts on the part of Port Said and Suez districts, but more important factors are present.

1. The PICs are just beginning to get comfortable in their duties.
2. The LD II Urban Committee review and oversight process is not working.
3. District attitudes are somewhat casual with respect to plan preparation, plan changes and sub-project implementation.

4. For the last tranche, districts did not receive their checks for several months after issuance by USAID.
5. The TA Contractor Team simply cannot exercise an effective oversight function in the six governorates and 43 districts, given its current staff resources.

The situation is complicated by the Needs Assessment Surveys which are supposed to serve as the basis for Investment Plan and Maintenance Plan preparation. These, for the most part, will not be finished in time for the next plan(s) cycle. In particular, the Maintenance Plan component is in trouble at this time. To date, the BSDS Team has been able to spend 41% of its time in the field.

- o **Training**: As is BSDS, training is one of the critical elements of the LD II Urban Program, serving in support of all Project technical activities. For example, the TA Contractor Training Group conducted the orientation seminars.

This Group is reasonably staffed, with the result that most Phase I targets have been accomplished on a timely basis and in accord with TOR mandates. However, progress in computer and management training is starting to be severely affected due to lack of approved funding for these activities. It is estimated that it will be late June before funds are available to implement the next stage of the training program.

Additionally, it must again be mentioned that the lack of a training sub-committee will essentially bring the LD II Urban training program to a halt in the next two months. With no training program development and decision-making body, TA Contractor recommendations will not have a GOE approval procedure for program implementation.

- o **Operations And Maintenance (O&M)**: The garage program continues to limp along, although some facilities are beginning to come on-line. Field data for improved maintenance systems development are coming in very slowly. The O&M TA Group has been able to spend 47% of its time in the field so far, and has been more able than some of the other contractor staff to render on-site technical assistance.

However, the garage construction program continues to dominate O&M efforts to the detriment of other activities, including on-site technical assistance in the road and building maintenance areas.

- o **Management Information Systems (MIS)**: This Project component has progressed extremely well in those areas not affected by budget request approval. The NUS Project Tracking System has been updated (to Dbase III), debugged, tested and Arabized. The system is ready for installation in the governorates.

A complete on-site computer facility needs assessment for LD II Urban MIS operations has been completed in each governorate, including review and analysis of existing governorate MIS structures. As was the case with training, the computer needs budget was developed by the TA Contractor and submitted in March. As the

successful installation of the Project Tracking System is totally dependent upon the equipping of the governorate MIS facilities and the training of GOE MIS staff, it is hoped that funds will be made available soon.

The TA Contractor MIS Team has also spent considerable time on in-house Project financial systems and in support of the other TA Groups and USAID concerning data generation and manipulation, graphics and reports. The Team is now in the process of developing systems support procedures for the OMED activities.

- o Solid Waste Management (SWM); In spite of limited resources, the SWM Team has been relatively successful in fulfilling its TOR mandates to date. Data have been collected, mostly in the form of consultant reports, and demographics and needs assessment analyses have been completed. Additionally, the Community Preference Questionnaire has been formatted and approved by the Central Agency For Public Mobilization And Statistics (CAPMAS).

However, this Agency has not yet given approval to take the questionnaire into the field. This type of bureaucracy is causing problems for all of the Action Package Groups.

Field reconnaissance undertaken by the SWM Team has revealed solid waste needs and priorities different in some cases from those expressed in the TOR Scope of Work. Cairo and Alexandria best fit TOR estimates concerning the development of master plans and pilot collection areas, as does Giza when coupled with the World Bank pilot collection project and the proposed LD II Urban Transfer Station Special Project.

However, in Qaliubia and Port Said Governorates, the pressing problems are disposal sites and transfer operations. In Suez, the most serious problems are transfer operations and collection equipment. As outlined later in the Report, the SWM Team Work Program implementation strategy is adjusted to meet these needs.

- o Land Management; Substantial progress has been made in this area. Appropriate data has been collected (mostly consultant reports), existing GOE structures in each governorate have been identified and analyzed, and a proposal for the first LMU Office has been prepared and discussed with Cairo Governorate.

Additionally, it has been found that Port Said Governorate offers an excellent opportunity for the development of a LD II Urban Special Project related to land management with the potential for both upgrading and for new development by private sector interests. This special project is being investigated in detail at the present time.

It must be noted, however, that the timely establishment of the LMUs will be beset with numerous bureaucratic, legal and political (in-fighting) problems. The present land management structure in most governorates is highly fragmented and subject to overlapping and ill-defined functions.

At the same time, some land management functions are jealously guarded by existing departments for a variety of economic and procedural reasons. Negotiation and establishment of a new land management structure in most governorates will be a delicate and time-consuming matter. To-date, the LMU Team has been able to spend 31 percent of its time in the field.

- o Office Of Management And Economic Development (OMED); The TA Contractor OMED Team has perhaps the most difficult task of all the Action Package Groups due to the fact that it is working in areas where data and information is considered sensitive and where basic financial processes (budgeting, capital investment programming, etc) have been in place for some time. This problem is reflected in the relatively limited amount of information gathered to-date by the Group.

The OMED Group has visited all the governorates and has established a dialogue with appropriate directorates and departments in each one. It has also analyzed the present budget process in preparation for capital and recurring budget systems improvement development. Again, data provision has been limited in some governorates and Group activities are viewed with trepidation by various GOE staff.

In preparation for the main thrust of establishing OMEDs in the governorates, the Group has conceived and formatted a proposed OMED office structure, staff and functions. This proposal is being presently communicated to the governorates.

**1.23 Summary** - As the First Phase of the LD II Urban Project ends, several facts and issues have emerged which must be addressed and resolved before the intensive Second Phase technical assistance effort can successfully be undertaken. In this regard, the following points are presented for further discussion with USAID and the ULDC:

- o The Program development and Program management structure (committees, sub-committees, etc) is not yet completely in place and functioning well. Particularly affected by this are the training, maintenance and special project activities.
- o The issue of access to data must be resolved.
- o With respect to depth and substance, the TOR two-year Scope of Work is too ambitious in some areas, given the existing level of committed GOE and TA Contractor resources. These areas are primarily BSDS, O&M, MIS and short-term specialist support.

### **1.3 Overview Of Project Implementation Strategy**

The first six months of the LD II Urban Project has entailed extensive data collection efforts, the production of two major work plan reports, two quarterly financial reports, six progress reports, needs assessment reports and a variety of special reports and technical memoranda. While these data collection and analysis efforts and the Inception and Diagnostic Reports have been necessary exercises in laying the foundation for a successful LD II Urban Program, the net result has been that TA Contractor staff to-date have spent less than 50 percent of their time in the field on technical assistance efforts.

On the other hand, this structured preparatory Phase has laid a foundation for more knowledgeable application of technical assistance services on the part of the TA Contractor and more appreciation of their important roles in the LD II process on the part of the GOE. The complexity of the work program, however, is such that uneven results should be expected with respect to differing priorities and interests on the part of the six urban governorates.

With the above comments in mind, the following discussion presents a synopsis of the proposed TA Contractor Project Implementation Strategy.

**1.3.1 General:** With respect to the overall thrust and management of the LD II Urban Project, the following general implementation strategies are proposed.

- o **Project Implementation Coordinators;** Phase I has proven that the PICs can play an essential role in the conduct of the Project. This position has filled a gap painfully obvious on the NUS Project. To solidify this function, the following actions are to be undertaken.
  1. Upgrade PIC skills through structured program management training.\*
  2. Provide needed office support in the form of one assistant, one secretary and recurring cost budget to include provision for supplies, communication and transportation.\*
  3. Institutionalize this function over the life of the Project through the creation of a project implementation office at the governorate level.
  
- o **Project Management Structure;\*** The LD II Urban Project is structured to utilize a series of committees, sub-committees and Amanas to monitor and manage Project activities. This function is more essential at the ULDC level, as the PICs are beginning to cover individual governorate needs through their work with the governors and directorate heads. The Project calls for this management structure to;
  1. Establish a structured forum for dialogue between the GOE, USAID and the TA Contractor.
  2. Develop and present urban policies, proposals and positions to the LD II Amana.
  3. Make decisions regarding fund allocations to the various urban governorates.
  4. Execute timely decisions concerning program development and implementation in specific technical areas.
  5. Review and approve budgets in support of item 4 activities.
  6. Monitor all Project activities and serve as the vehicle(s) through which problems can be addressed and corrections made.

Outputs which are minimally required for satisfactory Project performance

The necessary committees, sub-committees, etc have been named in an earlier part of this Section. As previously stated, the lack of this committee structure is beginning to seriously adversely affect Project progress in several areas.

The LD II Urban committee structure, therefore, must be put into place as soon as possible, or alternative decision-making structures created.

- o **Application of TA Contractor Resources:** As with any project, TA Contractor resources are limited. The TOR Scope of Work calls for installation of a number of programs, systems and offices on an equal basis in each of the six governorates, and this objective has been the major thrust of TA Contractor efforts during the past six months. However, Phase I has shown that not all the governorates have the same priority interests in all of the scope of work areas.

This is to be expected and respected in the context of trying to provide those technical advisory services that are really wanted by the various GOE local government units. In this respect, it is therefore proposed to expend TA Contractor resources in direct relationship to the desires of each governorate in each Project technical area.

Obviously, for example, should every urban governorate be interested in the establishment of OMEDs or solid waste management demonstration areas, the TA Contractor will work as hard as possible and equally in every governorate to implement these desires.

**1.3.2 Basic Services Delivery System (BSDS):** To be effective, the BSDS effort must be almost totally field oriented. The scope of this field effort extends far beyond sub-project implementation monitoring. Plan development, capital investment program upgrading and maintenance systems improvement are of equal importance. The major thrust of BSDS technical assistance, therefore, entails the following:

1. Develop a stronger focal point for LD II Urban activities through the creation of Project Implementation Offices at the district level (starting on a pilot basis).
2. Upgrade district project engineers status through an office renovation and equipping program - to include transportation.
3. Conduct plan development working seminars in the districts during the early stages of each plan development cycle, making full use of the Needs Assessments.\*
4. Conduct working seminars in the districts, jointly with financial and engineering staff, to revise and upgrade the contracting process - within the present GOE legal structure.\*
5. Upgrade the Maintenance Plan Program through the addition of a two-man specialist team to concentrate entirely upon maintenance plan elements.\*
6. Strongly push for the creation of a sub-project revolving fund so that sub-project design, costing, the use of consultants, etc. need not wait until disbursement checks are received by the districts.

**1.3.3 Training:** It is strongly felt that the LD II Urban training program will continue to go forward in bits and pieces until a functioning and effective Training Sub-Committee is established by the ULDC. The Sub-Committee must be staffed by those persons most involved in training activities in their respective governorates. Thus, the heart of the Training Group implementation strategy hinges upon this one element in the Project Work Plan.

In this respect, the TA Contractor Training Group will serve as staff to the Training Sub-Committee and, in this capacity, will:

1. Screen and forward (with recommendations) training requests from the governorates and TA Contractor technical assistance groups.\*
2. Identify and recommend appropriate training programs, institutions and agencies capable of responding to these needs (In-Country or abroad).\*
3. Screen candidates and develop budgets for training program implementation.\*
4. Develop and recommend the means for appropriate institutionalization, in GOE institutions and facilities, of key LD II Urban training components.\*
5. Identify and recommend new and innovative training courses, programs, etc in response to unfulfilled training needs.\*
6. Serve as the Urban training liaison staff in connection with overall LD II Amana training activities and programs.

**1.3.4 Operations And Maintenance (O&M);** The major thrust of the O&M Technical Assistance Team will be to build upon the already substantial investment made by the GOE and USAID in maintenance facilities and operations. Beneficial results from this effort will have substantial, positive impacts in related areas such as solid waste management operations and GOE capital investment equipment requirements.

This basic strategy will be accomplished through three major actions:

1. Completion of the vehicle maintenance facility construction and equipping program.\*
2. Placement of maintenance management specialist teams in each facility as it opens with sustained, selective training of promising management and technical staff in appropriate programs and institutions, both in-Country and abroad.\*
3. Upgrading of road and building maintenance systems through the Special Project (pilot) process and extending the positive results of this effort on a comprehensive basis to all governorates.

The NUS Project demonstrated that new facilities and equipment alone is not enough to make lasting, positive changes in the vehicle maintenance system. The NUS Project further demonstrated that training (i.e. USA maintenance management course), coupled with new working environments, however can effectuate change - as seen by the Shoubra el Kheima garage example.

Therefore, more extensive and intensive "hands-on" on-site technical assistance is considered essential to attaining LD II urban targets for maintenance management system upgrading. This cost is minor in relation to the resulting protection and more effective utilization of major capital investments already made.

**1.3.5 Management Information Systems (MIS):** The basic implementation strategy for this technical area is very straightforward and can be clearly stated as follows:

1. The creation of a skilled LD II Urban MIS unit in each governorate through appropriate equipping, training and sustained on-site follow-up efforts.\*
2. Making each unit functional through the installation and operation of the Arabized LD II Urban Project Tracking System.\*
3. Increasing the competence of each unit through its programming support of new OMED budget development systems.
4. Extending the overall scope of each unit through systems applications for other governorate functions and activities.

**1.3.6 Solid Waste Management (SWM):** Phase I efforts on the part of the TA Contractor Solid Waste Management Group resulted in the fact that substantial differences in "first priority" solid waste management needs were expressed by the governorates during field reconnaissance activities and follow-up discussions. Some of these priorities depart from TOR Scope of Work items but the SWM Group feels that its limited technical advisory resources should be applied to those areas deemed most important by each governorate.

These priority assessments were made in conjunction with the SWM Group's basic mandate of first analyzing the overall solid waste management situation in each governorate. To this end, the Group has about completed its data collection efforts (with the exception of the questionnaires), has completed its preliminary analysis of each governorate SWM situation and is in the process of identifying pilot demonstration areas. Technical memoranda will be produced this summer detailing SWM conditions in each governorate.

In accord with the above comments, the SWM Group proposes to proceed as follows:

1. Continue with basic TOR Scope of Work components in Cairo and Alexandria Governorates, utilizing demonstration areas in Cairo recommended by the EQI Consultant Office and in Alexandria by the Japanese Solid Waste Master Plan.\*
2. Do the same in Giza, utilizing the World Bank demonstration area; however in conjunction with a SWM Transfer Station Special Project.\*
3. In Qaliubia, resolve a major disposal (landfill) problem in tandem with development of a Transfer Station Special Project. The Special Project will include funding for the identified landfill site development.\*
4. In Port Said, attack unique disposal problems through the use of short-term specialist inputs. In Port Fouad District, isolated from the rest of the Governorate by the Suez Canal, a desert-mounding landfill solution is to be investigated. In the rest of the Governorate, the solid waste disposal issue must be solved by the end of the year as all

current disposal sites and canals will be filled by then. The problem is extremely serious due to the Egyptian Customs situation there (Port Said is a duty-free zone), which severely impedes the passage of garbage trucks to outside the duty free zone.\*

5. In Suez, resolve the daily collection and disposal constraints (very limited capacity at present time) through development of transfer stations and provision of proper collection equipment.\*

**13.7 Land Management (LMU):** It must be recognized that success in the Land Management area for Phase II is more dependent upon an action than an implementation strategy. Without the establishment of functioning Land Management Units in the governorates, not much can be done with respect to new development and/or upgrading projects.

The bases for the inclusion of the Land Management component in the LD II Urban Project are recent World Bank (and other bilateral lending agencies) studies and analyses pointing to the fact that land management procedures at the governorate level are presently so fragmented that there is in reality little or no control over land development activities in urban and urban fringe areas. Of particular concern is the lack of follow-up once land has been turned over to public and/or private sector developers.

It makes economic and environmental sense to create effective Land Management Units at the governorate level, as governorates are the government units responsible for land development and land control in their respective geographical jurisdictions. Economic sense in the context that effective Land Management Units can generate substantially increased revenues for their governorates through the sale and/or management of governorate land. Regardless of what some GOE staff may say, this is not being handled well at the present time.

Environmental sense in that no citizen likes to live in an area, new or old, that is lacking in basic services (or poorly developed infrastructure), that has incompatible land uses (i.e. slaughter houses next to homes) and that lacks safe places for children to play and for people to rest. Land Management Units won't solve all the problems, but they will be a start towards creating a better urban living environment, both in new areas and in existing areas.

Within this context, the following major LMU Project implementation strategies are proposed:

1. Establish LMUs with appropriate status, budget and staffing in every governorate possible.\*
2. Develop Unit land management functions and programs.\*
3. Expand and upgrade Unit staff capability through pilot projects and training.

**13.8 Office Of Management And Economic Development (OMED):** As is the case with Land Management and LMUs, the OMED program will be ineffectual without the establishment of the OMED offices. Therefore, the main thrust in this area must be the development of functioning OMEDs in as many governorates as possible by the end of 1989. To accomplish this goal, the Group proposes the following Work Plan implementation strategy:

1. Establish in two or more highly responsive governorates, functioning OMEDs in time to prepare multi-year Capital Budgets, starting for GOE fiscal Year 89/90.\*
2. Computerize this budget process, again in time for the GOE FY 89/90 budget cycle.\*
3. Develop 5-year local revenue forecasts, and begin to upgrade the analytical process for development of Current Budgets and Annual Maintenance Plans.\*
4. Have this improved budget system in place in time for the GOE FY 90/91 budget cycle.
5. Expand this process, as appropriate, to other urban governorates.

#### 1.4 Resources Required

In attempting to meet all TOR Scope of Work components during Phase I, TA Contractor staff experienced a number of problems relating to data collection, decision-making and span of control. Data collection and decision-making have been covered in earlier parts of this Section; span of control refers to the ability of TA Contractor staff in each technical group to properly address all work program requirements.

It is now obvious that some resource changes and/or additions (on the GOE side as well) are necessary to meet Project targets. In considering options, three basic approaches emerge, or a combination thereof, entailing 1) a cut-back in the Work Program, 2) the extension of schedules to accomplish work tasks, and 3) the addition of staff and support resources to "get the job done" as initially defined.

It is strongly recommended that the Work Program not be reduced for two basic reasons: first, reducing a particular technical task, in part or entirely, will severely damage the interrelated program structure being developed and will, in effect, say these tasks weren't really needed in the first place - which is not defensible in light of Phase I results. Secondly, a reduction in geographical scope could mean some governorates will not receive what other governorates are receiving in the various technical advisory areas.

Rather, the other two alternatives offer more acceptable possibilities with respect to needed changes. Concerning the adjustment of schedules, the reader will note that in the Work Plans and Chronograms (Appendix A), the TA Contractor has taken the liberty of proposing more realistic time frames for adequately addressing all Work Program issues. To this end, a third year has been added to the Chronograms.

**1.4.1 Additional TA Contractor Resources Required:** Over and above this, however, is the basic fact that more staff resources are needed, particularly in the engineering and MIS areas. The underlying factor for this need is that in several areas on-site technical assistance efforts will simply be superficial in many cases due to existing staffing constraints. As shown on the following chart, a number of additional staff resources are proposed.

Six additional long-term professionals, all Egyptian, are proposed to fill serious deficiencies in engineering and MIS technical service areas. Also, 31 short-term expatriate and 79 short-term Egyptian specialist manmonths are proposed in response to identified technical needs and staff schedule constraints (finishing several products simultaneously).

**ADDITIONAL TA CONTRACTOR STAFF REQUIREMENTS**

ACTION PACKAGE GROUP	LONG TERM				SHORT TERM				PURPOSE
	AMERICAN		EGYPTIAN		AMERICAN		EGYPTIAN		
	NO.	MM	NO.	MM	NO.	MM	NO.	MM	
1. BSDS			2	36					2-man team, financial and engineering, to concentrate upon Maintenance Plans.
2. O&M			1	18	1	3	10	60*	1 long term road maintenance specialist, short-term road maintenance back-up
									5 two-man teams for on-site maintenance management technical assistance.
3. MIS			2	36	2	6			1 long-term specialist for on-site MIS unit development follow-up, 1 long term specialist for capital budget programming, 2 short-term systems development specialists.
4. Solid Waste Management			1	18	2	6	1	3	to address Port Said waste disposal issues; to delineate special collection routes in pilot demonstration areas.
5. Land Management					2	6	2	6	to provide supplemental market analysis and planning support in scoping and bringing on-line land development and upgrading projects.
6. OMED					1	4	1	4	to provide supplemental budgetary systems development and their associated financial applications.
7. Training					1	6	1	6	
<b>TOTAL</b>			<b>6</b>	<b>108</b>	<b>9</b>	<b>31</b>	<b>14</b>	<b>79</b>	

\* Special support for vehicle maintenance garage program.

The four original expatriate short-term manmonths have been committed, but 22 Egyptian short-term manmonths remain, leaving a net requirement of 25 expatriate and 57 Egyptian short-term manmonths. Of the total additional manmonths required, 83.5 percent is Egyptian professional input.

**1.4.2 Additional GOE Resources Required:** The Project Implementation Coordinator offices have been furnished by the TA Contractor, but deficiencies (not the responsibility of the Contractor) still remain. These are:

- o telephone and reproduction facilities
- o administrative and secretarial staff and equipment
- o cleaning services
- o operational budget for supplies, materials and technical reference (maps, books, etc.) purchases.

These needs will be itemized, costed and presented to the ULDC for review and approval. The staffing and support of the OMEDs and LMUs is also a responsibility of the GOE. Staff positions, costs, equipment and operational budget needs will be furnished to each governorate as a part of TA Contractor position papers for these two technical areas.

Several other areas of required support are:

- o Solid Waste Management; six-person task force in each governorate to develop specific SW collection procedures and collection routes for pilot demonstration areas.
- o Land Management; after establishment of LMUs, Project Selection Committee to identify and pick pilot land development and upgrading projects.

## Section 2

### BASIC SERVICES DELIVERY SYSTEM (BSDS)

#### PART A - BACKGROUND ANALYSIS

##### 2.1 Review Of Project Targets And Mandates

**2.1.1 Introduction:** As defined in the USAID Project Paper, one of the two explicit purposes of the LD II Project is "to improve and expand the capacity of local governments to plan, finance, implement and maintain locally chosen basic services projects". The term "basic services" encompasses those essential services such as potable water, sanitation, roads, public health, and social facilities provided by the municipal government to the people, and, in the LD II (Urban) Project, the focus is on low income people residing in the major urban areas of Egypt.

**2.1.2 Background:** Referring again to the initial definition of project purpose, one notes four action terms, "plan, finance, implement, and maintain". The Basic Services Delivery Systems (BSDS) Team is significantly engaged in all four of these actions and is trying to provide continuous hands-on guidance and technical assistance to GOE officials at both the governorate and district level.

In planning, the Team orchestrates and leads in the conducting of the Needs Assessment Surveys that identify and quantify deficiencies in these basic services delivery systems. Then, continuing the planning function, the Team works with engineers, planners, and local Popular Council members in establishing investment and maintenance programs within LD II Urban and GOE budgetary constraints.

As regards the financing element, the Team assists GOE personnel in developing and establishing accounting systems to monitor sub-project expenditures. In Investment Plan implementation, the Team aids and oversees the design, contracting, and construction surveillance of the sub-projects. In maintenance, which is receiving strong emphasis, the Team must be involved with the Maintenance Plans throughout the entire planning and implementation cycles.

**2.1.3 Output Review:** During Phase I, the Team work load, as spelled out in the Inception Report, called for specific tasks:

<u>TASK</u>	<u>COMPLETION DATE</u>	<u>STATUS</u>
1) Continue financial and engineering surveillance of on-going NUS and LD II investment and maintenance programs.	On-going	Requires additional effort

2) Oversee and coordinate Needs Assessment Surveys	6/30/88	behind schedule
3) Identify unit construction costs for various types of facilities	6/30/88	behind schedule

## 2.2 Data Reconnaissance Efforts

**2.2.1 Project Participants:** In the LD II Urban Project, there are 43 participating GOE agencies, six governorates and 37 districts, receiving block grant money and administering a variety of sub-projects. The BSDS Team, which is responsible for providing technical assistance as well as monitoring the sub-project activity in all 43 of these governmental units (in addition to providing financial surveillance of the two special garage programs), is currently composed of two Engineers, two Financial Specialists, and a Team Leader. The work is split geographically so that each Financial Specialist and each Engineer is responsible for approximately one half of the 43 districts.

Each of the governorates has at least one Project Implementation Coordinator (PIC) and these are the vital individuals who arrange for meetings between Team members and GOE officials. Moreover, the PICs now have the responsibility of collecting the updated financial and engineering status data for each of the sub-projects from each of the districts. Reliance for the accuracy of this data, especially construction status of sub-projects, is placed on the responsible GOE officials, inasmuch as the BSDS Team, due to its manpower limitations, is only able to provide intermittent spot checks.

In its role as technical advisor, the BSDS Team meets frequently with governorate planning, engineering, and financial personnel, but most of its day-to-day dealings are with the district level officials, the District Chiefs, Secretary Generals and heads of the financial, planning, and engineering departments. Figure 2-1 shows a typical organizational chart of a district.

**2.2.2 Scope Of Work:** Although there is necessarily continuous coordination within the group, the work of the BSDS Team logically divides out into financial and engineering components. On the financial side, the monitoring function consists of spot-checking expenditure up-dating by GOE counterparts and by validating bank accounts. The number of bank accounts to be checked is considerable in that each district (and the six governorates) have, on the average, three working Investment Plans, plus one Maintenance Plan. With the recent expansion of Cairo into 16 districts, there are now 43 participating GOE agencies (plus the two beautification authorities), each with monthly sub-project expenditures. Thus, discounting the garages, the total is  $43 \times 4 = 172$ , or 86 bank accounts for each Financial Specialist.

The initiation of new districts and the retirement or transfer of senior personnel mean new accountants who must be trained and guided in the use of the LD' II financial reporting forms. Typical situations indicating a need for additional financial guidance emerge every month: in a few cases, equipment is discovered to have been procured from the East Block, contracts are awarded with prices exceeding allocations and bank accounts of completed programs are not closed out and transferred forward.

TYPICAL DISTRICT ORGANIZATIONAL CHART

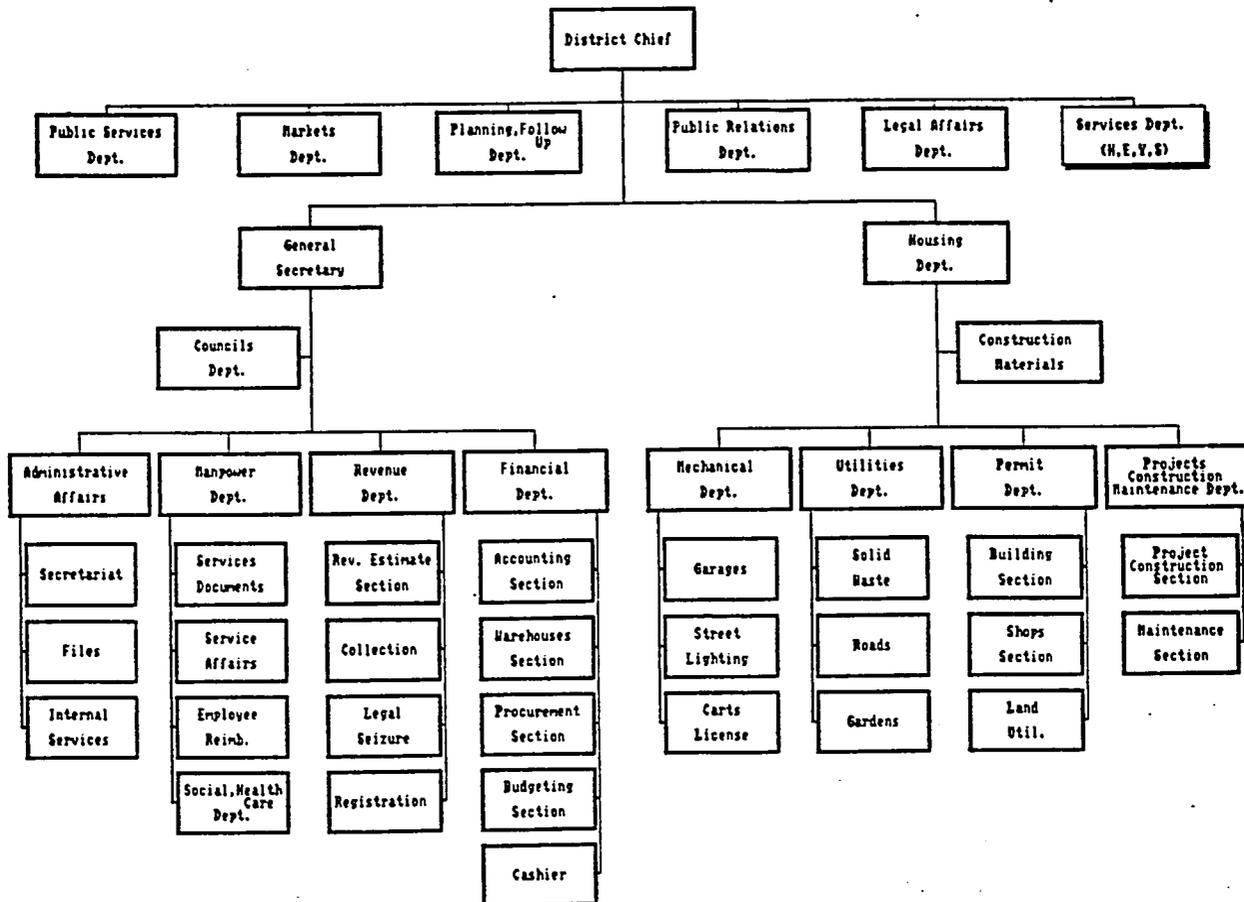


FIGURE 2-1

In addition, the Financial Specialists play an active role in the Needs Assessment Surveys by distributing forms, explaining procedures, gathering completed forms and assisting in the compilation and analyses. On the engineering side, the BSDS Team personnel are responsible to their GOE engineering counterparts for guidance and technical assistance in the entire gamut of planning, design, and construction. BSDS Engineers, as required, will aid in:

- o Conducting, interpreting and analyzing the Needs Assessment Surveys;
- o Defining, designing and cost estimating sub-projects;
- o Coordinating the work of soils engineers, private consultants and other engineering/architectural specialists and decorators;
- o Performing construction surveillance and final acceptance.

The magnitude of the current work load becomes apparent by referring to Tables 2-1 and 2-4 where it is seen that a total of 837 Maintenance and Investment Plan sub-projects are now either under construction or about to start. Moreover, in the near future, the BSDS Team will begin assisting GOE engineers, planners, and elected officials in developing new Investment and Maintenance Plans entailing hundreds of new sub-projects.

Table 2-1

BSDS SUB-PROJECT WORK LOAD

INVESTMENT PLAN	Not Started (# of Sub-projects)			Underway (# of Sub-projects)			TOTAL
	NUS*	LDII	TOTAL	NUS*	LDII	TOTAL	
Cairo	-	194	194	23	50	73	267
Alexandria	-	128	128	6	22	28	156
Giza	-	66	66	4	29	33	99
Qaliubia	-	32	32	8	4	12	44
Port Said	-	10	10	-	26	26	36
Suez	-	6	6	-	24	24	30
Sub-Total		436	436	41	155	196	632

\* NUS Only Investment Plan Sub-projects

Source : TA Contractor Wilbur Smith Assoc.

## 2.3 Analysis Of Existing Situation

**2.3.1 Financial:** With the exception of the maintenance programs, which are not receiving sufficient attention, the BSDS Financial Specialists, due to their past experience in Project financial control, are more-or-less able to loosely monitor the various programs and to furnish training to the new GOE bookkeepers and accountants coming into the project.

**2.3.2 Engineering:** This is not, on the other hand, true of the BSDS Engineers whose monitoring work involves time consuming visits to widely-separated sub-projects and who,

thus, are simply unable because of lack of manpower to spend the essential meaningful periods of time providing technical assistance and solving problems in a timely manner for the districts.

**2.3.3 Field Reconnaissance:** Table 2-2 lists the field visits of the BSDS Team to the six governorates. During the five month period shown, the overall Team percentage of staff field visits was 41%. Inasmuch as the Team's primary value is providing technical assistance and attempting to institutionalize procedures, both of which are done largely in the field, it is anticipated that this percentage will increase during the remainder of the Project.

Table 2-2

BSDS FIELD RECONNAISSANCE AND DATA COLLECTION  
JAN - MAY 1988

MONTH	STAFF DAYS AVAILABLE	FIELD TRIPS TO RESPECTIVE GOVERNORATES*					
		CAIRO	ALEX	GIZA	QALIUBIA	P.SAID	SUEZ
JAN	57	15	-	2	2	3	2
FEB	60	12	3	3	2	4	2
MAR	69	16	5	3	4	6	-
APR	76	11	9	-	1	4	2
MAY	76	16	5	4	-	-	4
TOTAL	338	70	22	12	9	17	10

\* Person days

SOURCE: TA Contractor, Wilbur Smith Associates

With respect to Maintenance Plan sub-projects, the record of the BSDS Engineers is indicative that more field time is mandatory. Table 2-1 indicated a total of 199 maintenance sub-projects now underway in the governorates. Although the BSDS Team is committed to a policy of spot checking as opposed to inspection of every sub-project, a sample of at least 10 percent is essential if the Team is to provide a measurable impact in its function of technology transfer.

This target has not been reached in the monitoring of the Maintenance Program. Of the 199 Maintenance sub-projects now underway, only three have been inspected by a BSDS Engineer during the past five months. It is clear that the BSDS Team must receive additional staffing if it is to provide an acceptable level of service to the counterpart government officials participating in the LD II Urban Project.

**2.3.4 GOE Efforts:** A few important parameters of success in carrying out Project goals, namely, rate of expenditures (contractor progress payments) in sub-project implementation and percentage of completion of the Needs Assessment Surveys, forcibly demonstrate that the GOE counterparts require supplementary training and motivation. Although all senior district officials have been repeatedly advised that USAID eligibility for the next tranche depends on their disbursing specified percentages of the allocated funds in the current as well as the two previous investment programs, the present average FY 88 expenditures for the six governorates (see the May 1988 Progress Report) are only 5.7 percent of the initial allocations.

As such it is highly unlikely that (if USAID adheres to the current FY eligibility criterion) even half of the districts will meet the 50% criterion for the FY 88 Investment program by November of this year. The result will be delays in receipt of the block grants which will then appreciably slow down the FY 89 Program.

Notwithstanding the fact that greater diligence on the part of district officials could measurably have improved the low rate of expenditures, it must be noted that much of the current lag in contractor progress payments stems from late receipt of the individual block grant checks by the districts. These delays, in turn, are to some extent a result of the archaic banking system of Egypt where it customarily takes a month or so to clear a check.

In December 1987, USAID issued one check to each governorate as opposed to the previous tranche where separate checks had been written to each district. The governorates then deposited the checks in their accounts in the Central Bank and, after the money had been transferred between accounts, wrote separate checks to each district. By the time these second checks had cleared and the money had been placed in the district accounts, an average period of three months had elapsed. It is recommended that USAID in the coming tranche again issue checks directly to each district and, in this way, save at least a month.

The second parameter, the status of completion of the vital Needs Assessment Surveys again illustrates that the work is behind schedule. The Needs Assessments serve as planning tools and the data should be available when the district planners and the local popular councils begin to develop the investment plans in July. In 1983, during the NUS Project, the TAC hired additional people and, with district staff involvement, conducted the surveys in order to lead the way. Now, during the LD II Project, the concept is that the GOE personnel having seen the value of these surveys, will be willing to expeditiously perform the work and gather the data with minimal participation by TA Contractor staff.

In fact, all of the districts are cooperating, but as can be seen from Table 2-3 progress is slow. In Cairo, for example, by the end of May, it is seen that only 16 (33%) of the health, education, and youth forms which required updating have been completed and of the new surveys, roads, sanitary sewers, and potable water, only two (4%) have been completed. It appears then that the planning cycle for FY 89 must proceed with only partial assessments of needs and complete data (compiled, analyzed, and published) will not be available until planning commences for the FY 90 program.

**2.3.5 Status Of Maintenance Plans:** Although maintenance is a key element in the LD II Project, there continues to be delays in the delivery of the MOF BAB two money and a lack of urgency in the defining of the Maintenance Plans by each district. With respect to the first point, the FY 87 MOF funds were supposed to have been available in July 1986 in order

TABLE 2-3  
NEEDS ASSESSMENT SURVEYS STATUS

As of May 31, 88

Governorate/District	Survey Areas					
	Educ.	Health	Youth	Roads	Sewers	Pot. Water
<u>ALEXANDRIA</u>						
1. Eastern	3	3	3	2	2	2
2. Mid-Town	3	3	2	2	2	2
3. West	3	3	3	2	2	2
4. Amreya	3	3	3	2	2	2
5. Montaza	3	3	3	2	2	2
6. Gomrok	2	2	2	2	2	2
<u>GIZA</u>						
1. North	2	2	2	2	2	2
2. South	2	2	2	2	2	2
3. West	2	2	2	2	2	2
4. Central	3	3	3	3	2	2
<u>QALIUBIA</u>						
1. East	2	2	2	2	2	2
2. West	2	2	2	2	2	2
<u>PORT SAID</u>						
1. Port Said	3	2	3	3	2	2
2. El Arab	3	2	3	3	2	2
3. East	3	2	3	3	2	2
4. El Manakh	3	2	3	3	2	2
5. El Dawahy	3	2	3	3	2	2
<u>SUEZ</u>						
1. Suez	3	3	3	4	2	3
2. Al Arbeen	3	3	3	4	2	3
3. Atakah	3	3	3	4	2	3
4. Al Ganaien	3	3	3	4	2	3

1. District has not been requested to conduct the survey
2. District has been requested to conduct the survey
3. Survey form completed
4. Translation into English and completion of analyses

Table 2-3 (Cont)

## NEEDS ASSESSMENT SURVEYS STATUS

As of May 31, 88

Governorate/District	Survey Areas					
	Educ.	Health	Youth	Roads	Sewers	Pot. Water
<b>CAIRO</b>						
1. Helwan	2	2	2	2	2	2
2. Heliopolis	3	3	3	3	2	2
3. West	2	2	2	2	2	2
4. Abdeen	3	3	3	2	2	2
5. Central	3	3	3	2	2	2
6. Waily	2	2	2	2	2	2
7. East	2	3	2	2	2	2
8. Zeitoun	2	2	2	2	2	2
9. South	2	2	2	2	2	2
10. Misr El Kadima	2	2	2	2	2	2
11. North	3	3	3	3	2	2
12. Shoubra	2	2	2	2	2	2
13. El Zawia	2	2	2	2	2	2
14. Nasr City	3	3	3	2	2	2
15. El Salam	2	2	2	2	2	2
16. Al Maadi	2	2	2	2	2	2

1. District has not been requested to conduct the survey
2. District has been requested to conduct the survey
3. Survey form completed
4. Translation into English and completion of analyses

Source: TA Contractor, Wilbur Smith Assoc.

that the districts could complete their Maintenance Plan implementations by June 30 of the following year. By October 1986, only L.E. 921,752, which represented just 50 percent of the promised money had been received by the districts.

In April of 1987, another L.E. 303,373 of MOF funds were disbursed but this was so late that it allowed little time for planning and detailed design. The only recourse left to the districts was to shovel the money to the annual maintenance contractor who was then issued some form of instructions as to which items of the substantial deferred maintenance backlog should be confronted. The net result was that in FY 87, Cairo and Giza districts received only 75 percent of their maintenance allocations and Alexandria and Qaliubia received only 50 percent.

In FY 88, the MOF maintenance funds were not delivered until January of 1988, thus allowing only six months for implementation of the Maintenance Plan. Moreover, the districts had to move fast because, if they did not obligate all of this money before the end of the following June, the Ministry would pull back all the unspent GOE funds. Such hasty procedures do not result in planned and systematic reduction of maintenance backlogs.

In light of this type of funding history, the districts have given little thought to careful preparation of the FY 89 Maintenance Plan. In order to combat this situation, it is now believed that two additional personnel, one engineer and one financial specialist, should be added to the BSDS Team primarily to work on all facets of future Maintenance Plans for the six governorates. This subject is further addressed in the next part of this section.

Table 2-4, which is a tabulation of LD II maintenance fund allocations and disbursements, is interesting in several respects. First, the governorates do not follow a single procedure in distributing the money to their districts. Cairo appears to be using the Investment Plan formula which is based on a number of 1982 indicators like total population, population density, average household size .. etc.

Alexandria, on the other hand, in their FY 88 Maintenance Plan, simply gave L.E. 80,000 to each district. Another interesting point is that some districts appear to be on schedule in disbursing their FY 88 maintenance allocations, whereas five districts have zero expenditures as of May 30 and six other districts have spent less than 20 percent (with only one month to go in the fiscal year).

Table 2-4 also shows an overall FY 88 maintenance percentage of 45.8 as of May 30 and this could lead to the MOF recapturing some of its funds (unless the money is obligated) at the end of June. One bright note in the maintenance picture is that the maintenance expenditures are definitely increasing. During the five years of the NUS Project, a total of only L.E. 0.9 million of maintenance money was spent by the four governorates (Cairo, Giza, Alexandria, and Qaliubia) on a total of 234 maintenance sub-projects; but during the two years of the LD II Project, the same four governorates received L.E. 3.1 million for 404 maintenance sub-projects.

**2.3.6 Training Needs:** In spite of six years of formal, informal and on-the-job training, district personnel require additional training in project planning and implementation. This is not to say that the same people are being trained and then retrained and that they either refuse to follow the program or else are incapable of learning. Rather, trained personnel are

Table 2 - 4

## LD II MAINTENANCE FUND

(As of MAY 30, 1988)

Governorate/District	FIRST YEAR				SECOND YEAR			
	No. of sub projects	Allocation L.E.	Disbursement L.E.	%	No. of sub projects	Allocation L.E.	Disbursement L.E.	%
1. Cairo	1	145,547	145,547	100	10	242,917	211,773	87.2
Helwan	19	79,104	79,104	100	7	67,774	6,738	9.9
Heliopolis	10	26,235	26,235	100	3	24,910	9,687	38.9
West	11	60,122	60,122	100	7	45,183	19,815	43.9
Abdeen	6	29,636	29,636	100	5	44,454	40,779	91.8
Central	8	41,782	41,782	100	6	62,673	49,583	79.2
Wally	10	42,946	42,946	100	4	42,996	10,755	25.1
East	13	57,814	57,814	100	19	86,721	0	0.0
Zaitan	9	63,975	63,975	100	9	64,859	0	0.0
South	7	57,572	57,572	100	11	57,572	8,593	15.0
Misr El Kadima	9	48,042	48,042	100	13	75,791	0	0.0
North	15	46,154	46,154	100	17	69,231	7,685	11.1
Shoubra	13	29,772	29,772	100	9	60,145	40,459	67.3
Sharabia	0	0	0		5	12,002	4,002	3.3
Nasr City	0	0	0		2	14,442	13,808	95.6
Sub-Total	131	728,751	728,751	100	127	971,670	428,677	44.1
2. Alexandria		36,582	36,582	100	6	5,100	0	0.0
Eastern	12	63,844	63,844	100	6	80,000	46,319	57.9
Midtown	4	46,215	46,215	100	6	80,000	11,285	14.1
West	1	20,000	20,000	100	5	80,000	79,813	99.8
Amreya	5	28,000	28,000	100	7	80,000	22,043	27.6
Mentaza	4	39,288	39,288	100	6	80,000	51,556	64.5
Gomrak	2	8,621	8,621	100	6	80,000	36,648	45.9
Sub-total	28	242,550	242,550	100	42	485,100	247,664	51.1
3. Giza								
North	10	48,369	48,369	100	8	64,515	46,514	72.1
South	9	39,301	39,301	100	3	52,475	15,000	28.6
West	12	60,449	60,449	100	6	80,525	0	0.0
Central	7	33,245	33,245	100	5	44,253	38,942	88.0
Sub-Total	38	181,364	181,364	100	22	241,818	100,546	41.6
4. Qaliubiya					2	20,000	14,001	70.5
East	1	36,230	36,230	100	7	72,373	44,973	62.1
West	1	36,230	36,230	100	5	52,373	8,348	16.0
Sub-Total	2	72,460	72,460	100	14	144,746	67,322	46.6
Total	199	1,225,125	1,225,125	100	205	1,843,334	844,209	45.8

Source : TA Contractor Wilbur Smith Assoc.

continuously leaving the program because of transfers or retirements and new, untrained replacement personnel are coming in.

Personnel from the Planning and Follow-up Sections should be given training in compiling and analyzing the results of the needs assessment surveys. Data from the actual surveys should be used to define required infrastructure improvements.

In addition, Cairo has formed four new districts and Suez and Port Said Governorate personnel have yet to receive substantial project implementation training. At a later date, when the LD II Project management methods and techniques have indeed become more "institutionalized", then the governorate training departments will conduct classes in-house on an "as-required" basis and department heads will instruct new personnel.

On the financial side, as previously stated, justification for continuing technical guidance and training surfaces frequently. Audits by the TAC routinely uncover sub-projects where disbursements exceed initial allocations and where, in disregard of Project criteria, completed prior-year Investment Plans are not closed out and the money transferred forward to current programs.

On the engineering side, the need for training in planning, design, and construction surveillance becomes clear whenever one visits sub-projects in the field. Examples are commonly seen where only part of the necessary remedial work in renovation projects is included in the tender package or where complete and adequate design details are not provided to the contractor, with the result that incipient failures like door frames incorrectly secured to the walls are built into the job. Other commonly noted deficiencies in new facilities are inadequate lighting with unsafe wiring or toilet floors that don't drain. Recommendations for resolving all of these engineering and construction shortcomings are furnished in the next part of this Report Section.

It is clear that district and Popular Council personnel need more hands-on assistance with the development of their Investment and Maintenance Plans. Requests for modifications of the approved Investment Plans flow in a constant stream into the office of the TAC where they are being processed as an interim procedure until the ULDC is able to assume its approval function. A review of Table 2-5, which is a tabulation of district requests for Plan modifications during the past three months, reveals that many of the reasons for changing the Plans are simply routine errors in cost estimates, which then result in a need for shifting contingency funds to accommodate the overruns. Nevertheless, a number of the requested changes are major re-alignments of the Plans and this type of modification demonstrates insufficient investigations and coordination when the initial Plan was developed.

Table 2-5  
INVESTMENT PLAN MODIFICATIONS

Date of Submittal	District/Governorate	Reason	Sector	Status
Mar. 2nd	Heliopolis/Cairo	Financial Overrun (12,722 L.E.)	infrastr.	approved
Apr. 24th	North/Cairo	" " (2,000 L.E.)	education	"
Apr. 12th	Shoubra/Cairo	" " (10,000 L.E.)	infrastr.	"
		" " (10,000 L.E.)	infrastr.	
		" " (4,000 L.E.)	health	
		" " (22,525 L.E.)	health	
Mar. 30th	Misr El Kadima/Cairo	" " (22,525 L.E.)	health	"
Apr. 13th	West/Cairo	Program Re-alignment (18,374 L.E.)		"
Apr. 20th	Gomrok/Alex	Complete Re-development of program		"
Mar. 28th	North/Cairo	Financial Overrun (6,642 L.E.)	education	"
Apr. 10th	Gomrok/Alex	" " (4,532 L.E.)	education	"
Apr. 19th	East/Cairo	" " (4,633 L.E.)	Social A.	"
		New Project (9,000 L.E.)	xerox mach	
		" " (15,000 L.E.)	infrastr.	
May 26th	North/Cairo	" " (15,000 L.E.)	infrastr.	pending
May 24th	East/Shoubra El Kheima	Financial Overrun (4,000 L.E.)	education	"
		" " (3,312 L.E.)	infrastr.	
		" " (2,218 L.E.)	"	
		" " (13,923 L.E.)	"	
		" " (3,690 L.E.)	education	
May 20th	West/Shoubra El Kheima	" " (5,248 L.E.)	infrastr.	"
		" " (9,849 L.E.)	health	

Source : TA Contractor Wilbur Smith Assoc.

As for the Maintenance Plans, the BSDS Engineers were unable to provide much substantial input during the analyses of needs and Plan formulation phases the past two years. Limited field visits by team members to maintenance sub-projects revealed that districts have misconstrued the meaning of maintenance and indeed have new construction (e.g. installation of partitions) being funded by the Maintenance Plans. If new personnel are added to the BSDS Team, they will be able to furnish this needed hands-on assistance in identification and delineation of maintenance sub-projects.

## PART B - WORK PROGRAM IMPLEMENTATION

### 2.4 Implementation Strategy

**2.4.1 New Approaches:** During the next 18 months, it will be the responsibility of the BSDS Team to work with its GOE counterparts with the objective of motivating them to improve their performances in the planning, implementation and maintenance of infrastructure improvements. These higher levels of performance will be achieved through a variety of new approaches:

- o Increased emphasis on site visits by Team members, especially on the engineering side, so as to furnish essential on-the-job training for GOE personnel involved in both Maintenance and Investment Plans.
- o Establishment at the district level, of special inter-departmental working groups brought together by the PICs in order to foster greater cooperation between engineering, financial, procurement, contracting, administrative and user functions.

- o Pre-qualification of contractors so as to eliminate marginal and incompetent firms.
- o Introduction of a supplementary program to procure essential working tools for financial and engineering offices at the district level. Moreover, to explore possible management restructuring alternatives so as to expedite the capital improvements work at the district level.
- o Acceleration of advance planning and detailed engineering design of sub-projects identified in preliminary programming.
- o Extension of the training program by use of narrowly focused workshops and seminars for technical personnel and in-Country long-term training for accountants.

**2.4.2 Focus On Field Work:** In the field, working one-on-one with district accountants to track disbursements, and with district engineers to review designs and inspect construction. This is where the technology transfer will take place. For this reason, it is essential that the BSDS team place increased emphasis on visits to district offices and construction work sites.

As detailed earlier in the Section, the Financial Specialists on the BSDS Team by virtue of their long experience with sub-project cost accounting systems are managing, with the exception of the Maintenance Plan work, to spend only minimal time in the district offices and yet still are coping with the financial monitoring requirements of the Project. One additional Financial Specialist, nonetheless, is needed to visit the districts frequently to concentrate on monitoring of the Maintenance Plans and to provide general backup support to the other two Specialists. On the engineering side, moreover, there is a demonstrable need for GOE counterparts to be provided more guidance and technical assistance in design, cost estimating, and construction management.

**2.4.3 Problem Solving:** It was mentioned in the Inception Report that lack of coordination and cooperation between the different departments within the district offices (e.g. planning and follow-up, contracting, accounting, and engineering) hampers the effectiveness of these units and leads to numerous errors and subsequent adjustments to the Investment Plans. A new approach to this persistent problem is now being attempted in some of the recently-formed districts of Cairo. If successful in these new districts, it will be introduced elsewhere within the six governorates.

The approach is to have the PIC arrange a problem-solving meeting in the district headquarters and this meeting should be attended by the district chief, head of the local Popular Council, secretary general, heads of the departments of planning/follow-up, contracting, engineering, accounting and other concerned departments, plus financial and engineering representatives from the BSDS Team. In addition, representatives of user agencies (departments of health, education, youth.. etc) could be invited if their sub-projects are to be discussed.

The purpose of gathering this large group together is to review and analyze the implementation and financial status of the on-going Investment Plans, identify deficiencies, areas of weakness, and slippages. Then the group can develop solutions to these problems. This new approach has been tried in Nasr City, Shourabia, Waily, Maadi, Giza West and Shoubra el Kheima Districts. The meetings are held every other month or so on an "as-required" basis. To date it is not yet possible to determine how effective they will prove to

be but it appears that they do have a genuine potential for clearing obstacles to the sub-project implementation process.

**2.4.4 Upgrading Contractor Lists:** Pre-qualification of contractors is a technique for weeding out those contractors who are incapable of acceptable construction which can be defined as work performed in general adherence to the specifications and in conformance with the approved schedules. Some small contractors, for example, lack the craftsmen to erect buildings with walls that are plumb, to lay pipe on proper grades, and to install electrical panels and wiring that are safe for the user. Other bigger contractors, especially public sector firms, have no sense of urgency and will randomly delay small jobs for long periods while they deploy their resources elsewhere.

Both of these types of contractors should be rejected from the LD II Urban tendering process. The mechanism by which they can be legally cast out is pre-qualification. During the summer of 1984, the NUS TAC staff filled out a rating form for all contractors who at that time had experience on the NUS Project. Each firm was given a rating with a reason for the rating, and the individual NUS jobs on which the company had worked were listed. This rating of contractors is now out-of-date and should be renewed so as to encompass all of the sub-project construction these past four years. Moreover, the ratings should not be accomplished by the TAC staff, but should be done by GOE officials at the district level in each of the governorates.

The results of the pre-qualification analyses in each district will then result in lists of acceptable contractors. Then these lists can be consolidated by the TAC and circulated to all the districts in the governorates. The first step is for the district contracting offices to advertise and solicit applications by contractors interested in the various types of work. The advertisements will specify the usual scope and type of the LD II Urban work and the fact that bid bonds and performance bonds will be mandatory for all participating contractors. Hopefully, the large public sector contractors, who normally are not required to put up guarantees, will then decide not to apply.

Committees of district engineering officials with representatives from contracting, legal, and finance will then study all of the experience records submitted by the contractors and, wherever necessary, will verify the quality of workmanship and the proven adherence to schedule of each contractor. Figure 2-2 is an example of a summary sheet to be filled out by the Committee as it evaluates the contractor experience records. Marginal contractors will be eliminated and a list will then be prepared of qualified contractors who will be allowed to bid on future LD II Urban jobs. The result should be a substantial increase in the quality of the work at most of the construction sites.

**2.4.5 Support For Engineers:** One special project now under consideration is the upgrading and equipping of the engineering offices at selected districts with the tools to allow them to perform the work. Almost without exception, the engineering people in each district are housed in dingy, ill-lighted offices with unacceptable working conditions. The engineers are also without essential equipment such as surveying instruments, light tables, drafting tables and the usual racks and files for drawing and sub-project records.

On the average, these district engineering groups are comprised of two to four engineers plus two or three technicians. It is possible to enhance at nominal cost the efficiency of these groups which are so vital to the Project by simply upgrading and equipping their

**CONTRACTOR PRE-QUALIFICATION EVALUATION SHEET**

CONTRACTOR NAME	PAST PROJECT FINANCIAL SCOPE L.E. (000)			EQUIPMENT PROCUREMENT	TYPE OF WORK					QUALITY OF CONTRACTOR		
					CONSTRUCTION							
	< 50	< 100	< 200		Maint	Paving	Sewers	Pot Water	Pub Bldgs	Good	Fair	Rejected

offices, then it would seem a prudent investment for the Project. Furthermore, the districts as well as USAID have already made substantial investments in the training of these engineers and it is important to retain these more knowledgeable employees. Improving district engineering work areas could then be a deciding factor when the young engineers deliberate whether they should leave for the higher pay of the private sector or rather opt for a career with government.

It is estimated that L.E. 20,000 would renovate and equip an average engineering office. The resulting improvements would include re-painting, installation of fluorescent lighting and wall outlets plus provision of a drafting table, a light table, (possibly a blueprint machine), a set of simple, functional surveying equipment to include a level, transit, rods and chains, several hand calculators, a set of drawing instruments, and a dozen or so reference books. It is recommended that four or five of the district engineering offices in the Greater Cairo area be so upgraded and equipped as a pilot program. Then, if the engineering performance is seen to improve in these offices, the program could be expanded to other districts.

**2.4.6 Project Implementation Office:** Restructuring capital investment implementation procedures at the district level, it is believed, might also improve the efficiency of sub-project planning, design, and implementation efforts. One of the alternatives which seems, on the surface, to possess great potential is that of establishing a special task force, housed in a "Project Implementation Office", again to be implemented on a pilot basis in four or five districts. The task force basic function would be to manage all aspects of the maintenance and capital improvement programs. It would be a multi-disciplined group comprising finance/accounting, engineering/ architecture, procurement/contracting and administrative support.

All of these people would be drawn from existing departments at the district and would be brought together to form the Project Implementation Office. Figure 2-3 is a proposed organizational chart of a typical Project Implementation Office and from this diagram it can be seen that the Office would manage project implementation from preliminary planning (Needs Assessment Survey), through design, contracting, financial monitoring and construction surveillance to the final acceptance of the job. As in the previously-discussed proposal, the program would include a complete upgrading and equipping of an existing office in the district.

The costs would encompass all of the projected costs for the previously discussed plan for the offices of the engineers (i.e. L.E. 20,000 per office), plus support of the other task force personnel and transportation (a pickup). It has long been a dominant theme with district people, especially engineers, that they have no way of getting out to the job. One solution would be to procure one "dedicated" vehicle for such a Project Implementation Office. Estimated cost per office is L.E. 85,000, of which the vehicle cost is about forty percent. To date, a number of district officials have discussed the merits of formulating this task force with representatives from the BDS Team, and new ideas are continuously evolving which should streamline and optimize the concept.

**2.4.7 Advance Planning:** Another suggested way to expedite the sub-project implementation process is by moving at an earlier date from preliminary planning into detailed design. This can be done either with in-house forces or by using local consultants. If the districts use consultants, now would be the time in the sub-project cycle to establish a source for design funds using contingency money or funds transferred forward from closed-out FY programs. The aim here is to define, delineate, and validate needed, high priority sub-projects as soon as possible then immediately proceed to design.

District Project Implementation Office

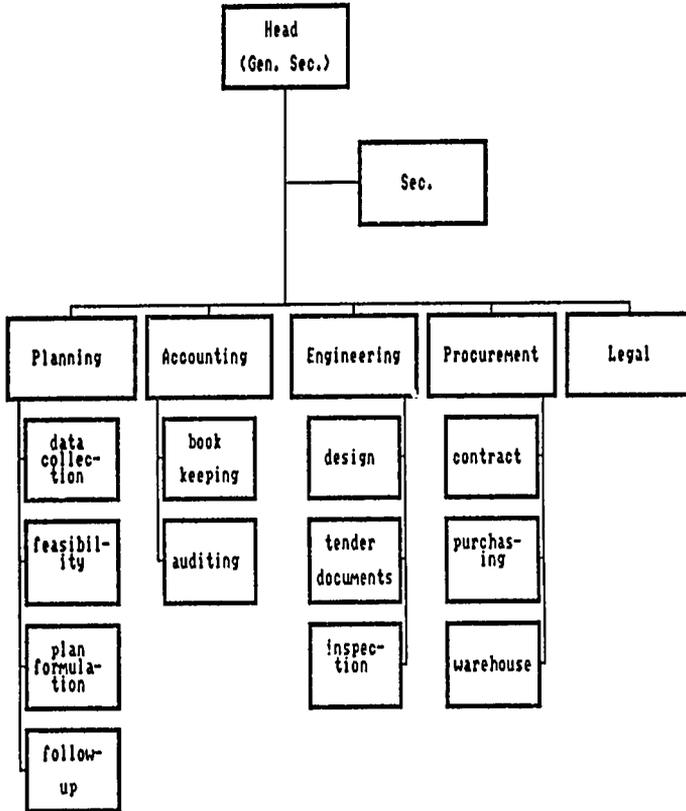


FIGURE 2-3

If this policy is followed, design will start for many sub-projects in August. Then, by late September, a sizeable group of designs will be completed, reviewed and corrected. Early in October, the finished tender document packages will be "on the shelf" awaiting advertisement

**2.4.8 Additional Training:** Continuing training of GOE personnel is a crucial element in the strategy of the BSDS Team. The continuing interaction between BSDS Team members and GOE counterparts, whether jointly reconciling contractor disbursements with sub-project bank statements or visiting construction sites together is a highly valued source of informal (OJT) training provided by the Project. Formal training also (via classes, workshops and structured seminars) is absolutely mandatory and serves to provide a solid foundation on which the BSDS Team can build job-oriented technical advisory services.

A number of very successful NUS core courses, in financial management, engineering design, and construction surveillance will be taught for the first time in Port Said and Suez and will be repeated in some of the other governorates. To supplement this essential background instruction, a number of shorter engineering workshops, very narrowly focused on recurring areas of weakness in the design and construction of sub-projects, have been developed and will be conducted beginning late this year:

- a. Design and inspection of electrical-mechanical components in small buildings: These components, which consistently cause troubles include water-wastewater connections, fixtures, piping, and drains; electric lighting and power circuits, panels, and controls; and air conditioning/ventilation.
- b. Design and inspection of asphaltic and portland cement concrete (PCC) pavements: to include determination of traffic loads on streets and parking areas; structural design including CBR method for asphalt roads; maintenance practises including repair of potholes, and cracked/shattered PCC slabs; and inspection procedures of paving operations.
- c. Design and inspection of foundations for light construction: Review of applied soil mechanics; interpretation of soil boring logs and records; determination of design loads and design procedures for isolated, wall, and combination footings as well as consideration of piles and raft foundations; and inspection of excavated sites, rebar emplacement and concrete pours.
- d. Quality control of plain and reinforced concrete: Aggregate classifications, sampling and sieve analyses; water-cement ratio; properties and testing of concrete; inspection of emplacement of rebars and concrete; and inspection (both function and safety) of form work (shuttering) and shoring.

In addition, a seminar for maintenance management of public buildings which will instruct participating engineers in the identification, delineation, and costing out of maintenance sub-projects in buildings (also infrastructure) will be offered in all governorates. On the financial side, the core course in financial management will be taught for the first time at Port Said and Suez during the July-August timeframe. Then, during the first half of 1989, this course will be offered as a one-time repeat in both Cairo and Alexandria.

Also, a very worthwhile program for long term, in-country training for government accountants and budget analyses is described in the LD II Project Program Paper. The suggested approach is to send a number of local PHD university professors to the US for post-doctoral training. Then, upon their return, they will establish an MBA program in Egypt. Selected officials from the governorates and districts will be funded for this full-time in-Country study program.

The advantages to this in-Country training, as opposed to sending GOE officials to US institutions for two or three years are twofold: first, training will focus on concepts and practices which are applicable to Egypt and second, the problems of the "brain drain" will be avoided. When this program becomes locally operational, it should prove very beneficial for the participating district and governorate officials.

## **2.5 TA GOE Resources**

**2.5.1 Manpower Needs:** As defined earlier in the Section, there is an urgent need for one additional engineer and one additional financial specialist for the BSDS Team if the Team is to fully carry out its mandate of reasonably monitoring on-going LD II Urban Investment and Maintenance Programs, while at the same time effectively and efficiently furnishing technical assistance to the counterparts.

On the one hand, the Team could continue with its present staffing and its current program of widely-spaced spot checks with maximum reliance on the GOE officials and this is in line with the aims of the Project. Unfortunately, day after day, the results of BSDS financial audits and BSDS design reviews and construction visits tell us that this approach at this time is premature and, notwithstanding the past six years of NUS training, GOE counterparts have a genuine need for continuing "hands-on" guidance delivered frequently and in the field.

The reasons for this condition stem from the facts that Port Said and Suez have yet to receive a full measure of training and that the desired institutionalization of Project procedures has not yet fully occurred. Moreover, the constant turnover of personnel resulting from transfers, promotions, and retirements means that new people must be trained and that some GOE personnel (as in the preparation of the Needs Assessments) are being asked to do things that they have never done before.

On the other hand, the BSDS Team must take a more active role in technology transfer and this will require more time in the field and more resources. The additional personnel recommended are:

- a. One Financial Specialist to concentrate on the Maintenance Plans, as well as to provide backup for the other two BSDS specialists.
- b. One Engineer to concentrate on the planning, design, contracting, and construction of maintenance sub-projects.

## 2.6 Program Outputs

**2.6.1 Overview:** If the recommendations of this Report are implemented, there will be, by December 1989, a variety of outputs, some tangible, as in the construction of infrastructure improvements, and some intangible, as in the institutional building effects at both the governorate and district levels.

**2.6.2 Infrastructure Improvements:** With reference to the Investment Plans, the NUS and follow-on LD II FY 87 and FY 88 programs will be essentially complete with acceptable workmanship. These resultant physical improvements in low-income urban areas are in the categories of infra-structure, education, health, youth, markets, and social affairs.

In the LD II Urban Project, it was originally estimated that 550 sub-projects would be completed but much more will be accomplished. In the first two years alone (FY 87 and FY 88), over 800 sub-projects have been approved and funded. To date, over 250 have been completed. It is anticipated that during the next two and one-half years, during the implementation of the third and fourth tranches, similar results will be achieved and, thus, the total number of sub-projects should reach approximately 1600.

To put in perspective the scope of the construction of just the first two years, FY 87 and FY 88, it is necessary to analyze the beneficiaries of these two programs, specifically, how many residents received infrastructure improvements which will allow themselves and their families to enjoy a higher level of basic services. This data is tabulated below:

<u>Governorate</u>	<u>No.Of Sub-Projects</u>	<u>Beneficiaries</u>
Cairo	344	3,189,100
Alex	186	1,671,500
Giza	126	1,870,100
Qaliubia	63	753,200
Port Said	44	292,800
Suez	50	668,200
	<hr/> 813	<hr/> 8,444,900

**2.6.3 Future Budgeting:** The Egyptian Government will partially accept the concept of block grants and the necessity of budgeting for essential capital improvements to be implemented by local government.

**2.6.4 Garages And Workshops:** Also for the Investment Plans, a sizeable number of maintenance facilities (garages and workshops) will be constructed and put into operation. Personnel will be trained in the cost effective operation of these facilities.

**2.6.5 Maintenance Procedures:** For the Maintenance Plans, many structures and operating facilities will be more effectively identified as needing maintenance and repair. Much of this work will be defined, tendered and awarded to qualified contractors, as opposed to simply awarding to an annual contractor with little or no engineering.

**2.6.6 Maintenance Cycles:** Moreover, a system that routinely on an annual basis identifies required corrective maintenance and establishes preventive maintenance cycles will be institutionalized in several of the districts. The Egyptian Government will begin to accept the necessity of budgeting to reduce the immense backlog of deferred maintenance.

**2.6.7 Private Sector Involvement:** Through the mechanism of sub-project implementation, private sector involvement will be enhanced for both consultants and contractors. Architectural-engineering firms will be awarded design assignments by the districts where the work is complex or the schedule tight. Small contractors will develop viable, cost-effective, and technically sound organizations.

**2.6.8 Upgrade Engineering Skills:** Engineers at the district level, as a result of intensive technical training, will upgrade their technical skills and this will be reflected in more detailed designs, more comprehensive construction surveillance, and thus better workmanship on construction worksites.

## Section 3

### PROGRAMMING & BUDGETING

#### PART A - BACKGROUND ANALYSIS

##### 3.1 Review of Project Targets and Mandates

The Arab Republic of Egypt is pursuing a policy of decentralizing national authority to governorates and local units. The Amendments to "The Law of Local Government" in 1981 by passage of Law 50 delegated more authority to local units than previously existed in Law 43 of 1979. There is a two-fold purpose stated in this legislation.

- o through local government, the sovereignty of the people is realized.
- o local government guarantees the mobilization of efforts and participation in the socio-economic development plan and improvement of public utilities and services.

The responsibility for solving local problems at the local level is present. However, the review of existing literature and on-site observation during Phase I indicate three major impediments in implementing full decentralization,

- o Policy development
- o Local resource mobilization
- o Management skills and organization

In that policy development requires continued application of resources to achieve a goal, policy development is now limited by the process of decentralized expenditures but little revenue generating decentralization. The budget-making authority of the Governor is limited by central government finance and planning agencies. If the budget-making authority of the Governor is to increase and be effective, several factors must improve at the local level.

- o Development of staff skills
- o Added control over local revenue generation
- o Early disclosure to governorates of national revenue limits/subsidy
- o Balanced budget deliberations at the local level.

The purpose of the LD II Urban Program is to provide technical assistance to achieve procedural improvements in local government areas by upgrading decentralized municipal management systems in the six urban governorates of Cairo, Qaliubia, Giza, Alexandria, Port Said, and Suez.

This Report addresses the development of municipal management systems within current governorate environments from the standpoint of Task 6 - Programming, Budgeting and Management Information Systems (MIS). Section 3 addresses issues involved with Programming And Budgeting and the need for MIS support. Section 4, MIS, describes in more technical detail the MIS diagnostic findings and recommendations to satisfy Programming And Budgeting needs and development of governorate MIS capabilities. Although both Sections address the same tasks they have been separated to better discuss the technical aspects of each specific area.

The Phase I work program enabled a reconnaissance effort to understand and define the legal, organizational, and process constraints necessary to achieve the seven goals of the Action Package:

- o install Offices of Management and Economic Development (OMED) in the six governorates,
- o implement new budget practices and procedures for the 1989-90 Governorate Budget,
- o discuss and reach consensus with the ULDC and GLDC's on budget development process practices and procedures,
- o coordinate training of OMED staff, governorate and district personnel in management, budget, and analytical concepts and practices,
- o develop and install a five year forecasting model for revenues and expenditures,
- o coordinate annual maintenance plans with the annual budget process,
- o integrate other action packages, O & M, BSDS and solid waste into the overall planning and budgeting framework, and
- o conduct a continuing technical assistance component in developing OMED staff skills in fiscal and economic analyses, and planning.

Action Package 6 as presented in the Inception Report is "conceptual" in nature and has the mandate to analyze and reformulate current processes, procedures and practices. Therefore, Phase I activities centered on findings and recommendation activities rather than on implementation tasks. Milestones contained in the Inception Report have been met to-date with the exception of the MIS Project Tracking System installation. An Arabic System is ready for installation but due to factors beyond our control (i.e establishing a training budget and computer facilities plan budget), installation has been delayed. Another area of concern is the appointment of OMED Directors which is scheduled in the Inception Report to be completed by the end of July 1988. The following Table 3-1, Project Targets and Completion Status, summarizes work progress in Phase I in meeting Inception Report Milestones.

### **3.2 Data Reconnaissance Efforts**

The basic goal during Phase I data reconnaissance field work was to identify the elements in the present budget development process by performing the following tasks:

- o Identify impediments to meeting programming & budgeting Project objectives.

Table 3-1

## PHASE I PROJECT TARGETS AND COMPLETION STATUS

MILESTONE NUMBER	DESCRIPTION OF MILESTONE	INCEPTION REPORT TARGET COMPLETION DATE (PHASE I ONLY)	ACTUAL COMPLETION DATE	REMARKS
1	Mobilization of OMED Task TA Group	End of Jan 1988	End of Jan 1988	
2	Inception Report Completed	End of Mar 1988	End of Mar 1988	
3	*			
4	Interviews Completed & Preliminary Findings Prepared	Mid May 1988	End of May 1988	
5	MIS Findings on Current MIS Support	Mid May 1988	Jun 1 1988	
6	Arabic System Completed Users Manual Prepared	Mid May 1988	End of May 1988	
7	*			
8	*			
9	Detail Work Program Completed for Phase II	Mid June 1988	Mid June 1988	
10	Diagnostic Report Completed - End of Phase I	End of Jun 1988	End of Jun 1988	

\* Milestones not due in Phase I

- o Gain familiarity with the organizational structure and key personnel involved in the budget process.
- o Clarify specific steps in the process not detailed in current GOE literature.
- o Obtain historical budget data.
- o Analyze the relationship of expenditure and revenue amounts by budget chapters.
- o Determine the relevance of final budget allocations to original budget requests.
- o Assess budget growth trends and revenue sources by chapter
- o Discuss the appointment of OMED Directors, their preferred organizational placement, and determine constraints that must be overcome in implementing successful OMED offices.

The Programming and Budget Technical Assistance Group was comprised of the following positions:

Assistant Project Director	Dr. Hamed Mobarek
OMED Group Leader	Pat Moyer
Financial Specialist	Manal Shalaby
Economist	Dr. Mohamed El Eraky

Manal Shalaby and Dr. Eraky comprised the field interview team while Dr. Moubarak and Mr. Moyer were involved in orientation, follow-up and periodic interview meetings. Interview sessions were conducted over a period of three and one half months. Over one hundred people were interviewed in approximately (43) meetings. Interview topics were based on information contained on data request lists, interview questionnaires and identification of issues as a result of in-depth interviews.

The analysis of historical budgets did not focus upon the appropriateness of budget expenditures or subjective comparisons between individual governorates, but rather upon a general picture of urban governorate budgets and budget components.

The Group was not successful in securing all data requested; however, it is felt that the data obtained represents an adequate sample of urban governorate activities to draw the necessary conclusions, needed for this Report. It is recognized that some subtle differences may exist in individual governorates that could not be discerned without receiving all the data requested.

The interview and literature search proved extremely beneficial in determining present conditions, and was of great assistance in developing realistic recommendations and work program timelines for Phase II activities. The following reports were found to be helpful in assessing background and current conditions.

- NUS Final Report

- Summary of the Second Five Year Plan 1989/88 - 1991/92
- The Decentralization of Local Government in Egypt - A Special Assessment for USAID
- Inter-Governmental Fiscal Relations in Egypt and Mobilization of Local Revenues

### **3.3 Analysis of Existing Situation**

At the conclusion of Phase I field work a technical paper, "Review of Urban Governorate Budget Development Process", was prepared outlining and discussing the present budget and the procedures of the capital budget development process. The paper contains the following sections:

- o Budget Administration
- o Process and Timelines
- o Chapters & Formats
- o Revenues & Debt Service

The analysis of the current process relies heavily on the description of the organization, functions and process documented in the technical paper. Included in this Section are selected charts and tables extracted from the Technical Paper.

A key budgeting consideration is the organizational and jurisdictional responsibilities of the various agencies involved in the budget development process at both the central and the local levels. Figure 3-1 displays the various agencies involved.

**3.3.1. Consolidated Budget Development Process and Timelines:** Local government budgets are prepared on a fiscal year basis that starts on July 1, in accordance with Law No. 53 for the year 1973 concerning the state general budget and its amendments thereof, as well as the guidelines and fiscal policy directives prepared by the Ministry of Finance (MOF).

The preparation of local government budgets is outlined in articles 119-124 of Law No. 43 for the year 1979 and its amendments thereof, concerning local government. In a broad sense, the budget of local government units is prepared along two parallel lines; budget estimates for service directorates and budget estimates for general secretariats and councils. Such estimates include revenues and expenditures.

On the national level, steps taken in the preparation of the State's budget are summarized hereunder in Figure 3-2. By tracing the budget development process in local government units, it was found that all units follow the same general rules and procedures. The consolidated budget development process followed by local government units is depicted in Figure 3-3. Once the final budget estimates are approved by the Cabinet and the General Assembly, the budget law is issued and local government budget appropriations follow the path presented in Figure 3-4.

BUDGET ORGANIZATION AT THE LOCAL LEVEL

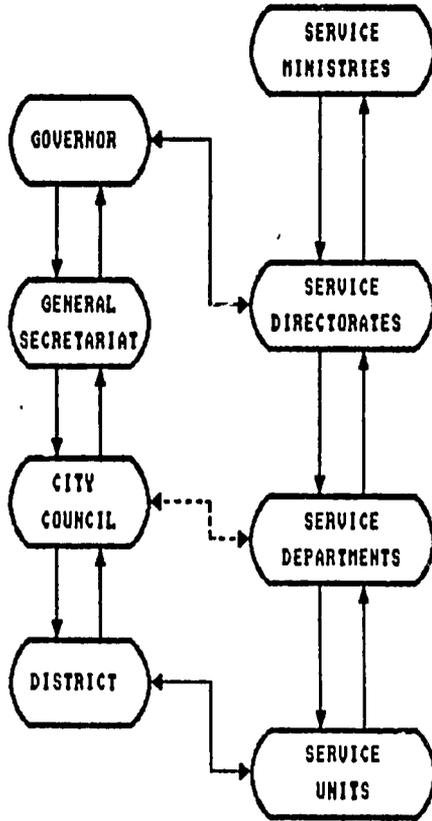
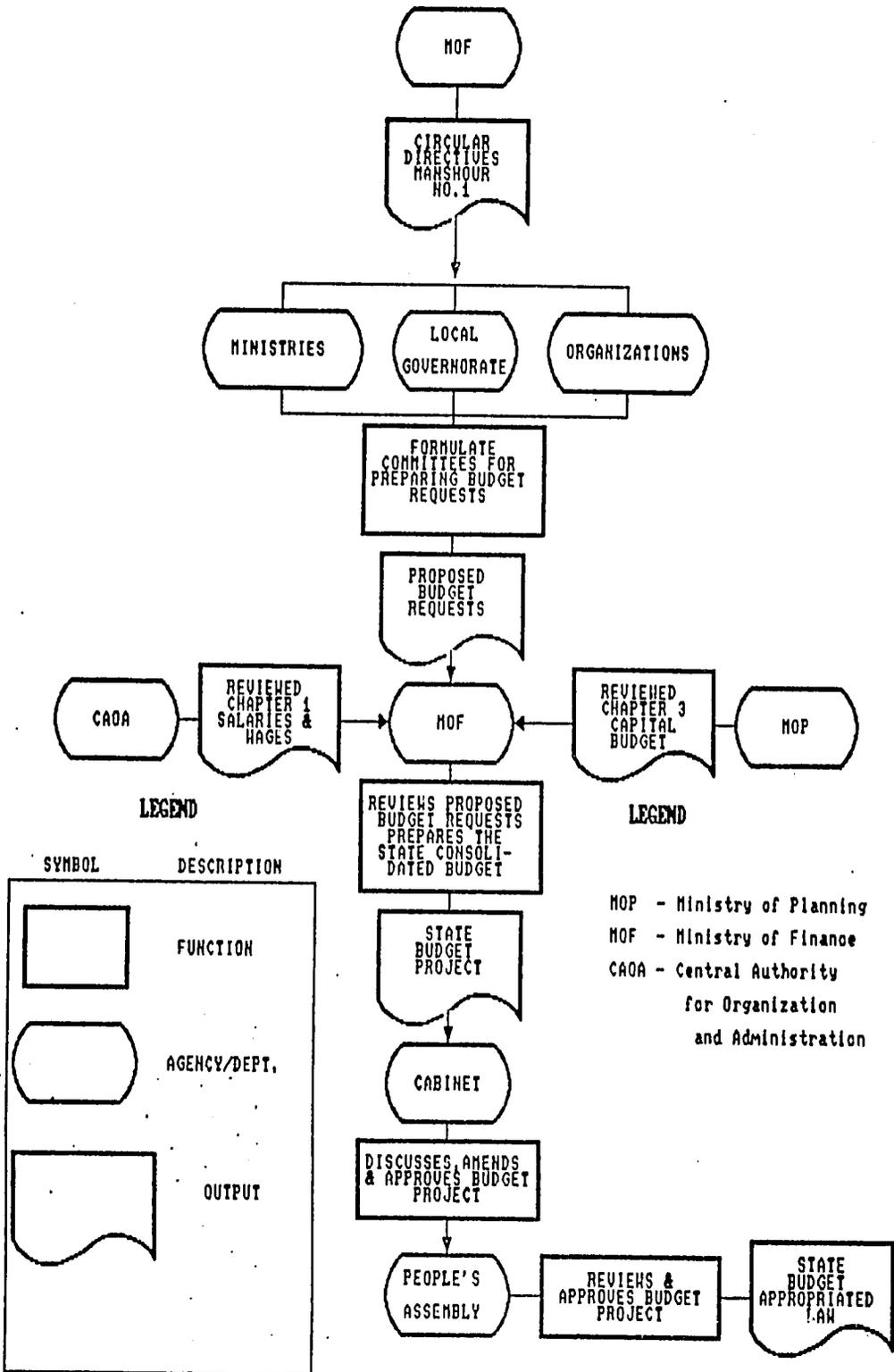


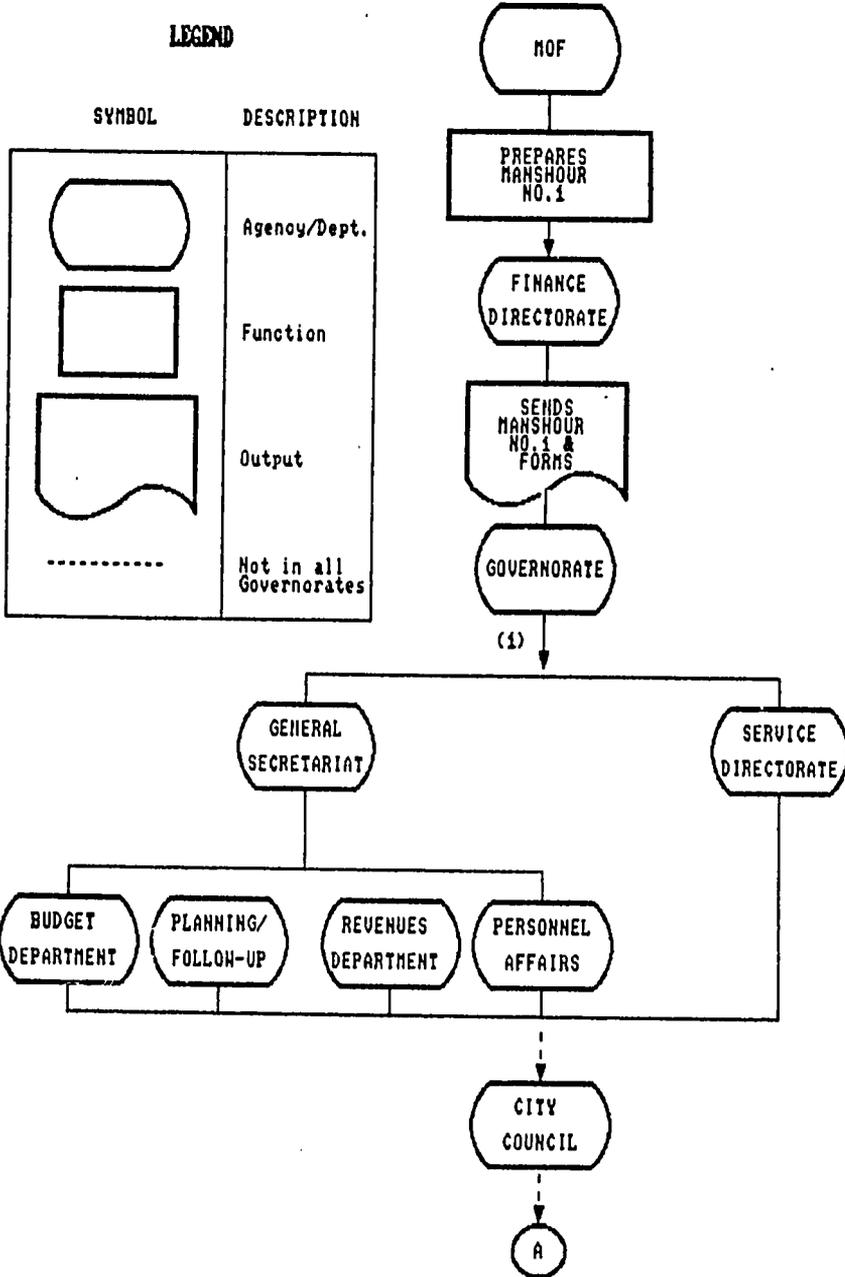
FIGURE 3-1

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STATE'S BUDGET DEVELOPMENT PROCESS



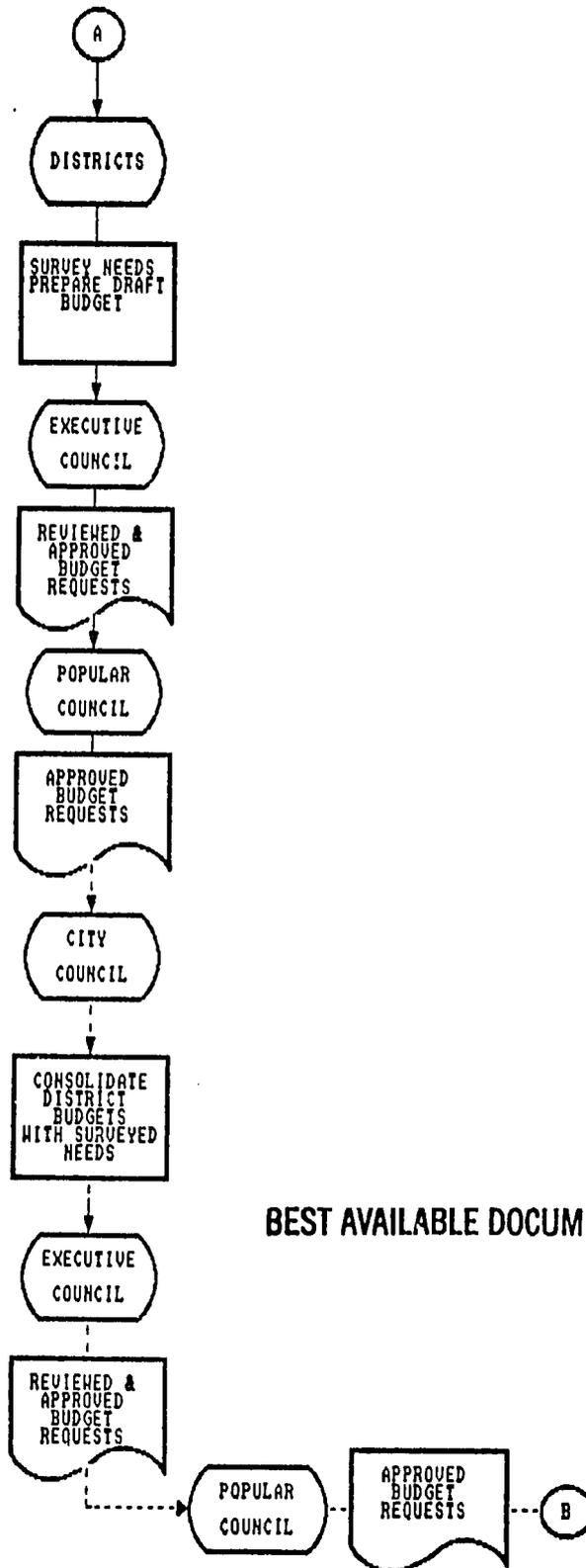
Consolidated Budget Development Process



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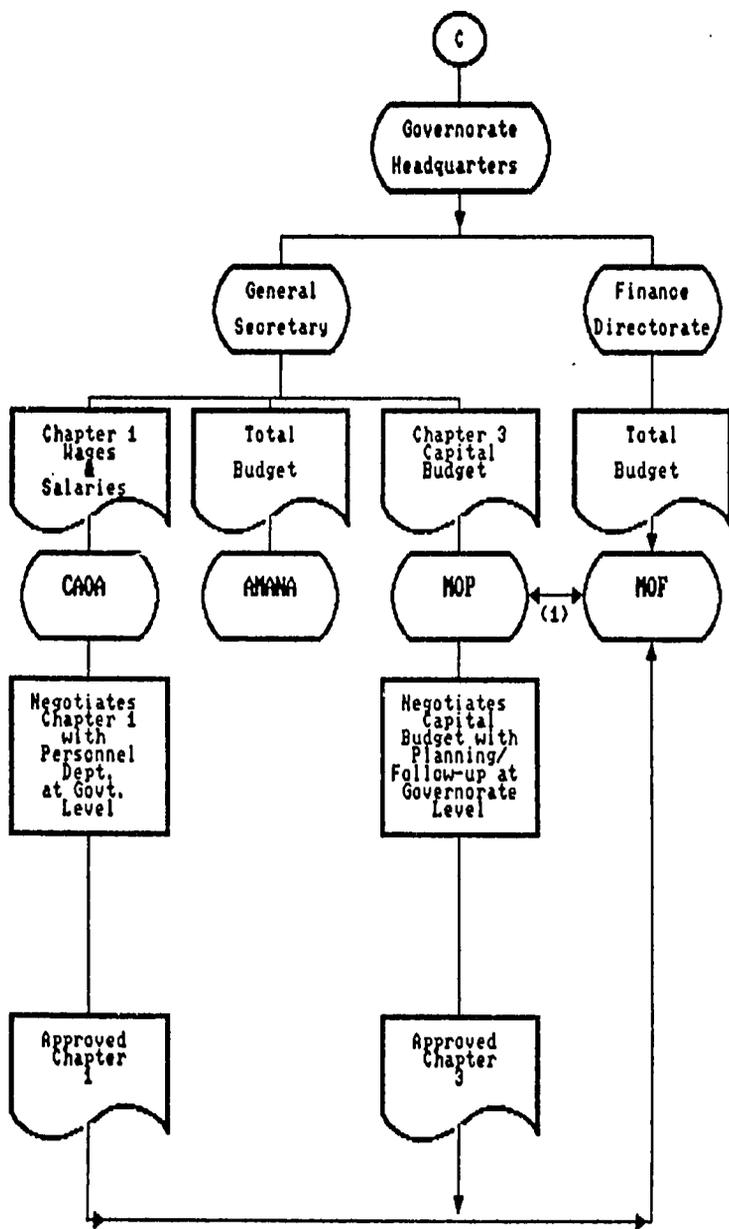
(1) In some Governorates, the Finance Directorate may send the circular directly to City Presidents and District Chiefs.

FIGURE 3-3



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FIGURE 3-3 (CONT)

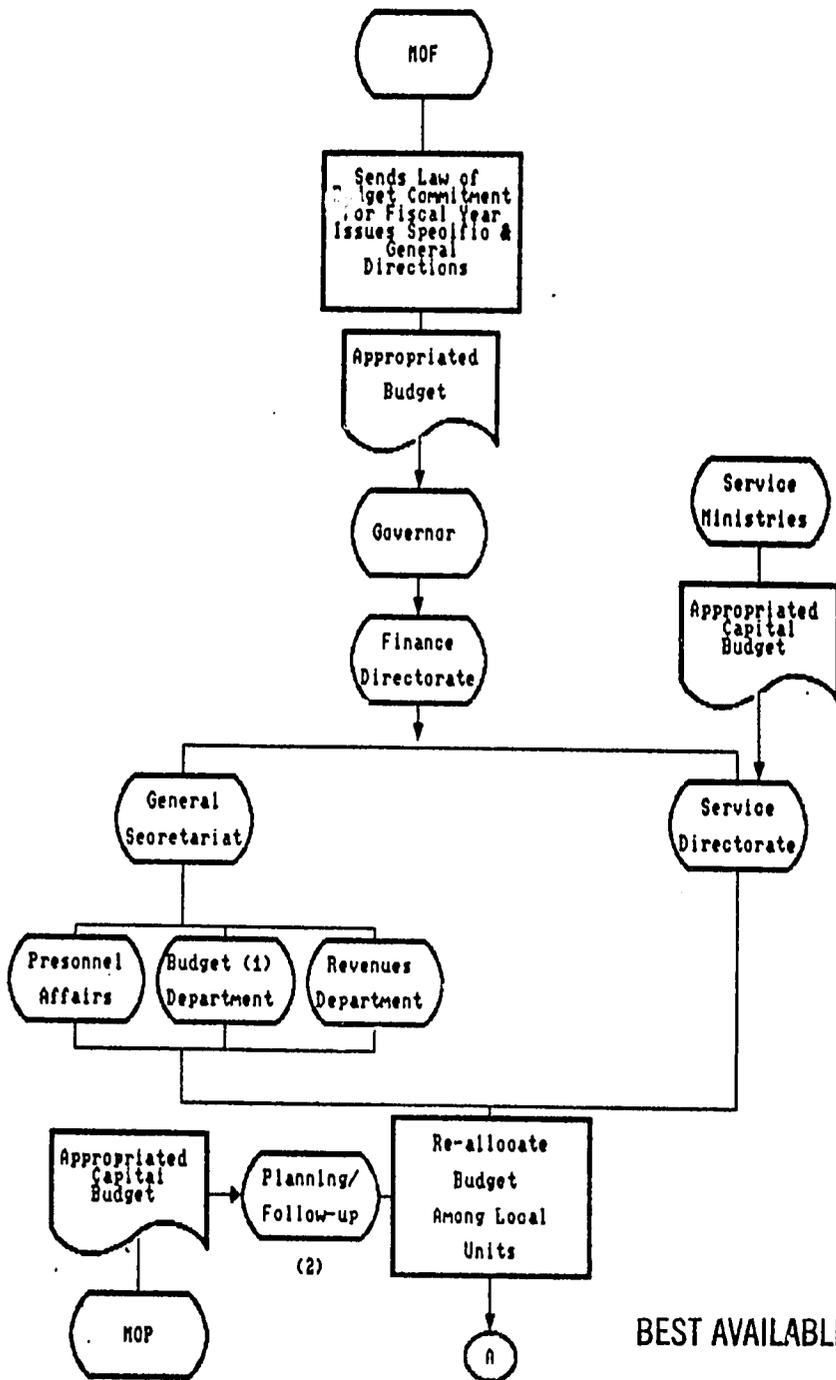


(1) Negotiations

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FIGURE 3-3 (CONT)

CONSOLIDATED BUDGET APPROPRIATIONS



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- (1) In some Governorates, the Finance Directorate Re-allocates Chpt. 2 and not the Govt. Budget Department
- (2) In some Governorates, the Planning & Follow-up may receive an additional copy of the appropriated Capital Budget from the Finance Directorate

The functional description of local government units budget development roles and timelines is summarized in Table 3-2.

**3.3.2 Consolidated Budget Development Process Findings:** In analyzing the budget development process in local governments, the Study Team became aware of various problems affecting the process. In the following discussion, an attempt will be made to outline some of the major problems or apparent deficiencies in the system. It should be noted that problems actually are not unique to any one governorate, but they apply to all governorates.

**3.3.2.1 Timelines;** Timelines for the budget development process are not clearly defined. In both Cairo and Giza Governorates, it was indicated that MOF should receive a copy of the governorate's budget request by January 1st, according to article No. 17 of Law No. 53 for the year 1973 and its amendments thereof, concerning the State General Budget. Both governorates stated that the timeline for the budget is not realistic, in that they received the MOF circular for 1988/89 budget preparation early in November and have a period of less than two months to contact all local units, prepare budget proposals and obtain Executive and Popular Council approvals.

Article No. 13 states that the MOF shall receive budget requests at least four months prior to the beginning of the fiscal year (i.e. March); budget requests are to be sent to MOF no later than mid-February.

Undoubtedly, such contradictory timelines set within the same law and its amendments thereof need to be resolved. It seems that the January deadline is only an advisory one; in that no governorate is penalized for submitting its budget request after January 1st. As for the directives stated in the MOF circular, budget requests should be received by the MOF no later than December 1st. Indeed, this is an unrealistic timeline which was not met by any of the governorates and could not even be achieved, especially if one considers the fact that the circular was prepared by the MOF in October 31 and was delivered to the governorates in early November.

Tight deadlines for budget preparation impose great pressures on local units and may lead to unsound estimates, lack of financial analysis, or the by-passing of the required approvals by the Executive and/or Popular Councils.

**3.3.2.2. Role of Executive and Popular Councils;** Article No. 120 of Law No. 50 for the year 1981, concerning local government, states that the Governor shall present the proposed budget to the Popular Council for discussion and approval at least four months prior to the beginning of the fiscal year (i.e. in March), and before submission to the MOF. This rule is usually not adhered to in local units.

For example, in one governorate, the Executive Council approved the proposed budget requests for the year 1988/89 on February 16, 1988, although the request was submitted to the MOF on January 1st of the same year. As for the proposed 1987/88 budget, it was approved by the Popular Council during December 1987, i.e. after the budget law was already issued.

Table 3-2  
FUNCTIONAL BUDGET AND TIMELINES

Step	Agency/Dept.	Function	Official Date	Actual Range of Dates	Remarks
<b>A. Budget Request</b>					
1	Ministry of Finance (MOF)	Prepares a circular (Manshour No.1) asking ministries and governorates to prepare budget estimates for the coming fiscal year and sends this circular to Finance Directorate.	No official dates for delivery of Manshour	End of October Beginning of November	The circular determines deadlines for submission of budgets as well as guidelines & directives to be applied during the next fiscal period.
2	Finance Directorate	Sends the circular to the local units including: service directorates, general secretariats and councils, specifying deadlines for receiving draft budgets.		Mid-end of November	In some governorates, namely Cairo, the Finance Directorate prepares a guideline (Periodic Book No.2) specifying deadlines. However such specified dates are not binding.
3	Local Units at Governorate Level (General Secretariat and Service Directorates)	Send the circular to city councils or districts requesting their budget estimates. The main departments involved are: the personnel dept., the budget dept., the planning dept. and the revenues dept.		2-3 days following the receipt of the circular	Local units are supposed to formulate a Budget Estimates Committee; however, the role of this committee was not highlighted in most governorates.
4	Districts a. Executive Council b. Popular Council	Prepare budget requests which take the form of a statement of needs rather than a formal budget, as expenditure estimates only are presented. In some governorates, districts may send directly to Finance Directorate. Approval from Executive Council followed by another from Popular Council, should be obtained on proposed budgets before being sent to general secretariats or city councils.		End of November- Mid of December	In some governorates, districts send their budget requests without being approved by their local councils.
5	City Councils a. Executive Council b. Popular Council	Consolidate district budget requests with the city's surveyed needs and obtain approvals from executive and popular councils. Consolidated budget requests are sent to general secretariats.		Mid of December- Mid of January	Budget requests may be sent without being approved by local councils.

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Table 3-2 (Cont.)  
FUNCTIONAL BUDGET AND TIMELINES

Step	Agency/Dept.	Function	Official Date	Actual Range of Dates	Remarks
6	Local Units at Governorate Level	Receive budget requests, prepare a consolidated budget for the local unit at the governorate level and send a copy to Finance Directorate. Service directorates and agencies prepare their budgetary estimates in cooperation and coordination with the concerned ministries.	According to Article No.119 of Law No. 50/1981, local units should submit their proposed budgets to the governorate at least 5 months prior to the beginning of the fiscal year (i.e. in February).	Mid of December - End of January	Chapter 4 is prepared by general secretariats. The Central Dept. for loans at MOF prepares and/or reviews loan installments and debt service, then informs Budget Dept. about the share of debt repayments.  If for any reason a local unit fails to present its budget request on time, the governorate Budget Dept. may add between 10% - 20% above end of previous fiscal year's account for that unit in the total proposed budget
7	Finance Directorate	Receives budget requests from general secretariats and service directorates, reviews proposed budgets, consolidates them into one form for the whole governorate and prepares summary tables for presentation purposes.		End of December - Beginning of February	The governorate proposed budget does not usually include the capital budget (Chapter 3) for all or most of the service directorates.
8	Executive Council	The "Plan & Budget Committee" which is comprised of: governor, general secretary, heads of the various directorates and general secretariats as well as district chiefs reviews, modifies and coordinates the proposed budget requests.		Mid February	Although by law, the Executive Council should approve the proposed budget request before being sent to MOF, in some governorates, such procedure is not followed.

Table 3-2 (Cont.)  
FUNCTIONAL BUDGET AND TIMELINES

Step	Agency/Dept.	Function	Official Date	Actual Range of Dates	Remarks
9	People's Council "Permanent Committee"	Reviews and approves governorate proposed budget requests after being approved by the Executive Council	According to Article No. 120 of Law No. 50/1981, the Governor should present the proposed budget to the local People's Council for discussion and approval at least 4 months prior to the beginning of the fiscal year (i.e. in March) and before being sent to MOF.	-	In most governorates, proposed budget requests are sent to MOF without being approved by the local People's Council.
10	Finance Directorate	Sends a copy of the proposed budget request to MOF.	According to article No.13 of Law No.53/1973, MOF & MOP should receive budget requests at least 4 months prior to the beginning of the fiscal year, (i.e. in March). According to article No.16 of Law No.53/1973, MOF should receive budget requests by a maximum date of Jan 1st.	January 1st, -Beginning of February	Within the same Law No. 53/1973, concerning the State general budget two articles contradict the dates of submission of the budget request to MOF.
11.	General Secretary	(1) Sends a copy of Chapter 1 (wages and salaries) to the Central Authority for Organization and Administration (CAOA) which reviews it, may negotiate it with the Personnel Dept, and the Organization and Administration Directorate and notifies MOF of its approved requests	According to Article No.17 of Law No. 53/1973 and its amendments thereof, CAO A should receive a copy of Chapter 1 according to dates specified in MOF circular.	Beginning of January- Beginning of February	No exact dates were specified in MOF circular

Table 3-2 (Cont.)  
FUNCTIONAL BUDGET AND TIMELINES

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Step	Agency/Dept.	Function	Official Date	Actual Range of Dates	Remarks
12	MOF	(2) Sends a copy of Chapter 3 (Capital budget) through Planning/Follow-up Dept. to MOP which reviews it, negotiates it and notifies both MOF and NIB (National Investment Bank) of approved requests  Notifies Finance Directorate which in turn notifies local units about the time schedules for discussing budget requests for the current budget (Chapter 2)	4 months prior to the beginning of the fiscal year (i.e. in March)	Beginning of January- Mid of February	Revenues of Chapter 3 are balanced by MOF in light of negotiations with MOP (Ministry of Planning) and NIB.
				Beginning of February- Beginning of March	This meeting is considered a crucial step in the budget appropriations procedure.
	<b>B. BUDGET APPROPRIATION:</b>				
13	MOF	Sends the approved budget (appropriated) to the Finance Directorate accompanied by a set of general and specific directives for implementation of the budget during the fiscal year.		Beginning- Mid July	The approved budget is significantly different from the requested one.
14	Finance Directorate	Notifies local units at the central level (Personnel, Budget & Revenues Depts.) of the appropriated budget & MOF directives.		(1)	The Planning Dept. is notified through MOP about the capital budget appropriations
15	Local Units at the Governorate Level:  a. Executive Council  b. Popular Council	General secretariats determine central expenditure allocations at the governorate level and the total share of each city council or district, obtain approvals from both Executive and Popular Councils and send the share of each city council and/or districts to be allocated among sectors and activities.		(1)	In some governorates, like Giza, the Finance Directorate and not the Budget Dept. re-allocates funds at the central level for the current budget.
16	City Council a. Executive Council  b. Popular Council	Determines allocations at the city level and the remaining funds are allocated among districts. Approvals from both executive and popular councils are obtained and appropriated funds are sent to districts.			
					(1) N.B. The process of re-allocation of approved budget may extend to a period of three months.

Table 3-2 (Cont.)  
FUNCTIONAL BUDGET AND TIMELINES

BEST AVAILABLE DOCUMENT

Step	Agency/Dept.	Function	Official Date	Actual Range of Dates	Remarks
17	Districts	If any district needs additional funds, the governorate may make a supplementary allocation from the centrally budgeted funds.			
18	Service Directorates	Service Directorates follow the same above mentioned procedure with the exception that they receive appropriations from concerned ministries.			
C. ACTUAL EXPENDITURES					
19	Central Bank (or a representative bank)	<p>Funds are disbursed as follows:</p> <ul style="list-style-type: none"> <li>- For the current budget (Chapters 1 &amp; 2) funds are disbursed monthly. Actual expenditures represent 1/12 of the total appropriated budget.</li> <li>- For Chapter 4, loan installments are repaid on due dates according to each loan agreement.</li> </ul> <p>Revenues are collected and transferred to the same account at the Central Bank, in the name of each governorate.</p>			<p>These procedures are specified according to:</p> <ul style="list-style-type: none"> <li>- Law No.53 for the year 1973 concerning the State General Budget and its amendments thereof (articles 159-165)</li> <li>- MOF circulars No. 3 &amp; 6 for the year 1986.</li> </ul>
20	National Investment Bank	Disburses funds for Chapter 3 allocations (i.e. capital budget).			
21	Financial Manager	In light of the commitment record, the Financial Manager checks before any expenditure is made that: an allocation exists for the item, commitment is within the limit of existing allocation and that expenditure is made for the item for which the allocation is provided. After checking all documentary forms, the payment is authorized.			The Financial Manager is a representative from MOF. His role is applied to all levels of local units.

The procedural rules for approval by local councils is also ignored. For example, in one governorate 1988/89 budget requests were forwarded to the City Council without being approved by their Local Councils. The Executive Council approved district budget requests two weeks after submission and the Popular Council approved it within the same month. As for district 1987/88 budget appropriations, Local Councils did not approve requests before March 1988.

This, in fact, is not the pattern in all governorates. In some governorates, approval of Local Councils on budget requests and appropriations is considered mandatory before submission of budget requests or implementation of budget appropriations.

The questionable issue in this context is how MOF accepts budget requests without being approved by Local Councils, not only at the district level, but at the governorate level as well.

**3.3.2.3 Duality of Local Budget:** The dual reporting relationship is one of the most critical obstacles to achieving decentralization in local government budget preparation. The dual reporting nature stems from the fact that service directorates (health, education, social welfare, etc...) are technically supervised by their concerned ministries, and administratively supervised by the local unit's general secretariat. This creates a degree of duality and overlap in the budget preparation process. Service directorates within local government units prepare their budgetary requests in coordination with the concerned ministries, especially with respect to capital budget estimates. Consequently, capital budget appropriations are assigned to service directorates directly through concerned ministries.

**3.3.2.4. Allocation of Funds:** There is no discrete relationship between revenues and expenditures in local government units. Allocation is primarily confined to the expenditures side. Revenues are primarily determined at the central level due to the significant amount of subsidy. Chapter (Bab I (wages and salaries), is considered mandatory for local units. The governorate has little flexibility in impacting this chapter. Chapter (Bab) IV (Loans and credit facilities) expenditures are annually distributed to governorates by the central government with matching subsidy revenue. Therefore, allocation decisions are primarily centered on Chapter (Bab) II (current expenditures) and Chapter (Bab) III (capital budget).

Following the issue of the budget appropriation law, the allocation decision is made in two stages. The first stage involves the allotment of funds between the general secretariats (at the central level) and the city councils and/or districts. The balance of the funds is then allocated among districts.

Throughout the interviewing process, the Study Team concluded that there are no uniform criteria or standards governing the reallocation process. This depends, to a great extent, on previous fiscal year expenditure history. For example, in some governorates, a percentage ranging between 10-20 percent is added over previous year accounts.

In summary, the budget process does not balance revenue and expenditures. Moreover, the move towards decentralization in local government units through the delegation of management and administrative authorities is limited by the fact that

districts lack their own financial resources. The delegation process only applies to expenditures as significant revenues are determined and controlled at the central level. In respect to allocation of funds, there are no standard criteria for priorities of allocating expenditures.

**3.3.2.5 Preparation of Budget Estimates:** The interviewing process, as well as analysis of prior year budgets, revealed that preparation of budget estimates is largely based on historical precedents with no performance, economic, or cost/benefit analysis basis. For example, for some items of the current budget, an average "mean" is computed for the past three years. For other items, a percentage amount ranging between 10 to 20 percent is added to end of previous year accounts. For some other cost items, such as fuel consumption and spare parts requirements, a technical breakdown is presented. A subjective estimate is presented for other items, such as telephone expenditures. With respect to anticipated revenues, they are computed without solid research methods as a percentage increase over previous year accounts. No guidelines are provided by MOF on Central Government subsidy expectations.

**3.3.2.6 Annual Maintenance Plan:** There is no annual maintenance plan applied in any of the governorates, apart from maintenance of USAID funded facilities. No segregation is undertaken between major maintenance, emergency maintenance, or preventive maintenance programs. Only emergency maintenance activities are undertaken in local government units. The impact of new investment programs or increased operational costs are not considered or integrated in the Annual Budget.

**3.3.2.7 Negotiations with Representatives of MOF:** After the budget request is submitted to MOF, a meeting is scheduled with representatives of the governorate and MOF, and the proposed budget is discussed. Most of the governorates noted that this meeting takes the form of a bargaining procedure, where budget appropriations are initially assigned. It was indicated in the interview process that governorate officials felt that technical and financial "justifications" attached to budget requests are ignored. This is primarily attributed to the fact that there are no criteria established for the decision process. This, coupled with the lack of sufficient program costs and performance measurement standards, make the process a subjective bargaining approach, with little consideration or projection of local needs and priorities.

The impact of these negotiations are marginal changes to the final budget, and a process that may not reflect equitable distribution of resources to meet governorate needs.

**3.3.2.8 Chapter (Bab) Structure:** One of the short comings of the classification system is that no relationship exists between revenue chapters and expenditure chapters. An analysis of the Cairo Governorate's budget appropriations for the fiscal year 1986/87 in Table 3-3 indicates that the first chapter expenditures are almost twice the first chapter revenues. Chapter IV revenues are more than four times Chapter IV expenditures. Note that Chapter IV revenues cover exactly Chapter III expenditures (investment applications). The difference between local revenues and local expenditures can be defined as the budget deficit.

This deficit is perceived differently by local government units in Egypt. Officials in the financial departments refer to this deficit as a finance deficit not as budget deficit.

They contend that the Central Government finances this deficit through provision of subsidies to local governorates. Therefore, each governorate's budget would appear balanced. When the Central Government's subsidy is allocated, the total appropriation is established. Local government units are not allowed to exceed the budgeted expenditure level and create a budget deficit.

Table 3-3 indicates that Cairo Governorate received L.E. 119.5 million in FY 1986/87 from the Central Government, in the form of subsidies.

In addition to subsidies, L.E. 57.8 million is borrowed; mainly from NIB (National Investment Bank), to finance capital investment projects. Thus, estimated local revenues are actually short by L.E. 177.3 million to finance all Governorate programs for 1986/87. Cairo local revenues finance only 44.6 percent of the Governorate's budget. The other 55.4 percent is secured from long-term loans and subsidies.

3.3.2.9 Debt Service; Chapters II and IV on the expenditures side of the budget deal with debt service costs. The interest cost of loans to finance new projects is shown in Chapter II. Financing capital projects is usually done through borrowing from domestic or foreign lenders. Loan installments on principal payments are shown in Chapter IV. Interest expense is buried in Chapter II. This method of classifying debt service costs in different funds is contrary to sound municipal accounting standards and fails to disclose full debt service obligations at the governorate level.

Table 3-3  
CAIRO GOVERNORATE  
BUDGET FOR FY 1986/1987

Expenditure Chapters	Sub-Total (LE 000,000)	Revenue Chapters	Sub-Total (LE 000,000)
1. Salaries & Wages	197.6	1. Sovereignty Revenues	91.8
2. Current Expenditures & Current Transfers	51.3	2. Current Revenues & Current Transfers	42.3
3. Investment Applications	57.8	3. Miscellaneous Capital Revenues	8.7
4. Capital Transfers	13.4	4. Loans & Credit Facilities	57.8
Total	320.1	Total	200.6
		Required Central Government Subsidy	119.5

Source: Cairo Governorate

3.3.2.10 Analysis of Current Format; The local government budget format in Egypt can be described as a line-item budget, or input budget. That is, the budget is detailed according to the different expenditure outlays such as wages, fuel, spare parts, and publications, without any reference to specific programs. The budget document format makes it difficult to hold any government unit accountable. The budget format represents the inputs to government activities only. The efficiency of doing government business and the output of government expenditure on different items are not known.

Like any production process, the government uses different inputs to produce goods and services. The present format negates historical comparisons. Without historical program data, the governorates are severely handicapped in performing fiscal and economic analysis.

It would be important to reformulate the budget document in such a way as to show programs, outputs and the final impact on the public. This would facilitate cross-agency comparisons and would enhance the principles of cost-effectiveness and accountability.

**3.3.3 Capital Budget Development Process & Timelines:** The Capital Budget process is developed in accordance with articles No. 74-85 of Law No. 53 for the year 1973 concerning the state general budget and its amendments thereof. The Capital Budget development process, as distinguished from the Consolidated Budget is presented in Figure 3-5. Figure 3-6 summarizes the Capital Budget appropriation process following the issue of the budget law.

The functional description of local government units Capital Budget development roles and timelines is exhibited in Table 3-4.

### **3.3.4 Capital Budget Development Process & Timelines Findings**

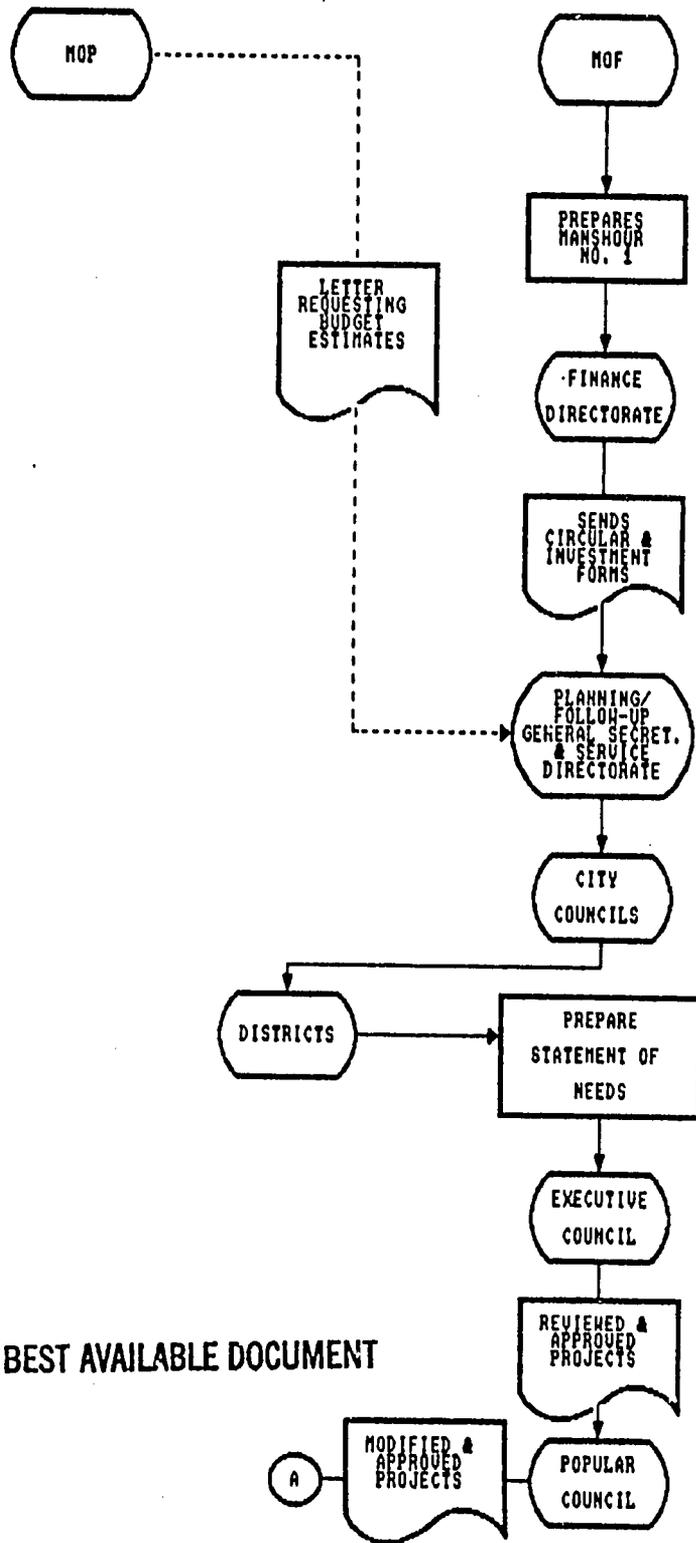
**3.3.4.1 Allocation of Funds:** In allocating funds among the local government levels, almost all interviewees indicated that priorities are determined according to the Five-Year Plan and following set of criteria:

- completion,
- replacement and renewal, and
- new projects.

In some governorates, it was noted that priority is primarily given to finding a solution to an existing infrastructure problem and to impacts of population growth rates. Nevertheless, there does not appear to be clear criteria for the allocation of funds among sectors, activities and projects.

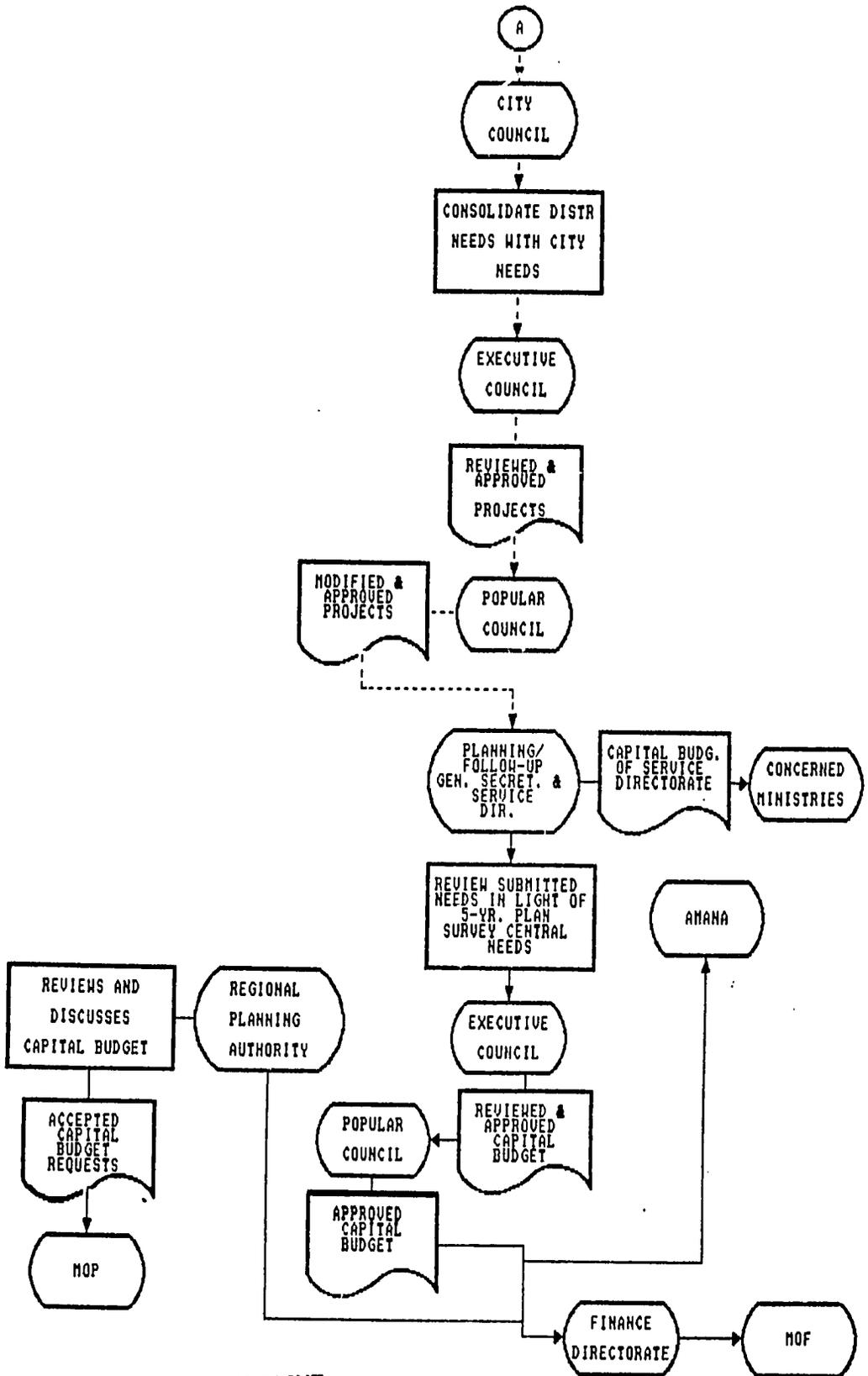
It was indicated in one of the interviews that appropriations of the Five-Year Plan among economic regions are based on population densities, rather than on actual needs. According to the interviewee, such unfair allocation of total appropriations disturbs the balance of services among the various governorates. The absence of any visible criteria or allocation formula can produce such conclusions, whether valid or not.

**3.3.4.2 Planning at the District Level:** Interviews revealed that planning and capital budgeting at the district level is primarily confined to roads and pavements. Decisions at that level are limited to the task of follow-up on projects executed during the fiscal year.

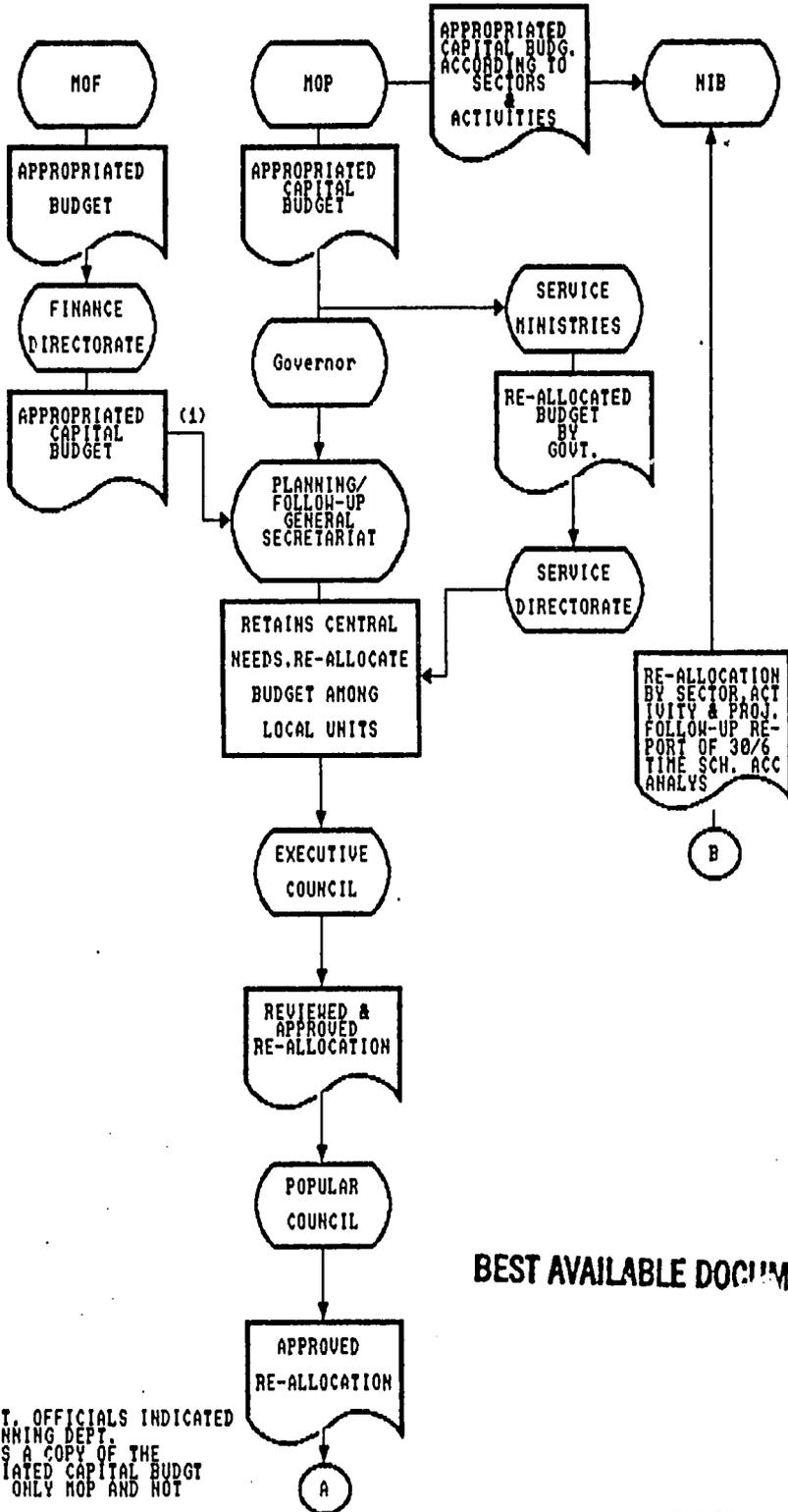


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FIGURE 3-5

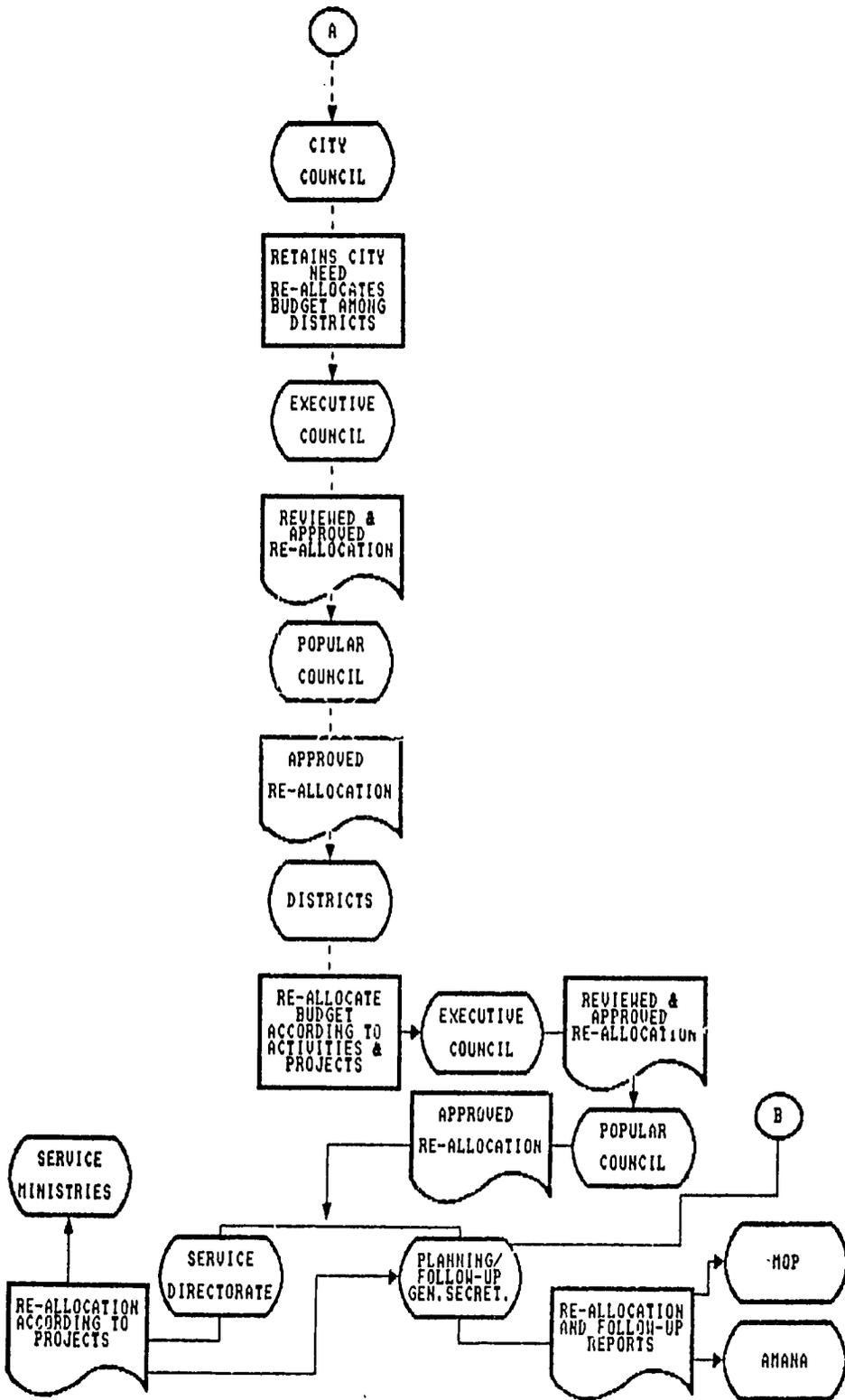


Capital Budget Appropriations



(1) SOME GOVT. OFFICIALS INDICATED THE PLANNING DEPT. RECEIVES A COPY OF THE APPROPRIATED CAPITAL BUDGET THROUGH ONLY MOP AND NOT MOF

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**BEST AVAILABLE DOCUMENT**

FIGURE 3-6 (CONT)

Table 3-4  
FUNCTIONAL CAPITAL BUDGET AND TIMELINES

Step	Agency/Dept.	Function	Actual Due Date	Remarks
<b>A. BUDGET REQUEST</b>				
1.	MOF	Sends circular, Manshour No. (1), for budget preparation to Finance Directorate.	Early November	There are no directives for annual Capital Budget preparation from MOP (Ministry of Planning) some governorates received letters from MOP requesting Capital Budget estimates.
2.	Finance Directorate	Sends the Manshour and Forms to Planning\Follow-up at governorate level (General Secretariat) as well as Service Directorates.	Mid-End of November	There are ten forms for the Capital Budget requests; these are sent by MOF, but prepared by MOP.
3.	Planning\Follow-up (General Secretariats)	Sends circular to heads of central branches as well as heads of City Councils or district chiefs requesting Capital Budget estimates..	Mid-End of November	In most governorates, the forms sent are developed by the General Secretariat and are different from those prepared by MOP.
4.	City Council	Sends request to district chiefs as well as central branches.	Beginning-End of November	Some City Councils do not wait for MOF circular and may request budget estimates beforehand.
5.	Districts a. Executive Council b. Popular Council	Prepare a statement of needs, determine cost estimates, define priorities, obtain approvals from Executive and People's Councils and send proposed Capital Budget to City Council and/or General Secretariat.	Beginning of November-Mid of December	Some districts sent their Capital Budget requests as of the beginning of November, without waiting to receive MOF circular.
6.	City Council a. Executive Council b. Popular Council	Consolidates information from districts with its own surveyed needs, obtains approvals from Executive and Popular Councils and sends budget request to General Secretariat.	Mid of December-Mid of January	

Table 3-4 (Cont.)  
FUNCTIONAL CAPITAL BUDGET AND TIMELINES

Step	Agency/Dept.	Function	Actual Due Date	Remarks
7.	General Secretariat a. Executive Council b. Popular Council	Surveys needs at central level, reviews submitted projects in light of the following: the 5-year plan (new projects which were not included in, the 5-Year Plan may be introduced and justified) and technical viability of projects (conducted by engineers). Obtains approvals from Executive and Popular Councils and a copy of the proposed Capital Budget is sent to the following agencies:	Mid of December - End of January	<ul style="list-style-type: none"> <li>- It was noted that MOP is not aware of the projects included in the 5-Year Plan.</li> <li>- The year in which a project is executed is tentative because commitment of the 5-Year Plan is specified as separate for the first year and as a total figure for the other 4 years.</li> <li>- Only social analysis is conducted; but no economic appraisal is undertaken.</li> </ul>
	i. Finance Directorate	Includes total figures of the Capital Budget within the governorate's total budget requests and submits it to MOP	End of December- Beginning of February	Capital Budget for Service Directorates may not be included.
	ii. AMANA	Receives a copy of the budget request estimates through the General Secretary.		Reviews process only.
	iii. Concerned Regional Planning Authority	Discusses proposed Capital Budget mainly with General Secretary and Head of Planning Dept., modifies it and sends it to MOP.	Discussions start taking place in Mid February.	Discussion may extend from one to three days.
8.	Service Directorates  B. BUDGET APPROPRIATION	They follow the same above mentioned procedures except that their projects and priorities are determined in coordination with concerned ministries.		
9.	MOP	Negotiates proposed Capital Budget with MOP and decides on commitments which are approved by Cabinet and People's Assembly. Notifies MIB, General Secretariat, and Service Ministries of committed budget.		Appropriations usually take place according to sectors and activities.
10.	General Secretariat	Receives appropriations from MOP and MOP through Finance Directorate.	1/7 - 15/7	



There is a dependency relationship of districts on the city or governorate. This primarily stems from the fact that districts lack identified and dependable revenues sources.

**3.3.4.3 Ministry of Planning (MOP) Appropriations:** The interviews did not confirm an objective appropriation process based on known planning criteria. The allocation process should be based on an equitable distribution formula considering Five-Year Plan goals, population levels and other factors similar to the LD II urban formula.

**3.3.4.4 National Investment Bank Role:** Most officials at the governorates indicated that the major problem during implementation of the Capital Budget is caused by the system of disbursement of funds supplied by NIB. The repetitive exposure of contractors to the procedures applied by NIB to disburse funds creates an uncertainty as to when funds will be received. Contractors refrain from starting, continuing or completing their construction work until they receive their progress payments. This causes an unnecessary delay during the construction phase of projects.

During execution of the Capital Budget, if prices exceed the appropriated budget and the contractor requests the differential in prices, this has to be approved first by the State Council and then raised to MOP which either provides through NIB the additional appropriation during the same fiscal year, or includes it in the following year's appropriations. Until last year, end of year surpluses were transferred to the following year; however, starting this year, surplus is returned to NIB.

Presented hereunder, is an example of the timelines for disbursement of funds by NIB during the fiscal year 1987/88 in one of the governorates.

**Example of NIB Timelines  
For Disbursement of Funds**

<b><u>Date</u></b>	<b><u>Agency/Dept.</u></b>	<b><u>Action</u></b>
7/9/87	NIB	Sent the deposit portofolio for the first quarter
7/12/87	Planning Dept.	Sent a follow-up report and requested disbursement of the second quarter funds.
2/1/88	NIB	Sent the deposit portofolio for the second quarter
8/3/88	NIB	Sent the deposit portofolio for the third quarter. (It is to be noted that the end-of-year account at 30/6/87 for the 1986/87 budget was audited by the General Organization for Accounts on 31/12/1987. The surplus was "included" and not "added" to the third deposit portofolio).
3/4/88	Planning Dept.	Sent the follow-up report and requested the fourth disbursement of funds from NIB. Until 13/4/88, they had not received that deposit portofolio.

**3.3.4.5 Capital Project Formulations;** Governorates do not apply . . .-year phasing strategy to coordinate expenditures and sources of finance. In conducting feasibility studies for new projects, governorates rely primarily on outside agencies or consulting offices. There is no real social or economic analysis conducted at any level of the governorate, only preliminary estimates of construction costs and the number of beneficiaries. These are primarily prepared by technical engineers. Without the involvement of financial analysts, only ad-hoc estimations of expenditures related to similar projects are produced. No cost/benefit analysis is conducted.

**3.3.4.6 The Five-Year Plan;** The first Five-Year Plan starting (1982/1983) was prepared in a very short time span with little developmental research. However, governorates discovered that it was binding. Any modifications required approvals from both MOP and MOF. An audit of Plan execution was conducted by the "Performance Evaluation Unit" of the Central Agency for Auditing. Consequently, Governorates devoted more time to the preparation of the second Five-Year Plan (1988/92). Planning officials started following a "scientific approach" in estimating expenditures. According to planners at the governorate level, the scientific approach entailed projecting population growth, increases in rates of newly born and death rates, etc., as well as coordinating among the various sectors and activities included in the Five-Year Plan. A typical example entails the coordination conference of the Five-Year Plan activities that was held in Cairo Governorate this last February. Consequently, the national Five-Year Plan provides an excellent strategic planning basis for governorate developmental plans. Governorate five-year developmental plans can be an excellent basis for developing capital improvement programs.

**3.3.5 Five-Year Forecast:** The review of local governments budgets indicates that there is no real effort to forecast revenues and expenditures beyond one fiscal year. The current method of estimating next year's revenues and expenditures depends on the arithmetic average of the preceding three years. Dependence on the averages neglects the impact of the underlying economic and demographic variables such as inflation, and population and economic growth. In addition, one year forecasting does not allow local governments to plan ahead for their development programs in light of predicted revenues.

Good five-year forecasting would enhance the relationship between MOF and local governments. Currently, there is a lack of communication on revenue estimating. Local governments tend to overestimate their expenditures and underestimate their revenues, in turn MOF does the opposite. If MOF feels that local revenues and expenditures are forecasted properly, the budget request will be a useful document in deciding on budget appropriations. MOF could aid in this process by informing local government in a more timely manner of next year's revenue estimates.

## **PART B - WORK PROGRAM IMPLEMENTATION**

### **3.4 Implementation Strategy**

Phase I work activities resulted in findings and recommendations that will affect the timing of the Phase II Work Program. In summary, the major points discussed in the preceding section are:

- o The inability of the present budget system format and structure to effectively provide a discrete data base for current and historical program costs seriously restricts a meaningful analysis process.
- o The present manual system of processing budget development data is inefficient. The manual processing system, coupled with short timelines, hampers communication of detailed budget information to the Executive and Popular Councils and impedes a reflective and analytical budget development process.
- o The complex organizational responsibility for budget preparation results in time delays and a fragmented process as no single department is responsible for the total budget process, or development of budget recommendations to the Governor and Popular Council.

Factors considered in the development and implementation strategy of the Phase II Work Program are:

- o The legal constraints,
- o the impact of change on current organizations,
- o a realistic plan for automating present systems,
- o a strategy to gradually implement change,
- o recognition of a bureaucratic resistance to change,
- o training and technical assistance must be an intrinsic component and carefully programmed to complement each stage of development if institutionalization is to occur.

The TOR outlines a timeframe to allow implementation in all Governorates with the technical assistance resources available. However, the implementation strategy must be based on more intense technical assistance in a few governorates during the first year, with expansion of proven systems to other governorates in subsequent periods. The success of the plan hinges on the cooperation and input of selected governorates. The proposed plan is more realistic than attempting system-wide change simultaneously in all six governorates.

The geographical distribution of the governorates, and the natural organizational aversion to change would handicap a meaningful simultaneous conversion in all governorates given the limited TA staff. Therefore, the approach is keyed to achieving successful implementation and institutionalization of recommended improvements to several governorates, and expanding these proven systems and methods to other governorates in subsequent work program phases.

The following plan for implementation of Phase II activities recognizes that additional assistance is required beyond December, 1989. Directed training will be an integral component of this plan and, in many cases, specific courses must be conducted in tandem with development and implementation.

**3.4.1 Office of Management & Economic Development (OMED):** The GOE has requested in the LD II Urban Contract an appointment and establishment of an Office of Management and

Economic Development (OMED) in the six urban governorates. The purpose of this office is to plan and manage financial resources through the implementation of Municipal Management systems.

**3.4.1.1 Financial Planning:** The Phase I review of the organizational involvement in the budget development process indicated a need for restructuring the governorate organizational structure to accomplish

- o improved financial planning
- o modernization of current processing methods.

The current governorate organizations lack focus and skilled staff for comprehensive financial planning.

Investment plans and related impacts on operational resources are not integrated resulting in an absence of planning and analysis of long term fiscal consequences of investment decisions on personnel requirements and maintenance needs. The costs of maintaining infrastructure both deferred and current are not reflected in governorate budget planning. When new programs are initiated such as solid waste, intensive rate studies are not conducted to assure break-even revenues are identified. No effective central responsibility exists to coordinate financial planning governorate-wide. No single organization exists that can be held accountable for developing and implementing the recommended improvements contained in the Diagnostic Report.

**3.4.1.2 Present Organizational Limitations:** Present organizations involved in budget preparation and planning all have other major year-around operational tasks. Thus these organizations can only concentrate on financial planning on an interim or infrequent basis. If decentralization is to be effective, full time attention to fiscal policy development and resource mobilization must be performed by the Governorates. This will not occur unless a trained and skilled unit of local government is organizationally dedicated to the budgeting and financial planning task.

**3.4.1.3 Prior Research:** Field research indicated numerous prior studies containing recommendations for modernization of financial planning. These recommendations are not now being implemented within the current organizational structures. If local government is to demonstrate to the central government their ability to plan and manage local resources, a start must be made in implementing these recommendations.

**3.4.1.4 OMED Office Organizations:** The following Figure 3-7 indicates the recommended organizational chart for the OMED office. The OMED will serve as staff to the Governor at a top organizational level and will devote full-time attention to financial planning. Staff will be selected by the Governor, with assistance from the TA Contractor in screening eligible personnel. The staff will be seconded from present GOE organizations. However, the Director must serve as a member of the Executive Council after his appointment. Initially the Director can work as a "consultant" to the Governor. In the long term, a request should be prepared for organizational approval of the position and job classification by the Central Agency for Organization and Administration (CAOA).

PROPOSED ORGANIZATION CHART  
OMED OFFICE

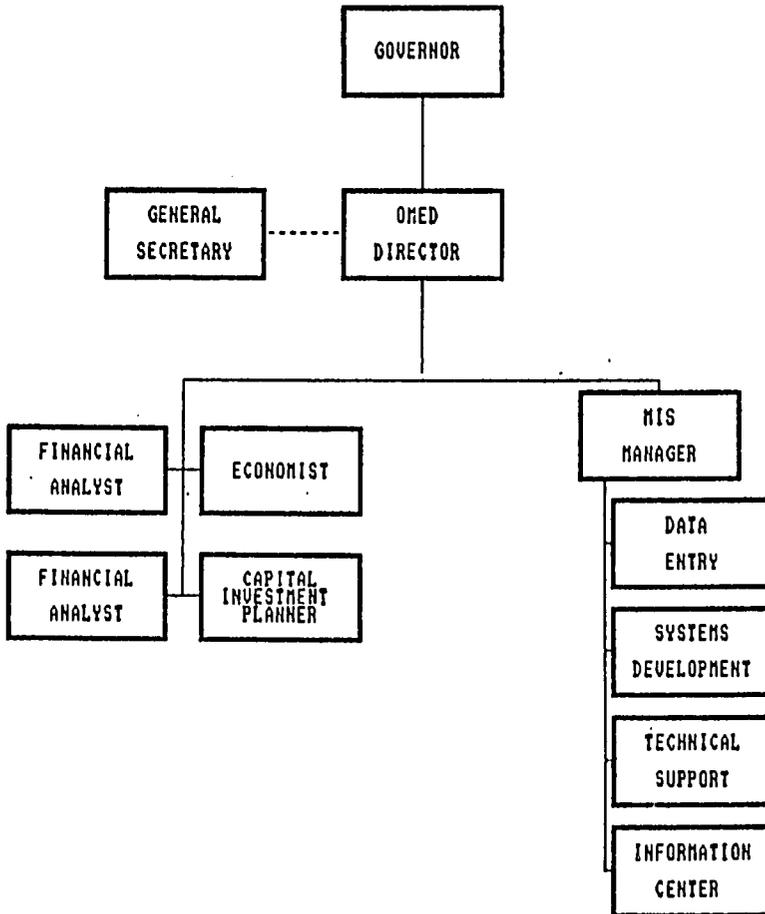


FIGURE 3-7

OMED must also have a formal organizational relationship with the General Secretary. In the first years of the OMED, a second reporting relationship to the General Secretary should be established. This dual relationship accomplishes two purposes. First, it provides an executive team to support the Governor in day-to-day operations and fiscal planning. Secondly, it allows OMED to work under the legal umbrella assigned by law to the General Secretary for financial activities.

The formation of OMED offices must occur to provide a governorate resource team whose objectives are to accomplish implementation of improved financial planning procedures and modernization of current fiscal processing methods. The accomplishment of Task 6 activities is dependent on the existence in each governorate of an OMED office.

**3.4.1.5 Financial Directorates & legal Constraints:** Under the current law, powers granted to the Financial Directorates, as representatives of the Minister of Finance, will restrict OMED's scope in modernizing the Operating Budget process and account structure (chapters). Consolidation of budgets is prescribed a duty of the Financial Directorate. However, OMED through the MIS section, can provide working drafts for final review of the Financial Directorates. Any internal governorate modifications to account codes for program budgeting or matching of revenue sources with expenditure categories will require dual account codes (i.e. governorate and central government).

Until present laws are amended, granting governorates greater operational control over resources, any extensive change to the Operating Budget structure may be limited. The assent and cooperation of the Minister of Finance should be sought in making extensive improvements. Dr. William Fox noted in his report, "Intergovernmental Fiscal Relations in Egypt and Mobilization of Local Revenues"<sup>(1)</sup>, that unless governorates have more control over expenditures, local government will be reticent about mobilizing resources.

Greater resources raised at the local level, coupled with a demonstrated ability by local government to perform financial planning, would contribute to the improvement of services to citizens. The Central Government must encourage local government increased financial planning efforts if this important goal is to be accomplished, as National revenues are currently inadequate to meet local needs for citizen services and infrastructure.

**3.4.1.6 OMED Skills Development:** The proposed initial implementation strategy for improving the Current or Operating Budget process is within the law and provides a practical start to modernization. (See 3.4 Implementation Strategy Section). The proposed involvement of OMED in the data gathering tasks of budget preparation provides for access of OMED staff to basic financial planning data. Based on these data, OMED staff can begin addressing (through economic analysis) fiscal impacts of budget requests.

The Capital Improvement Program and Capital Budget tasks proposed for the OMED staff will involve the Office in investment planning and prioritization. This involvement in capital budgeting will provide an opportunity to function as a fiscal adviser to the

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(1) Intergovernmental Fiscal Relations in Egypt and Mobilization of Local Revenues. Dr. William Fox, March 1985, Page 16.

Governor on Investment Plan decisions. Because of the multi-year staging of capital expenditures inherent in a five-year capital budget process, the fiscal advisory role of OMED will be a new function not now performed in the one-year Capital Budget process.

**3.4.2 Current Budget:** The Current Budget presents greater legal and organizational constraints to effect change than the Capital Budget. However, significant progress in solving some of the deficiencies in the Current Budget system can be achieved within present legal restrictions. The major changes initially recommended effect only the local government and do not impact MOF requirements. These recommendations, however, require the Governor's strong support.

**3.4.2.1 Automation of Budget Requests:** Budget requests received by the governorate should be computerized by the OMED Management Information Group. The editing, data entry, collating and reporting should be performed using the computers furnished by USAID. The budget information from local districts, city councils, general secretariates, and service directorates would be entered in the computer.

The Governor has the authority to implement this improvement prior to the involvement of the Financial Directorate and transmittal of budget information to the Ministry of Finance and Ministry of Planning. Reports to the Executive Council and the Local Popular Council, based on their data request, should be prepared on the computer. Ministry of Finance format requirements, although not now commonly used by governorates, could be standardized.

One governorate would begin capturing requests for the 1989/90 Budget in the November-December 1988 period. The TA Contractor Team will work with a selected governorate to develop forms, procedures and a revised processing including the development of the necessary computer system programs. The NAFITHA Arabic software and the dBASE III program language would be the established standard for developing software (1).

A joint Task Team composed of:

- TA-MIS
- TA-Programming and Budgeting
- OMED Analyst Staff
- Governorate MIS Programmers

would begin the computer system and conversion process in August 1988 for implementation at the beginning of the 1989/90 Budget Development Cycle. Training of district and governorate staff for preparation of Budget Request would begin as early as possible, but no later than November 1988. This will require concurrent training with implementation. A pilot governorate must be selected that has an OMED Director in place by August.

**3.4.3 Capital Budget:** The Five-Year National Plan provides a development strategy for investment planning in Egypt. Local governments develop annual investment plans and capital budgets within a local governorate Five-Year-Plan. Projects are reviewed by the Ministry of Planning and Regional Economic Planning Group for compliance with the National Plan. The present annual process of capital budgeting does not reflect an integrated multi-year phasing of investments and staging of revenue needs as strategized in the Five-Year-Plan. In

addition, other funds such as loans and grants are not considered and prioritized in the long term financing of governorate capital improvement programs.

**3.4.3.1 Multi-Year Capital Budget:** In Phase II, a Five Year Capital Budget reflecting all projects by expenditure activity and financing source will be developed. A governorate will be selected to work on implementation of the process. A task team will be formed similar to that utilized in developing the Current Budget changes. In addition, the team will include representatives from the Planning and Follow-up Directorate. The Implementation will entail:

- Formulating projects on a multi-year basis building on current systems such as the LD II Arabic Project Tracking System and Cairo Governorate Project Control Systems to identify current projects.
- Converting project description data to computer input.
- Establishing specifications for selecting packaged software or design and program in-house software.
- Installing computers for multi-year capital budget development.
- Updating the budget annually for new projects, the current status of existing projects, and deleting projects as appropriate.

The Directorate of Planning and Follow-up would continue to perform its planning and review role. The OMED office will augment this function with responsibility for budget preparation and economic analysis on a project-by-project basis for the Governor. The flexibility of the computerized process will enable the Governorate to operate on a multi-year budget development process, but extract annual information for Ministry of Planning requirements.

The multi-year budget will provide the Governor and Popular Council with a comprehensive view of the investment program in that it will reflect resources available and required to finance the long-term investment plan of local government. Councils can prioritize projects over a multi-year period rather than on an annual basis.

**3.4.3.2 Capital Improvement Program:** Allied with the development of a Multi-Year Capital Budget will be the implementation of a Capital Improvement Program process in the selected governorate. The investment budget development process would be preceded by the preparation of a Capital Improvement Program, or CIP. The CIP implements the developmental objectives stated in the governorate's Five-Year-Plan by defining projects necessary to meet developmental goals.

The Capital Improvement Plan should contain the following sections:

- o Introduction
- o Framework of Project Development
- o Project Listing by Sector

- o Policies for Capital Improvements
- o Priorities
- o Implementation

The CIP should contain future projects not now practical for funding due to lack of funds. Inclusion of such projects may reflect a "wish list" along with active projects. Inclusion of all projects and the reflection of the priority of projects necessary to achieve developmental goals provides the agency a long-term investment plan from which future projects can be selected for funding as funds become available, or to request grant or outside agency funding assistance.

The multi-year investment budgeting process will rely on the current status of present year budgeted projects, and submission and prioritization of new projects. This data can be defined as project formulation information. The CIP should be relied on to qualify new projects within the priorities and criteria established in the CIP document prior to preparation of the Investment Budget.

Key groups will be involved in the Multi-Year Investment Budget and CIP process. To achieve a satisfactory process, each group must understand their role and responsibilities and must execute their function in a timely manner. The following is a discussion of each group and its functions. In addition, the Executive and Popular Councils achieve a final review and recommendation role in the process:

**Planning And Follow-up:**

- o Organizes and coordinates the development of the strategic plan: "where we want to be in the long term".
- o Develops the comprehensive plan which translates the strategic plan goals into program components.
- o Issues CIP instructions, time tables and forms.
- o Reviews project formulation for consistency with Comprehensive and CIP plans.
- o Prepares CIP, and works with OMED office in preparing multi-year project program budget.

**Directorates And General Secretariat:**

Budget guidelines and planning directives form a program framework, but the actualization of any plan requires the full involvement and participation of those who must execute the plan. A team effort predicated on mutual respect and trust with full involvement of operating agencies is required. Its role is as follows:

- o Describes and formulates projects; comprehensive plans are translated by the Group into elements of work, i.e. projects.

- o Defines project priorities and relates to plans. Clearly discusses the importance of a project in relation to established plans and priorities and indicates independence of projects (if applicable) and potential projects under its jurisdiction.
- o Defines project costs. Estimates the financial requirements over time of each project component or activity.

**OMED Office:**

The OMED office is concerned with both the Operating and Capital Budget. Its role is to know the revenue picture from all sources and the long-term impacts on expenditures from current proposed programs and projects. In addition, the OMED office role is to ensure the Governor understands the financial implications of competing demands and their importance among agency goals, while enforcing Executive Council and Popular Council priorities.

The OMED office role in the preparation of the Investment Budget is as follows:

- o Issues budget development guidelines and procedures on behalf of the Governor.
- o Prepares input to budget development system.
- o Reviews current year budget impact in terms of total budget and resources available.
- o Assesses long term impact on Operating Budget and Capital Budget of resource allocations and multi-year plans.
- o Develops recommended financing strategies for funding the investment resource needs over time. Staging availability of resources to demand is a key financial planning role.

**3.4.4 Program Budgeting:** As cited in a prior section of this report, the present "Chapters" format of classifying revenues and expenditures is based on a line item and functional matrix. Local governments cannot perform a program analysis of expenditures, nor match the specific financing source for major fund classifications such as investment and debt service. The structure accommodates the Central Government's consolidation needs for all 26 governorates, but does not meet the analytical and information needs of local government.

A gradual conversion of local government budget information into a Program Budgeting structure is recommended. A program budgeting structure will compile all costs, salaries and wages, non salary costs, debt service and capital outlays by categories that reflect organizational objectives. The outputs generated by programs can then be analyzed in terms of inputs (i.e. performance versus expenditure level) to formulate a measure of program effectiveness.

The Program Budgeting Concept allows management, Popular Councils, and citizens to measure effectiveness of basic services delivery in terms of objectives and accomplishments per amount expended. This measurement process becomes critical when governments operate on limited resources with extensive unfulfilled service needs. The emphasis on objectives and output performance measurement rationalizes for citizens the acceptance of program choices and tax burdens

Local government cannot report to the Central Government on a program basis without a law change. In fact, Central Government reporting requirements need never change to satisfy both information levels. However, automation provides the practical ability to serve two masters (i.e. account structures). By internal computer conversion tables, two chart of accounts would be maintained; local (program) and central (chapter). Conversion would be automatic from program to chapter. Local governments could compile budgets in a program structure and report to Central Government on a chapter basis.

To accomplish this conversion, one governorate would be selected (most likely the same governorate which is automating budget requests). A program structure appropriate to local government would be developed, preferably in the General Secretariate area, and the 1990/91 Budget developed, based on this structure. During 1989, computer programs would be developed based on the dual chart of accounts to compile requests, reflect amendments and report total recommended budgets to the Governor.

#### **3.4.5 Five Year Forecasting:** Two types of data are usually utilized for forecasting purposes:

- o time-series data
- o cross-section data

Collection of numerical budget data from local sources was not completely successful. However, these data may be collected with less difficulty from Central sources such as the MOF, MOP, Central Bank, and the NIB. Demographic data as well as general economic data can be collected from CAPMAS (Central Agency for Public Mobilization and Statistics). Egypt is one of the few developing countries which is known for data availability.

The implementation process for 5 year forecasting is composed of three elements:

- o Resources: The OMED TA group will lead the activity in collaboration with the MIS TA Group and the OMED staff. USAID will provide the necessary microcomputers and software. In addition to data base and work processing, the software could include some statistical packages like SPSS, TSP, and Rats.
- o Data Collection and Processing: This task will be performed basically by the Governorate OMED support staff. They would have the support of the Governor and would be authorized to collect data. They would be trained also to do data entry and processing.
- o Model Building and Validity: The decisions of what variables to include, how many equations, what mathematical form, and the type of estimation technique will be made initially by OMED TA group. As the process of skill transfer proceeds, OMED staff will become more involved in these decisions. After the forecasting model is developed, its validity and forecasting power will be verified. The standard procedure is to see how well the model can be used to generate the same observations which were used for estimation.

**3.4.6 Revenue Collection Systems:** During the Phase I review of local revenue, a general review was performed of revenue collection problems. The review indicated that considerable improvement in revenue collection amounts could occur if the systems were automated. Time constraints prevented an in-depth review of all systems for feasibility of automation. The

MIS review activities in early 1989 should include, in conjunction with OMED staff, a feasibility study and prioritization for automating revenue collection systems.

Automation in conjunction with organization and system changes could enhance collection by a significant percentage. In one governorate, staff estimated a 200 percent increase was possible!

Recommendations will be prepared as to which systems could most greatly impact local revenues and which have the greatest cost benefit. A separate report will be prepared discussing timelines, resource requirements, and cost benefits.

### 3.5 TA/GOE Resources Required

#### 3.5.1 Manpower:

- o OMED TA group

24 person/months	-	Asst. Proj. Dir., Hamed Mobarek
24 person/months	-	Group Leader, W. Pat Moyer
24 person/months	-	Financial Specialist, Manal Shalaby
24 person/months	-	Economist, Khalifa Abdel Hamid
4 person/months	-	Short-Term Specialist, Program Budgeting Specialist

- o OMED Governorate

- 6 OMED Directors
- 48 OMED Professional Staff
- 6 OMED Support Staff - Clerical

The 4 person-months of short-term specialists is to assist in implementing the Program Budgeting workload and is not currently budgeted.

**3.5.2 Support Services:** Table 3-5 presents a recommended support of L.E. 40,360 or US\$ 17,624 for OMED office Equipment and Software for each governorate, for a total budget of L.E. 242,160 or US\$ 105,744. Funds would be distributed based on appointment of OMED Directors and staff in line with phased implementation of new systems. The proposed OMED office support budget is not currently budgeted in the Contract. However, the proper preparation and equipping of facilities is critical to successful operation of these offices. Experience in establishing the offices of Project Implementation Coordinators indicates that LD II Urban must provide funds if goals for implementation of project staffing in the governorate is to occur.

**3.5.3 Training:** One of the major goals of the Work Task is to develop staff skills to overcome the third major element restricting decentralization progress, i.e. lack of competent staff. The OMED TA Group is working closely with the TA Training Group to integrate training programs for governorate OMED staff. In addition, a second element of training will be the familiarization of local government users with the process and procedures of the new budgeting systems. This will require formal training sessions as pilot systems are transferred to other governorates.

**3.5.4 Staff Resource Limitations:** The Phase II Work Program for Task 6 is limited in the number of governorates that can be simultaneously assisted by the size of Contractor Technical Assistance staff. Because the contractor will be developing pilot systems in selected governorates during the 1989/90 budget period, adequate staff should be present. However, in Year Two, should an accelerated program for capital budgeting or program budgeting be sought by governorates, this could not be achieved without additional staff. Work program staffing is heavily dependent on the availability of Governorate OMED staff.

Table 3-5

**OMED OFFICE SUPPORT FACILITY BUDGET**  
**TYPICAL GOVERNORATE**

<u>ITEM</u>	<u>QUANTITY</u>	<u>ESTIMATED UNIT PRICE</u>	<u>L.E. TOTAL</u>	<u>\$ TOTAL</u>
<u>Furnishings</u>				
Desks	8	200	1600	
Desk Chairs	8	140	1120	
Conference Table	1	400	400	
Conference Tables Chairs	12	95	1140	
Filing Cabinets	2	150	300	
Chalk Board	1	150	150	
Computer Tables	2	235	470	
Computer Table Chairs	2	140	280	
Small Work Tables	4	100	400	
				-----
				5860
<u>Equipment</u>				
Computers	2	8500	17000	
EGA Cards	2	600	1200	
Photocopy Machine	1	5000	5000	
Air Conditioners	2	1800	3600	
				-----
				26800
<u>Computer Software</u>				
DOS	2	350	700	
DBASE III Plus	2	700	1400	
Lotus 1-2-3	2	850	1700	
Nafitha Arabic Utility	2	230	460	
Forecasting Package	1	800	800	
Graphic Package	1	700	700	
				-----
				5760
Supplies & Computer Paper				1200
				-----
Total Estimated Budget One Governorate		L.E. (Exchange @ 2.31)	39620	\$ 17151
Total Budget 6 Governorates		L.E.	237720	\$ 102906

### **3.6 Program Outputs**

**3.6.1 Achievable Accomplishments:** Task 6 Action Package implementation will contribute to decentralization goals by improving governorate ability to address the major impediments of:

- o Policy development
- o Local resource mobilization
- o Management skills and organization

The scope of accomplishments will be limited by three constraints:

- o The need for greater fiscal decentralization
- o Timely formulation of OMED offices
- o Need for intensive technical assistance.

These factors have been considered in designing an implementation strategy that is feasible, and which accomplishes important first steps in developing decentralized municipal management systems. Development will require time, however implementation must start.

The following charts, Tables 3-6 and 3-7, indicate outputs in terms of governorates served and Project outputs by Action Package activity.

#### **3.6.2 Items Not Feasible in Contract Time Period:**

- o **Balanced Budgets:** Central Government must estimate next year subsidies, and investment loans, and notify governorates of planned allocations by November of each year. In the long term, a block grant allocation process based on an equitable formula should be developed. Until the Central Government decentralizes at least knowledge of next years planned subsidy, the governorates cannot balance budgeted expenditures to revenues, in that over 50 percent of revenues are subsidies or long term loans.

An interim step would be the matching of chapter revenues with expenditure chapters, and allowing all local revenues to offset specific expenditure chapters such as chapters 2 or 3. The governorates then could control expenditure requests for each BAB and begin to submit balanced budgets by each chapter.

Both of these improvements are out of the control of the TA Contractor as they require Central Government policy changes.

- o **Capital Budget Process:** The capital budget process will be difficult to implement in all governorates by December 1989. The pilot process and intensive technical assistance limits the number of governorates that can practically be served. In that changes to the process are limited to the budget development process time span, November through March. There is an honest concern that not all Governorates can realistically be implemented prior to December 1989.

Table 3-6  
GOVERNORATES INVOLVED IN IMPLEMENTATION ACTIVITIES

Technical Assistance Activity	NUMBER OF GOVERNORATES INVOLVED IN IMPLEMENTATION		
	Sept 88 - Mar 89	Mar 89 - Dec 89	Total Served By Dec 89
OHED Offices	2	4	6
Current Budget Process	2	4	6
Capital Budget Process	2	4	6 *
Program Budgeting		1	1
5 year forecasting	3	3	6
Annual Maintenance Plan	1	2	3
Revenue Collection Systems		1	1

Source : Phase II Proposed Work Program

Table 3-7  
OUTPUT BY ACTION PACKAGE ACTIVITY

Expected Outputs	Targets		
	Policy Development	Resource Mobilization	Skill Transfer
2. Current Budget Process	X		X
3. Capital Budget Process	X	X	X
4. 5-year Forecasting	X		X
5. Annual Maintenance	X	X	X
6. Program Budgeting	X		X
7. Revenue Collection Systems		X	

X Indicates contribution to the target

Source: Phase II Proposed Work Program

\* See Evaluation Report March 1989

However, as a result of the Diagnostic Report review process, the contractor has agreed to conduct an Evaluation in March 1989 to assess the feasibility of adhering to a schedule which will provide functional capital budget systems for all governorates by March 1990.

- o **Local Revenue Increases:** Present laws limit rates of increase based on the sole discretion of individual governorates. Increasing tax rates to balance budgets or to meet local needs is not practical within the limited powers granted governorates over revenues.

In some cases, improved revenue collection systems could dramatically increase local revenues. In many countries, the property tax is a major source of local revenues. Control over assessment practices and policies, and the collecting process exercised by the Central Government discourages local improvements to the property tax system. This report recommends a start on expanding local revenues (without a law change) by automating selected revenue collection systems. Once the OMED function is in place, this type of study can be initiated.

### **3.6.3 Major Benefits of Implementation:**

- o Governorate organized to focus on financial planning
- o Analytical approach to budget development process
- o Mobilize resources to use limited resources more effectively
- o Expanded and timely information base for financial decision-making
- o Ability to improve efficiency and effectiveness of organization
- o Increase local revenue by improving collection processes
- o Develop staff skills through training and technical assistance project resources
- o Improve services to citizens by institutionalizing financial planning, cost benefit analysis, and performance measurement techniques.

**3.6.4 Summary of Task Outputs:** The following chart, Figure 3-8, provides a comprehensive outline of Task 6 outputs and output procedures.

ONED/MIS Summary Process and Output

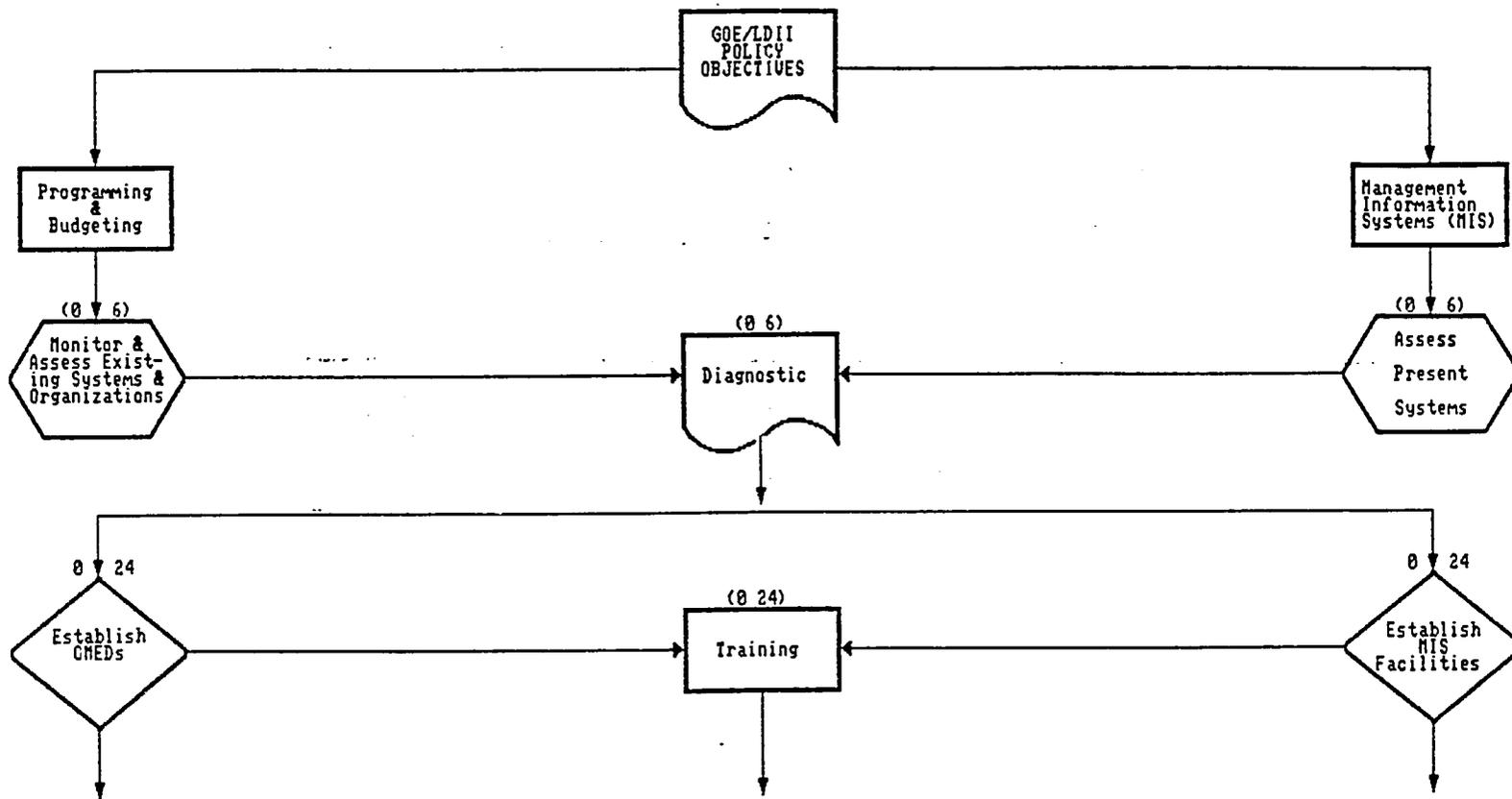


FIGURE 3-8

BEST AVAILABLE DOCUMENT

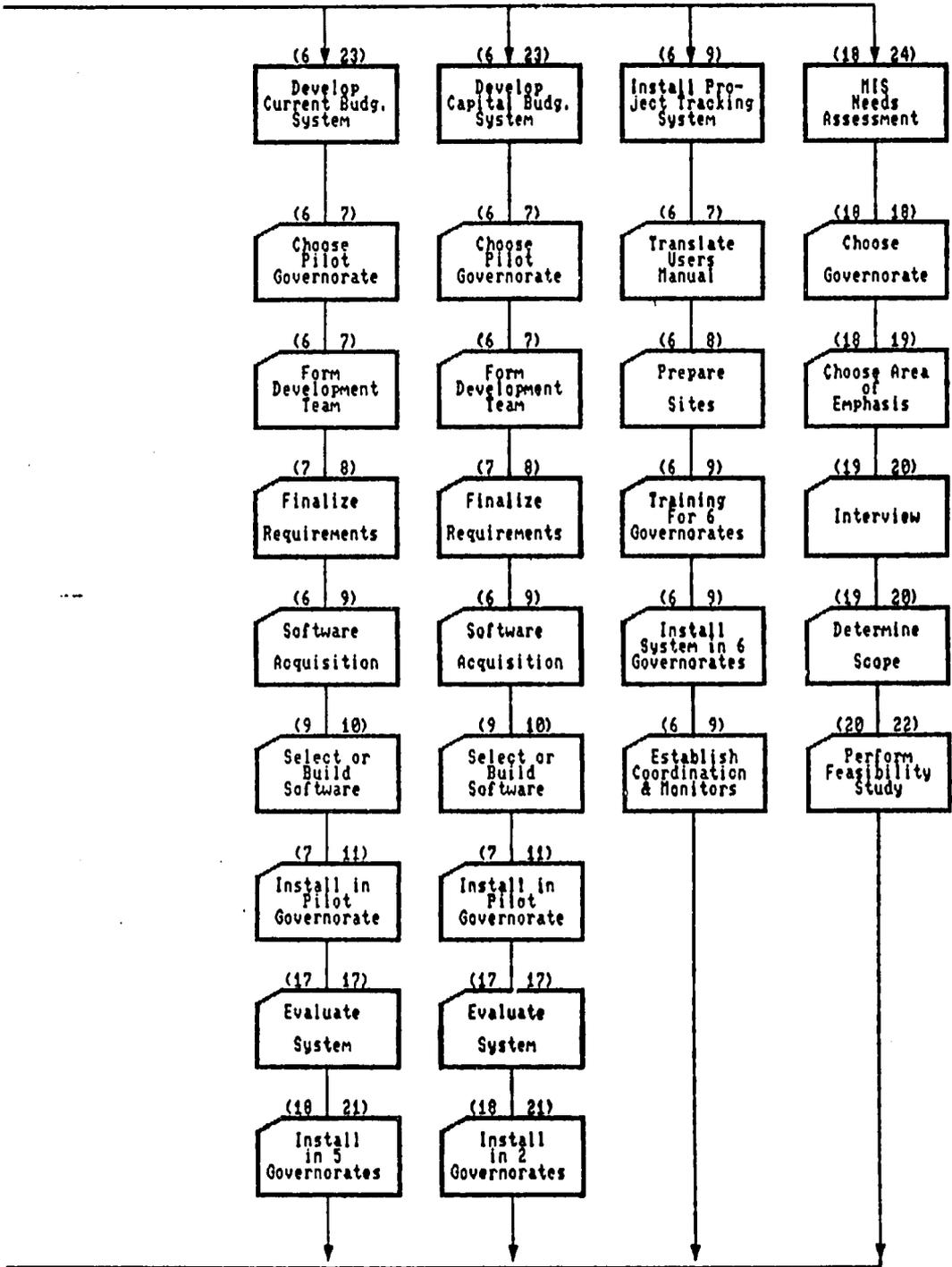


FIGURE 3-8 (CONT)

(0 24)

AUTOMATED FINANCIAL CONTROL SYSTEM (MUNICIPAL MANAGEMENT SYSTEMS)

Financial & Revenue System Needs Assessment

Forecasting Model & Programming

CIP & Multi-year Capital Budget

Current Budget & Program Systems

Annual Maintenance Plan

Cairo  
Alexandria  
Giza  
Gallubia  
Port Said  
Suez

Legend \*

(X	Y)
START	DELIVERY
UP	MONTH
MONTH	MONTH

\* DATES ONLY

BEST AVAILABLE DOCUMENT

FIGURE 3-8 (CONT)

## Section 4

### MANAGEMENT INFORMATION SYSTEMS

#### PART A - BACKGROUND ANALYSIS

##### 4.1 Review of Project Targets and Mandates

**4.1.1 Introduction:** Management Information Systems (MIS) support to the LD II Urban Development Project is critical to the overall success of the Project. Unlike the Neighborhood Urban Services (NUS) Project, the LD II Urban Project was planned with an MIS component. As stated in the Inception Report issued in March, 1988, the MIS TA team was charged with four areas of responsibility:

- o Arabization and Installation of the NUS Project Tracking System
- o Current Budget System Development and Installation
- o Capital Budget System Development and Installation
- o Preliminary MIS Survey for each Governorate

**4.1.2 Targets And Outputs:** Phase I of the Project consisted of efforts up to and including the Diagnostic phase. The targets identified for this Phase are the Arabization of and the installation of the Project Tracking System, identification of budget development MIS requirements and a preliminary survey of the overall MIS situation at each governorate.

Phase I outputs are summarized as follows:

- o Project Tracking System
  - Modifications and enhancements to the English version
  - Conversion to Arabic
  - Operator training and site preparation
  - Installation in six governorates
- o Budget Development
  - preliminary assessment of computer support for budget development processes (in conjunction with the OMED TA team)
- o MIS Survey
  - MIS organization structure and description
  - Computer application inventory

These outputs were defined in the Work Plan and Chronographs included in the Inception Report.

## 4.2 Data Reconnaissance Efforts

**4.2.1 TA Resources:** The MIS TA contractor staff consists of three full-time staff engaged to meet the target objectives. One expatriate MIS Specialist and one Egyptian MIS Specialist conducted field visits, research and report writing. One Computer Administrative staff member provided support to Project administrative requirements, such as progress reporting and invoice processing. Equipment resources employed were one IBM PC XT computers with printers and one IBM PC AT with printer.

**4.2.2 Approach:** To acquire the data needed, the MIS TA team conducted field observations and interviews at each governorate. Data requests were sent to each Program Implementation Coordinator (PIC). Specific information needs were discussed and meetings held with GOE department heads of MIS and other relevant organizations, such as Planning and Follow-up Departments.

The strategy for data collection consisted of developing survey forms and a list of expected outputs, together with field trips to finalize the data requested. The survey forms (Appendix B) were developed in English and translated into Arabic for distribution to the governorates through the PICs.

During investigations by the MIS TA staff, the governorate personnel had varying perceptions of the group's role. GOE staff were generally cooperative, but organizational pressures and information sensitivities sometimes delayed data collection efforts; however, as with any organization, this was not unexpected. Considering the location of the governorates and the critical timing involved in Phase I, the data collection effort was deemed successful.

Table 4-1 presents a matrix of information requested and information received.

Table 4-1

### DATA COLLECTION MATRIX

REQUESTED DATA ITEM	Governorate					
	Alexandria	Cairo	Giza	Oaliubia	Port Said	Suez
Computer Facility Checklist	X	X	X	X	X	
Application Survey	X	X	X	X	X	
Trainee Candidate Profile	X	X	X	X	X	X
Organization Chart	X	X	X	X	X	X
Description of Organization	X	X	X	X		
Staffing	X	X	X	X	X	

X = Item received

SOURCE: MIS TA Team survey and followup

The MIS TA staff made 12 site visits and interviewed over 35 people, including department directors and staff. The field trips were augmented by telephone contacts and research at the Project office.

The data collection efforts centered on the issues of Arabization, particularly of the Project Tracking System, computerized budget development support, and the general MIS situation at the governorates. These areas of emphasis are discussed below.

**4.2.3 Arabization of NUS Project Tracking System;** The first primary effort undertaken during Phase I was the Arabization of the NUS Project Tracking System. This Tracking System was developed in the latter part of 1987 to track the financial position and construction status of projects under the LDII Urban Investment Plan. The computer programs were written in dBASE III Plus, a product of Ashton-Tate, Inc. The LDII contract requirement was to develop the system and convert it to the Arabic language.

The issue of Arabization of computer software for the development of business systems is relatively new and poses a great challenge. To approach the goal of full Arabization, the MIS TA team conducted research to determine the availability of Arabic software products in the marketplace. This research consisted of contacts with software vendors worldwide, library research and attendance of lectures on the subject.

Historically, the desire for Arabizing software in the Arab world has been spearheaded by Saudi Arabia. Because of their economic position and the technology transfer over the last dozen years, the Saudis have made vast strides in the development of computer software to effect an Arabic 'user interface' on a wide range of computer hardware. (A user interface is defined as the menus and screens the user sees on the computer monitor and the output reports produced).

Standards are being developed and promulgated by the Arabization Standards and Metrology Organization (ASMO), based in Amman, Jordan. These numbered standards are analogous to the American National Standards Institute (ANSI) in the United States. Several major hardware manufacturers (e.g. Hewlett-Packard) have adopted ASMO standards for their entire Middle East product line.

More importantly for the LD II Urban Project, the drive for Arabization has affected the development of business software in the Middle East. This movement has caught the attention of several major software vendors. They perceive that a potential market for an Arabized product appears to have a favorable return on investment. Whether this perception will come to pass and for how long is unknown.

Nevertheless, the LDII Urban Project need for the conversion of computerized financial systems to the Arabic language is acute. To meet contractual obligations in a timely manner, it was imperative that a product be found to bridge the English-Arabic language barrier rather than develop one. Research uncovered that there is no product presently available to develop a computer program at the source code level; i.e. by typing the computer program instructions directly in Arabic. However, discussions with the developer of dBASE III Plus (in which the Tracking System is written) indicated that the company is planning to develop a product, based on a new version of their software, which will permit programming directly in Arabic. It is scheduled for release in early 1989. Further discussions of specific needs revealed the existence of several products which could effect the conversion to Arabic and which would work with the Ashton-Tate software (dBASE III Plus). The best of these products was called

NAFITHA, developed by 01 Systems of Bahrain. After discussions with this vendor and confirmation of its practicality by users in Saudi Arabia, the MIS TA team decided to evaluate the product.

Evaluation of the software culminated in the issuance of a policy statement in March, 1988 stating the intent of the LD II Urban Project to use this product for Arabization of the Project Tracking System and all other systems development, if possible. The policy statement cited NAFITHA's ability to maintain the original programming language in English while presenting an Arabic interface. This means that the system can be easily maintained by English-speaking TA Contractor staff and it will provide a means for the governorate personnel to increase their English language capability (by reading/writing program instructions in English) while presenting screens and reports in their native language. An added benefit of the product is its ability to work with other major software, such as Lotus 123 spreadsheets and word processing programs. NAFITHA has been evaluated with respect to Lotus 123 and it was found to be functional in Arabic.

During the Inception and Diagnostic periods of the Project (Phase I), the NUS Project Tracking System has been Arabized to the extent necessary for installation in the governorates. The Users Manual is being translated and will be annotated with changes as appropriate.

The implementation of the Tracking System was done according to a staged plan (Figure 4-1).

This plan was presented in the April, 1988 TA Contractor Progress Report and integrates logistics, training of personnel, installation of the software and follow up (see Appendix B).

The installation procedure (Figure 4-2) comprises a data flow analysis of information needed for the Tracking System, development of a standardized data entry form, a system overview presentation, the overseeing data entry, the running of the programs and the printing of the reports and review. Any deficiencies discovered will be corrected. Follow-up will take place sometime later and, in effect, will be a post implementation audit of the system to gauge the effectiveness of both the system itself and of training.

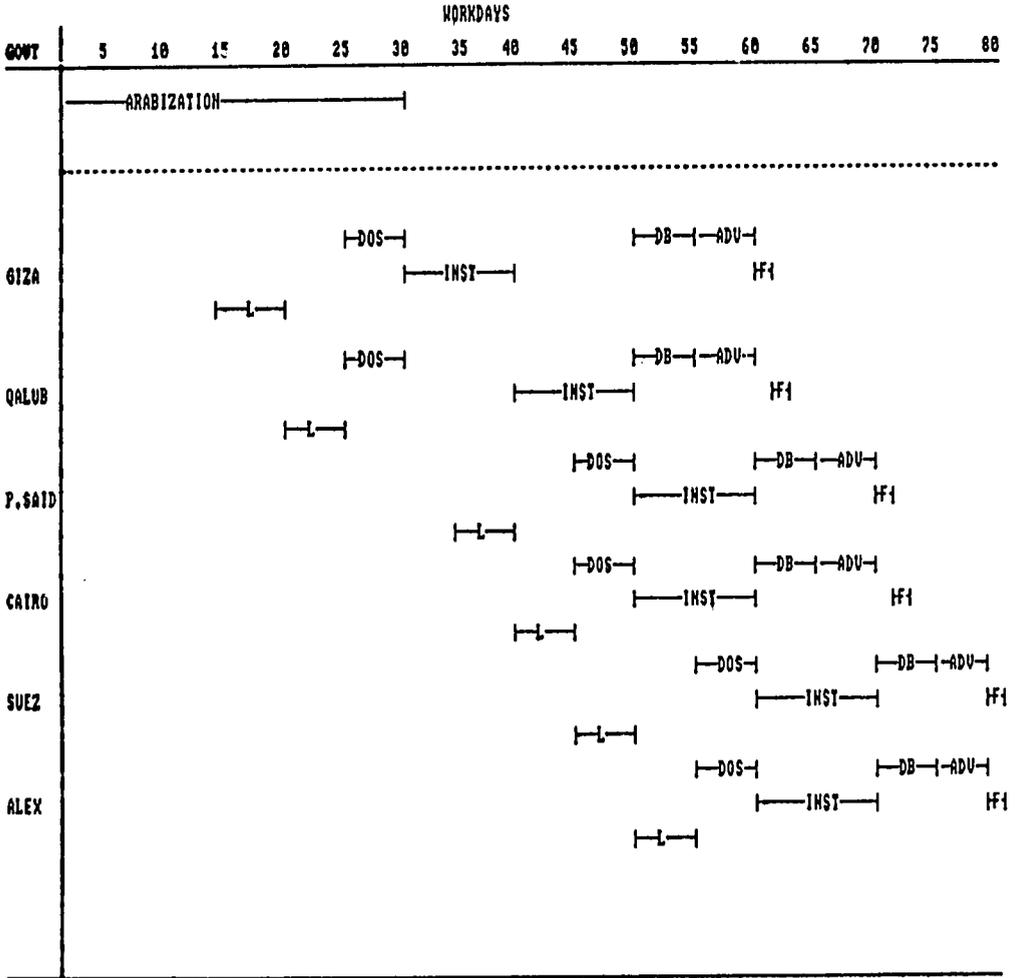
The effectiveness of the installation of this system as with any implementation is in large measure proportional to the enthusiasm of the clients. Development in the Project office only minimally involved governorate personnel due to limited TA Contractor resources. Therefore, it is imperative that the governorates' collective involvement be increased. This can be achieved by increased field liaisons, effective training and responsive follow-up.

**4.2.4 Budget Development:** As stated in the Inception Report, the second area of concern for the MIS TA Contractor team is to provide support to the OMED TA team in the development of computerized budget systems. The team was chartered to define systems requirements for the capital and operating budget process in conjunction with the OMED TA team.

Automation of the budget development process has certain basic requirements. These are:

- o Hardware configuration

MIS PROJECT TRACKING SYSTEM  
IMPLEMENTATION/TRAINING PLAN



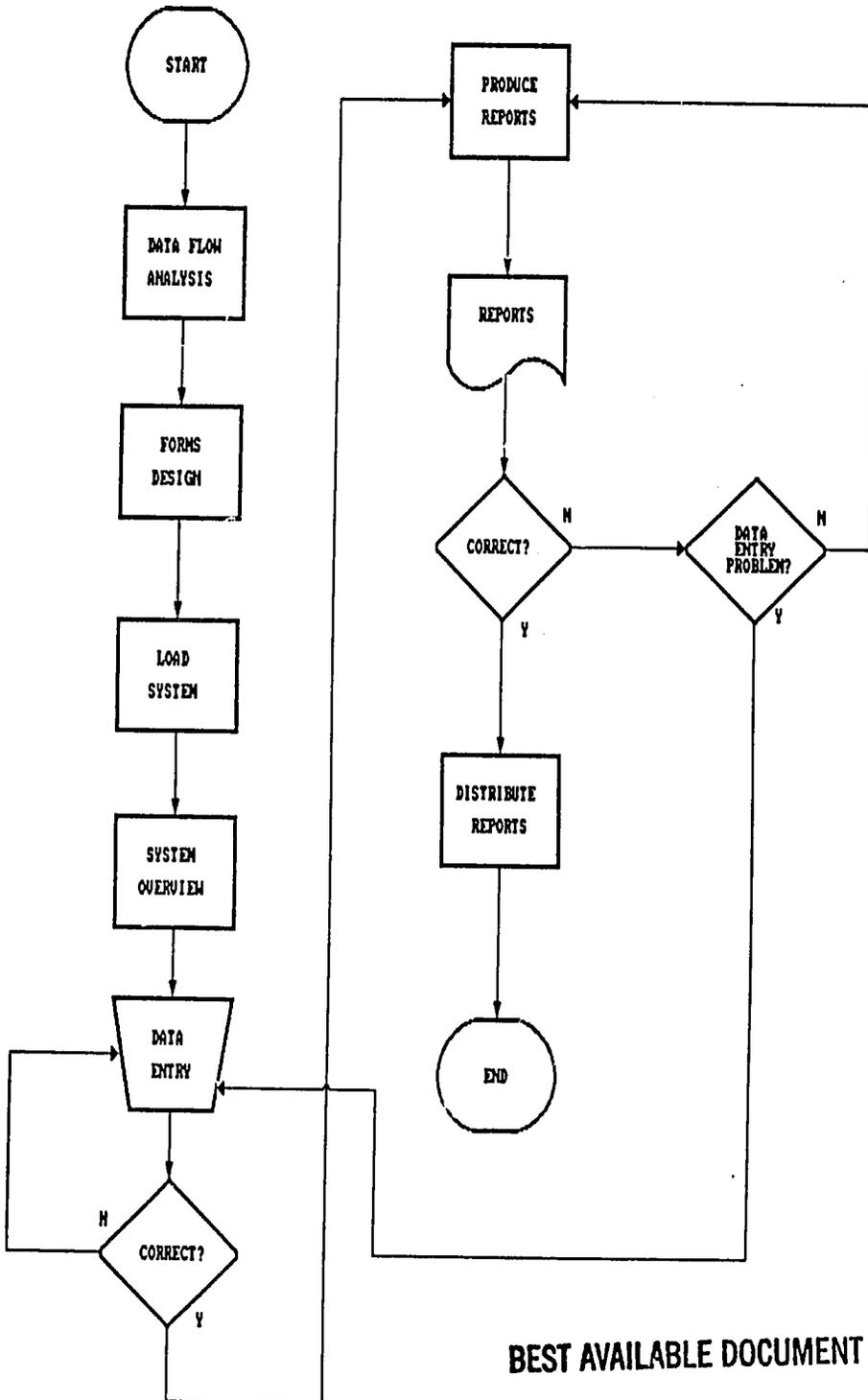
LEGEND:

- DOS -- PC DOS Training
- INST -- System Installation
- L -- Logistics (Furniture, Software)
- DB -- DBASE III Training
- ADU -- Advanced DOS Training
- F -- Implementation Follow-up

CHART DATE: April 7, 1988

Figure 4-1

PROJECT TRACKING SYSTEM  
INSTALLATION FLOWCHART



BEST AVAILABLE DOCUMENT

Figure 4-2

- o Market availability of software
- o Arabization
- o Data

**4.2.4.1 Hardware Configuration:** Four computers (IBM PC XT) are assigned to the LD II Urban Project at each governorate. Since data processing at the governorates is in the early stage the basic hardware configuration will not be changed. These workstations are adequate to support automation of the budget processes at the governorate level and will form the basis of software selection and installation. The issue of linking the equipment and/or acquisition of a larger mini-computer or mainframe remains for future consideration.

**4.2.4.2 Software Availability:** Market research was undertaken to determine what software is available for the existing equipment which can meet the needs of the governorates. During Phase I of the Project, a preliminary investigation was made. Trade publications and digests were studied. This research suggested that both Capital and Current Budget packages are available.

There are two crucial issues in the purchase of commercial software for budgeting:

- o the extent to which the software can be modified for specific client needs
- o the potential need to effect a change in the existing manual methods.

In the case of the Current Budget, the MIS TA team, in support of the OMED team, will automate the existing manual budget development process. Fundamental changes in methods and procedures will be made to the extent possible under law. This assessment has particular relevance to resources required.

During the later stage of Phase I and based on preliminary requirements, a market survey was conducted. Because the market did not reveal software which could meet the majority of governorate requirements, the MIS TA staff will develop software in-house and integrate GOE support staff in the programming process. This will require revision in the present MIS TA staff size. (See Section 4.5).

**4.2.4.3 Arabization;** In house development of software will allow Arabization of the user interface to proceed based on the policy established for the Project. NAFITHA will be used in conjunction with dBASE III Plus.

**4.2.4.4 Data:** Data collection efforts involved interviews with representatives of MIS Departments and Planning and Follow-up Departments in each governorate to determine the extent of computerized support for the budget development process. Only one budget-related application (in each governorate) exists to track projects against the five-year budget. This is not a budget development process but an expenditure tracking process similar to the LDII Project Tracking System. It was developed by Cairo University and is still in the testing stage.

During Phase I, the MIS TA team reviewed the requirements developed by the OMED team for the budget development process and made a preliminary determination that its automation at the governorate level is feasible. Additional field work will be required to define detail data elements, processes and report formats. During the early part of Phase II, specific data requirements will be finalized.

**4.2.5 Preliminary MIS Survey:** To determine the extent of automation at each governorate, the MIS TA team used two questionnaires, supplemented by additional information such as organization charts, brief descriptions of functions and staffing in the relevant departments.

Field visits were conducted to finalize the information requested, to clarify needs and answer questions. The information gained through this survey was studied and an assessment made of each governorate's current MIS environment. This will form the basis for a complete MIS needs analysis at each governorate during the latter part of Phase II.

### **3 Analysis of Existing Situation:**

**4.3.1 Overview:** The preliminary analysis of the extent of automation at the governorates showed minimal computerization. Several deficiencies were uncovered in the areas of existing applications, allocated funds and MIS training. Only three applications (Appendix B) exist at each governorate:

- o Project Tracking System which monitors expenditures against the five year plan
- o Statistical System which produces columnar tables of demographic information
- o Personnel System which produces biographical reports

These were written by Cairo University personnel and are still in the testing phase. Computer hardware consists of the same configuration at each governorate: IBM PC XTs. Few commercial software packages (original copies) were provided with the equipment.

The table below details the findings at each governorate.

**Table 4-2**

**FINDINGS MATRIX**

<b>GOVERNORATE</b>	<b>Hardware (PCs)<sup>i</sup></b>	<b>Original Software Available</b>	<b>Existing Applications(a)</b>	<b>Can Develop Applications</b>	<b>LDII Facilities Available</b>
Alexandria	4	No	3	No	Yes
Cairo	9	Yes *	3	No	No
Giza	4	No	3	No	Yes
Port Said	4	No	3	No	Yes
Qaliubia	4	No	3 **	No	No
Suez	4	No	3 (c)	No	Yes

<sup>i</sup> NUS/LD II Urban funds

\* DOS 3.1 only

(a) Developed by Cairo University (Appendix B)

\*\* also Lotus 123 Statistical Report

(c) also two Social Affairs applications, one Health application

**SOURCE:** MIS TA team survey and followup

The organizational structure at each governorate varies slightly, but adheres to the provisions in Presidential Decree No. 627 of 1981. This decree stated that the MIS Departments would be reorganized into an Information Department and would be subdivided into the following departments:

- o Data Storage and Documentation
- o Statistics
- o Publications

The Data Storage and Documentation Department collects all books, documents and magazines. It collects data that serve the needs of the governorate and analyzes documents, laws and regulations to support research activities.

The Statistics Department supports the informational needs of both external and internal entities. It collects, tabulates, designs records and conducts studies.

The Publications Department in conjunction with the Documentation and Statistics Departments publishes information to inform other organizations of the job being done.

The existing Computer Department, though not specifically mentioned in the Decree, has evolved into a support unit to the above departments through the advent of microcomputers.

The existing MIS environment generally supports the Planning and Follow-up Department. This department has responsibility for monitoring the Capital Budget process and for coordinating input data from the Districts. Computer support takes the form of operating a Project Tracking System developed by Cairo University (Appendix B).

The Information Departments also support the needs of the Statistics Departments. The Statistics Department provides data for entry into the statistical software developed by Cairo University. This application collects data and produces tables, but only adds rows and columns. It performs no pure statistical processing such as ratios, means, averages and standard deviations.

The personnel function is supported by the Cairo University Personnel System. It produces biographical data reports. The system does not appear to be tied to other payroll and personnel functions such as position control or job classification systems. This system has no security functions to prevent unauthorized access to personnel records.

Actual operation of the Cairo University systems is cumbersome. The systems are Arabized, but require that several disks be loaded before the systems can operate. Each system is resident on the fixed disk of the computer but the Arabization software must be loaded from diskette. Secondly, another diskette must be loaded to insure correct operation of the programs. The disk contains a keyword which must be available for the programs to run. During printing, the statistical system, for example, requires two separate operations to print a report with different size characters. Finally, when the disk containing the keyword wears out, a new one must be purchased from the vendor.

The MIS environments at the governorates have fundamental flaws. The first is a lack of a budget at the departmental level. The second limitation is MIS capabilities to determine and respond to client organizational needs.

The following illustrates the budget issue. A request, even for a simple item such as paper, must be sent through the governorate structure for approval. Funds are released from a common budget pool. This places extreme pressure on a computer department to operate effectively. Another area of acute concern is equipment maintenance. Should any computer fail after expiration of its warranty, the machine will be idle until a request for repair funds is sent through the proper channels. Meanwhile, productivity is decreased dramatically.

The second area of concern is present capacity of the GOE MIS organizations to determine and respond to client organization needs. To date, personnel at the governorates do not have the capability to do their own application development or program maintenance. Training is minimal and not specifically related to the existing hardware/software installed at the governorates. Some personnel have university degrees but little practical experience. MIS training, in large measure, has been hampered by the need for a departmental budget and complicated by the existing procedures for soliciting funds.

There are some specific differences in each governorate. These are presented below. Organization Charts (Appendix B) are based on complete charts provided by governorate personnel, or as composed during interviews.

**4.3.2 Cairo:** Cairo has the largest population of all the governorates. As such, it has a greater need for efficient MIS. Its organization structure places the MIS-related departments under the Planning and Follow-up Department. This is designed to insure closer cooperation with the department.

Cairo has nine computers. Two are in the Planning and Follow-up Department, four are in the Computer Department and one each are in the Governor's Office, the General Secretary's Office and the Assistant General Secretary's Office. Four computers are to be assigned for the LD II Urban Project. The office space for the LD II Project is still in the planning phase.

**4.3.3 Alexandria:** The Information Department at Alexandria is on the same level as the Planning and Follow-up Department. While it reports to the Governor, the Assistant General Secretary has supervisory responsibility. The Computer Department has no staff of its own but is composed of staff from three other departments. The Information Department coordinates closely with the Planning and Follow-up Department and operates the Cairo University Project Tracking System.

Alexandria has four computers. All will be assigned to the LD II Urban Project. Facilities for the computers are available.

**4.3.4 Giza:** Giza's organizational structure varies somewhat from the norm in that a separate Department of Statistics is on the same level as the Information Department. The Information Department contains three sections: Documentation, Computer and Publication in accordance with the Presidential Decree cited above.

Giza has four computers. All four will be assigned to the LD II Urban Project. Facilities are available for this function.

**4.3.5 Qaliubia:** Qaliubia places the Computer Department under a Department for Planning, Follow-up and Statistics reporting to the General Department of the Governor's Office. Qaliubia presently has four computers which will be assigned to the Project. Permanent facilities for the LD II Urban MIS Office are under renovation..

**4.3.6 Port Said:** Port Said places its Computer function under the Statistics Department which reports to a General Department for Information and Statistics. Port Said presently has four computers which will be assigned to the LD II Urban Project. Facilities for the Project have been assigned.

**4.3.7 Suez:** Suez has an Information Department and facilities for four computers assigned to the LD II Project.

## **PART B - WORK PROGRAM IMPLEMENTATION**

### **4.4 Implementation Strategy**

**4.4.1 Approach:** The LD II Urban Project approach for MIS support to the governorates can be categorized into:

- o Installation and on-going support of the NUS Project Tracking System
- o Current Budget system development and installation
- o Capital Budget system development and installation
- o Financial MIS Needs Assessment

The first three functions will be done in parallel. The last one will be conducted during the latter part of Phase II. These areas of emphasis imply the use of a methodical approach and a realistic timeframe with adequate staffing and equipment. The basic assumptions for the budget development process to succeed are a) the OMED Offices are established; b) the OMED budget is approved; and c) resources are on board.

The MIS TA team will employ traditional systems development procedures: Analysis, Design, Programming, Installation and Post Implementation Evaluation. By providing classroom training to LD II Urban GOE personnel in these techniques, coupled with On-the-Job Training (OJT), a cadre of skilled analysts and programmers will evolve. These GOE staff members will make up part of the Budget Systems Development Team in support of OMED requirements.

**4.4.2 Project Tracking System Installation:** During Phase I, the MIS TA team made enhancements to the NUS Project Tracking System. It was converted to display input screens and reports (user interface) in Arabic. The Milestone for completion of the Arabization at the end of May, 1988 was achieved. Installation was completed at the governorates in October 1988. Installation was hampered, as mentioned above, by delays in the budget approval process and execution of a TA contract amendment.

An important aspect of the NUS Project Tracking System Implementation Plan (Figure 4-1) is that it minimizes the time between training of GOE personnel and installation of the system. The sequence of installation chosen was based on several factors: organizational complexity, location, availability of facilities and overlap with the LD II Rural Project (Giza and Qaliubia).

The names of training candidates were provided by the governorates. The MIS TA team in coordination with the Training TA team made final recommendations of nine candidates (from a slate of 15 requested) after meetings with the group of candidates from each governorate.

Solicitations have been sent to vendors for quotations on equipment purchase, software purchase, books and training vendors. At least three quotations were required. In the case of a single vendor producing a desired product, this vendor must be used.

As stated, installation will be followed by additional training in dBASE III Plus and Advanced DOS. The follow-up phase will determine the effectiveness of the training and installation.

Based on findings during the Diagnostic Phase, the role of MIS TA support to the Project Tracking System must be expanded over that stated in the Inception Report. The original assumption was, after installation, that staff resources applied to installing the Project Tracking System would be available to support the Budget development process, based on the number of GOE MIS staff and statements regarding their MIS training. It was believed that GOE staff would be able to support the system alone.

The findings during the Diagnostic Phase do not support this contention (see Table 4-2). Therefore, to achieve its objectives, the LD II MIS TA team requires one fulltime Egyptian MIS Specialist position to perform maintenance on the Project Tracking System following installation at the governorates. This resource will assist GOE personnel in troubleshooting the system via field visits and telephone. Enhancements will be compiled and revisions made to the software when warranted, based on (an) MIS User Sub-committee (of the ULDC) priorities. The User Sub-committee would be formed from representatives of all governorates.

**4.4.3 Current Budget:** The Current Budget process will be analyzed in detail by the OMED TA team with support from the MIS TA team. Final MIS requirements will be defined. Software will be developed and then installed. GOE personnel will be trained in systems analysis. Follow-up will be conducted to evaluate training and installation effectiveness.

The objective is to install a system in one or more pilot governorates by the end of December, 1988 to meet deadlines for the 1989/90 budget cycle. A pilot governorate will be chosen for installation based on which governorates will provide needed support for the OMED concept. The software will be implemented at the remaining governorates, in stages, according to a detailed installation plan to be developed during Phase II.

The proposed development of an Current Budget system will address only the existing manual processes. The structure and flow of data will be documented. Procedures will be established and/or changed and new input forms modified or developed. Existing reports will be analyzed and changes made where appropriate. New reports will be created as needed. The development of the system will take into consideration other systems to which it may interface in addition to legal and user requirements,

It is envisioned that the MIS TA team will require one fulltime Egyptian MIS Specialist resource, assisted by a short-term MIS Specialist, to undertake analysis and development of the Current Budget System independently of resources used for other Budget Systems development. This resource will be one member of a team composed of an OMED TA staff member and GOE budget and computer analysts from the LD II Urban OMED Office.

**4.4.4 Capital Budget:** The development of an automated five-year budget system requires an analytical effort equal to the Current Budget system. The MIS TA team will study manual procedures and produce functional flow diagrams. The data elements and reporting requirements will be finalized. The extent of changes which can be made in the existing Capital Budget infrastructure will depend on present legislation and Ministry of Planning procedures. Fundamental changes must be made in present practices to create the proper environment for providing an automated Capital Budget System.

The development of a Capital Budget System will be done by a team consisting of MIS TA staff, OMED TA staff and GOE budget and computer analysts, and a representative from the Directorate of Planning and Follow-up. Based on the analysis done in the governorates by the Capital Budget Development team and market survey of software, the MIS TA staff will develop software in-house. For this effort, the MIS TA team must have one fulltime Egyptian MIS Specialist assisted by a short-term MIS Specialist, to perform analysis and development of the Capital Budget System. This activity will be in parallel with other development activities.

The installation of the package will take place in two pilot governorates in time for the 1989/90 five-year planning cycle. Implementation in the pilot governorates will be completed by November, 1988. The software will be installed in only two other governorates during 1989 in stages. Three governorates will be operating by November, 1989 for the 1990/91 budget cycle. Installation in the remaining three governorates will be extended into a third year.

**4.4.5 MIS Needs Assessment:** An overall MIS Needs Assessment must be conducted at the governorates, to fulfill contract requirements and to meet objectives of the Terms of Reference.

A feasibility study will be conducted during the latter part of Phase II to determine which functions have the most probability for successful automation, given the existing governorate structure staff and practices. The flow of data will be documented and processes cataloged. The scope of a particular area of emphasis will be determined and alternative automation approaches identified. The resources required and equipment needed will be reported with a proposed budget and plan.

**4.4.6 Establishment of Governorate MIS Components:** The establishment of a broad-based Management Information Systems (MIS) function at the governorates is fundamental to successful decision making. Such an organization must play a central role at the governorate in support of all organizations. Effective information processing and interpretation becomes a critical success factor as organizations come to rely more and more on automation.

**4.4.6.1 Overview:** The central theme for the LD II Urban Project is institutionalization of functions at the governorates. With particular regard to the MIS component of the Project, institutionalization can only occur if all the necessary segments are present and positioned properly. Several of these pieces, provided by the Project, are already present such as hardware, software and training. Adequate facilities are being provided by the governorates. To complete the formula a final ingredient is required: the optimal organizational structure.

The organizational structure at each urban governorate varies slightly but can be viewed as generally adhering to Presidential Decree 627 of 1981 (q.v.). Appendix B, Section 4 contains partial organization charts of the governorates which shows the present position of the MIS-related functions including a computer component. Where the information-related departments do not report to the Governor (through the General Secretary), MIS service to the entire governorate is hampered. Note that the General Information Department in Cairo reports to the Director of Planning and Follow-up. Information processing to support the Governor's overall decision-making efforts is complicated due to the organizational structure.

As presented in Section 3.4.1 of this report, the establishment of an Office of Management and Economic Development (OMED) is the first step toward establishing and maintaining an effective decision-making infrastructure. The OMED is intended to report to the Governor and act as his collective consultant. To complete the decision support system, MIS must support OMED and thereby the governorate as a whole. By repositioning the MIS-related departments, as presented in Figure 4-3, MIS will become a central information processing entity in support of the Governor and his consultant entities. It can begin to develop a client community and address information needs throughout the entire governorate.

**4.4.6.2 Structure:** Through the technical assistance provided by the LD II Project and the restructuring of information processing units in the governorate, MIS can be fully institutionalized as depicted in Figure 4-3. To support both the Presidential Decree and the Project TA objectives, the existing Computer Department is recommended to consist of the following unit, in the near term:

o **Computer Resource Center**

The Computer Resource Center, (Information Center in the current data processing jargon), has particular importance in the present micro-computer environment. It will function as central micro-computer support facility providing:

- A library of data processing books and periodicals
- Support to clients in developing and using micro-computer applications
- Evaluation of micro-computer software and hardware devices
- Development and coordination of hardware and software standards
- Classroom and computer-assisted training
- A periodic newsletter containing technical information of use to the governorate client organizations
- A user group to discuss MIS-related issues of importance to the governorate client community

This unit would be staffed by fully trained micro-computer programmers, analysts and technicians. Continuing training will be provided throughout the duration of the Project.

As data processing at the governorate progresses and requires larger and more numerous hardware systems, the following units become critical components of the MIS operation.

- Data entry
- Systems Development
- Technical Support

The Data Entry section, as its name implies, will coordinate and enter data into various applications software systems by data entry clerks with good typing

PROPOSED  
GOVERNORATE MIS ORGANIZATION

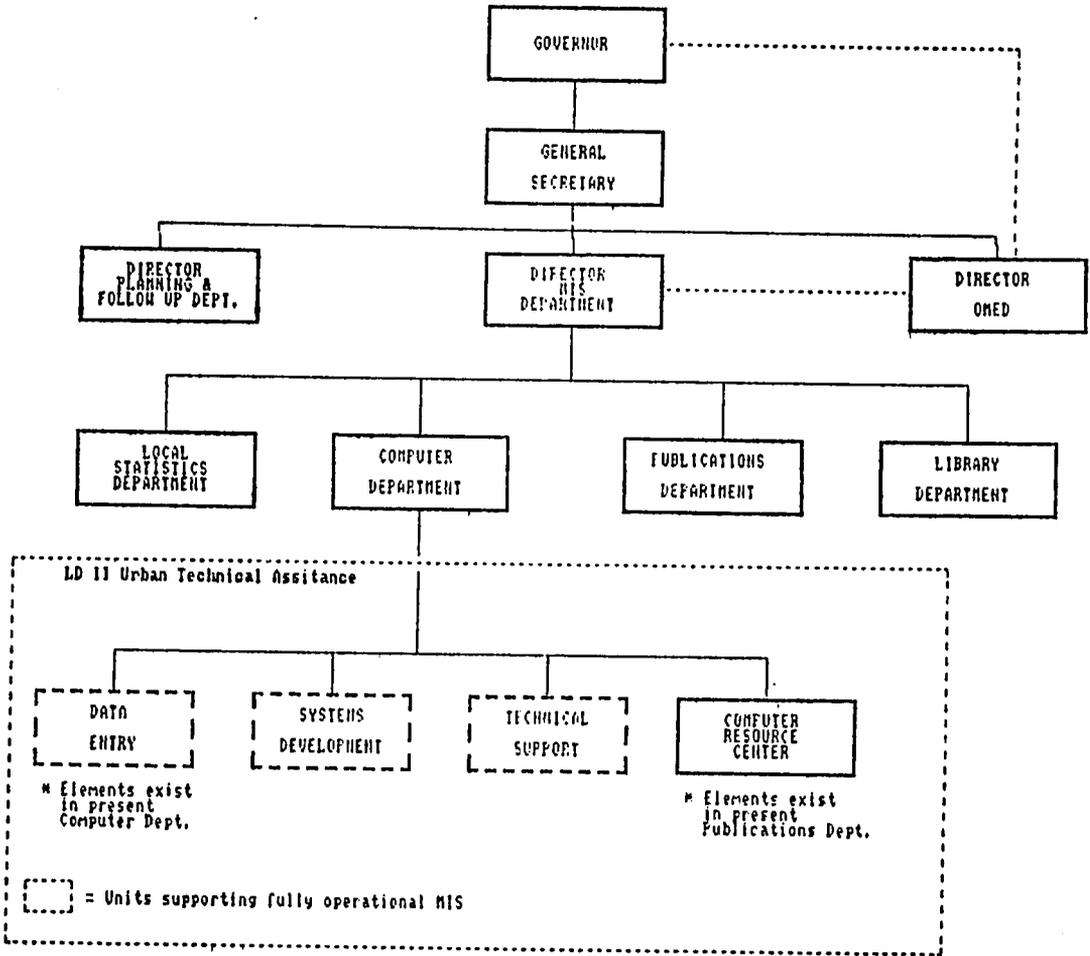


Figure 4-3

skills (Arabic). This is a prerequisite for this job classification. The applications systems will be operated and reports will be produced and distributed to client organizations.

The Systems Development section will analyze users needs and develop (i.e. program) computer-based application systems to support various clients throughout the governorate. The staff will consist of analysts and programmers (augmented by continuing training). As requirements and user organizations expand, the staff could be formed into teams, each supporting a specific functional area of the organization.

The Technical Support component will provide technical assistance to the Systems Development section to resolve hardware and software difficulties. Staffed with systems programmers, this unit will maintain and correct problems in the mainframe computer operating system and will evaluate and install local area network technology as required. Equipment maintenance support will be provided through contracts with outside vendors, training courses and hands-on experience.

**4.4.6.3 Implementation:** As a result of a future MIS Needs Assessment at the governorate level, to be conducted by the Project MIS TA Team, a recommendation could be made to acquire larger and more powerful computer equipment and software. If so, the structure presented above supports information processing which is fully diffused throughout the entire organization. This framework would facilitate distributed processing while reserving central control for equipment acquisitions and central processing of data, such as through a mainframe computer or as a host for a local area network.

Presently, however, some necessary functions exist to a limited degree in the current Computer and Information Departments, such as data entry capability, computer software and publications. As a first step, these departments can be used as building blocks to create an MIS service entity.

In addition, the experience base of the staff chosen to support LD II Project efforts will be expanded as the Project continues to provide MIS technical assistance through classroom and on-the-job training, the delivery of new hardware and software and follow-up evaluation. What remains is the reconfiguration of the present information-related departments. By placing these components at the direct command of the Governor (in support of the OMED) the long range objectives, for both the governorate and the Project, can be achieved.

**4.4.6.4 Requirements:** To fully realize effective MIS at the Governorates, the following steps are recommended:

1. Decrees written by each Governor, as applicable, to reorganize the MIS function per Figure 4-3.
2. Staffing the proposed Computer Department units with the staff trained in MIS by the Project, in addition to the existing Computer Department staff.
3. Making available centrally located space for the existing computer equipment and furnishings, as applicable. These facilities must have proper furniture, air-conditioning, power and lighting.

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By taking these steps, and based on existing information-related departments, the reorganization (with expanded facilities) could be operational within six months. Fully active MIS units would be expected to be feasible over a two to three year period.

#### **4.5 TA/GOE Resources Required**

**4.5.1 Manpower And Equipment:** To fulfill the feasible objectives of the proposed Work Plan (see Appendix A, MIS Work Plan), additional MIS TA staff must be provided through a contract modification. All staff engaged in development of Budgeting Systems will require a workstation (consisting of a computer with a printer and furniture) and sufficient office space.

The original assumptions in the Inception Report presumed that the Project Tracking System installation would be completed by month end August, 1988. The resource used for this effort could then be applied to the budget development process. During the Diagnostic Phase of the Project, the MIS TA team determined that the GOE staff would be unable to sustain the Project Tracking System on their own and would require on-going MIS technical assistance (Table 4-2). Further, in order to make projected target dates for the budget development process, the Current Budget and Capital Budget teams must work in parallel. The effort is too large for the existing staff of the MIS TA team.

The Project Terms-of-Reference indicate the technical assistance provided should lead to "institution building". The function of the MIS TA staff is to impart to the GOE personnel chosen to participate in the LD II Urban Project, sufficient skills to eventually develop their own computer applications. This can be accomplished only by formal training supplemented by OJT with on-going MIS TA staff support. The process is evolutionary. Therefore, to meet these contractual obligations and to provide the level of technical assistance required (institution building), the MIS TA staff should be increased by two MIS specialists for 18 months each. In addition, for the budget development process, the staff would require up to six months of short-term MIS Specialist time. Figure 4-4 shows the resources required by functional objective.

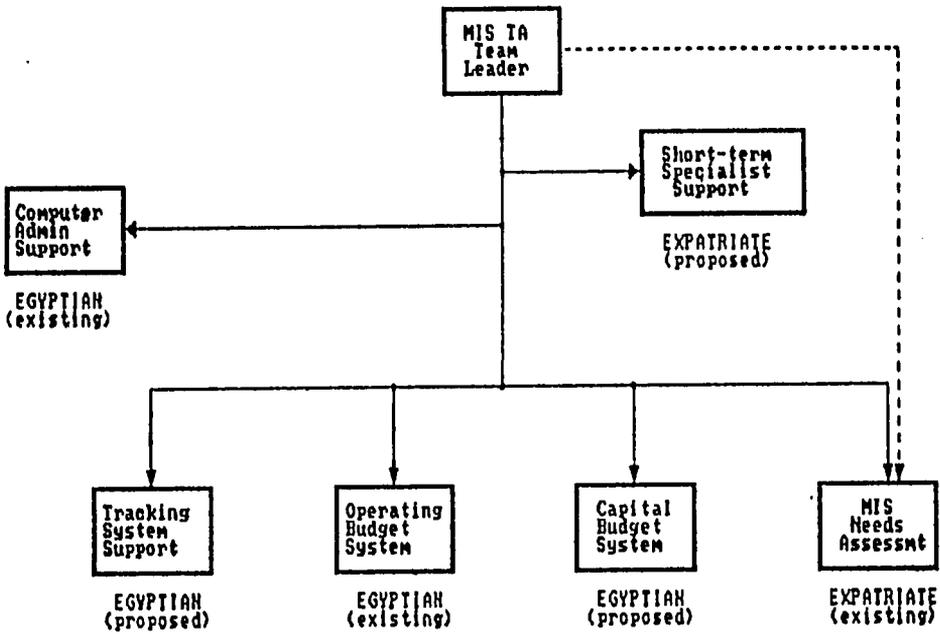
All efforts will make use of the team concept. The MIS TA staff will be augmented by OMED TA staff and GOE resources.

One OMED TA staff position will be required to support each Budget Development process. Three GOE LD II resources will round out the team. One staff resource would be required from the LD II OMED Office, and two from the MIS area.

Formal training would be conducted for the GOE personnel under an integrated plan, to be created during Phase II, for implementing both budget systems. Classroom training will be enhanced by on-the-job training in analysis and systems design, software research and selection or development and programming.

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MIS TA TEAM STAFF  
Organization Chart



Notes

1. Two Existing MIS Specialist positions.
2. Two Proposed MIS Specialist positions.
3. Short-term Expatriate MIS Specialists will assist the budget development process for programming in house. Up to six (6) manmonths will be required.

Figure 4-4

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The following table lists the team composition by task.

Table 4-3

**DEVELOPMENT TEAM COMPOSITION**  
(at one governorate)

<u>FUNCTION</u>	<u>STAFF REQUIRED</u>		
	<u>In-house</u>		
	<u>MIS</u>	<u>OMED</u>	<u>GOE</u>
Project Tracking System	1	n/a	2
Current Budget	1(a)	1	3
Capital Budget	1(a)	1	3
MIS Needs Assessment	1	n/a	2(b)
Total Staff Required	4	2	8
Less Existing Staff)	(2)	(2)	(8)
Net Increase in Staff	2(c)	0	0

- 
- (a) supported by short-term Expatriate MIS Specialist time.
  - (b) resources from pool of eight trained GOE staff.
  - (c) supported by up to six months short-term Expatriate MIS Specialist time.

NOTE. The same staff will install systems at each governorate.

There are no increases in the OMED TA staff or GOE LD II Urban resources. The GOE resources will be drawn from the cadre of trainees selected for MIS training during implementation of the LD II Project Tracking System. Eight trainees will be selected initially to provide the necessary pool of resources. As the Project progresses, other GOE staff will be trained. These resources will develop their ability to identify and create applications, enhance their formal classroom training and become functional members of a systems development team.

In summary, two additional Egyptian MIS Specialist positions are required to support the MIS TA/OMED TA effort with up to six months of short-term MIS Specialist support.

#### 4.6 Program Outputs

**4.6.1 Functional Areas:** The contract requires that the MIS TA team to provide technical assistance in four functional areas.

For the budget development process, the MIS TA team will support the OMED TA effort. To be certain that all contractual obligations and functional objectives can be met, a pragmatic approach will be taken during Phase II of the project. Outputs are listed by function and are those considered basic and feasible for project success. Enhancements to the MIS environment at the governorates are discussed above.

The Project Tracking System will be installed at all six governorates by September, 1988. The Current Budget System will be functioning in six governorates by November, 1989. The Capital Budget System will be operational in ~~three~~ governorates by November, 1989 and in all governorates by mid 1990. The MIS Needs Assessment will be limited to the Financial area and will be conducted in only one governorate.

**4.6.1.1 Project Tracking System:**

- o Computer Facilities Budget Approved
- o MIS TA Resources
  - One Staff
  - One Computer Workstation
- o Arabized Screens/Reports
- o Arabic Users Manual
- o LD II Computer Facilities Operating
- o Eight GOE Staff Trained
- o Software and Hardware Delivered
- o Installation at six Governorates
  - Data Entry Forms
  - Data Input/Output Flow Diagrams
  - Successfully Operating System
- o Help Desk at Project Office Operating

**4.6.1.2 Current Budget System:**

- o OMED Budget Approved
- o MIS TA Resources
  - In-house Development
    - . One MIS Specialist
    - . One Computer Workstation
    - . One short-term MIS Specialist
- o Development Team Established
  - MIS TA Staff
  - OMED Staff
  - GOE LD II Staff

- o **Pilot Governorate Chosen**
- o **Requirements Defined**
- o **Data Input/Output Processes Diagrammed**
- o **Software Selected/Developed**
- o **Installation Plan**
- o **Software Installed**
- o **GOE Staff Trained**
- o **System Evaluated**
- o **Installation in remaining Governorates**

#### **4.6.1.3 Capital Budget System:**

- o **OMED Budget Approved**
- o **MIS TA Resources**
  - **In-house Development**
    - . **One MIS Specialist**
    - . **One Computer Workstation**
    - . **One short-term MIS Specialist**
- o **Development Team Established**
  - **MIS TA Staff**
  - **OMED Staff**
  - **GOE LD II Staff**
- o **Pilot Governorate Chosen**
- o **Requirements Defined**
- o **Data Input/Output Processes Diagrammed**
- o **Software Selected/Developed**
- o **Installation Plan**
- o **Software Installed**
- o **GOE Staff Trained**
- o **System Evaluated**
- o **Installation in remaining Governorates in two phases**

#### **4.6.14 MIS Needs Assessment;**

- o Governorate Chosen**
- o One MIS Specialist**
- o One Computer Workstation**
- o Interviews Conducted**
- o Area of Concentration Chosen**
- o Scope Determined**
- o Needs Assessed**
- o Feasibility Study Written**
  - Processes Diagrammed**
  - Data Elements Defined**
  - Implementation Plan Created**
  - Alternatives Specified**
  - Resources Listed**
  - Budget Proposed**

These areas of emphasis are specified with target completion dates in (Appendix A, MIS Work Plan).

Only through the joint efforts of the Governorates and the project Technical Assistance teams can we succeed in the technology transfer vital to any organization in this "information age".

## Section 5

### OPERATIONS AND MAINTENANCE

#### PART A - BACKGROUND ANALYSIS

##### 5.1 Review Of Project Targets And Mandates

5.1.1 Objectives: Broadly stated the objectives of Task 5 are to:

- o Identify maintenance conflicts and problems.
- o Program and implement maintenance in a more systematic manner.
- o Establish a long range (5 year) maintenance policy.
- o Develop improved workshop standards, operating and contracting practices and staff capabilities.
- o Formulate operational plans.
- o Guide Governorates, Districts and Authorities to use of private sector contracts where services are available, acceptable and cost effective.

##### 5.1.2 Outputs

5.1.2.1 Streets, Roads and Footpaths: In conjunction with governorate and district personnel:

- o Prepare engineering standards, practices, and materials and equipment specifications.
- o Integrate force account and, private sector maintenance contractors into overall maintenance activities.
- o Prepare a two year maintenance program for physical plants.
- o Establish a manpower distribution plan.
- o Propose improvements to the incentive wage plan.
- o Establish management review and update procedures.

5.1.2.2 Workshops and Rolling Stock Equipment: In conjunction with governorate and district personnel:

- o Make a detailed analysis of equipment maintenance requirements and activities.
- o Establish levels of maintenance to be performed by garages, central workshops and the private sector.

- o Establish equipment maintenance standards, criteria, methods and procedures.
- o Improve workshop facilities, tools, machinery and equipment.
- o Improve inspection activities.
- o Establish a preventive maintenance program.
- o Improve the inventory control system.
- o Develop performance indicators.

**5.13 Review:** During the NUS Project considerable resources were expended on improving the maintenance programs in the four governorates (Cairo, Giza, Alexandria and Qaliubia) included in that Project. Included was the development of garages and workshops for rolling stock, as well as initiating programs for systematic repair of facilities constructed or renovated under the NUS Project.

Training programs were conducted in the U.S.A. for garage managers and engineers. A Preventive Maintenance Manual was prepared, in both English and Arabic, and distributed in the governorate and district garages and workshops, as well as to higher authorities. The Manual has been reprinted and distribution is continuing under the LD II Urban Project. The O & M group is monitoring the garage construction program initiated under the NUS Project.

During Phase I of the LD II Urban project, in-depth discussions were held with various local governorate officials. Much of the data needed to carry on the task has been received and is being analyzed. Constraints to effective operation and maintenance are being identified. Project Implementation Coordinators are actively assisting in obtaining the balance of the required data.

In the four governorates, the LD II Urban Project is picking up on maintenance and repair (particularly in regard to rolling stock and equipment) where the NUS Project left off. Garages and workshops started under the NUS Program are being completed under the LD II Urban Project. In Port Said and Suez Governorates, governorate and district garages and workshops are being developed as part of the Investment Plans, or as special projects.

## **5.2 Data Reconnaissance Efforts**

**5.2.1 Data Required and Data Received:** Table 5-1 shows, by governorate, the data required to accomplish this task, as well as data received to date.

**5.2.2 Field Reconnaissance:** Table 5-2 shows the staff days spent in the field to collect data and to assist the governorates in developing and implementing the Operation and Maintenance Programs.

**5.2.3 Organizations:** Figure 5-1 illustrates the typical organization for a district garage. The organization chart is the same as reported in "NUS Special Program for Equipment Maintenance, Implementation Recommendations and Cost Estimates, Cairo Governorate"; prepared for USAID by Wilbur Smith Associates, February, 1984.

Table 5-1

## OPERATION AND MANAGEMENT

## DATA REQUIRED AND DATA RECEIVED

Complete Data \*\*

Partial Data \*

No Data -

DATA REQUIRED	DATA RECEIVED					
	C A I R O	A L E X	G I Z A	Q A L I U B I A	P O R T  S A I D	S U E Z
Status of Current Projects	**	**	**	**	**	**
Inventory and Status of CIP Fleet	**	**	**	**	NA	NA
Inventory and Status of Other than CIP Fleet	**	**	**	*	*	*
Garage and Workshop Organization & Staffing	**	**	**	*	*	*
Inventory of Shop Equipment and Tools	*	*	*	*	*	*
Inventory of Spare Parts and Spare Parts Needs	**	**	**	*	*	*
Road Dept. Organization and Staffing	*	*	*	*	*	*
Inventory of Road Maint. Plant and Equipment	*	*	*	*	*	*

SOURCE : LDII Urban Contractor, Wilbur Smith Associates

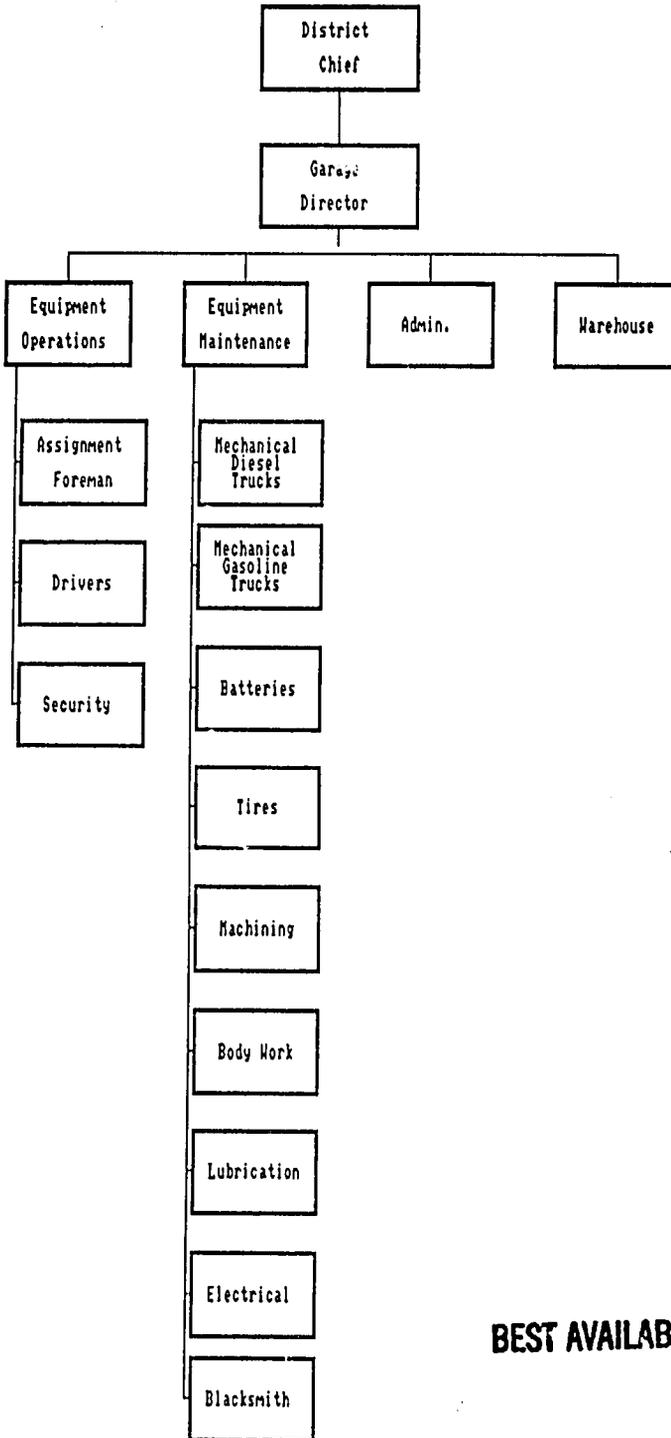
TABLE 5.2  
OPERATION AND MAINTENANCE  
FIELD RECONNAISSANCE AND DATA COLLECTION

MONTH	STAFF DAYS AVAILABLE	FIELD TRIPS TO RESPECTIVE GOVERNORATES					
		Cairo	Alex.	Giza	Qaliubia	Port Said	Suez
JAN.	44	12	3	5	2	-	-
FEB.	60	15	3	7	3	-	-
MAR.	80	13	2	6	3	-	5
APR.	55	10	7	5	4	4	-
MAY	64	10	9	8	3	1	-

Total Days : 303  
 Total Field Trips(Days) : 141  
 Field Trip % : 46.5

Source ; LDII Urban Contractor, Wilbur Smith Associates

TYPICAL ORGANIZATION OF DISTRICT GARAGES



**BEST AVAILABLE DOCUMENT**

Source : MUS Special Program for Equipment Maintenance, Implementation recommendations and cost estimates, Cairo Governorate, February 1984, Wilbur Smith and Associates.

FIGURE 5-1

**5.2.4 Reports and Studies:** The following reports and studies produced under the NUS Project have been identified as applicable to the O & M Task and will be used in implementation of the various projects and training programs.

- o Alexandria CIP Vehicle Repairs, October 1987.
- o Road and Street Maintenance, Suez Governorate, October 1987.
- o Training Manual, Spare Parts Warehousing, Kardex System, July 1987.
- o Egyptian Maintenance Study, July 1986.
- o Recommended Equipment Maintenance Program Improvement for Shoubra El Kheima, December 1984.
- o Special Program for Equipment Maintenance Implementation, Recommendations and Cost Estimates, Cairo Governorate, February 1984.
- o Evaluation and Recommendations on Equipment Maintenance in Alexandria Governorate, January 1983.
- o Preventive Maintenance Manual for District Service Vehicles and equipment, December 1983.
- o Recommended Equipment Maintenance Program Improvements for the City of Giza, December 1983.

### 5.3 Analysis Of Existing Situation

**5.3.1 Vehicle Maintenance and Rolling Stock:** Table 5-3 reflects the inventory and status of the CIP Fleet.

**5.3.1.1 Cairo Governorate:** The Cairo Governorate is now organized in five zones and sixteen districts. The zones with the current deputy governors and the districts included in each zone are:

<u>Zone</u>	<u>Name of Deputy Governor</u>	<u>Districts in Zone</u>
1. North	Gen. Mostafa Sadek	North, Shoubra, El-Zawya El Hamra
2. North-East	Gen. Mohamed Ali	El-Zeitoun, East, El-Salam
3. East	Gen. Abdel-Rahman Abdel Al	Nasr City, El-Waily, Heliopolis
4. South	Gen. Ahmed Hassan	South, Misr El-Kadima, Maadi, Helwan
5. West	Gen. Abdel-Raouf Abdel Rahman	West, Middle, Abdeen

Table 5-3

## CIP VEHICLES &amp; EQUIPMENT

## Inventory And Status

Governorate	Vehicles			Equipment		
	In Operation	Need Repair	Total Number	In Operation	Need Repair	Total Number
Cairo	227	394	621	14	25	39
Giza	140	48	188	13	12	25
Qaliubia	16	14	30	6	3	9
Alexandria	143	98	241	30	28	67
Suez	13	5	18	5	2	7
Port Said	27	13	40	14	7	21

Source: LD II Wilbur Smith Associates

**BEST AVAILABLE DOCUMENT**

The current Garage Construction Program includes seven new district garages, three new zonal workshops and renovation of one district garage. The completion of this Program will, however, cover only fifty percent of Governorates needs. The current status of this Program is:

<u>Facility Location</u>	<u>Description</u>	<u>% Compl.</u>	<u>Expected Completion Date</u>
El-Sayeda Nafisa	2 district garages 1 zonal workshop	85	Jul. 88
El-Mokattam	2 district garages 1 zonal workshop	55	Dec. 88
El-Kassarat	1 district garage/workshop	50	Jan. 89
El-Salam	2 districts 1 zonal workshop	to be contracted	Jun. 89
Helwan	1 district garage/workshop	to be contracted	Jun. 89

Assignment of garages to specific districts is under study, due to the re-organization of the Governorate into five zones and sixteen districts.

In fulfilling the needs of the districts and the Cairo Cleaning and Beautifying Authority for garages and workshop, maximum use will be made of the zonal workshops already constructed. El Sayeda Nafisa and El Mokattam have the potential for adding an additional garage to each. The garages will need only administrative and service facilities. The present Central District may be made adequate by addition to the area (the area presently occupied by El Waily District) and renovation of the facilities. Other garage needs will require more investigation to determine the best use of existing garage sites and to locate suitable new sites. Further development of the Central Workshop will also be required.

**5.3.1.2 Alexandria Governorate:** The Special garage Construction Program in Alexandria Governorate includes facilities for its six districts. The Governorate Central Workshop, except for the development of the spare parts warehouse, is not included in the Program. The status is:

<u>Location Facility</u>	<u>District</u>	<u>Compl.</u>	<u>Expected Completion Date</u>
El-Ras El-Soda, new district Garage	El-Montazah	96	July 88
El-Amreya, new district Garage	El-Amreya	85	Sept 88
Moharram Bey, new collective Garage and Zonal workshop.	El-Gomrok Midtown, West	80	Dec. 88
Semouha, new	East	New site assigned, district garage consultant working on design for construction. Construction contract expected Oct. 88	

A modern spare parts warehouse, utilizing on the Kardex system, was developed in the Governorate Central Workshop. The project included; the renovation and remodeling of the building; provision of shelving, bins and Kardex files; and the training of engineers and storekeepers in establishing and operating a complete inventory control system. The warehouse is currently being stocked.

A special project for the up-grade repair of the CIP fleet of vehicles and heavy equipment is being processed. The project includes the purchase of Egyptian-made spare parts and the repair of the vehicles and heavy equipment by private sector contractor(s). A list of pre-qualified contractors has been prepared (based on investigation by a governorate committee), and bidding documents are ready for advertising as soon as funds for the special project are received by the Governorate.

Upon completion of the present garage construction program, a renovation of the Central Workshops will be required. The workshop should be modified and equipped to provide all levels of repair short of overhaul and rebuild.

**53.13 Giza Governorate:** The NUS Project provided special project funding for a garage and workshop in Giza Governorate. Implementation of the project has been very slow and the quality of work is poor. The primary problem is that the garage and workshop is cluttered with in-operable vehicles, heavy equipment and junk that is the way of the contractor.

Garage management has not been successful in relocating the vehicles, heavy equipment and junk so that the contracted work can be facilitated. Meetings between Giza City officials, Giza Cleaning and Beautifying Authority Officials, USAID representatives and TA Contractor personnel have not been successful in resolving the problem. However, the Governor has now personally stepped in to resolve the issue.

The present Giza Cleaning and Beautifying Garage serves as both a parking garage and as a full scale maintenance center. Such combined use creates a very congested condition and greatly inhibits development of an efficient and effective maintenance management program. Adequate district garages equipped to provide preventive maintenance are required. Also, the fuel station should be moved out of the garage and be located either as a separate facility or in combination with the district garages.

**5.3.1.4 Qaliubia Governorate, Shoubra El Kheima City:** The NUS special project for the central garage and workshop has been completed. The project was well executed and current management and operation appears excellent. Some additional improvements are needed and the O & M group will work with the Governorate in developing the necessary project information. The need for an additional garage/workshop in Shoubra El-Kheima will be investigated.

**5.3.1.5 Port Said Governorate:** Under the LD II Urban Block Grant Investment Program, projects for garages and workshops in the districts, as well as a Governorate central workshop are being implemented. Development of facilities that are efficient and effectively coordinated with the level of maintenance and repair to be provided by the Governorate central workshop, and the private sector, will require in-depth technical assistance.

**5.3.1.6 Suez Governorate:** Three districts, El Arbeen, Atakah and Suez, have allocated funds from their LD II Urban Block Grant for improvements to vehicle maintenance facilities. Further monitoring by the TA Contractor is required to assure that a coordinated system that is efficient and effective is being implemented. A special project for a Governorate Central Workshop that is managed and operated by a private sector contractor is being developed.

**5.3.1.7 Management Development:** Organization and staffing recommendations for district and central garages and workshops have been developed. Organization and staffing recommendations will be implemented as the new garages are occupied. Implementation will require extensive on-site technical assistance.

- o An incentive pay program has been proposed to the governorates.
- o The governorates have received advice on the levels of maintenance to be performed in the district garages, in the governorate central workshops and in the private sector.

**5.3.1.8 Private Sector Involvement:** The private sector will be directly involved in the Alexandria CIP fleet up-grade repair special project.

- o The Governor of Suez has accepted the concept of private sector management and operation of the governorate central workshop when it is completed and equipped.
- o The Governors of Giza and Port Said are considering the concept of private sector management and operation of governorate central workshops.
- o Among activities that will be investigated for possible private sector involvement are:

- Operation and management of central workshops.
- Maintenance and repair of vehicles and equipment on an annual basis.
- On site maintenance management training programs.

**5.3.2 Streets, Roads and Footpaths:** Phase I monitoring of the garage construction program and assisting governorates in developing appropriate investment program projects required that the O & M Group spend the majority of its time on such efforts. In Phase II, as the various garage projects are completed and they are placed in operation, more time will be available for the task of improving road maintenance. For the task to be accomplished to the degree set forth in the Terms of Reference, the addition of a road maintenance specialist to the O & M Group will be required. To date, observations in regard to road maintenance are:

- o In most governorates, road maintenance is done either by the district road department or by private sector contractors.
- o Road departments are neither well organized nor adequately staffed. Equipment available is not necessarily appropriate for the work required.
- o Engineers, supervisors and workers are not well trained in road maintenance.
- o The Cairo Governorate Road Department has a new asphalt mixing plant, rated capacity 150 tons per hour, three modern lines of production for curb stones and two modern lines of production for paving tiles. All of these are working at a very low production rate.

There is also a number of almost new vehicles that have had little use in several months. The number of personnel currently on the staff is inadequate in proportion to the plant and equipment available. The need for increased road paving and road repair in Cairo is obvious as one tours the City.

**5.3.2.1 Suez Governorate Road Department;** The Suez Governorate Road Department has been reviewed in some detail and reported in "Road and Street Maintenance - Suez Governorate", October 1987, prepared for the United States Agency for International Development by Wilbur Smith and Associates in association with Engineering and Geological Consulting Office. Conditions and problems reported are found to some degree in all the Urban Governorates. Organization charts for the Governorate and Road Directorate, as taken from the referenced report, are at Figures 5-2 and 5-3 respectively.

Major conclusions of the report are:

- There is no clearly-stated mission to maintain roads and streets.
- sufficient authority to fulfill the function has not been deligated.
- maintenance of roads is subordinated to construction.
- there is little flexibility in adjusting staffing to program needs.
- the budget for operational expenses (Bab II) is not supported by a strong rational and therefore subject to arbitrary cuts.

ORGANIZATION CHART FOR SWEL GOVERNORATE

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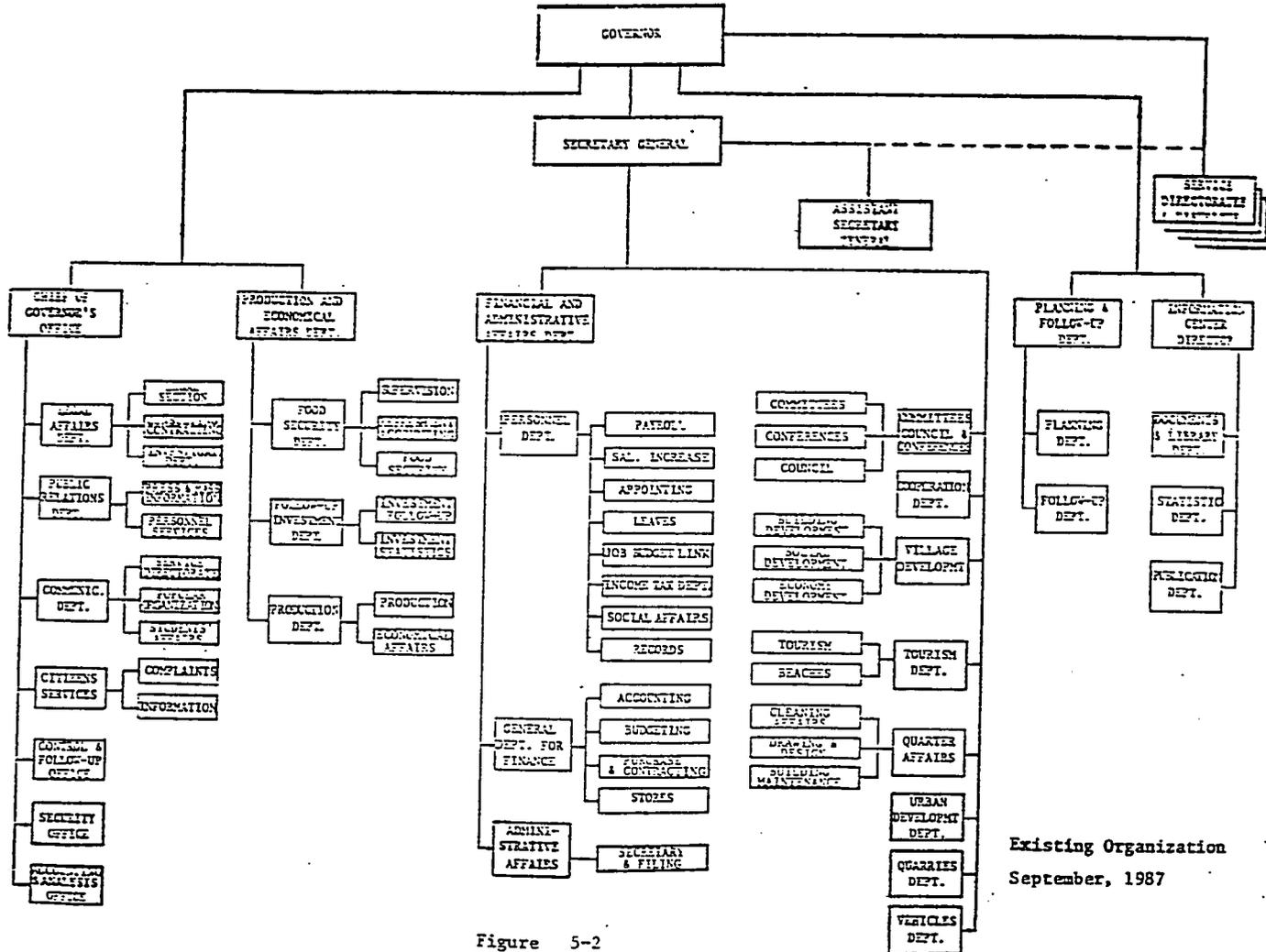


Figure 5-2

ORGANIZATION CHART, ROADS DIRECTORATE

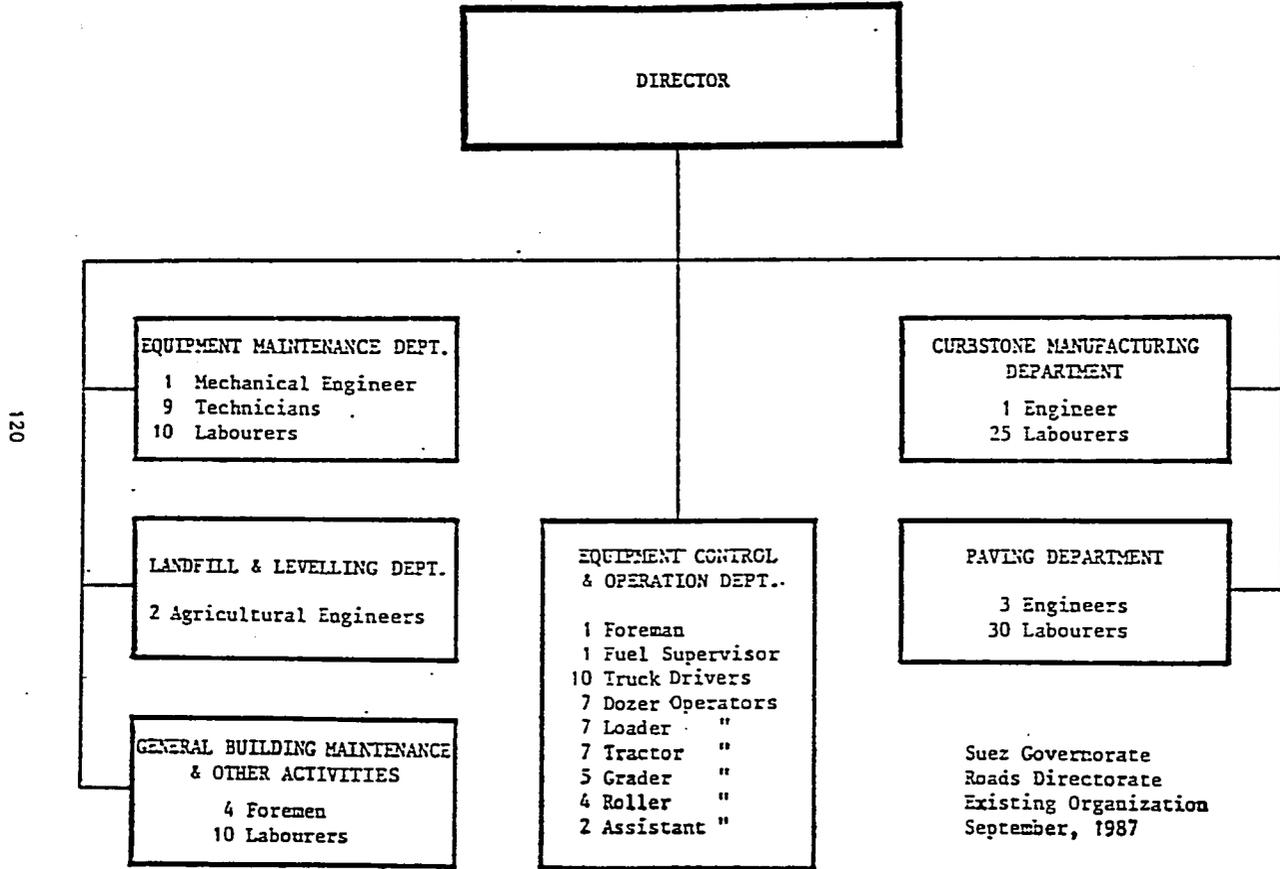


Figure 5-3

- clearer definition of maintenance needs is required.
- engineering standards for maintenance have not been set.
- production standards for staff and crews have not been set.
- management and operating personnel are in need of additional training.
- facilities for production and maintenance activities are inadequate.
- types and numbers of equipment and vehicles are inadequate and many existing units are in need of repair or replacement.
- sufficient funds and spare parts are not available to keep the vehicles and equipment at a satisfactory operational level.
- cost records do not permit determination of unit costs.

The report makes General Recommendations that will be applied in the other Urban Governorates.

- Inspect the roads and identify the work to be done. A Roads Needs Assessment is being made by the districts.
- Use engineering methods in maintenance work. Make effective and permanent repairs.
- Do not delay maintenance until complete rehabilitation is required.

**5.3.3 Operation and Maintenance Sub-Committees:** The Local Development II Urban Basic Services Delivery System Handbook indicates that an Operation and Maintenance Sub-Committee is to be formed by each GLDC. The sub-committees have not as yet been formed. Formation of the sub-committees, and their active participation in Operation and Maintenance activities, would be of great benefit to the basic services delivery systems.

## **PART B - WORK PROGRAM IMPLEMENTATION**

### **5.4 Implementation Strategy**

**5.4.1 Vehicle Maintenance and Rolling Stock:** A major investment of some twelve and a half million Egyptian pounds, allocated under the NUS and LD II Projects, is being spent to improve garages and workshops in Cairo, Alexandria, Giza and Shoubra El Kheima City. The improvement of garages and workshops by construction and renovation is continuing in all governorates using special project and LD II block grant funds.

While these expenditures will provide modern facilities, tools and equipment, they will do little to assure improved maintenance unless an investment is made in improving the management, organization and productivity of the staffs of the garages and workshops.

To achieve the desired objective of making a major improvement in the maintenance of rolling stock, Egyptian Maintenance and Administrative Specialists must be assigned to the new garages and workshops (particularly the first ones to be occupied in Cairo and Alexandria) to assist the staffs in setting up organizations, methods, procedures, standards and systems that are conducive to efficient and effective operations. The specialists must remain in the garages and workshops a sufficient period of time, probably up to six months, to conduct the necessary on-the-job training and to thoroughly establish the new systems.

**5.4.1.1 Cairo Governorate;** Monitoring of the garage construction program will continue. Design and construction of the El-Salam Garage will be closely followed so it is developed within the zonal garage concept.

- o The Governorate will be given technical assistance in developing, as zonal garages, the additional eight garages required.
- o In occupying the new garages, the Governorate will require maintenance and administrative specialists for up to six months to provide expertise to develop effective and efficient management and quality, as well as quantity of production.

**5.4.1.2 Alexandria Governorate;** Monitoring of the garage construction program will continue. Design and construction of the East District Garage at Semoula will be closely followed to assure it is properly designed for fleet size and composition. Use of pre-engineered metal buildings will be considered in the design and contracting for construction.

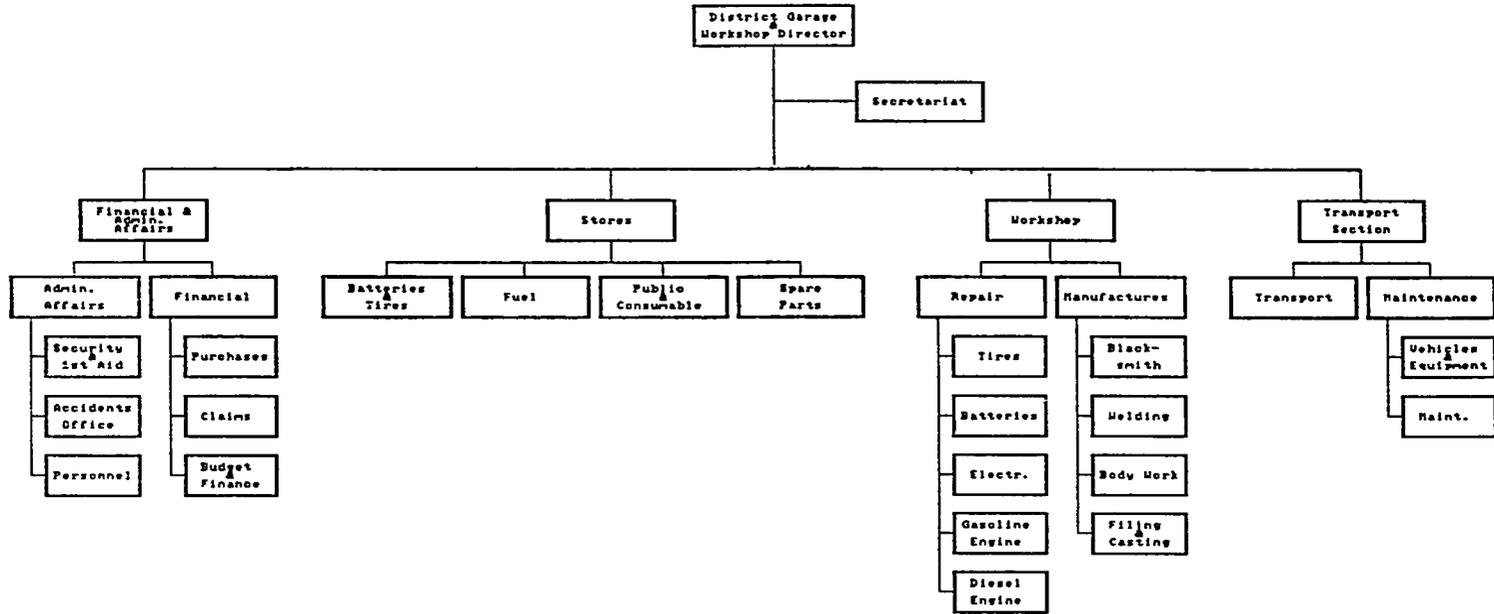
- o In occupying the new garages, the Governorate will require maintenance and administrative specialists for up to six months to provide expertise to develop effective and efficient management and quality as well as quantity of production. The proposed organizations for the new garages are shown on Figures 5-4 and 5-5.

**5.4.1.3 Giza Governorate;** Technical assistance will continue to be rendered to the GCBA to successfully complete its garage and workshop project. Additional needs for garages and workshops in Giza City will be investigated and technical assistance rendered to develop and implement investment and/or special projects. However, in this area any additional funding must be developed upon an improved attitude towards maintenance management on the part of CCBA staff. His Excellency, Governor Omar Abdel Akhar, while Governor of Qaliubia, assumed the success of the Shoubra El Kheima Garage, Project through his interest and personal supervision. Giza needs the same effort now.

**5.4.1.4 Qaliubia, Shoubra El Kheima City;** City officials will be advised as to improvements needed in the garage that was renovated and remodeled under the NUS Project. The need for an additional garage and workshop will be investigated and, if required, the O & M Group will assist the City in developing projects for accomplishment within the block grant investment program.

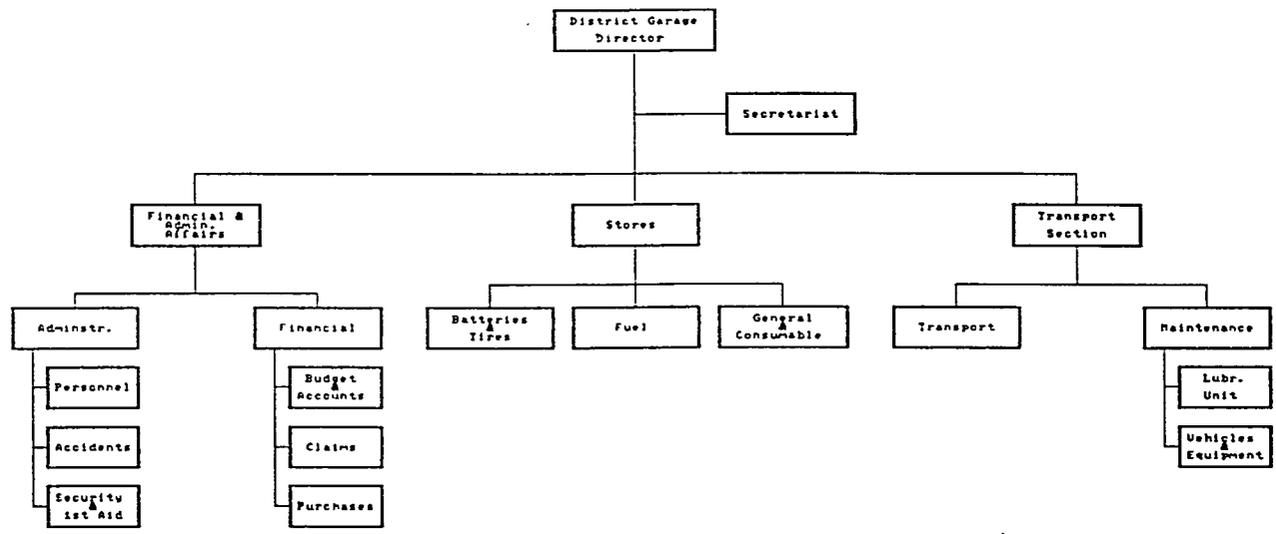
**5.4.1.5 Port Said Governorate;** The O&M Group will work closely with district and Governorate officials to assure that maintenance facilities for rolling stock are developed on an integrated basis, with responsibilities for the various levels of maintenance clearly defined. An on-site Maintenance Management Team must be provided for the new central vehicle maintenance center when it opens.

Alexandria Governorate  
Proposed Organizational Structure For District Garages and Workshops  
East - Montazah - Amrouya - Central Transport



BEST AVAILABLE DOCUMENT

Alexandria Governorate  
 Proposed Organizational Chart for Moharram Bey Zonal Garage  
 (Districts: West, Mid-Town & El-Gomrok)



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Figure 5-5

BEST AVAILABLE DOCUMENT

**5.4.1.6 Suez Governorate:** The proposed special project for a governorate central workshop with private sector management and operation will be developed and submitted to the ULDC, AMANA and USAID for approval and funding. The O&M Group will monitor special project development and assist the governorate in preparing the terms of reference for the management and operation contract.

- o District and governorate officials will be given assistance in developing facilities for maintenance of rolling stock so that an integrated system with well defined responsibilities for the various levels of maintenance is included.

**5.4.1.7 Management Development:** Development of more production oriented staff in garages and workshops is the key to improved rolling stock maintenance. The problem will be approached by providing recommended organizations and staffing, on-the-job training, classroom training, and TAC visits and consultations.

It is recognized that an incentive pay program can be a strong motivator. An incentive pay plan, based on both production and maintenance standards was developed for the Alexandria Governorate and is detailed in a report titled "Alexandria CIP Vehicle Repair", prepared for USAID by Wilbur Smith Associates. Such an incentive pay plan is being presented to other governorates for consideration.

**5.4.1.8 Private Sector Involvement:** The private sector is currently involved in the maintenance of rolling stock. A large percentage of major repairs and component rebuilding is performed by the private sector, both large and small scale contractors. In Alexandria a contract for the up-grade repair of the CIP fleet, as well as an annual contract for vehicle and construction equipment repair will be awarded as part of a special project.

Experience gained with these contracts will be applied in other governorates as appropriate. A special project is being developed for Suez Governorate that will include private sector management and operation of the Governorate Central Workshop. Other opportunities for private sector involvement will be sought, investigated and applied.

## **5.4.2 Streets Roads and Footpaths**

**5.4.2.1 Suez Governorate:** The proposed special project for reorganization of the Road Maintenance Department and provision of plant and equipment will be developed and submitted to the ULDC, AMANA and USAID for approval and funding. The project will be monitored for implementation and effectiveness of the specialists assigned to provide the on-the-job training.

**5.4.2.2 All Governorates:** Based on data made available by the governorates and districts, the following actions will be taken in conjunction with Governorate and district officials:

- o Preparation of engineering standards, practices, materials and equipment specifications.
- o Review and update management procedures.
- o Review incentive pay plans and recommend improvements that will enhance quality

of work and productivity.

- o Review staffing and establish a manpower distribution that will promote productivity and quality of work.
- o Preparation of a two-year maintenance plan.

### 5.4.3 Training

**5.4.3.1 Inventory Control Training:** The training course developed and conducted once in Alexandria Governorate is applicable to all governorates. The course will be conducted for engineers and storekeepers in the six governorates. The program for this training is detailed in Section 8 of this report.

**5.4.3.2 Rolling Stock Maintenance Training:** On-the-job training, involving managers, engineers, supervisors, mechanics and workers will take place in the new garages and workshops as they are occupied. The staff of other garages and workshops may be assigned to the new garages and workshops to observe the management techniques and improved work standards and production. United States training of engineers and managers will be considered. An in-country course in Management of Garages and Warehouses will be developed in conjunction with the Training Group. The program for this training is detailed in Section 8 of this report.

**5.4.3.3 Road Maintenance Training:** On-the-job training will be applied on the special project on Suez Governorate. This pilot project will form a basis for determining what will probably work best in the other governorates.

**5.4.4 Use of Reports and Studies:** Reports and studies referred to in paragraph 5.2.3 form the basis for much of the current O&M Task. Elements of the studies are being implemented and others will be applied as the Project proceeds.

**5.4.5 Special Projects:** Special projects have been identified as necessary to support the O&M Task. It is anticipated that others will be identified as investigations are completed and plans reviewed and developed. Potential special projects identified to date are:

- o Alexandria Governorate

Upgrade Repair of the CIP Fleet: The project has been completely planned and awaits only funding for implementation.

- o Suez Governorate

Reorganization of the Road Maintenance Department and Provision of Plant and Equipment. This special project is based on a report titled "Road and Street Maintenance - Suez Governorate"; prepared by Wilbur Smith Associates for USAID under the NUS Project dated October 1987. Elements of the project are:

- Equipment operating costs.

- Road maintenance materials.
- New hot-mix asphalt batch plant.
- Shop facilities.
- Yard paving.
- Specialist personnel, one expatriate and one Egyptian national, to conduct on-the-job training in management and operation of road maintenance.

Governorate Central Garage and Workshop. The project involves the construction of the garage and workshop and the solicitation of proposals from the private sector for the management and operation of the garage and workshop.

Elements of the project are:

- Utilities supplies.
- Workshop buildings.
- Paving.
- Shop equipment and tools.
- Fuel and lubrication station.
- Warehouse equipment and furniture.
- Fencing and gates.
- Vehicle shed.

## 5.5 Resources Required

The fulfilment of the objectives and outputs of the Operations and Maintenance Task will require both long term and short term specialist additions to the staff.

### o Current Long Term Staff

**12 person months** - Albert McCarty  
Assistant Project Director

**24 person months** - Engineer Fouad Sultan  
O&M Group Leader  
Engineer Sherif Sami  
Engineer Mohamed Ali Hussein

### o Additional Long Term Staff

**15 person months** - Egyptian Road Maintenance Specialist; to review organizations, staffing, physical plant and equipment as well as methods, procedures and standards and to assist governorates to institute improvements.

o **Additional Short Term Staff**

**6 person months** - Expatriate Road Maintenance Specialist, work with the Suez Governorate Road Department as identified under 5.4.5, Special Projects.

**6 person months** - Egyptian National Road Maintenance Specialist, work with the expatriate specialist indicated above.

To provide the "on-the-job" training in garage and workshop management and operations as detailed in paragraph 5.4.1, it is proposed that five teams consisting of an Equipment Maintenance Specialist and an Administrative Specialist be formed. Two teams will work in Alexandria, two in Cairo and a fifth team in Port Said when the Governorate Central workshop is ready for occupancy and operation.

**30 person months** - Egyptian National Equipment Maintenance Specialist, one specialist to work in Alexandria garage program and one in Cairo garage program to conduct on-the-job training as detailed in paragraph 5.4.1.

**30 person months** - Egyptian National Administrative Specialist, one to work in Alexandria garage program and one in Cairo garage program to assist garage and workshop staffs in improving administration and supply systems and procedures.

**5.6 Program Outputs**

The program implementation detailed in this section of the Report, some of which will extend into the third year or beyond, will produce the following outputs:

- o An integrated plan for vehicle and equipment maintenance in each governorate. Levels of maintenance for garages, central workshops and private sector contractors will be clearly defined. Private sector entities will be involved to the extent feasible.
- o Current garage construction programs will be completed and the staff trained to improve efficiency and effectiveness.
- o The experience gained in the Alexandria Special Project for Up-grade Repair of the CIP Fleet will be monitored for possible application in other governorates.
- o Both classroom and on-the-job training programs will be used to up-grade both the management and technical skills of the garage and workshop staff.
- o Road Departments in districts and governorates will be reviewed and improvements in organization, staff, fixed plant, equipment, methods and procedures recommended. Implementation of the recommendations will be monitored. Experience gained in the special project for Road Maintenance in Suez Governorate will be applied in other governorates.
- o In conjunction with governorate and district officials, a two-year road maintenance plan will be prepared for each governorate.

- o Assistance will be rendered in the planning and execution of special projects.
- o Spare Parts Inventory Control System using the Kardax System will be established in garages and workshops. Excess spare parts and spare parts not applicable to current fleet composition will be used to stock warehouses with appropriate levels of spare parts.
- o Based on needs assessments five year programs are projected for:
  - garage and workshop construction and renovation
  - acquisition of spare parts
  - vehicle and equipment repair
  - vehicle and equipment acquisition.

## Section 6

### LAND MANAGEMENT

#### PART A - BACKGROUND ANALYSIS

##### 6.1 Review of Project Targets and Mandates

The need for better land management to cope with the tremendous pressures facing Egyptian cities is clear and paramount. The Land Management Task aims to provide participating governorates with technical assistance in creating the institutional capacity required for such better land management. In brief, this means giving governorates the capacity to acquire, control, and hold vacant lands for future urban needs, to allocate such lands efficiently, to service and develop such lands in partnership with private or informal sector participants, and to undertake the upgrading of deficient urban areas. In these efforts the principles of efficiency, equity, and cost recovery should predominate.

Such a Task mandate is ambitious and not all Task objectives can be assured of achievement with the resources available and within the timeframe of the LD II Urban Project. A distinction between what is realistically achievable and what is hopefully achievable was made in the Inception Report, and such a distinction is still valid. But as result of work during the Diagnostic Phase, the overview of future targets and work outputs has been refined and some changes have been made in the implementation strategy. These refinements and changes are spelled out in this Section and presented in greater detail in the Work Plan.

In addition, it is the TA Contractor's understanding that issues raised in the Inception Report (p. 68-69) have been resolved as follows:

- o The definition of upgrading would be broadened to include both "integrated" upgrading and "component" upgrading as clarified in recent USAID correspondence, (Letter of April 24, 1988 from USAID Chief Urban Development Section, Officer of Local Administration and Development to Mr. Richard Miller, Chief of Party);
- o The initial statement of objectives outlined in the contract to: A) Insure cost recovery and, B) encourage the private sector's role in low-income housing is rephrased in the above-mentioned USAID letter to: A) Insure low-subsidy rather than full cost recovery and, B) low and middle income housing projects rather than only low-income projects.
- o Legislative reform may be considered if needed for planning standards. However, it is assumed that commitment within the scope of this Project is confined to lobbying for such legislative change, where appropriate and filing official requests to be acted upon by appropriate GOE governmental entities. It is also assumed that practical planning standards would be considered in the scoping out of "Demonstration Projects".

It should be pointed out that the TA Contractor's efforts during the Diagnostic Phase have not been limited to pure data reconnaissance and "diagnosis". In parallel, preliminary work has started on designing possible institutional formats for individual governorates and in evolving practical strategies for implementation. Such efforts are described in the following sub-sections.

## 6.2 Data Reconnaissance Efforts

**6.2.1 Status:** The diagnostic data reconnaissance effort has culminated in mixed results for each of the governorates and is summarized in Table 6-1. "Pending" data is a result of GOE officials claiming a need for security clearances. "Not applicable" means these governorates were more oriented to upgrading land management activities and would need resources to strengthen almost non-existent capacities at the governorate level oriented to urban areas. Additional follow-up with these governorates is required.

For the period January through May, 31 percent of staff time was spent in field reconnaissance activity as shown in Table 6-2, in spite of TA staff turnover and minimal TA staff resources.

In summary, the status of the land management work plan as originally presented in the Inception Report is as follows:

- o In Phase I, the interview process regarding present land management functions in each of the six governorates has been completed as of the end of May, 1988 with mixed results and some difficulties in obtaining necessary information. This process has culminated in the development of a LMU office concept model for Cairo Governorate.
- o The presentation of the LMU office concept model to Cairo Governorate has been completed. As a result of Governorate officials considering the LMU Concept paper; findings in the Draft Diagnostic Report; and recent experience regarding the establishment of the Ismailia Land Planning and Development Agency; a Decree was signed by the Cairo Governor whereby the Office of Land Management would be funded as a project using the Housing Fund. This arrangement removed a major institutional hurdle since dealing with the Central Agency for Organization and Administration, CAO, to approve office concept and staff would likely have taken a very long time. (For example, the Urban Planning Department in Port Said was formulated sometime ago, but it has been seven years for the CAO to take action on approving staffing for this Department and it has not yet been approved even today. All current staff for this Department have, as a result, been seconded from the Housing Directorate and are not necessarily qualified for the positions intended). The execution of a Decree for a Land Management Office in Port Said is pending and should be completed very shortly.
- o The pragmatic concern of the TA Contractor to meet project milestones is addressed in more detail in the revised work plan program. Heavy emphasis will be placed on "linkage" of milestones to the establishment of effective land management structures and/or equivalent institutional frameworks in each governorate.
- o At the request of USAID, and subject to the speed with which Decrees or concept papers are executed and/or approved, the goal of establishing two Land Management Offices would be accomplished in January, 1989 and the remaining offices by the end of June, 1989. The definition of operating offices would include approval of an organizational concept, through acceptance of concept papers or execution of decrees by Governors; hiring of a full time dedicated Director and/or "core" staff by government; the appointment of a Board of Directors or Executive Steering Committee; and the availability of space and furnishings. The TA Contractor does not necessarily agree as to the reasonableness of this schedule since it is not consistent with recommendations and schedules presented and approved by GOE in the Draft Diagnostic Report, but will make

Table 6-1

## STATUS OF LAND MANAGEMENT DIAGNOSTIC DATA COLLECTION/RECONNAISSANCE

Item	Governorate					
	Cairo	Alexandria	Giza	Qaliubia	Port Said	Suez
Initial Interview/Discussions Regarding Exchange of Views	*	*	*	*	*	*
Staff Organization Structure, Skills, Capacities Obtained	o	o	0	0	*	*

\* Completed    o Pending    0 Not Applicable

Source: LD-II Urban TA Contractor, Wilbur Smith Associates

Table 6-2

LAND MANAGEMENT  
FIELD RECONNAISSANCE AND DATA COLLECTION

Month	Staff Days Available	Field Trips to Respective Governorate					
		Cairo	Alexandria	Giza	Qaliubia	Port Said	Suez
January	10	2	-	1	1	-	-
February	40	4	-	2	-	-	6
March	46	4	4	2	1	6	-
April	30	2	-	-	2	4	-
May	34	4	3	-	-	-	2

31% of staff time was spent on field reconnaissance

Source: LD-II Urban TA Contractor, Wilbur Smith Associates

every attempt to abide by it. The definition above also relies heavily on timely government action in the hiring of full time dedicated staff, provision of space and approval of office equipment and furnishings support budgets. etc.

**6.2.2 Needs and Opportunities:** It is useful first to set out in general terms what are the main land management tasks facing each governorate. This is presented in matrix format in Table 6-3, where relative weights are assigned to:

- o the long term potential for urban expansion on new lands, over which a governorate has or can obtain legal control;
- o the short term potential for early development of new lands, including sites which might be candidates for "pilot" or "vanguard" projects;
- o the need for "integrated" upgrading of seriously deficient urban communities, where due to land tenure, history, or other anomalies a low-income community has been bypassed in the provision of standard infrastructure and social services; and,
- o the need for "component" upgrading, where particular urban areas are seriously deficient in one or more specific urban services, (such as street paving in one area and solid waste collection in another).

As can be seen from Table 6-3, these needs and opportunities vary considerably from one governorate to another. For example, both Giza and Qaliubia have almost virtually no desert lands which could be used either for short or long-term urban expansion projects. On the other hand, Cairo, Suez, and to some extent Alexandria have substantial potential for long-term expansion on desert lands.

### **6.3 Analysis of Existing Situation**

**6.3.1 Existing Institutional Capacities:** The analysis of existing institutional capacities has focused on findings regarding organization structure; identification of shortfalls in a functions analysis; and quality of staffing. These capacities have varied considerably between each of the six governorates.

**6.3.1.1 Organization Structure:** Presented in Figures 6-1 through 6-6 are abbreviated organization charts of each governorate which show the current responsibilities for land management functions. As can be seen there is considerable variation. In "rural" governorates, namely Giza and Qaliubia, planning activities are conducted at city and village levels with only nominal central participation, (under the Housing Directorate in Giza, and under the Diwan in Qaliubia). Alexandria and Suez have unique land protection capabilities represented by independent agencies directly reporting to the governors. Port Said and Suez have formed, in the last five years, dedicated planning/land development departments.

Table 6-3

## LAND MANAGEMENT NEEDS AND OPPORTUNITIES, BY GOVERNORATE

Needs And Opportunities	Governorate					
	Cairo	Giza	Qaliubia	Alexandria	Port Saïd	Suez
1. Long Term Potential for Urban Expansion on New Lands	XXX	-	-	XXX	XXX	XXX
2. Short Term Potential for Early Development of New Lands	XXX	-	-	XXX	XX	XXX
3. Extent of Integrated Upgrading Required	XX	XXX	XXX	XX	XX	XX
4. Extent of Component Upgrading Required	XXX	XXX	XXX	XXX	XX	XX

KEY: - = negligible  
 X = limited  
 XX = moderate  
 XXX = substantial

## NOTES:

(1) and (2): CAIRO has extensive vacant desert lands to the east which have short and long term potential for expansion, including lands under Housing Company concessions. Just how far east Cairo Governorate's authority extends is an issue to be resolved with Ministry of Development and New Communities. QALIUBIA's only desert boundary is the Abou Zaabal-Khanka area which is totally utilized by the military. GIZA fronts on extensive desert to the west but it is understood that Ministry of Development and New Communities has full authority over these lands. ALEXANDRIA has long term expansion possibilities to the southeast and also through landfill into Lake Mariut; in the short term Alexandria has significant potential for expansion on lands recently vacated by the military. PORT SAID City has the potential for expansion through landfill into Lake Manzala and also to the west, and has extensive desert tracts east of Port Fouad. SUEZ City has large desert tracts to the west and south along the Gulf of Suez and also east of the Suez Canal.

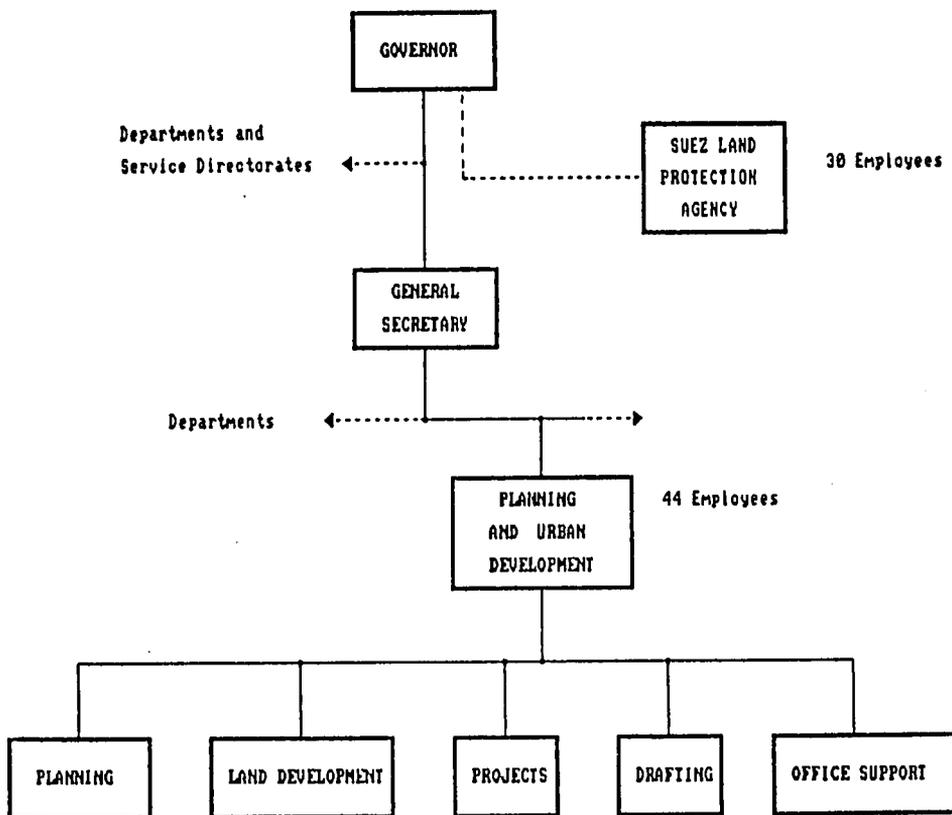
(3): CAIRO already has numerous integrated projects such as Manshiet Nasr, the Zaabaleen settlements, and the several villages of the Helwan Upgrading Project. Thus its need for more integrated upgrading can be considered "moderate". GIZA and QALIUBIA are both in need of considerable integrated upgrading, especially for former agricultural settlements which have been swallowed by urban expansion. ALEXANDRIA and to a lesser extent PORT SAID and SUEZ have older urban communities which, for one reason or another, are in need of an integrated upgrading approach.

(4): The large urban agglomerations of Greater CAIRO, and ALEXANDRIA all have extensive areas needing improved infrastructure and social services of one sort or another, especially those areas which have been settled informally. PORT SAID and SUEZ, being smaller and having been the focus of various reconstruction programs after the 1973 war, are less in need of component upgrading.

Source: LD-II Urban Contractor, Wilbur Smith Associates

SUEZ GOVERNORATE

ORGANIZATION



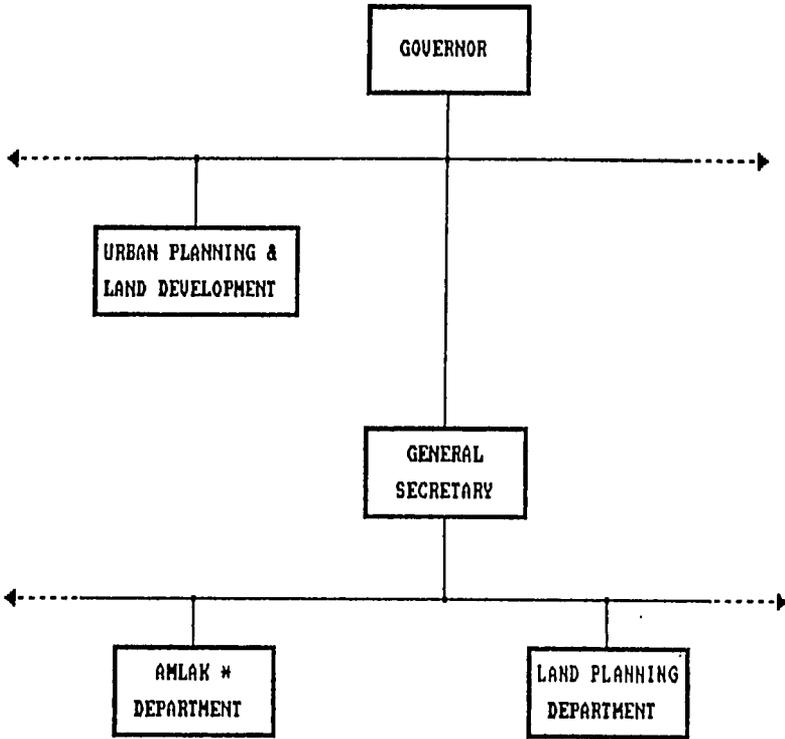
Planning & Urban Development is responsible for:

- 1) Processing Land Requests
- 2) Architectural and Structural Design of BAB 3 Investment projects

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FIGURE 6-1

PORT SAID GOVERNORATE  
ORGANIZATION



\* LAND PROPERTY

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ALEXANDRIA GOVERNORATE  
ORGANIZATION

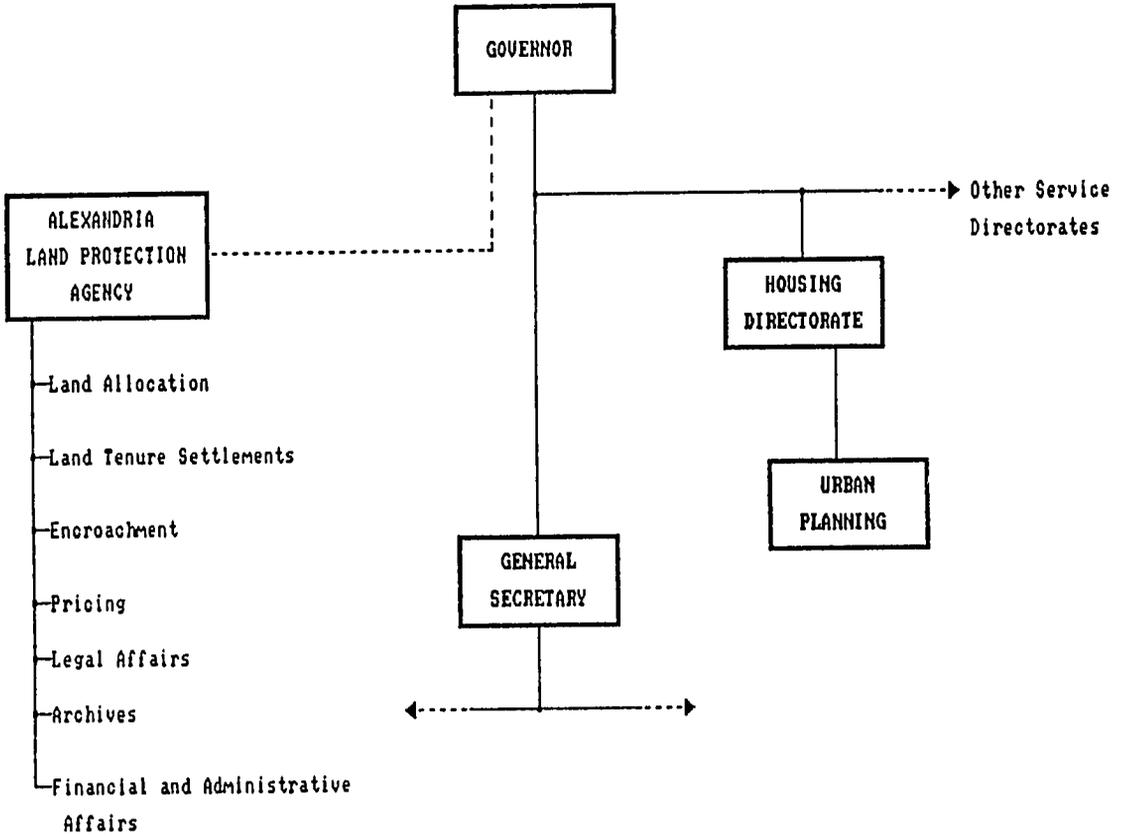
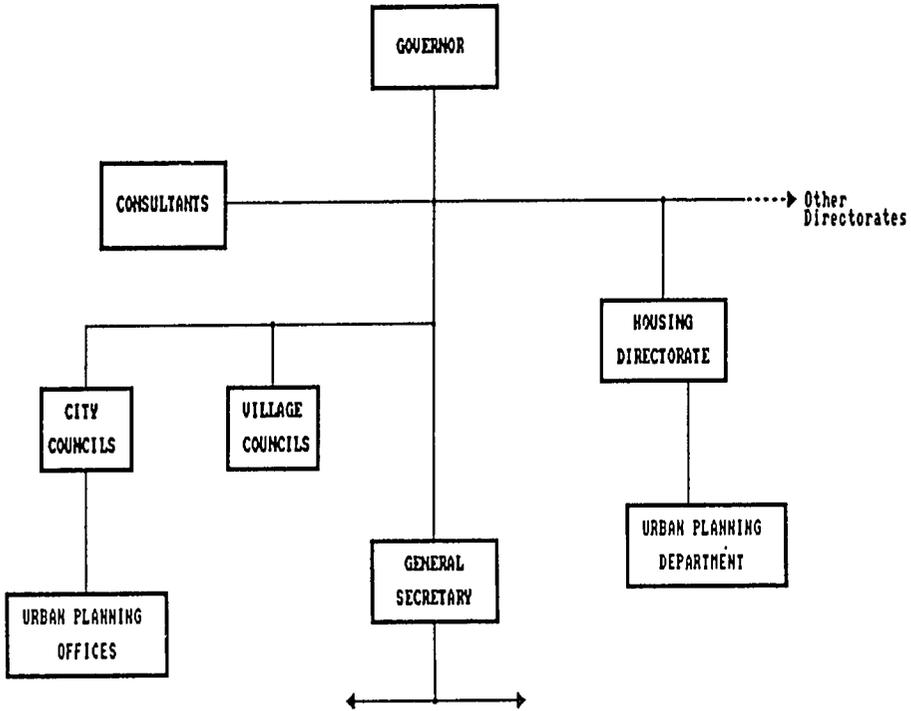


FIGURE 6-3

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GIZA GOVERNORATE  
ORGANIZATION

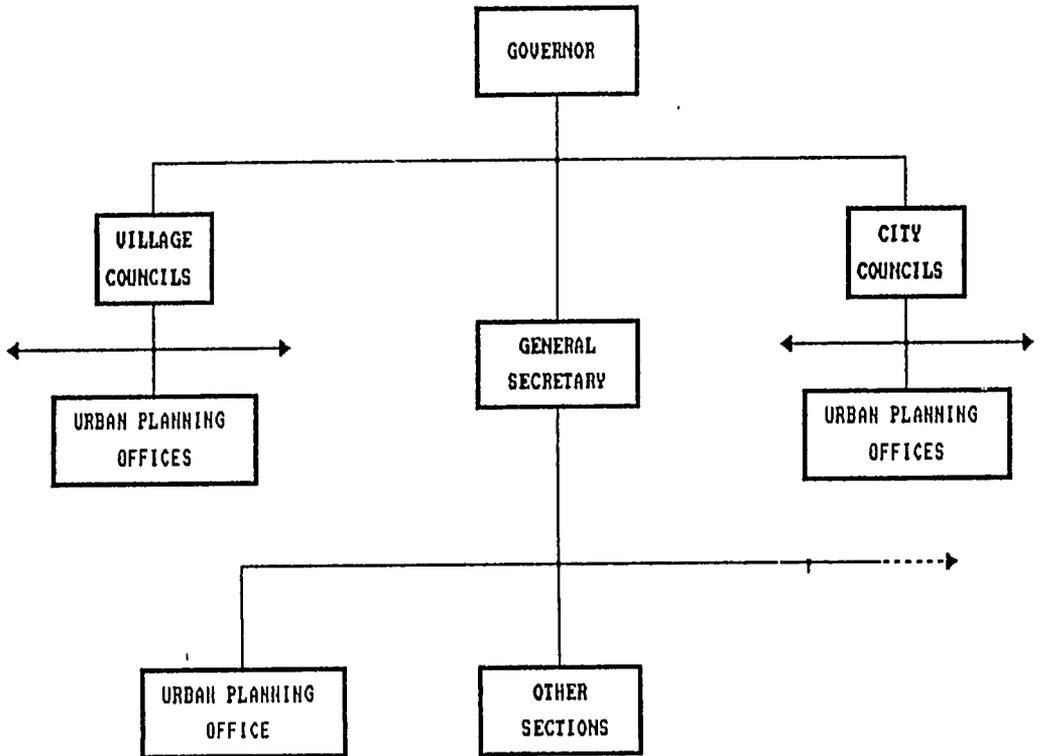


Actual day-to-day planning activities are conducted on city level.  
The Urban Planning Department in the Housing Directorate has a coordinating role.

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FIGURE 6-4

**QALIUBIA GOVERNORATE  
ORGANIZATION**

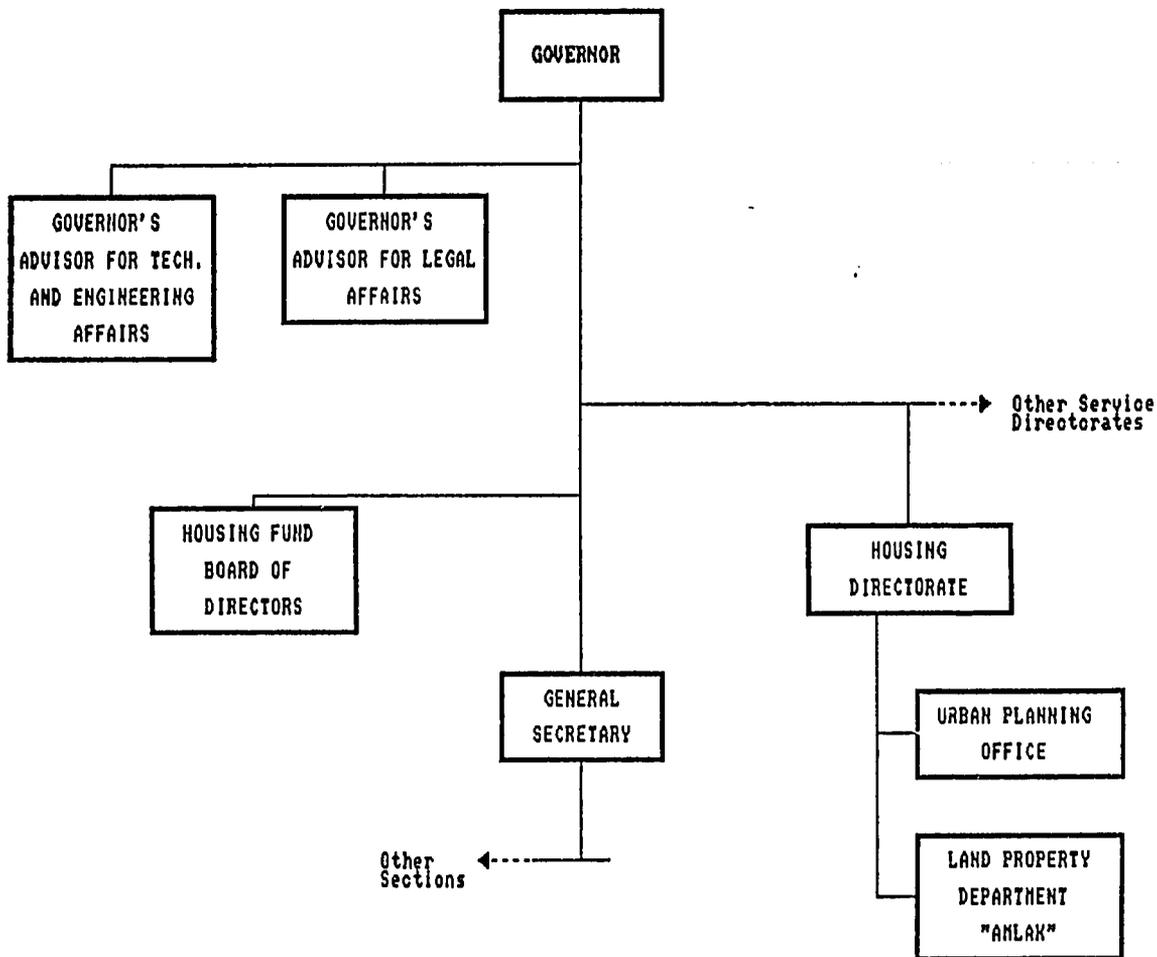


Two Urban Planners (created by Governor's decree in 1984) to advise the General Secretary on actions related to Urban Planning. Actual day-to-day planning activities are conducted in a decentralized fashion in City Councils and in Village Councils.

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FIGURE 6-5

CAIRO GOVERNORATE  
ORGANIZATION



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FIGURE 6-6

It should be noted that some entities represented in the organization charts exist mostly in name only. For example, in Qaliubia, the Planning Department has a staff of two. Also, many planning departments mainly deal only with the day-to-day work of resolving property disputes and setting building lines, and as such are best described as "passive bureaucracies". Only Port Said and Suez have units which could be called land management departments which perform planning roles.

**6.3.1.2 Functions Analysis and Identification of Shortfalls;** To take the analysis of current institutional capacities further, a list of 14 desired land management functions was developed and governorate performance in each was evaluated. Findings are given in matrix format in Table 6-4. These show considerable variation but, in general, performance is low. For example, only Port Said seems to have good performance marks for some functions, and only Port Said, Suez, and possibly Alexandria can be said to have any capacity to plan effectively for urban expansion.

By combining the functional evaluation of Table 6-4 with the needs and opportunities assessment of Table 6-3, it is possible to identify, in general terms, the major institutional shortfalls in land management in each governorate. This is shown for each of the 14 desired land management functions, in Table 6-5. Such shortfall identification serves as the basis for preliminary "concept" designs of what is needed in each governorate, as is described below in Section 6-4.

**6.3.1.3 Quality of Staffing;** The quality of personnel responsible for land management activities in the governorates also varies widely, ranging from qualified and dedicated professionals to paper-pushing clerks. The TA Contractor has conducted a preliminary manpower review in Port Said. The aim was to gain a better understanding of manpower constraints so that the land management implementation strategy is as realistic as possible.

A simple survey was conducted of personnel of the three departments in Port Said Governorate which deal in some way with land management and land use planning. Overall results of staffing levels, qualifications, experience and training are presented in Table 6-6. This Table shows that there is a disproportionate representation of professional staff in one department which was recently formed and which reports directly to the Governor (25 professionals out of a total staffing of 38), whereas the two "traditional" departments of Amlak and Land Planning have no professionals at all.

What the TA Contractor found to be significant and disturbing is that there is little logic in the distribution and assignment of manpower within the three departments. To illustrate: it was found that the head of the Lands Section of the Urban Planning and Land Development Department is an electrical engineer. Of the two professionals working as urban planners, one is a civil engineer and the other is an electrical engineer. Although the head of the Drawing Section has a technical high school diploma, he owes his position to the fact that he obtained a university degree in Commerce.

Moreover, it appears that the training system is somewhat illogical. There was no positive correlation between the length of employee experience and number of training courses attended. And the only training courses which the Land Planning Department's employees received was a general course in "organization and training". There seems to be a lack of any general training plan which tries to link job requirements with specialized training.

Table 6-4

## EVALUATION OF LAND MANAGEMENT CAPACITIES, BY GOVERNORATE

Desired Functions	Governorate					
	Cairo	Giza	Qaliubia	Alexandria	Port Said	Suez
1. Vacant lands inventory and cadastre	X	-	-	X	XX	XX
2. Vacant lands protection	X	-	-	XX	XX	XX
3. Rational distribution and monitoring of vacant lands	X	-	-	X	X	XX
4. Overall urban planning coordination and scheduling of major infrastructure extensions	-	-	-	X	X	X
5. Planning and design of new areas, including required studies	-	-	-	-	-	-
6. Identification and planning of integrated or component upgrading schemes, including required studies	X	X	X	X	X	X
7. Legal capacity for resolving land ownership problems and modifying urban standards	-	-	-	-	-	-
8. Coordination of all governorate-level activities in land development	-	-	-	-	X	X
9. Coordination with GOPP and other national-level urban development agencies	XX	X	XX	XX	XXX	X
10. Ability to raise funding for urban projects	-	-	-	-	XXX	X
11. Degree of cost-accounting and ability to recover cost of urban projects	X	X	X	XX	XXX	XX
12. Contracting with contractors and follow-up	XX	X	X	XX	X	XX
13. Contracting with developers and follow-up	-	-	-	-	-	-
14. Contracting with consultants and follow-up	-	-	-	-	-	-

KEY - = negligible capacity  
 X = minimal capacity  
 XX = average capacity  
 XXX = good capacity

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\* GOPP - General Organization for Physical Planning

Source: LD-II Urban TA Contractor, Wilbur Smith Associates

Table 6-5

## ASSESSMENT OF SHORTFALL IN LAND MANAGEMENT CAPACITIES, BY GOVERNORATE

Desired Functions	Governorate					
	Cairo	Giza	Qaliubia	Alexandria	Port Said	Suez
1. Vacant lands inventory and cadastre	XX	-	-	XX	X	X
2. Vacant lands protection	XX	-	-	X	X	X
3. Rational distribution and monitoring of vacant lands	XX	-	-	XX	XX	X
4. Overall urban planning coordination and scheduling of major infrastructure extensions	XXX	XXX	XXX	XX	XX	XX
5. Planning and design of new areas, including required studies	XXX	-	-	XXX	XXX	XXX
6. Identification and planning of integrated or component upgrading schemes, including required studies	XX	XXX	XXX	XX	X	XX
7. Legal capacity for resolving land ownership problems and modifying urban standards	XXX	XXX	XXX	XXX	XX	XXX
8. Coordination of all governorate-level activities in land development	XXX	XX	XX	XXX	XX	XX
9. Coordination with GOPP and other national-level urban development agencies	X	XX	X	X	-	XX
10. Ability to raise funding for urban projects	XXX	XXX	XXX	XXX	-	XXX
11. Degree of cost-accounting and ability to recover cost of urban projects	XX	XX	XX	X	-	X
12. Contracting with contractors and follow-up	X	XX	XX	X	XX	X
13. Contracting with developers and follow-up	XXX	XXX	XXX	XXX	XXX	XXX
14. Contracting with consultants and follow-up	XXX	XXX	XXX	XXX	XXX	XXX

KEY: X = minor shortfall  
 XX = moderate shortfall  
 XXX = serious shortfall

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Source: LD-11 Urban TA Contractor, Wilbur Smith Associates

Table 6-6

PORT SAID GOVERNORATE STAFFING OF LAND MANAGEMENT DEPARTMENTS

	Land Planning Dept.	AMLAK Dept.	Urban Planning & Land Dev.
<b>1. PROFESSIONAL</b>			
A. Architects & Planners	-	-	2
B. Engineers	-	-	15
C. Financial	-	-	8
D. Legal	-	-	-
<b>2. TECHNICAL SUPPORT STAFF</b>			
A. Technical High School	6	5	5
B. Commercial High School	5	17	8
<b>3. EXPERIENCE RECORDS</b>			
1 - 5 yrs	7	10	24
6 - 10 yrs	1	5	9
11 - 15 yrs	1	2	3
16 - 20 yrs	-	4	-
20 - more	2	1	2
<b>4. PERCENTAGE OF TOTAL EMPLOYEES HAVING TRAINING COURSES</b>	100%	95%	73%
<b>5. TOTAL DEPT. EMPLOYEES</b>	11	22	38

Source: LD-II Urban TA Contractor, Wilbur Smith Associates; interviews and discussions with Port-Said Governorate Officials

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These preliminary findings raise important questions: How efficient is the Governorate's Manpower Directorate in assigning newly employed civil servants? What is the role of the Directorate for Organization and Administration in specifying job duties and responsibilities? And, is the existing training system relevant?

**6.3.2 Use of Housing Funds for Financing Land Development:** As the Governorate Housing Fund is intended to be used extensively as a financing and cost accounting mechanism for urban projects (see Section 6.4 below), the TA Contractor assessed during Phase I how these funds are currently used in each governorate. Statements of revenues (Table 6-7), and expenditures Table 6-8), were obtained for Fiscal Year 1986/87 and are graphically presented on Figures 6-7 through 6-12 for each of the governorates. A comparison of total revenues and expenditures by governorate is shown on Figure 6-13. As can be seen there appears to be

Table 6-7

ECONOMIC HOUSING FUND ACCOUNT  
ACTUAL REVENUES 1986/7

( L.E.000)

Items	Cairo		Giza		Qualiubia		Alexandria		Port Said		Suez	
	L.E.	%	L.E.	%	L.E.	%	L.E.	%	L.E.	%	L.E.	%
1. TAXES	4,529	4.5	1,582	10.7	232	2.6	3,165	5.0	104	0.4	25	0.1
2. FINES	4,025	3.9	61	0.4	156	1.8	184	0.3	65	0.2	129	0.7
3. RENTS:												
A. Housing	8,230	8.1	-	-	1,389	15.8	3,414	5.4	3,673	14.1	-	-
B. Lands	4,026	3.9	-	-	-	-	-	-	-	-	-	-
4. SALES:												
A. Housing	80	0.1	1,996	13.5	-	-	-	-	22	0.1	4,572	26.5
B. Lands	4,790	4.7	56	0.4	95	1.1	20,090	33.1	4,458	17.1	2,051	11.9
5. LOANS	51,869	50.9	10,307	69.5	6,000	68.2	26,000	41.1	6,500	24.9	7,700	44.6
6. OTHERS	3,374	3.3	147	1.	45	0.5	7,036	11.1	8,690	33.3	60	0.3
7. HOUSING BONDS	-	-	638	4.3	3	0.03	339	0.5	201	0.8	-	-
8. BANK DEPOSITS	-	-	-	-	400	4.5	-	-	-	-	-	-
+ Previous Year Balance	21,003	20.6	39	0.2	480	5.5	2,194	3.5	2,365	9.1	2,747	15.9
<b>Total</b>	<b>101,926</b>	<b>100</b>	<b>14,826</b>	<b>100</b>	<b>8,800</b>	<b>100</b>	<b>63,222</b>	<b>100</b>	<b>26,078</b>	<b>100</b>	<b>17,282</b>	<b>100</b>

Source: Ministry of Finance

little consistency among governorates in either revenues or expenditure flows, except that all relied heavily on loans from the National Investment Bank. For example, revenues from land sales ranged from less than one percent of total revenues (in Giza), to 33 percent in Alexandria. And it is significant that in some governorates the unspent surplus carried over from the previous year was quite high, representing for Cairo 20 percent of the Housing Fund budget.

The administration of the Housing Funds is purely an accounting one, involving a small staff of accountants reporting directly to the governors. Actual allocations are proposed by the governorate Executive Councils and endorsed/modified by the Popular Councils.

Table 6-8

ECONOMIC HOUSING FUND ACCOUNT  
ACTUAL EXPENDITURES 1986/7

(L.E.000)

Items	Cairo		Giza		Quallubia		Alexandria		Port Said		Suez	
	L.E.	%	L.E.	%	L.E.	%	L.E.	%	L.E.	%	L.E.	%
1. INVESTMENTS	48,000	47	11,443	77.1	6,000	68.2	61,377	97.0	23,707	91.2	9,510	55.0
2. SERVICE PROJECTS	9,223	9	-	-	24	0.3	-	-	-	-	-	-
3. OTHER EXPENSES	1,181	1	149	1	71	0.8	107	0.2	322	1.2	79	0.5
4. LOAN INTEREST	20,102	20	2,125	14.3	1,478	16.8	631	1.0	1,392	5.3	267	1.5
5. LOAN INSTALLMENTS	7,018	7	722	5	528	6	-	-	475	1.8	769	4.4
6. BONDS COUPONS	1,111	1	-	-	-	-	-	-	-	-	-	-
7. BONDS INTEREST	-	-	338	2.3	-	-	292	0.5	97	0.4	23	0.1
SURPLUS	15,291	15	49	0.3	669	7.9	815	1.3	5	0.1	6,634	38.5
Total	101,926	100	14,826	100	8,800	100	63,222	100	26,078	100	17,282	100

Source: Ministry of Finance

**6.3.3 Existing Urban Plans and Past Experiences in Urban Development and Upgrading:** The Technical Assistance Contractor (TAC) has devoted considerable effort to a rapid, broad reconnaissance of types of public and private development in the Governorates and researching past experiences related to Urban Plans and the implementation of such plans. The following is brief summary of these efforts.

# CAIRO GOVERNORATE

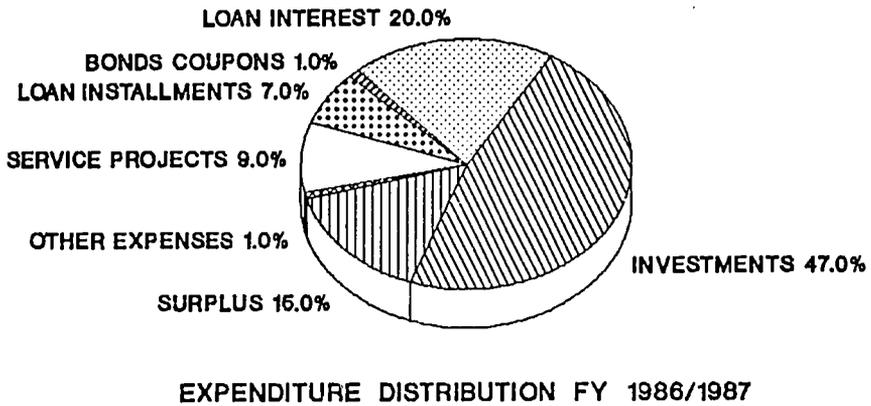
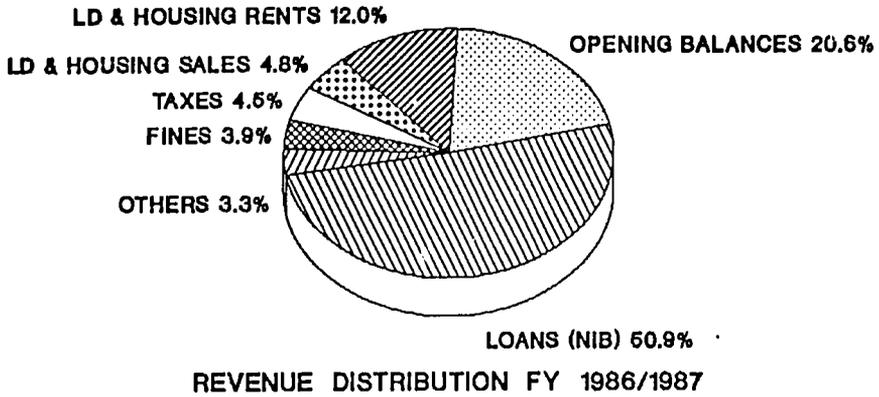


FIGURE 6-7

# ALEXANDRIA GOVERNORATE

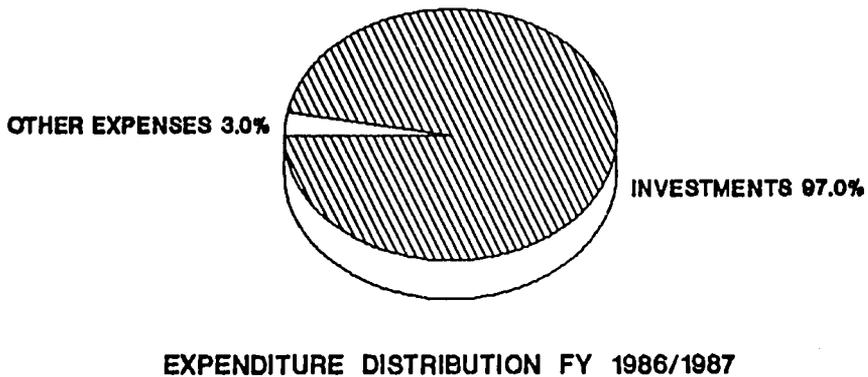
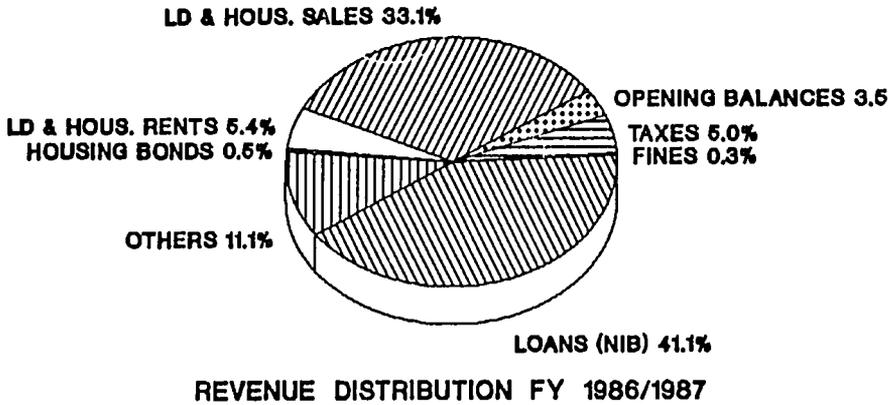


FIGURE 6-8

# PORT SAID GOVERNORATE

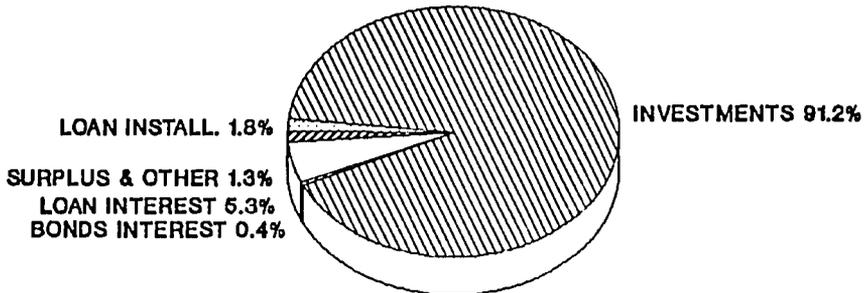
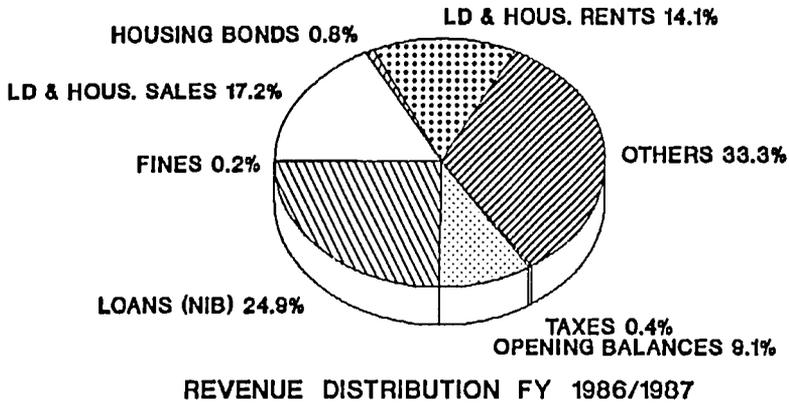


FIGURE 6-9

# SUEZ GOVERNORATE

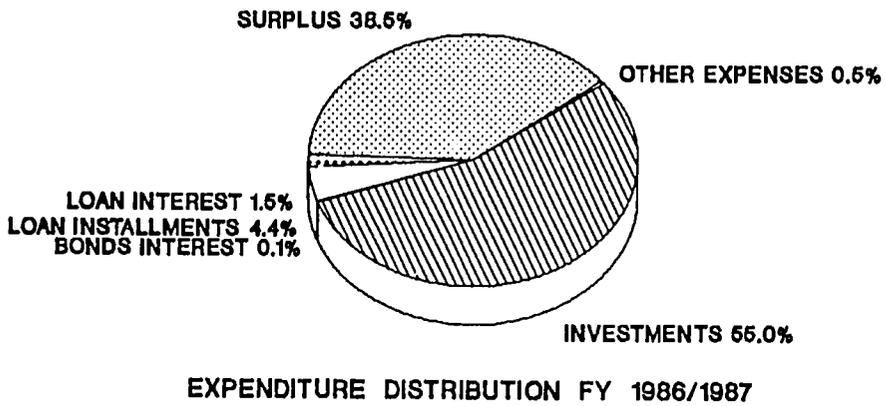
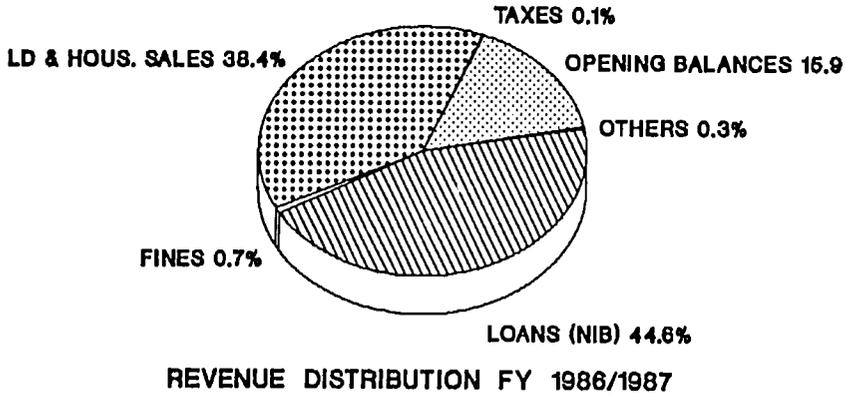
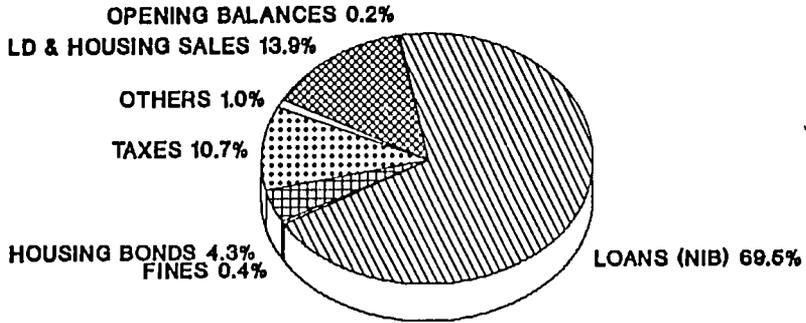
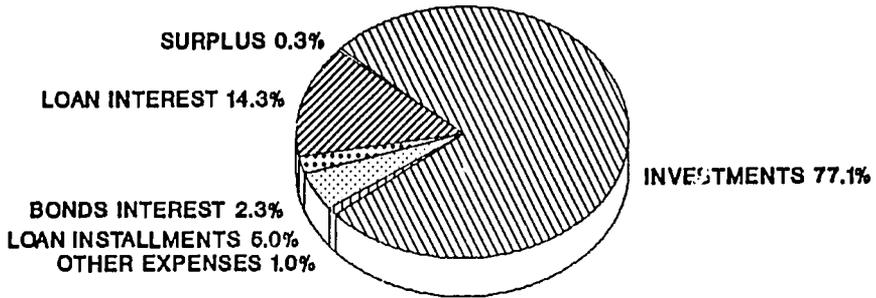


FIGURE 6-10

# GIZA GOVERNORATE



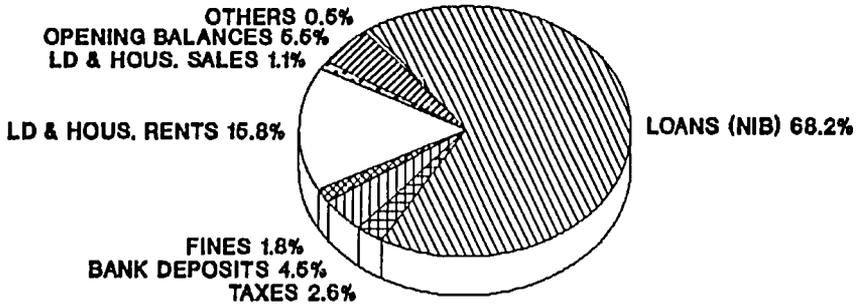
REVENUE DISTRIBUTION FY 1986/1987



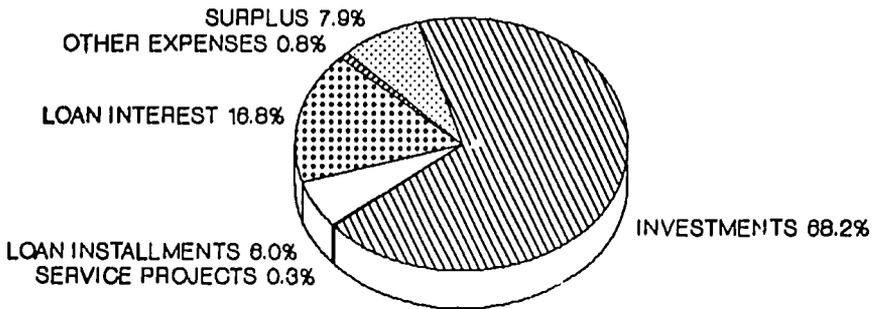
EXPENDITURE DISTRIBUTION FY 1986/1987

FIGURE 6-11

# QALIUBIA GOVERNORATE



REVENUE DISTRIBUTION FY 1986/1987



EXPENDITURE DISTRIBUTION FY 1986/1987

FIGURE 6-12

# ECONOMIC HOUSING FUND ACCOUNTS

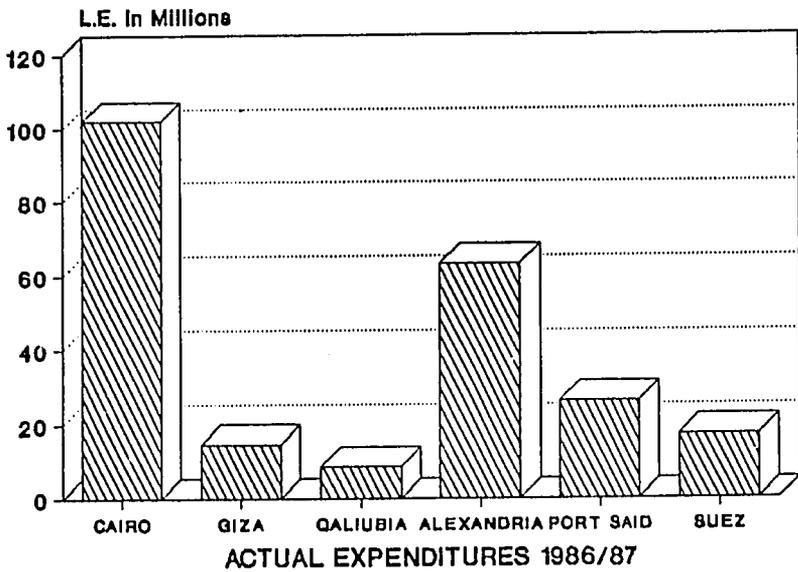
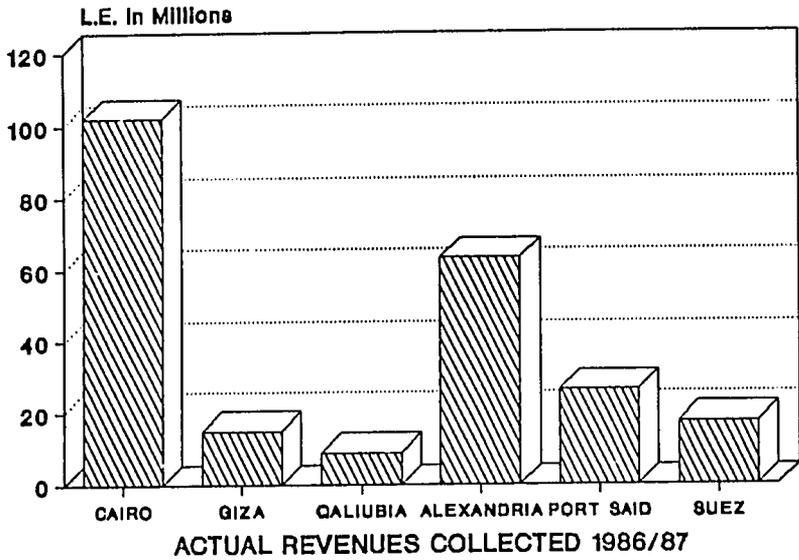


FIGURE 6-13

**6.3.3.1 Urban Plans and Past Experience:** In participating governorates, there are no lack of urban plans (Master Plans, Structure Plans, Action Plans, etc.) which serve as a framework for guiding urban development. Thus, for example, Cairo, Giza, and Qaliubia have plans prepared by the General Organization for Physical Planning (GOPP) called the Greater Cairo Master Scheme. Suez and Port Said have had master plans prepared by UNDP consultants, and Alexandria has had plans prepared by Alexandria University.

However, although the documentary framework exists, the institutional means of implementation is weak or missing. All participating governorates carry out some land management functions on a day-to-day basis within existing administrative structures, but none have what could be called dedicated land management units which fulfill the functions required for efficient management. In all governorates the need for better and more organized land management efforts is clear although the most suitable forms of this management will vary considerably from governorate to governorate.

The lack of a suitable land management capacity at the governorate level is a deficiency which has been recognized for some time. In fact several efforts have been made in the past, but their success has been less than encouraging. It is worth briefly mentioning some of these efforts to put the problem in perspective:

- **Cairo and Giza** Governorates were targets of technical assistance efforts at improving land management under the IBRD-sponsored Extension of Municipal Services project (EMS) which ran through 1984-86. Despite detailed institutional, staffing, administrative proposals submitted to these Governorates, the availability of funds for financing LMUs, and considerable dialogue between the Governorates and the technical assistance contractors, no concrete steps prior to the LD II Urban Program have yet been initiated to improve existing land management functions.
- **Port Said and Suez** Governorates were the targets of technical assistance efforts over the period 1978-1983 with British ODA and UNDP sponsored in-house technical assistance teams. A major component of both of these programs was the setting up of land management entities and although in each Governorate there was a continuous contractor presence, at the end of UNDP funding in 1983, results were not as promising as was anticipated.

This points to a recognition that the LD II Urban Task 8 objectives of setting up LMUs will be based mainly on the political and administrative realities which exist in each governorate.

**6.3.3.2 Potential for Urban Expansion and Past Experience In Management of New Lands:** All the participating governorates, with the exception of Qaliubia, have non-private, non-agricultural lands which could be exploited for urban expansion.

These publicly-owned desert and waste lands on urban fringes represent an important national resource and offer a great opportunity. However, until now this opportunity has not been fully exploited. Worse, the current unplanned and inefficient occupation of some of these lands by public and quasi-public entities has meant that land availability is becoming rapidly reduced. The problem is made more severe by jurisdictional and land ownership confusion -- in particular the question of how much authority governorates have over these lands vis-a-vis other government agencies, especially the Ministry of Development and New Communities (MDNC).

The EMS Project found that, in the case of Giza and Cairo, the legal authority of governorates to exploit these lands (and also to transfer ownership to the private sector and individuals after development with cost recovery) was in conflict with certain legislation, among which was the New Communities Law of 1979 which gives first priority for all desert development to MDNC. The inability to resolve this question was the main reason that proposals for development on the desert fringe by Giza Governorate came to nothing, and the issue also clouded similar efforts to start development east of Cairo.

Past experiences by Governorates themselves at initiating development on desert fringes have been almost nil. Most efforts which have actually been achieved or are underway have not been carried out by the governorates but by the MDNC (e.g. 15 May City in Helwan, public housing communities in Port Said and Suez, and Amreya City outside of Alexandria), or by housing cooperatives or public sector housing companies (e.g. Mukattam middle and lower plateaus, Nasr City, Zahraa El Maadi, El Maamoura in Alexandria, and Pyramid Gardens in Giza). The only known developments of any size managed and executed by participating governorates are Medinat el Salam by Cairo Governorate and various new housing districts by Alexandria Governorate. In fact, governorate experience in land development has been restricted to this kind of public housing development; where highly subsidized housing is built hurriedly, where significant infrastructure problems arise, and where little cost accounting, let alone cost-recovery, is made.

6.3.3.3 Past Experience in Community Upgrading Efforts: All participating governorates have considerable experience in responding on an ad hoc basis to the demands of inhabitants in deficient urban areas for various infrastructure and social services. This is in fact is the standard way that older and informal areas are improved. On the other hand, experiences of the six governorates in managing integrated community upgrading is almost non-existent. Those community upgrading efforts which have been carried out within participating governorates have had little or no governorate involvement (e.g. Helwan Community Upgrading and Manshiet Nasr). The UNDP Technical Assistance Program to Port Said Governorate included a concentrated effort to organize the integrated upgrading of Kabutti Village (1980-83), but limited results were achieved.

6.3.3.4 Experience in Controlling and Rationalizing Spontaneous Settlements: Participating governorates have had, especially in the last few years due to new legislation, considerable success in prohibiting wholesale urban expansion on agricultural lands on the city fringes (especially Giza and Qaliubia). Even so, much growth continues to occur on an incremental/infill basis outside city boundaries, particularly around formerly agricultural villages. And to-date, no efforts have been made to confront directly the inevitability of some urban expansion on agricultural lands through, for example, subdivision lines, public space reserved, or land readjustment schemes. Thus the unplanned, deficient areas seriously in need of upgrading tomorrow continue to be created today.

6.3.3.5 Potential Public Sector Land Development Methods/Instruments: The Cairo Metropolitan (CMA), Area Land Use Infrastructure Development Study of 1981 by Dames & Moore and other studies have suggested potential land release, legal, and fiscal instruments to facilitate direct intervention in land markets and thus promote, effective rapid development of sites for targeted beneficiary groups. Potential land release methods of government controlled lands are shown in Table 6-9.

Table 6-9  
POTENTIAL LAND RELEASE METHODS

POSSIBLE LAND RELEASE MECHANISM (*)	POTENTIAL PARTICIPANTS
- Outright freehold sale of plots to highest bidder, with only regulatory codes applying;	o +
- Sale of freehold plots to highest bidders with special conditions, (e.g. build within a certain time;	o +
- Sale at fixed prices and easy repayment to eligible "target" beneficiaries, with or without various build-out facilities, such as construction loans;	o +
- Lease of land for different periods and under varying conditions;	o +
- Outright sale of parcels or tracts to highest bidders, with only statutory land use and building codes applying where appropriate or available;	+ o
- Outright sale of tracts to highest bidders, with special conditions applying, such as performance specifications regulating the price of resale to end users, development deadlines, etc.	+ o
- Various leasehold arrangements offered to developers;	+
- Various joint-venture arrangements with developers;	+
- Transfer of a portion of a site to a developer to market as he wishes, with the stipulation that he supply infrastructure to the whole site, with the state releasing the remaining land under various programs;	*
- Sale of tracts to housing or industrial cooperatives at set prices with or without special conditions;	*
- Sale or lease of land at nominal prices to local governments;	*
<p>KEY TO POTENTIAL PARTICIPANT DESCRIPTION      (*)Source: "Tools Available to Government For Managing Land Development:Common Constraints to Successful Application" by David Sims, May, 1988</p> <p>o = site occupant "end users"</p> <p>+ = intermediate users</p> <p>* = special groups or government agencies</p>	

Legal instruments or options listed in the CMA study included the following:

- o Ordinances that permit planned unit developments (PUD), which give the subdivider the flexibility of modifying detailed zoning ordinances, while meeting standards for open space, housing density, roads, etc;
- o Limits on reconveyance which stipulate that the owner is not allowed to sell a lot or building before a specified period to control speculative inflation;
- o Right of first refusal whereby lot owners wanting to sell their property are compelled to first offer the land to the developer/public authority before selling to other individuals.

Fiscal instruments suggested included the following:

- o A high tax on vacant land to discourage land holding for speculation;
- o A capital gains tax, which taxes profits made from buying and selling land to share in the capturing of any extra income derived from land value increases. (The tax rate would be assessed on the full or partial income gain).
- o A Government tax on the land value increases resulting from infrastructure cost investments; and,
- o A development tax for density levels in excess of existing regulations.

Other instruments for direct public intervention suggested included priority purchase rights, expropriation, and transfer of development rights.

6.3.3.6 Current Public Versus Private Sector Roles in Land Development at the Local Level: The governorates play an important role in regulating urban development and consequently have responsibilities and powers to regulate subdivision, set building requirements and standards, and specify land use. These responsibilities are not sometimes coordinated with outside agencies due to their day to day nature requiring immediate action and because of a lack of action of outside agencies responding to immediate governorate level needs. As a result, master plans of urban areas subject to continuous updating are not often revised in an efficient and effective manner.

Public sector companies in governorates such as Cairo, develop land for planned communities on land they owned and implement public housing programs on governorate-owned lands which they develop. These companies are restricted in the use that can be made of revenues obtained from the sale or rental of developed properties. Their pace of activity is often very slow, even though they own large tracts of land. They have authority to control land development before construction (as in public housing programs) or after construction has been completed (as in Maañi and Heliopolis). In Heliopolis however, they had the authority to set standards for subdivision development.

Organized private sector development is accomplished by private companies such as the Mokattam Company (now El Nasr Company), which developed land for cooperatives and upper-income users; by cooperatives, which develop land for their own members;

and by illegal subdividers, who acquire agricultural land for informal housing. On an individual basis informal housing perhaps accounts for most of the private sector involvement. It is however usually uncontrolled; occurs at a very rapid pace; and is most of the time of unofficial status. The desire of "informal" private developers to maximize returns on investment does not often contribute to an orderly land development process and in fact often results in chaotic, sporadic, and incremental land development or unserved urban areas subject to extensive upgrading improvements.

Outside public sector entities such as the Ministry of Defence and Ministry of Awkaf contribute to the fragmentation of land ownership. The Army in fact sometimes operates like the private sector when it comes to maximizing return on investments, such as in the sale and development of land for housing. A recent example is the hiring of Melsa Contractor in Heliopolis by the Army's Agency for Land Development Projects to develop high density housing blocks on Army land in Heliopolis. Since the Army controls the land and procurement of construction materials and contractors, they have managed to reduce considerably housing construction costs per m<sup>2</sup> compared to other comparable housing costs in the area. They are also considering the use of community organizations funded by common fees to promote the maintenance and upkeep of common grounds.

**6.3.3.7 The Ismailia Experience and Other Experience Regarding Institutionalization of A Land Delivery and Control System:** The Dames and Moore Study of 1981, recommended institutionalization of land delivery and control system incorporating the advantages of a public sector agency and private sector companies. This would be done at a decentralized governorate level or at a regional level. The Land Assembly and Delivery Agency proposed in that study would provide land, financing, and monitor development schedules and subdivision regulations. Land Development Companies hired by the Agency would determine development schedules for parcels based on cost recovery; complete affordability analyses of target groups and selection of planning standards; plan and design subdivisions; supervise infrastructure provision and lot development; and direct marketing and cost recovery. The governorate level institutional framework was recommended as being more manageable and responsive to local public needs.

Recent experience regarding the Land Planning and Development Agency in Ismailia Governorate closely resembles this approach. This Agency is funded as a project using Housing Funds with net profits subject to return to the Housing Fund. It operates like a self-sustaining organization with any revenues going toward project development and operations budgets. The agency only provides sites and services, while the Housing Directorate in the Governorate supervises and monitors construction of building projects. The Decree establishing this agency was very instrumental in gaining support regarding "how" to institutionalize LMU'S in Cairo, Port Said and Suez and will likely be used as a guideline in setting up offices in other governorates.

**6.3.3.8 Development Financing Experience:** The EMS project for Cairo Governorate also proposed a project agency to implement a land delivery and control system. This project suggested the possibility of using a single mortgage finance intermediary to deal with lot purchasers; the project agency; direct financing sources, (such as private savers, etc.); and other financing institutions.

The EMS Study indicated limitations of the current mortgage system consisting of the General Authority of Housing and Building Cooperatives; the Credit Foncier Egyptian; the Credit Foncier Arabe; and the Housing and Development Bank. Most mortgage

lending in these banks is at a 4 percent per annum rate with government subsidizing the difference between the subsidized rate and the cost of raising capital. Though the above schemes were designed to target lower income groups, in practice, most all of these financial resources are apparently used by higher income groups. The limited and structured salary system for government workers and the salary structure in general for Egyptians limits effective participation in credit or mortgage lending schemes unless individual resources are pooled together through cooperatives, or subsidies effectively lower interest rates for development financing. At this time, the credit financing system in Egypt is very limited and therefore constrains development opportunities at the individual level.

**6.3.4 Conclusions to Reconnaissance Findings During Phase I:** In general terms, it is possible to typify the current land management capacities of the six governorates as falling into three distinct categories:

- o **CAIRO AND ALEXANDRIA:** Governorates which are lacking the capacity to carry out even nominal land management functions except in an "ad hoc" fashion and, considering the magnitude of the problem, are in need of new administrative structures to deal with vacant land control, development of new lands, and upgrading.(In the case of Alexandria there is a functioning Land Protection Agency, but its record to-date is dubious.)
- o **PORT SAID AND SUEZ :** Governorates which have existing planning and land development units that carry out some land management functions and which are in need of strengthening and/or reorganization of existing land management capacities.
- o **QALIUBIA AND GIZA:** Governorates which do not need a capacity to control vacant land or develop new lands, but which are almost completely lacking in ability to carry out upgrading or long-term planning initiatives and, thus, require new administrative structures to effectively execute both day-to-day and long-term activities.

## **PART B - WORK PROGRAM IMPLEMENTATION**

### **6.4 Implementation Strategy**

**6.4.1 Basic Strategy:** The basic and "minimally achievable" goal of the Land Management task is the creation in each governorate of functioning land management capacities tailored to the particular situation. This, as was pointed out in the Inception Report, is the pivotal objective upon which all other program outputs depend. Whereas, in the Inception Report, a strategy of pushing ahead or "fast-tracking" the formation of an LMU in Cairo Governorate was advocated (p.68), the understanding gained from the Diagnostic Phase has led the TA Contractor to modify this strategy as follows:

- o At the beginning of Phase II, a concerted effort is made to approach all governorates equally, with the hope of good receptivity and quick action in the largest number of governorates possible. Early acceptance and action in a particular governorate should be capitalized on, and as much TA support as possible given.

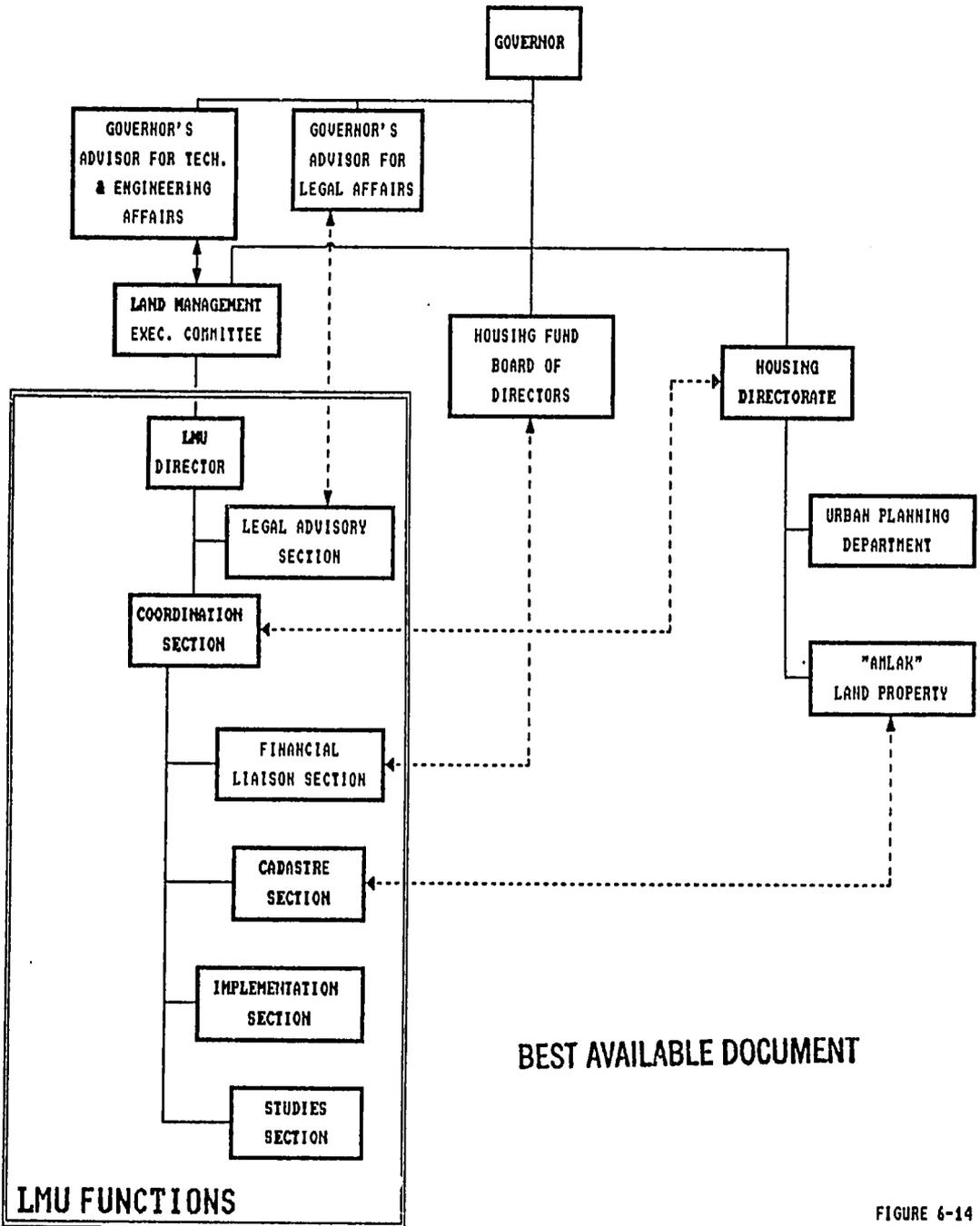
This strategy reflects the concern of the TA Contractor as to the degree of response to proposals and commitment on the part of the participating governorates. Such reservations were expressed in the Inception Report and have been reinforced during informal discussions in governorates during the Diagnostic Phase.

**6.4.2 Concept Model Development And Draft Decrees:** The strategy to be launched at the beginning of Phase II will involve presenting to each governorate, a "concept" model or to provide assistance in development of Draft Decrees facilitating administrative action needed. The concept models will be tailored to the particular situations found in each governorate. Each would be presented formally to the governorate officials or governor and followed up with informal discussions with the concerned responsible officials. This first draft of what is needed would serve as a basis for discussions and allow practical feedback for revision so that a consensus of required action can be quickly realized. Where agreements have been reached assistance in the writing of Draft Decrees will be provided instead of concept papers regarding administrative action required.

The "concept" model papers would cover a wide range of subject areas and would try to be as realistic as possible. The Concept Paper prepared for Cairo Governorate will be used as an illustration of what points could be considered. This includes but may not be limited to the following:

- o The institutional form of unit (or modifications of existing units as in Port Said and Suez) and required enabling decrees, if any;
- o The objectives of the new unit;
- o The basic functions of the new unit;
- o The form of a Land Management Executive or Steering Committee;
- o The organizational structure of the proposed unit, such as illustrated in Figure 6-14;
- o The proposed activities and responsibilities of LMU sections;
- o A diagrammatic illustration of the three basic activity flows: (1) vacant land control and land "banking", (2) new lands development and, (3) component or integrated urban upgrading. (For illustrative purposes these diagrams are presented in Figures 6-15 through 6-17);
- o The core positions required and job descriptions, with comments on preferred hiring procedures;
- o The envisioned capital development funding strategy, using the mechanism of the Housing Fund;
- o Preliminary estimates of administrative costs required, both for startup and for operating budgets. (A preliminary wage operating budget is presented in Table 6-10 for illustration; and, for start-up support budgets in Table 6-11); and,
- o The steps required for establishing the land management structure or strengthening of existing administrative structures.

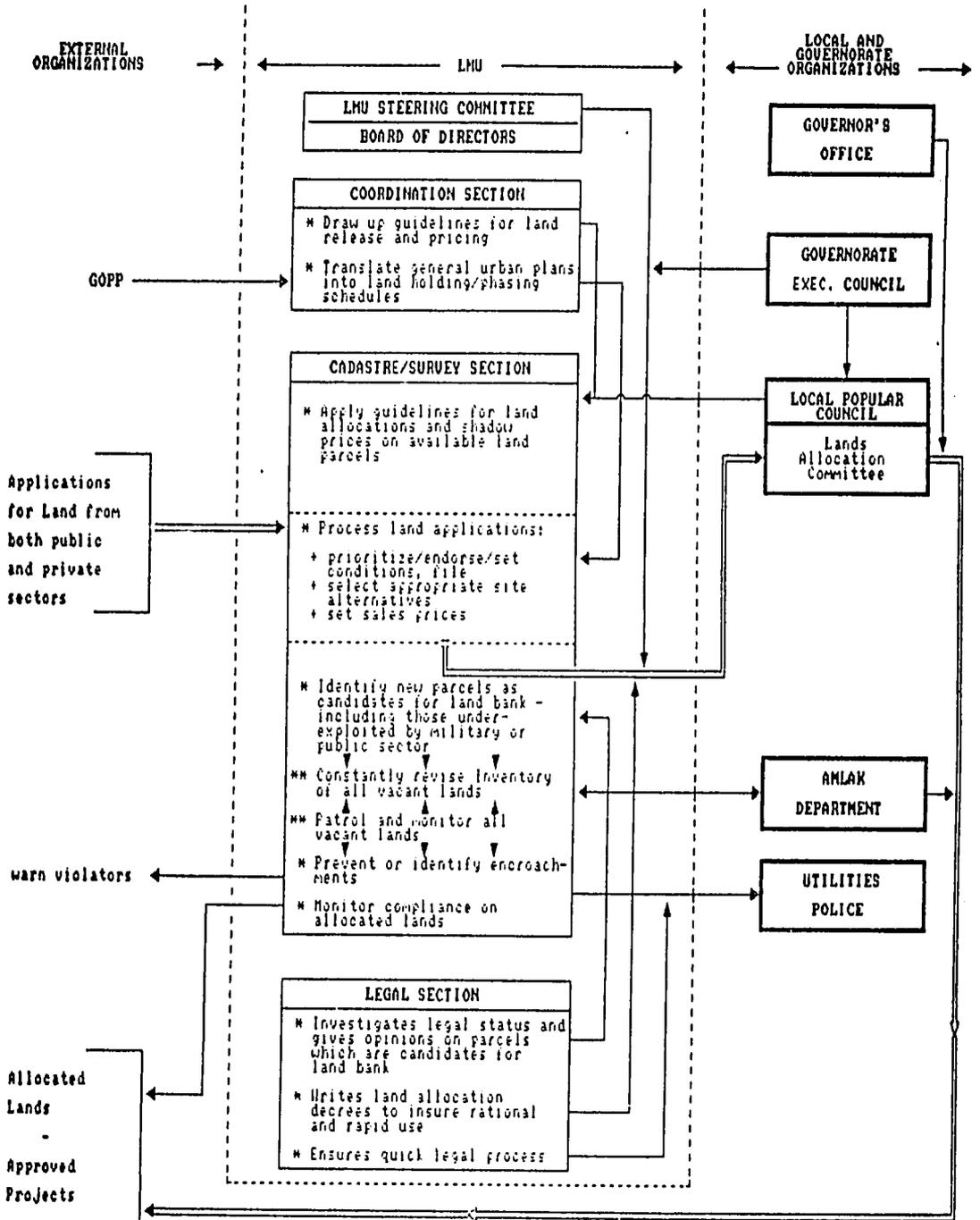
**PROPOSED ORGANIZATION STRUCTURE  
CAIRO LMU  
(and its relationship with other Governorate entities)**



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FIGURE 6-14

**WORK FLOW DIAGRAM  
FOR  
PROPOSED CAIRO GOVERNORATE LAND CONTROL AND LAND BANKING PROCESS**



ANLAK = Government Property Department

BEST AVAILABLE DOCUMENT, FIGURE 6-15

WORK FLOW DIAGRAM  
FOR  
PROPOSED CAIRO GOVERNORATE LAND DEVELOPMENT PROJECT PROCESS

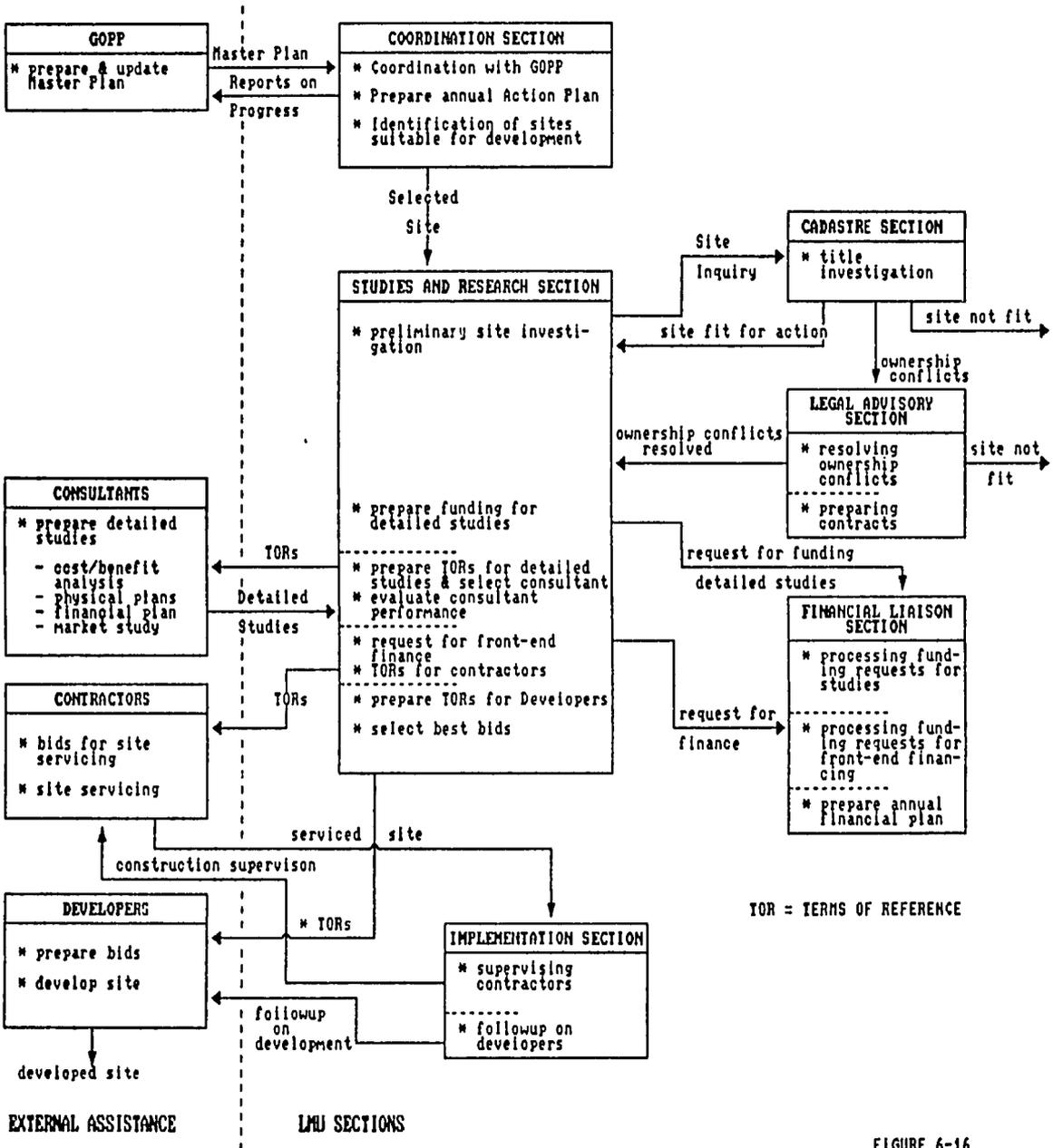


FIGURE 6-16

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**WORK FLOW DIAGRAM  
FOR  
PROPOSED CAIRO GOVERNORATE TYPICAL UPGRADING PROJECT PROCESS**

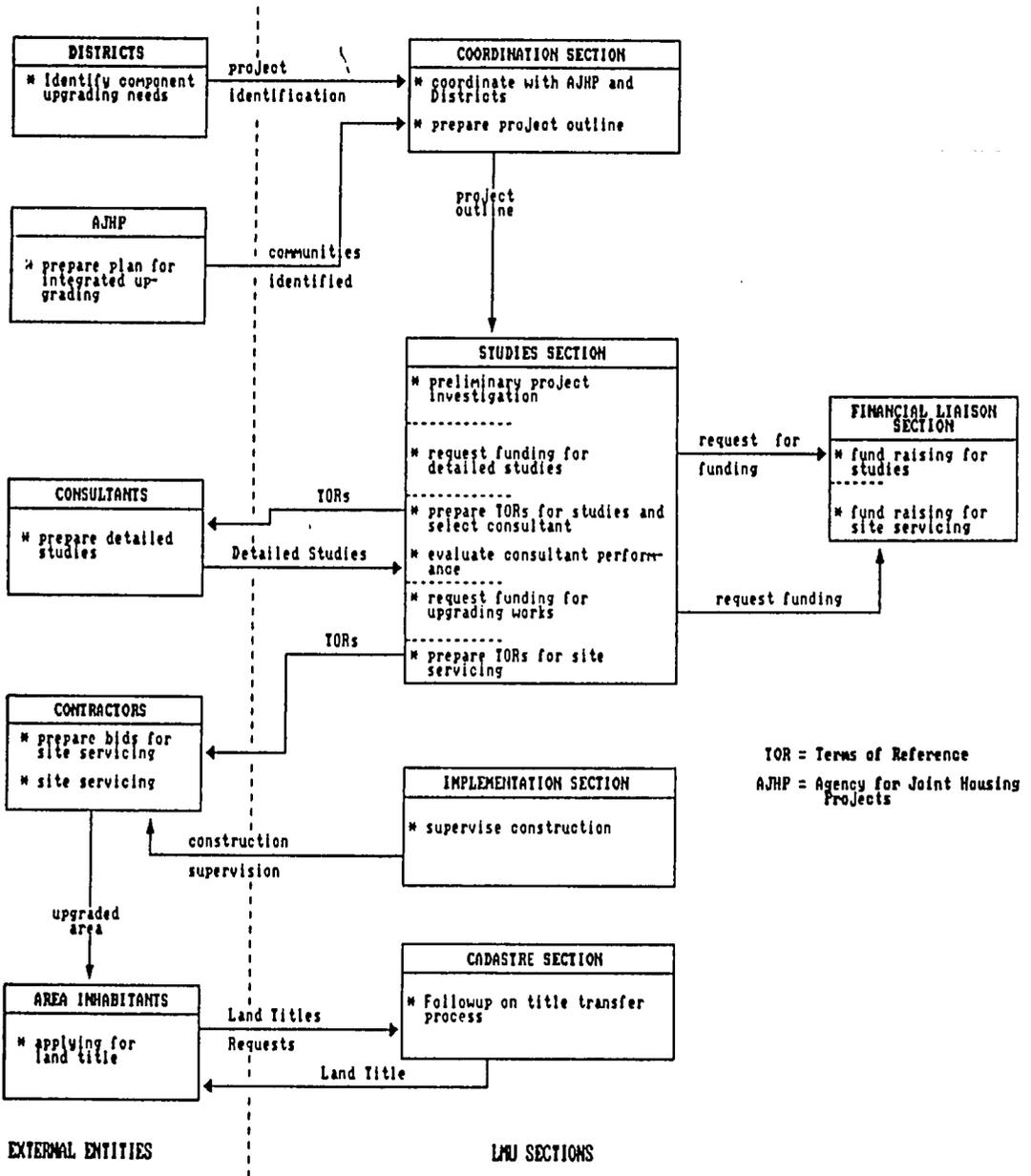


FIGURE 6-17

The process of presenting, discussing, and amending these "concept" models will take a varying amount of time in different governorates. The TA Contractor has advised that the follow-up stage of implementation will also likely be indeterminate timewise. Thus the TA Contractor is reticent to assign specific target dates to the "milestone" of having functioning land management capacities in each governorate. (See Section 6.6 below), but will abide by USAID directives to aim for at least two operating offices by January, 1989 and the remainder by June, 1989.

Table 6-10

PROPOSED OPERATING SALARY STRUCTURE FOR LHU PERSONNEL

(in L.E./month)

LHU Staff	To be Seconded	National Expert By Private Contract
1. LHU Director	-	900 - 1200
2. Legal Consultant	-	700 - 1000
3. Urban Planner	300 - 450	600 - 800
4. Civil Engineer	300 - 450	600 - 800
5. Cadastre Engineer	300 - 450	600 - 800
6. Financial Analyst/Economist	350 - 500	700 - 1000
7. Cost Accountant	300 - 450	-
8. Secretary/Computer Operator	150 - 250	-
Total Average Salaries	1700 - 2550	4100 - 5600

\* Salary Levels include all bonuses and are gross; taxes and social security must be deducted.

Source: LD-II Urban TA Contractor, Wilbur Smith Associates

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This strategy for pushing forward in each governorate concurrently would be considerably facilitated if strong support were available from the ULDC, AMANA and other bodies (as was pointed out in the Inception Report, p. 68.). Success at administrative innovation at the governorate-level requires what could almost be called a "political lobbying" effort. To date, the TA Contractor has relied on its own staff resources to promote this lobbying process which has accounted for delays.

Those elements of the Cairo Concept Paper which are likely to be replicated in other governorates include but are not limited to the following:

- o Job descriptions and qualifications for the "core" staff including the Director of a Land Management Office;
- o The envisioned funding strategy using the mechanism of the Housing Fund in the institutionalization of a Land Management office as a project;
- o The internal organizational structure of the proposed unit; and finally,
- o The use of a Board of Directors or Executive Policy Committee to promote coordination between outside agencies and other units of local government regarding the implementation of projects and other decisionmaking activities.

Unique situations in each governorate may require slight modifications of the following;

- o Members of a Board of Directors or Executive Policy Steering Committee;
- o The objectives, functions, institutional form, and modifications of existing units to strengthen and establish effective land management office operations; and,
- o Proposed activities, responsibilities, and activity flows of LMU sections, if for example, upgrading activities are to be emphasized over new lands development, such as might be the case in Giza and Qaliubia governorates.

To expedite land management reform in the participating governorates, promotion of the early formation of Land Management Boards of Directors or Executive Committees, even before the desired administrative units and staff are in place, is suggested. Such committees are easily and quickly established, and thus an early forum and point of contact for the TA Contractor would exist. Moreover, they would help in creating support for the land management structure concept, since their members would presumably be key officials who have an interest in promoting more effective land management.

The TA Contractor is concerned that some incentive to realizing land management reform may be necessary and therefore the use of a "financial carrot" is suggested. This could be in the form of easily disbursed funds for equipping Land Management offices. This would be "linked" to a firm commitment on the part of the GOE to payment of the total wage bill and provision of space. (See Table 6-11 for a rough idea of the magnitude of start-up funding being considered.)

One additional element of the implementation strategy for Phase II will be to identify and elaborate specific projects in governorates which would serve as early pilot projects and would help "pull" with them the needed institutional development. One or two potential

projects have already been identified by Governorate staff in Port Said, and many other small, quickly implementable projects (such as small industrial estates) could be thought of during discussions of the "concept" model. The hiring of a Director and "core staff" along with space and equipment are necessary prerequisites to expedite data collection needs for demonstration projects. The rationale for this approach is based on the fact that institutional reform is frequently facilitated by concrete actions which demand new roles and new structures. The benefits of reform are then easily visualized and not simply something abstract in nature.

From reading this section on the implementation strategy for the Land Management Task, it may seem that the attention of the TA Contractor is overly concentrated on the basic objective of creating effective land management capacities in the participating governorates, to the detriment of other Task objectives, such as achieving cost recovery in upgrading and new land development projects, and in promoting the adoption of appropriate land planning and development standards in these projects. These other Task objectives are not ignored and are fully considered in the program outputs (Section 6.6 below) and the Task Work Plans (in Appendix A). Yet as a strategy for implementation, the TA Contractor feels justified in concentrating on what is pivotal and without which other desired goals cannot be achieved.

**6.4.3 Demonstration Project Development:** A parallel strategy to the institutional building of this action package is providing fund raising assistance in the scoping and identification of start-up funding resources for implementing demonstration projects. The TA Contractor can and will be available to respond with technical support for easily identifiable "demonstration" projects, since the resources required as set out in the following subsection have been approved. It is important to recognize the value of this on-going response capability, since it will be a learning process and will help create a level of credibility for the land management concept in each governorate. The following criteria would be used to evaluate and identify appropriate opportunities in the development of demonstration projects:

- o Sites must be under governorate authority/control and within urban areas;
- o Use of innovative development approaches or strategies must be demonstrated;
- o Extent of private sector involvement must be maximized;
- o Use of and the extent of cost recovery methods to minimize subsidies must be demonstrated;
- o Replicability of the above approaches/ strategies/ principles to other projects, must be emphasized; and,
- o Where housing land uses are involved targeted beneficiaries must be low and middle income users. (This would not preclude the possibility of shifting land uses or using portions of sites or other site locations to obtain revenues, (i.e, from the sale or leasing of lands targeted for higher income users or higher valued land uses), for development of low to middle income housing sites.

It is understood that the funding for special projects under the LD-II Urban Program should generally fall in a cost range of between L.E. 500,000 to L.E. 1,000,000. The above criteria must also be satisfied. One demonstration project would be identified and scoped out within each of the six governorates. The principles of efficiency, equity and cost recovery would be emphasized in the scoping out of demonstration projects for new lands development

or upgrading projects. Scoping reports could be used in other fund raising activities such as to solicit funds from the Ministry of International Cooperation or other international aid organizations.

**6.4.4 "Land Banking" And "Data Bank Activities":** In the Draft Diagnostic Report, it was suggested that a demonstration or "pilot" project might include the establishment of Cadastre sections to handle selected "land banking activities". After careful evaluation, it is suggested that within the scope of LD-II Urban project, only a limited but practical step by step approach is reasonable based on the available TA staff and equipment resources and additional "core" staff to be employed in the Land Management offices.

This approach can be described in the following paragraphs:

- o Phase A-Manual Development of "Data Banks" - Using available GOE staff resources, the Cadastre Engineer and other core staff, would begin manually documenting statistics for a data bank, using checklists or survey forms designed by the TA Contractor. The data bank would address only those strategic properties and site areas targeted for either new lands development or upgrading projects consistent with priorities set out in Master plans or other Governorate level policies. All mapping would be prepared manually or within the existing governorate system of operations. Documentation of the data for sites would include but not be limited to data on existing area; land tenure; existing and proposed land uses and standards; surrounding land uses; infrastructure service capacity levels for existing and proposed land uses; and other easily documented factors from available study documents or other national or local level resources. In the case of upgrading, such documentation would include identification of deficiencies for either "component" or "integrated" upgrading improvements of existing urban areas.
- o Phase B-Initial Automation of "Data Banks" - Using available MIS Computer resources, the Cadastre Engineer and other staff dedicated to Land Management functions would begin entry of manual survey data on an automated basis. This would require, first, the computer resources and training of staff on available "software" programs. MIS computer staff would have to be available to code and program the manually surveyed data to "fit" within certain coding and data entry requirements. The costs and implications of implementing this automated process would be determined in a feasibility study.
- o Phase C-Computer Assisted Mapping and Other Activities - A local consultant could be contracted to determine the feasibility and desirability of mobilizing the long-term financial and policy commitments to expand on the limited Phase A & B strategies to include computer assisted mapping for documenting areas and sites, their opportunity and constraint conditions and other information. The need for an automated system of mapping for sites can not be understated as it often takes considerable amount of time for development of appropriate mapping in the governorates now. Periodic information on the status of available lands subject to Governorate authority and control could be expanded upon to include information helpful to the enforcement or policing of illegal encroachments, etc, to protect land resources. The feasibility of procuring more comprehensive and likely expensive computer equipment, training and hiring of appropriate staff and other such factors could be explored along with the available financial resources to implement these more sophisticated technical approaches.

## 6.5 TA/GOE Resources Required

**6.5.1 Manpower:** The TA Contractor's manpower commitment to the land Management Task is presently as follows:

- |                  |  |
|------------------|--|
| 18 person months | American Expatriate Urban Planning Specialists     |
| 54 person months | Egyptian Urban Planning and Management Specialists |

This manpower level is just sufficient to carry through the envisioned Work Plan for Phase II. Based on currently available TA staff resources, the TA Contractor anticipates sufficient capability to handle one demonstration project in each governorate that is receptive or "responds" effectively in the establishment of stronger land management institutional and operational frameworks including the hiring of core staff to carry out project development and planning objectives.

Use of Egyptian specialists would be used on demonstration project development as they may be identified during Phase II efforts. These specialists would provide supplemental market analysis and planning support in scoping and bringing on-line land development and upgrading demonstration projects because of their familiarity with local development practices and "how" to obtain data. They would also assist the expatriate staff in the institutional building process.

**6.5.2 Training:** As stated in the Draft Diagnostic Report, additional interviews would be necessary to assess background and experience of proposed "core" staff and the extent of their skills in planning, land management, and development. The training needs of new "core" staff can only be identified after land management structures are in place so linkages in the Work Plan are necessarily oriented to land management institutional formation.

However, the Phase II training budget will cover Action Plan Seminars for executive and key governorate administrative officials regarding land management and urban planning issues. The purpose and thrust of the seminars would be to promote an understanding of land management problem issues; constraints and opportunities at the local (Governorate) level. Another objective would be to gain an appreciation for coordination and cooperation between outside agencies to effectively implement land management office operations. Example topics include but may not be limited to the following:

- o Role of the informal and private sectors in urban development and upgrading;
- o Innovative new lands development and urban upgrading project strategies, methods;
- o Cost recovery techniques to minimize subsidies;
- o Innovative marketing techniques for low-middle income beneficiaries consistent with cost recovery principles;
- o Methods of dealing with encroachment on vacant lands, protecting land resources;
- o Methods of identifying and documenting government owned lands, land values, and other decision making data bases;
- o Mechanisms of interagency coordination as it relates to the land management office;

- o Necessity for practical planning standards for projects; and
- o Other issues to be addressed in the feasibility planning of projects.

Other training activities could address the following topics unique to the "core" technical staff of proposed land management offices including but not limited to:

- o The necessity for a practical urban planning course;
- o A workshop for understanding existing standards and densities for built-up areas or new lands, and the economic and financial consequences for improving these environments at certain incremental levels related to upgrading or new land development project initiatives;
- o Cadastre training courses using available MIS resources and software programs in effective documentation of land use and vacant land inventories, ownership status, and other factors to more fully appreciate the concept of "land banking". Such course work could be coupled with computer training programs, etc.; and,
- o Workshops regarding selection and day-to-day work relationships with consultants, contractors, and dealings with special "informal" sector development groups or other private sector participants.
- o Course work in cost benefit feasibility studies;
- o Orientation sessions for key staff and section heads;
- o Course work in fiscal impact and cost recovery analysis techniques.

**6.5.3 Finance:** The financial consequences of setting up an operating Land Management Unit or strengthening existing land management structures were addressed in Tables 6-10 and 6-11. Sample estimated budgets for start-up costs suggested to be funded by USAID are indicated in Table 6-11. Table 6-10 presents preliminary operational costs to be funded by the GOE.

In summary, the following annual budget ranges are estimated for the establishment of "operating" land management offices for each governorate.

	<u>Yearly Budget</u> <u>Range Estimates*</u>
o Land management office start-up costs:	(Not to exceed L.E 41,000)
o Land management office operating staff wages:	L.E 40,000 to 76,000

\* Note: Actual budget amounts will depend on unique situations in each governorate.

## **6.6 Program Outputs**

Modifications to the program output schedule and deliverables is suggested to be realistic in terms of what is achievable within available TA Contractor resources. The program implementation strategy and revised Work Plan should produce the following outputs. These outputs can be categorized as to what is important and feasible; what is achievable but ongoing; and what is impossible to achieve in phase II or what might be carried over into longer-term time periods or deferred to the 3rd year and beyond. Successful output deliverables are linked to what extent each governorate "responds" or is "receptive" to embracing the necessary land management institutional and administrative framework proposed. This process can be measured by "how quick" the adoption of necessary institutional, legal and operational functions are implemented.

The other main objectives of Land Management Task are: achieving cost recovery in upgrading and new lands development projects and promoting the adoption of appropriate land planning and development standards in these projects. The work output associated with these objectives is the initiation of demonstration project efforts (upgrading and/or new land development in each participating Governorate. The TAC considers these objectives and work outputs to be less likely to be achieved in Phase II. Efforts to achieve these objectives may be successful and the TAC will make every endeavor to do so, but success can only follow, and is dependent upon realization of the basic objective of institutional reform and capacity building. In addition, the TA Contractor proposes to present a separate report as a part of milestone (1) to reflect on program status and receptiveness of each governorate to strengthening land management administrative structures.

### **6.6.1 Important and Feasible Outputs :**

- o In "responsive" or "receptive" governorates, the legal and institutional framework to execute effective land management activities at the local level;
- o The identification of planning criteria to identify "demonstration" projects appropriate for possible USAID funding assistance;
- o In "responsive" or "receptive" governorates where legal and institutional frameworks are established, commitment of staff resources and equipment necessary to effectively operate and administer land management activities;
- o In "responsive" or "receptive" governorates, where staff resources and equipment have been established, ongoing training programs, seminars, and orientation meetings to appreciate sound land management practices;
- o Technical Assistance in preparation of first annual operating financial plans.

### **6.6.2 Achievable And Ongoing Outputs:**

- o Assistance to established and operating local government land management staff in developing appropriate planning and development standards and policies in regards to "demonstration" project development;

- o Assistance to operating land management administrative units in instituting sound "land banking" practices including appropriate data bank formats, research to establish land prices, etc.;
- o Assistance in the scoping out and preparation of demonstration integrated and component urban upgrading plans;
- o Assistance in the scoping out and preparation of demonstration urban plans for new land development sites;
- o Assistance in preparation and approval of first annual land management implementation plans in each governorate;

#### **6.6.3 Longer-Term Outputs Deferred to the 3rd Year And Beyond:**

- o In governorates where qualified staff resources are established, outputs include effective data collection practices and inventory documentation of urban development or upgrading sites; their constraints and opportunities; and existing planning standards. This information would serve as a data base for future land resource planning regarding projects involving component or integrated upgrading and new development and could be automated using computer resources;
- o Completion and approval of urban "integrated" and "component" upgrading plans in governorates as appropriate;
- o Completion and approval of urban plans for new land development sites in governorates as appropriate;
- o Preparation of evaluation reports on Phase II efforts and final Phase II documentation; and finally,
- o Determination of deliverables for Phase III efforts.

## Section 7

### SOLID WASTE MANAGEMENT

#### PART A - BACKGROUND ANALYSIS

##### 7.1 Review of Project Targets and Mandates

**7.1.1 Objectives:** The objectives of the Solid Waste Management Task are clearly stated in the TOR.

- o In each governorate develop and implement operational procedures for collection and disposal of solid waste.
- o Develop a draft master plan in each governorate for evaluating, prioritizing and implementing appropriate alternatives

**7.1.2 Outputs:** Based on the objectives, specific outputs are detailed.

- o Make detailed investigation and system design for the Central Business District and one additional representative area in each governorate.
- o Define performance and productivity measures including:
  - Waste collection practices,
  - Recycling and recovery,
  - Affordability criteria,
  - Financial and economic analysis,
  - Outline institutional arrangements.
- o Implement the solid waste master plan in two selected pilot areas by:
  - Developing detailed institutional and contractual arrangements,
  - Preparing systems design complete with tender documents for selected services such as equipment and physical works.

**7.1.3 Overview:** The six governorates included in the LD II Urban program have distinct differences among which are population, area, terrain, infrastructure and current development of basic services. The governorates are in different phases of developing a functioning and effective solid waste management system. In Cairo and Giza Governorates, the Cleaning and Beautifying Authorities have overall control of their solid waste management systems. In Alexandria Governorate, a Cleaning Organization is responsible for operation of the disposal sites, including the composting plant, and emergency clean-up throughout the City.

In Qaliubia, Port Said and Suez Governorates solid waste collection and disposal is largely left to the districts. Various studies have been made that have been applicable to one or more of the governorates. Some parts of these study recommendations have been

implemented. To achieve the objectives of the TOR, each governorate must be considered as a distinct entity and its most pressing problem addressed on a priority basis. To do this will require some revision to task outputs.

## 7.2 Data Reconnaissance Efforts

**7.2.1 Data Required and Data Received:** Table 7-1 shows, by governorate, the data required to accomplish Task objectives, as well as data received to date.

**7.2.2 Field Reconnaissance:** Table 7-2 shows the staff days spent in the field to collect data and to assist the governorates in developing and implementing their solid waste management programs.

**7.2.3 Organizations:** The organization charts for Cairo and Giza Cleaning and Beautifying Authorities are shown in Figures 7-1 and 7-2. Comparable organizations do not exist in the other governorates.

**7.2.4 Urban Population Growth:** The collection, treatment and disposal of solid waste is complicated by rapid population growth in the urban governorates.

The present distribution of population in Egypt presents a clear example of rapid urbanization. According to the 1986 census, nearly 55 percent of the total Country's urban population lived in two of the world's oldest cities, namely Greater Cairo and Alexandria. The Capital alone has a population of nearly 9 million, in what is termed Greater Cairo (Cairo, urban Giza and Shoubra El Kheima).

Table 7-3 presents a summary of population increase in the six LD II Urban governorates.

Table 7-3

### LD II URBAN GOVERNORATE GROWTH RATES (in thousands)

Governorate	1960	1966	1976	1986	Average
					Annual Growth Rate (1976-1986)
Cairo	3,349	4,220	5,074	6,053	1.8
Giza	1,337	1,650	2,419	3,700	4.3
Qaliubia	988	1,212	1,674	2,514	4.2
Alexandria	1,516	1,801	2,319	2,917	2.3
Suez	204	264	194	327	5.4
Port Said	245	283	263	400	4.3

Source: \* CAPMAS

\*\* Calculated by TAC Staff

Table 7-1

## SOLID WASTE MANAGEMENT

## DATA REQUIRED AND DATA RECEIVED

Complete Data \*\*

Partial Data \*

No Data -

DATA REQUIRED	RESULTS					
	C A I R O	A L E X	G I Z A	Q A L I U B I A	P O R T  S A I D	S U E Z
Solid waste quantity, generation & composition.	**	-	**	-	-	**
Current level of waste collection & disposal service.	-	-	**	-	-	-
Organization of Sanitation Dept. or Cleaning & Beautifying Authority.	**	-	**	-	-	-
Productivity analysis.	**	-	**	-	-	-
Private sector involvement	**	-	**	-	-	**
Maps of Districts and population distribution.	**	-	**	-	-	**
Fleet size and condition.	-	-	**	-	-	**
Location maps for land- fills, dumps & composting plants.	**	-	**	-	-	-
Market for compost and recyclable materials.	**	-	**	-	-	-
Statistical data.	**	**	**	**	**	**

Source : LD II TA Contractor, Wilbur Smith Associates

Table 7-2

SOLID WASTE MANAGEMENT

FIELD RECONNAISSANCE AND DATA COLLECTION

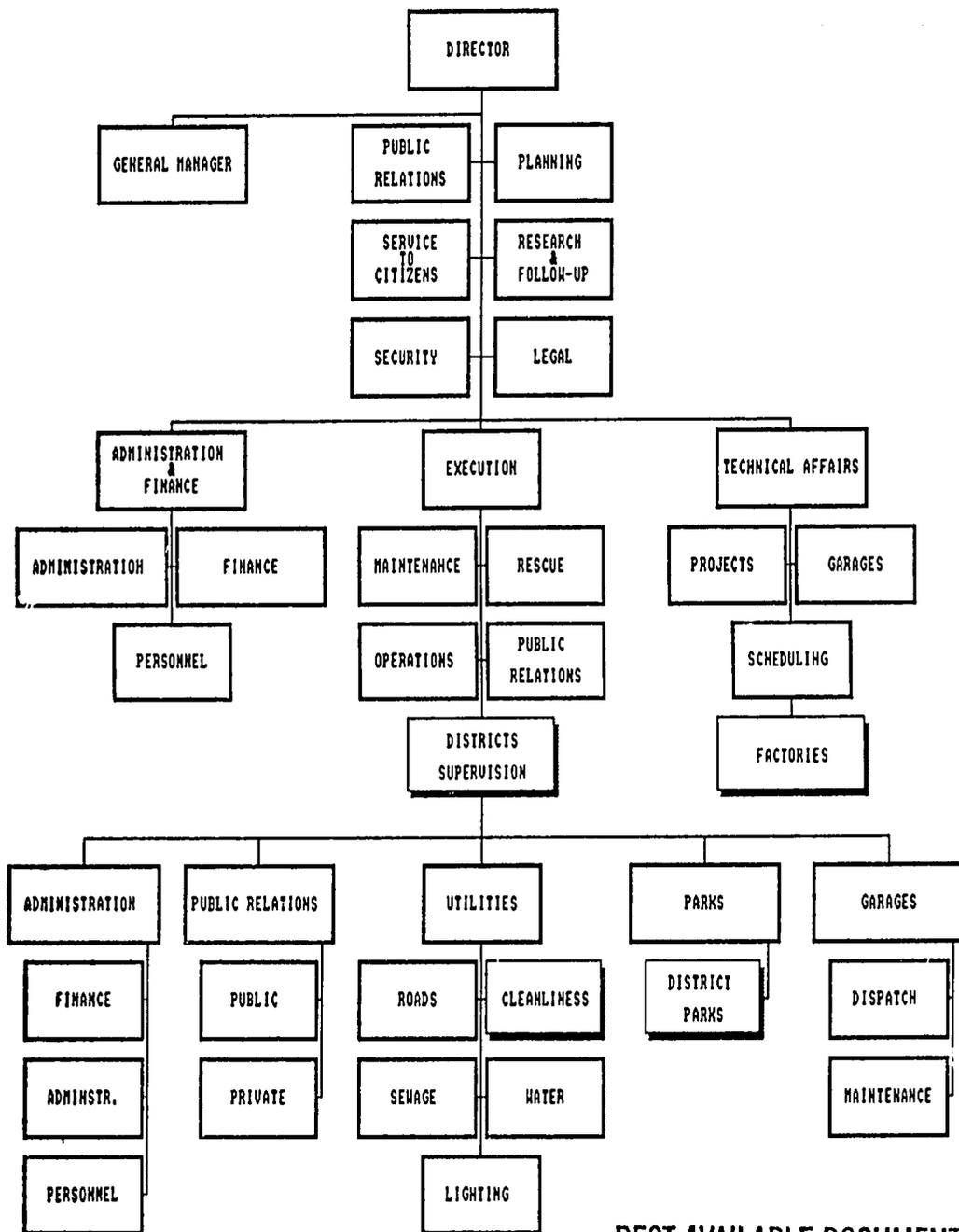
MONTH	STAFF DAYS AVAILABLE	FIELD TRIPS TO RESPECTIVE GOVERNORATES					
		Cairo	Alex.	Giza	Qaliubia	Port Said	Suez
JAN.	28	-	-	-	-	-	-
FEB.	40	4	-	8	-	-	-
MAR.	58	4	-	4	3	-	1
APR.	45	3	2	4	4	-	1
MAY	48	3	-	4	3	3	-

23.3% of staff time was spent on Field Reconnaissance.

Source : LD II Urban TA Contractor, Wilbur Smith Associates

BEST AVAILABLE DOCUMENT

ORGANIZATION CHART  
CAIRO CLEANING AND BEAUTIFYING AUTHORITY



BEST AVAILABLE DOCUMENT

SOURCE: HUS REPORT ON SOLID WASTE MANAGEMENT IN CAIRO GOVERNORATE  
MILBUR SMITH ASSOCIATES DECEMBER 1983

FIGURE 7-1

ORGANIZATION CHART  
GIZA CLEANING AND BEAUTIFYING AUTHORITY

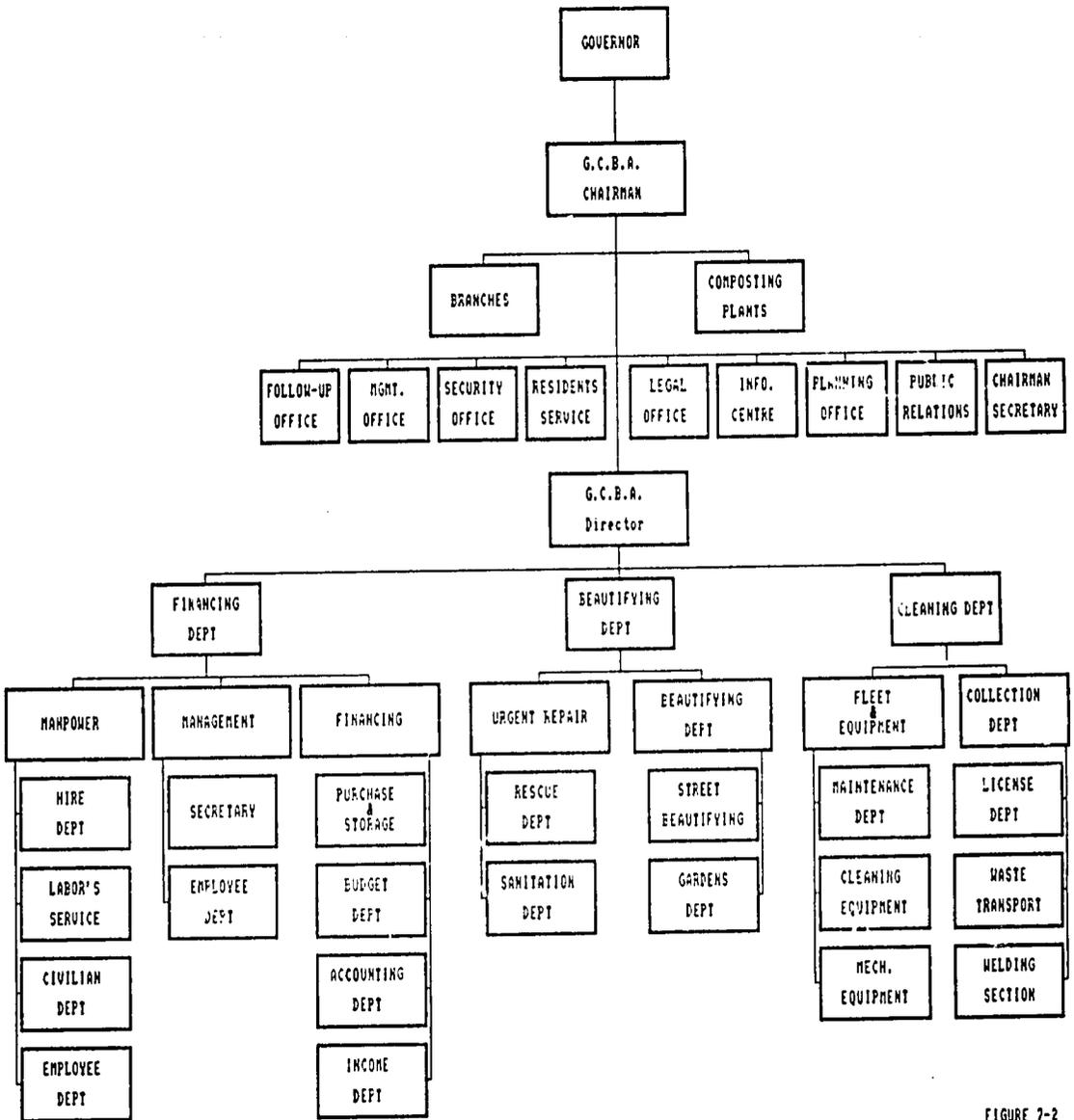


FIGURE 7-2

BEST AVAILABLE DOCUMENT

Population in Shoubra El Kheima and Giza city has increased since 1976 at rates which are significantly above the National average. This development is likely to continue in the near future due to migration from rural areas and high fertility rates. In Cairo Governorate, the average annual growth rate has shown a gradual decrease in the past ten years. Over time an actual population loss may be experienced due to expansion of the business district and an increasing housing shortage.

Nevertheless, in the long term it is unlikely that the Cairo Metropolitan Area as a whole will lose its traditional attraction for migrants from all over the Country. Since the development capacity of Central Cairo has about been reached, migrants (and hence population growth) will increasingly concentrate in the urban fringe areas, outskirts, a process which will inevitably lead to further urban sprawl in Greater Cairo and its adjacent areas; particularly in Shoubra El Kheima.

**7.2.4.1 Future Population Growth in Urban Areas;** In 1947, the total number of people living in Egypt's urban areas was about six million. By 1986, this number had increased to about 21 million. The average annual growth rate between 1976 and 1986 was 2.9%.

Using the assumption that the urban population will continue to increase by the same annual growth rate, urban population will reach about 31 million by 2000 (see Table 7-4 below) and solid waste management problems, which are connected with rapid population growth, will in the future become more pressing. As the population grows, the demand for housing and hence also for the collection, treatment and disposal of solid waste will also increase.

Table 7-4

**FORECASTS FOR THE SIX GOVERNORATES; TO YEAR 2000**  
(In thousands)

Governorate City	*	**	**	**
	1986	1990	1995	2000
	Census			
Cairo	6,053	6,501	7,107	7,770
Giza City	1,871	2,214	2,733	3,373
Shoubra El Kheima City	711	838	1,030	1,265
<b>Total Greater Cairo</b>	<b>8,635</b>	<b>9,103</b>	<b>10,870</b>	<b>12,408</b>
Alexandria	2,917	3,195	3,579	4,010
Suez	327	403	525	682
Port Said	400	473	584	721
<b>Grand Total</b>	<b>12,279</b>	<b>13,174</b>	<b>15,558</b>	<b>17,821</b>

SOURCE: \* CAPMAS

\*\* Calculated projections by TAC Staff

## **7.2.5 Reports And Studies:**

**7.2.5.1 Report On Solid Waste Management In Cairo Governorate, Wilbur Smith And Associates, 1983;** The report was prepared, based on technical assistance rendered to the Cairo Cleaning and Beautifying Authority shortly after the Authority was created in accordance with the President's Resolution Number 284 for the year 1983. Data was obtained from reports and studies available and from day-to-day direct working contacts with the Director of the Authority. The report detailed a specific course of action including:

- o Use of experienced technicians and specialists to work directly with Governorate counterparts in operating and managing the entire system of Solid Waste Management.
- o Preparation of a master plan for the Governorate.
- o Implementation of the plan in a pilot or demonstration area.
- o Development of sanitary landfills for disposal of solid waste.
- o Use of plastic bags by householders.
- o Procurement of small collection vehicles for the poor neighborhoods with narrow rough streets.

Some of the above recommendations have been implemented:

- o Special small collection vehicles were procured and placed in use, not only in Cairo but also in Alexandria and Giza.
- o Plastic bag factories were built and are operating in Cairo, Giza, Alexandria and Shoubra El Kheima.
- o Cairo Governorate closed, capped and landscaped one open dump and selected and opened a new landfill at Torah that is operated in a more environmentally sound manner.

**7.2.5.2 Mechanization Of Solid Waste Collection In Cairo Governorate, Environmental Quality International, 1986;** Development of a pilot program to involve the Zabbaleen and Wahis in the process of mechanization for collection of household wastes was the purpose of the Study. Institutional, cultural, technical and financial aspects of the problem were addressed. Eight alternative solid waste collection systems were developed. An implementation period of fifty-one months, divided in two phases with several stages in each phase, was considered in the Study. The first phase introduces mechanized waste collection services in areas currently serviced by the Wahi-Zabbaleen system over a period of thirty-one months. The first and second stages provide for implementing mechanization of waste collection in the Zamalek and Manial Neighborhoods near Central Cairo.

Representatives of the Governorate and the Consultant (E.Q.I.) worked and negotiated with the Wahis and Zabbaleen for a period of over one year to set up a system that would achieve the target objective of mechanization. In 1987, an agreement between the Governorate and the Wahi-Zabbaleen organization was signed. In November

of 1987, the Wahi-Zabbaleen organization incorporated a company to provide trucks for haulage of the wastes collected from households. The system operates on a "fee for services" basis and is currently recovering costs. As adjustments are made in collection procedures and accounting is improved, it is very probable that the company will begin to show a profit.

In implementing the plan the Consultant found that key factors were:

- o There must be a community-based organization involved.
- o The Governorate or District must have a firm commitment to the project and provide the leadership and support necessary to guide the project to implementation.
- o An organization or person must serve as the catalyst to bring the parties together and keep working until an agreement is concluded and the agreed-to plan is implemented.

7.2.5.3 Feasibility Study On Refuse Collection, Treatment, and Disposal in Alexandria; Japan International Cooperation Agency, 1986; At the request of Egypt, a study was conducted of the complete Alexandria solid waste management system. The existing system was analyzed and several alternatives considered, from which the most appropriate was selected. A Master Plan for the City was prepared and Mid-town District selected to be the pilot demonstration area for implementing the Plan. However, none of the current Alexandria solid waste management practices or procedures appear to have been a direct result of the recommendations contained in the study.

7.2.5.4 Feasibility Study For Waste Collection and Resource Recovery In Five Governorates. Final Report; Environmental Quality International, 1985. The Study considered waste collection and disposal in the governorates of Alexandria, Giza, Assuit, Sharkya and Garbeya. The Study reviewed current waste management practices in the major cities of the governorates and assessed the technical and economic merits of alternative collection and disposal systems. A detailed analysis of technical and financial potential of composting as a method of resource recovery and disposal of solid waste was included.

Ten alternative waste collection systems, focusing on technical and financial considerations, were compared (through computer analysis). A selection was made of the optimal system(s). The Study concluded that composting is the desirable means of waste disposal and is economically feasible. The Study states that four kinds of interventions are needed:

- o structural reorganization of solid waste management agencies;
- o streamlining of management practices;
- o improvement of worker and equipment productivity;
- o emphasis on cost recovery.

7.2.5.5 Study Of Solid Waste Management in Giza City; National Research Center, 1985. The purpose of the Study was to analyze the present system and prepare a Master Plan

for the City. A comparative analysis of alternative systems was made and one selected as the most suitable. The Study recommended a specific course of action which included recommendations common to practically all the studies.

- o Develop a site for sanitary landfill.
- o Improve the Zabbaleen system.
- o Use experienced technical specialists.
- o Staff training.
- o Equipment maintenance.
- o Improved garage/workshop facilities.
- o Planning collection routes.
- o User fees and fines.

7.2.5.6 Solid Waste Collection And Recycling in Cairo, A System in Transition; Environmental Quality International, 1984; The Report presents a study of the Wahi-Zabbaleen system and its contribution to waste collection and disposal in Cairo. The report provides a background for the recommendations contained in the Report summarized earlier in this Section.

### **7.3 Current Status of Solid Waste Management**

**7.3.1 Cairo and Giza Governorates:** Cairo and Giza Cleaning and Beautifying Authorities were created by Presidential Decree in 1983. These authorities have wide powers and were designed to bring all municipal solid waste collection and disposal activities under the supervision of one central agency. They can regulate and control private as well as public sector service providers.

In Cairo, Zabaleen, traditional private sector service providers, collect household and some commercial solid waste. The Zabaleen are administrated by one or more contractors termed Wahis. The contractors and Zabaleen work under contract with City Council.

In Giza, Wahis and Zabaleen activities are subject to direct supervision and control by municipal authorities. The municipality is imposing tighter controls. All Zabaleen must be licensed and mechanization of collection vehicles is being emphasized. In addition to the Zabaleen there are private sector contractors and the Giza Cleaning and Beautifying Authority which have the responsibility of picking-up the previously unserved low income areas for an imposed fee of LE. 1 per month.

There are major areas in both Cairo and Giza that are unserved or receive a very low level of service.

**7.3.2 Alexandria Governorate:** There is a Cleaning and Beautifying Organization in Alexandria but it has no overall authority or responsibilities. Ultimate control of municipal Solid Waste Management is vested in the city council. From the council the line of authority flows downward through other city officials and various municipal departments. Municipal authorities are responsible for street cleaning, municipal refuse containers and municipal dump sites and the composting plant. However, because of short falls in household waste collection service, many inhabitants dump their waste onto city streets or into municipal containers or temporary dump sites. This surfeit of wastes has the double consequence of significantly lowering the level of cleanliness in the city and placing a heavy burden on the municipal cleaning forces.

The Zabaleen/Wahi system operates in Alexandria. There are additional service providers including Community Development Association, (CDAS) which utilize municipal workers and equipment during their off hours to collect household waste.

**7.3.3 Port Said Governorate:** Port Said has a very high population density. It is primarily a commercial center due to its free zone status.

Private sector cleansing contractors operate in the higher income areas. The contracts are awarded on a tender basis and the contractors pay the Governorate for the right to collect and dispose of or sell the garbage. The use of the service by the householder is not compulsory. The Governorate sets the fee for the service. Collection of the garbage from ships is undertaken by contractors chosen by the various shipping agencies.

The Governor represents the central authority and the City is divided into districts, each with its own local council. The District Chief is responsible for the daily solid waste operations.

**7.3.4 Qaliubia Governorate (Shoubra El Khayma City):** The City has a high concentration of industry and the majority of the residents are factory workers. The residential neighborhoods represent a relatively low income level. There are no Zabaleen operating in the City and there is a great deficiency in modern refuse collection and disposal vehicles and equipment.

Householders in the low income areas (which is a major portion of the city) dump their solid wastes in the street or in branches of the Nile River. The sanitation forces of the districts do not have an active presence in the street. There is no overall authority for Solid Waste Management in the Governorate or in the City. Each of the two districts is responsible for collection and disposal of solid waste.

There are private sector waste collection contractors operating in the City on an informal basis (not authorized or licensed by the authorities).

**7.3.5 Suez Governorate:** The City is divided into four districts. The District Chief is responsible for the daily solid waste operations through an Engineering Department. There is a large deficit between the districts' capacity to collect solid waste and the quantity of solid

waste actually generated. There is a small private sector element involved in collection but for the most part householders dump the waste in the streets or in open areas where it remains for extended periods of time. The Governorate has no official dump site and as a result the districts dump the refuse in open areas or in masses outside the City.

**7.3.6 Funding:** Funding for municipal Solid Waste Management systems is usually derived from both local and national sources. There is a cleansing tax of 2% of the value of rental properties that is used to support sanitation activities. The national governorate contributes funds for salaries, operating costs and purchase of equipment.

#### 7.4 Analysis of Existing Situation

**7.4.1 Refuse Collection:** Except for Ganain District in Suez Governorate, there is a refuse collection system operating in each of the urban governorate districts. The systems and equipment vary greatly; from mule and donkey carts to modern compaction truck equipment. Mechanized equipment is of various ages and manufacture, with a large portion of American origin, furnished under the USAID Commodity Import (CIP) and Decentralization Support Fund (DSF) programs. Table 7-5 lists the refuse collection mechanized equipment currently in use in the Governorates.

**Table 7-5**  
**Cleaning Vehicles & Equipment**  
**Inventory & Status**

Governorate	Vehicles			Equipment		
	In Operat.	Need Repair	Total	In Operat.	Need Repair	Total
Cairo	414	420	834	20	16	36
Giza	231	121	352	14	12	26
Qaliubia	25	7	32	7	4	11
Alexandria	107	140	247	28	39	67
Suez	28	18	46	25	15	40
Port Said	77	35	112	10	18	28

Source: LD II TA Contractor, Wilbur Smith Associates

While Cairo and Giza Governorates have a Cleaning and Beautifying Authority to provide overall supervision of refuse collection they differ in that in Cairo the Districts have the collection responsibility and collection equipment is assigned to District Garages while in Giza collection is the direct responsibility of the Authority. In Alexandria the Cleaning and Beautifying Organization has responsibility and authority for operation of disposal facilities and emergency clean-up as requested by the districts or directed by Governorate authorities. The regular collection of garbage in Alexandria is the responsibility of the districts and collection equipment is located in District Garages. In Port Said, Suez and Shoubra El Kheima collection of solid waste is the responsibility of the districts.

The maintenance and repair of refuse collection equipment is a problem in all the governorates. This situation is being addressed as a part of the LD II Urban Project and is detailed further in the Operation and Maintenance Section of this Report. As the maintenance of the refuse collection fleet is improved, the capacity for refuse collection will be increased, permitting improved service and extension of service areas without major capital investment for additional equipment.

Currently there are few or no resources devoted to the maintenance and repair of refuse containers. This problem was addressed in a 1983 UNUS report and there has been no observable improvement since that time. Due to the poor condition of the containers (largely a matter of broken, damaged or missing wheels), an inordinate amount of time is required to pick up each container. Obviously, the efficiency of the new USAID-funded container pick-up compactor trucks can be materially improved through a container maintenance program. This issue will be addressed as a priority component of the Solid Waste Management Task.

The Zabbaleen system is presently the most efficient refuse collection and disposal system in operation. It is a private sector operation. There are currently a number of pilot programs underway to improve and expand the Zabbaleen system in Cairo. The LD II Urban Solid Waste Management Team will monitor the progress of these efforts and will endeavor to build upon any tangible successes that may occur.

Phase I reconnaissance revealed that the central business districts of the cities included in the LD II Urban Program are already served with functioning refuse collection systems and are maintained in a much cleaner condition than in the popular housing areas. Therefore, more emphasis in the Solid Waste Management Task needs to be placed on collection and street cleaning in lower income housing areas.

**7.42 Refuse Disposal:** Solid waste disposal is a component of many of the studies and reports cited earlier in this report. It has been the conclusion of these various studies that the preferred method of waste disposal is composting. Composting was selected because of the need for large quantities of compost material in reclaiming desert lands and the improvement of the fertility and water retention properties of existing agricultural lands. In the composting process, many recyclable materials can be readily reclaimed from the waste streams.

There are composting plants operating in Cairo, Giza and Alexandria Governorates, but these plants presently process only a small portion of the solid waste generated in these governorates. The staffs of these plants need additional training in the operations and maintenance of the plants. There is a potential for contracting the private sector operation and maintenance of these composting plants, with the governorates and the contractor sharing in the profits from the sale of the compost and recyclable items.

There are materials in the solid waste stream that are neither recyclable nor compostable. This residue will amount to about 15 to 25 percent of the total solid waste. Such material will have to be disposed of by landfill. The solid waste management system for the six urban governorates must therefore develop landfill disposal sites in the short-term (until more composting plants are constructed), and in the long-term.

Landfill disposal currently practiced in the governorates can be basically classified as open dumps. In Alexandria and Port Said Governorates, the solid waste is being used to fill and reclaim low areas and abandoned canals. From experiences in other countries, it must be anticipated that such landfill practices in Egypt will soon create major adverse environmental impacts.

While the refuse disposal problem is more critical in Port Said Governorate than in other governorates, it is a matter of concern for all urban units of government. The design and operation of sanitary landfills was addressed in some detail in the NUS report on Solid Waste Management in Cairo Governorate. The urban governorates, particularly Port Said, Qaliubia and Suez, will require assistance to identify suitable landfill sites and to plan the development and use of these sites. A qualified short-term specialist will be needed to render such technical assistance.

## **PART B - WORK PROGRAM IMPLEMENTATION**

### **7.5 Implementation Strategy**

**7.5.1 Port Said, Suez and Qaliubia Governorates:** These governorates are the most deficient in modern refuse collection equipment and in the development of a viable Solid Waste Management System. Port Said and Suez are just beginning to improve vehicle maintenance capability by building and equipping garages and workshops. A primary task in these governorates is to identify refuse collection equipment needs. Determining the most efficient and effective equipment will be an important part of master plans for the demonstration areas.

The deficiencies in clean-up equipment is reflected in Table 7-5. In developing plans for the demonstration areas particular attention will be paid to selecting collection equipment that is most suitable for the designated routes and most readily available. Since additional vehicles and equipment will most probably be procured with Investment Plan Funds, the most suitable equipment at the most economical price will be identified in the plan. Vehicles and equipment manufactured or assembled in Egypt have been identified and will be included in the plans as applicable.

In these three Governorates some overall authority for Solid Waste Management would be most beneficial. An organization similar to the Giza Cleaning and Beautifying Authority would appear to be most suitable for Shoubra El Kheima (Qaliubia Governorate) because of the concentration of population and industry. In Port Said and Suez Governorate an organization similar to the Cairo Cleaning and Beautifying Authority would be more suitable because the population and industry is more dispersed. In any organization in Port Said, Port Fouad District would have to have a collection and disposal system distinct to that District.

Overall management, organization, staffing and work standards will all be considered in the selection process. The potential for private sector involvement in the collection operation will be given full and careful evaluation. Specific work activities to be accomplished in association with district and governorate personnel are:

- o Review present organization, staffing and management methods to identify areas for improvement;

- o Perform map studies and design collection routes based on specific types and capacity of collection vehicles;
- o Identify areas served by the private sector or with a potential for private sector involvement;
- o Prepare a list of required equipment and furnish it to the governorate for procurement planning.

**7.5.2 Cairo, Giza and Alexandria Governorates:** The Cleaning and Beautifying Authorities in Cairo and Giza Governorates, while somewhat different in organization, are appropriate for the purpose of collection and disposal of solid waste. The Solid Waste Management Group will work with the officials of these authorities to improve the efficiency and effectiveness of the operations. The Alexandria Cleaning and Beautifying Organization lacks overall authority for solid waste management but Governorate Authorities recognize the need for such overall responsibility and are actively considering creating such an authority. The Solid Waste Management Group will support the proposed Authority organization.

As shown in Table 7-5 each of these Governorates have a considerable fleet of refuse collection and disposal vehicles and equipment. The problem is that many of the vehicles and equipment are in need of repair. The Operations and Maintenance Group is working with the Governorates and Districts to improve maintenance and repair capabilities through improved maintenance and repair facilities, tools, shop equipment, spare parts inventory control, organization, management and training. Improved maintenance and repair of vehicles and equipment will have a significant impact on refuse collection capacity.

**7.5.3 All Governorates:** Establish a program for the maintenance and repair of solid waste containers (used with side loading compactor trucks). In association with governorate, district and Cleaning Authority personnel, accomplish the following work activities:

- o By sampling techniques, determine the probable number of containers requiring repair and the type of repairs needed.
- o Establish a container repair section with the necessary staff, equipment, materials, parts and workshops.
- o Establish a procedure and schedule for the pick-up, repair and replacement of damaged containers.

**7.5.4 Training:** The level of solid waste management implemented and practiced in the six governorates clearly indicates a significant need for training of personnel responsible for these functions. There is a need to develop an in-Country resource to conduct such a training program.

Training should include all phases and elements of designing and implementing a Solid Waste Management Program. Studies made to date have clearly indicated what needs to be done, but implementation has lagged. The TA Solid Waste Management Team will work closely with the Training Group in developing such a training program.

**7.5.5 Disposal of Solid Waste:** Disposal of solid wastes is a problem of increasing concern. While the construction of composting plants is outside the scope of the LD II Urban Project, the development of environmentally sound landfill sites can be accomplished within the Project scope. Such a work activity should be undertaken by a specialist fully qualified to make the technical evaluations required. This technical expert would undertake the following tasks:

- o Identify present solid waste disposal sites and facilities; landfills, composting plants and incinerators.
- o Obtain data on capacity and operational efficiency of composting plants and incinerators.
- o Estimate the remaining useful life of existing landfills.
- o In coordination with the O&M Group, obtain data on the type, number and condition of equipment used in each landfill site.
- o Make an environmental evaluation of each landfill site.
- o In instances where a critical disposal problem exists, the following actions will be taken;
  - In conjunction with governorate authorities, select an alternate disposal site or disposal system or disposal procedures.
  - Evaluate the environmental situation of any new landfill site considered.
  - Determine the equipment needed to operate the landfill in an environmentally sound manner.
  - Determine the availability of required equipment from either current governorate rolling stock or through purchase.
  - If purchase is required, include an estimated cost.
  - Determine the infrastructure (resource) support required and the probable cost.
- o Report findings and recommendations separately for each governorate.

**7.5.6 Use of Reports and Studies:** Much effort and resources have been expended in the study of Solid Waste Management in the urban areas. A synopsis of those studies applicable to Cairo, Alexandria and Giza has been presented in paragraphs 7.2.5.1 through 7.2.5.6 of this Section. Representatives of Port Said, Suez and Shoubra El Kheima have stated that several studies applicable to those cities have been made, and efforts to obtain copies of such reports and/or studies are continuing.

In Phase II of the Project, the implementation status of recommendations made in the reports and studies will be checked. In consultation and coordination with appropriate local officials, applicable portions of the studies will be applied in developing master plans for the demonstration areas and in detailing overall waste collection and disposal systems.

**7.5.7 Special Projects:** Special projects have been identified as necessary to support the Solid Waste Management Task. It is anticipated that others will be identified as investigations are

completed, and master plans reviewed and developed. Implementation of the demonstration area plans may also necessitate consideration of additional special projects, particularly pertaining to the involvement of the private sector in solid waste collection and disposal. Potential special projects identified to date are:

o Giza Governorate

- Transfer Station with equipment in Monira, Imbaba, in connection with adjacent pilot demonstration area.
- Mobile Car Crusher to be used to rid the streets and city of abandoned cars and scrap metal. There is a ready market for the scrap metal. The private sector could be involved in this project.

o Port Said

Establish a landfill solid waste disposal site in Port Fouad District. Use of a mound-disposal landfill may be required.

o Qaliubia

In Shoubra El Kheima, establish a Transfer Station at Mostorod and develop a Sanitary Landfill at Abu Zabal.

o Cairo

A special project for repair of solid waste containers will be prepared.

## 7.6 Cost Recovery and Privatization Potential

"Charge for Service" is prevalent in solid waste collection systems, both by governmental agency and private sector. Various forms of "charge for service" are encountered in the governorates and districts, much of it informal (not officially recognized or authorized). In developing plans for demonstration areas, private sector sources for refuse collection will be investigated and included in the plans where feasible. Plans will also include proposals for cost recovery where services are performed by the Governority, Authority or District. A questionnaire has been developed to assist in determining the willingness and ability of residents to pay for service.

## 7.7 Resources Required

To fulfill the objectives and produce the outputs for the Solid Waste Management Task, short-term specialist additions to the staff are required, as well as GOE personnel and resources. Specifically, technical personnel requirements are:

o Long Term Staff

12 person months - Albert McCarty  
Ass't. Project Director

- 24 person months - Mohamed Abu Zeid  
Engineer
- 24 person months - Maged Ayoub  
Engineer
- 14 person months - (Vacant)  
Economist - Financial

o **Needed Short Term Staff**

- Assist governorates in preparing special project data, budgetary estimates and project justification (approved and committed).

- 3 man months - Expatriate Civil Engineer
- 3 man months - Egyptian National Civil Engineer

- Assist Port Said and Suez governorates in developing Sanitary Landfills that are environmentally adequate (proposed).

- 3 man months - Expatriate Solid Waste Specialist.

- o **GOE Support Staff:** The development of plans for the demonstration areas will require that the governorates assign members of their staff to work with the TA Contractor personnel. The GOE personnel will gather data, prepare maps, obtain budget information and participate fully in the development of the plans as an on-the-job training process. GOE personnel requirements in each governorate are:

- 2 man months - Civil Engineer
- 4 man months - Solid Waste Technicians
- 1 man month - Mechanical Engineer
- 2 man months - Clerk

## **7.8 Program Outputs**

- o The TOR calls for the preparation of plans for two demonstration areas in each governorate, one of which is to include the Central Business District. In the six governorates, the Central Business Districts are already served at a much higher level than the popular housing areas. The real problem of solid waste exists in the popular housing areas, which are either underserved or receive no service. The narrow, rough and crowded streets in popular housing areas require special equipment for collection and such equipment is either in short supply or non-existent in the refuse collection fleet. By developing a demonstration area in popular housing areas in each Governorate, the way can be pointed to solving this critical element of solid waste management. Developing viable detailed plans in such areas will require close adherence to the key factors stated in paragraph 7.2.5.2.
- Through coordination with Districts and Governorate representatives suitable community organization(s) will be identified to inform the people of the details and schedule for implementing the plans. In some cases it may be necessary to form appropriate community organizations and in others an existing PVO may agree to serve in this function.

Initially the Solid Waste Management Group will serve as the catalyst to bring the parties together but will transfer this function to the appropriate District, Governorate or Organization authority at the earliest practicable time. The Solid Waste Management Group will monitor all phases of the implementation of the plan.

In scheduling the development of plans for demonstration areas priority will be given to the Governorates without any overall cleaning organization, that is Qaliubia (Shoubra El Kheima), Suez and Port Said. Since development of a demonstration area adjacent to the transfer station to be constructed as a special project is necessary in conjunction with that project, Giza will be given special consideration to ensure the two parts are coordinated in a timely manner. A special allocation of funds have been made for the development of plans for two demonstration areas in alexandria. At this time the Solid Waste Management Group plans are only to respond to specific requests from Alexandria Governorate and the Districts and to assist in the implementation of the plans for the demonstration areas. Cairo Governorate has some projects and demonstrations in progress. The Solid Waste Management Group will work closely with CCBA to assist them in developing further plans and to observe results of the tests and demonstrations. Development of plans for demonstration areas in Cairo will be dependent on the level and degree of assistance requested by that organization.

- o Disposal of solid waste is a major problem in each governorate and is particularly critical in Port Said. A major effort by the TA Contractor is necessary to assist the governorates in finding solutions to the problem. The Solid Waste Management Team, augmented by the short term specialist indicated in paragraph 7.5, will guide and assist governorates in identifying and developing environmentally sound solid waste landfills.
- o Develop plans, organizations, staffing, and facility and budgetary requirements for refuse container repair workshops in each governorate.
- o In conjunction with the TA Contractor Training Group, develop an in-depth comprehensive Solid Waste Management training course. The course must include all elements of solid waste management and be conducted in-Country.
- o In coordination with the Training Group develop a program and system for skills upgrading of management, operating and maintenance personnel of composting plants in Cairo, Giza and Alexandria.
- o Assist governorates in planning and executing special projects.

## Section 8

### TRAINING

#### **PART A - BACKGROUND ANALYSIS**

##### **8.1 Review Of Project Targets And Mandates**

**8.1.1 Introduction:** The major objective of the LD II Urban Project is to develop local government capabilities to improve basic services delivered to the people, especially the poor. The main tools to achieve this objective are technical assistance (TA) and training. Training is regarded as a vital ingredient in the Project's contribution to institutional development in Egypt. The Training process is designed to achieve results which can be replicated at the end of the Project. To succeed with this strategy, it is imperative to work closely with local government officials in every step of planning and implementation.

**8.1.2 Background:** The basic guide in developing the Inception Report was strict adherence to the TOR. The Training Group addressed the sections "1.a" (Orientation Seminars) and "F" (Training) of the Contract in the preparation of the Inception Report. A complete Training Needs Assessment was prepared identifying over 2,000 viable training slots in a matrix covering the six governorates and five Action Packages. The training section of the Diagnostic Report is based on the feedback received from both the Inception Report and the Training Needs Assessment Report, through field visits and interviews, as well as staff evaluation of orientation seminars and training programs implemented in Phase I.

**8.1.3 Project Targets and Mandates:** In addition to data collection, field work was action oriented. Former NUS training sites and new training programs and contractors were reviewed by the training staff. A training budget of over LE. 164,000 was prepared for reaching Phase 1 training goals. The Phase 1 plan included both updating of NUS courses for the two new governorates as well as expansion into LD II Urban target areas such as maintenance, financial management and investment, and land management planning. An ambitious training program in computer training geared towards the implementation of the LD II Urban MIS system was identified.

Over five times the required number of participants were given Orientation Sessions in the six governorates in each of the areas described in the Contract. Each Orientation Seminar participant also received a concise overview of the key LD II Urban issues. The training of over 2,000 GOE functionaries was planned and some of these are presently in LD II Urban training courses. A review of the use of Sakkara Training Center for local government training was initiated. Installation of a Training Unit at the Local Administration Liaison Office was also explored. The Training Group has already begun to use resources of regional universities in the implementation of training.

## **8.2 Data Reconnaissance Efforts**

**8.2.1 Training Resources:** The Training Group is composed of six highly experienced professionals both in their respective fields of Local Government, Management and Engineering, as well as in the field of Training. Three key staff had full experience in the NUS Program. Thus it was possible for the Training staff to both engage in training activities such as conducting Orientation Seminars and retailoring NUS courses to fit the needs of the two new governorates, as well as developing plans for Phase II training through a Training Needs Assessment exercise.

**8.2.2 Training Budget Process:** A training budget was prepared in February and submitted in early March to USAID and the GOE for training governorate officials and Local Council Members in Planning, Engineering and Computer courses. These courses were designed to support LD II Urban TA such as BSDS and MIS, as well as to respond to the local government planning needs of the new Governorates of Port Said and Suez. This Phase 1 budget has been reviewed and revised several times. For example, some GOE changes resulted in nearly tripling the projected number of computer training slots. Additionally, training plans were revised to include joint planning with AID and the rural LD II program in the revision of the Kardex Training Program.

**8.2.3 Training Staff Deployment:** Most of the TA staff time was spent in the field during this period on two major tasks: (1) Conducting Orientation Seminars in the six governorates for Executive and Popular Council members; and Orientation Seminars for new members of TA Staff and PICs and (2) Conducting structured interviews with over 200 GOE governorate officials in the development of a Training Needs Assessment Report. Training staff members updated and later conducted a training program in Local Government Planning in Suez and Port Said and initiated a training program on Construction Management in Suez.

The staff spent the rest of their time in Cairo planning Phase I and Phase II Training programs. Several meetings were held with USAID staff, DAC and the ULDC AMANA to review Phase I training plans and to discuss training issues. Former NUS training sites were visited as well as new sites. Government training agencies such as TOMOHAR were contacted to conduct revised NUS Engineering courses.

**8.2.4 Governorate Counterpart Development:** Each governorate was contacted and requested to identify a Training Coordinator to work closely with the TA training staff in developing plans. In addition to the Training Coordinators, the Program Implementation Coordinators (PICs) were also involved in the planning of governorate training activities. As proposed in the Inception Report, the training staff designed and conducted special orientation sessions in conjunction with other TA Contractor Staff for the PICs.

**8.2.5 Training Needs Assessment:** The LD II Urban Training Needs Assessment Report was completed on schedule at the end of March. The governorate training needs were reviewed in depth by the training staff with TA Action Package Teams, Governorate Training Coordinators and Program Implementation Coordinators. Their collective input was used to refine the final recommendations in the Phase II Training Plan.

## **8.3 Current Status**

**8.3.1 Overview of Current Status:** LD II Urban training has completed several milestones and in some cases gone far beyond expectations in Phase I. Orientation Sessions were held for over 1280 local government officials and Popular Council members in the six governorates. A training plan and budget was prepared for over 200 participants from all the governorates in seven different course areas. Nearly half (around 100) of the Phase I participants have already received training in four different courses.

The two new governorates, Port Said and Suez, have been given the opportunity to receive similar training as the original NUS governorates. Training plans for a comprehensive computer-based program for all six governorates has been developed and planned for implementation as soon as the equipment is in place. Training plans are being developed for Kardex Training and for Equipment Management at two new garages in Cairo and Alexandria.

A Training Needs Assessment Report was prepared. The Report includes training projections for six governorates in five Action Packages areas. In addition to course, seminar and on the job training projections, the Report includes a review of NUS courses, a roster of trainers and a review of potential contractors. Training Coordinators have been named in Cairo, Giza, Port Said and Suez. Training sites in each governorate have been reviewed. Consideration of using training sites upgraded by NUS in Cairo (CAOA, DOAA, TOMOHAR) and Alexandria (DOAA) will be given highest priorities. The Project used the Ministry Center in Port Said and the Government Club in Suez since neither governorate had adequate training facilities.

The Sakkara Local Government Training Center facility has been visited by the TA Contractor training staff and, while still not completed, will be considered as a potential training site for participants for LD II Urban Training in Phase II. The Sakkara facility gives LD II the opportunity to use a new training site specifically designed for use for Local Government Training in a residency setting.

**8.3.2 Analysis of Existing Situation:** In general, the greatest difficulty was in getting a Phase I budget approved in time to implement it properly. Meetings with USAID and DAC were initiated by the staff and were very useful in clearing up misconceptions and in gaining insights into what was expected.

The Training Group prepared a budget presentation in the absence of an agreed upon format. It was not until the Group met with the GOE that it was told how the GOE wanted the information displayed. Once these meetings took place and the format was clarified, the results were much better.

The recent USAID policy decision to disallow per-diem for the training of GOE officials was not discussed during the budget formulation process. Thus, participants in LD II training courses in Port Said and Suez were not informed until the end of May of this change in the per-diem policy. There seems to be no serious problems created by the change; however, it is still unclear how transportation expenses are to be paid to participants by the GOE.

The per-diem issue is one that should be discussed by the Training Sub-Committee. Other training plans such as computer training for Canal Governorate staff will have to be reviewed in an attempt to find alternate solutions to reducing participant travel.

The Suez training plans were delayed by the Governorate's request to stretch the sequence of Local Government and Engineering Training Courses from the normal week to fewer days per week over more weeks. While the adjustment of the schedule met the needs of the governorate, it did create subsequent delays in the training schedule.

It should be noted that both Suez and Port Said training programs were started with great enthusiasm from the leaders in these Canal Governorates. The Training Coordinators and PICs in both governorates worked very closely with the Training and BSDS TA staff to get the programs started. This was in contrast to those governorates, who did not have either Training Coordinators and/or PICs and thus, were the least able to respond to staff requests for needs assessment data or training in Phase I.

Training of Trainers (TOT) was proposed in Phase I for Training Coordinators and other GOE training staff in the governorates. The objective of the TOT proposal was to train a cadre of permanent GOE training administrators in the philosophy, methodology and administration of LD II urban training courses. Training of Trainer (TOT) is the backbone of training institutionalization but requires coordination with DAC, AMANA, USAID and the GOE.

Since only one-third of the Training Coordinators have been selected from the governorates and since the Training Sub-Committee has not been chosen, it has been decided to postpone TOT until they are selected; the rationale being the best staff training is one that is specifically given to governorate staff who have a long term commitment to training, and who have the backing of the governorate to continue using LD II Urban training courses after the life of the Project.

A current training budget from each governorate was requested by the Training Group. No concrete information was made available, but the general estimates received (LE. 200 to 12,000 per governorate) indicated a very low level of governorate commitment to training outside of the LD II Urban Project.

When the governorates make their selection of coordinators and make a commitment to training by placing resources at the disposal of the designated governorate training center, it will be possible to design an appropriate training program which could include on-the-job training with the LD II Training Team, as well as US Training.

The Kardex training course was delayed by the request from USAID to link LD II Urban training with the LD II Rural Kardex training efforts. Subsequent delays in start-up have been hampered by lack of a formal coordinating mechanism to bring rural and urban training together on general, as well as specific, training issues such as the Kardex Program.

Visits to potential training sites were delayed several times because of the religious holiday season and by staff changes. Informal meetings were held between the TA Contractor Assistant Project Director for Manpower and the Director of Sakarra Training Center; however, it was impossible to conduct an official site visit until June because of

conflicting schedules. The recent passing away of the director further delayed our plans to visit SAKKARA.

## **PART B - WORK PROGRAM IMPLEMENTATION**

### **8.4 Implementation Strategy**

**8.4.1 More Quality:** In order to make the expected targets on the Project, the Training Group must look beyond the contractual commitment of training 300 to 400 GOE officials and focus its efforts on quality. Training of participants will be viewed as an integral part of TA with the Government Agencies. The goal is to train people who, upon completion of training, can make a difference on their job site and who will not get frustrated to the point they leave the work they were trained for. Recognizing that Training is a service function and alone cannot shape the work environment of an agency, the approach will be to work through the participants to effectuate specific work environment changes, leading to more productive efforts in the public sector.

**8.4.2 Institutionalization Vs. Impact:** Regarding institutionalization, the question "how should LD II Urban Training differ from other projects in attempting institutionalization?" must be asked. The "Assessment of Achievements During Phase I Extension" of the Provincial Cities Development Project stated that "their training programs were worthwhile but did not provide as lasting an impact as had been anticipated". The NUS Project reported disappointing training program continuity in the four Urban Governorates, despite success at developing curriculums, and training materials, training trainers and upgrading DOAA training sites over the life of the Project. The lack of continuity is related to the lack of financial resources allocated to training in GOE local budgets. Working with the AMANA, DAC, USAID and GOE in proposing sufficient training funds to be provided in the governorates' budgets will be critical to the long-term effect of LD II Urban Training upon the governorates.

To succeed at making an impact, LD II Training Staff and trainers must have a greater input before and after training. Selection of participants must be made collaboratively, with great care and pain to identify those who will likely stay on the job after training. Recruitment and selection must be a joint effort of the GOE and LD II Urban Training. Given the policy change on per-diem, the need to identify permanent local training resources to continue to serve the community after LD II Urban is over becomes even more crucial.

**8.4.3 Training Follow-up and Evaluation:** Training should be followed by an on-the-job review by both TAC and GOE training staff teams. The people who have been trained by LD II constitute a major investment and can be a great asset in making changes on the job. Training staff and TA staff will jointly plan their visits to the people trained, as well as to sites. Site visits will be planned within a logical time frame following LD II urban training to evaluate the changes to both the participant and the working environment. Training will use the information in order to continually improve upon basic training products, "the trainee and the training curriculum". Findings will be included in the Final Training Report.

The computer capability in the Project Office to gather basic information on training participants will be used. Three training courses will be chosen to test the efficacy of data

collection and analysis of using "in-house" computer capability. The most logical training area to initiate this approach is the follow-up of the MIS participants. Programs such as the Kardex Training and O&M programs are also likely areas to begin the follow-up impact studies.

It is beyond the scope of LD II Urban training resources and unrealistic to expect that the Project alone can implement a successful institutionalization policy over the next eighteen months. The opportunity to work closely with institutions such as the Sakarra Training Center has yet to be realized. Experience in Phase I would indicate that each training budget approval will be an extended process. The NUS project experienced great difficulty in developing Training Units within the GOE DOAAs during the five-plus years of operation. LD II Phase I experience has not given much hope that LD II Urban can match the NUS record in one third of the time.

Additional difficulty is predictable in meeting the requirements of the sections in the Contract which require institutionalization. For example, in section f.4 of the TOR, it is stated "To ensure continuity, the contractor shall develop a Training Unit at the Local Administration Liaison Office (LALO), presently located in Cairo Governorate Headquarters". After several reconnaissance efforts, even the existence of such a LALO office is uncertain, and the need to clarify what training functions this unit performs can only follow locating the LALO office, itself.

Conversely, Phase I study has found a high regard in the governorates for NUS courses, leading to the selection of six NUS courses as a LD II Urban Core Course package. These courses, with slight modifications, are already being offered in Port Said and Suez in the areas of Local Government Planning, Project Management and Evaluation. Government agencies and local training institutions such as TOMOHAR, Sadat Academy and the Canal Universities have been contacted to provide instruction for the Core Courses in conjunction with the governorate training units. Unlike NUS, there is very little time to develop programs from scratch, yet LD II Urban Training is expected to respond to new and relatively difficult-to-define areas such as OMED, Land Management and MIS.

Unfortunately, training resources at the govern-orate level in these areas are limited, and can give very little support to this effort. The response from the Training Needs Assessment study in four govern-orates where NUS had heavily invested in training equipment and TOT has not been encouraging. In the new governorates alternative sites and strategies seem to be adequate for conducting training, but can hardly be viewed as promising in terms of institutionalization.

The LD II Urban Training Group will view its role as being a training consulting firm that helps clients diagnose their problems, makes recommendations to improve performance, develops training packages and then follows-up to see if the training has made the impact intended. The LD Urban II Training approach will continue to use those management and vocational training programs developed under NUS. New programs will be developed in conjunction with GOE and Action Package Team requests, as resources permit.

**8.4.4 New Course Development:** It is unrealistic to expect the Training Group to develop and conduct new courses during the lifetime of the Project, where there are no government agency resources available. Catalyst training was very successful in NUS in delivering quality

vocational and managerial training in a cost-effective manner. For LD II Urban Training, the Catalyst approach must be the preferred method of training if the TA Contractor is to be successful in satisfying the letter and spirit of the contract. Catalyst training contractors will be chosen on both their ability to conduct quality training, and on their ability to design a training package which is replicable for the agencies served.

Emphasis on Catalyst training will require highly coordinated efforts by the LD II Project staff with governorate training units, though the Training Sub-committee. Until the Training Sub-Committee is formed, a task force to attend to training activities at the governorate level should be named in the interim. The PICs, Training Coordinators and DOAA staff are the logical representatives to work with in this transitional phase and they should also form the core of the Training Sub-Committee.

Working with these local government representatives will start the process of developing training programs, identifying local training resources and hiring catalyst training contractors. Realistically, the time and effort created by the type of delays experienced in Phase I, make this collaborative strategy necessary. LD II Training Phase II can not afford the long delays in forming a Training Sub-Committee, naming Training Coordinators, and developing and approving training Budgets it faced in Phase I if it is to succeed in "having a lasting impact" on training in the six governorates.

In addition to Catalyst training, other channels of training will be used to make LD II Urban training more effective. Residency training will be emphasized where team building and motivation of the group are part of the training strategy. Efforts will be made to get a vertical and horizontal cross section of an agency or department together to learn technical skills along with organization and communication skills. Top management seminars and training of newly elected key officials will be conducted as much as possible in conjunction with technical training for key problem areas. Impact evaluation of training will also be attempted in selected programs in which the Action Package Group works with the Training team in the follow-up of training on site.

US training contractors will be used to supplement in-country training. Linking US Training with Catalyst Training is viewed as an area of great potential in developing new courses. Because of the expense and desirability of US training, the Training Group will use the USAID Participant Training Handbook as a procedural guide and will assess each potential participant's educational background and needs well in advance of the US training. Coordination with the appropriate Action Package Group and the US training site will be critical to develop the best educational program for each participant. US training requires a long lead time to identify appropriate training sites and trainers. In this respect former successful US training programs such as those offered in NUS will be given high priority.

New course areas will require coordination from TA Action Package Teams in identifying appropriate training activities and training organizations in the US to offer the best mix of experience and training. For example, OMED coordinators might require an intern experience in a US Local Government Agency, along with appropriate training. The training might include visiting a national conference, attending a training seminar in the US and attending a related Catalyst program in Egypt to meet the total experience necessary.

GOE solid waste staff may require similar long term study and analysis of all phases of solid waste management by attending training in the US through a major university, which

also has the capacity to service the program in conjunction with an Egyptian firm or university. US training may also be proposed in conjunction with training of PICs, Training Coordinators and Training Committees.

The LD II Urban Program offers new and exciting training facility resources that will be incorporated into the Training Plan. For example, the placement of four MIS computer work stations in each governorate provides the potential of using some of the free time of the equipment for computer and computer assisted training courses.

The new emphasis on program budgeting gives the Project the chance to expand into financial management and investment training areas and to develop new instructional materials in areas such as revenue generation, cost/benefit analysis, cost recovery, procurement and environmental analysis. The new openings of garages offer opportunities to train an entire organization. Building upon the experience of working with civil engineers in sub-project implementation has pinpointed specific needs for seminars and workshops, resulting in the creation of four new BSDS courses.

**8.4.5 Training Staff Redeployment:** The Training Needs Assessment Study and present staffing patterns point to the advantage of using experienced training staff as adjuncts to the Action Packages Teams. The cooperation between the Action Teams and the training staff has already produced very tangible results, having identified specific training projections (over 1,800) in more than twenty course areas.

There remains a need to follow up with each governorate to bridge the gap between general governorate requests with the detailed needs emanating from the Action Package Groups. This can best be accomplished by assigning one Training staff person to work directly with one Action Package Team.

The role of the Training Staff assigned to the Action Package Team will be to assist in the planning and implementation of training in that specific technical area by:

- o Helping to identify and screen participants for the courses in the area.
- o Identifying training sites, helping to establish training dates, approving curriculum changes and identifying trainers.
- o Monitoring and, where necessary, assisting in the administration of the on-site training.
- o Working closely with the PIC and training coordinators on all of the above tasks as they relate to the governorate(s).
- o Monitoring and evaluating conduct of the training programs and making recommendations for improvements in the workshop process.
- o Reporting day-to-day activities to the Action Package Team Leader and the Training Team Leader.
- o Coordinating their activities with the other training staff by reporting regularly on their progress with their respective Action Package Training Units.

- o Preparing written management plans for each course and coordinating with both the Training Group and the Action Package Team Leader for approval.
- o Performing functions, as assigned, related to training such as data collection, in order to better comprehend training needs in the assigned technical area.

With respect to GOE and TA Contractor staff coordination, the following Training Coordinators have been named to-date by the governorates:

- o **Mustafa Kamal Saad, Port Said;** presently the Director of Port Said Governorate Planning Department.
- o **General Salah El Din Megahed, Suez;** the Director General of the Governor's Office.
- o **Mrs. Fatma Mohamed Abul Khair, Giza;** the Director of the Training Center (DOAA)

#### **8.5 TA/GOE Resources Required**

- o Giza, Qaliubia, Port Said and Suez have inadequate facilities to conduct LD II Urban management training. Each of these governorates will require a substantial budget (LE 10-25,000) to upgrade their facilities.
- o Each Catalyst Course will require a budget for curriculum development to tailor the courses to LD II Urban standards. Assistance is needed also with Course Evaluation, Participant Selection Standards, Case Study Development and Student Evaluation. The cost of these services are built into new courses as presented in the Training Plan. Generally, courses that require heavy use of technology and are new to the Project will require substantial development by the training contractors and/or individual specialists to institute these new programs.
- o Training will require the services of a locally based American computer training consultant for a period of three months to assist the Training Staff in curriculum development, course evaluation, participant evaluation and use of under-utilized capacity of computer equipment in the six governorates for training purposes.
- o Training will also require the services of three months of an OMED training consultant from the US to assist the Training Staff and OMED in developing curriculums, and in planning and monitoring US intern/training programs for OMED.

The training team will coordinate the development of a Training Administrative Manual, TOT and Block grant planning activities with DAC. Coordination of training activities in Giza and Qaliubia will also be coordinated with Chemonix, where appropriate and through the adhoc coordinating committee chaired by DAC.

Computer training initiated in Phase I will be expanded in Phase II to include Computer training for OMED teams and Chief Executives. Additional advanced training for the MIS teams trained in DOS and dBASE III+ will be planned in conjunction with the needs of the governorate and MIS TA.

A phase II Training budget has been prepared and submitted to USAID based on the review of the Diagnostic Report by each governorate. The revised budget estimates include these course changes requested by the governorates. Additionally the Phase II budget includes detailed breakdowns of anticipated costs for remodeling Training sites, OMED and Land Management offices in all six governorates. Funds for conducting seven seminars and for placing over 600 additional governorate employees in unscheduled catalyst courses was also proposed in the Phase II budget.

Since DAC could not assist LD II Urban Training in developing an evaluation tool for measuring the effectiveness of computer training, this item as well as a request for a short term consultant to assist the project in utilizing the "down-time" of the project computer for In-Service Training was also proposed in the Phase II budget.

### **8.6 Phase II Training Course Outputs**

The following six tables (8-1 thru 8-6) represent the basic training plan for courses to be administered by LD II Urban Project Staff for 1988-89. Table 8-7 is a summary of all the governorates. Figure 8-1 shows the relative LD II Urban training participant numbers and budgets, by governorate.

Table 8-1  
 PROPOSED TRAINING PROGRAM - ALEXANDRIA GOVERNORATE  
 (From January 1988 to Dec.1989)

	Course	No. of Participants	Duration of Course days	No. of Times to be run	Date(s)	Cost (LE)	Remarks
1	Budget and Finance	18	8	2	Apr-June 89	6,000	
2	Const Mngmt Proj. Plan and Design	15	6	1	Apr-June 89	2,000	
3	Information Systems (Computers)	16	10	3	June-Oct 88	16,000	
4	Mngmt of Garages & Warehouses	20	10	1	Oct-Dec 88	5,000	
5	Kardex Warehouse Syst.	15	5	1	Apr-June 89	3,000	
6	Mngmt of O&M of Public Buildings	16	5	1	Jan-Mar 89	11,000	BSDS
7	Mngmt of O&M of Roads	20	5	1	July-Sep 89	10,000	
8	P.M of Rolling Stock	20	10	2	Oct. 88 - Dec. 89	20,000	
9	Feasibility Studies	20	6	1		10,000	When OMED are selected
10	Quality Control of Plain & Reinf Concrete	12	3	1	Nov. 88 - Jan. 88	6,000	
11	Design & Inspec. of Elect.& Mech Components	12	3	1	Dec. 88 - Feb. 89	6,000	
12	Design & Inspec. of Light Construction Foundations	12	10	1	Jan. 89	6,000	
13	Design & Inspec. of Asphaltic & Concrete Pavement	12	4	1	Feb. 87 - Mar. 87	1,200	
14	Mngmt of Local Govt for Chief Exec. in Govts & Districts	20	6	2	Oct. 89 - Dec. 89	6,000	
15	Mngmt of Local Govt for Local Popular Councils	20	6	2	Sept 89 Nov. 89	6,000	

SOURCE: Wilbur Smith Associates, TA Contractor Training Group, based on Needs Assessments discussions and interviews

Table B-2  
 PROPOSED TRAINING PROGRAM - CAIRO GOVERNORATE  
 (From January 1988 to Dec. 1989)

	Course	No. of Participants	Duration of Course days	No. of Times to be run	Date(s)	Cost (LE)	Remarks
1	Budgeting and Finance	20	8	2	Apr-June 89	6,000	
2	Const Mngmt Proj. Plan and Design	20	6	1	Apr-June 89	2,000	
3	Information Systems	20	10	3	Aug-Oct 88	20,000	
4	Mngmt of Garages & Warehouse	20	10	1	July 88	5,000	
5	Kardex Warehouse	20	5	1	Aug-Sept 88	3,000	
6	Mngmt of O&M of Public Buildings	20	5	1	Jan89-Mar89	11,000	60 + 14C
7	Mngmt O&M Roads	20	5	1	Sept-Dec 88	10,000	
8	Preventive Maint of Rolling Stock	20	10	3	Oct88-Dec89	30,000	
9	Kardex	15	5	1	1st wk June 1988	1,237	Potential with LD II Rural
10	Feasibility Studies	20	6	2		10,000	When OMED are selected
11	Quality Control of Plain & Reinf. Concrete	20	3	2	Nov. 88	10,000	
12	Design & Inspec of Elec.-Mech. Components	20	3	2	Dec. 88	10,000	
13	Design & Inspec. of Light Construction Foundations	20	10	2	Jan. 89	10,000	
14	Design & Inspec. of Asphaltic & Concrete Pavement	20	4	2	Feb. 89	10,000	
15	Mngmt of Local Govt for Chief Exec. in Govts Districts	20	6	3	July 89 Sept 89	9,000	
16	Mngmt of Local Govt fo Local Popular Councils	20	6	3	July 89 Sept 89	9,000	

SOURCE: Wilbur Smith Associates, TA Contractor Training Group, based on Needs Assessments discussions and interviews

Table 8-3  
 PROPOSED TRAINING PROGRAM - GIZA GOVERNORATE  
 (From January 1988 to Dec. 1989)

	Course	No. of Participants	Duration of Course days	No. of Times to be run	Date(s)	Cost (LE)	Remarks
1	Budgeting & Finance	25	8	1	July-Aug 88	3,000	
2	Const Mngmt Proj. Plan and Design	10	6	1	July-Aug 88	2,000	
3	Information Systems (Computers)	12	10	3	Aug-Oct 88	12,000	
4	Kardex Warehouse Syst.	20	5	1	Oct - Dec88	3,000	12G + 8Q
5	Mngmt of Oper & Maint. of Public Buildings	23	5	1	Apr-June 89	11,000	11G+6P+6S
6	Mngmt of O&M of Roads	18	5	1	Sept-Dec 88	10,000	6G+4Q+4P+4S *
7	Mngmt of Garages & Warehouses	20	10	1	Jan-Mar 89	5,000	12G+8Q
8	P.M of Rolling Stock	14	10	1	Apr-June 89	10,000	8G+6Q
9	Feasibility Studies	15	6	1		7,500	When OMED are selected
10	Quality Control of Plain & Reinf. Concrete	10	3	1	Nov. 88	5,000	
11	Design & Inspec. of Elec.-Mech. Components	15	3	1	Dec. 88	7,500	
12	Design & Inspec. of Light Construction Foundations	10	10	1	Jan. 89	5,000	
13	Design & Inspec. of Asphaltic & Concrete Pavement	10	4	1	Feb. 89	1,200	
14	Mngmt of Local Govt for Chief Exec. in Govt and Districts	20	6	1	Oct-Nov 89	3,000	
15	Mngmt of Local Govt for Local Popular Councils	20	6	1	Oct-Nov 89	3,000	

SOURCE: Wilbur Smith Associates, YA Contractor Training Group, based on Needs Assessments discussions and interviews

\* G-Giza; Q-Qallubia; P-Port Said; S-Suez

Table B-4  
 PROPOSED TRAINING PROGRAM - PORT SAID GOVERNORATE  
 (From January 1988 to Dec. 1989)

	Course	No. of Participants	Duration of Course days	No. of Times to be run	Date(s)	Cost (LE)	Remarks
1	Project Monitoring for Local Govt. Employees	25	4	1	Nov-Dec. 88 Sept.	1,200	As continuation of PL for L.G course *
2	Project Mngmt -Prg & Plann. -Follow-up & Eval.	21 21	6 days 6 days	1 1	June 12-21 July 3-12	2,079 2,079	Underway 3 days/week 3 days/week
3	Budgeting & Finance	30	8	1	July-Aug 88	3,000	
4	Information Systems (Computers)	12	10	3	Aug-Dec 88	12,000	
5	Kardex Warehouse System	20	5	1	Jan-Mar 89	3,000	10P+10S **
6	Mngmt of O&M of Public Buildings	6	5	1	Apr-June 89		Included with Giza
7	Mngmt of O&M of Roads	4	5	1	Sept-Dec 88		With Giza
8	Mngmt of Garages & Warehouse	16	10	1	Oct-Dec 89	5,000	8P+8S
9	P.M of Rolling Stock	12	10	1	July-Oct 89	10,000	6P+6S
10	Planning in Local Govt	25	8	1	May 29-31- June 1 June 5-8-88	3,300	4 days/week-Completed 2 days-follow up after 6 months
11	Feasibility Studies	15	6	1	When OMED started	7,500	
12	Quality Control of Plain & Reinf. Concrete	10	3	1	Nov. 88	5,000	
13	Design & Inspec. of Elec.-Mech. Components	15	3	1	Dec. 88	7,500	
14	Design Inspec. of Light Construction Foundations	10	10	1	Jan. 89	5,000	
15	Design & Inspec. of Asphaltic & Concr.Pavm	10	4	1	Feb. 89	5,000	
16	Mngmt of L.G for Chief Exec.in Govt & Dists	20	6	1	Dec-Jan 89	3,000	
17	Mngmt of Local Govt for Local Popular Councils	20	6	1	Dec-Jan 89	3,000	

SOURCE: Wilbur Smith Associates, TA Contractor Training Group, based on Needs Assessments discussions and Interviews

\* Planning For Local Government

\*\* P-Port Said S-Suez

Table 8-5  
 PROPOSED TRAINING PROGRAM - QALIUBIA GOVERNORATE  
 (From January 1988 to Dec. 1989)

	Course	No. of Participants	Duration of Course days	No. of Times to be run	Date(s)	Cost (LE)	Remarks
1	Budgeting & Finance	15	8	1	July-Aug 88	3,000	
2	Const Mngmt Proj. Plan. & Design	8	6	1	July-Aug 88	2,000	With Giza
3	Information Systems (Computers)	12	10	3	Aug-Oct 88	12,000	
4	Kardex Warehouse System	8	5	1	Oct-Dec. 88		With Giza
5	Mngmt of O&M Public Buildings	6	5	1	Jan-Mar 89		Included with Cairo
6	Mngmt of O&M of Roads	4	5	1	Jul-Sept 89		With Giza
7	Mngmt of Garages & Warehouses	8	10	1	Jan-Mar 89		With Giza
8	P.M of Rolling Stock	6	10	1	Apr-July 89		With Giza
9	Quality Control of Plain & Reinf. Concrete	10	3	1	Nov. 88	3,000	
10	Design & Inspec. of Elec.-Mech. Components	10	3	1	Dec. 88	5,000	
11	Design & Inspec. of Light Construction Foundations	10	10	1	Jan. 89	5,000	
12	Design & Inspec. of Asphaltic Pavement	10	4	1	Feb. 89	5,000	
13	Mngmt of Local Govt for Chief Exect. in Govt & Districts	20	8	1	Mar-Apr 89	3,000	
14	Mngmt of Local Govt for Local Popular Councils	20	6	1	Mar-Apr 89	3,000	

SOURCE: Wilbur Smith Associates, TA Contractor Training Group, based on Needs Assessments discussions and interviews

Table 8-6  
 PROPOSED TRAINING PROGRAM - SUEZ GOVERNORATE  
 (From January 1988 to Dec. 1989)

	Course	No. of Participants	Duration of Course days	No. of Times to be run	Date(s)	Cost (LE)	Remarks
1	Planning in Local Govt.	18	10	1	Apr-May	800	Completed, requested follow-up in 3 weeks
2	Project Management -Prg & Planning -Follow-up & Eval.	14 21	6 6	1 1	June 1-8 June 15-26	2,079 2,079	Underway 2 days/week 2 days/week
3	Budget & Finance	25	8	1	July-Aug 88	3,000	
4	Proj Monit. for Local Government Employees	10	4	1	Feb. 89	5,000	
5	Information Systems (Computers)	21	10	3	Aug-Dec. 88	21,000	
6	Kardex Warehouse System	10	5	1	Jan-Mar 89		With Port Said
7	Mngmt of O&M Public Buildings	6	5	1	Apr-June 89		With Giza
8	Mngmt of O&M of Roads	4	10	1	Jul-Sept 89		With Giza
9	Mngmt of Garages & Warehouses	8	10	1	Oct-Dec 89		With Port Said
10	P.M of Rolling Stock	6	10		Jul-Sept 89		With Port Said
11	Feasibility Studies	15	6	1	When OMED selected	7,500	
12	Quality Control of Plain & Reinf. Concrete	10	3	1	Nov. 88	5,000	
13	Design & Inspec. of Elec.-Mech. Components	15	3	1	Dec. 88	3,500	
14	Design & Inspec. of Light Const. Foundations	10	10	1	Jan 89	5,000	
15	Design & Inspec. of Asphaltic & Concrete Pavement	10	4	1	Feb. 89	5,000	
16	Mngmt of Local Govt for Chief Exect. in Govt and Districts	20	6	1	Oct-Nov 88	3,000	
17	Mngmt of Local Govt for Local Popular Councils	20	6	1	Oct-Nov 88	3,000	

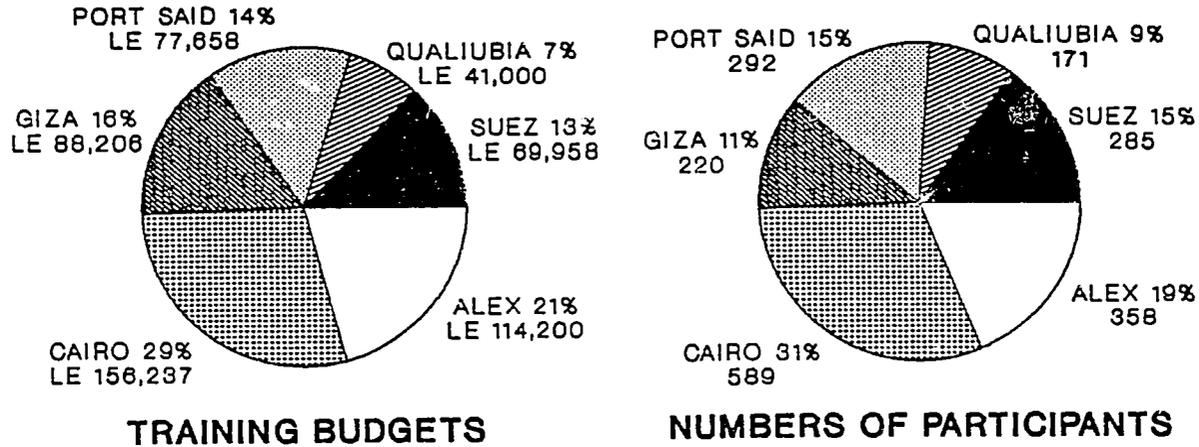
SOURCE: Wilbur Smith Associates, TA Contractor Training Group, based on Needs Assessments discussions and interviews

Table 8-7  
**PROPOSED TRAINING PROGRAM - ALL GOVERNORATES**

Governorate	No. of Trainees	Training Days	Trainee Days	Budget LE.
Suez	285	142	1,985	69,958
Qaliubia	171	111	1,198	41,000
Port Said	292	135	1,857	77,658
Giza	220	117	1,430	88,206
Cairo	549	188	3,705	150,237
Alexandria	358	147	2,563	114,200
<b>** TOTAL **</b>	1875	840	12,738	541,259

SOURCE: Wilbur Smith Associates, TA Contractor Training Group, based on Needs Assessments, discussions and interviews

# LD II URBAN TRAINING FOR THE SIX GOVERNORATES



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FIGURE 8-1

Perdiem, Seminars & US Tr. not Included

**APPENDIX A**

**WORK PLAN AND CHRONOGRAMS**

Task 5, BASIC SERVICES DELIVERY SYSTEM WORK PLAN

TASK NO	WORK ACTIVITY	OUTPUT/DELIVERABLES	TARGET COMPLETION DATE
5.1	CONTINUANCE OF MONITORING ACTIVITIES		
5.1.1	Conducting field visits to Greater Cairo, Alexandria, Port Said and Suez Governorate Districts for monitoring MUS and LD II sub-projects in both Investment and Maintenance Plan areas.	Identification of monthly physical and financial progress in individual sub-projects.	On-going
5.1.2	Sub-project spot field inspections, both Investment and Maintenance Plans.	Provision of technical assistance when required.	On-going
5.2	DEVELOP 3RD YEAR LD II MAINTENANCE AND INVESTMENT PLANS		
5.2.1	Conducting meetings with individual district planning and coordination officials to agree on Plans/schedules.	Governorate and district level officials become completely aware of planning, budgeting and implementation cycle.	July 1988
5.2.2	Prepare individual maintenance needs form for each Governmental facility based on district engineers field visits and observations.	Description, priority and preliminary costs of individual facility maintenance needs	End July 1988
5.2.3	Match needs with MOF maintenance funds	Proposed maintenance sub-project list	Mid Sept, 1988
5.2.4	Gain final approval of Maintenance Plans by executive and popular councils at district and governorate levels.	Approved plans.	Mid Nov, 1988
5.2.5	Gain final approval of Maintenance Plans by GLDC and then ULDC.	Approved maintenance plans.	End Nov, 1988
5.2.6	Funding Maintenance Plans from MOF.	Funded plans.	Mid Dec, 1988
	MILESTONE (1)	3RD YEAR LD II MAINTENANCE PLANS FUNDED	MID DEC, 1988
5.2.7	Match needs with investment fund sources: - block grant (US & HP) - services and development funds - self-help A preliminary needs assessment will be used.	A preliminary proposed sub-project list, prioritized in accordance with LD II Urban criteria and incorporating needs assessments classified by governorate, district and service departments.	End Sept, 1988

Task 5, BASIC SERVICES DELIVERY SYSTEM WORK PLAN

TASK NO	WORK ACTIVITY	OUTPUT/DELIVERABLES	TARGET COMPLETION DATE
5.2.8	Prepare individual sub-project conceptual description forms; project sketches and cost estimates will be attached.	Proposed sub-projects technically defined and costed out.	End Sept, 1988
5.2.9	Gain final approval of Plans by Executive and Popular Councils at district and governorate levels.	Approved Plans.	End Nov, 1988
	MILESTONE (2)	OBTAIN CERTIFICATES SIGNED BY DISTRICT CHIEFS AND POPULAR COUNCIL CHAIRMEN	END NOV, 1988
5.2.10	Gain final approval of plans by GLDC and then ULDC.	Approved Investment Plans.	End of Nov 1988
5.2.11	Validate bank deposits of Egyptian contributions (10% of block grants) in separate bank account.	Bank statement will be obtained verifying deposits of 5% LSDF and 5% MB. Submission of approved plans to USAID for funding.	
5.2.12	Define funding eligibility status on the date fixed by USAID.		End Nov, 1988
5.2.13	Fund LD II 3rd Investment Plan.	Checks will be issued to each individual eligible district to implement their plans.	End Dec, 1988
	MILESTONE (3)	3RD YEAR LD II INVESTMENT PLAN FUNDED	END DEC, 1988
5.3	IMPLEMENTATION OF 3RD YEAR LD II MAINTENANCE AND INVESTMENT PLANS		
5.3.1	Prepare tender documents for proposed sub-projects. Engineering and procurement departments will be consulted. Large or complex sub-projects which require special design skills will be given to individual consultants.	Following design and tender documents will be completed: <ul style="list-style-type: none"> <li>- soil tests for multistory structures</li> <li>- complete drawings to include civil, structural, architectural, mechanical and electrical as required.</li> <li>- specifications, bill of quantities and cost estimates.</li> </ul>	On-going

Task 5, BASIC SERVICES DELIVERY SYSTEM WORK PLAN

TASK NO	WORK ACTIVITY	OUTPUT/DELIVERABLES	TARGET COMPLETION DATE
5.3.2	<p>Participate in individual sub-project processes for contractor selection and contract award:</p> <ul style="list-style-type: none"> <li>a. prequalified contractors list will be prepared with adequate documents showing contractors technical and financial capabilities.</li> <li>b. each bidder will submit work schedule.</li> <li>c. the selection will be in compliance with law No. 9/83.</li> </ul>	Lists of pre-qualified contractors for each governorates.	On-going
5.3.3	<p>Implement individual sub-projects:</p> <ul style="list-style-type: none"> <li>a. sites to be given to contractors free from any obstacles.</li> <li>b. assignment of district staff for construction surveillance.</li> <li>c. establishment of adequate financial monitoring reporting system.</li> <li>d. establishment of adequate quality control system.</li> </ul>	Initiate sub-project progress reports for Maintenance and Investment Plans.	On-going
5.3.4	<p>Individual sub-project final acceptance:</p> <ul style="list-style-type: none"> <li>a. users will be involved in receiving committee conducting inspection</li> <li>b. assurance of project implementation in accordance with initially contracted specifications and drawings</li> <li>c. site to be clear after cleanup of construction debris.</li> <li>d. adequate installation of equipment</li> <li>e. establishment of O&amp;M system for each sub-project.</li> </ul>		On-going
5.4	NEEDS ASSESSMENT SURVEYS		
5.4.1	<p>Complete education, health and youth needs assessment reports for Suez and Port Said, specifically:</p> <ul style="list-style-type: none"> <li>a. type in Arabic then translate and type English version for Suez education, health and youth facilities</li> <li>b. expedite Port Said health facilities needs assessment forms.</li> <li>c. Instruct and follow-up Port Said district staff in conducting needs assessment analyses for education, health and youth facilities.</li> </ul>	Needs Assessments, when completed, compiled, verified and translated into English, will serve as foundation for next investment plans and will also constitute a training exercise for GOE personnel who will have responsibility for needs assessment analyses in future.	End Nov, 1988

Task 5, BASIC SERVICES DELIVERY SYSTEM WORK PLAN

TASK NO	WORK ACTIVITY	OUTPUT/DELIVERABLES	TARGET COMPLETION DATE
5.4.2	Coordinate district efforts in order to update education, health and youth needs assessment forms for Greater Cairo and Alexandria; current deficiencies are as shown in tabulated form in narrative. Orient and follow-up all districts in the conducting of the needs assessment analyses.	Upgrading and renovation requirements will be defined for priority II as well as future extension requirements for priority III for all governorates. OJT will be provided to GDE personnel engaged in data collection or compilation.	End Nov, 1988
5.4.3	Complete roads, sewers and potable water needs assessments for Port Said and Suez. Instruct district staff in completion of analyses procedures.	Deficiencies will be portrayed on road utility maps.	End Nov, 1988
5.4.4	Develop up-grading or renovation needs forms for non-mobile equipment by governorate and district. Coordinate with district personnel and receive data.		End Jan, 1989
5.4.5	List various non-mobile equipment donor programs, both current and potential.	List of equipment to be delivered by other programs; required to avoid duplication.	End Jan, 1989
5.4.6	Develop road, sewer and potable water needs assessment reports for Greater Cairo and Alexandria. Coordinate with district personnel and receive data.	Roads identified as having deficiencies will be classified as unpaved or as paved but requiring overlay.	End Jan, 1989
5.4.7	Priorities needs for upgrading and renovation, as well as needs for new facilities by governorate, district and service department; both Popular and Executive Councils will be involved.	List of high priority needs to be incorporated into investment plans unit costs to be available for budgeting purposes.	End Feb, 1989
5.4.8	Identify unit costs for various types of basic service areas. Engineering departments will be involved to utilize the available actual costs derived from recent contracts.	Unit costs to be available for budgeting purposes.	End March, 1989
5.5	MILESTONE (4)	COMPLETION OF EQUIPMENT AND INFRA-STRUCTURE NEEDS ASSESSMENTS	END MARCH, 1989
	PROJECT REVIEW Review and analyze progress, accomplishments, problems, and limitations. Based on conclusions formulate recommendations.	Final Report.	
	MILESTONE (5)	COMPLETED FINAL REPORT	END SEPT, 1989

TASK 5, BASIC SERVICES DELIVERY SYSTEM WORK PLAN

TASK NO	WORK ACTIVITY	OUTPUT/DELIVERABLES	TARGET COMPLETION DATE
5.6	DEVELOP 4TH YEAR LD-II MAINTENANCE AND INVESTMENT PLANS		
5.6.1	Conducting meetings with individual district planning and coordination officials to agree on plans/schedules.	Governorate and district level officials become completely aware of planning, budgeting and implementation cycle.	End July, 1989
5.6.2	Prepare individual maintenance needs form for each Governmental facility based on district engineers field visits and observations.	Described, prioritized and preliminary costed individual facility maintenance needs	End July, 1989
5.6.3	Match needs with MOF maintenance funds	Proposed maintenance sub-project list.	Mid August, 1989
5.6.4	Gain final approval of Plans by executive and popular councils at district and governorate levels.	Approved Plans.	End August, 89
5.6.5	Gain final approval of Plans by GLDC and then ULDC.	Approved Maintenance Plans.	Mid Sept, 1989
5.6.6	Funding Maintenance Plans from MOF.	Funded Plans.	End Sept, 1989
	MILESTONE (6)	4TH YEAR MAINTENANCE PLANS FUNDED	
5.6.7	Match needs with investment fund sources: - block grant (US & MP) - services and development funds - self-help (Completed needs assessment will be used)	A preliminary proposed sub-project list, prioritized in accordance with LD II criteria and incorporating needs assessments classified by governorate, district and service departments.	End Sept, 1989
5.6.8	Prepare individual sub-project conceptual description forms; project sketches and cost estimates will be attached.	Proposed sub-projects technically defined and costed out.	End Sept, 1989
5.6.9	Gain final approval of Plans by Executive and Popular Councils at district and governorate levels.	Approved Plans.	End Oct, 1989
	MILESTONE (7)	OBTAIN CERTIFICATES SIGNED BY DISTRICT CHIEFS AND POPULAR COUNCIL CHAIRMEN.	END OCT, 1989
5.6.10	Gain final approval of Plans by GLDC and then ULDC.	Approved Investment Plans.	End Nov, 1989
5.6.11	Validate bank deposits of Egyptian contributions (10% of block grants) in separate bank accounts.	Bank statements will be obtained verifying deposits of 5% LSDF and 5% MP. Submission of approved plans to USAID for funding.	

Task 5, BASIC SERVICES DELIVERY SYSTEM, WORK PLAN

TASK NO	WORK ACTIVITY	OUTPUT/DELIVERABLES	TARGET COMPLETION DATE
5.6.12	Define funding eligibility status on the date fixed by AID.		End Nov, 1989
5.6.13	Fund LD II 4th year Plan.	Checks will be issued to each eligible district to implement plan.	End Dec, 1989
	MILESTONE (8)	4TH YEAR LD II URBAN PLAN FUNDED	END DEC, 1989
5.7	IMPLEMENTATION OF 4TH YEAR LD II URBAN MAINTENANCE AND INVESTMENT PLANS		
5.7.1	Prepare tender documents for proposed sub-projects. Engineering and procurement departments will be consulted. Large or complex sub-projects which require special design skills will be given to individual consultants.	Following design and tender documents will be completed: <ul style="list-style-type: none"> <li>- soil tests for multistory structures</li> <li>- complete drawings to include civil, structural, architectural, mechanical and electrical as required.</li> <li>- specifications, bill of quantities and cost estimates.</li> </ul>	On-going
5.7.2	Participate in individual sub-project processes for contractor selection and contract award: <ul style="list-style-type: none"> <li>a. prequalified contractors list will be prepared with adequate documents showing contractors technical and financial capabilities</li> <li>b. each bidder will submit work schedule</li> <li>c. the selection will be in compliance with Law No. 9/83.</li> </ul>	Lists of pre-qualified contractors for each governorate.	On-going
5.7.3	Implement individual sub-projects: <ul style="list-style-type: none"> <li>a. sites to be given to contractors free from any obstacles</li> <li>b. assignment of district staff for construction surveillance</li> <li>c. establishment of adequate financial monitoring reporting system</li> <li>d. establishment of adequate quality control system.</li> </ul>	Initiate sub-project progress reports for investment and maintenance plans.	On-going
5.7.4	Individual sub-project final acceptance: <ul style="list-style-type: none"> <li>a. Users will be involved in receiving committee conducting inspection</li> <li>b. assurance of project implementation in accordance with initially contracted specifications and drawings</li> </ul>		

Task 5, BASIC SERVICES DELIVERY SYSTEM, WORK PLAN

TASK NO	WORK ACTIVITY	OUTPUT/DELIVERABLES	TARGET COMPLETION DATE
	c. site to be clear after cleanup of construction debris d. adequate installation of equipment e. establishment on O&M system for each sub-project.		
5.8	DEVELOP 5TH YEAR LD II MAINTENANCE AND INVESTMENT PLANS		
5.8.1	Conducting meetings with individual district planning and coordination officials to agree on plans/schedules.	Governorate and district level officials become completely aware of planning, budgeting and implementation cycle.	End July, 1990
5.8.2	Prepare individual maintenance needs form for each Governmental facility based on district engineers field visits and observations.	Description, priority and preliminary costs of individual maintenance needs.	End July, 1990
5.8.3	Match needs with MOF maintenance funds	Proposed maintenance sub-project list.	Mid August, 1990
5.8.4	Gain final approval of Maintenance Plans by executive and popular councils at district and governorate levels.	Approved Plans.	End August, 1990
5.8.5	Gain final approval of Maintenance Plans by GLDC and then ULDC.	Approved Maintenance Plans.	Mid Sept, 1990
5.8.6	Funding Maintenance Plans from MOF.	Funded Plans.	End Sept, 1990
	MILESTONE (9)	5TH YEAR LD II MAINTENANCE PLAN FUNDED	End Sept, 1990
5.8.7	Match needs with Investment Fund sources: - block grant (US & MP) - services and development funds - self-help.	A preliminary proposed sub-project list, prioritized in accordance with LD II Urban criteria and incorporating needs assessments classified by governorate, district and service departments.	End Sept, 1990
5.8.8	Prepare individual sub-project conceptual description forms; project sketches and cost estimates will be attached.	Proposed sub-projects technically defined and costed out.	End Sept, 1990
5.8.9	Gain final approval of Investment Plans by Executive and Popular Councils at district and governorate levels.	Approved Plans.	End Oct, 1990
	MILESTONE (10)	OBTAIN CERTIFICATES SIGNED BY DISTRICT CHIEFS AND POPULAR COUNCIL CHAIRMEN	END OCT, 1990

Task 5, BASIC SERVICES DELIVERY SYSTEM WORK PLAN

TASK NO	WORK ACTIVITY	OUTPUT/DELIVERABLES	TARGET COMPLETION DATE
5.8.10	Gain final approval of Plans by GLDC and then ULDC.	Approved Investment Plans.	End Nov, 1990
5.8.11	Validate bank deposits of Egyptian contributions (10% of block grants) in separate bank accounts.	Bank statements will be obtained verifying deposits of 5% LSDF and 5% MB. Submission of approved plans to USAID for funding.	
5.8.12	Define funding eligibility status on the date fixed by USAID.		End Nov, 1990
5.8.13	Fund LD II 5th year Plans.	Checks will be issued to each eligible district to implement plan.	End Dec, 1990
	MILESTONE (11)	5TH YEAR LD II INVESTMENT PLANS FUNDED	END DEC, 1990

Task 5, BASIC SERVICES DELIVERY SYSTEM - PHASE II

Work Activity		Phase II						
Task	Description	1st Qtr	2d Qtr	3d Qtr	4th Qtr	5th Qtr	6th Qtr	3rd yr
5.1	CONTINUANCE OF MONITORING ACTIVITIES							
5.1.1	Field visits to all districts							
5.1.2	Sub-project spot field inspections							
5.2	DEVELOP 3RD YEAR LD II MAINTENANCE AND INVESTMENT PLANS							
5.2.1	Meeting with district officials	—						
5.2.2	Preparation of maintenance needs form	—						
5.2.3	Drafting of maintenance sub-project lists	—						
5.2.4	Approval of Maintenance Plans by Executive and Popular Councils in each district		—					
5.2.5	Approval of Maintenance Plans by GLDC & ULDC		—					
5.2.6	Funding of Maintenance Plans		—					
5.2.7	Drafting of Investment Plan SP lists	—						
5.2.8	Preparation of SP description forms	—						
5.2.9	Final approval of Investment Plans by Executive and Popular Councils in each district		—					
5.2.10	Approval of Investment Plans by GLDC & ULDC		—					
5.2.11	Bank deposits of Egyptian contributions		—					
5.2.12	Final check of eligibility status		—					
5.2.13	Funding LD II 3rd Investment Plans		—					
5.3	IMPLEMENTATION OF 3RD LD II MAINTENANCE AND INVESTMENT PLANS							
5.3.1	Tender document preparation							
5.3.2	SP contractors selection and awarding							
5.3.3	SP implementation							
5.3.4	SP handing over							

Task 5, BASIC SERVICES DELIVERY SYSTEM - PHASE II

Work Activity		Phase II						
Task	Description	1st Qtr	2d Qtr	3d Qtr	4th Qtr	5th Qtr	6th Qtr	3rd yr
5.4	NEEDS ASSESSMENT SURVEYS							
5.4.1	Infrastructure needs assessment for Suez and Port Said							
5.4.2	Infrastructure needs assessment for Greater Cairo and Alexandria							
5.4.3	Utilities needs assessment for Port Said and Suez							
5.4.4	Non-mobile equipment needs assessment							
5.4.5	Non-mobile equipment donor program status							
5.4.6	Utilities needs assessment for Greater Cairo and Alexandria							
5.4.7	Prioritization of needs							
5.4.8	Unit costs identification							
5.5	FINAL REPORT							
5.6	DEVELOP 4TH YEAR LD II MAINTENANCE AND INVESTMENT PLANS							
5.6.1	Meeting with district officials							
5.6.2	Preparation of maintenance needs form							
5.6.3	Drafting of maintenance sub-project lists							
5.6.4	Approval of Maintenance Plans by Executive and Popular Councils in each district							
5.6.5	Approval of Maintenance Plans by GLDC and ULDC							
5.6.6	Funding of Maintenance Plans							
5.6.7	Drafting of Investment Plan SP lists							
5.6.8	Preparation of SP description forms							
5.6.9	Final approval of Investment Plans by Executive and Popular Councils in each district							
5.6.10	Approval of Investment Plans by GLDC & ULDC							
5.6.11	Bank deposits of Egyptian contribution							
5.6.12	Final check of eligibility status							
5.6.13	Funding LD II 3rd Investment Plans							

Work Activity		Phase II						
Task	Description	1st Qtr	2d Qtr	3d Qtr	4th Qtr	5th Qtr	6th Qtr	3rd yr
5.7	IMPLEMENTATION OF 4TH LD II MAINTENANCE AND INVESTMENT PLANS							
5.7.1	Tender document preparation							
5.7.2	SP contractors selection and awarding							
5.7.3	SP implementation							
5.7.4	SP handing over							
5.8	DEVELOP 5TH YEAR LD II MAINTENANCE AND INVESTMENT PLANS							
5.8.1	Meeting with district officials							-
5.8.2	Preparation of maintenance needs form							-
5.8.3	Drafting of maintenance sub-project lists							-
5.8.4	Approval of Plans by executive and popular councils in each district							-
5.8.5	Approval of Plans by GLDC and ULDC							-
5.8.6	Funding of Maintenance Plans							-
5.8.7	Drafting of Investment Plan SP lists							-
5.8.8	Preparation of SP description forms							-
5.8.9	Final approval of Plans by Executive and Popular Councils in each district							-
5.8.10	Approval of Plans by GLDC and ULDC							-
5.8.11	Bank deposits of Egyptian contributions							-
5.8.12	Final check of eligibility status							-
5.8.13	Funding LD II 4th year Plans							-

SECTION 3  
TASK 6 - PROGRAMMING, BUDGETING WORK PLAN

TASK No	WORK ACTIVITY	OUTPUT/ DELIVERABLES	TARGET COMPLETION DATE
6.10	Phase II Initiation		
6.10.1	Obtain USAID/GOE approval to proceed to Phase II	USAID GOE approval of Phase II recommendations IN Diagnostic Report	End July, 1988
6.10.2	Reflect approved changes to draft Phase II Work Program	Approved changes incorporated in Phase II W/P	
6.10.3	Prepare & site specific OMED responsibilities for Phase II activities	OMED detail Work Program by selected governorates	
	MILESTONE (1)	LD II-PHASE II APPROVAL TO PROCEED FROM USAID AND GOE	END JULY, 1988
6.11	Progress Reporting Coordination & Management		
6.11.1	Conduct monthly progress reports & meetings	Progress meetings conducted & status reports completed	On-going
6.11.2	Participate in GLDC & ULDC scheduled meetings	Consensus building by ULDC & GLDC	On-going
6.11.3	Install project management software package	Management of action package	On-going
6.12	Develop OMED Offices		
6.12.1	Complete appointment of OMED director & staff in at least 2 governorates	2 OMED office directors & staff on-hand for 1989-90 budget development process	End Sept, 1988
6.12.2	Appoint OMED directors & staff in remaining governorates	OMED directors & staff operational in all governorates	End July, 1989
6.12.3	Provide physical support, equipment & software	Equipment & software purchased & installed at "2 governorates in 1988" remaining governorates in 1989	End Oct, 1988
6.12.4	Train & provide TA to develop staff capabilities	<ul style="list-style-type: none"> <li>Skill transfer of analytical capabilities on financial planning issues</li> <li>. administrative procedures to ensure inter-agency cooperation &amp; coordination</li> <li>. basic strategies related to govt fiscal operations &amp; policy development are developed</li> <li>. sectoral plans &amp; programs based on development proposals &amp; financing sources are formulated</li> <li>. criteria for prioritizing &amp; operating budgets are developed</li> <li>. LD II OSDS, O&amp;M &amp; Solid Waste action packages are integrated into total governorate operations</li> </ul>	On-going
	MILESTONE (2)	2 OMED OFFICES OPERATIONAL	END OCT, 1988
	MILESTONE (3)	OMED OFFICE OPERATIONAL IN ALL GOVERNORATES	END OCT, 1989

TASK 6 - PROGRAMMING, BUDGETING WORK PLAN (cont)

TASK No	WORK ACTIVITY	OUTPUT/ DELIVERABLES	TARGET COMPLETION DATE
6.13	Develop Current Budget Development System		
6.13.1	Design specifications as part of current budget team	Detail specifications for software selection	First Sept, 1988
6.13.2	Assist in software implementation	Identification of Govt staff to be trained & on-going evaluation of system objectives	First Jan, 1989
6.13.3	Prepare new procedures & process manuals	New Current Budget development user operating instructions	End Oct, 1988
6.13.4	Implement new current budget development system in selected governorate	New process adopted & operating to process budget requests & reporting for Current Budget	End March, 1989
6.13.5	Implement new current budget development system in other governorates	New process adopted & operating in other Govts	End March, 1990
6.13.6	Coordinate training with TA training team	Integrated training & TA with periodic assessment of training needs & results	On-going
	MILESTONE (4)	SELECTED GOVERNORATE CONSOLIDATED DRAFT BUDGET REPORT TO THE FINANCE DIRECTORATE	END JAN, 1989
	MILESTONE (5)	ALL GOVERNORATES CONSOLIDATED DRAFT BUDGET REPORT TO THE FINANCE DIRECTORATE	END JAN, 1990
6.14	Develop Multi-Year Capital Budget Development System		
6.14.1	Prepare Capital Improvement Program(CIP) procedures and process	CIP operating instructions & table of contents	End Sept, 1988
6.14.2	Implement CIP process in selected governorate	Draft CIP document submitted for Councils approval CIP document utilized as basis of capital budget development	End March, 1989
6.14.3	Implement CIP process in other governorate on a phased basis	Other governorates adopt process & implement on a phased basis: - four in 1990 *	End March, 1990
6.14.4	Design multi-year Capital Budget development process and procedures	Operating instructions & forms available to agencies	End Dec, 1988
6.14.5	Assist in design of detail computer specifications	Specifications for multi-year capital budget available for software selection/design	First Sept, 1988
6.14.6	Implement multi-year Capital Budget development system in selected governorate	Capital Budget prepared on a multi-year basis annual Capital Budget information submitted to MOP	End March, 1989
6.14.7	Implement multi-year Capital Budget development system in other governorates on a phased basis	Other governorates adopt process, trained & implement on a phased basis: - four in 1990 *	End March, 1990

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TASK 6 - PROGRAMMING, BUDGETING WORK PLAN (cont)

TASK No	WORK ACTIVITY	OUTPUT/ DELIVERABLES	TARGET COMPLETION DATE
6.14.8	Coordinate training with TA training team	Integrated training & TA periodic assessment of training needs and results	On-going
	MILESTONE (6)	MULTI-YEAR BUDGET PROCESS INSTITUTED BY SELECTED GOVERNORATE FOR 1989-90 BUDGET	END MARCH, 1989
	MILESTONE (7)	MULTI YEAR BUDGET INSTITUTED BY FOUR GOVERNORATES FOR 1990-91 BUDGET *	END MARCH, 1990
6.15	Prepare Governorate 5 Year Forecast		
6.15.1	Complete forecast model specifications	Specifications for data and computer software defined and model specified	End July, 1988
6.15.2	Coordinate governorate historical data gathering with OMED staff	OMED staff prepare data input to model	End Oct, 1988
6.15.3	Select & install forecasting computer software in selected Governorate(s)	OMED staff trained & prepared to forecast 1989-90 period	End Oct, 1988
6.15.4	Prepare forecast for 1989-90 budget development	Forecast for 1989-90 budget development period	End Dec, 1988
6.15.5	Update forecast quarterly	Quarterly forecast update based on current information	On-going
	MILESTONE (8)	1989-90 1992-93 FORECAST OF REVENUES & EXPENDITURES FOR SELECTED GOVERNORATE(S)	END DEC, 1989
6.16	Prepare Annual Maintenance Plan		
6.16.1	Integration of Plan in selected governorate	Coordination and integration of Annual Maint. Plan in 1989-90 budget process in selected governorate	End Dec, 1988
6.16.2	Integration of Plan in other governorates	Remaining governorates prepare & integrate plan in annual budget process	End Dec, 1989
6.17	Develop A Program Budget System For Governorate Current Budgets		
6.17.1	Define the organizations of the general secretariate area to be converted in 1 governorate	Orientation of managers	First March, 1989
6.17.2	Develop a program matrix for the selected area	Program matrix of General Secretariate operations	End May, 1989
6.17.3	Assist in design of computer software	Program budget software to process & report 1990-91 requests & convert programs to chapters	End July, 1989
6.17.4	Recast 1989-90 budget forecast into program matrix	Conversion of 1989-90 budget expenditure chapters	End Sept, 1989

\* Subject to March 89 Review

TASK 6 - PROGRAMMING, BUDGETING WORK PLAN (cont)

TASK No	WORK ACTIVITY	OUTPUT/ DELIVERABLES	TARGET COMPLETION DATE
6.17.5	Budget requests received on program format	Budget requests received in program format	End Dec, 1989
6.17.6	Prepare recommendations for Governor in program format	Program budgeting process and budget format	End Jan, 1990
	MILESTONE (9)	PROGRAM BUDGET	FIRST FEB, 1990
6.18	Prepare LD II Urban Final Report For Task 6 Action Package		
6.18.1	Prepare findings & recommendations summarizing implementation progress on action package	Findings & recommendations on Task 6	End Aug, 1989
6.18.2	Prepare draft report & discuss with client	. draft report . discussion of implementation progress	End Aug, 1989
6.18.3	Prepare Final Report	Final Report on project action package	End Sept. 1989
	MILESTONE (10)	FINAL REPORT ON ACTION PACKAGE 6	END DEC, 1989

Task 6 - Programming, Budgeting Work Program - Phase II

Work Activity		Phase II						
Task	Description	1st Qtr	2d Qtr	3d Qtr	4th Qtr	5th Qtr	6th Qtr	3rd yr
6.10	PHASE II Initiation	—						
6.11	Progress Reporting Coordination & Management							
6.11.1	Monthly progress reports & meetings							
6.11.2	Participate in GLDC & ULDC scheduled meetings							
6.11.3	Implement DH&S Project management system	—						
6.12	Develop ONED Offices							
6.12.1	Complete appointments of directors & staff in 2 governorates				—			
6.12.2	Appoint directors & staff in remaining Govt				—			
6.12.3	Provide physical support, equip. & software		—					
6.12.4	Train & provide continuing TA to develop skill capabilities							
6.13	Develop Current Budget Development System							
6.13.1	Design specifications	—						
6.13.2	Assist in software implementation with MIS TA team		—					
6.13.3	Prepare new procedures & process manuals		—					
6.13.4	Implement new current budget development system in selected governorate			—				
6.13.5	Implement new current budget development system in other governorate					—		
6.13.6	Coordinate training with TA training team		—			—		
6.14	Develop Multi-Year Capital Budget Development System							
6.14.1	Prepare capital improv. program procedures & process							
6.14.2	Implement CIP process in selected Govt.			—				
6.14.3	Implement CIP process in other governorate					—		
6.14.4	Design multi-year capital budget procedures & process							
6.14.5	Assist in design of detail computer specif.							
6.14.6	Implement multi-year capital budget process in selected governorate			—				
6.14.7	Implement multi-year capital budget process in other governorates						—	
6.14.8	Coordinate training with TA training team		—			—		
6.15	Prepare Governorate 5 Year Forecast							
6.15.1	Complete forecast model specifications	—						
6.15.2	Coordinate governorate historical data gathering		—					
6.15.3	Select & install forecasting computer software		—					

TASK 6 - Programming, Budgeting Work Program - Phase II

Work Activity		Phase II						
Task	Description	1st Qtr	2d Qtr	3d Qtr	4th Qtr	5th Qtr	6th Qtr	3rd yr
6.15.4	Prepare forecast for 1989-90 budget develop		—					
6.15.5	Update quarterly as required			—	—	—	—	—
6.16	Prepare Annual Maintenance Plan For Budget Development Process		—				—	
6.17	Develop A Program Budget System for Governorate Current Budgets				—	—	—	—
6.17.1	Define general secretariat area of selected governorate to be converted			—				
6.17.2	Develop program matrix structure			—	—			
6.17.3	Assist in design of computer software				—			
6.17.4	Recast 1989-90 budget into program matrix				—	—		
6.17.5	Prepare budget request for 1990-91 budget in program format					—	—	
6.17.6	Prepare program & chapter budget recommendations to Governor						—	—
6.18	Prepare LD II Urban Final Report						—	

TASK 6 MANAGEMENT INFORMATION SYSTEMS  
WORK PLAN

TASK NO	WORK ACTIVITY	OUTPUT/DELIVERABLES	TARGET COMPLETION DATE
6.1	PROJECT TRACKING SYSTEM INSTALLATION		
6.1.1	Translate Users Manual	Arabic Users Manual	Mid July, 1988
6.1.2	Prepare Sites	Sites Operating	End Aug, 1988
6.1.3	Train GOE Staff in 6 Governorates	48 GOE Staff Trained	End Sept, 1988
6.1.4	Install System in 6 Governorates	Install Software Develop Data Entry Requirements Data Entered System Operating	End Sept, 1988
6.1.5	Establish TA Office Help Desk	System Checked and Debugged Help Desk Operating	End Sept, 1988
	MILESTONE (1)	ARABIC PROJECT TRACKING SYSTEM INSTALLED IN 6 GOVERNORATES	END SEPT, 1988
6.2.0	CURRENT BUDGET SYSTEM DEVELOPMENT		
6.2.1	Choose Pilot Governorate	Pilot Governorate Chosen	Mid July, 1988
6.2.2	Form Development Team	Team Established MIS TA Staff OMED TA Staff GOE TA Staff	End July, 1988
6.2.3	Finalize Requirements	Processes Diagramed Data Elements Defined Reports Designed	End Aug, 1988
6.2.4	Build Software	Software Built Software Arabized	Mid Oct, 1988
6.2.5	Plan Installation	Implementation Plan	Mid Oct, 1988
6.2.6	Train GOE Staff	GOE Staff Trained	Mid Oct, 1988
6.2.7	Install Software in Pilot Govt.	Software Installed/Debugged	Mid Nov, 1988
	MILESTONE (2)	SYSTEM OPERATING IN TWO PILOT GOVERNORATES FOR 1989/90 BUDGET	END NOV, 1988
6.2.8	Evaluate System	System Evaluation Report	Mid May, 1989
	MILESTONE (3)	SYSTEM EVALUATED AT PILOT GOVERNORATE	MID MAY, 1989
6.2.9	Install Current Budget System in 4 governorates	System Installed in other 4 Governorates	End Sept, 1989
	MILESTONE (4)	CURRENT BUDGET SYSTEM OPERATING IN ALL GOVERNORATES	END SEPT, 1989

TASK 6 MANAGEMENT INFORMATION SYSTEMS  
WORK PLAN

TASK NO	WORK ACTIVITY	OUTPUT/DELIVERABLES	TARGET COMPLETION DATE
6.3.0	CAPITAL BUDGET SYSTEM DEVELOPMENT		
6.3.1	Choose Pilot Governorate	Pilot Governorate Chosen	Mid July, 1988
6.3.2	Form Development Team	Team Established MIS TA Staff OMED TA Staff GOE TA Staff	End July, 1988
6.3.3	Finalize Requirements	Processes Diagramed Data Elements Defined Reports Designed	End Aug, 1988
6.3.4	Build Software	Software Built Software Modified Software Arabized	Mid Oct, 1988
6.3.5	Plan Installation	Implementation Plan	Mid Oct, 1988
6.3.6	Train GOE Staff	GOE Staff Trained	Mid Oct, 1988
6.3.7	Install Software in Pilot Govt.	Software Installed/Debugged	Mid Nov, 1988
	MILESTONE (5)	SYSTEM OPERATING IN TWO PILOT GOVERNORATES FOR 1989/90 BUDGET	END NOV, 1988
6.3.8	Evaluate System	System Evaluation Report	Mid May 1989
	MILESTONE (6)	SYSTEM EVALUATED AT PILOT GOVERNORATE	MID MAY 1989
6.3.9	Install System in other 4 Governorates	System Installed in other 4 Govern*	End Nov, 1989
	MILESTONE (7)	CAPITAL BUDGET SYSTEM OPERATING IN 6 GOVERNORATES	END NOV, 1989

\* Subject to March 89 Review.

TASK 6 MANAGEMENT INFORMATION SYSTEMS  
WORK PLAN

TASK NO	WORK ACTIVITY	OUTPUT/DELIVERABLES	TARGET COMPLETION DATE
6.4.0	MIS NEEDS ASSESSMENT		
6.4.1	Choose Governorate	Pilot Governorate Chosen	End June, 1989
6.4.2	Choose Area of Emphasis	Area of Emphasis Chosen	Mid July, 1989
6.4.3	Interview GOE Staff	Interviews Completed	Mid Aug, 1989
6.4.4	Determine Scope	Scope Determined Needs Documented	End Aug, 1989
6.4.5	Perform Feasibility Study	Feasibility Study Report Process Diagramed Data Elements Defined Implementation Plan Alternatives Resources Needed Budget Proposed	Mid Oct, 1989
	MILESTONE (9)	MIS NEEDS ASSESSED IN PILOT GOVERNORATE	MID OCT, 1989
6.5.0	PREPARE LDII MIS FINAL REPORT		
6.5.1	Prepare Findings and Recommendations	Progress Summarized Findings Recommendations	End Aug, 1989
6.5.2	Prepare Draft Report and Discuss with Client/s	Draft Report Client Discussion	Mid Sept, 1989
6.5.3	Prepare Final Report and Present to Client/s	Final Report on Action Package Report Presented to Client/s	End Sept, 1989
	MILESTONE (10)	FINAL REPORT ON ACTION PACKAGE COMPLETED	END SEPT, 1989

TASK 6 - MIS ACTION PACKAGE

Work Activity		Phase II						
Task	Description	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	5th Qtr	6th Qtr	3rd yr.
6.1.0	PROJECT TRACKING SYSTEM INSTALLATION							
6.1.1	Translate Users Manual	—						
6.1.2	Prepare Sites	—						
6.1.3	Train GOE Staff in 6 Govt.	—						
6.1.4	Install System in 6 Govt.	—						
6.1.5	Establish TA Off. Help Desk	—						
6.2.0	CURRENT BUDGET SYSTEM DEVELOPMENT							
6.2.1	Choose Pilot Governorate	—						
6.2.2	Form Development Team	—						
6.2.3	Finalize Requirements	—						
6.2.4	Build Software		—					
6.2.5	Plan Installation		—					
6.2.6	Train GOE Staff	—						
6.2.7	Install Software in 2 Pilot Governorates		—					
6.2.8	Evaluate System				—			
6.2.9	Install Current Budget System in all Governorates				—	—		
6.3.0	CAPITAL BUDGET SYSTEM DEVELOPMENT							
6.3.1	Choose Pilot Governorate	—						
6.3.2	Form Development Team	—						
6.3.3	Finalize Requirements	—						
6.3.4	Build Software		—					
6.3.5	Plan Installation		—					
6.3.6	Train GOE Staff	—						
6.3.7	Install Software in 2 Pilot Governorates		—					
6.3.8	Evaluate System				—			
6.3.9	Install System in other 4 Governorates				—	—		

TASK 6 - MIS ACTION PACKAGE

Work Activity		Phase II						
Task	Description	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	5th Qtr	6th Qtr	3rd yr
6.4.0	MIS NEEDS ASSESSMENT							
6.4.1	Choose Governorate					—		
6.4.2	Choose Area of Emphasis					—		
6.4.3	Interview GOE Staff					—		
6.4.4	Determine Scope					—		
6.4.5	Perform Feasibility Study					—		
6.5.0	PREPARE LDII MIS FINAL REPORT							
6.5.1	Prepare Findings and Recommendations						—	
6.5.2	Prepare Draft Report and Discuss with Client/s						—	
6.5.3	Prepare Final Report and Present to Client/s						—	

TASK 7, OPERATIONS AND MAINTENANCE WORK PLAN

TASK NO	WORK ACTIVITY	OUTPUT/DELIVERABLES	TARGET COMPLETION DATE
7.3	OPERATION STRATEGY		
7.3.1	Monitor garage construction program in Cairo Governorate.	Construction is completed in accordance with plans.	End June 1989
	MILESTONE 1	ALL GARAGES AND WORKSHOPS ARE BENEFICIALLY OCCUPIED.	END JUNE 1989
7.3.2	Monitor garage construction Program in Alexandria Governorate.	Construction is completed in accordance with plans.	End August 1989
	MILESTONE 2	ALL GARAGES AND WORKSHOPS ARE BENEFICIALLY OCCUPIED.	END AUGUST 1989
7.3.3	Monitor the CIP fleet up-grade repair contract in Alexandria Governorate.	Parts procured, repairs under-way contract awarded.	End May 1989
	MILESTONE 3	ONE TIME REPAIRS ARE COMPLETED, ANNUAL REPAIR CONTRACT IS IMPLEMENTED.	END JUNE 1989
7.3.4	Implement improved vehicle and equipment maintenance system in Sayeda Nafisa Garage in Cairo Governorate.	Formal course and on-the-job training conducted for improved maintenance management.	End March 1989
7.3.5	Implement improved vehicle and equipment maintenance system in Ras El Soda Garage in Alexandria Governorate.	Formal course and on-the-job training conducted for improved maintenance management.	End March 1989
7.3.6	Implement improved vehicle and equipment maintenance systems in El Mohattam, El Kasaret, Helwan and El Salam garage in Cairo Governorate.	Formal course and on-the-job training conducted for improved maintenance management.	End December 1989
7.3.7	Implement improved vehicle and equipment maintenance systems in Moharrem Bay, El Amreya and Semoha Garages in Alexandria Garages.	Formal course and on-the-job training conducted for improved maintenance management.	End December 1989
	MILESTONE 4	SYSTEMATIC PEVENTIVE MAINTENANCE AND REPAIR PROGRAMS ESTABLISHED AND EVALUATED IN NEW GARAGE IN CAIRO AND ALEXANDRIA GOVERNORATES.	END DECEMBER 1989

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TASK 7, OPERATIONS AND MAINTENANCE WORK PLAN

TASK NO	WORK ACTIVITY	OUTPUT/DELIVERABLES	TARGET COMPLETION DATE
7.3.8	Define FY 1989/1990 budget estimates for Roads and Vehicle Maintenance	Recommendation submitted to Governorates	End March 1989
7.3.9	Review existing O&M management systems and prepare proposals defining maintenance levels and appropriate responsibilities and reporting systems	Proposals submitted to governorate authorities for consideration and implementation	End December 1988
7.3.10	Assist Governorates in developing equipment and plant needs assessments for Road Maintenance and Vehicle and Equipment Maintenance	Needs assessments are prepared jointly by Governorate authorities and TAC	End November 1988
	MILESTONE 5	NEEDS ASSESSMENTS FOR EQUIPMENT AND PLANT FOR ROAD AND VEHICLE MAINTENANCE ARE IDENTIFIED	END NOVEMBER 1988
7.4	SPECIAL PROJECTS		
7.4.1	Assist Suez Governorate in preparing a special project proposal for development of Suez Governorate Roads Directorate	Special projects submitted to ULDC for funding consideration	End August 1988
7.4.2	Assist Suez Governorate in preparing a special project for a Governorate Central Workshop operated and managed by a private sector entity.	Special project is submitted to ULDC for funding consideration	End October 1988
	MILESTONE 6	SPECIAL PROJECTS SUBMITTED TO ULDC	END OCTOBER 1988
7.4.3	Assist governorates in identifying, developing and implementing special projects	Special projects are identified, developed and implemented	On-going
7.5	HANPOWER/PRODUCTIVITY		
7.5.1	Identify training needs for garages and workshops.	Required training scheduled.	End August 1989 and on-going.

TASK 7, OPERATIONS AND MAINTENANCE WORK PLAN

TASK NO	WORK ACTIVITY	OUTPUT/DELIVERABLES	TARGET COMPLETION DATE
7.5.2	Identify training needs for maintenance and road maintenance equipment operation.	Required training scheduled.	End August 1989 and on-going
7.5.3	Review existing organization and the staffing of O & M units and centers in districts, CDA's and governorates; analyze for improved efficiency and effectiveness. Begin with Cairo Governorate and extend to other governorates	Recommendations for Cairo Governorate submitted to Cairo Authorities for consideration and implementation.	End June 1989
7.5.4	Develop work standards and methods of performance measurements with appropriate information systems.	Standards and information systems are ready for implementation.	End January 1989
7.5.5	Develop performance indicators for garage and workshops.	Performance indicators are established.	End January 1989
	MILESTONE 7	EFFICIENCY AND EFFECTIVENESS OF NEW GARAGES AND WORKSHOPS IMPROVED AS EVIDENCED BY REDUCTION OF DOWNTIME OF VEHICLES AND EQUIPMENT.	END APRIL 1989
7.5.6	Review existing Road Department organization and staffing and analyze for improved efficiency and productivity. Begin with Suez Governorate and extend to other governorates.	Recommendations for Suez Governorate submitted to Suez authorities for consideration and implementation. Other governorates follow	End January 1989 and on-going
7.5.7	Prepare engineering standards, practices and materials and equipment specifications.	Standards, practices and materials and equipment specifications formulated.	End February 1989
	MILESTONE 8	ROAD MAINTENANCE IS ESTABLISHED AS A MAJOR FUNCTION AND OPERATION OF ROAD DEPARTMENTS	END MARCH 1989
7.6	EQUIPMENT/STORES		
7.6.1	Assist central, zonal and district garages and workshops in developing effective inventory control system and warehousing.	Spare parts warehouse and/or storerooms using Kardex system are operating in each governorate.	End May 1989 and on-going
	MILESTONS 9	INVENTORY CONTROL SYSTEM USING KARDEX SYSTEM IS ESTABLISHED IN NEW GARAGES AND WORKSHOPS	END MAY 1989 AND ON-GOING

TASK 7, OPERATIONS AND MAINTENANCE WORK PLAN

TASK NO	WORK ACTIVITY	OUTPUT/DELIVERABLES	TARGET COMPLETION DATE
7.6.2	Using data generated in the LD-II Project, make a cost comparison analysis of in-house versus contracting maintenance services.	Cost/benefits of contract versus in-house indicated.	End September 1989
7.6.3	Conduct financial analysis to include P.M. and repair costs, and define a system to calculate "repair or replace" cost justification.	Governorates are provided a system on in which to base "repair or replace" decisions.	End September 1989
7.6.4	Using data generated and experience gained in LDII Project, assist governorates in preparing an equipment replacement schedule.	Governorates are provided a system for preparing an equipment replacement schedule.	End December 1989
7.7	MAINTENANCE MANAGEMENT		
7.7.1	Implement priority 1 projects for vehicle and equipment maintenance	Based on needs assessments (7.3.10) projects are included in Governorate and District Investment Plans.	End November 1988 And on-going
7.7.2	Implement priority 1 projects for road maintenance equipment and plant	Based on needs assessments (7.3.10) projects are included in Governorate and District investment plans	End November 1988 And on-going
7.7.3	Implement rolling stock rehabilitation program in all governorates	All governorates include vehicle and equipment repair in investment plans	End November 1988 And on-going
7.7.4	Review and evaluate implemented organizations, staffing and management systems and make appropriate changes and improvements	Recommendations for improvement to organizations and systems are furnished to governorates	End August 1989 And on-going

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TASK 7, OPERATIONS AND MAINTENANCE WORK PLAN

TASK NO	WORK ACTIVITY	OUTPUT/DELIVERABLES	TARGET COMPLETION DATE
	MILESTONE 10	75% OF FLEETS OF NEW GARAGES AVAILABLE FOR DISPATCH	END AUGUST 1989
7.7.5	Assist governorates in preparing a two year maintenance plan for roads	Based on needs assessments plans are prepared for implementation	End February 1989 AND ON-GOING
	MILESTONE 11	TWO YEAR ROAD MAINTENANCE PLANS ARE IMPLEMENTED IN ONE GOVERNORAT	END FEBRUARY 1989
7.8 7.8.1	PROJECT REVIEW Review and analyze progress, accomplishments, problems and limitations and based on conclusions formulate recommendations	Final report on GSM Action Package	End September 1989
	MILESTONE 12	FINAL REPORT COMPLETED	END SEPTEMBER 1989

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TASK 7, OPERATIONS AND MAINTENANCE

WORK ACTIVITY		PHASE II						
TASK	DESCRIPTION	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	5th Qtr	6th Qtr	3rd Yr
7.3	OPERATION STRATEGY							
7.3.1	Monitor Cairo garage construction.							
7.3.2	Monitor Alexandria garage construction.							
7.3.3	Monitor Alexandria CIP Fleet up-grade.							
7.3.4	Implement maintenance system in Sayeda Nefisa Garage, Cairo.							
7.3.5	Implement maintenance sytem in Ras EL Soda Garage, Alexandria.							
7.3.6	Implement maintenance systems in El Mokattam, El Kassarret, Helwan and El Salam Garages, Cairo.							
7.3.7	Implement maintenance systems in Moharrem Bey, El Amreya and Senoha Garages, Alexandria.							
7.3.8	Define FY 89/90 budget estimates.							
7.3.9	Define maintenance levels.							
7.3.10	Develop needs assessments for plant and equipment for Road Department and Vehicle and Equipment Maintenance.							
7.4	SPECIAL PROJECTS							
7.4.1	Assist Suez Governorate in preparing proposal for Development of Roads Directorate.							
7.4.2	Assist Suez Governorate in preparing Central Workshops project.							
7.4.3	Assist governorates in developing special projects.							
7.5	MANPOWER/PRODUCTIVITY							
7.5.1	Identify training needs for garges and workshops.							
7.5.2	Identify training needs for road maintenance.							

TASK 7, OPERATIONS AND MAINTENANCE

WORK ACTIVITY		PHASE II						
TASK	DESCRIPTION	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	5th Qtr	6th Qtr	3rd Yr
7.5.3	Review existing organizations.		—	—				
7.5.4	Develop work standards.		—	—				
7.5.5	Develop performance indicators.		—	—				
7.5.6	Review Road Department organizations.		—	—	—	—		
7.5.7	Prepare engineering standards.		—	—				
7.6	EQUIPMENT/STORES							
7.6.1	Develop effective inventory control system.		—	—				
7.6.2	Analysis of in-house versus contracting maintenance services.				—	—		
7.6.3	Define a system to calculate "repair or replace" cost justification.				—	—		
7.6.4	Prepare an equipment replacement schedule.					—	—	
7.7	MAINTENANCE MANAGEMENT							
7.7.1	Implement priority 1 projects for vehicles and equipment maintenance.							
7.7.2	Implement priority 1 projects for road maintenance plant and equipment.							
7.7.3	Rolling stock rehabilitation programs.		—	—	—	—		
7.7.4	Review implemented organizations and staffing.				—	—		
7.7.5	Prepare two year road maintenance plan.			—	—	—		
7.8	PROJECT REVIEW							
7.8.1	Prepare final report					—		

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TASK 8 - LAND MANAGEMENT WORK PLAN

TASK No	WORK ACTIVITY	OUTPUT/ DELIVERABLES	TARGET COMPLETION DATE
8.1	INCEPTION TASKS PHASE II	COMPLETED	
8.2	ESTABLISH LAND MANAGEMENT STRUCTURES IN AS MANY GOVERNORATES AS POSSIBLE		
8.2.1	Prepare land management concepts appropriate to each governorate - scope of concept model roughly follows Cairo concept paper  - informal discussions with Governorate officials to insure their input into design - if agreements reached, assistance in developing Draft Decrees	Completed concept models for receptive governorates  (If agreements reached and concept papers are not necessary, assistance in drafting decrees or Governor's orders will be provided).	End Sept, 1988
8.2.2	Formally present concept models to each governorate with agenda of target action dates - includes follow-up discussion meetings with concerned officials where details are explained	Presentation meetings & follow-up discussions for receptive governorates	End Oct, 1988
8.2.3	Propose immediate formation of Land Management Executive Steering Committees - preliminary list of members revised with Governorate officials - necessary Governor's decree issued	LM Executive Steering Committees in place in receptive governorates	End Jan, 1989
8.2.4	Review & modification of concept models resulting in approval of land management structure & implementation schedule - "approval" is in writing from respective Governor or Secretary General. Assistance regarding development of Draft Decrees is taken as written approval	Written approval from receptive governorates	End Feb, 1989
8.2.5	Enactment of approved land management structure - develop necessary Governor's orders - appoint crucial managerial staff - agree on space, equipment and office needs - begin hiring core staff - set implementation schedule	Governors' orders issued, LM managers in place for receptive governorates	End Feb, 1989
	MILESTONE (1)	CORE LM STRUCTURE IN PLACE IN RECEPTIVE GOVERNORATES AND STATUS REPORT*	END MARCH, 1989
8.2.6	Consolidation of land management structures - complete hiring - complete equipment purchases & preparation of office space - set financing mechanism using housing fund - assign coordination responsibilities	Required "Core" staff recruited and offices operating in receptive governorates	End April, 1989

\* At the request of USAID two governorates are to be targeted to be operational in January, 1989 and the remaining in June, 1989. Every attempt would be made to meet this request and the TA contractor will pursue follow-up actions to influence this result to the extent possible.

TASK 8 - LAND MANAGEMENT WORK PLAN

TASK No	WORK ACTIVITY	OUTPUT/ DELIVERABLES	TARGET COMPLETION DATE
8.2.7	<p>Training efforts</p> <ul style="list-style-type: none"> <li>- preliminary manpower needs assessment</li> <li>- training programs for existing governorate staff (with training task force)</li> <li>- training for new land management staff (with training task force)</li> </ul>	Manpower needs assessment completed in receptive governorates	End May, 1989
8.2.8	<p>Interagency coordination</p> <ul style="list-style-type: none"> <li>- assist Land Management Steering Committee to establish required interagency coordination links</li> <li>- governorate Land Management Units, through land management executive steering committee, establishes operational links to AJHP (for upgrading), GOPP (for new urban development) and other entities such as utilities agencies</li> </ul>	Operational links established through formation of Board of Directors or Executive Steering Committee membership in receptive governorates	End May, 1989
	MILESTONE (2)	FUNCTIONING LMU STRUCTURES IN RECEPTIVE GOVERNORATES	END JUNE, 1989
8.2.9	<p>Follow-up with remaining governorates</p> <ul style="list-style-type: none"> <li>- attempt to bring into LM formation program (Tasks 8.2.2-8.2.5) &amp; subsequently LM consolidation program (Tasks 8.2.6-8.2.8) in other governorates</li> </ul>	Follow-up meetings and status reports	"Linked" to completion of tasks 8.2.1 through 8.2.8
	MILESTONE (3)	LMU STRUCTURES IN PLACE IN "REMAINING" GOVERNORATES*	END SEPT, 1989 OR CONTINGENCY TIMING CITED ABOVE
8.3	INITIATING SPECIFIC LAND MANAGEMENT ACTIVITIES		
8.3.1	<p>Assist LMU's in project identification</p> <ul style="list-style-type: none"> <li>- prepare initial list of potential upgrading &amp; new land development sites</li> <li>- establish project evaluation criteria</li> <li>- evaluate potential projects</li> <li>- prepare list of upgrading &amp; new development projects &amp; submit to executive/steering committees for approvals</li> </ul>	<p>Project evaluation guidelines prepared</p> <p>List of approved candidate projects</p>	On-going With target conclusion by end of September, 1989 for responsive governorates
8.3.2	<p>Assist LMU's in establishing land inventory and land banking system</p> <ul style="list-style-type: none"> <li>- prepare inventory system for vacant lands</li> <li>- set up land policing and protection system</li> <li>- prepare land allocation criteria and allocation system</li> <li>- prepare land pricing system and updating schedule</li> </ul>	Land inventory and land allocation systems operational	On-going With target conclusion by end of September, 1989 for responsive governorates

\* Per request of USAID all remaining governorates should be targeted to have operating land management offices in June, 1989.

TASK B - LAND MANAGEMENT WORK PLAN

TASK No	WORK ACTIVITY	OUTPUT/ DELIVERABLES	TARGET COMPLETION DATE
8.3.3	<ul style="list-style-type: none"> <li>- obtain necessary approvals for above from relevant local entities</li> </ul> Assist in preparation of First Annual Management Implementation and Financing Plans	Approved First Annual LM Implementation & Financing Plans	End Sept, 1989
8.3.4	<ul style="list-style-type: none"> <li>- prepare drafts</li> <li>- obtain consensus</li> <li>- obtain approvals from Executive Steering Committee Executive Council</li> </ul> Fast-track "pilot" projects with strong TA support	Approved "pilot" project plans/programs	On going
	MILESTONE (4)	BASIC LMJ FUNCTIONS OPERATING, FIRST PROJECTS IDENTIFIED IN RESPONSIVE GOVERNORATES & FINAL REPORT	END SEPT, 1989
8.4	UPGRADING		
8.4.1	"Integrated" upgrading project development <ul style="list-style-type: none"> <li>- assess &amp; rank deficiencies</li> <li>- identify opportunities/constraints</li> <li>- evaluate &amp; develop appropriate planning standards</li> <li>- with AJHP coordinate plans to improve services</li> <li>- identify protection/preservation areas</li> <li>- determine development cost &amp; quantities estimates</li> <li>- prepare action programs/plans &amp; submit for necessary approvals</li> </ul>	Approved "integrated" urban upgrading plans by Governorate	Deferred to 3rd Year
8.4.2	"Component" upgrading project development <ul style="list-style-type: none"> <li>- assess &amp; rank deficiencies</li> <li>- evaluate &amp; develop appropriate planning standards</li> <li>- with BDS coordinate plans to remove deficiencies</li> <li>- determine quantities &amp; component cost estimates</li> <li>- prepare action programs/plans &amp; submit for necessary approvals</li> </ul>	Approved "component" urban upgrading plans by Governorate	Deferred to 3rd year
8.4.3	Assist in preparation of financing plans <ul style="list-style-type: none"> <li>- "Integrated" upgrading projects</li> <li>- "Component" upgrading projects</li> <li>- submit for refinements and approvals</li> </ul>	Approved financing plans for upgrading projects (Integrated vs Component)	Deferred to 3rd year
8.4.4	Select contractors & mobilize funds for project upgrade improvements	Disbursement of funds for project implementation	Deferred to 3rd year

TASK 8 - LAND MANAGEMENT WORK PLAN

TASK No	WORK ACTIVITY	OUTPUT/ DELIVERABLES	TARGET COMPLETION DATE
8.5	NEW LANDS DEVELOPMENT		
8.5.1	Develop new land development projects <ul style="list-style-type: none"> <li>- identify opportunity sites</li> <li>- determine constraints/opportunities of sites</li> <li>- evaluate/develop appropriate planning standards</li> <li>- coordinate plans to extend services/infrastructure</li> <li>- determine development quantities and cost estimates</li> <li>- develop land pricing system</li> <li>- prepare action programs/plans and submit for necessary approvals</li> </ul>	Approved new land development plans by governorate	Deferred to 3rd year
8.5.2	Assist in preparation of strategic financing plans <ul style="list-style-type: none"> <li>- submit for refinements and approvals</li> <li>- RFP preparation, evaluation &amp; award</li> </ul>	Approved financing strategy plans for new development sites by governorate  Developers selected, and contracted	Deferred to 3rd year  Deferred to 3rd year
8.5.3	<ul style="list-style-type: none"> <li>- Conduct feasibility investigations to automate "data banks", including possibility of computer assisted mapping</li> </ul>	Feasibility studies conducted and completed	Deferred to 3rd year
MILESTONE (5)		END OF PHASE II-APPROVED URBAN UPGRADING AND NEW DEVELOPMENT PLANS	END OF THIRD YEAR
8.6	DEFINE PHASE III DELIVERABLES <ul style="list-style-type: none"> <li>- evaluate Phase II progress and receptibility</li> <li>- define additional deliverables for Phase III</li> </ul>	Evaluation Report Recommendations	End of 3rd year
MILESTONE (6)		PHASE III DOCUMENT	END OF 3RD YEAR

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TASK 8 - LAND MANAGEMENT WORK PLAN

Work Activity		Phase II						
Task	Description	1st Qtr	2d Qtr	3d Qtr	4th Qtr	5th Qtr	6th Qtr	3rd yr
8.2	PHASE II INITIATION TO ESTABLISH LAND MANAGEMENT STRUCTURES IN AS MANY GOVERNORATES AS POSSIBLE							
8.2.1	Prepare Land Management concept models (at request of USAID complete at least two gov.							
8.2.2	Present concept models to each governorate with agenda of target action Dates							
8.2.3	Propose immediate formation of Land Management Executive/Steering Committees							
8.2.4	Review & modification of concept models resulting in approval of land management structures and implementation schedule							
8.2.5	Enactment of approved land management structures (at request of USAID target at least two governorates by January, 1989)							
8.2.6	Consolidation of land management structures							
8.2.7	Training efforts							
8.2.8	Interagency coordination							
8.2.9	Follow-up with remaining governorates to establish offices (Target the remaining governorates to be operational in June, 1989 at request of USAID)							
8.3	INITIATE SPECIFIC LAND MANAGEMENT ACTIVITIES							
8.3.1	Assist LMU's in project identification							
8.3.2	Assist LMU's in establishing land inventory and land banking system							
8.3.3	Assist in preparation of first annual land management implementation & financing plans							
8.3.4	Fast-track "Demonstration" projects with strong TA support							
8.4	UPGRADING							
8.4.1	"Integrated" upgrading project development							
8.4.2	"Component" upgrading project development							
8.4.3	Assist in preparation of financing plans							
8.4.4	Select contractors and mobilize funds for project upgrade improvements							

TASK 8 - LAND MANAGEMENT WORK PLAN

Work Activity		Phase II						
Task	Description	1st Qtr	2d Qtr	3d Qtr	4th Qtr	5th Qtr	6th Qtr	3rd yr
8.5	NEW LANDS DEVELOPMENT							
8.5.1	Develop new land development projects							
8.5.2	Assist in preparation of strategic financing plans							
8.5.3	Conduct feasibility studies for automating Land Management "Data Banks"							
8.6	DEFINE PHASE III DELIVERABLES - Evaluation Report - Final Phase II Project Report - Phase III Scoping Report							

TASK 9, SOLID WASTE MANAGEMENT WORK PLAN

PHASE II

TASK NO	WORK ACTIVITY	OUTPUTS/DELIVERABLES	TARGET COMPLETION DATE
9.6	DEVELOP DEMONSTRATION AREA PLANS INCLUDING ORGANIZATION, STAFFING, MANAGEMENT, MAP STUDIES, EQUIPMENT SELECTION AND PRIVATE SECTOR PARTICIPATION.		
9.6.1	Soubra EL Kheima demonstration area plan.	Plan developed and approved by Governorate.	End November 1988
9.6.2	Suez demonstration area plan.	Plan developed and approved by Governorate.	End December 1988
9.6.3	Port Said demonstration area plan.	Plan developed and approved by Governorate.	End January 1989
	MILESTONE (1)	PLANS FURNISHED TO THREE GOVERNORATES.	MID FEBRUARY 1989
9.6.4	Giza demonstration area plan.	Plan developed and approved by Governorate (coordinated with special project for Transfer Station in Imbaba)	End April 1989
9.6.5	Cairo demonstration area plan.	Plan developed and approved by Governorate.	End May 1989
	MILESTONE (2)	PLANS FURNISHED TO TWO GOVERNORATES	
9.6.6	Alexandria demonstration area plan.	Plan development by other consultant coordinated with Governorate for implementation.	End July 1989
9.7	REPAIR OF REFUSE CONTAINERS		
9.7.1	Develop special project for repair of refuse containers in Cairo Governorate.	Special project submitted to ULDC.	End September 1988
9.7.2	Develop plans, staffing and facility requirements, and budget for refuse container workshops in Giza and Alexandria Governorates.	Complete plans are furnished governorates for inclusion in Investment Plan.	End November 1989

TASK 9, SOLID WASTE MANAGEMENT WORK PLAN

PHASE II

TASK NO	WORK ACTIVITY	OUTPUTS/DELIVERABLES	TARGET COMPLETION DATE
9.8	DEVELOP SANITARY LANDFILLS.		
9.8.1	Develop sanitary landfill in Qaliubia Governorate.	Develop special project that include sanitary landfill.	End September 1988
	MILESTONE (3)	SANITARY LANDFILL IN USE IN QALIUBIA GOVERNORATE.	END FEBRUARY 1989
9.8.2	Identify and develop environmentally adequate sanitary landfills in Port Said Governorate.	Environmentally adequate sites are identified and budgets for infrastructure, facilities and equipment developed.	End February 1989
9.8.3	Identify and develop environmentally adequate sanitary landfills in Suez Governorate.	Environmentally adequate sites are identified and budgets for infrastructure, facilities and equipment developed.	End March 1989
	MILESTONE (4)	SANITARY LANDFILLS ARE INCLUDED IN SPECIAL PROJECTS AND/OR IN INVESTMENT PLANS.	END NOVEMBER 1989
9.9	TRAINING		
9.9.1	Assist in developing an in-country training course in solid waste management.	A training source is identified and curriculum established.	End January 1989
9.9.2	Assist in developing programs and systems for training Composting Plant management, operators and maintenance personnel.	Training sources identified and programs established.	End March 1989
	MILESTONE (5)	TRAINING COURSES ARE ESTABLISHED	END MARCH 1989
9.10	SPECIAL PROJECTS		
9.10.1	Assist governorates in developing and implementing special projects.	Special projects are developed and implemented.	Continuing

TASK 9, SOLID WASTE MANAGEMENT WORK PLAN

PHASE II

TASK NO	WORK ACTIVITY	OUTPUTS/DELIVERABLES	TARGET COMPLETION DATE
9.11	EQUIPMENT PROCURMENT		
9.11.1	Assist governorates in preparing specifications for procurement of collection vehicles, transport equipment and landfill equipment.	Complete specifications are made available to the governorates.	Continuing
9.12	IMPLEMENTATION OF SOLID WASTE MANAGEMENT PLANS IN DEMONSTRATION AREA		
9.12.1	Assist governorates to implement plans in the demonstration areas.	Plans are implemented.	Continuing
	MILESTONE (6)	PLAN IS IMPLEMENTED IN SHOUBRA EL KHEIMA, THEN OTHER GOVERNORATES.	END JUNE 1989 AND CONTINUING
9.13	PROJECT REVIEW		
9.13.1	Review and analyze progress, accomplishments, problems and limitations. Based on conclusions formulate recommendations.	Final report for Action Package 9.	
	MILESTONE (7)	COMPLETED FINAL REPORT	END SEPTEMBER 1989

BEST AVAILABLE DOCUMENT

TASK 9 - SOLID WASTE MANAGEMENT

WORK ACTIVITY		PHASE II						
TASK	DESCRIPTION	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	5th Qtr	6th Qtr	3rd Yr
9.6	DEVELOP DEMONSTRATION AREA PLANS							
9.6.1	Shoubra El Kheima	-----	-----					
9.6.2	Suez	-----	-----					
9.6.3	Port Said	-----	-----	-----				
9.6.4	Giza	-----	-----	-----	-----			
9.6.5	Cairo			-----	-----			
9.6.6	Alexandria			-----	-----	-----		
9.7	REPAIR OF REFUSE CONTAINERS							
9.7.1	Cairo Special Project	-----	-----					
9.7.2	Giza and Alexandria Governorates					-----	-----	
9.8	DEVELOP SANITARY LANDFILLS							
9.7.3	Qaliubia Governorate	-----	-----					
9.7.2	Port Said Governorate			-----	-----			
9.7.3	Suez Governorate			-----	-----			
9.8	TRAINING							
9.8.1	Assist in developing in-country course		-----	-----				
9.8.2	Assist in developing training program for composting plant operating staff			-----	-----			
9.10	SPECIAL PROJECTS							
9.10.1	Assist governorates in development and implementation							
9.11	EQUIPMENT PROCUREMENT							
9.11.1	Prepare specifications	-----	-----	-----	-----	-----	-----	

TASK 9 - SOLID WASTE MANAGEMENT

WORK ACTIVITY		PHASE II						
TASK	DESCRIPTION	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	5th Qtr	6th Qtr	3rd Yr
9.12	IMPLEMENTATION OF SOLID WASTE MANAGEMENT PLANS IN DEMONSTRATION AREAS.							
9.12.1	Assist governorates in implementing plans.							
9.13	PROJECT REVIEW							
9.13.1	Prepare final report.							

BEST AVAILABLE DOCUMENT

TASK 10, TRAINING WORK PLAN

TASK No	WORK ACTIVITY	OUTPUT/ DELIVERABLES	TARGET COMPLETION DATE
	PHASE I		
1.1	<p><b>ORIENTATION SEMINARS</b></p> <p>Meetings with approx. 1,280 members of local popular councils, district chiefs, governorate and district technical departments, solid waste and beautification authorities, OMED and land management units have been held in each governorate to familiarize them with the purpose and strategies of LD II ADS and O&amp;N Systems.</p>	<p>1- Target group members briefed on:</p> <ul style="list-style-type: none"> <li>a. procedures in requesting and attaining LD II funds.</li> <li>b. Procedures for managing project implementation and for preparing all necessary financial reports.</li> <li>c. The financing of infrastructure services and programming.</li> <li>d. Allocation of resources by priority</li> <li>e. Need for training as a tool to help achieve their goals.</li> </ul>	<p>End May, 1988 (done)</p>
	MILESTONE (1)	ORIENTATION SEMINARS COMPLETED	END MAY, 1988
10.1	<b>NEEDS ASSESSMENT</b>		
10.1.1	Design manpower and functions survey to be administered by the training staff to 220 managers in the six governorates	A Needs Assessment Report including: Completed structured interview questionnaire (220 managers)	<p>End March, 1988 (done)</p>
10.1.2	Conduct a manpower and functions needs assessment with other Action Package Managers	Screen data collected from surveys, make recommendations based on greatest need and cost effectiveness	
10.1.3	Early reconnaissance for Inception Report		
	MILESTONE (2)	COMPLETED INCEPTION REPORT	END MARCH, 1988
10.2	<b>TRAINING COORDINATORS</b>		
10.2.1	Identify Training Coordinators from six governorates	Roster of Training Coordinators	Mid Sept. 1988
10.2.2	Design training program for Training Coordinators on policies and procedures of LD II Urban Training and Action Packages	Training Program materials completed	End Sept., 1988
10.2.3	Conduct OJT Training for Training Coordinators	Complete Training for Training Coordinators	End Nov., 1988

TASK 10, TRAINING WORK PLAN

TASK No	WORK ACTIVITY	OUTPUT/ DELIVERABLES	TARGET COMPLETION DATE
10.3.	IDENTIFY TRAINING SITES		
10.3.1	Review former NUS Training sites	List of approved former NUS training sites	End Sept., 1988
10.3.2	Review of new LD II Urban Training sites	List of approved LD II training sites	End Nov., 1988
	MILESTONE (3)	TRAINING STAFF REPORT ON RESOURCES AVAILABLE; MATCHED TO TRAINING NEEDS FOR LD II URBAN TRAINING IN PHASE II	End Nov., 1988
10.4	NEW GOVERNORATES MANAGEMENT TRAINING		
10.4.1	Conduct management training for Suez using NUS materials	Eighteen (18) trained Local Council members and staff	End June, 1988
10.4.2	Conduct management training for Port Said using NUS materials	Twenty five (25) trained Local Council members and staff	End June, 1988
10.5	MANAGEMENT INFORMATION SYSTEM TRAINING (MIS)		
10.5.1	Design MIS Training for six governorates		End Oct., 1988 (done)
10.5.2	Monitor and Evaluate MIS Training for six governorates	Staff Evaluation of MIS Training. Over 30 trained MIS functionaries from the governorates using the LD II MIS System.	End March, 1989
10.6	ON-THE-JOB TRAINING (OJT) FOR LD II URBAN COORDINATORS		
10.6.1	Design OJT training for Program Implementation Coordinators	Complete program design with Program\Budget\Management, Solid Waste, Basic Services, and Training Coordinators	End April, 1988 (done)
10.6.2	Conduct and monitor OJT training for eight PICs	Complete OJT Training for 8 PICs	End Junr, 1988
	MILESTONE (4)	DIAGNOSTIC REPORT - END OF PHASE I	END JUNE, 1988
10.7	TRAINING OF TRAINERS (TOT)		
10.7.1	Design a Training of Trainers program for LD II Urban Training	Complete the (TOT) materials	End Nov., 1988
10.7.2	Recruit and Select Trainers for LD II Trainer of Trainers Course	A roster of Trainers	End Feb., 1989
10.7.3	Conduct Trainer of Trainers Courses (TOT)	Conduct In-house Courses	On-going
10.7.4	Conduct TOT Orientation for Training Subcommittee	Institutionalize TOT	End May, 1989

TASK 10, TRAINING WORK PLAN

TASK No	WORK ACTIVITY	OUTPUT/ DELIVERABLES	TARGET COMPLETION DATE
10.8	TRAINING ADMINISTRATION MANUAL FOR LD II		
10.8.1	Develop Procedures for reviewing Contractors and Government Agencies conducting Catalyst Training for LD II Urban	Manual for contracting with outside firms and government agencies	End Nov, 1988
10.8.2	Develop Procedures for US Training	Process for contracting with US firms and institutions and for selecting participants	End Nov, 1988
	MILESTONE (5)	ADMINISTRATION MANUAL FOR LD II TRAINING	END NOV, 1988
10.9	PHASE II LD II TRAINING		
10.9.1	Design training plans which will include, but not be limited to, the following:-  a. Basic cost/benefit analysis for public infrastructure projects  b. Recurrent cost analysis  c. Municipal equipment selection  d. Environmental impact, with emphasis on sanitation and water problems  e. Procurement, planning of sub-projects  f. Planning and managing feasibility studies over LE 220,000  g. Other appropriate topics (i.e. maintenance systems)	Complete LD II Urban Training Plan	End Nov, 1988
10.9.2	Conduct training for appropriate government officials	Certificate of attendance for each course for GOE participants	End Nov, 1989
10.10	MONITOR AND EVALUATE LD II URBAN TRAINING		
10.10.1	Develop a computerized system to monitor and evaluate the impact of LD II Urban Training on participants	A follow up survey of a sample of participants concerning on-the-job application of LD II Training	End Sept, 1988
10.10.2	Administer follow up survey of participants	Analysis of impact of LD II Urban Training	End Nov, 1989
10.10.3	Prepare a roster of all participants completing LD II Urban Training	A roster of all LD II Urban Training participants by course date, location and position	End Sept, 1989
10.10.4	To prepare an Institutionalization Plan focusing on the implementation of LD II urban training (at the Sokkara Local Development Training center when feasible)	Recommendations as to which GOE institutions will benefit from the use of LD II urban training materials and plans	End Sept, 1989
	MILESTONE (6)	REPORT ON THE STATUS OF LD II URBAN TRAINING	End Sept, 1989

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TASK 10, TRAINING WORK PLAN

Work Activity		Phase II						
Task	Description	1st Qtr	2d Qtr	3d Qtr	4th Qtr	5th Qtr	6th Qtr	3rd yr
10.2	TRAINING COORDINATORS							
10.2.1	Identify Training Coordinators	—						
10.2.2	Train Training Coordinators		—					
10.3	IDENTIFY TRAINING SITES							
10.3.1	Review NUS Training Sites	—						
10.3.2	Review LD II Urban Training Sites		—					
10.7	TRAINING OF TRAINERS (TOT)							
10.7.1	Design TOT	—						
10.7.2	Recruit for TOT			—				
10.7.3	Conduct TOT			—	—			
10.8	TRAINING ADMINISTRATION MANUAL							
10.8.1	Develop Procedures Core & Catalyst Training	—	—					
10.8.2	Develop Procedures for US Training		—	—				
10.9	LD II PARTICIPANTS TRAINING							
10.9.1	Revise Training Plan	—						
10.9.2	Conduct Phase II Participants Training				—	—	—	
10.10	MONITOR AND EVALUATE LD II URBAN TRAINING							
10.10.1	Design Monitor and Evaluation Survey	—						
10.10.2	Administer Follow up Survey				—	—		
10.10.3	Prepare Roster of Training Participants				—	—		
10.10.4	Prepare Final Training Report			—	—	—		
10.11	UPGRADE GOVERNORATE TRAINING FACILITIES							
10.11.1	Remodel facilities in 6 governorates		—					
10.11.2	Develop computer assisted instruction models in each governorate			—	—	—		

**APPENDIX B**  
**MIS FORMS AND CHARTS**

**SECTION 1**

**MIS SURVEY FORMS**

B-1

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## Section 1

The following Section contains survey forms used by the MIS TA team for its information gathering effort and follow-up. Figure 4-1 is the MIS APPLICATION SURVEY QUESTIONNAIRE used to inventory the existing computer applications at each governorate. Figure 4-2 is the LOCAL DEVELOPMENT II URBAN MIS TRAINING CANDIDATES PROFILE used to evaluate GOE personnel nominated by each governorate for continuing MIS training. Figure 4-3 is the COMPUTER FACILITY CHECKLIST used to evaluate the general condition of the computer environment at each governorate.

MIS APPLICATION SURVEY QUESTIONNAIRE

Date:

Governorate:

Name of Computer Application: Number(if any):

Function/Purpose:

Who uses it?: Department:

What programming language is it written in?:

How many hours a month is it used?:

Who developed it?: Department:

When was it developed?:

How long did it take to develop?:

How much did it cost?:

Who performed user training?:

Was it done in-house? Department:

Outside? Vendor:

Level of Documentation:

Is there programmer documentation?

Is there a user manual?

Do you have printouts of the program source code?

Do you have system flow charts? (please attach  
summary level chart  
only)

Do you have sample reports? (please attach)

How was the computer application developed? (please  
summarize)

Figure 4-1

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LOCAL DEVELOPMENT II  
MIS TRAINING CANDIDATES

PROFILE

Governorate:

Name:

Date of Birth:

Sex:

Educational Qualifications

School:

Diploma/Degree:

Date Acquired:

Present Position:

Department:

Salary Grade:

Address:

Phone:

Marital Status:

Married/Single/Widowed--# of  
children  
M F

Prior Computer Experience(Theoretical/Practical):

Computer Course History

Course No.	Duration From/To	Training Company	Result
------------	---------------------	---------------------	--------

Language Proficiency: (on scale of 1 to 5- 5 = native)

English

Writing

Reading

Preference for Computer work?

Can you attend training outside the governorate?  
How long?

Signature

FOR PIC USE

How was candidate selected?

Signature

GOVERNORATE COMPUTER FACILITY CHECKLIST

Date:

Governorate:

ENVIRONMENT

Walls:

Floor:

Storage Cabinet:

Air Conditioner: Y \_\_\_ N \_\_\_ Air Currents: Y \_\_\_ N \_\_\_

Window/s Open: Y \_\_\_ N \_\_\_

General Cleanliness:

HARDWARE AND EQUIPMENT

No. of PCs:

Voltage Regulators: Y \_\_\_ N \_\_\_

Dust Covers: PCs \_\_\_ Printers \_\_\_ Keyboards \_\_\_

Graphics Cards: Y \_\_\_ N \_\_\_

SOFTWARE

DOS: Y \_\_\_ N \_\_\_ Release \_\_\_ Original: Y \_\_\_ N \_\_\_

dBASEIII+: Y \_\_\_ N \_\_\_ Release \_\_\_ Original: Y \_\_\_ N \_\_\_

Lotus123: Y \_\_\_ N \_\_\_ Release \_\_\_ Original: Y \_\_\_ N \_\_\_

Word Proc: Which? \_\_\_\_\_ Original: Y \_\_\_ N \_\_\_

MANUALS

DOS: How many?: \_\_\_ Original?: \_\_\_ Copy?: \_\_\_

dBASEIII+ How many?: \_\_\_ Original?: \_\_\_ Copy?: \_\_\_

Lotus123 How many?: \_\_\_ Original?: \_\_\_ Copy?: \_\_\_

Word Proc: How many?: \_\_\_ Original?: \_\_\_ Copy?: \_\_\_

APPLICATIONS IN USE

OPERATORS

Qualifications:

Previous Experience:

Total: Assigned to LD II (Urban):

Figure 4-3

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GOVERNORATE COMPUTER FACILITY CHECKLIST (cont.)

TRAINING

How many?                      How long?                      Training Organization?

DOS:

dBASEIII+:

Lotus123:

Word Processing:

Are they comfortable in DOS?

Short term courses recommended, length of courses and number of operators:

Long Term courses recommended, length of courses and number of operators:

DEPARTMENT IN CHARGE OF LD II MIS

Figure 4-3 (cont.)

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**SECTION 2**  
**PROJECT TRACKING SYSTEM**  
**IMPLEMENTATION PLAN**

MIS PROJECT TRACKING SYSTEM  
IMPLEMENTATION PLAN

The objective of Management Information Systems support to the governorates is to effect a smooth installation of the Arabized Project Tracking System, to minimize any gaps between training and installation and to provide implementation follow-up. To achieve this, system development (Arabization), user training and logistics must be coordinated.

The plan (Figure 4-1) presents a schedule by workdays and governorates which will allow for staged implementation at the outset and provide the best use of resources.

The start date for the overall plan depends on the approved budget. Any delay in approval will either extend the target date for completion or compress critical phases of the plan if the target date is maintained. In this case, decreased installation time, for example, is unrealistic and could affect the quality of user instruction.

The key phase of the entire plan is the issue of Arabization. This process can take place, even if the budget remains unapproved. The plan cites 30 workdays as the optimal time based on available market research into Arabization, while adhering to the projected target date of August, 1988, cited in the Inception Report. Arabization has been proceeding during the budget approval process. The policy statement dated March 14, 1988 discusses the Arabization issue.

The plan is based on the assumption that:

- . the computer and training budgets are approved
- . Nafitha performs as expected
- . a training vendor is chosen that can perform in the required timeframe and provide the needed curriculum
- . training candidates are selected
- . computer rooms are available and in operating condition
- . an additional installation resource is available

The sequence for implementation at the governorates is: Giza, Qalubiya, Port Said, Cairo, Suez and Alexandria. This order was chosen based on which governorates have facilities in operating order and to optimize placement of installation training resources. As the plan proceeds, training and installation for two governorates are done in parallel.

Each phase of the plan is discussed as follows.

Logistics consist of the necessary furnishings and the required software. Logistics are staggered but can be adjusted as needed; critical requirements are the approved budget and available space. Furnishings and software must be

in place before installation can occur.

Training will be done for two governorates at a time. Each class will have a maximum of eight students. The curriculum will consist of five-day classes in DOS--to include an overview of microcomputers, dBASE III Plus and Advanced DOS. The DOS class will be given before installation of the system followed by the remaining two classes. Classes are expected to be tailored to fit the students' level of familiarity with computers. The class size of eight was chosen as the ideal number to provide the best learning environment.

Installation is expected to take two weeks and will include a manual data gathering function and data entry along with a hands-on training period. This will culminate in the production of monthly reports. Implementation follow-up will be carried out to assess the effectiveness of the installation training.

Implementation Follow-up consists of assessing the users' progress in operating the Project Tracking System and the extent to which personal learning objectives (stated at the end of classroom training) have been achieved.

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**SECTION 3**  
**COMPLETED MIS SURVEY FORMS**  
**CAIRO GOVERNORATE**

MIS APPLICATION SURVEY QUESTIONNAIRE

Date: 23/5/1988

Governorate: Cairo Governorate

Name of Computer Application: Statistics data Number (if any): 1

Function/Purpose: Create data base for Cairo Governorate.

Who uses it?: Local statistics department Department: Statistics

What programming language is it written in?: BASIC

How many hours a month is it used?: 75 Hours

Who developed it?: Faculty of Engineering Department: Cairo University

When was it developed?: January 1988

How long did it take to develop?: 6 Months

How much did it cost?: 1250 L.E

Who performed user training?: Faculty of Engineering Cairo University

Was it done in house? Yes Department: Information centre

Outside? No Vendor: -

Level of Documentation:

Is there programmer documentation? Yes

Is there a user manual? Yes

Do you have printouts of the program source code? Yes

Do you have system flow charts? No (please attach summary level chart only)

Do you have sample reports? (please attach)

How was the computer application developed? (please summarize)

BEST AVAILABLE DOCUMENT

MIS APPLICATION SURVEY QUESTIONNAIRE

Date: 23/5/1988

Governorate: Cairo Governorate

Name of Computer Application: Personnel department Number (if any): 1

Function/Purpose: Personnel computerized filing and retrieval system

Who uses it?: Personnel central department Department: Personnel department

What programming language is it written in?: DBASE III +

How many hours a month is it used?: 75 Hours

Who developed it?: Faculty of Engineering Department: Cairo University

When was it developed?: January 1988

How long did it take to develop?: 6 Month

How much did it cost?: 1500 L. E

Who performed user training?: Faculty of Engineering - Cairo University

Was it done in house? Yes Department: Information centre

Outside? No Vendor:

Level of Documentation:

Is there programmer documentation? Yes

Is there a user manual? Yes

Do you have printouts of the program source code? Yes

Do you have system flow charts? No (please attach summary level chart only)

Do you have sample reports? (please attach)

How was the computer application developed? (please summarize)

BEST AVAILABLE DOCUMENT

MIS APPLICATION SURVEY QUESTIONNAIRE

Date: 23/5/1988

Governorate: Cairo Governorate

Name of Computer Application: Plan monitoring Number (if any): 1

Function/Purpose: Online / Follow up for governorate project plan

Who uses it?: Central department for planning Department: Planning and monitoring

What programming language is it written in?: DBASE III + Department

How many hours a month is it used?: 75 Hours

Who developed it?: Faculty of Engineering Department: Cairo University

When was it developed?: January 1988

How long did it take to develop?: 6 Month

How much did it cost?: 1500 L.E

Who performed user training?: Faculty of Engineering Cairo University

Was it done in house? Yes

Department: Information center

Outside? No

Vendor: —

Level of Documentation:

Is there programmer documentation? Yes

Is there a user manual? Yes

Do you have printouts of the program source code? No Yes

Do you have system flow charts? No (please attach summary level chart only)

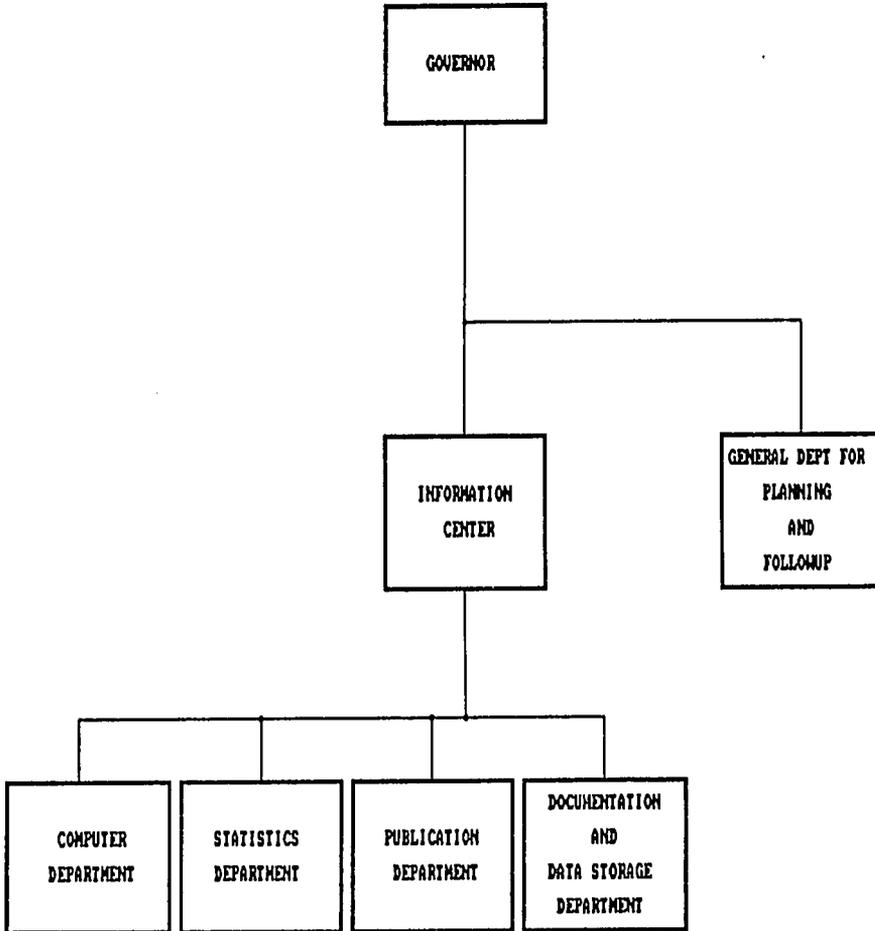
Do you have sample reports? (please attach)

How was the computer application developed? (please summarize)

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**SECTION 4**  
**PROJECT GOVERNORATE MIS ORGANIZATION CHARTS**

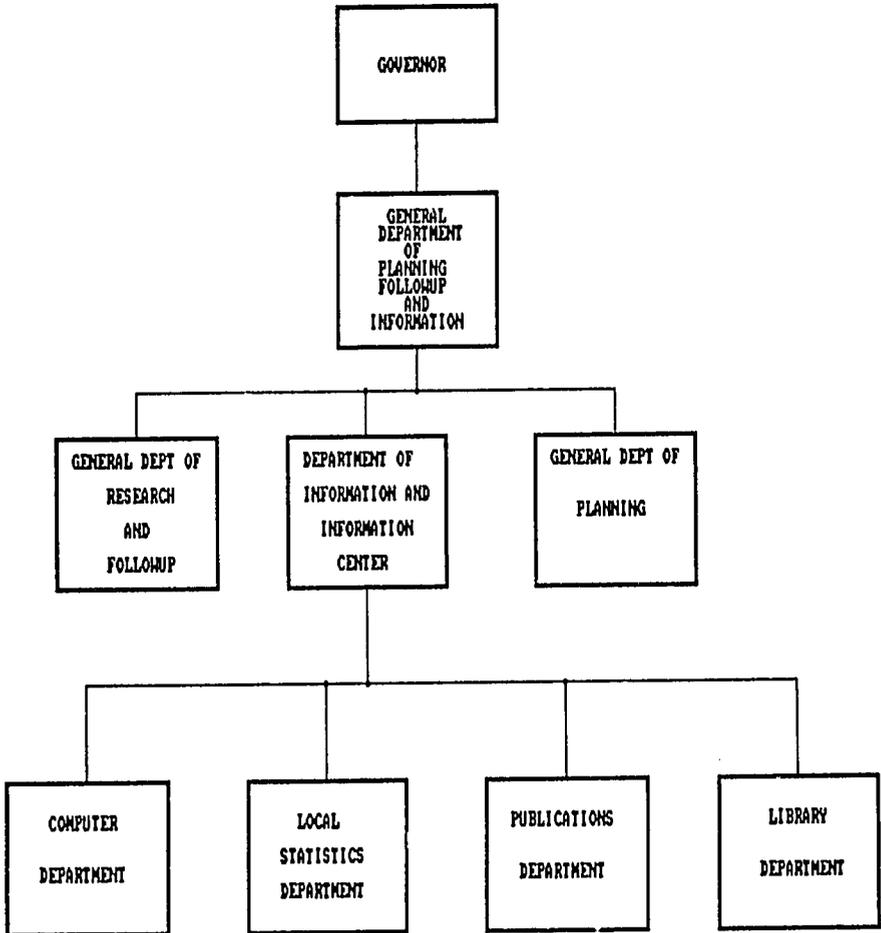
MIS ORGANIZATION CHART  
ALEXANDRIA GOVERNORATE



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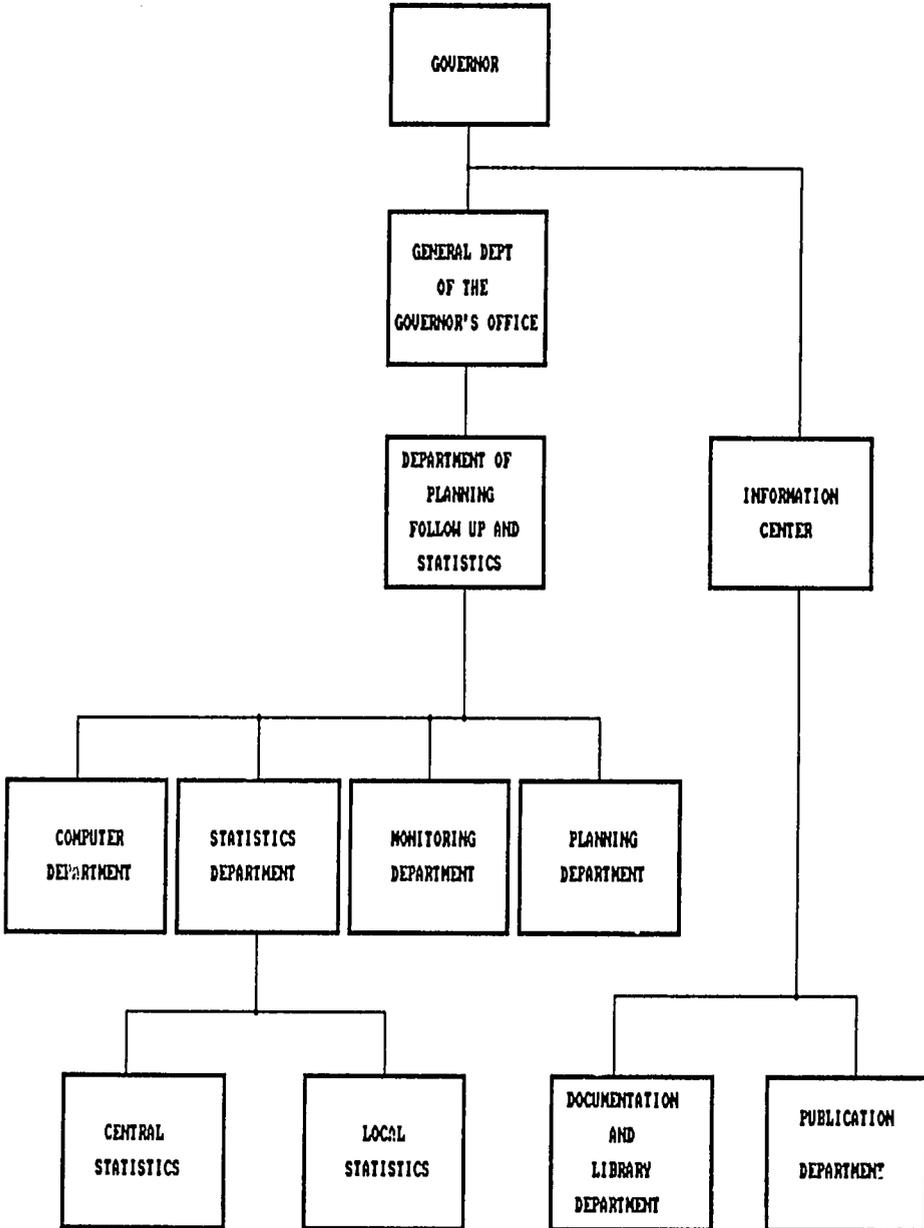
MIS ORGANIZATION CHART  
CAIRO GOVERNORATE



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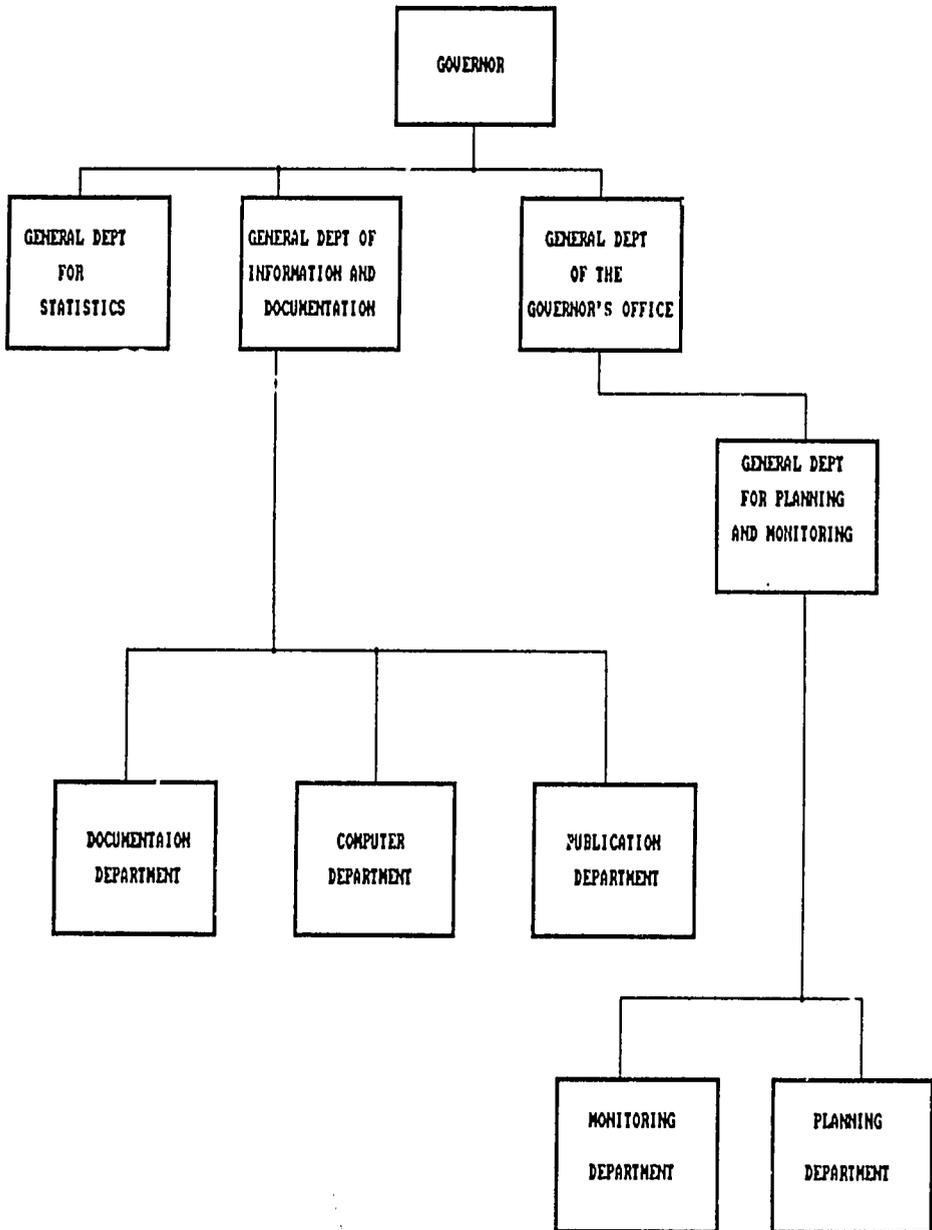
272

MIS ORGANIZATION CHART  
QALIUBIA GOVERNORATE



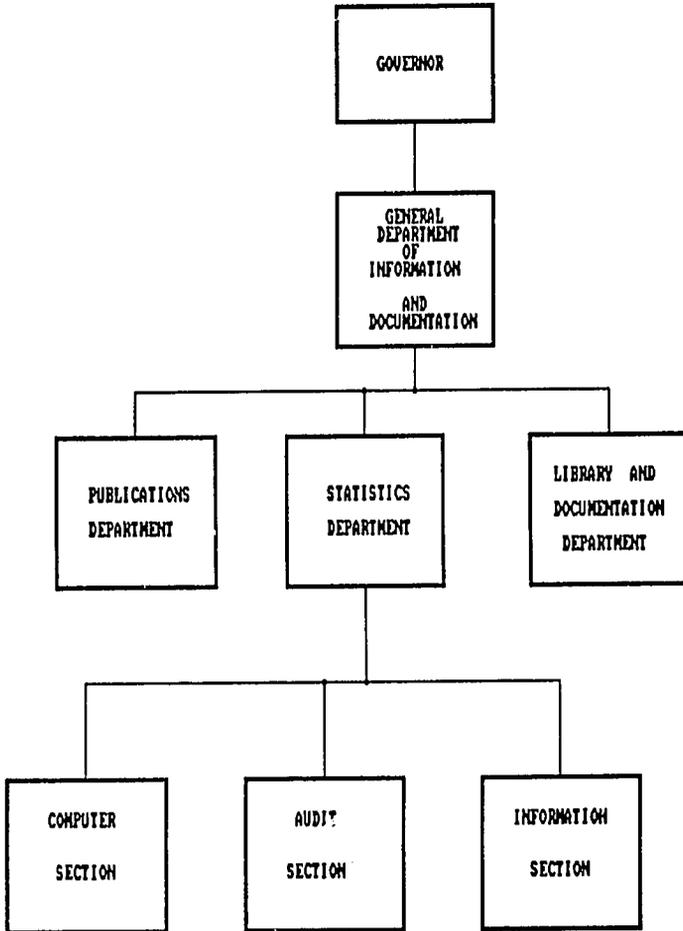
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MIS ORGANIZATION CHART  
GIZA GOVERNORATE



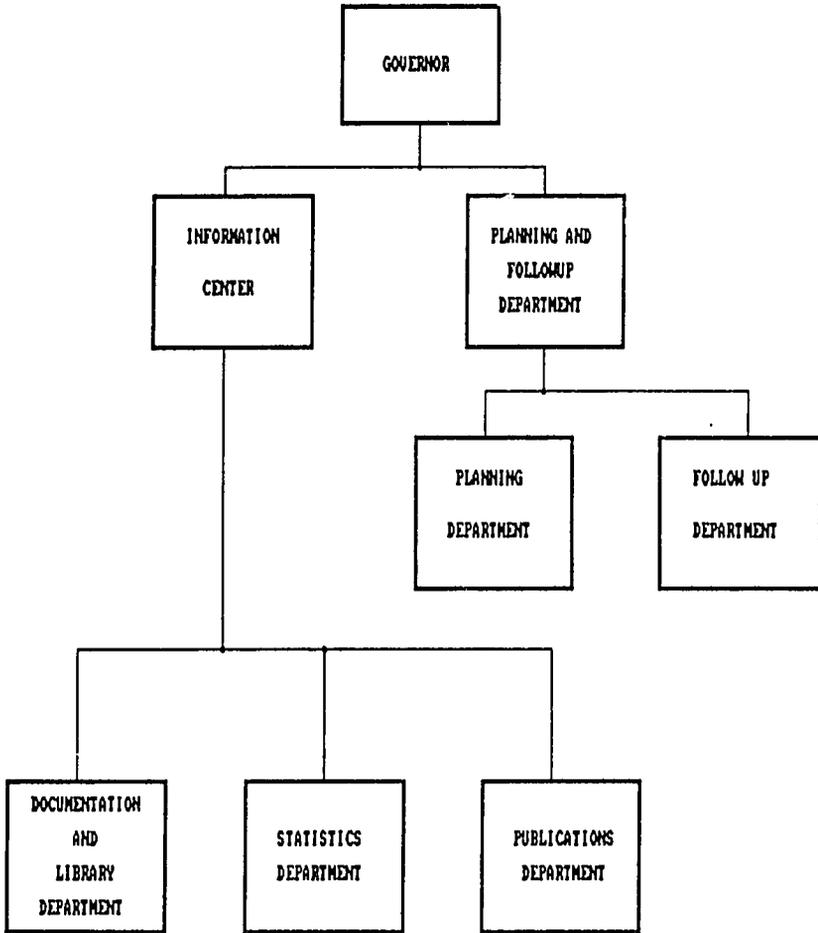
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MIS ORGANIZATION CHART  
PORT SAID GOVERNORATE



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MIS ORGANIZATION CHART  
SUZE GOVERNORATE



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**APPENDIX C**

**PHASE II TRAINING**

**COURSE DESCRIPTIONS**

The LD II Urban Training Program is one in which participants are trained for specific roles in well defined areas within the context of the Action Packages. Courses are of two types:

o **Core Courses:** These are generally Management and Planning Courses developed under NUS. These courses are equivalent to mini courses operating through management training firms or university continuing education programs in the USA. They are focused on building the capacity of local elected officials and government functionaries to understand and to implement programs and sub-projects, primarily in the BSDS and O&M Action Package areas. Core courses are offered by the LD II Urban Training through government agencies and local training institutions under agreements with the LD II Urban Project.

- **Construction Management: Project Planning and Design for Engineers (TOMO HAR- 6 days)**

Content: analyzes stages of project construction: preliminary planning, preparation of recommendations, design construction, and delivery; discusses methods of procurement of appropriate resources at each step.

- **Construction Management: Project Monitoring and Evaluation (TOMO HAR - 6 days)**

Content: analyzes steps in planning and scheduling each part of the construction phase; introduces monitoring as a process for assessing progress; identifying problems; and proposing changes in construction scheduling and/or scope of the project.

- **Project Planning for Local Government Employees (TBN - 6 days)\***

Content: lists specific steps to be undertaken as part of the planning process and introduces methodologies for each, emphasizing necessity of interdepartmental coordination; identifies factors to be considered in determining feasibility of a plan and outlines steps to be taken in developing a plan.

\* TBN - TO BE NAMED

- **Project Monitoring for Local Government Employees (TBN - 4 days)**

Content: introduces monitoring as a management tool for periodically assessing progress of a project and identifying problems; and as a basis for proposing solutions to problems and suggesting changes in scheduling.

- **Budgeting and Finance (TBN - 8 days)**

Content: GOE general budget and the local district budget; local revenue; methods of analysis, estimating and scheduling project costs; laws and regulations governing tenders, bids and procurement of foreign goods; reporting systems; and tailored case studies.

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- **Management of Local Government for Local Popular Councils (TBN - 6 days)**

Content: Local government structure and relationships; popular council rights and duties; resolution drafting; role of the council in planning and monitoring; management of self-help projects; public expenditure process; review of special funds for development.

- o Catalyst Courses: Are those training programs under which LD II Urban training will match skill deficiencies related to LD II Urban activities with training courses designed to develop and upgrade those skills. LD II Urban will sponsor (pay the tuitions) training aimed primarily at skilled and semi-skilled technicians.

To-date, no Catalyst training institutions or vendors have been named. The Training Needs Assessment Report lists those companies which have been reviewed by the Training Staff as potential Catalyst Training institutions. The Training Needs Assessment Report also includes a roster of instructors, qualified to conduct Catalyst or Core courses. The following courses are those that will likely be given as Catalyst Courses in Phase II.

- **Quality Control of Plain and Reinforced Concrete (TBN - 3 days)**

Content: Review of types of cement; aggregate classifications; sieve analysis, sampling, and testing; curing process; water-cement ratio; properties and testing of concrete (i.e. slump, compression, and flexural); design of mixes; inspection of reinforcing bar emplacement; inspection of form work (shuttering) for both efficiency and safety; inspection of shoring for beams, girders and slabs (both function and safety); acceptable tolerances in reinforced concrete construction on small projects.

- **Design and Inspection of Electrical-Mechanical Components in Small Buildings (TBN - 3 days)**

Content: Review of water/wastewater hookups; sanitary fixtures in latrines; vents, valves, floor drains, meters, traps and other sanitary appurtenances; principles of interior design and exterior lighting; design of lighting and power circuits; selection of main panels, fans, wall outlets, air conditioning power supply, switches, conduits and electrical controls; acceptable tolerances in electrical-mechanical construction on small projects.

- **Design and Inspection of Foundations for Light Construction (TBN - 10 days)**

Content: review of fundamentals of soil mechanics, types and properties of various soils, identifying and testing soils in both the field and laboratory; interpretation of soil boring logs and records; design loads on foundations; isolated, wall, combination footings and design procedures; raft or mat foundations, design procedures; pile foundations: theory, tests, driving machines, classification of piles (e.g. timber, treated timber, concrete, steel, composite ... etc), caps and cutoff.

Reinforced concrete design principles as applied to foundations for small, local structures; inspection of excavation including dewatering and shoring of sides, as

required; inspection of rebar emplacement in foundations, check bar sizes, spacing, bends and cover; inspection of concrete emplacement in foundations; acceptable tolerances.

#### **Design and Inspection of Asphaltic and Concrete Pavement (TBN - 4 days)**

Content: traffic loads, both static and dynamic; fundamentals of soil mechanics as applied to pavement design, including identification of local soils; applications of soil mechanics to include concept of compaction, optimum moisture, modified Proctor density test, field tests for achieved compaction, and CBR (California Bearing Ratio); types of aggregate, sieve analyses, compaction procedures.

Designing and testing asphaltic concrete mix, conditions for laydown including rolling and specifying tack coat and prime coat; structural design of asphaltic concrete pavement utilizing CBR and traffic loading, design examples for both short road extension/addition and parking lot; structural design of plain portland cement concrete (PCC) pavement for parking lot, same design with reinforced concrete, design of joints, joint sealants, dowels, and appurtenances.

Drainage of paving and slabs on grade; introduction to geometrics, channelization of intersections and median layouts; maintenance of existing roads, repair of potholes, repair of rocking, cracked, or shattered (PCC) slabs, asphaltic concrete overlay, adjustment of manhole and valve covers to finish grade; inspection of pavement to include alignment of concrete forms, validation of slopes so as to drain adequately, joint lines with existing pavement, adequate provisions for curing, specified thickness of base courses and pavement, asphalt rolling procedures, temperatures of hot mix and other essential parameters of good workmanship.

#### **Management of Maintenance Programs for Public Buildings (TBN - 5 DAYS)**

Content: Review of periodical and annual inspections; planning of maintenance programs; preparation of budget proposals; specify priorities; maintenance resources; self help concepts; formation of maintenance units and teams; annual maintenance contracts; Egyptian standard specifications.

#### **Operation, Maintenance & Repair of Incinerators (TBN - 5 days)**

Content: Review the incinerator as a working concept; main components of the incinerator; specification of solid waste input; steps of starting incinerator & shutdown procedure; detailed maintenance routines and various levels; trouble shooting and remedies; selection of spare parts.

- **Operating and Maintenance of Vacuum Sweepers (TBN - 3 days)**  
Content: Review working concept of the vacuum sweepers; main components of vacuum sweepers; details of starting, operating and shutdown; detailed maintenance routines and their level; specification of operating and maintenance materials; trouble shooting and current repair.
  
- **Kardex Warehouse System (TBN - 5 days)**  
Content: Review the GOE warehousing regulations 1986; linesetting tickets; the microfiche cards and reader; the Kardex warehousing system.
  
- **Management Operation & Maintenance of Roads (Road Training Center - 5 days)**  
Content: Review periodical and annual inspection; planning of road maintenance program; preparing budget proposals; determination of priorities; specifications of maintenance materials and their properties; maintenance group and units; preparation of annual maintenance contracts; monitoring of annual maintenance; Egyptian standard specifications for roads.
  
- **Management of Garage and Workshop (TEN - 10 days)**  
Content: Review managerial function with concentration on organizing-staffing; management by objective (MBO); principle of accounting; preparing budget proposals; various documents routines & processes; reporting & MIS; setting work standards and indicators; quality control system; planning of equipment operation; routines of garage day.
  
- **Preventive Maintenance of Rolling Stock (TBN - 10 days)**  
Content: importance of P.M; levels of P.M; responsibilities; properties of operation and maintenance materials; planning of P.M programs; inspection for adequate P.M; recording and reporting systems and formats.
  
- **Information Systems and the Computer (TBN - 30 days)**  
Content: The course will review the LD II MIS Tracking System. covering introduction to microcomputers; introduction to DOS; advanced DOS; dBASE III+; Lotus 1,2,3 and other topics as required by the participants in relation to their role in using computers on the job.
  
- **Feasibility Study of Services Projects (TBN - 6 days)**  
Content: Rationale for public programs; measuring the direct and indirect costs and benefits of the Project; economic analysis vs. financial analysis; sensitivity analysis vs. economic and financial analysis.

- **Management of Local Government for Chief Executives in Governorates and Districts (TBN - 6 days)**

Content: local government structure and relationship; management of local government resources; design making; problem solving; management practices; report writing; evaluation strategies.

### **Seminars**

Training in conjunction with the appropriate TA Contractor Team, GOE Institutions and Local Officials. The most important of these seminars are:

- o Seminars for newly elected members of Local Popular Councils
- o Seminars for local government executives on local government management
- o Seminars on "self help" projects
- o Seminars on measuring of efficiency and effectiveness of public expenditures
- o Seminars on solid waste management
- o Seminars on land management and urban planning