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TDC/EED

TRADE DEVELOPMENT CENTER PROGRAM

EXPORT ENTERPRISE DEVELOPMENT PROJECT

STRATEGY AND FIRST ANNUAL WORK PLAN

Prepared for:

USAID/Cairo

Contract No. 263-0226-C-00-3095-00

Submitted by:

Chemonics International

October 1, 1993

Includes the following contract deliverables: • First Annual Work Plan • TDC Export Marketing Strategy • Monitoring and Evaluation Plan • Organizational Development and Training Program • TDC Export Expansion Services • Client Selection Criteria



UNITED STATES AGENCY for INTERNATIONAL DEVELOPMENT

CAIRO, EGYPT

January 3, 1994

Mr. Emad Abdel-Razek
Executive Director
Trade Development Center
21 Giza Street, Nile Tower

SUBJECT: The Annual Work Plan Review
CA-263-0226-A-00-2027-00

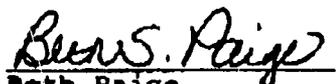
Dear Mr. Razek:

This is to confirm what we have agreed upon in our meeting with the Contracting Officer, Beth Paige on December 30, 1993.

The overall salary increase for the TDC staff, including your salary increase is approved. However, a salary waiver may be required for your salary level. Please proceed with the salary increases for the TDC staff from January 1994 (excluding you) until the waiver is approved. You can get paid retroactively from January 1994 upon approval of the waiver.

The incentive plan attached to the annual work plan dated October 1, 1993 which will be financed from Program Generated Income is also approved. Please proceed with this plan beginning March 16, 1994.

In addition, the overall annual work plan dated October 1, 1993 including the new organizational chart for the TDC which proposes additional staff members to the TDC manpower is also approved.


Beth Paige
Contracting Officer


Fred Kirschstein
Project Officer

cc: John Miller, Chemonics
Workplan on OG Directory/Workplan.ltr



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LIST OF ACRONYMS

AEX	Account Executive, TDC
CA	Contract Agreement
CON	Technical Assistance Contractor
COP	Chief of Party
DAG	Director of Agriculture, TDC
DOP	Director of Operations, TDC
DSM	Director of Sales and Marketing, TDC
EC	European Economic Community
EED	Export Enterprise Development Project
EPA	Export Promotion Advisor
EXD	Executive Director, TDC
HO	Home Office ²¹
ISM	Information Services Manager, TDC
LOE	Level of Effort
LT	Long-term
M&E	Monitoring and Evaluation
MIS	Management Information Services
MTI	Market and Technical Information
NDG	New Desert Growers
OJT	On-the-job training
PBS	Premium Brands System
PM	person-month(s)
PRA	Promotion Advior
QA	Quality Assurance
ST	Short-term
SWOT	Strengths, Weaknesses, Opportunities, and Threats
TA	Technical Assistance
TAE	TA/CA Agreement Administrator/Editor
TDC	Trade Development Center
TN	Trade Net

EXECUTIVE SUMMARY

This document presents the strategy and first annual work plan for the Egypt Trade Development Center (TDC), in conjunction with the technical assistance contract award to Chemonics under the Export Enterprise Development (EED) project.

This work plan sets a clear course of action for the TDC as it will operate with support from Chemonics. It outlines TDC's strategic approach and the technical and management activities that will be carried out for the period commencing October 1, 1993 and ending September 30, 1994, which coincides with AID's fiscal year. Planning and start-up activities for the Chemonics technical assistance component—including contract mobilization, orientation, Cairo start-up, baseline survey, and preparation of the first annual work plan—were carried out during the period from June 10 through September 30, 1993, as described in the illustrative work plan submitted by Chemonics in its original proposal. TDC's cooperative agreement is scheduled to run from March 1992 through March 1995, while the Chemonics contract covers the period from June 10, 1993 through June 9, 1996.

The plan was prepared based upon the results of extensive interviews and interactions with the TDC Board and staff members, USAID project personnel, more than 50 Egyptian firms, the Chemonics long-term project team and short-term consultants, and other organizations involved in trade and export development in Egypt. A retreat held September 19 and 20 in Cairo provided additional input to definition of TDC's strategy for increasing exports from the fruit and vegetables sector.

During the plan period, TDC will provide professional business development and export expansion services to Egyptian firms, and will lay the groundwork for operating with increasing success on a fee-recovery basis. The overall concept guiding the TDC strategic approach, is that Egyptian exporters lack access to the assistance of a full-service export expansion catalyst, an organization that will work with them to: 1) diagnose their export needs and constraints in terms of marketing, management, and production requirements; and 2) develop export expansion plans offering services for which they are willing to pay.

To carry out this role of export expansion catalyst, TDC will develop and refine its organizational and staff ability to:

- Define and deliver professional business and export expansion assistance focused on updated, direct market access and penetration services.
- Understand the interplay of technical, managerial, and marketing factors in successful export projects.
- Identify and target firms and projects with the capacity to produce significant results within specific time frames.

- Work with clients to develop and implement export expansion plans and service agreements that incorporate technical, managerial, and marketing inputs—whether from TDC or another service provider—into successful market penetration strategies.
- Build and support a TDC portfolio of high-impact ventures.

The TDC Export Expansion Component, as described in Section II of the work plan outlines the overall approach to implementation of firm and project-specific activities in the light manufacturing and fruit and vegetable sectors. During the work plan period, the large part of TDC's venture portfolio will consist of export expansion plans for light manufacturing firms operating in the garments, food processing, leather, and housewares subsectors. The agricultural initiatives within the portfolio will be smaller in number but carry significant potential for far-reaching impact. The cornerstone of TDC's efforts in the fruit and vegetables sector is a venture which, if successful, will have significant impact on the future of Egyptian agricultural exports.

Underlying the activities presented in this plan is an emphasis on developing and installing the organizational systems required to support definition and development of TDC's export expansion role. Section III describes TDC's Information Services Component, through which three critical subsystems will be put into place: a Management Information System, a Market and Technical Information System, and a Monitoring and Evaluation System. Section IV presents the Institutional Development and Support Component, which provides for staff development and training and for clarification of operating procedures and organizational responsibilities.

A series of annexes to the work plan presents supplementary information that will enhance TDC's ability to move quickly into full plan implementation. The work plan schedule and level-of-effort charts provide further details on project activities. TDC's Export Expansion Services and Client Selection Criteria are included in draft form, so that they can be further discussed, finalized, and made available to clients as soon as possible. Full detail of TDC's Premium Brand System Project, the premier project in the agriculture portfolio, is also presented, along with the TDC Organizational Development and Training Program and the Monitoring and Evaluation Plan.

In summary, the TDC program presented in this work plan reflects an organization that has determined its strategic directions and developed a program to: 1) provide clients with direct access to target market resources; 2) work with clients to identify their strengths, weaknesses, and opportunities in light of market feedback; and 3) assist clients to achieve market entry and increased export earnings directly attributable to TDC's interventions.

SECTION I PROGRAM OVERVIEW AND ISSUES

The Export Enterprise Development (EED) project is part of USAID's overall strategy to assist the Government of Egypt to overcome the lack of export-oriented production and marketing initiatives, which has resulted from a long history of state-dominated, inward-oriented economic strategies. The Trade Development Center of Egypt (TDC) will use its own resources, as well as those available through the Chemonics technical assistance contract awarded under the EED project, to expand its ability to contribute to private sector export development.

A. Program Goal, Objectives, and Outputs

TDC's goal is to use the resources made available through its cooperative agreement and the EED project effectively to increase Egypt's sustainable economic growth through expanded foreign exchange earnings. TDC's purpose is to increase exports produced by Egypt's private sector.

In conjunction with the Chemonics technical assistance (TA) contract, TDC will endeavor to accomplish four major objectives over the period covered by the first annual work plan:

- Organize and implement a targeted, results-oriented and market-driven service delivery program.
- Clarify TDC's strategic mission.
- Strengthen TDC's organizational effectiveness.
- Achieve substantially increased exports in the light manufacturing and agricultural sectors, which are the focus of activities under the EED project.

Over the three years¹ of Phase I technical assistance support, TDC will use the resources provided through Chemonics to assist in accomplishing the following outputs:

- Provision of professional business and market development support services to at least 80 export-oriented enterprises.

¹ The EED technical assistance contract has an initial term of performance of three years, with an optional two year extension.

- Achievement of \$40 million in export earnings directly attributable to TDC through successful identification, packaging, and support of high-profile export ventures.
- Development of staff capacity to deliver professional export expansion and promotion services.
- Establishment and operation of a comprehensive trade and market information development and dissemination program.

B. Strategic Approach to Program Implementation

The Trade Development Center's strategic approach to program implementation is based on the following:

- Redetermination of TDC's overall strategic directions to provide the basis for definition of services and fee-generating activities as the project progresses.
- Full integration of the export promotion experience and resources of the TA contractor into the programs, services, and activities delineated for the plan period.
- Innovative approaches to activity design and implementation, which will enable TDC to pursue high-gain, high-risk interventions, e.g., in the fruits and vegetables sector, while at the same time aggressively implementing lower-risk approaches in the light manufacturing sector which have high potential for ensuring achievement of project export targets.
- An overall shift in direction from the previous, more general export promotion approach to a program of specifically targeted, assisted, and monitored market-driven export development activities.

C. Key Elements of Program Strategy

Based on the above strategic directions and output targets, TDC has defined the following key elements for both its longer-term institutional development strategy and its first-year program:

- TDC's role as an organization is to serve as an export expansion catalyst focused on assisting firms to package and implement market penetration strategies that result in increased export. This provides the starting point for defining TDC's services to its client firms (see Annex H for a description of TDC Export Expansion Services), and for developing both short-and long-term strategies for fee generation and sustainability.

- TDC's approach to choosing and working with clients is developed based upon criteria that reflect project priorities (see Annex I, Client Selection Criteria).
- TDC's work with both the light manufacturing and fruit and vegetable sectors is targeted carefully and organized within specific market penetration plans and agreements. These provide a vehicle for monitoring accountability, performance, and output by both TDC and its clients (see Section II, Export Expansion Component).
- TDC's use of information to support both marketing activities and institutional development functions is organized within a framework that allows for maximum program effectiveness and efficiency (see Section III, Information Services Component).
- TDC's approach to organizational development and training provides the basis for professionalizing both internal procedures and TDC's service delivery program (see Section IV, Institutional Support and Development).

D. Major Program Issues

Credibility and sustainability. Based on the scope of services that it has offered to date, TDC has operated largely as a trade show organizer rather than a comprehensive export business development center. A major challenge for TDC is to define and deliver effectively a suitable range of highly professional services to increase the credibility of the organization among Egyptian businesses. Until a sufficient level of credibility is firmly established, TDC's goals with regard to achieving sustainability through fees for services will not be achieved.

Changes in organizational systems and approaches. Given the nature of the challenges facing it in the implementation of this work plan and program, achievement of project objectives will require TDC to:

- Increase the staffing and redefine the organizational structure to reflect the need for a higher level of business development knowledge and services, in order to work effectively with Egyptian exporters.
- Redirect program, staff, and financial resources in conjunction with USAID to promote more general promotion activities in development and support of expanded exports.
- Develop additional internal management and financial controls.
- Establish information, monitoring, and evaluation systems needed to support program management and technical assistance to exporters.

Monitoring legislative and policy restrictions on sector activities. Under the work plan, TDC will carry out activities in the light manufacturing and agricultural sectors, with concentration in specific subsector and product areas. The application of U.S. legislative policy restrictions to trade and investment assistance activities funded by USAID and carried out by TDC will require assessment on an ongoing basis to ensure continued program compliance.

TDC's legal status. The Trade Development Center, which was established as the action arm of the Egypt-U.S. Joint Business Council, is a nonprofit organization whose status has yet to be fully defined with respect to certain key ministries. At a program operating level, TDC's current organizational status has little or no impact on its ability to define and deliver services to Egypt's business community. TDC is therefore moving forward with implementation as outlined. However, as TDC implements venture-specific agreements with Egyptian firms and works to develop mechanisms for fee generation, finalization of TDC's status becomes an important part of the agenda for the coming year.

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SECTION II EXPORT EXPANSION COMPONENT

The overall objective of the Export Expansion Component in the first year is to target market-hungry enterprises operating in the light manufacturing and fruit and vegetable sectors, and work with them to achieve specific export targets against identified market penetration strategies and plans.

Over the life of the Phase I program, the objective is to achieve \$40,000,000 in exports and build Egypt's base of exporting firms and exportable products by:

- Positioning TDC as an effective intermediary or catalyst between the requirements and dynamics of target markets and those of export-ready Egyptian firms.
- Expanding TDC capacity to facilitate the ability of Egyptian firms to supply target markets with products that importers want—on time, in sufficient quantity, and within acceptable quality and price levels.
- Professionalizing TDC's service delivery operation and activities.

A. Light Manufacturing

Objective

To carry out a market-driven program of targeted export development assistance to light manufacturing firms selected for their ability to achieve specific results in terms of increased exports and foreign exchange earnings.

Strategy

Target "export ready companies" operating across a range of light manufacturing sectors, including, but not necessarily limited to, processed foods, garments, leather, and housewares. Develop a light manufacturing portfolio of exporting and/or ready to export firms which could include up to 40 firms which are candidates for some level of export expansion assistance from TDC.

Establish a high-impact portfolio of 20 firms by selecting four firms from each of the above four sectors and an additional four firms which represent targets of opportunity. Select candidates for the high-impact portfolio based on criteria which reflect TDC's output target requirements and organizational resources. Develop criteria to incorporate factors such as the level of the firm's export "readiness" with regard to its planned activity and the length of time which the company will need to reach its export targets.

Position TDC to serve as the export expansion coordinator for high-impact client firms. Assist firms to develop customized export expansion plans and market penetration strategies. Use the export expansion plan to guide the interaction between TDC and the receiving TDC support. Within each plan, delineate the following:

- Level and type of TDC assistance and services, as well as contributions to the plan expected from other sources (e.g. IESC if applicable).
- Specific output targets and deliverable dates.
- Accountabilities of both TDC and the participating firm.

Within the framework of each export expansion plan and with input and support from the TA contractor as necessary, facilitate the input of marketing, management and technical services (whether from TDC or other source) as needed to ensure the firm's ability to meet its agreed-upon export targets.

Establish in key target markets, entities which will represent TDC under the terms of specific agreements and will constitute, in effect, a market access network through which TDC and its clients can interact more directly with their markets. Develop and manage network to provide the following services to TDC clients: identification and interaction with potential buyers; retrieval of up-to-date market and pricing information; product sampling with potential buyers; equipment sourcing; identification of target markets and distribution channels. For TDC, the network will also work from the market end on organizing buyer missions and trade show participation.

Assumptions/Issues

Targeting sector leaders will generate exports quickly while providing the basis for building sector capacity. Project baseline data collected by TDC and Chemonics from Egyptian companies operating in light manufacturing sectors (see TDC Baseline Survey Report) indicate clearly that there are a number of already exporting and/or export-ready firms (Tier 1) that: 1) can benefit from working with TDC in an expanded service delivery program; 2) are willing to enter into more specific market penetration, project-type arrangements with TDC; and 3) show a high probability of achieving quantifiable export results in the short term. Further, these analyses indicate that targeting these firms can result in backward linkages to Tier 2 firms and key indirect exporters which can be brought into TDC's project pipeline as the program matures. TDC's broader efforts with regard to "sector development" will emerge based on this approach and take shape as TDC interacts with sector leaders.

Development of a TDC European marketing network will enable TDC to provide clients with direct access to needed market-based resources. Both TDC's experience to date and TDC/Chemonics baseline interviews indicate clearly that major constraints facing Egyptian exporters cannot be addressed solely through a program focused on promotion through trade fairs. The combination of design, quality, quantity and/or pricing constraints

which face the majority of Egyptian exporters as they seek to expand their exports demands that TDC have the ability to assist key clients to develop and implement market penetration strategies which address and overcome the system of constraints which affects their ability to increase exports. Much of the assistance which is required must come directly from the market. Therefore, the provision of access to its European marketing network becomes a key TDC service—and one for which clients should be increasingly willing to pay as services evolve.

Trade fairs play an important role in export promotion and in providing a stage for export expansion efforts. TDC experience to date has shown that there is a definite role for trade fairs in the export development process. However, moving from export promotion to export expansion requires that trade fair activities be incorporated as one service within a broader package. Therefore, over the plan period, TDC will take steps to integrate its trade fair activities within a broader range of services, and to establish and implement procedures to ensure coordinated follow-up.

Appropriate training and expert support for TDC staff is critical to program success. To carry out the light manufacturing program, TDC staff will increase their business development and export project development skills. During the plan period, they will refine skills, such as assessing client readiness to export and defining the elements of successful market penetration programs. To move quickly, development of export expansion plans and market expansion strategies will be carried out on the job by teaming a Chemonics expert with relevant TDC staff. Other training, such as courses in business communications and marketing techniques, will be offered as needed (see Annex F, TDC Organizational Development and Training Program).

TDC will develop and provide services to non-portfolio light manufacturing firms. While TDC will not provide intensive export expansion services to all firms operating in light manufacturing sectors, it will develop and install, over the course of this plan period, the capacity to serve as an effective export resource organization for Egyptian firms. These services will support TDC's ability to identify new targets of opportunity and develop clients to enter the project pipeline. TDC staff will assist companies which contact TDC to define their needs and access other more relevant sources of assistance. As the program progresses, TDC may determine areas where TDC-organized seminars might serve such needs and further the specific export goals of a number of firms. Through an upgraded and expanded information system installed during the plan period (see Section III), TDC will develop its capacity to deliver information-based services which provide export interested firms with access to information on buyers, trade fairs, products, target markets and channels of distribution.

Egypt's food processing sector is seen by TDC as a primary target for identification of firms with potential for achieving high-impact export results in the near term. Processing firms are of particular interest in the TDC program because they are a critical link between the activities which TDC will support in the fresh fruits and vegetables sector (see Part B of this component) and TDC involvements in light manufacturing. In this first program year, TDC will target those firms which have already made substantial

investment in their processing operations. With input from a Chemonics short-term specialist, an initial selection of firms which can be considered and further investigated inclusion in the TDC portfolio has already been made (see Annex G).

Key Year One Activities

1. Define and establish TDC's market penetration services and criteria for client selection. (October)
2. Develop and install procedures for approving and allocating TDC resources against client project/plans. (November-December)
3. Develop and install fee-for-services approach. (December)
4. Organize export marketing and introduction to business planning seminars. (November)
5. Develop client-specific export expansion plans. (November-December)
6. Manage implementation of activities defined within client specific plans. (ongoing)
7. Provide technical backstopping to staff implementation of firm-specific plans. (intermittent)
8. Provide client intake, assessment and referral services to export-interested firms. (ongoing)
9. Develop scopes of work for TDC Market Access Network to include market approach in four initial target markets—Italy, Germany, France and Benelux countries. (November-December)
10. Field foreign experts by sector in target markets and establish procedures for interaction with TDC. (December-January)
11. Define market program approach and strategy for entry of light manufacturing firms into England and develop buyer network for the UK. (November-December)
12. Develop and install specific procedures for ensuring adequate monitoring and follow-through of trade fair involvements. (December)
13. Attend Anuga (food processing) fair and prepare follow-up report. (October-November)
14. Attend Interstoff (garments) fair and prepare follow-up report. (November)

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15. Develop and submit full plan and implementation program for buying missions, marketing trips and/or trade fair attendance based on use of marketing network capacity to support implementation of firm-specific plans and previously identified activities. (January)
16. Identify, contact and secure British buyers. (December-January)
17. Define information system requirements and provide input on ongoing basis (see Section III).
18. Prepare internal reports as needed to support implementation of client plans and prepare and submit periodic reports on client progress (see Section V, Program Management and Planning).
19. Define need for seminar activities which might be required to further activities being implemented within client-specific plans. (ongoing)
20. Prepare second-year marketing plan. (August-September)
21. Supervise development of promotional materials. (December)

Allocation of Resources

Executive Director. Responsible for overall development, management and implementation of component. Determines direction for and helps guide extension of TDC's expanded market access program and network into new target markets. Responsible for all interactions with board and steering committee members relevant to the component. Advises on and guides all interactions with business community leaders.

Chief of Party/Management Advisor. Serves as the coordinator for inputs from the TA contractor to the component. Advises the Executive Director on all components. Interacts with the Director of Sales & Marketing for plan implementation. Responsible for overall business development planning and interfaces with the Promotion Advisor for component implementation, coordination and TA needs. Responsible for executive supervision of the Food Processing Unit and all agricultural, agribusiness programs and activities.

Director of Sales & Marketing. Responsible for overall component implementation and for management and performance of TDC Account Executives in the development and implementation of client export expansion plans. Supervises the development and input of management and productive capacity analyses to firm-specific plans and the liaison with the TDC Market Access Network. Organizes and arranges client support activities, such as trade fairs and buying missions. Ensures input of data from Account

Executives to the TDC information system. Assist with required reports from the component.

Promotion Advisor. Advises and assists the Director of Sales & Marketing with overall component development and implementation and with implementation of firm-specific export expansion plans. Supervises the development and input of market and overall feasibility analyses to firm-specific plans. Advises on business development training for TDC staff involved in component implementation and coordinates Chemonic's input. Participates with the Director of Sales & Marketing in the operation of TDC's European and Middle Eastern marketing network operations. Assists with preparation of reports required from the component.

Account Executives. Responsible to the Director of Sales & Marketing for identification of target clients and for working with clients to develop and implement firm-specific export expansion plans. Responsible for successful implementation of their accounts within TDC's client portfolio. Responsible for linking clients to the capacities of the market network and for ensuring that the network responds. Provide support for trade fair activities and buying missions as appropriate. Also responsible for providing assistance to other light manufacturing firms through information resources, provision of access to market network resources, etc. Prepare monthly reports on assigned clients. Ensures quarterly targets are met for expanded export generated sales.

TDC Market Access Network. Entities located in key TDC target market which provide, under specific contract agreements, a range of carefully defined representation services for TDC, primarily establishing a Buyer Network based on specific TDC client product.

Output Targets

Enterprises Formally Assisted:

Year One:	40
Year Two:	50
Year Three:	60

Incremental Value Exported (FOB Port of Exit)

Year One:	\$ 7,000,000
Year Two:	\$ 14,000,000
Year Three:	\$ 15,000,000

Program Deliverables

- TDC Export Expansion Services
- Client Selection Criteria
- Firm-specific plans

- Promotional events
- Comprehensive Marketing Strategy
- Fee-for-services plan

Strategic Success Indicators

- Initial business training for account executives completed (January)
- Client Selection Criteria approved (December)
- TDC Export Expansion Services brochure approved and published (February)
- Fee-for-services plan approved (December)
- 20 firm-specific plans negotiated (February)
- Account executives monitor progress against plans on a daily basis (December)
- Market access network established (January)
- Market access strategy for Europe target markets defined (December)
- Market access strategy for the Middle East markets defined (January)

B. Fruits and Vegetables

Objective

To carry out a carefully structured, market-driven program for the agricultural sector that aggressively pursues two strategies for increasing exports from Egypt's agricultural sector: one a high-risk, high-gain approach to market development with a potential for far-reaching impact on Egypt's agricultural exports; the other a lower-risk, client-specific approach similar to that outlined above for the light manufacturing sector.

Strategy

Target TDC's agricultural support activities for providing support to growers who are working with fruit and vegetable crops which are characterized by the following: 1) large volumes of the target crops are already imported into the European and Middle Eastern markets; 2) Egypt has demonstrated capacity to export these crops successfully; and (3) available data indicate that Egypt has or could develop one or more competitive advantages based on seasonality, proximity to market, quality, volume or other factors.

Focus TDC's support on growers who aspire to become year-round shippers of large volumes of relatively few crops, rather than intermittent or seasonal shippers of lower volume crops. Aim to work into the market with reputable, large receivers who deal directly with supermarkets, rather than with smaller importers who operate in the wholesale markets and supply from independent growers. Support growers who emphasize quality as the means of improving the image of Egyptian products in target markets and of receiving higher prices.

Within specific selection criteria which incorporate the above factors, develop an agricultural sector portfolio of up to four well-defined export expansion/market penetration projects. Build the portfolio around projects which reflect two approaches to export

expansion in the agricultural sector: 1) high-impact potential projects developed with individual growers/companies; 2) a Premium Brand System (PBS) project developed with a group of growers who have formed a company dedicated specifically to the production and marketing of high quality fruits and vegetables in high volumes.

Develop TDC's organizational capacity to support implementation of agricultural activities. Appoint a Director of Agriculture to coordinate overall implementation of the Premium Brand System project and other projects within the TDC agricultural portfolio. Define and develop TDC's role as overall export expansion coordinator for projects within the portfolio. Promote the quality concept by establishing a TDC "Quality Seal" to be placed only on the highest quality produce exported from Egypt, by appointing a Quality Assurance Manager and supporting the introduction and promotion of the branded product into target European markets. Provide and coordinate access to buyers in target markets. Investigate and define, during the work plan period, the specific marketing service and/or fee-generating roles which can be played by TDC in support of client projects.

Assumptions/Issues

Initial crops to be targeted under this work plan are potatoes, grapes, onions, melons, and tomatoes. Based on available agronomic data, work done previously in Egypt and market knowledge of Egyptian growers, European receivers, and Chemonics' short-term consultants, TDC will work with growers who are focused on achieving commercial level export of potatoes, grapes, onions, melons, and tomatoes as the primary product grouping. Artichokes, peaches, beans, berries, avocado, peas, and specialty fruit as the secondary grouping.

TDC will assist targeted growers to develop and implement comprehensive export expansion plans and market penetration strategies. Experience shows that increasing agricultural exports requires growers to implement well-coordinated approaches to the study of constraints which impedes a successful export effort. Therefore, TDC services to growers who work with TDC during the plan period will be aimed at facilitating the ability of target growers to eliminate critical constraints to successful implementation of their market strategies. TDC's support could include provision of technical assistance at any point which is considered critical to the ability of the project to address market entry challenges with regard to quality, volume, consistency, landed cost, timing and compliance.

The Premium Brand System project appears to have potential for addressing one comprehensive initiative the quality, quantity and logistics constraints which have hampered Egypt's attempts to move into high-volume export markets. Because of its significant potential, PBS will be the premier project in the TDC portfolio for the work plan period. There have been many previous, more piecemeal, efforts to address constraints with regard to expansion of Egypt's agricultural efforts. Experience to date indicates strongly that the solution depends upon a more comprehensive and market-driven approach than has been taken (see Annex J for a full description of the PBS project).

The Premium Brand System approach shows a high probability for achieving market success. The PBS project begins with the market to define a starting point for production activities. With this approach, all production is: 1) based on strict adherence to the grades and standards set by supermarkets located in designated target markets; 2) checked within Europe by the distributors selected to handle priority Egyptian products; and 3) enforced within Egypt by a quality assurance inspectorate managed by TDC.

The PBS project is a high-profile activity with potential for impact which reaches far beyond its initial market success. The company proposing the project, the New Desert Growers, is formed by growers who have the financial wherewithal to support implementation within export expansion and market support framework provided by TDC. The company's long-range plans, once the initial project is successful, include extension into processing and input sourcing activities with great potential for contracting opportunities for smaller growers and businesses. Because of the project's potential both for Egypt and TDC the latter's role will include the following: 1) assisting founding members to develop the project and allocate their commitments of time and financial resources; 2) encouraging owners to adopt procedures for adding new members so that the group remains open; 3) assisting participants to realize sufficient benefits through joint marketing activities; 4) supporting the organization of production so that the priority crops achieve export volume and value which ensures profitability; and 5) ensuring that TDC's services are of sufficient quality, timeliness and appropriateness to support TDC's continued fee involvement and acceptance by the growers' company.

TDC will include other targets of opportunity in its portfolio, if and when appropriate. There may be situations in which a grower not involved in production of the primary crops initially targeted under this plan, brings a project to TDC which appears to offer high potential for impact. For example, a grower involved in the production of specialty vegetables that appear to hold promise for Egypt (e.g. sweet peppers, English runner beans, aubergines, courgettes, mange-tout, sugarsnap peas and others) may come to TDC with potential export quality production, a plan for significant growth and a request for assistance with agronomics, post harvest physiology or market linkages through which growth can be achieved. TDC will maintain the ability to react and move with such targets of opportunity.

To deliver effective assistance to selected agricultural enterprises, TDC will hire and/or train qualified professional staff. The Chemonics Chief of Party, an individual with extensive experience in large-volume agricultural marketing, will provide overall direction and guidance to the effort and on-the-job training support to staff members hired to support implementation of component activities. Chemonics short-term experts will be available to the projects on an as-needed basis to assist both with training and with the provision of specific technical inputs.

Key Year One Activities

1. Provide overall export expansion and market development support to projects undertaken by TDC client firms to support increased agricultural exports. (ongoing)

2. Manage the evolution of the Premium Brand System project. (ongoing)
3. Finalize TDC staffing needs to support agriculture sector activities and recruit and hire qualified individuals. (October 1993-March 1994)
4. Plan and carry out/arrange any required orientation or on-the-job training, then supervise activities. (ongoing from February 1994)
5. Define project selection criteria, services to be offered and pricing structure for performance of services. (November-December)
6. Advise PBS sponsors on long-range strategy and content of a multi-year business plan. (October-December)
7. Draft, negotiate, and sign an initial services agreement between TDC and the sponsors of the PBS Project designed to cover TDC support to the project before initiating company becomes fully operational. (December 1993)
8. Assist PBS sponsors, formally organized as the New Desert Growers, to develop and finalize a three-year operating plan based on a four-crop strategy. (December 1993)
9. Develop and maintain an European agricultural marketing network to provide continual feedback on market requirements and work with TDC on positioning of product. (October-December)
10. Carry out European marketing trip to meet with marketing network and investigate other potential distributors. (January-February 1994)
11. Assist Egyptian fresh producers to attend ANUGA and provide follow-up support needed to ensure attainment of results from fair participation. (October)
12. Investigate potential and feasibility for sponsoring Egypt's first horticultural product exhibition as a fee-generating activity. (ongoing from January 1994)
13. Define marketing information needs of growers to identify potential for publication and sale of market news bulletins, commodity price information, etc. (ongoing)
14. Carry out trip to investigate potential for development of TDC marketing network in the Middle East. (January 1994)
15. Assist as many Egyptian fresh produce growers as possible to attend fresh food exhibitions in Saudi Arabia and Dubai and provide marketing support and follow-up as needed. (on-going)
16. Draft, negotiate, and sign a long-term services agreement for TDC assistance to the PBS Project. (January)

17. Develop plan for setting up and operating a TDC Agricultural Marketing Company on a fee-generating basis. (ongoing from December)
18. Develop plan for additional buyers missions (the first was conducted in September prior to the period covered by this work plan).
19. Define additional specific expertise required in support of TDC agricultural activities; arrange for short-term professional services as needed, and supervise all expatriate and local experts hired. (ongoing)

Allocation of Resources

Executive Director. Responsible for the general direction and overall execution of the agriculture sector component.

COP/Management Advisor. Responsible for the overall strategy, management and execution of all technical support activities undertaken by Chemonics. Directly responsible for all assistance provided by the contractor in support of agricultural exports. Responsible for providing overall definition and coordination of export expansion and market penetration services to the PBS Project and its corporate sponsors. Provides executive supervision of the Manager of Quality Assurance and all short-term experts brought in to support agriculture. Guides the actions of TDC personnel assigned to agriculture. Provides executive supervision of the development and successful operation of the European agricultural marketing network in conjunction with the Executive Director of TDC. Responsible for providing overall definition and coordination of all TDC activity related to agriculture.

Director of Agriculture. Holds general responsibility for delivery of TDC services to growers and receivers of agricultural export products. Collaborates closely with other TDC staff concerned with food processing. Supervises Assistant Director of Agriculture. Coordinates planting and shipping schedules for PBS growers with designated receivers in target markets.

Assistant Director of Agriculture. Holds daily responsibility for the delivery of TDC negotiated multi services to growers and receivers. Receives and processes inquiries from growers interested in TDC services, applying as needed the criteria for client selection, service menu and fee-for-service plan that are to be established. Advises the Information Services Manager in the delivery of information support to agricultural clients. Collaborates with and backstops the Manager of Quality Assurance.

Manager of Quality Assurance. Responsible for ensuring that all product shipped by TDC growers meets required quality standards and is virtually certain to arrive in acceptable condition at targeted end-markets in Europe and the Middle East. Manages the country stamp and Premium Brand Quality Seal

being controlled and administered by TDC. Supervises from two to six Quality Assurance Inspectors. Coordinates through the Assistant Director of Agriculture all phases of transportation requirements and pre-cooling, handling and storage.

Quality Assurance Inspectors. Responsible for determining whether any and all shipments handled through TDC meet required grades and standards, whether on the farm, at packing stations, and when loaded into reefer transport on their way to the designated port of exit.

Agribusiness Operations Specialist. A short-term expert responsible for fleshing out and then "operationalizing" NDG's first-year operating plans and 3 year business plan. Conducts the crop diagnostic studies, and helps the Executive Director, the COP, the Director of Agriculture and the NDG Board to interpret their results. Provides on-the-job training to all TDC staff working in agriculture. Provides hands-on technical and marketing advice to TDC management and to the farm managers and owners of NDG-related enterprises.

Output Targets

Enterprises Formally Assisted:

Year One:	10
Year Two:	14
Year Three:	18

Incremental Value Exported: (C&F Value at Port of Entry)

Year One:	\$ 750,000
Year Two:	\$ 6,000,000
Year Three:	\$ 11,500,000

Note: In order to facilitate tracking, each unique combination of source company, crop, product form, receiver and target country will be counted as a separate "deal."

Program Deliverables

- Agricultural Export Expansion Services
- Project/firm-specific plans
- Promotional events

Strategic Success Indicators

- Interim operational plan for PBS completed and approved by TDC Executive Committee and PBS sponsors (November 1993)
- Necessary staff hired and in place (December 1993)

- Critical activities of PBS project are achieved:
- Interim TDC/PBS services agreement signed (December 1993)
- NDG equity contributions fully paid-in (December 1993)
- Three year business plan for PBS completed and approved (January 1994)
- Long-term TDC/PBS services agreement signed (January 1994)
- First-year operational plan for PBS completed and approved by sponsors (February 1994)
- First shipment of new (i.e. incremental) product leaves Egypt (June 1994)
- PBS product "makes grade" in EC markets for the first time (July 1994)
- First liquidations for PBS exports received in Egypt (August 1994)

SECTION III INFORMATION SERVICES COMPONENT

The overall objective of the Information Services Component is to develop within TDC an Information Services Unit that will install, maintain, and coordinate the three information processing sub-systems needed to support effective implementation of the organization's technical, administrative, and managerial activities:

- Management Information System
- Market and Technical Information System
- Monitoring and Evaluation System

A. Management Information System (MIS)

Objective

To provide a clearly defined framework and computerized system for managing, scheduling, and implementing TDC program operations.

Strategy

Specify TDC's management information system requirements. Upgrade TDC's hardware and software capabilities to fit the needs of all three information sub-systems and permit effective electronic information storage and retrieval. Train TDC personnel in the computer skills needed to support implementation of the system, and the overall program.

Develop an MIS system to support TDC activity in four critical program areas: financial operations, personnel management, and operations and communications:

- Financial operations
 - Budgeting
 - Cost accounting
- Personnel management
 - Administration
 - Salary and benefits administration
- Office operations
 - Project planning
 - Electronic scheduling
 - Exporter/buyer databases
 - Promotional contacts database
 - Promotional events database

- Communications systems
 - Address and mail merge
 - In-house local area electronic mail network
 - External wide area electronic mail and fax modem/network

Assumptions/Issues

TDC will require extensive additional computing capability including up-to-date computers, a CD ROM system, a local area network and external fax/modem linkages.

The MIS, once fully in place, will enable TDC to streamline internal operating procedures. Routine operations such as preparation of budgets now take much longer than will be required once the MIS is in place.

Installation of the MIS involves a significant amount of staff training and upgrading of present skill levels. By putting the MIS in place, TDC both raises the level of administrative efficiency and builds staff morale in the process.

Key Year One Activities

1. Computer literacy training for TDC staff (Computer Training Contractor, 1 week, October 1993)
2. Determine TDC hardware requirements for all three information subsystems (Computer hardware consultant, 2 weeks, December 1993)
3. Design the management information system and specify software requirements (MIS Consultant, 3 weeks, December 1993)
4. Procure the necessary hardware and software (December 1993/January 1994)
5. Install computer hardware for all three information subsystems (Computer Hardware Consultant, 1 week, February 1994)
6. Install MIS system (MIS Consultant, 1 week, February 1994)
7. Train TDC staff in MIS usage (MIS Consultant, February 1994)
8. Maintain financial, personnel, operations and communications systems (TDC, ongoing)
9. Follow-up adjustment of MIS system and training of TDC staff (MIS consultant, 1 week, April 1994).

BEST AVAILABLE DOCUMENT

Allocation of Resources

Computer Training Subcontractor. Provides computer literacy training for TDC staff.

Computer Hardware Consultant. Designs TDC hardware needs for all three information subsystems and returns to install the equipment.

MIS Consultant. Designs MIS system and returns to install it and conduct hands on training of TDC staff (could be the Hardware Consultant for all sub-systems).

TDC Director of Operations. Supervises management of the MIS system and maintains personnel records.

TDC Account Executives. Maintain databases for exporters, importers, promotional contacts, and promotional events.

TDC Financial Manager. Manages financial records.

TDC Secretaries. Maintain office operations and communications components.

Program Deliverables

- Computer literate TDC staff.
- Management Information System in operation.
- TDC staff fully competent in MIS system usage.

Strategic Success Indicators

- TDC staff computer literate by April 1994.
- Management Information System developed and operating by February 1994.
- Staff utilizing MIS and fully competent by April 1994.

B. Market and Technical Information System (MTI)

Objective

To develop TDC's capability to acquire, organize, analyze, and disseminate the market and technical information needed by TDC's managers and account executives to inform the development and implementation of firm-specific export expansion plans and to keep clients up-to-date, e.g., with regard to changes in market requirements, competition, or sources of assistance, etc.

Strategy

Retrieve and store information on technologies, markets, products, and processes directly relevant to TDC sector and client priorities. Establish and maintain remote access to general market statistical services available on-line from national and international databases through Trade Net (TN), the Chemonics home office, and other sources. Develop and maintain an in-house marketing and technical information capacity which includes both hard copies of relevant data and technical reports and an electronic database of statistical and program information relevant to TDC's product and market focus.

Assumptions/Issues

MTI will focus on information use rather than on technology. MTI will be a user-friendly system designed to assist, facilitate and access critical information by both TDC and clients. Much of the information will be on paper, while the computerized system will be used for accessing CD roms, storing and retrieving key program data and for remote access to databases.

The TDC's technical information capacity will grow through use and by work with information which is specifically targeted to program needs. TDC's documentation will deal specifically with information which supports TDC's export expansion activities; it will grow and expand only as the program drives its growth.

Key Year One Activities

1. Hire Information Services Manager (TDC Executive Director, 1 week, December)
2. Develop and produce TDC brochure (Chemonics home office, 2 weeks, January)
3. Design MTI system, specifying the CD Roms, Statistics, Documents and subscription services required (MTI Consultant 1 week, December)
4. Procure basic set of market information materials. (MTI Consultant, 1 week, December)
5. Train Information Services Manager and TDC staff in usage of basic MTI market information materials (1 week, January 1994)
6. Continue to procure data, make analyses and distribute market information (Information Services Manager, ongoing)

Allocation of Resources

Information Services Manager. Responsible for acquiring, organizing and disseminating information, analyzing data. Provides assistance to other units within the organization with computer database systems. Manages the documents library.

Account Executives. Responsible, on ongoing basis for disseminating market information to client exporters, utilizing information to develop market penetration plans and buyer contacts, and transmitting client information requests to the information services manager.

Computer Services Contractor. Provides backup for Information Services Manager in technical maintenance of database hardware/software systems.

Program Deliverables

- Functioning MTI system.
- TDC staff trained in MTI systems usage.
- Strategic MTI market information disseminated to clients.

Strategic Success Indicators

- Basic MTI computer systems in place and documents collected (February 1994)
- MTI system fully operational (March 1994)
- Training for TDC staff completed by March 1994.
- TDC Account Executives utilizing MTI and disseminating market information to clients by March 1994.

C. Monitoring and Evaluation System (M&E)

Objective

To provide systematic tracking of outputs, deliverables, and activities in order to inform preparation of reports and monitor progress against plans and targets.

Monitoring Strategy

Develop a computerized TIES (Trade Importer-Exporter System) that enables Account Executives to record and monitor firm plans developed, promotional contacts, meetings arranged between exporters and buyers, and resultant orders placed. Two versions of TIES are planned. TIES 1.0 is an interim system designed in PCTOOLS Desktop to permit immediate usage on TDCs existing computer hardware. It is intended for use during the period November - December 1993, during which time the full system, TIES 2.0 will be designed and installed as an integral component of the MIS system.

The TIES system will enable ongoing monitoring of the performance of client-specific export expansion plans against stated targets, and provide the summary statistics needed for preparing both in-house and quarterly progress reports.

Evaluation Strategy

Conduct a Baseline Survey to quantify current export levels and evaluate possible increases by potential clients, as well as to review TDC's progress to date, and to serve as a basis for evaluating TDC's progress at the end of Phase I.

Assumptions/Issues

Client-specific plans will provide the basis for tracking TDC's progress in achieving increased exports against stated targets.

Account Executives will update promotional contact and arranged meetings on a daily basis and will print weekly summaries for their TDC supervisors.

TDC Senior Management will review progress on at least a monthly basis and initiate correctional tactics as needed to maintain targeted progress.

Key Year One Activities

1. Develop, install, and initiate interim M&E system, TIES 1.0 (M&E Consultant, November 1993)
2. Prepare user's guide for TIES 1.0 system (M&E Consultant, October 1993).
3. Train TDC staff in use of TIES 1.0 system (M&E Consultant, October)
4. Conduct additional Baseline Survey interviews (Promotion Advisor, 2 weeks, November)
5. Design and install TIES 2.0 M&E system as an integral part of the overall TDC system (MIS consultant, December 1993)
6. Monitor inputs/accomplishments (Account Executives, ongoing)
7. Produce quarterly reports (TDC Executive Director, quarterly)
8. Produce annual report/second annual work plan (TDC Executive Director, September 1994)
9. Review progress and revise tactics (TDC Executive Director, monthly)

Allocation of Resources

TDC Executive Director. Review progress monthly and adjust TDC activities accordingly (in conjunction with the Chief of Party).

Sales and Marketing Director. Review Account Executive's reports weekly and make necessary adjustments in their activities. Report all pertinent information to the weekly executive meeting.

Account Executives. Record firm plans, promotional activities and accomplishments into the appropriate electronic databases daily.

TA/CA Administrator/Editor. Prepare reports for final approval by Executive Director

Program Deliverables

- Baseline Survey Report
- Functioning TIES system for monitoring TDC promotional activities and accomplishments.
- User's Manual for TIES system.
- TDC staff trained in use of TIES System
- TDC using TIES system to monitor progress
- Quarterly reports

Strategic Success Indicators

- TIES 1.0 system installed by October 1993.
- Baseline Survey Report submitted by November 1993.
- TIES 1.0 User's Guide submitted by November 1993.
- TDC Staff trained on TIES 1.0 by November 1993.
- TIES 2.0 system installed by December 1993.
- TDC Staff fully trained in TIES 2.0 by February 1993
- TDC submitting quarterly reports on time

SECTION IV INSTITUTIONAL SUPPORT AND DEVELOPMENT

Objective

To expand the capacity of the Trade Development Center and position it to serve as an effective business and export development catalyst.

Strategy

Clarify strategic directions to provide the framework for definition of potential roles. Develop organizational capacity to provide professional business development and export expansion services to Egyptian exporters and lay the groundwork for operating increasingly on a cost-recovery basis. Refine TDC's services to reflect:

- TDC's expanded technical assistance capacity with the addition of the resources available through the Chemonics technical assistance contract.
- Feedback from TDC clients in terms of the types of support they would like to receive.
- The longer-term organization needs of TDC.

Strengthen organizational capacity to support the delivery of services. Provide appropriate training at all staff levels. Ensure that administrative and financial controls are established and followed.

Assumptions/Issues

Determination of strategic direction is the starting point for successful organizational growth and development. TDC will investigate a number of directions and specific roles as it develops and strengthens its ability as an export expansion catalyst, including promoting and starting spin-off, for-profit enterprises. The strategic direction guiding this plan is that a major constraint to Egyptian exports is lack of access by exporters and potential exporters to the services of a professional export expansion catalyst, a company or organization skilled in the development and packaging of successful export initiatives. TDC believes that by strengthening its organizational ability to pursue this direction under this work plan, it will be establishing the framework from which numerous program and fee generating opportunities will flow.

Changes in organizational structure are required. To reflect both the strategic objectives and the operating approaches outlined in this work plan, the organizational structure of the TDC will be more fully defined and adjusted (see Annex A).

Staff training will be carried out as necessary on all levels. A comprehensive training program will cover both TDC's organizational development needs and the training requirements of individual staff members (see Annex F). The training program covers a range of identified needs—from basic computer skills designed to make the entire TDC staff "computer literate", to export and business development training for project executives, to more technical short courses as needed to support management. The bulk of training activities will be provided in-country through a combination of:

- Customized workshops and seminars in key program areas offered by short-term consultants.
- On-the-job training which teams short-term experts and TDC staff.
- Attendance by TDC staff at local relevant courses and workshops.

Development of a long-term institutional development and financial sustainability strategy will be an evolving process throughout the plan period. As referenced in other sections of this plan, TDC's ability to generate fees for services and to offset increasing amounts of project needs with program generated revenues will depend upon the organization's ability to refine its operating systems and develop its technical program skills.

Key Year One Activities

1. Reorganize TDC structure and staff positions as necessary to support program implementation, including development of job descriptions for all positions (attached as Annex F). (November)
2. Review plan for Management Information System to ensure that it incorporates all organizational needs. (October-November)
3. Develop procedures for coordination of work flow within various organizational departments and program activities. (October-November)
4. Set up and implement with managers a schedule for regular staff meetings. (November)
5. Set up and maintain a system for ongoing staff development and training. (November-December)
6. Set up, install, and maintain a system for performance evaluation and review as the basis for staff advancement and personnel actions. (November)
7. Maintain and periodically review financial and administrative control systems. (ongoing)

8. Monitor, coordinate, and evaluate training activities as defined within the training plan (see Annex F) and within other components of the technical program. (ongoing)
9. Develop framework for a long-term institutional plan and financial sustainability strategy. (May 1994)

Allocation of Resources

TDC Executive Director. Responsible for overall component implementation.

COP/Management Advisor. Assists Executive Director in implementation of overall component implementation.

TA/CA Administrator. Responsible for delivery and coordination of training inputs provided through the Chemonics subcontract.

TDC Director of Operations. Responsible for maintenance and control of all administrative and financial control systems.

TDC management staff. Responsible for implementation of staff training and staff development activities.

Program Deliverables

- Professionalized organization handbook, procurement procedures and financial control system
- Plan for long-term institutional development incorporating proposed financial sustainability strategies
- Implementation of comprehensive training program for all TDC staff
- Institutional systems required to support export promotion and client services activities

Strategic Success Indicators

- Job descriptions finalized (November)
- Performance evaluation procedures finalized (December)
- Training programs implemented as scheduled (ongoing)
- Fee-for-services approaches developed (December)

SECTION V PROGRAM MANAGEMENT AND PLANNING

Objective

To provide the basis for effective TDC program implementation by ensuring close coordination of substantive activities between, TDC, USAID/Cairo, and the technical assistance (TA) contractor; excellent administrative, and management information systems; careful participatory planning; timely progress reporting, and general compliance with obligations under the TDC Cooperative Agreement (CA) and the Chemonics TA contract.

Strategy

Planning and start-up activities for the Chemonics TA contract orientation, Cairo office start-up, the program baseline review, and work plan preparation were carried out during the period from June through September 1993. This strategy and the resultant activities correspond to period of one year beginning on October 1, 1993.

Program management and planning. Effective program management and planning reinforces the strategic approaches and activities described in the Export Expansion, Information Services, and Institutional Support and Development components of this work plan. Each management activity is designed and implemented to contribute to the overall strategic approaches of the program. This must include the participation of TDC, USAID, and contractor staff persons involved in each component, in the ongoing adjustment and re-design of approaches and activities of the program. Internal self-evaluations should also take place to permit periodic assessment of progress against the objectives and output targets established in this and subsequent work plans.

Administration. The TDC Cooperative Agreement and the Chemonics TA contract require different accounting, management, personnel, and, to a lesser degree, reporting systems to be managed efficiently and effectively. The TA contractor will ensure that its administrative staff performs well by developing and implementing quality standards and precise schedules for reporting, correspondence, and other documentation and functions. The TA contractor will also assist TDC to establish appropriate administrative systems and train its personnel. Implementation of this strategy was initiated by the TA contractor through provision of short-term technical assistance for administration during the June through September 1993 start-up period.

Assumptions/Issues

Many of the issues pertinent to program management and planning have been discussed in previous sections of this annual plan, due to their relevance to other components of the TDC program. To provide a context within which to review program management

and planning activities, we make reference here to several of the issues which have been raised in other sections but which also correspond to management and administration.

Credibility is an important goal for program management to achieve, particularly need to overcome the skepticism of foreign-funded business assistance programs. Management needs to position itself to involve the programs as participants in the planning process and to deliver services with a high level of professionalism and expertise.

Changes in organizational systems are required to support achievement of program objectives. This includes providing a higher level of business development services, monitoring the achievement of specific, quantifiable objectives, establishing additional internal management and financial controls, and development of program management and technical information systems.

Compliance with AID policies and TA contract/cooperative agreement obligations is fundamental to the success of the TDC program. Monitoring of U.S. legislative and policy restrictions and regulations related to provision of services and producing the contract and cooperative agreement deliverables on a timely basis are requirements that program management must ensure are met.

Key Year One Activities

1. Assist TDC management in supervision and direction of program (ongoing)
2. Supervise and direct the technical assistance contract (ongoing)
3. Assist TDC management to prepare quarterly reports on progress and projected activities (September, December 1993, March, June 1994)
4. Assist TDC management to develop second annual plan (September 1994)

Allocation of Resources

TDC Executive Director. Responsible for overall direction of export expansion program and Cooperative Agreement management and compliance.

TA Chief of Party/Management Advisor. Responsible for overall direction of contract management and compliance and advice to TDC regarding export expansion program planning and execution.

TDC Director of Operations. Responsible for supervision of MIS, financial, and administrative functions under supervision of the Executive Director.

TA/CA Administrator/Editor. Under direct supervision of the TA Chief of Party carries out internal management procedures for TA contract.

Program Deliverables

- Planning and reporting requirements met for both the cooperative agreement and technical assistance contract
- Internal management procedures established and operating smoothly for procurement, financial and administrative management systems, output monitoring, and market/technical information systems
- Smoothly operating program meeting or exceeding output targets set for Export Expansion component

Strategic Success Indicators

- Quarterly reports delivered on a timely basis
- Second annual plan submitted by September 1994
- TDC institutional plan submitted by May 1994

SECTION VI BUDGET SUMMARY

This section refers only to the current TDC cooperative agreement budget with specific reference to amendment no. 2 as at September 30, 1993 under the line item salaries. There are no other changes in the TDC budget or the Chemonics budget covering the period of the first annual work plan.

A. TDC Budget

The revised budget line item, found on page 37, salaries has been developed within the existing total budget for the three year TDC contract period.

It is an illustrative budget and as such, is an estimate. It incorporates all of the anticipated new positions that will be needed within the first annual work plan. The level of compensation is supported and cross referenced in ANNEX L by a 1993 local report published by Arthur Anderson and Co. surveying five typical Egyptian firms in various industries whose annual revenues exceeded One Million U.S.D. The second reference is a 1990 USG compensation chart for FSN'S and Chemonics International salary matrix. In all cases, the levels of compensation purposed in TDC's budget either meet or are below the mean average of these references according to exact or near similar job titles. In addition, ANNEX L lists the suggested formula for the use of program generated income with specific reference to a performance related money fund which would be proportionately distributed to the employees of TDC.

This higher level of earnings would encourage the individual TDC employee to have a greater period of longevity with TDC. The past history of employment records would suggest an above average number of employee movement. This process is extremely costly in terms of continual training needed and the time factors involved in the learning curve. Since a reasonable portion of chemonics budget is surrounding institutional development and organizational building within the first six months of their contract, a large amount of foreign consultant work will be dedicated to group and individual training. These costly exercises should be protected in as much as possible. Further, in order to attract the proper candidate who could enhance the degree of professionalism and quality of service which must be given by TDC, the correct compensation package must be offered which is consistent with the local market and to some extent perhaps a bit better because of the nature of TDC itself. In order to legitimately charge a fee-for-service, TDC must have a top calibre employee in front of the client as well as a fully-competent support staff to insure the services being offered.

A reasonable amount of money has been suggested as a performance related bonus to be linked to a percentage available within the program generated income. This amount will be distributed among all the employees of TDC. Its exact distribution will be dependent upon job title, individual performance and overall contract deliverables being met.

This added incentive will be the catalyst for individual quarterly targets being met as well as yearly overall quotas being surpassed. Because the systems of disbursement will be broken down into two categories, administrative services and export expansion, the overall effectiveness and high standard of quality offered by TDC as a whole will be greatly increased.

As TDC begins to study the sectors more in-depth, new scopes of works are being developed. As such, several new positions must be created to adequately cope with the level of activity that is to be offered to the various sectors and individual companies within those sectors. The Organizational structure (represented by the enclosed chart) represents the closest estimate at this time of those needs. The changes in job description to TDC's approved Cooperative Agreement Budget are as follows:

<u>Current</u>	<u>Proposed</u>
Assistant to the Director	Director of Operations
Agricultural Export Manager	Director of Agriculture
Light Manufacturing Export Manager	Director of Sales & Marketing
MIS Director	Information Services Manager
Chief Financial Officer	Manager of Finance
Administrative Manager	Administrative Asst. Specialist/Exec. Sec.
Industry Export Coordinators	Account Executives
Agricultural Export Promoter	Field Manager
Office Boys	Mail Clerk

The additions to TDC's approved Cooperative Agreement Budget are necessitated in part by the arrival in July 1993 of the two long term contractor's advisors. This requires two additional support level employees. The increase in the Sales-related sections of TDC were required due to the number of firms that are to be assisted by March of 1995 and the annual revenues to be realized of \$18 million per year. This required the addition of 2 more account executives now and one more in the second half of 1994 (if applicable). The approval to proceed with the Agricultural Premium Brand System and the resulting fee for services contract dictates the need for 2 further employees. An Assistant Director of Agriculture and an Administrative/Logistics Specialist (it is to be noted that until the level of agricultural activity increases, then, as a cost savings measure, the Director of Agriculture will be hired in 1995).

Given the total approved three-year budget, this employment increase reflects an overall savings of LE 167,803.38 (inclusive of applicable taxes and benefits). It is however, an increase over the approved third-year budget for salaries of LE 61,597.37. (1,022,405.37 vs 960,808). It is strongly recommended that this nominal sum be approved to protect and insure the highly probable success of the TDC. As final numeric justification, the additional LE 61,597.37 required each year for the upcoming two year extension (1996 and 1997) would be completely provided for within the actual overall 5 five savings of LE 167,803.38.

TDC SALARIES & BENEFITS

Ser.	Code	Name / Title	YR1 / LE	YR 2/LE	YR 3 / LE	TOTAL / LE	TOTAL / US\$
		Salaries :					
1	S	Executive Director	86,940.00	99,981.00	135,000.00	321,921.00	
2	A	Director of Operation	0.00	48,000.00	75,600.00	123,600.00	
3	S	Director of Sales & Marketing	60,000.00	69,000.00	75,600.00	204,600.00	
4	A	MIS Manager	0.00	7,167.00	43,000.00	50,167.00	
5	A	Financial Manager	30,000.00	42,000.00	44,100.00	116,100.00	
6	A	Administrative Manager	24,000.00	24,000.00	0.00	48,000.00	
7		Agr. Export Manager	36,000.00	0.00	0.00	36,000.00	
8	S	Field Manager – Export Dept.	0.00	20,000.00	60,000.00	80,000.00	
9	S	Assistant Director Agriculture	0.00	18,000.00	54,000.00	72,000.00	
10	S	Industry Export Coord. (Amal)	15,000.00	24,000.00	25,200.00	64,200.00	
11	S	Industry Export Coord. (Sherif)	14,400.00	11,400.00	36,000.00	61,800.00	
12	S	Industry Export Coord. (Mohamed)	7,200.00	7,800.00	24,000.00	39,000.00	
13	S	Industry Export Coord. (New)	0.00	6,000.00	15,120.00	21,120.00	
14	S	Industry Export Coord. (New)	0.00	4,800.00	14,400.00	19,200.00	
15	A	Exec. Sec. Sales & Marketing (Abir)	12,000.00	15,000.00	17,664.00	44,664.00	
16	A	Fair Coordinator/Secretary	7,200.00	3,937.00	15,750.00	26,887.00	
17	A	T.A. Adm. Asst. Specialist (Raghda)	0.00	17,500.00	40,057.00	57,557.00	
18	A	T.A. Secretary (Secretary)	0.00	3,937.00	15,750.00	19,687.00	
19	A	Executive Secretary Financial (Dalia)	7,200.00	12,000.00	16,824.00	36,024.00	
20	A	Agri. Assistant/Logistics Specialist	0.00	6,000.00	24,000.00	30,000.00	
21	A	Executive Sec.&Adm.Asst Specialist	0.00	10,014.00	40,057.00	50,071.00	
22	A	Secretary/Receptionist	0.00	5,850.00	15,267.00	21,117.00	
23	A	Driver #1 (Ibrahim)	6,600.00	8,644.00	12,397.05	27,641.05	
24	A	Driver #2 (Salah)	5,400.00	8,644.00	12,397.05	26,441.05	
25	A	Driver #3 (New)	4,200.00	7,451.00	12,397.05	24,048.05	
26	A	Driver #4 (Wael)	0.00	5,335.00	12,397.05	17,732.05	
27	A	Driver #5 (Sayed)	0.00	5,335.00	12,397.05	17,732.05	
28	A	Senior Mail Clerk (Mohamed)	5,865.00	6,398.00	8,400.00	20,663.00	
29	A	Mail Clerk/Machine room (Yasser)	3,600.00	4,679.00	8,062.00	16,341.00	
30	A	Secretary (Food Processing)	0.00	0.00	15,750.00	15,750.00	
31	S	Industry Export Coord.Food Proces.	0.00	0.00	15,120.00	15,120.00	
		Subtotal	325,605.00	502,872.00	896,706.25	1,725,183.25	
		Benefits :					
		Bonus (one month salary only for A)	26,970.00	23,310.33	36,142.44	86,422.77	
		Social Insurance	26,460.00	54,043.92	68,244.48	148,748.40	
		Medical Insurance	13,600.00	16,394.00	21,312.20	51,306.20	
		PGI Performance Fund (See Annex L-A)	0.00	0.00	0.00	0.00	
		Subtotal	67,030.00	93,748.25	125,699.12	286,477.37	
		Exchange rate 3.32					
		Total Salaries & Benefits	392,635.00	596,620.25	1,022,405.37	2,011,660.62	605,921.87
		Actual Spent	257,722.61				

* The total salaries budget available under the 30 September 1993 Cooperative Agreement Budget was LE 2,179,464

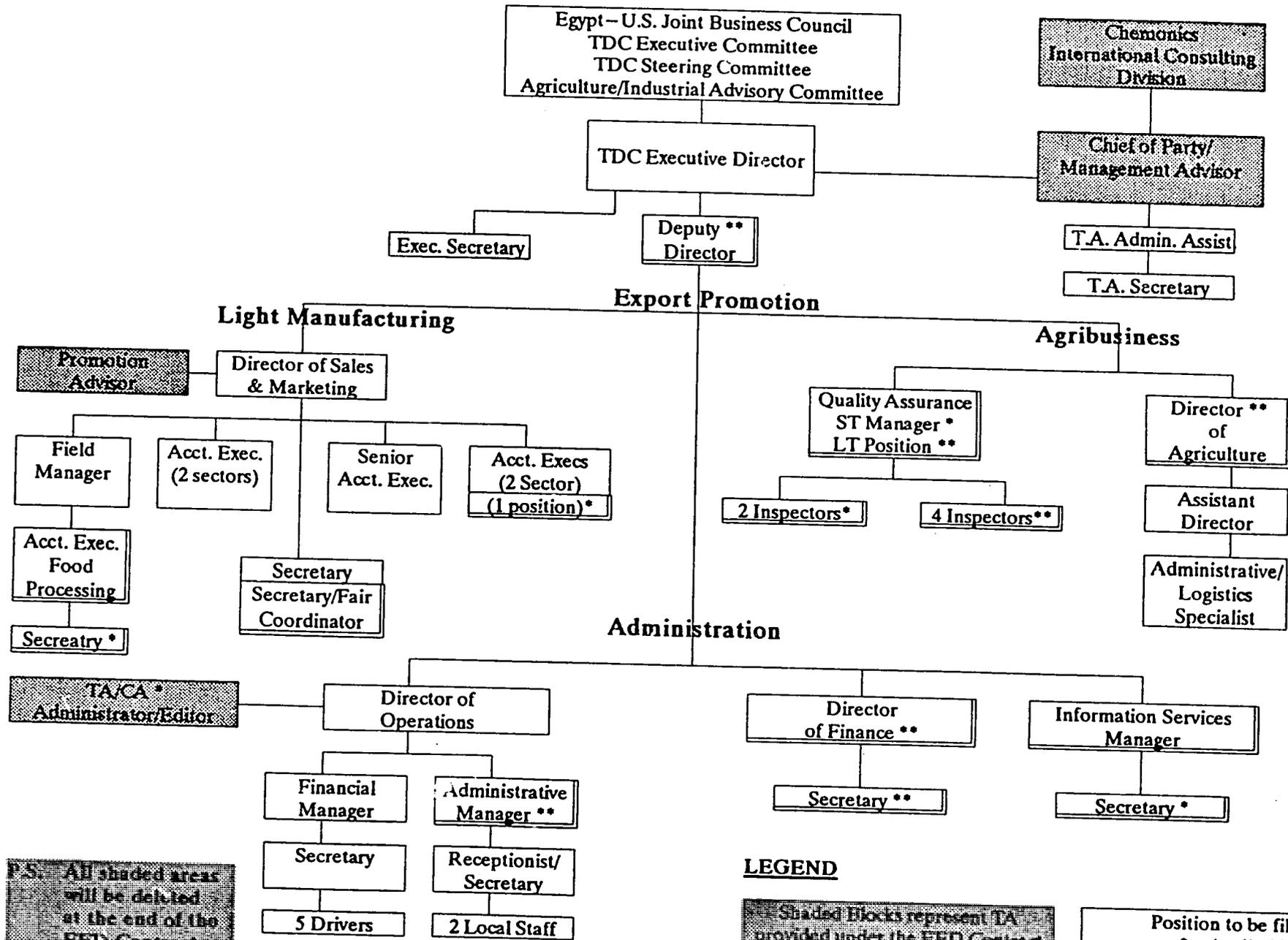
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TDC/EED ORGANIZATIONAL STRUCTURE

TDC/EED ORGANIZATIONAL STRUCTURE

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P.S. All shaded areas will be deleted at the end of the EED Contract

LEGEND

Shaded Blocks represent TA provided under the EED Contract
PRA & TAE report directly to COP

Position to be filled:
* April 1994
** March 1995

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WORK PLAN SCHEDULE

TDC/EED PROGRAM WORK PLAN SCHEDULE

ACTIVITIES	RESPON-SIBLE	Start Up ¹	Y E A R 1 (OCTOBER 1, 1993 - SEPTEMBER 30, 1994)												YEAR 2 ²	YEAR 3 ³
			OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP		
EXPORT EXPANSION COMPONENT																
A. Light Manufacturing																
1. Define services and client selection criteria	EXD/DSM		X													
2. Develop procedures for allocating TDC resources	EXD/DSM			X	X											
3. Develop and install fee-for-services approach	EXD/DSM				X											
4. Organize export mktg/bsns plann'g seminars	DSM/PRA			X												
5. Develop client-specific plans & training in conjunc.	DSM/PRA			X	X											
6. Manage activity implementation within client plans	DSM/PRA			X	X	X	X	X	X	X	X	X	X	X	X	X
7. Provide tech. backstopping to plan implementation	DSM/PRA			X	X	X	X	X	X	X	X	X	X	X	X	X
8. Provide intake, assessment, and referral services	AEX		X	X	X	X	X	X	X	X	X	X	X	X	X	X
9. Develop SOWs for Market Access Network	DSM/PRA			X	X											
10. Set up represent. in target markets & est. proced.	EXD/COP				X	X										
11. Define market approach for England and Benelux	EXD/DSM			X	X											
12. Develop follow-up procedures for trade fairs	DSM/PRA				X											
13. Attend Anuga fair and do follow-up report	DSM/AEX		X	X												
14. Attend Interstoff fair and do follow-up report	DSM/AEX			X												
15. Develop plan for buying missions	AEX					X										
16. Identify, contact, and secure British buyers	PRA				X	X										
17. Define info system requirements & provide input	DSM/ISM			X	X	X	X	X	X	X	X	X	X	X	X	X
18. Prepare reports as required	DSM/AEX		X	X	X	X	X	X	X	X	X	X	X	X	X	X
19. Define other required seminar activities	DSM/AEX				X	X	X	X	X	X	X	X	X	X	X	X
20. Prepare second year marketing plan	DSM/PRA												X	X		
21. Supervise development of Promotional Materials	PRA				X											
22. Develop Transport Matrix					X	X										

NOTES: 1. Start-up period: June 10 - September 30, 1993. 2. Year 2: October 1, 1994 - September 30, 1995. 3. Year 3: October 1, 1995 - June 9, 1996.

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TDC/EED PROGRAM WORK PLAN SCHEDULE

ACTIVITIES	RESPON-SIBLE	Start Up ¹	Y E A R 1 (OCTOBER 1, 1993 - SEPTEMBER 30, 1994)												YEAR 2 ²	YEAR 3 ³
			OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP		
EXPORT EXPANSION COMPONENT																
B. Fruits and Vegetables																
1. Provide overall support to client projects	COP/DAG		X	X	X	X	X	X	X	X	X	X	X	X	X	X
2. Develop Premium Brand System (PBS) project	EXD/COP		X	X	X	X	X	X	X	X	X	X	X	X	X	X
3. Finalize TDC staffing needs	EXD/COP		X	X	X	X	X	X								
4. Plan/implement orientation & on-the-job training	COP						X	X	X	X	X	X	X	X	X	X
5. Define selection criteria & pricing structure	COP			X	X											
6. Advise PBS sponsors on strategy & business plan	COP		X	X	X											
7. Sign initial services agreement with PBS sponsors	EXD/COP				X											
8. Finalize 3-year plan and strategy	COP				X											
9. Develop European agricultural marketing network	COP		X	X	X											
10. Carry out European marketing trip	EXD/COP					X	X									
11. Attend Anuga w/fresh producer & do follow-up	EXD		X													
12. Investigate sponsoring 1st hort. products exhibit	COP/DAG					X	X	X	X	X	X	X	X	X	X	X
13. Define marketing information needs	COP/ISM		X	X	X	X	X	X	X	X	X	X	X	X	X	X
14. Carry out Middle East marketing trip	EXD/COP					X										
15. Attend Saudi food exhibit w/5 fresh producers	EXD/COP					X	X	X	X	X	X	X	X	X	X	X
16. Sign LT services agreement for PBS project	EXD/COP					X										
17. Develop plan for TDC Ag Marketing Company	COP/DAG				X	X	X	X	X	X	X	X	X	X	X	X
18. Develop plan for additional buyer missions	COP/DAG				X	X	X									
19. Define/supervise additional short-term TA	COP		X	X	X	X	X	X	X	X	X	X	X	X	X	X

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TDC/EED PROGRAM WORK PLAN SCHEDULE

ACTIVITIES	RESPON- SIBLE	Start Up ¹	Y E A R 1 (OCTOBER 1, 1993 - SEPTEMBER 30, 1994)												YEAR 2 ²	YEAR 3 ³
			OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP		
INFORMATION SERVICES COMPONENT																
C. Monitoring and Evaluation (contd.)																
5. Design and install TIES 2.0 system	ST				X											
6. Monitor inputs and accomplishments	AEX		X	X	X	X	X	X	X	X	X	X	X	X	X	X
7. Produce quarterly reports	EXD				X				X			X				
8. Produce annual report/second annual work plan	EXD													X		
9. Review progress and revise tactics	EXD		X	X	X	X	X	X	X	X	X	X	X	X	X	X
INSTITUTIONAL SUPPORT & DEVELOPMENT																
1. Reorganize TDC structure, positions, job descripts.	ST			X												
2. Review MIS plan	EXD/COP		X	X												
3. Develop procedures to coordinate work flow	EXD		X	X												
4. Develop schedule for regular staff meetings	EXD			X												
5. Institute ongoing staff development and training	EXD			X	X											
6. Develop perf. evaluation & review system	EXD			X												
7. Review financial & administrative control systems	EXD/COP		X	X	X	X	X	X	X	X	X	X	X	X	X	X
8. Monitor/coordinate/evaluate training activities	EXD/COP			X	X	X	X	X	X	X	X	X	X	X	X	X
9. Develop long-term inst/fin. sustainability strategy	EXD/COP									X						
PROGRAM MANAGEMENT AND PLANNING																
1. Assist TDC in supervision/management of program	COP		X	X	X	X	X	X	X	X	X	X	X	X	X	X
2. Supervise/direct TA contract	COP/TAE		X	X	X	X	X	X	X	X	X	X	X	X	X	X
3. Assist TDC to prepare quarterly reports	COP/TAE				X			X			X					
4. Develop/produce second annual work plan	COP/ST													X		

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ADOLESCENT PROGRAM WORK YEAR SCHEDULE

ACTIVITIES	RESPON-SIBLE	Start Up ¹	Y E A R 1 (OCTOBER 1, 1993 - SEPTEMBER 30, 1993)												YEAR 2 ²	YEAR 3 ³
			OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP		
INFORMATION SERVICES COMPONENT																
A. Management Information System (MIS)																
1. Train TDC pertinent staff in computer literacy	ST		X													
2. Determine hardware requirements for 3 subsystems	ST				X											
3. Design MIS and specify software requirements	ST				X											
4. Procure needed hardware and software	ST				X	X										
5. Install hardware for 3 subsystems	ST							X								
6. Install MIS system	ST							X								
7. Train TDC staff in MIS usage	ST							X								
8. Maintain fin/per/oper/comm systems	TDC		X	X	X	X	X	X	X	X	X	X	X	X	X	X
9. Follow up adjustment of MIS system and training	ST									X						
B. Market and Technical Information (MTI)																
1. Hire Information Services Manager	EXD				X											
2. Develop and produce TDC brochure	ST					X										
3. Design MTI system with specifications	ST				X											
4. Procure market information materials	ST				X											
5. Train Information Services Manager & TDC staff	ST					X										
6. Continue data procurement, info analysis & distrib.	ISM		X	X	X	X	X	X	X	X	X	X	X	X	X	X
C. Monitoring and Evaluation (M&E)																
1. Conduct additional baseline survey interviews	PRA			X												
2. Develop & install interim M&E system, TIES 1.0	ST		X													
3. Prepare user's guide for TIES 1.0 system	ST		X													
4. Train TDC staff in TIES 1.0 system	ST			X												

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CONTRACT DELIVERABLES

ANNEX C
CONTRACT DELIVERABLES

Task One: Prepare Plans and Reports

- Assist TDC management to develop annual plans consisting of functional initiatives under each main component, management activities and financial projections (ongoing).
- Complete first annual plan no later than 60 days after arrival of long-term advisors (due October 1, 1993).
- Assist TDC to prepare quarterly reports on progress and projected activities for review by USAID and TDC Board (due 30th of month following last month of quarter).
- Prepare annual report of government property by end of each contract year (final report due June 9, 1994).

Task Two: Provide Management and Training Assistance to TDC

- Provide technical assistance to TDC with regard to organizational structure and upgrading management skills (professionalize handbook, procurement procedures, and financial control systems which meet AID's standards within 3 months of contract execution).
- Help TDC provide assistance in export promotion and client services (ongoing).
- Help TDC develop a long-term institutional plan and financial sustainability strategy (within 12 months after contract signing).
- Design and implement a comprehensive training program for all TDC staff, including short-term by contractor, outside vendors and on-the-job training and training activities/courses related to strategic planning, management, export marketing and business communications (no date specified, submitted with first annual work plan).

Task Three: Carry out Proactive Export Promotion Activities

- Assist TDC to develop an export marketing strategy and export marketing program overseas (ongoing; Export Marketing Strategy submitted with first annual work plan).
- Assist TDC to prepare and implement comprehensive marketing strategies for fruit and vegetables and light manufacturing to European and ME markets (ongoing).

- Assist TDC to devise system for tracking and verifying exports attributable to (ongoing).
- Assist TDC to design and manage firm and sector specific TA activities; factor of local consultants where possible (ongoing).
- Work closely with TDC to identify and design TA required by firms or sector to improve product quality, packaging, shipping (ongoing).
- Propose detailed plan for assisting Tier 1 firms during Phase 1 of the project (due December 30, 1993).
- Incorporate Tier 1/Tier 2 thinking into strategy statements to set stage for years 1 and 2 and follow-on activities (ongoing, detailed plan due at end of year 3).
- Assist in design, preparation and dissemination of promotional materials to exporters, and potential buyers of exports; such materials to include guide to TDC services and benefits; materials to be approved by USAID and TDC prior to publication (ongoing; TDC Export Expansion Services submitted as annex to annual work plan).
- Prepare a marketing plan to guide the marketing of both TDC's services and Egyptian exports (ongoing).
- Provide advice to TDC on taking advantage of opportunities that are not part of programmed activities (ongoing).
- Evaluate identified and recommended non-programmed procedures from perspective of their potential for return on investment and propose as a TDC-funded activity in the annual or quarterly work plans (incorporated into Client Selection Criteria, submitted with first annual work plan).
- Work with TDC to plan and implement promotional activities which yield a positive return on invested funds, i.e., maximize effectiveness and minimize costs (ongoing).
- Assist TDC to undertake pre-planned activities and follow up on leads generated from seminars and other promotional activities; 12 events per year with 9 trade shows and 3 seminars; (where applicable) contractor to budget only for those costs directly associated with the participation of one member of the TA contractor team (ongoing).
- Where applicable, assist participants to prepare trade shows, including business product presentations; TA contractor is responsible for TA to each participant to ensure professional presentations and adequate preparation by Egyptian participants (ongoing).

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- Assist TDC to arrange meetings between prospective buyers and Egyptian exporters and to host meetings between buyers and sellers (ongoing).
- Create list of firms interested in trade transactions and joint ventures as basis for structuring export contracts and follow-up (ongoing).
- Develop, with TDC, plan for setting up meetings and professional presentations, setting quantifiable objectives and measuring results (ongoing).

Task Four: Administer Information Services Development Component

- Support TDC's ability to develop and maintain information database and distribution network to include export lead management system to monitor progress and calculate export volumes, also capable of providing information on Tier 2 firms assisted through backward linkages from Tier 1 (ongoing).
- Review capacity of MIS system to support effective export promotion (ongoing).
- Identify, assess, and obtain relevant information from outside sources in both electronic and hard copy (ongoing).
- Determine usefulness and cost-effectiveness of information sourced for database (ongoing).

Task Five: Assist with Procurement of Necessary Equipment and Technical Services

- Assist in identification and planning of TA needed by specific local firms; see Task 3 above (ongoing).
- Recommend additional software if required and as needed to facilitate efficient access to export promotion information; such procurements to require prior written USAID and TDC approval (due December 30, 1993).

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LONG- AND SHORT-TERM LEVEL OF EFFORT CHARTS

SHORT-TERM LEVEL OF EFFORT

CON TDC Total
(person-months)

EXPORT EXPANSION COMPONENT

A. Light Manufacturing

1. Define services & client selection criteria			
2. Develop procedures for allocating TDC resources			
3. Develop and install fee-for-services approach			
4. Hold export marketing/business planning seminars			
5. Develop client-specific plans and training			
6. Manage activity implementation within client plans			
7. Provide technical backstopping to plan implementation			
8. Provide intake, assessment, and referral services			
9. Develop scopes of work for Market Access Network			
10. Set up offices in target markets and establish procedures			
11. Define market approach for England and Benelux			
12. Develop follow-up procedures for trade fairs			
13. Attend Anuga fair and do follow-up report			
14. Attend Interstoff fair and do follow-up report			
15. Develop plan for buying missions			
16. Develop transport			
17. Define information system requirements and provide input			
18. Prepare reports as required			
19. Define other required seminar activities			
20. Produce second year marketing plan			
Subtotal Light Manufacturing	15.0	21.5	36.5

B. Fruits and vegetables

1. Provide overall support to client projects.			
2. Develop Premium Brand System (PBS) project			
3. Finalize TDC staffing needs			
4. Plan and implement orientation and on-the-job training			
5. Define selection criteria and pricing structure			
6. Advise PBS sponsors on strategy and business plan			
7. Sign initial agreement with PBS sponsors			
8. Advise PBS sponsors on three-year plan and five-crop strategy			
9. Develop European agricultural marketing network			
10. Carry out European marketing trip			
11. Attend Anuga with one fresh producer and do follow-up			
12. Investigate sponsoring first horticultural produce exhibit			
13. Define marketing information needs			
14. Carry out Middle East marketing trip			
15. Attend Saudi Arabia food exhibit with five fresh producers			
16. Sign long-term services agreement for PBS project			
17. Develop plan for TDC Agriculture Marketing Company			
18. Develop plan for additional buyer missions			
19. Define and supervise additional short-term TA			
Subtotal Agriculture	9.0	5.0	14.0

TOTAL EXPORT EXPANSION COMPONENT	24.0	26.5	50.5
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SHORT-TERM LEVEL OF EFFORT

CON TDC Total
(person-months)

INFORMATION SERVICES COMPONENT

A. Management Information Systems (MIS)

1. Train TDC staff in computer literacy			
2. Determine hardware requirements for three subsystems			
3. Design MIS and specify software requirements			
4. Procure needed hardware and software			
5. Install hardware for three subsystems			
6. Install MIS system			
7. Train TDC staff in MIS usage			
8. Maintain financial, personnel, operations, and comm. systems			
9. Follow up adjustment of MIS system and training			
Subtotal MIS	3.75	2.0	5.75

B. Market and Technical Information (MTI)

1. Hire Information Services Manager			
2. Develop and produce TDC brochure			
3. Design MTI systems with specifications			
4. Procure market information materials			
5. Train Information Services Manager and TDC staff			
6. Continue data procurement, information analysis & distribution			
Subtotal MTI75	0.0	.75

C. Monitoring and Evaluation

1. Conduct additional baseline survey interviews			
2. Develop and install interim M&E system, TIES 1.0			
3. Prepare user's guide for TIES 1.0 system			
4. Train TDC staff in TIES 1.0 system			
5. Design and install TIES 2.0 system			
6. Monitor inputs and accomplishments			
7. Produce quarterly reports			
8. Produce annual report/second annual work plan			
9. Review progress and revise tactics			
Subtotal M&E	1.0	0.0	1.0

TOTAL INFORMATION SERVICES COMPONENT	5.5	2.0	7.5
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SHORT-TERM LEVEL OF EFFORT

CON TDC Total
(person-months)

INSTITUTIONAL SUPPORT AND DEVELOPMENT

1. Reorganize TDC structure, positions, job descriptions
2. Review MIS plans
3. Develop procedures to coordinate work flow
4. Set up/implement schedule for regular staff meetings
5. Institute ongoing staff development and training
6. Develop performance evaluation/review system
7. Maintain/review financial & admin. control systems
8. Monitor/coordinate/evaluate training activities
9. Develop LT inst. plan & financial sustainability strategy

Total Institutional Support and Development	3.0		3.0
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PROGRAM MANAGEMENT AND PLANNING

1. Assist TDC in supervision/management of program
2. Supervise/direct TA contract
3. Prepare quarterly reports
4. Develop and produce second annual work plan

Total Support and Development, Project Management and Planning .	3.0		3.0
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GRAND TOTAL	32.5	28.5	61.0
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KEY:
 CON = TA Contractor, Chemonics International
 TDC = Trade Development Center

LONG-TERM LEVEL OF EFFORT

	COP	PRA	TAE	EXD	DSM	DOP	DAG	ISM	AEX	TOTAL
	(person-months)									
EXPORT EXPANSION COMPONENT										
A. Light Manufacturing	1.0	8.0		2.0	10.0			1.0	24.0	46.0
B. Fruits and Vegetables	7.0			3.0			10.0	1.0	6.0	27.0
Total Export Expansion Component	8.0	8.0		5.0	10.0		10.0	2.0	30.0	73.0
INFORMATION SERVICES COMPONENT										
A. Market and Technical Information										
B. Management Information System										
C. Monitoring and Evaluation										
Total Information Services Component50	2.0	1.0*	.50	1.0	2.0	1.0	8.0	3.0	19.0
INSTITUTIONAL SUPPORT AND DEVELOPMENT	1.5	1.0	1.0*	2.5	.50	1.0	.50	1.0	1.5	10.5
PROGRAM MANAGEMENT AND PLANNING	2.0	1.0	8.0*	4.0	.50	9.0	.50	1.0	1.5	27.5
GRAND TOTAL	12.0	12.0	10.0*	12.0	12.0	12.0	12.0	12.0	36.0	130.0

KEY:

- COP = Chief of Party/Management Advisor - TA Contract
- PRA = Promotion Advisor - TA Contract
- TAE = TA/CA Administrator/Editor - TA Contract
- EXD = Executive Director - TDC
- DSM = Director of Sales and Marketing - TDC
- DOP = Director of Operations - TDC
- DAG = Director of Agriculture - TDC
- ISM = Information Services Manager - TDC
- AEX = Account Executives (three positions) - TDC
- * Estimated, actual LOE to be determined

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TDC MONITORING AND EVALUATION PLAN

ANNEX E
TDC MONITORING AND EVALUATION PLAN

A. Objectives

The TDC Monitoring and Evaluation (M&E) Plan sets forth a system structured to provide periodic feedback on progress towards the attainment of project outputs and track and assess project performance and impact. This information will be used by TDC, Chemonics and USAID in adjusting efforts to keep the project on course, as well as for reporting on results achieved to AID/Washington.

This M&E plan is intended as a guide and flexible tool rather than a strict prescription. As the project progresses, understanding of effective export promotion strategies and the best means for assessing progress will develop together. Adjustments to the methodology and indicators should be expected and indeed encouraged as a means of keeping in tune with Project realities.

B. Approach

The M&E system will cover both continuous monitoring and feedback of project activities and accomplishments towards established goals and overall evaluation of project impact relative to alternative approaches.

Monitoring tracks progress towards established objectives. The M&E plan includes two levels of monitoring:

- Quarterly reports to USAID on program deliverables and strategic success indicators
- Continuous TDC monitoring of inputs, internal systems, activities, outputs and impacts.

Evaluation goes beyond monitoring to assess impact and effectiveness, and to consider possible design alterations. The M&E Plan prescribes two surveys:

- A Baseline Survey (September 1993) to analyze the situation and measure strategic success indicators at the beginning of the EED Project.
- A Phase I Survey (February 1995) to assess achievements at the end of TDCs three year Phase I contract.

C. Monitoring

1. Performance Monitoring and Reporting

TDC and Chemonics will submit joint progress reports to USAID on a monthly and quarterly basis. Reports will include progress on deliverables and strategic success indicators to include:

- Number of exporters assisted
- Value of increased exports due to TDC efforts
- Implications for increased foreign exchange earnings
- Budget indicators

Quarterly reports will cover:

- Overall achievements with respect to strategic success indicators
- Achievements with respect to quarterly targets and objectives
- Difficulties encountered and alternatives for resolving them
- Targets and plans for the next quarter

The TDC Executive Director and Chief of Party/Management Advisor are responsible for preparing the quarterly reports to USAID, with assistance from the TA/CA Administrator/Editor. Reports will be submitted by the fifth of October, January, April, and July, with the first joint TDC/Chemonics quarterly report due on January 5, 1994.

2. Trade Importer-Exporter System (TIES)

The Trade Importer-Exporter System (TIES) is TDC's internal monitoring system, designed to:

- Monitor achievements for quarterly reports
- Support TDC management in directing export expansion activities
- Assist Account Executives in serving clients and seeking buyers.

The computerized TIES system provides databases for organizing data about:

- Exporters
- Buyers
- Promotional contacts
- Exporter-Buyer Meetings Arranged
- Orders Placed

TIES's monitoring and evaluation aspect emphasizes TDC's most important activities—developing firm-specific plans for achieving output targets and bringing exporter and buyers together, whether through exhibitions, marketing tours, or buyer visits. Both plans and meetings are tracked in terms of orders for exports or feedback on why no order

was placed. The system includes and registers brief follow-up interviews with both buyer and exporter.

Because of the limited computer facilities currently available at TDC it is not now possible to design a complete system which could be made available to all Account Executives. Installation of such a system will require several months. It is, however, necessary to provide some computerized assistance immediately since important initiatives are currently underway. Three types of assistance are required at once:

- Computer support for Account Executives pursuing promotional activities
- Office systems for staff producing mass mailings
- Recording TDC activities and accomplishments for reporting achievements

Thus, there will be two versions of TIES. The Baseline/Monitoring and Evaluation Specialist is currently developing an interim version (TIES 1.0) utilizing PCTOOLS Desktop. This mini system will be installed on computers throughout TDC despite their limited capacity. This version will provide the services listed above and enable recording TDC achievements, although it must necessarily fall short of the elaborate capabilities available in large MIS systems.

The interim version of TIES will serve for the period October through December 1993. An MIS advisor will identify the computer hardware and software for TIES 2.0, the full-fledged version, which will utilize commercially available MIS systems as well as a sophisticated database program such as Foxpro and submit a procurement format to TDC for local purchase by Dec. 15, 1993.

TDC staff training will be conducted in three stages. The M&E Specialist is writing a *TIES 1.0 User's Guide* and will provide initial training before October 5th. Arab Soft and the MIS Specialist will continue computer literacy and TIES 1.0 training in Dec/Jan/Feb. Finally, the MIS Specialist will return in January/February to install the full system and train the TDC staff in its use.

D. Evaluation

The TDC M&E Plan prescribes a Baseline Survey in September 1993 and a Phase I Survey in February 1995 at the end of TDC's first three years of operation.

1. Baseline Survey

The Baseline Survey was completed in September. A questionnaire (attached, see page E-5) was drafted, pretested and revised, and a total of fifty four exporting firms were interviewed in five light manufacturing sectors and baseline data were obtained for ten major producers of fresh fruits who are working with TDC. Results are available in the *TDC Baseline Survey Report*, which will be an independent document.

The Baseline Survey targeted firms within the project identified sectors that are already exporting, since TDC's Phase I mandate is to foster rapid increases in exports with such "Tier 1" firms. The universe of such firms is small and TDC has already contacted most. Thus, firms were taken from the universe of potential clients supplied by TDC.

Interviews covered promotional and export experience, constraints, opportunities and specific ways in which TDC could help as well as estimates of current exports and employees. The baseline interview also served several purposes in addition to the collection of data. For firms not yet contacted, it introduced TDC. For firms already assisted, the interview represented follow-up on TDC services. The interviews also served to familiarize new TDC staff with potential clients and their needs as well as providing some training in interviewing techniques. When prospects for cooperation looked promising, firms were asked to fax TDC specifics of their assistance needs. Results of the interviews informed the development of TDC's light manufacturing program (see Section II and Annex G).

2. Phase I Survey

The Phase I survey in January 1995 will be essentially a repeat of the Baseline Survey with more specific questions about TDC assistance received and its impact. Since TDC will only work with a few of the firms interviewed, the remainder can serve to provide a comparison between increases in exports for firms assisted and those not assisted. This survey should provide independent confirmation of TDC assistance efforts and accomplishments logged by the TIES system.

E. Conclusion

In conclusion, the TDC Monitoring and Evaluation Plan provides for both internal and external monitoring, with quarterly reports submitted to USAID. The plan also specifies Baseline and Phase I Surveys to provide external verification and analysis of TDC Program impact. In addition to providing for external monitoring, the plan contributes directly to TDC's export development efforts.

BEST AVAILABLE DOCUMENT

BASELINE SURVEY QUESTIONNAIRE

ID: Company ID: _____		Date: _____		Interviewers: _____	
Sector: AP = Auto Pts, BM = Bldg Mater, CA = Carpets, CE = Ceramics, FP = Food Proc, FU = Furniture, GA = Garments, GL = Glassware, HW = Hardware, LE = Leather, MI = Mining, SH = Shoes, TE = Textiles, VF = Veg/Fruits					
Markets: W Eur, E Eur, M.E., Local, Other: _____		Countries: _____			
Company: _____					Tier: 1 2
Contacts: _____					
Titles: _____					
Address: _____			Tel: _____		
_____			Fax: _____		
Zip _____		EGYPT		Other: _____	

Thank you very much for taking the time to see us. We represent the Trade Development Center which is the action arm of the Joint Business Council. The JBC is implementing the United States - Egyptian cooperative program to develop the Egyptian private sector.

The objective is to promote private sector exports to Europe and the Middle East. Our task is to review various light manufacturing sectors with export potential and to identify those with which TDC can collaborate on export promotion activities. Eventually, we will select sectors offering the greatest potential for increased export profits and willingness among firms to collaborate on developing markets. Within each sector we will select a few leading firms to be included in this exclusive marketing network. We will work closely with these firms to provide subsidized technical assistance and market information. For the first time in history, TDC represents a purely private sector, business approach to technical assistance, free of bureaucratic red tape and based on strong awareness of each firm's profit goals.

TDC has already assisted Egyptian clothing exporters to increase exports by over \$20 million and is currently developing a market need for agricultural products which has a potential for increasing exports by \$40 million.

As representing one of the leading firms in your field, we would like to ask you a series of questions concerning your constraints and potential opportunities in your field. We assure you that all responses will be held in the strictest of confidence.

The Company: Lets begin with a little background about the company...	
1. When was your company established? Year _____	5. Position in sector in local market: 1 2 3 4 5 H M L
2. When did you first start exporting? Year _____	6. Position in sector in Egyptian exports: 1 2 3 4 5 H M L
3. How is the company owned? SO = Sole Owner, FA = Family, PA = Partnership, JV = Joint Venture, OT = Other _____	7. Export marketing structure: A = Agent, D = Distrib, W = Wholesaler, R = Retailer, O = Other: _____
4. Type of company: MFR = Manufacturer, PR = Producer, WH = Wholesaler, RE = Retailer, OT = Other _____	

Notes on Company: Order, Reception, Professionalism, Office Facils, Prod Facils, Making Str

BEST AVAILABLE DOCUMENT

Opportunities: 26. What opp's can you see for increasing exports/forex earnings?

27. Expansion N Y: _____

 New markets N Y: _____

 New products N Y: _____

 Cost savings N Y: _____

Notes on Opportunities: _____

Export Promotion: Now lets talk about your export activities...

28. What export promotion do you do? _____

 a. Any literature? N Y: _____

 b. Exhibitions? N Y: _____

 c. Marketing trips? N Y: _____

 d. Advertising? N Y: _____

 e. CCs/Other orgs? N Y: _____

 f. Own contacts? N Y: _____

 g. Received assist? N Y: _____

 h. Other? N Y: _____

29. How do you obtain information about foreign markets? _____

 a. Literature? N Y: _____

 b. Exhibitions? N Y: _____

 c. CCs/Other orgs N Y: _____

 d. Own contacts? N Y: _____

 e. Market studies? N Y: _____

 f. Received assist? N Y: _____

 g. Other? N Y: _____

30. What sort of assistance from TDC would be most useful for you? Willing to

 a. _____ Y

 b. _____ Y

 c. _____ Y

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31. How many employees do you have total? Please help us break that by owners and managers vs. others and by g

Status	Male	Female	TOTAL
Owners			
Managers			
Others			
TOTAL			

32. What are your days off?

FR = Friday SU = Sunday FS = Fri & Sat SS = Sat & Sun OT = Other: _____

33. How many shifts to you run now?

1 1.5 2 2.5 3

34. Could you run more shifts to increase production for exports?

Yes3 Yes2 Yes1.5 D = Difficult N = No

35. Who are the other major players in this sector?

a. _____ b. _____ c. _____ d. _____

34. Is there anything else you would like to add?

THANK YOU VERY MUCH.

ANNEX F

TDC ORGANIZATIONAL DEVELOPMENT AND TRAINING PROGRAM

TDC ORGANIZATIONAL DEVELOPMENT AND TRAINING PROGRAM

A. Introduction and Background

The organizational development and training program for the TDC/EED project is closely linked to the overall strategy and work plan. The objective of the program is to build TDC's institutional capacity so that it can better meet its clients needs. To attain this objective, the TDC/EED Organizational Development and Training Program is comprised of a series of organizational restructuring and training initiatives which will increase the capacities of TDC staff, collectively and individually, to carry out their mandate. This Annex maps out the approach and implementation schedule for TDC's organizational development and training program.

The Organizational and Training Program is part of the overall strategic approach of the TDC/EED project and should serve as a guide to all future organizational and training related activities. The organizational development and training program which has been developed is intended to be flexible and adjustable on an ongoing basis. It is expected that this organizational and training program will assist in the development of a more effective export promotion organization and enhance capacity to achieve export output targets.

Experience clearly shows that when organizational development and training activities are neglected, even well-conceptualized programs run the danger of being poorly executed. In addition to defining a training strategy for the TDC/EED project, this program emphasizes the details of training management, monitoring, evaluation and follow-up to ensure that the training needs, as identified, can be efficiently implemented on an ongoing basis.

The training program presented here is specific as possible with regards to positions, venues and timing, yet flexible where appropriate. The program was developed in close consultation with TDC staff in order to built a more meaningful program given limited resources. The training implementation schedule is for the first annual program. Subsequent annual training schedules should be developed in conjunction with annual work plans, and reflect the changing needs of the organization.

B. TDC/EED Organizational Structure and Development

B1. Institutional Background

The Trade and Development Center (TDC) was formed in 1992 as the export promotion action arm of the Egypt Business Association. TDC evolved from the United States Investment Promotion Organization (USIPO) which had been the investment promotion arm of the Egypt-US Joint Business Council (there are presently fifteen joint business councils under the Egypt Business Association).

On March 16, 1992 a three-year Cooperative Agreement (CA), with a two-year optional extension, was signed between the Egypt-US Joint Business Council and USAID/Egypt. The purpose of the CA is to provide support to TDC to implement the Export Enterprise Development (EED) Project. On June 10, of this year a three-year contract was signed between Chemonics International and USAID to provide technical assistance to the Egypt Trade and Development Center (TDC).

The purpose of the EED project, and TDC as an institution, is to increase exports produced by Egypt's private sector. The purpose of the technical assistance contract is to strengthen the institutional capacities and export activities of TDC, including improvements of its internal controls in the area of personnel, procurement and finance.

As part of the technical assistance contract and the development of the overall strategy and work plan for TDC, this organizational development and training program is being submitted to USAID/Egypt and TDC.

B2. Proposed Organizational Structure

During the first year and a half of TDC's existence as an export promotion organization it has gone through a number of changes in its organizational functions, staffing responsibilities, and organizational structure in an attempt to meet the challenges of the dynamic environment which it has found itself. Many of the changes and adaptations have been made in reaction to immediate perceived needs rather than as a direct response to the exacting requirements of the market or a long-term organizational strategy.

TDC's proposed organizational structure (see chart on page F-3) incorporates the organizational restructuring that needs to take place in order for TDC to be more responsive to the market through its newly developed strategy.

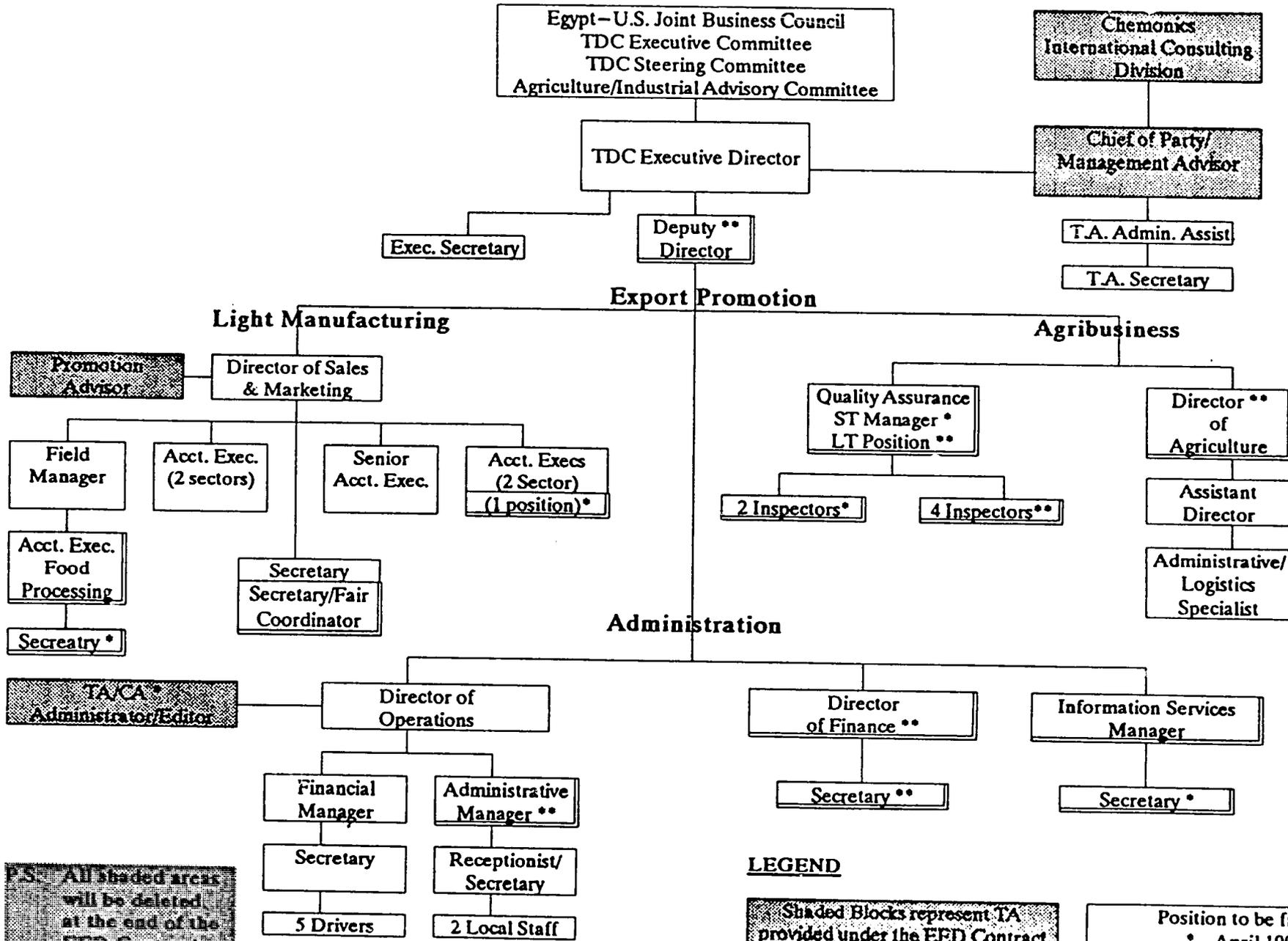
Under the proposed restructuring, TDC and the TA contractor teams have totally integrated functional relationships, and responsibilities which will lead toward achieving common goals, objectives and output targets.

B3. Organization of Functions and Reporting Relationships

The proposed organizational structure takes into consideration the functional needs and staffing requirements necessary to carry out the proposed strategy while continuing to meet the project's export output targets. As part of the restructuring, a number of positions and responsibilities have been shifted and some new positions created in order to effectively respond to their clients.

The Executive Director manages and directs the staff and operations of TDC and reports directly to the Chairman of TDC's Executive Committee. The Executive Director also receives guidance and direction from TDC's Steering Committee and newly formed

TDC/EED ORGANIZATIONAL STRUCTURE



P.S. All shaded areas will be deleted at the end of the EED Contract.

LEGEND

Shaded Blocks represent TA provided under the EED Contract
PRA & TAE report directly to COP

Position to be filled :
* April 1994
** March 1995

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Agricultural and Industrial Advisory Committee. It is projected that in 1995 a Deputy Director will be hired in support of the Executive Director (see Annex A for organizational structure, and Annex G for more detailed job descriptions).

The TA COP/Management Advisor reports directly to the TDC Executive Director and serves as an advisor to the Executive Director on all matters related to managing and directing TDC.

All export promotion functions of TDC are carried out through the Light Industry or Agribusiness Divisions.¹ The Director of Sales and Marketing in the Light Manufacturing Division reports to the Executive Director of TDC and carries out all responsibilities related to promoting exports in the light industry sector.

The Field Manager-Export and sector Account Executives all report to the Director for Sales and Light Manufacturing, while carrying out their sector specific action plans to promote exports. It is anticipated that an Account Executive for food processing will be hired in 1994.

The TA Contractor Promotion Advisor serves as an advisor to the Director of Sales and Marketing, while reporting directly to the TA contractor COP/Management Advisor. The export promotion activities of the Agribusiness Division are handled by the Director of Agriculture for all perishables, who is responsible directly to the Executive Director. An Assistant Director of Agriculture will report to the Director of Agriculture and will be hired first to run this division until the volume of business requires the introduction of the Director.

The Quality Assurance (short-term) Manager will be responsible for managing all quality control operations related to the establishment of the Premium Brand System (PBS) of fresh agriculture produce exports, and reports to the Director of Agriculture. He will also oversee the activities of produce inspectors.

The Administrative functions of financial controls and general administration will be handled by the Director of Operations, who reports to the Executive Director. The Financial Manager and the Administrative Manager (when hired) report to the Director of operations in carrying out their respective functions.

The Director of Finance, to include the Program Generated Income fund, will not be filled until 1995. At that time the person in the position will be responsible for directing the overall income and budgets of TDC which will eventually lead to TDC becoming a self sustaining organization.

The Technical Assistance Contract (TA), Cooperative Agreement (CA) Administrator/Editor, is a new position being proposed to assist in project administration and report writing. The position is being created to help relieve the large contract related administration

¹ Agricultural processing activities will be handled through the Light Manufacturing Division of TDC.

and report writing burden from the management of TDC so that they can further concentrate their efforts on export promotion activities. This would be a TA contractor funded expatriate position. Serves as an advisor to the Director of Operations.

B4. Performance Evaluation and Review

As part of its overall approach to institutional development, TDC will set up, install, and maintain a system for performance evaluation and review. to provide the basis for staff advancement and personnel actions.

C. Training Program

C1. Training Strategy

The training program has been designed to enhance TDC's ability to carry out its overall strategy. The program will provide training in: strategic planning, management and export marketing, business communications, and management systems operations. All TDC training is designed to be practical, hands-on and applied directly to the promotion and sales of Egyptian products and increased exports.

The TDC training program consists of a combination of group workshops, short courses and individual training to create a dynamic export promotion team and build a responsive service organization. In addition, promotion missions and on-the-job (OJT) training will be structured to provide transfer of market investigation techniques to TDC staff and their Egyptian clients to enhance their understanding of target markets and quality standards.

Every opportunity will be explored to take full advantage of other relevant training opportunities which might be offered and funded through other donors and organizations.

C2. Training Location

All TDC training will be carried out in-country. This in-country focus takes into consideration the limited training budget limitations as well as placing emphasis on designing and implementing a training program which is more relevant in the Egyptian context.

The in-country training effort will be carried out through local training institutions and through custom designed courses. More specific details related to the entire in-country training program can be found in C6 below, First Annual Training Implementation Schedule.

C3. Training Activities

Every effort will be made to provide as much OJT training as possible. Expatriate and local, long-term as well as short-term technical assistance specialists will be required to work on a daily basis with specifically assigned professional TDC staff member(s).

If the short-term specialist is dealing with a particularly important crop or technology an individual from the private sector will be assigned to ride "shot-gun" with the specialist throughout his or her stay in Egypt. In addition, short-term technical assistance specialists will be required, in most cases, to hold a seminar with relevant TDC staff and clients before completing their assignments in Egypt. These efforts will be undertaken in order to insure a more effective transfer of technology and information to the Egyptian Exporters.

One of the first detailed in-country training workshops to be offered will be an export promotion training course for TDC staff. The workshop was developed by Washton Brown Associates one of the bidders with Chemonics on the EED project. The workshop is expected to be implemented as soon as the new TDC organizational structure is in place and fully staffed (January 1994). It will provide TDC staff members with an intensive orientation to export promotion, and through simulations and other practical exercises, improve communications, sales and problem-solving skills. The workshop will be customized so that it can be used as a motivational vehicle as well as a training tool to help TDC staff carry out the specific strategy which has been developed for TDC.

The workshop will provide the background information and experience needed by TDC staff to understand and operate in the markets and industries targeted through TDC's baseline survey and strategy. Specifically the course will equip TDC staff to:

- Analyze the market
- Understand the customer
- Know the competitors
- Know the product
- Sell aggressively
- Conduct effective sales meetings
- Prepare effective sales presentations

The course may be repeated in Years Two and Three with appropriate modification, taking into account the increased skill level and experience of TDC staff, as well as any changes in the direction of the program.

The overall TDC training program is also designed to provide a series of training activities to enhance TDC's management systems. Courses in strategic planning, business communications, management, and management information system operations will be offered to targeted TDC staff members.

Depth of management and delegation of authority in TDC is presently very limited. Decisions and actions currently tend to flow from the top which limits decisions which can be made when the Executive Director is abroad or concentrating on other issues. There is an acute need to focus on developing and strengthening TDC's management skills at all levels to overcome the current centralized decision making. TDC would benefit organizationally if the Executive Director and Directors attended selected management courses. The management skills which are acquired will allow TDC to become a more effective organization in dealing with its customers.

In order for TDC to be successful the export promotion strategy must be market driven. Because many of the TDC marketing/promotion staff are relatively new this training program provides extensive, on the job and more formal training, which will better equip the promotion staff with the tools they need to carry out their scopes of work.

Another goal of the training program is to make the entire TDC staff "computer literate." A series of courses has been designed with on-the-job follow-up to achieve this goal. Appropriate TDC staff members will be selected and required to take basic computer courses in: word processing; lotus; data base management; accounting/bookkeeping; report writing. The computer training will be closely tied with TDC's anticipated procurement of computer hardware and software and associated MIS systems development.

Specific technical training has also been incorporated into the training program where it has already been identified. In the cases where the specific technical needs have not already been identified a training "contingency" fund will be utilized in order to be responsive to changing technologies.

In order to allow TDC the flexibility to respond to market signals on a timely basis a percentage of the overall training budget has been set aside for "contingencies." This small contingency training fund will allow TDC staff members to stay abreast of new technological developments by arranging for appropriate staff training activities on a "customized," "as-needed" basis.

C4. Selection Process

All of the training resources under the technical assistance contract budget are being directed to meet the training needs of TDC staff under the new organizational structure (see Annex A). No attempt has been made to provide direct training to TDC's clients or others individuals or organizations given the relatively modest levels of funding currently available under the project.

Some indirect training benefits will accrue to project clients and participants, through TA and OJT activities which will take place under the project but are not taken into consideration in developing this training program.

TDC staff members from the secretaries to the Executive Director were interviewed to determine individual as well as combined human resource needs necessary to implement the strategy. A questionnaire was used to identify job responsibilities (see attached job descriptions in Annex G), tasks which they are presently unable to perform satisfactorily, and the types of ongoing training which they felt would be of most value to them to more effectively perform their in their job. Consideration was then given to the overall human resource needs which are required in order to implement the strategy before determining the most appropriate "training mix" for TDC.

C5. Training and Administrative Reporting

Planning and designing the training activities is the overall responsibility of the TDC/EED Executive Director and COP. Administrative responsibility for making sure that the program is actually implemented properly will be the responsibility of the Director of Operation working in close cooperation with the TA/CA Administrator to insure that the training program is properly implemented. They will in turn work closely with USAID's training office and the Chemonics HO training manager to insure that all training is carried out in accordance with prescribed USAID and Egyptian Government regulations.

TDC will maintain a data base on all the training which has taken place. Each staff member will be required to file a brief report following the completion of each course. An evaluation will also take place following each training program. This data will be included in each quarterly report to USAID.

Proposed TDC candidates for training will be selected using a standardized process with criteria set out in writing.

Where appropriate, PIO/Ps will be completed and submitted to USAID for approval. Before submitting PIO/Ps to USAID, Chemonics' home-office designated training specialist will review and approve the PIO/P to ensure accuracy and completeness and that it is in compliance with USAID Handbook #10.

The Director of Operations and the TA/CA Administrator will continuously monitor progress in achieving the goals of the training program and to ensure that it is properly carried out.

Before TDC's training program is implemented it will be approved in writing by USAID/Egypt's Office of Training and by the EED project Officer.

C6. First Annual Training Implementation Schedule

The following first annual training implementation schedule provides information on the proposed course or training activity, the TDC staff member(s) to attend, the training institution identified, the cost per academic unit, and the total estimated cost to the project for each course.

Over 400 individual training institutions within Egypt have recently been identified through a survey which was carried out under a USAID/Labat Anderson subcontract by AMIDEAST. The results of this survey were made available to TDC and were used in determining which institutions are offering the most appropriate high quality course. The survey also rated the course being offered and only those courses which received the highest rating were taken into consideration.

A number of courses will also need to be custom designed to effectively meet the needs of TDC staff. In this regard discussions have already taken place with the Dean American University in Cairo (AUC), Center for Adult and Continuing Education, to design courses to better meet the specific training needs of TDC staff members. Where available and appropriate, TDC staff will participate in ongoing training programs.

TDC FIRST ANNUAL TRAINING IMPLEMENTATION SCHEDULE

DESCRIPTION OF COURSE OR TRAINING ACTIVITY	POS ¹	INST ²	Y E A R 1 (OCTOBER 1, 1993 - SEPTEMBER 30, 1994)												COST/ UNIT ³ US\$	TOTAL COST ⁴ US\$		
			OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP				
MANAGEMENT																		
Comprehensive Strategic Planning	EXD	ICA						x									5,000	5,000
Development of Management Skills	DSM	HHM				x											1,200	1,200
Quality Circle in Management	QAM	RDC													x		600	600
Arab Manager: Challenge of the 90s	EXD	TMC										x					100	150
Management Skills for Managers	DOP	GME															1,000	1,000
Professional Secretary	SEC	GME					xxx		x								1,500	1,500
Management Development	DAG	TBA													xxx		400	400
MARKETING AND SALES																		
Innovation & Development in Marketing	DSM/DAG FPM/AEX	MAR			xx			xx				xx				xx	85	1,000
Information Systems and Marketing Research	ISM	TMC									xx						100	150
Sales Management and Techniques	AEX (3) FPM	GME				x		x		x					x		800	3,200
TECHNICAL TRAINING																		
Inspection of Fresh Fruits and Vegetables for Export	QAM/DAG INS (2)	ICI						x							x		150	4,000
Commercial Legislation	DSM/DAC FPM/AEX	DAS				x				x							300	2,000
Clerical Systems	SEC (2)	MAN		xx									xx				50	200
Export Promotion Techniques	DSM/DAG DOP/EXD ISM/AEX	WBR		x													2,000	2,000

NOTES: Each x = one week or less. See key below and AMIDEAST report on training in Egypt for further information on institutions and course details.

1. TDC staff position to be trained. 2. Training Institution. 3. Cost per unit of tuition. 4. Total cost includes books, travel, per diem, etc.

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TDC FIRST ANNUAL TRAINING IMPLEMENTATION SCHEDULE

DESCRIPTION OF COURSE OR TRAINING ACTIVITY	POS ¹	INST ²	Y E A R 1 (OCTOBER 1, 1993 - SEPTEMBER 30, 1994)												COST/ UNIT ³	TOTAL COST	
			OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP			
			COMPUTER AND BUSINESS SKILLS														
Word Processing I, II, III				X	X	X	X	X	X	X	X	X	X	X	X	250	5,000
Lotus 1,2,3				X		X		X		X		X		X	250	2,000	
Harvard Graphics								X	X							250	500
Desktop Publishing								X	X							250	500
Database Management					X	X										250	500

<p>Key to Staff Positions:</p> <p>ADA Assistant Director of Agriculture AEX Account Executive AFP Account Executive - Food Processing ALL All Staff DAG Director of Agriculture DOP Director of Operations DSM Director of Sales and Marketing EXD Executive Director FIM Financial Manager FPM Food Processing Manager INS Inspectors (2) ISM Information Services Manager QAM Quality Assurance Manager SEC Secretaries (6) SEL Selected Staff Members</p>	<p>Key to Training Institutions</p> <p>ACC American Chamber of Commerce AUC American University in Cairo DAS Development Association Services GME General Motors Egypt HHM Hazem Hassan Management ICA Institute for Cultural Affairs ICI International Center for Inspection and Control Studies MAN Manar Misr Petroleum Company MAR Marketing and Advertising Research Center RDC Resource Development Center TBA To be Arranged TMC Team International Eng. and Management Consultants TRC Training for Research and Consulting WBR Washton Brown</p>
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KEY TO TDC TRAINING SCHEDULE

Staff Positions:

ADA Assistant Director of Agriculture
AEX Account Executive
AFP Account Executive - Food Processing
ALL All Staff
DAG Director of Agriculture
DOP Director of Operations
DSM Director of Sales and Marketing
EXD Executive Director
FIM Financial Manager
FPM Food Processing Manager
INS Inspectors (2)
ISM Information Services Manager
QAM Quality Assurance Manager
SEC Secretaries (6)
SEL Selected Staff Members

Training Institutions

ACC American Chamber of Commerce
AUC American University in Cairo
DAS Development Association Services
GME General Motors Egypt
HHM Hazem Hassan Management
ICA Institute for Cultural Affairs
ICI International Center for Inspection and Control Studies
MAN Manar Misr Petroleum Company
MAR Marketing and Advertising Research Center
RDC Resource Development Center
TBA To be Arranged
TMC Team International Eng. and Management Consultants
TRC Training for Research and Consulting
WBR Washton Brown

TDC/EED JOB DESCRIPTIONS AND SCOPES OF WORK

ANNEX G
TDC JOB DESCRIPTIONS AND
UPDATED SCOPES OF WORK FOR LONG-TERM SPECIALISTS

Position: TDC Executive Director

General Job Description

The Executive Director of the Trade Development Center maintains full responsibility and accountability for overall performance of the TDC and for achievement of the Center's goals and objectives. The Executive Director reports to the Chairman of the TDC Executive Committee and receives guidance and direction from the TDC Steering Committee, as well as from the Agricultural and Light Manufacturing Advisory Committees on matters relevant to technical program implementation. The Executive Director is responsible for all interactions between TDC and USAID/Cairo and between TDC and the technical assistance contractor. The Executive Director is charged with full authority with regard to program and personnel decisions made by the organization.

Specific Responsibilities

- Ensure that the TDC executive bodies and advisory committees are kept informed with regard to program directions and activities
- Maintain close communication and interaction with USAID/Cairo
- Develop and set strategic direction for all organization and program components
- Head the senior management team
- Serve as official representative of TDC to all government ministries, agencies and other organizations
- Play primary role in extension of TDC's market access program into new target markets
- Guide quarterly and yearly planning processes
- Serve as primary spokesman for the TDC with the business community
- Manage integration of the Chemonics technical assistance contract and TDC program activities

JOB DESCRIPTION

Position: Director of Sales and Marketing

General Job Description

The Director of Sales and Marketing is responsible for overall development and implementation of TDC's light manufacturing activities under the direct supervision of the Executive Director. He supervises and provides management guidance to TDC Account Executives—both in terms of their interactions with clients and their responsibilities and accountabilities to the TDC organization itself. The Director of Sales and Marketing manages the setup and implementation of the TDC's market access activities and is responsible for the achievement of his unit's objectives against projected targets. He is a member of the TDC senior management team.

Specific Responsibilities

- Manage and supervise Account Executives working in light manufacturing sub-sectors
- Help to define, organize, and deliver TDC services to light manufacturing clients
- Achieve quarterly and annual output targets against stated objectives for light manufacturing activities
- Assist in the set up, management, and operation of the TDC Market Access Network on behalf of TDC client firms
- In coordination with the PRA, organize and implement client support activities such as trade fairs and buying missions
- Work closely with the Information Services Manager to ensure appropriate input to and output from the Market and Technology Information System
- Participate in annual strategic planning and program development activities
- Determine staff training requirements and facilitate implementation of needed training activities
- Carry out regular performance evaluations and employee reviews with all department staff to submit for final evaluation by the Executive Director
- Work closely with the TA Promotion Advisor to ensure smooth input of contract resources

- Implement the baseline survey report and monitor and evaluation systems
- Insure that the TIES systems one and two are used on a regular, timely, professional basis, by the export staff, and input and output is acted upon accordingly.
- Work closely with the Director of Agriculture to introduce any interested parties who are involved with agricultural products.
- Responsible for a quarterly and annual target of program generated income.

JOB DESCRIPTION

Position: Director of Operations

General Job Description

The Director of Operations reports directly to the Executive Director and provides overall management and direction for TDC's financial and administrative activities. The Director of Operations is directly responsible for the integrity of all TDC accounts, for preparation of all financial reports and budgets, and the smooth operation of all office systems. He serves as a member of the TDC senior management team.

Specific Responsibilities

- Provide direct management and supervision of all employees within the Operations Department
- Coordinate the workloads and activities of TDC's general administrative staff
- Approve organization expenses and payments for submission to Executive Director
- Coordinate TDC's accounting and financial systems through the Financial Manager
- Ensure the provision of timely financial reports needed by the Executive Director and Board of Directors
- Establish and monitor procedures which ensure the financial integrity of TDC's accounting and budgeting systems
- Work closely with the Information Services Manager to ensure appropriate input to and output from the Management Information System
- Coordinate activities related to financial administration of TDC program with the TA/CA Administrator/Editor
- Identify staff training requirements and coordinates provision of needed training
- Carry out yearly performance evaluations for all department staff to submit for final evaluation by the Executive Director
- Participate in annual strategic planning and program development activities
- Provide all necessary input for the monthly TDC internal position report

JOB DESCRIPTION

Position: Account Executive¹

General Job Description

The Account Executive for light manufacturing reports directly to the Director of Sales and Marketing. He is responsible for identification of target clients, for provision of TDC services to clients and for working with clients to develop and implement firm-specific export expansion/business plans. The Account Executive is responsible and accountable for delivery of results from the client firms in his portfolio and for delivery of TDC services to other TDC clients.

Specific Responsibilities

- Establish and maintain contacts with key firms operating in assigned sectors
- Organize and extend TDC services to clients
- Develop, with client firms, business/export expansion plans and market penetration strategies
- Package client export expansion plans and make recommendations for TDC support to Director of Sales and Marketing
- Provide ongoing input of information on clients and products to the Market and Technical Information System
- Assist the Director of Sales and Marketing with preparation of specific plans for trade fairs, buying missions, and other activities
- Support implementation of trade fairs, buying missions and other activities as appropriate and at the request of the Director of Sales and Marketing
- Develop and make recommendations for sector development activities based on experience
- Participate in training activities required to support performance of duties
- Utilize the TIES I and II systems for professional client follow-up and monthly input of information
- Responsible for a quarterly revenue target

¹ A Senior Account Executive position will also be established to reflect that fact that there may be different levels of expertise and experience.

JOB DESCRIPTION

Position: Director of Agriculture²

General Job Description

The Director of Agriculture reports to the Executive Director and holds overall responsibility for the delivery of TDC services to growers and receivers of agricultural export products. S/He works under the advise and direction of the TA COP/Management Advisor on all matters related to development and implementation of the Premium Brand System Project, Agriculture and Agri-business matters. Serves as a member of the TDC senior management team.

Specific Responsibilities

- Manage and implement TDC's agricultural portfolio to ensure achievement of results against targets for TDC's agricultural sector activities
- Identify participants for the TDC program and provide services as appropriate
- Develop and follow up agricultural marketing company functions within TDC in conjunction with the harvesting, cooling, transport (inland)
- Coordinate QC Manager; planting, and shipping schedules with growers on behalf of TDC
- In coordination with the European Coordinating Office, set up a receivers network and monitor the activities of receivers in target markets
- Coordinate agricultural dates with the Quality Assurance Manager
- Advise the Information Services Manager on the delivery of information support to agricultural clients
- Work closely with the Director of Sales and Marketing and the Food Processing Manager to support the identification and development of activities in the food processing subsector
- Provide support to and liaise with the Board directors of the PBS Project
- Identify staff training needs and organize appropriate training

² As export volumes increase, an Assistant Director of Agriculture will be hired to take over those duties more directly related to delivery of services, internal reporting requirements, etc.

- Carry out yearly performance evaluations for all department staff
- Responsible for a quarterly and annual target of revenue, both in terms of program generated income and overall sales figures.

JOB DESCRIPTION

Position: Quality Assurance Manager

General Job Description

Under the direction of the COP/Management Advisor, the Quality Assurance Manager holds overall responsibility for ensuring that all products shipped by TDC client growers to receivers meet the required quality standards in their target markets. The Quality Assurance Manager is responsible for managing the Premium Brand Quality Seal which is controlled and administered by TDC.

Specific Responsibilities

- Insure use and application of pesticide policy and procedural crop manuals by growers working with TDC
- Provide liaison between the TDC and the managers of TDC-sponsored activities to ensure compliance with agreed-upon crop plans
- Supervise Quality Assurance Inspectors and enforce the quality concept
- Institute audit trail
- Coordinate cooling facilities, packing houses, packaging, inland transport, and sea containers with TDC-sponsored growers
- Maintain close coordination with Agriculture Director

JOB DESCRIPTION

Position: Field Manager - Export

General Job Description

The Field Manager reports directly to the Director of Sales and Marketing. He is responsible for identification of target clients, for provision of TDC services to clients and for working with clients to develop and implement firm-specific export expansion/business plans. The Field Manager is responsible and accountable for achievement of results from the client firms in his portfolio and for delivery of TDC services to other TDC clients. Works closely with and under the advise of the COP/Management Advisor.

Specific Responsibilities

- Establish and maintain contacts with key firms operating in the food processing sector
- First line management for all account executives.
- Organize and extend TDC services to potential clients
- Develop, with client firms, business/export expansion plans and market penetration strategies
- Propose client export expansion plans to TDC Director of Sales and Marketing
- Provide ongoing input of information on clients and products to the Market and Technical Information System
- Assist the Director of Sales and Marketing to prepare and undertake trade fairs, buying missions and other activities targeted specifically to the food processing subsector
- Develop and make recommendations for sector development activities
- Coordinate food processing activities closely with efforts underway in the agricultural sector
- Participate in training activities required to support performance of duties
- Responsible for a quarterly and annual target of revenue, both in terms of program generated income and overall sales figures

JOB DESCRIPTION

Position: Information Services Manager

General Job Description

The Information Services Manager is charged with responsibility for development, maintenance and performance of three information subsystems: the Management Information System, the Market and Technical Information System, and the Monitoring and Evaluation System. The Information Service Manager reports to the Executive Director and is responsible and accountable for coordinating the performance of TDC's hardware and software systems to meet various departmental needs and program requirements. Works in close association and under the advise of the COP/Management Advisor.

Specific Responsibilities

- Set up and maintain the various components of the TDC's information system
- Develop and install procedures for obtaining necessary data input to the system from various parts of the organization
- Develop and install procedures for providing responses to requests for market and technical information
- Set up systems for ongoing retrieval of relevant market information
- Coordinate closely with the managers of other departments to ensure that their information needs are included
- Concentrate focus of information activities on the target sectors of the TDC program
- Work with other managers to identify ways in which information can be packaged to serve more clients in both the light manufacturing and fruits and vegetables sectors
- Provide ongoing assistance to the organization in the use and maintenance of the information system
- Responsible for a quarterly and annual target of program generated income
- Formulate and implement a subscription service offered to the Egyptian Business Community

- Liaise with other information centers within Egypt to coordinate databases and available information
- Continually updates databases and hard copy information sources
- Responsible for maintaining department budget

JOB DESCRIPTION

Position: Financial Manager

General Job Description

The Financial Manager of the Trade Development Center is responsible for performance of all TDC's accounting requirements. He is responsible for overseeing and maintaining TDC's operating accounts on a regular day to day basis. The Financial Manager reports to the Director of Operations.

Specific Responsibilities

- Carry out all TDC bookkeeping and accounting activities
- Prepare quarterly expenditure reports
- Prepare quarterly projections for expenditures
- Review petty cash reconciliations on weekly basis
- Receive and process expense reports for approval and action by Director of Operations
- Maintain per diem accounts for long-term professionals
- Manage bookkeeper
- Prepare benefit calculations for staff
- Assist in the preparation of the monthly internal position report

JOB DESCRIPTION

Position: Administrative Manager³

General Job Description

The Administrative Manager is responsible for general oversight and management of office support functions. The Administrative Manager reports to the Director of Operations.

Specific Responsibilities

- Provide secretarial support to Executive Director
- Ensure smooth operation of TDC offices
- Organize and manage office filing functions
- Set up and maintain procedures for procurement of office supplies and equipment
- Schedule responsibilities and workload of general office staff and support staff
- Identify staff training needs and make recommendations to Director of Operations
- Carry out yearly performance evaluation of support staff

³ This position will remain vacant until the flow of work increases accordingly

SCOPE OF WORK FOR LONG-TERM SPECIALIST

Position: Chief of Party/Management Advisor

General Responsibilities

The Chief of Party/Management Advisor reports directly to the TDC Executive Director and serves as an advisor to the Executive Director. He will work closely with the Executive Director to ensure that the technical assistance contract is coordinated and complimentary to all TDC activities. He provides technical leadership to the TDC on behalf of the contractor as defined in the contract. He will have full field authority on behalf of the Contractor to manage and control TA Specialists, long-and short-term and all other TDC activities carried out by the Contractor or its subcontractors in Egypt. Within the Contractor organization, the COP reports directly to the Project Supervisor.

Specific duties include, but are not limited to, the following:

- **Oversee and manage all technical support activities undertaken by the Contractor**
- **Provide strategic oversight, management services and technical support to the New Desert Growers Company sponsors of the Premium Brand System Project**
- **Provide administrative management of all short-term TA experts brought in to support implementation of TDC's program**
- **Supervise Promotion Advisor and the achievement of light manufacturing export targets and programs**
- **Advise, guide and direct senior management as herein set forth within the various senior management job descriptions**
- **Coordinate with the Executive Director of TDC for the organization, set-up and implementation of the Market Access Network**

BEST AVAILABLE DOCUMENT

SCOPE OF WORK FOR LONG-TERM SPECIALIST

Position: Promotion Advisor

General Responsibilities

The Promotion Advisor reports directly to the COP/Management Advisor and serves as an advisor to the TDC Director of Sales and Marketing to assist with overall development and implementation of TDC's light manufacturing program strategies.

Specific duties include, but are not limited to, the following:

- Advise and assist the Director of Sales and Marketing with overall component development and implementation and with implementation of firm-specific export expansion plans
- Supervise the development and input of market and overall feasibility analyses to firm-specific plans
- Participate in market studies, trade shows, and other promotional activities
- Advise on business development training for TDC staff involved in component implementation and coordinate Chemonics' input.
- Participates with the Director of Sales & Marketing in the operation of TDC's European and Middle Eastern marketing network operation and the set up of same in the U.K. in conjunction with the Executive Director
- Assist with preparation of reports required from the component

SCOPE OF WORK FOR LONG-TERM SPECIALIST

Position: TA/CA Administrator/Editor⁴

General Responsibilities

The TA/CA Administrator/Editor reports directly to the COP/Management Advisor and provides administrative assistance to the COP and Executive Director. The person will work closely with them and the Director of Operations and coordinate with the USAID Project Officer and Contracts Officer, to ensure that all administrative and reporting requirements are fulfilled in a timely manner.

Specific duties include, but are not limited to, the following:

- Work with the COP/Management Advisor to ensure that the administrative requirements of the technical assistance contract and contract agreement are carried out adequately and on schedule
- Oversee preparation and production of quarterly reports and other reporting requirements
- Develop formats, distribution lists, and schedules for contract deliverables and all project publications
- Provide quality control services in writing, editing, and production of all publications, including technical, administrative, and promotional materials
- Assist the pertinent TDC staff with the implementation of the TIES I and II systems, as well as all other systems in use at that time

⁴ This position will be filled locally when and if the volume of work increases to warrant this position

ANNEX H

APPROACH TO LIGHT MANUFACTURING SECTOR OPPORTUNITIES

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APPROACH TO LIGHT MANUFACTURING SECTOR OPPORTUNITIES

Identification of Initial Client Pool

A baseline survey of TDC-identified Tier 1 firms was conducted in September 1993. Based upon information collected by the Chemonics' Baseline Survey Specialist, four of Egypt's most promising light manufacturing sub-sectors, as shown in the table below, are garments, processed foods, housewares and leather.

Product Sector	Target Market Imports			Egyptian Exports		
	EC	ME	Total	EC	ME	Total
Garments	17,895	1,595	19,490	69.1	8.9	78.0
Processed foods	11,159	694	11,853	2.0	4.3	6.3
Fruits & vegetables	4,225	775	5,000	65.5	31.9	97.4
Housewares	4,686	303	4,989	1.8	11.1	12.9
Leather (& footwear)	4,483	495	4,978	2.3	7.0	9.3
Furniture	2,505	789	3,294	1.7	4.2	5.9
Carpets	662	32	694	5.6	4.6	10.2
Total	45,615	4,683	50,298	148.0	72.1	220.0

Sources: Eurostat External Trade #4, 1991. UN Yearbook of International Trade Statistics, 1990, SRI, CAPMAS, FAV Export Production & Marketing Project (ACDI,NCBA).

Determination was made that the starting point for TDC's approach to the light manufacturing sector would be to focus initial survey activities on firms operating in the above subsectors. For purposes of the survey, the housewares category was defined to include firms producing items of metal, ceramics, glass, etc. which could be targeted to housewares market segments. The leather category was defined broadly to include footwear. As TDC's work proceeds and the number of firms working with TDC within the categories grows, TDC will segment the categories further. However, at this point in TDC's program, where the focus is primarily on sector leaders and targets of opportunity, further category definition is not necessary.

As part of the baseline survey effort, key firms operating in each of the target subsectors were interviewed using a standard questionnaire (see Annex E for a copy of the questionnaire) which looked at the company in terms of its production capacity, export

experience, technical readiness, marketing structure, expansion capacity and willingness to work with TDC. Full details of the findings of the baseline survey are available from TDC in a separate report.

Definition of Client Interests and Requirements

TDC's light manufacturing program calls for TDC to develop and implement firm-specific export expansion plans which assist firms to address the system of constraints which impedes their ability to export. Therefore, to facilitate implementation and plan development, results of the baseline survey interviews were analyzed in terms of each firm's requirements for: management training, market support, and production assistance. An overview of survey results in each of the targeted light manufacturing subsectors appears at the end of this annex.

Based upon the use of this approach, TDC has, the ability to analyze the export expansion needs of its clients across need categories. This approach will be institutionalized within TDC over the plan period to support TDC's ability to develop its skills as an export expansion catalyst.

Export Expansion Plan Development

Under the light manufacturing program, Account Executives will work with their client firms to develop specific plans and market penetration strategies. They will conduct needs assessments with their clients to define the areas where clients have adequate information and capacity and identify areas where more is needed. They will use the resources available through TDC's Market Access Network and its information services to develop the ability to carry out SWOT analyses and provide them as a service to their clients; in other words, they will assist clients to define their *strengths*, realize their *weaknesses*, identify *opportunities*, and overcome *threats* to the achievement of their export expansion goals.

Based on this SWOT analysis, Account Executives will assist their clients to identify the changes that must be made in product and process to enable the company to take advantage of its opportunities.

Completion of the SWOT analysis will represent the first phase of their export expansion plan preparation for most clients, but many of the high-impact firms will have already carried out certain parts of the required analysis on their own (albeit not under the same designation). The starting point for the light manufacturing Account Executive will be to use a SWOT Analysis approach to determine exactly how much the client has already done and how much more is needed before a market penetration strategy can be developed.

This annex contains profiles of potential high-impact TDC clients from the food processing subsector (see page H-4). Each of the clients has been interviewed by a Chemonics food processing specialist, who has carried out an initial needs assessment and provided recommendations with regard to development of the company's market penetration

strategy. This material provides specific recommendations with regard to the way TDC's services might be combined by TDC Account Executives to provide support to these firms. The material also provides a model for working with other firms.

The Export Expansion Plan Process

In order to work with clients successfully to identify needs and develop export expansion plans, TDC Account Executives must develop skills in client interaction and project design. Some of the needed skills will be provided through introductory seminars and workshops; other skills can be provided through specialized training. Market knowledge and savvy will be developed as Executives grow in their jobs and gain more and more experience within the target markets themselves.

At the outset of the program, Account Executives will receive training in carrying out a specially developed business planning process in which the Executive and the client work together to create the export expansion plan. This training will be accomplished on-the-job as Account Executives are teamed with a business and market development planning expert who will assist them to work with their clients to put the initial portfolio in place, and, thereafter, provide periodic guidance to support successful implementation.

LIGHT INDUSTRY FOOD PROCESSING COMPANIES OVERVIEW ANALYSES

No.1 # 201 ISMAILIA EL-WATANIA FOOD INDUSTRIES CO "FOODICO"

Products: Okra (3 levels), green peas, peas with carrots, artichoke hearts, assorted vegetables, cauliflower, kolcasia, vine leaves, green beans, carrot pieces, molokhia, spinach, falafel, and strawberries (frozen)

This company is owned by three Egyptian banks, and is involved in land development, the growing of agricultural products, and the manufacture of frozen vegetable and fruits for export markets and the balance used for development of domestic markets. They own 1,200 fedans of farm land, but due to limited success to market their frozen products, they only grow 200 fedans of crops. The company was formed in 1965, and first started exporting in 1988, and the processing facilities are only run to fifty percent of rated capacity. It was reported they could produce 8,400 tons of frozen products, but are only producing 2,400 tons.

Sales are considered flat at this time since they do not have the knowledge of marketing and limited knowledge in sales; hence, at best they are just manufacturing for those sales they have. It was reported that cash is tight, and the managements won't let them spend money on outside research or market information because they (apparently) do not have a good strategic business plan. It was judged the production management are basically care-taker management.

Market Penetration Strategy

1. It is expert opinion that: a) TDC could offer market information showing EC countries that their products could penetrate; b) TDC could supply the names of potential import buyers of frozen foods within the clients product mix; c) TDC could perform a Client Needs analysis to fully understand what Market management, Technical management, and operations management needs; d) TDC could overall assist in food product-chemical residue analyses, and e) TDC could assist with competitive products testing and the overall strategy to develop the Market Penetration strategies for this company to aggressively pursue market expansion of exports to EC and the Middle East markets.
2. From the EC and the Middle East markets, like competitive samples of frozen vegetables and fruit should be secured and air freighted under dry ice to Egypt so that TDC and the client can compare packaging, product raw and cooked quality attributes, and if possible to know the CIF prices of products from the respective markets.
3. From the clients needs assessment analysis, work with client to understand what would be required to have an equal or better pack (product and packaging), or equal

or cheaper landed price. Following this analysis, to prepare a strategic market penetration plan to present to the clients major share holders to win approval to allow the program to proceed for expansion of exports into new and different markets.

No.1 #202 KAMINA PRODUCTS CORP

Products: Flavors & concentrates, food colors, concentrated syrups, seasonings. In addition to the cited food products, the company offers: Fragrances, shampoos & hair conditioners, bubble bath, Body & hand liquid soaps, detergents & sanitizers; and also items for Boiler & Cooling Towers water treatment chemicals, and Plastic containers.

This company was started in 1978 and started also in 1978 in their export programs. The management is very sensitive to Egyptian political-economic conditions and would be most willing to proceed with a program that offers TA to understand marketing and new market penetration. They are reluctant to proceed much farther with the Egyptian market share improvement, as they feel too much share of their business is tied up in one basket if things should further deteriorate in Egypt. The management appears to have good use of cost controls, and M.I.S. within their operations; but admittedly lack knowledge in export marketing and how to effect foreign market penetration into the E.C.

It is expert opinion that TDC could offer: a) foreign market information, potential new customers; b) similar competitive products and information for customer evaluations, and c) marketing principles that would built around a Market Penetration Strategy.

Market Penetration Strategy

1. Pull same competitive products from EC markets to determine products qualities, packaging and pricing to assist in the SWOT analysis.
2. Conduct the situation analyses to determine the missing linkages to meet or exceed the competitive products in these markets and to begin the process to identification of potential import buyers of the clients product mix;
3. Work with client to develop an acceptable market penetration strategy that is acceptable to client and TDC.

No.1 # 207 JUHAYANA DAIRY AND JUICE CO

Products: 7 varieties of "Tetra-pak" packaged fruit drinks; and several dairy products that may fit in exports from Egypt.

This company was started in 1987 and started export sales in 1989. It is well respected in Egypt for quality of processed foods. They export to much of the Middle East, as well as to Sweden, Germany, the United States, and Canada. Export only runs approximately 7 to 8 percent of total sales, and the owners have indicated they wish to bring

export sales to considerably higher percent to avoid financial damage should economics in Egypt turn bad. It was stated the company runs the facilities only one shift per day, which could be increased to three shifts per day if the sales were there.

It is expert opinion that TDC can offer TA in the forms of: a) finding new export customers in the EC and the Middle East, b) providing market information concerning the markets and competition of EC and Middle East, and c) assisting the client to develop an overall Market Penetration Strategy and action plans.

Market Penetration Strategy

1. Obtain like competitive products from the EC and Middle East markets to perform a qualitative analyses on products, packaging, pricing and services. Then for TDC to conduct a SWOT analysis and provide a Situation Analyses.
2. From the SWOT and situation analyses to determine the linkages of clients products to the markets to determine if there is reasonable success for the client to penetrate these (or which) markets.
3. From the market information data bases provide client the listings of potential importer buyers for them to concentrate on, and later to assist in buyer trips or exhibitions to focus on.

No.1 #002/211 SOCIETE EGYPT-FRANCAISE pour les INDUSTRIES (VITRAC)

Products: processed fruit jams (strawberry, apricot, peach, plum, apple, pear, grapes, figs, dates, guava, mango, orange, tangerine and grapefruit)

Established in 1981 under the Egyptian Foreign Investment Law as a French/Egyptian joint venture, and began exporting in 1983. It exports products to Australia, Middle East, USA, Eastern Europe and Canada. In October 1993 the company was a participant in TDC booth at the Anuga show in Germany. Their present production is reported to be 9,000 tons per year and by 1995 their goal is to raise production to 14,000 tons.

It was reported that they import considerable sugar from Europe for the production of the jams; yet the jams are considered an agricultural product and duties are pegged on the sugar content for which they then pay higher duties. The client would like potential customers who could ship the sugar as part of sale of the export of jams and thus re-admit the sugars into E.C. without this added duty on the sugars.

Market Penetration Strategy

1. From data base information to search for potential import buyers that might have access to raw sugar base for export to Egypt on the premise the sugar would be re-imported without duty in the forms of jams.

2. To pull like competitive products from the Middle East and EC so that a S.W.O.T. analysis could be conducted to be able to define the situation analysis for quality, package, prices, and services. Then to conduct the linkage to determine if any potential gaps were missing and that the price/quality could be delivered to the markets.
3. To conduct a comprehensive client needs analysis to determine if market data, manufacturing or management TA were needed or desired for the client.
4. To develop comprehensive potential importer buyer list and to determine if the buyers might be interested to do business with the client.
5. If items 1 through 4 are valid, and if the client is willing to sign on, then develop a full strategy for the Market Penetration assault program.

No.1 #020/210 EGYPTIAN GERMAN FOOD CO (FINE FOODS GROUP)

Products: Dr. Oetker—whipped topping, puddings, ice cream powder, fruity drink mix, packaged cake mixes, and gelatin mixes

Fine Foods—chicken stock, tomato stock, soups, corn flour, chocolate drink mixes, toppings, and gelatin mixes

This is a joint Egyptian/German food processing company formed in 1980 and started exporting in 1986 to Western Europe, Eastern Europe, and the Middle East.

Market Penetration Strategy

1. Of first priorities, a comprehensive Client Needs Assessment study should be undertaken. It is not really understood if this company has much needs of what TDC can offer except perhaps to carry them to exhibitions, and possibly locate new importer buyers in any of the markets searched in the market information data base.
2. Dr Oetker is a well known and branded name through-out western Europe. Questions such as if the label is available for EC distribution should be a priority. The client has exported from Egypt into the Eastern bloc countries; however, this is not presently a priority of TDC.
3. From market information of EC and Middle East, and if clients product mix is suitable and competitively priced, to have TDC pull together exhibitions and potential customers together to promote a higher expansion of export sales.

No. 2 #001/209 JOINT ARAB FOOD (JAFCO)

Products: Packaged peanuts, and caramel-peanut candy

This company was formed in 1982, and started exporting in 1984 to Eastern Europe; however, in recent times these Eastern Europe sales have dried up. Export did account for 70 percent of the total sales, and the client would like to gain back export sales.

As told to the interviewer, the company has trouble making quality standards expected of salted oil-blanching peanuts due to nut breakage. It was reported they have ordered new equipment that should correct this problem. However, the company has only a single nut product and many importer buyers would like a fairly comprehensive nut product line to market. The Company has expressed a desire to add a sugar coated peanut; and perhaps TDC could assist to seek out other potential nut product lines for the company to produce.

Market Penetration Strategy

1. Conduct a comprehensive client needs assessment study. The questionnaire indicates the company has trouble obtaining outside market information and there may exist the needs to furnish TA in areas such as management, and production to be of greater assistance.
2. Nut products from EC and the Middle East should be brought back to Egypt and a SWOT analyses be conducted with the client to understand overall competitive quality, product mixes of several product lines, as well as designing package and all must be competitively priced.
3. The market information should provide the potential areas of opportunities and potential importer buyers that may be willing to have discussions with the client. There may be possibilities that trade shows and exhibitions could bring additional export opportunities; however, a closer focus should be targeted to potential buyers and discussions held. If the client is planning to attend several exhibitions, advance notifications should be sent to these potential importer buyers to alert them of this.
4. The nut and snack markets of EC and the Middle East have been showing a good growth trend, and TDC should focus on where niche markets exist that might allow this client to gain market share and repeat purchases.

No 2. #203 THE MANZALA CO FOR FOOD PRODUCTS

Product: Dehydrated onion products

This company was formed in 1963 and has been exporting since 1970 to the UK, The Netherlands, Belgium, Greece and other EC markets. Presently they are at 100 percent capacity, and it was reported the exports are 100 percent of their sales. It was reported they could possibly make some additional changes within the production facilities to push up the

production from two tons per day to three tons per day. It was judged that investment capital would not be necessary, more a case of making operational changes.

Market Penetration Strategy

1. It is suggested a comprehensive client needs assessment study be conducted to fully understand if this company would be interested in further discussions and assistance by TDC.
2. Market information on dehydrated foods should be pursued on a limited basis in the beginning to provide TDC with basic data to consider where the trends of growth and with specific products might be realized.

No. 2 #204 GIZA SEED & HERBS, (a division of Kato)

- Products:
- 1) Distillation & Extraction of Essential Oils
 - 2) Aromatic Chemicals
 - 3) Experimental Plantation Sites
 - 4) Seeds and Herbs
 - 5) Dehydration of Fruits and Vegetables
 - 6) Foods
 - 7) Soap and Detergents
 - 8) Toiletry Creams & Cosmetics

KATO was started in 1935, and is reported to have started to have export sales starting in approximately 1977. It is a large corporation with offices in Egypt, France, the United States (Worldwide), and the ex-Soviet Union.

In discussions with the Sales and Export Manager, the dehydrated foods operations have been in joint cooperation with McCormick Shillings and 100 percent of the dehydrated products are shipped to Europe, Southeast Asia, and the United States. The manager indicated they lack foreign marketing within the Egyptian operation, and that they might be willing to discuss further offerings of joint cooperation with TDC. Obviously, there are other facets of this corporation besides the foods that TDC might be able to focus on and to assist with greater exportation sales to Kato.

Market Penetration Strategy

1. TDC needs to determine first if KATO as a whole should be considered in present or future project assistance, or if just the processed foods should be undertaken.
2. To accomplish or make a decision, it might be better to consider a client needs assessment, and a better understanding of the corporate group, and to fully understand what, how, and when TDC could offer this/any assistance.

3. From the interview it was learned that Giza Seed and Herbs feel they lack knowledge in export marketing and the ability themselves to gather potential customers, and to know where and what market trends are developing. They also indicated they would like better understanding of new seed(s) selection to know in advance of what new varieties are emerging that has caught the fancy of consumers. There appeared to be other potentials to assist, and the needs assessment should point these out.
4. The management indicated they are pushing the limit of their dehydration capacity, and have been discussion a five year planning program. they will either build new green-field, or consider the purchase of some S.O.E. of Egyptian Government. Perhaps TDC could also focus on this aspect to assist in this purchase or even arrange for agricultural crops to be supplied.

No 2. # 208 UNITED CO FOR FOOD INDUSTRIES (MONTANA)

Products: Frozen foods: okra, molokheya, spinach, artichoke hearts, green pease, green peas/carrots, mixed vegetables, cauliflower, colcas, green beans, vine leaves, falafel, carrots, sweet corn (cob), and strawberries

This company was formed in 1986 and export sales started in 1988-89. Export sales account for sixty percent; and overall sales have been growing at about ten percent annually. Export sales are for UK, France, Italy, Swiss, Belgium, the Netherlands, Australia, Canada, and the USA and for most of the Middle East. It was reported that they are producing 5,000 to 6,000 tons per year and with some physical changes in the operations, they could double the production. They own 1,000 fedans near Alexandria, and another 200 Fedans near their processing facilities. They run their facilities 3 shifts per day, and packaging equipment seems to be the major choke point for increased capacity, and perhaps the up-grade of freezing tunnels to freeze the processed foods. Montana considers themselves as the No 1 exporter, followed by AGA, and thirdly by FOODICO, and lastly GRINEX.

Market Penetration Strategy

1. TDC should consider scheduling a meeting with the Chairman of the company to determine if they would be willing to work according to TDC plan. During this meeting, it could be possible to conduct a full client needs assessment to ascertain exactly what might be needed.
2. The Sales manager indicated they could use assistance in export market information as well as some internal management and manufacturing sectors of TA.
3. Since some of the export business is handled through Agents, and some through distributors, it would be important to learn what countries have agents and exclusivity.
4. Market information, competitive products and other information gained by assessing the EC and the Middle East can provide insights at to what this client might have to

do to have better product quality, package, and or prices to find new importer buyers. It is possible that exhibitions and trade shows might assist the client to move additional export sales.

Two additional companies were interviewed; however, since both are involved in fresh produce for exportation, they probably should be considered under the Fresh Produce Sector of the report.

PICO, a very large fresh produce exporting company. TDC is carrying them to Anuga in Oct.

PLANT PRODUCTION, a company that is being considered as Associate Member for the New Desert Growers. The company has been interview twice, and is found to have a very complex type of farming since the majority of sales are grown from greenhouses.

FOOD PROCESSING SECTOR				
Company/ Product	Management Training	Market Support	Production Assistance	Added Export Potential (3 years)
A. Peanuts (#001/209)	<ul style="list-style-type: none"> Export mgmt, Quality control. 	<ul style="list-style-type: none"> Exhibitions. Contacts. Market info. 	<ul style="list-style-type: none"> Quality control, Packaging. 	Sales LE 8.5 Exports 70% LE 5.6 Potential LE 3
B. Jams (#002/211)	<ul style="list-style-type: none"> Needs to find export mgr for the firm. 	<ul style="list-style-type: none"> Could help find new markets 		Sales LE 40 Exports 40% LE 16 Potential LE 22
C. Food colors, flavors & spices (#202)	<ul style="list-style-type: none"> Marketing (4 Ps) 	<ul style="list-style-type: none"> EC mkt trips EC contacts Mkt feedback Exhibitions 	<ul style="list-style-type: none"> Production TA Capital equip 	Sales LE 11 Exports 60% LE 7.5 Potential LE 9.2
D. Dry mixes: Savouries Desserts (#202/210)		<ul style="list-style-type: none"> Exhibitions E Block 		Sales LE 25 Exports 25% LE 6.2 Potential LE 88
E. Dehydrated onions & garlic (#203)	None	No	No	Sales LE 4.1 Exports 100% LE 4.2 Potential LE 6.4
F. Dehydrated vegetables (#204)	<ul style="list-style-type: none"> Marketing (4 Ps) 	<ul style="list-style-type: none"> Promotions Mkt Trips Exhibitions 	<ul style="list-style-type: none"> Farm crop educ More crops New seeds Residue analysis Local transport 	Sales LE 33 Exports 100% LE 33 Potential LE 66
G. Frozen vegetables (#201)	<ul style="list-style-type: none"> Marketing (4 Ps) 	<ul style="list-style-type: none"> Mkt contacts Advertising Market research Exhibitions 	<ul style="list-style-type: none"> Residue analysis Transport assist 	Sales LE 7.9 Exports 50% LE 4.0 Potential LE 7.1
H. Frozen fruits & vegetables (#208)	<ul style="list-style-type: none"> Financial Strategic Marketing Cost accting 	<ul style="list-style-type: none"> Transport Information Feedback Get buyers 	<ul style="list-style-type: none"> New seeds/ cultivars Plant eng. Feasibility studies 	Sales LE 20 Exports 60% LE 12 Potential LE 32
I. Milk, cheese & fruit juice (#207)	<ul style="list-style-type: none"> Export mgmt Marketing mgmt 	<ul style="list-style-type: none"> Mkt contacts Mkt pricing Obtain requests Advertising abroad 	<ul style="list-style-type: none"> Pkg designed Language label 	Sales LE 70 Exports 8% LE 5.4 Potential LE 18
J. Fresh vegetables & fruits (#205)*	<ul style="list-style-type: none"> Residue analysis 	<ul style="list-style-type: none"> Market info/ feedback, Shipping assistance EC contacts 	<ul style="list-style-type: none"> Crop variety information Season info JV with growers 	Sales LE 20 Exports 42% LE 8.4 Potential LE 16
K. Fresh fruits & vegetables (#206)*	<ul style="list-style-type: none"> Marketing (4 Ps) 	<ul style="list-style-type: none"> Mkt contacts Mkt pricing Mkt requests Meet Quality Reqs Transport asst 	<ul style="list-style-type: none"> Post harvest facilities Hydrocooling Better packaging 	Sales LE 2.8 Exports 63% LE 1.8 Potential LE 9.0
OVERALL SECTOR	Mostly export marketing management.	Mostly market contacts, informa- tion & exhibitions.	Mostly production and post-harvest processing.	Sales LE 469 Exports 34% LE 161 Potential LE 445

*Interviews J & K will be incorporated into the Fresh Fruits and Vegetables Sector analysis later.

GARMENTS SECTOR				
Company/ Product	Management Training	Market Support	Production Assistance	Additional Export Potential
#009 Men's trousers & Women's slacks		<ul style="list-style-type: none"> Exhibitions Contacts Market info. 	Production TA: LT European consultant	Sales LE 2.6 m Exports 100% LE 2.5 m Potential LE 1.3 m
#010 Water- proof sports garments	Production & quality control.		TA to minimize down time in shifting to a new design.	Sales LE 10 m Exports 100% LE 10 m Potential LE 3 m
#011 Sportswear & Casualwear	Pricing	<ul style="list-style-type: none"> Wants to enter EC & US markets 		Sales c. LE 9 m Exports 25% LE 2.2 m Potential c. LE 9 m
#043 Knitted fabrics & women's shirts/pants	Costing help, identifica- tion of trends	New customers, knowledge of comparable prices		Sales LE 9.5 m Exports 90% LE 7.6 m Potential LE 2.7 m
#044 T-shirts & sweat shirts	JV partners in Europe (Have European Export mgr)	<ul style="list-style-type: none"> Need clear orders 	Production line TA to meet deadlines	Sales LE 13.5 m Export 90% LE 11 m Potential LE 3 m
#045 Underwear, knitwear & T-shirts	Export management, keep constant customers	<ul style="list-style-type: none"> Well chosen contacts at exhibitions Buyer visits Targeted marketing trips 	Quality: Fabric shrinks, raise production	Sales LE 40 m Exports LE 10 m Potential LE 20 m
Textiles:				
#028 Upholstry & curtains	<ul style="list-style-type: none"> Check legality of copied designs. 	<ul style="list-style-type: none"> Contacts decorators, projects Sample pre- sentation 	<ul style="list-style-type: none"> Delays importing yarn 	Sales LE 8 m Exports 7% LE .6 m Potential LE 14.9 m
#030 Upholstry & curtains		<ul style="list-style-type: none"> ID hotel projects Info on EC importers 		Sales LE 60 m Exports 1% LE .8 m Potential LE 1.3 m
#032 Textiles, yarn, sheets		<ul style="list-style-type: none"> Arab mkt trends and requirements 		Sales c. LE 8 m Exports 20% LE 1.6 m Potential c. LE 8 m
OVERALL SECTOR	Export management & pricing.	Market Contacts.	TA for speed and quality.	Sales LE 161 m Exports LE 45 m Potential LE 63 m

LEATHER GOODS SECTOR				
Company	Management Training	Market Support	Production Assistance	Export Potential
#003 Wallets Purses, bags...		<ul style="list-style-type: none"> · Licensing for Luggage 	<ul style="list-style-type: none"> · Machine maintenance · Training quality, loyal labor 	Sales LE 2 Exports 90% Potential LE
#004 Belts, briefcases...	<ul style="list-style-type: none"> · Export mgmt: designs, new ideas. 	<ul style="list-style-type: none"> · Customer contacts · Mkt info, trends 	<ul style="list-style-type: none"> · Production organization 	Sales LE Exports 25% Potential LE
#006 Handbags...		<ul style="list-style-type: none"> · RIGHT exhibitions · EC market/price studies. 	Training in leather goods production.	Sales LE Exports 100% Potential LE
#008 Garments...		<ul style="list-style-type: none"> · Contacts RIGHT buyers · Information on designs 		Sales LE Exports 25% Potential LE
#021 Handbags...		<ul style="list-style-type: none"> · More continuous customers 	Help tanneries to improve finishing (2 year TA)	Sales LE Exports 60% Potential LE
#029 Briefcases, wallets...		<ul style="list-style-type: none"> · Contacts with big EC buyers · Semaine de Cuir · Design information. 	TA from technical designer.	Sales LE Exports 30% Potential LE
#033 Garments...	<ul style="list-style-type: none"> · Export management 	<ul style="list-style-type: none"> · Price info · Invite buyers to Egypt · JV with shop in UK 	Production TA, JV for tannery	Sales LE Exports 5% Potential LE 1
#040 Wallets...	<ul style="list-style-type: none"> · Export management (Tier 2 firm) 	<ul style="list-style-type: none"> · New channels for imports · Invite buyers to come 	Increase production and quality	Sales LE Export LE Potential LE .1
OVERALL SECTOR	Export management	Targeted customer contacts	Better quality leather	Sales LE Exports LE Potential LE

BEST AVAILABLE DOCUMENT

Company	Export Promotion	Market Information	Tech Asst Training	Export Potential
LEATHER GOODS SECTOR (continued)				
#023 Leather men's dress shoes and casuals	In Europe. Agent in Germany and Exhibitions.		Long term production TA (1 year)	Sales LE 40 m Exports 70% LE 28 m Potential LE 10 m
#025 Sport shoes and casuals	Export marketing	Market information and contacts	Improve quality and designs	Sales LE 6 Exports LE 0 m Potential LE 0 m
#026 Casual men's & boys shoes			Production TA for high quality & production flow.	Sales LE 9.2 m Exports 80% LE 7.5 m Potential LE 9.2 m
#035 Children's shoes	Export management	Buyer contacts, Exhibitions	Increase production capacity	Sales 1.0 m Exports 50% 0.5 m Potential 0.2 m
#036 High quality men's shoes	Export management	Exhibitions and marketing trips		Sales 5.5 m Exports 20% 1.1 m Potential 2.3 m
#037 Men's shoes	Export management	Buyer contacts, exhibitions		Sales 12 m Exports 7 m Potential 3 m
#038 Women's shoes & handbags	Export management	Buyer contacts, Exhibitions		Sales 9.5 m Exports 8.5 m Potential 7.5 m
#046 Men's shoes & components	·Govt regulations ·Costing ·production studies ·incentives	·Exhibitions, ·market information	·obtaining quality leather ·Sizes	Sales 12 m Exports 5.4 m Potential 2.2 m
SHOES	Export management	Contacts & exhibitions	TA for production and quality	Sales LE 95 m Exports LE 58 m Potential LE 34m
OVERALL SECTOR	Export management	Targeted contacts	TA for production and quality	Sales LE 145 m Exports LE 94 m Potential LE 53 m

AVAILABLE DOCUMENT

HOUSEWARES SECTOR				
Company/ Product	Export Management	Market Support	Production TA & Training	Additional Export Potential over 2 yrs
#007 Flatware: Stainless & Silverplate	• Cost pricing • Cost account- ing	• Marketing study • New customers	• Cost control	Sales LE 10 m Exports 30% Potential LE 8 m
#012 Razor blades/ systems		• Could help enter EC market in mid 1994.		Sales LE 50 m Exports 40% Potential LE 2 m
#013 Stainless & Aluminum pans		• Market contacts (Would like to get into US market)		Sales LE 32 m Exports 45% Potential LE 32 m
#014 Tissue paper & tissue products		Marketing assistance in E & W Europe and ME.		Sales LE 28 m Exports 15% Potential LE 10 m
#018 Porcelain tableware		Market contacts, Market requirements, Styles/designs info.		Sales LE 22 m Exports 20% Potential LE 5 m
#022 Stainless & aluminum pans		Market contacts		Sales LE 60 m ?? Exports 5% ?? Potential LE 0 m
#024 Chandeliers & crystal parts		• Exhibitions • Market price information		Sales LE 75 m Exports 33% Potential LE 24 m
#031 Porcelain table- ware & giftware			• Local processing of raw materials. • Ceramic eng. for production maint.	Sales LE 3 m Exports 10% Potential LE 3 m
TOTAL				Sales 280 m Exports 74.3 m Potential 84.0 m

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TDC EXPORT EXPANSION SERVICES

ANNEX I
TDC EXPORT EXPANSION SERVICES

AS TDC refines its business development and market readiness assessment skills, puts its European Market Access Network into place, and develops expanded market information capacity, it will increase its ability to provide various levels of marketing services. The type of service provided by TDC to a given client will be directly related to the level of the client's export readiness and the characteristics of its proposed venture. All clients visited by TDC staff or companies that approach TDC will receive assistance based upon an assessment against TDC's Client Selection Criteria (see Annex J). This initial assessment is in fact the first service provided by TDC to all potential clients.

Clients entering the TDC system receive access to TDC's services in direct proportion to the level of impact that TDC perceives is possible to obtain through interaction with a given firm. Firms that are not ready to work with TDC are not simply rejected, but are referred to other organizations or services. Those that appear to offer potential but are not yet ready to enter an intensive export expansion activity with TDC may be given access to information or the services of TDC depending upon the firm's requirements and TDC's assessment of the firm's ability to use its services to move it closer to full export readiness and a higher level of involvement with TDC.

The following represents a menu of services which can be offered by TDC to its clients, singularly or in combination, depending upon the level of involvement which is agreed upon between TDC and the client.

Needs Assessment and Export Readiness Diagnostic

Sector-specific general background information on European and Middle eastern markets

Product or firm-specific market research

Trade show participation support

Product sampling and buyer review of products in target markets

Access to European market network to get direct market feedback on above

Ongoing market follow-up and interaction with potential buyers to ensure orders are received and filled, etc.

Organization of buying missions designed to bring potential clients to Egypt

Assistance with preparation of marketing brochures, price lists and other needed materials—in English and/or the language of the target country

Conduct of SWOT analyses (strengths, weaknesses, opportunities and threats) with regard to target markets as the basis for development market entry and penetration strategies

Identification of service providers to assist with solving production-based problems that constrain market entry, e.g. product design, quality, and packaging

Identification of service providers to assist with addressing management of export issues that constrain market entry

For high-impact portfolio clients, TDC will combine some or all of the above services within the framework of specific export expansion plans which delineate the services, and the timing and phasing for their delivery, etc. In addition, each of the services can be costed separately within these plans to provide the basis for charging fees.

TDC will finalize its services and its service delivery approach by December 1993, and services will be published in a brochure.

CLIENT SELECTION CRITERIA

ANNEX J
CLIENT SELECTION CRITERIA

TDC's client selection criteria, as they are finalized and made available to potential clients, will assist and guide TDC executives in determining what level of service should be received by a given client and which clients and ventures are the best candidates for TDC's high-impact portfolio.

Firms seeking assistance from TDC will be assessed based upon the characteristics of both the firm proposing the export expansion effort and the specific venture or export expansion effort which it proposes. Experience shows that it is possible that an already exporting firm may request TDC participation in and support for a marketing initiative which is either not feasible or does not further TDC's own needs with regard to best allocation of its program resources. Therefore, current level of export activity is not necessarily the determining factor for selection of participants for the high-impact portfolio.

The following represent key selection criteria categories which will be represented in TDC's Client Selection Criteria:

History of the Firm

- Length of time in business
- Financial stability
- Strength of position in local market
- Export experience
- Level of market awareness

Characteristics of the Product Package

- Product quality
- Production capacity
- Capacity available for export
- Percent of imported raw material
- Level of export pricing awareness

Management of Export

- Direct involvement of owner/top decision maker
- Degree of willingness to commit time and resources
- Presence of skilled export manager
- Degree of willingness to commit to a specific plan

Potential for Impact

- Potential for export earnings in 6-12 months
- Potential for export earnings in 12-24 months
- Potential for export earnings in 24-36 months
- Potential for significant backward linkages

TDC's client selection criteria will be incorporated within a weighted average system which places significant emphasis on the "potential for impact" category. Ventures selected for the high-impact portfolio—those which will receive the most concentrated package of services from TDC—will be managed and implemented based upon the timing established between TDC and the client for achievement of export results. During the first plan period it is critical for TDC to highlight and work with ventures and clients having potential for achieving impact in the near term. The client portfolio will change as some clients complete their efforts and leave the system while others, some of whom may have been receiving lesser levels of service from TDC, enter the portfolio.

Clients whose ventures are not included within the high-impact portfolio will receive, as appropriate, access to other TDC services. For example, a client who has not yet done enough homework with regard to developing a market perspective on his products, may have his products reviewed by buyers in potential markets through its European Market Access Network.

TDC's client selection criteria can be refined and updated periodically as use and experience suggest that such refinements are necessary; however, initial criteria should be agreed upon and ready for use in December 1993.

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ANNEX K

PREMIUM BRAND SYSTEM PROJECT

D R A F T

New Desert Growers Company
Corporate Infrastructure and Agronomy Outline Only
November 1993 - June 1996

The initial program strategy is to become a year-round shipper of a large volume of a few primary crops, rather than an intermittent or seasonal shipper of lower volume, specialty crops. The strategy is to work with reputable, large receivers who deal directly with supermarkets, rather than with smaller importers who operate in the wholesale markets and operate with independent growers.

The program begins by an in-tandem Egyptian agronomic activity and a European Marketing checklist.

IN EGYPT: Dates of planting, seed, varieties, soil, irrigation system, chemical, fertilizer, watering and water availability, dates of harvest, technical visits; (pre-planting, 1/2 way and harvest), method of harvest, cooling and storage availability, post-harvest physiology, field transport; inland and sea transport, cost of production. A 3-year business plan for NDG and operating plan for year 1 will be drawn up by January 1st, 1993 with a 4 crop development strategy.

IN EUROPE: The market for specific product, the specific receiver by country, the inland transport, the disembark inspection, quality levels, volumes, landed cost, historic market price, windows in and out, tariffs, quotas, restrictions, supermarkets guidelines and reporting, market pay practices.

The program starts with new potatoes in 1994 at levels of 3 - 5,000 m/t for the season. Variety, seed, TA and growers are the work criteria. In the case of melons, an on-farm adaptive research program aimed at narrowing down varieties, identifying and resolving critical production and post-harvest problems, defining appropriate crop management systems, estimating exportable yields, production costs and identifying the most plausible export producers will be carried out. In the case of onions a trial will be conducted in year one encompassing a scaled down program less than as mentioned for melons.

The programs emphasis first year will be on volume commercial shipments of potatoes and grapes (1994/1995 season 5,000 mt and 2,000 m/t respectively) and trial shipments of peaches, melons, onions and tomatoes (beef-steak and cherry), ((400, 2000, 1000 m/t, 30/40 pallets per week respectively)). Space filler products; sweet potato, green beans, peas, artichokes and sweet pepper will be acquired through associate contracts. In year two through four, the merits of plums, avocado, mangetout, asparagus, sugarsnap peas, runner beans, aubergines, small cukes, courgettes, mini-vegetables, dry beans, rasp and black berries, spices and herbs, and other types of value added product will be examined.

The program plan for the PRIMARY GROUP of products is as follows:

- 1- **POTATO:** To establish new markets. To ship correct varieties as soon as production becomes available. Technical assistance needs are limited to varietal advice and disease control and seed availability. Volume required 3,000 - 5,000 m/t's. Varieties required nicola, diamont (primarily). Estimated date of beginning production January 1994 first shipments and December 1994 second shipment.

TASKS:

- a) Select proper distributor in Belgium, Denmark, Holland and Switzerland as immediate opportunities.
 - b) Assist in new production: coordinating growers - assist in seed availability.
 - c) NDG contact as local crop expert - Mr. Ali Eissa.
- 2- **GRAPES:** To begin December 1993, an agronomic technical assistance program to assist NDG growers to work towards a 1994 harvest (begins June) improving size, sweetness and 80% export quality. Three exports varieties: Flame, Ruby and Thompson (the main emphasis on seedless Thompson). Volume first year 2,000 m/t. Markets; U.K. and Germany primarily, Belgium, Denmark, Ireland, Holland, Switzerland secondarily.

TASKS:

- a) To select and arrange for an Israeli expert in agronomy and agree a program for assist NDG growers of grapes individually, based on a farm by farm system. To select and arrange for a quality control specialist to produce an Egyptian procedural and policy manual for grapes. To assist in the placement of a crop specialist in grapes who will be available for 8 months each year on-site, paid for by the NDG and responsible to insure all recommendations and plans are carried out precisely.
 - b) To investigate new methods of grape growing, new systems, new varieties
 - c) To investigate methods of cooling on-site and refrigerated transport (inland) and ((sea))
 - d) To examine the redesign of new packs (interior) ((exterior)).
 - e) NDG contract as local crop expert Mr. Ashraf El Assaili.
- 3- **MELONS:** To begin up to three trial locations with numerous selected seed varieties up to two cycle, identical plantings. Greenhouse trials; first trial October 1993, tunnels second trial in December 1993, open field; third trial in March 1994. Based on the success of the trials, a (8 - 10 months) commodity will be developed catering to the individual requirements of many European countries. Non - trial volume; beginning with commercial plantings harvesting November 1994, 2000 m/t to May 1995. By the end

of the second to third year a test fixed priced program for 12 months of shipments will be investigated.

(Note: When the phrase select and arrange is used in regard to technical assistance, it is based on 30% of that total expense to be paid by NDG members as per individual use and is used to assist the farmer in all aspects of agricultural practices and procedures, post-harvest physiology, packaging, quality control and transport only. It is not intended to provide an actual day to day growing environment and personnel for that use. This TA assistance is to insure that a high quality product will be available for the TDC Agricultural Marketing unit to properly market and assist in its sale and marketing.

TASKS:

- a) To select and arrange for a melon expert to set up and monitor trial locations beginning October 1993. Arrange agronomy per selected variety.
 - b) To identify up to 20 varieties of seeds if required.
 - c) To identify cooling, and packaging requirements.
 - d) To arrange trial markets and reception monitoring.
 - e) To produce an Egyptian procedural and policy manual for melons.
 - f) NDG contact: local crop expert - Dr. Tarek Nadim.
- 4- **ONIONS:** To recreate level of export forty years ago. To investigate new variety requirements. To search European markets for Niches. To conduct test acreage in 1994. First commercial production in May of 1995. Volume of test acres in various locations, minimum 100 acres. Commercial production 3,000 m/t - 5,000 m/t first full year.

TASKS:

- a) To select and arrange for an onion expert to set up and monitor trial locations beginning in 1994.
- b) To identify varieties of seed.
- c) To arrange trial markets and reception monitoring.
- d) To investigate two separate markets: sweet onion for retail sales and an industrial use onion.
- d) NDG contact : Local crop expert, Mr. Hamed EL Shiatty.

The program plan for the SECONDARY GROUP is as follows:

Beef Tomato: With minor technical assistance to identify the proper seed and technology produce a beef-steak flavor tomato fully matured, offered in a 4 to 6 pack plastic consumer tray. First year volume 40 pallets a week for at least 7 months. Market to test, United Kingdom. 50% of production levels required for the Middle East. Test planting to begin as soon as possible.
NDG contact: local crop expert - (to be identified).

Cherry Tomato: Greenhouse system, minor technical assistance needed to identify the proper seed and technology. Markets are the U.K., Germany and the Middle East. Trials to begin as soon as possible.
NDG contact: local crop expert - (to be identified).

Sweet Pepper, Sweet Peas, Green Beans: U.K. and Germany require limited volume from associate members or contract growers. Levels and contracts to be discussed.

Peaches: From existing acreage among the NDG group, a trial shipment will be sent to the U.K. at a rate up to 400 mt, April to May 1994, when the complete reception can be assessed. Correct packaging and overall European requirements will be investigated at once.
NDG contact: Local crop expert - Mr. Sherif Hegazy and Mr. Ayman Korra.

Specialty Items:

A range of specialty items will be discussed as space fillers for Europe..

ASSUMPTIONS / ISSUES

Important pre-conditions to delivering effective assistance to the New Desert Growers include: (1) Mastery of technologies and markets. (2) The hiring of qualified professional staff and (3) The obtaining of the best available external consulting advice.

- (1) Mastery of technologies and markets depend on the rapid acquisition and assimilation of all relevant information (local and foreign)
- (2) The hiring of qualified local staff assumes that appropriately trained and experienced individuals can be found within Egypt and that the entry level of TDC would be of interest to the candidate.
- (3) The obtaining of highly qualified foreign advisors assumes that the appropriate consultants can be fielded at the appropriate moment.

With respect to the New Desert Growers' company, key assumptions include the following:

- (1) That the founding members will carry through on their initial commitments of time and financial resources;

- (2) That they will accept the inclusion of associate members and over time, that they will promote others to full member status; and each 12 to 24 months a suitable number of new associates will be selected and included within the program.
- (3) That both founding and associate members will continue to perceive joint marketing as sufficiently interesting for them to channel a significant portion of their production through the company;
- (4) That the priority crops will achieve sufficient export volume and value to make NDG and related companies profitable; and
- (5) That the NDG will continue to pay TDC for their services on a timely basis;
- (6) That NDG devotes sufficient funds for research and development after year 3 to continually build successful new crops and related value added marketing ideas, and innovation and expansion.
- (7) That the NDG uses a European Coordinating Office which has good relationships with the European Receivers.

YEAR ONE ACTIVITIES

- (1.) Guide and oversee all of the marketing support and technical assistance activities to be undertaken by TDC in support of increased agricultural exports.
- (2.) Directly manage the evolution of the Premium Brand System, which will initially be implemented exclusively through NDG.
- (3.) Finalize staffing needs (Director of Agriculture, Assistant Director of Agriculture (based on volume), Manager of Quality Assurance and perhaps others that fit TDC's planned activities in agriculture. Recruit and hire qualified individuals, plan and carry out / arrange any required orientation or on-the-job training, then supervises their activities.
- (4.) Advise NDG founding members on the long-range strategy as well as content of a 3-year business plan.
- (5.) Draft, negotiate and sign an initial services agreement between TDC and NDG designed to cover analytical, research and exploratory activities that must occur before NDG becomes fully operational by December 1993.
- (6.) Design, organize, supervise and evaluate varietal and management trials for melons and onions.
- (7.) Research and compile market and technology reference packets on potatoes, peaches, grapes, melons, onions and tomatoes (see annex 1 for illustrative content)

- (8.) Carry out field diagnostic analyses for potatoes, grapes, melons, onions, peaches, and tomatoes.
- (9.) Help the NDG founding members to finalize and execute an initial operational plan designed to move the enterprise from concept through start-up only. (The full operating plan for year one will follow on from this start).
- (10.) Organize, manage and participate in a marketing trip to select Mideast markets.
- (11.) Formulate separate crop development strategies and plans for as many as four priority crops (taking a long term view on tomatoes as the fifth priority crop).
- (12.) Investigate possible quality assurance systems for fresh produce, including the model used by Fundacion Chile, then design a QA system for NDG incorporating the United Kingdoms food safety guidelines (HAACP) (phytos) and insuring audit trails.
- (13.) Assist NDG to formulate and execute a complete operating plan for NDG covering the first full agricultural export year (i.e. 94/95 season).
- (14.) Draft, negotiate and sign a long-term services agreement for TDC assistance to the NDG by January 1994.
- (15.) Arrange a visit(s) to Egypt from selected receivers beyond those already brought in for the first Agricultural Retreat as possible back-up for extra volume at harvest and possible higher returns on purchase price.
- (16.) Define additional specific expertise required in support of TDC agricultural activities, arrange for short-term professional services as needed, and supervise all expatriate or local experts hired.

ALLOCATION OF RESOURCES

(Long-term)

Special Advisor/COP - Holds overall responsibility for the strategy, management and execution of all technical support activities undertaken by Chemonics. Directly responsible for all assistance provided by the contractor on support of agricultural exports. Provides strategic advice to the NDG. Supervises the manager of Quality Assurance and all short-term TA experts brought in to support agriculture. Guides the actions of TDC personnel assigned to agriculture. Often represents TDC in its daily dealing with NDG, client growers, and client receivers. Collaborates closely with the contractor's Export Promotion Advisor. Supervises the Manager of the Food processing unit in his work with food processing clients. Directly advises the Sales & Marketing Director on a day to day basis.

Director of Agriculture - Holds general responsibility for the delivery of TDC services to growers and receivers of agricultural export products. Collaborates closely with other TDC staff concerned with food processing. Supervises an Assistant Director of Agriculture (added as volume increase). Coordinates planting and shipping schedules with NDG growers for designated supplies of services and receiver information in target markets. Coordinates all agricultural dates with the manager of Quality Assurance. Liaison with the spearheads of NDG.

Assistant Director of Agriculture - Holds daily responsibility for the delivery of TDC services to growers and receivers. Receives and processes inquiries from entrepreneurs outside the NDG program, applying as needed the criteria for client selection, service menu and fee-for-service plan. Advises the Information Services Manager in the delivery of information support to agricultural clients. Collaborates with and backstops the Manager of Quality Assurance. (Director of Agriculture will assume these responsibilities until the overall export volumes increase).

Manager of Quality Assurance - Insures use of policy and procedural crop manuals. Holds overall responsibility for ensuring that all products shipped by NDG growers to receivers meets required quality standards in all aspects both governmentally and to supermarket requirements and makes virtually certain that it arrives in acceptable condition at targeted end-markets in Europe and the Middle East. Manages the country trademark and Premium Brand Quality Seal being controlled and administered by TDC. Supervises 2-6 Quality Assurance Inspectors (inspectors 3 - 6 are employed as volume increases). Liaisons with the Farm Manager of each NDG farm to insure compliance with the prior agreed total crop plan including dates of applications and volumes and types of chemicals used. Institutes Audit Trail. Coordinates cooling facilities, packing houses, packaging, inland transport, and sea containers with NDG representatives and Agriculture Director of TDC.

Quality Assurance Inspectors - Responsible for determining whether any and all shipment handled through NDG meet required grades and standard, whether on the farm, at packing station, and when loaded into reefer transport on their way to the designated port of exit. Will liaison with NDG inspector who will be responsible for port (sea or air) clearance and container embarkation.

(Short-term)

Agribusiness Operations Specialist - Bears overall responsibility for flushing out and then "operationalizing" NDG's initial and first-year operating plans as well as setting up 3 year business plan. Supervises the execution of crop diagnostic studies, and helps the Executive Director, COP, the Director of Agriculture and the NDG Board to interpret their results. Provides on-the-job training to all TDC staff working in agriculture. Provides hands-on technical and marketing advice to TDC management and to the farm managers and owners of NDG-related enterprises. Gurus, when the timing is correct, the Director of Agriculture.

Crop Experts - Based on their own expert knowledge and past experience; responsible for confirming that their specific crop holds sufficient promise for Egypt in Europe and/or the MidEast to justify its being selected as a priority crop. To organize the required farm plans for

candidate farms for both trials and commercial plantings. To instruct the NDG resident exper farm by farm per crop specialty.

Quality Assurance Specialist - An expert in quality control for fresh, export-oriented products capable of generalizing from past experience in other contexts and adapting lessons learned to the Egyptian context. Liaisons with the NDG Farm Managers to insure Audit Trails and proper levels agronomically are maintained.

STRATEGY SUCCESS INDICATORS

- (1) Interim operational plan for NDG completed and approved by TDC Executive Committee and NDG founders - 11/93
- (2) Interim TDC - NDG Services Agreement signed - 12/93
- (3) NDG Equity contributions paid in full with TDC receiving its full share (TDC promissory note is needed) - 12/93
- (4) Service Agreement with David Levin Signed - 12/93
- (5) Long-Term - TDC - NDG Services Agreement signed - 02/94
- (6) 3 year Business Plan - with First Year Operational plan for NDG approved by its members. - 01/94
- (7) NDG makes final arrangements with European Receivers - 01/94
- (8) Agricultural Director - hired and in-place - 02/94
- (9) Quality Control Supervisor - hired and in-place - 02-03/94
- (10) First shipment of NDG product exported - 05-06/94
- (11) NDG Premium Product receives premium grade price - 07/94
- (12) Repatriation price received returns to Egypt - 08/94

DETAILED LEVELS OF EFFORT AND TIMING FOR AGRICULTURAL ACTIVITIES

- (1) Oversight of all TDC agricultural activities: a continuing responsibility throughout the project of the COP/Management Advisor, assisted in execution by the Director of Agriculture.
- (2) Direct management of the Premium Brand System : a continuing responsibility of the COP/Management Advisor, with significant assistance by the Director of Agriculture,

and with operational responsibility vested in the Manager of Quality Assurance, throughout the life of the project.

- (3) Recruitment, orientation, and initial training of the Director of Agriculture, the Assistant Director of Agriculture (volume permitting) and the Manager of Quality Assurance : to be carried out mainly between October 1993 and February 1994 by the COP/Management Advisor, under the general direction of the Executive Director.
- (4) Advice to NDG Board on long-range strategy and multi-year business plan : to be accomplished mainly by the COP, in consultation with the Executive Director, between October 1993 and September 1994
- (5) Drafting and signature of an initial services agreement between TDC and NDG : a joint responsibility of the Executive Director and COP/Management Advisor, to be carried out in December of 1993.
- (6) Design and execution of varietal and management trials for melons : to be accomplished by the short-term melon expert responsible for the melon field diagnostic analysis, starting in November of 1993, (1.mm.) ((onion and tomato to a lesser degree in December (0.5 mm.))).
- (7) Diagnostic analysis and developmental strategy of four priority crops : to be prepared December 1993 by COP, European receivers and local short-term experts with U.S. Chemonics home office Agriculture staffer. (1.mm. in total).
- (8) 3 year Business plan for NDG: incorporating 5 crop development strategy and operating plan for year 1; to be prepared by a short - term Agribusiness Operations Specialist (1.mm.) under the supervision of the COP/Management Advisor between December 1 and December 21, 1993.
- (9) Marketing trip to MidEast markets: to be carried out in February of 1994 by the Executive Director, the COP/Management Advisor and (if hired) the Director of Agriculture (optional).
- (10) Analysis of QA systems for fresh produce, leading to design of a QA system for New Desert Growers : to be carried out in January / February of 1994 under the guidance of the COP/Management Advisor, by the Agribusiness Operations Specialist (1.mm.) and the Director of Agriculture, and in consultation with the European Receivers and the U.K. Food Safety Act.
- (11) Initial execution of the first-year operating plan for NDG : to be carried out in February of 1994 by the short-term Agribusiness Operations Specialist (1.mm.), the Director of Agriculture, the Assistant Director of Agriculture and the Manager of Quality Assurance, under the supervision of the COP/Management Advisor.

- (12) Drafting, negotiation and signature of a long-term services agreement between TDC and NDG : to be handled by the Executive Director and the COP/Management Advisor concurrent with the formulation of the first year operating plan, i.e. by January of 1994
- (13) Marketing visit to EC markets : to be carried out in January/February of 1994 by the Executive Director, the COP/Management advisor, and the Director of Agriculture (optional).
- (14) Arrangement of visits by other EC receivers : to be handled in May of 1994, by the COP/Management Advisor.
- (15) Definition of other expertise required, management of technical assistance delivery : to be accomplished by the COP/Management Advisor on a continuing basis throughout the project, but especially between April and December of 1994.

BEST AVAILABLE DOCUMENT

CONTENT OF THE CROP REFERENCE PACKETS

(N.B. The following list of topics and datasets should be viewed as illustrative rather than definitive. The intent is to set up a guide for on-going collection of relevant information needed by TDC and the main growers to achieve a full understanding of each crop selected as a priority for development. Time and resource limitations are such that it would be impossible to collect all of the information listed below in a brief initial effort. What is proposed instead is to begin the process of filling these needs by obtaining as much secondary information as possible, organizing it in loose-leaf binders, and then disseminating a set to each associated grower. As additional information is collected over time, it would be regularly distributed to all recipients for inclusion in their binders.)

1. OVERVIEW OF THE EC MARKET FOR PRODUCE

a. Basic Data on the Produce Industry in General (presented in tables and/or maps)

- (1) Annual production, imports and apparent consumption (both volume and value) of fresh produce in general within the EC, by country, over the 1989-92 period
- (2) Ports of entry for fresh produce in each EC country, with comparative volumes
- (3) Major wholesale markets and distribution centers in each EC country
- (4) Largest volume receivers/distributors of general produce in each EC country (with estimated volumes, if data is available)

b. Basic Data on the Target Crop (in table or chart form)

- (1) Total annual production, imports and apparent consumption of the target crop (both volume and value) for the EC as a whole and for each EC country, between 1989 and 1992
- (2) Monthly imports (volume and value) of the target crop for the EC as a whole and for each EC country, between 1989 and 1992
- (3) Monthly imports (volume and value) into the EC of the target crop from the main source countries between 1989 and 1992
- (4) Monthly imports (volume and value) of the target crop into selected EC target countries, by source country, between 1989 and 1992
- (5) Principal types and varieties (both volume and value if possible) of the target crops shipped each month into selected EC target countries by Egypt's presumed competitors
- (6) Approximate share of import volume of the target crop handled by the main importers and receivers in selected EC target countries (by source country if data are available)
- (7) Weekly wholesale prices for the target crop in selected EC target countries, between 1989 and 1992 (if data can be readily obtained)

- (8) Typical relative prices received in selected target markets (e.g. UK and Germany) for the main types and varieties under consideration for Egypt
- (9) Typical relative prices received in selected target markets (e.g. UK and Germany) for the different sizes likely to be exported by Egypt
- (10) Estimated relative volumes of the target crop handled through multiples/supermarkets versus other retailers, and also between retailers as a whole and institutions as a whole
- (11) Readily available summary reports on the EC market for the target crop

c. Basic Import Regulations in the EC

- (1) Importing procedures and sample paperwork required in the EC (and where different, in selected target countries) for the target crop
- (2) Summary of the EC tariff structure facing the main supply countries for the target crop, throughout the year
- (3) EC grades and standards for the target crop
- (4) Phytosanitary regulations affecting the target crop at the main ports of entry into the EC
- (5) Pesticide regulations for the target crop in the main EC target countries

d. Basic Economic and Demographic Data on the EC
(in tables and/or thematic maps)

- (1) Current population and growth rates
- (2) Economic performance over the last 3 years
(Total and per capita GNP and GDP, inflation rate, exchange rates, etc.)

2. OVERVIEW OF THE MIDEAST MARKET

(Note: Over time, it would be desirable to collect for the Mideast the same information listed above for the EC. However, since this is a relatively lower priority, and resources are limited, no systematic review of available information on supply and demand trends in the Mideast market will be undertaken initially. Contact will, however, be made with USDA's Foreign Agricultural Service and the Horticultural Products Branch of the Agricultural Marketing Service, to identify and obtain whatever relevant statistical data, analyses and reports they may have readily available).

3. COMPETING SUPPLY AREAS FOR THE EC MARKET

For each target crop, from 3-5 main competitor countries to Egypt will be identified, and a good faith attempt will be made to obtain the following information and data for each of those countries:

- a. Overall exports (volume and value) of the target crop to the main target markets of that country, over the latest 3-year period for which data is available

- b. Overall exports (volume and value) of the target crop by month
- c. Seasonality of supply, by production area
- d. Seasonality of supply, by type and variety
- e. Principal exporters of the target crop into the various EC markets, with approximate absolute volumes and share of the competing country's exports into that market
- f. Anecdotal information on the perceived image and competitiveness of the country in targeted EC countries, including both strengths and weaknesses
- g. Estimated maritime transport cost to the main EC ports of entry
- h. To the extent it is readily available, approximate costs of production
- i. Principle production and post-harvest handling technologies employed

4. TECHNOLOGIES

- a. An overview of emerging (i.e. "cutting edge") technologies for production, post-harvest handling or transport that are currently moving from research to application in the main source countries, and that may therefore represent either problems or opportunities for Egypt
- b. Principal institutional sources of expertise around the world in the target crops
- c. Names and contact information for recognized, world-class experts for the target crop in areas such as the following:
 - (1) Plant breeding, varietal selection and adaptation
 - (2) Plant physiology
 - (3) Plant nutrition and fertilization
 - (4) Irrigation management
 - (5) Greenhouse, tunnel and open field production
 - (6) Plant pathology
 - (7) Pest and disease control
 - (8) Post-harvest handling
- d. Sources of planting materials
- e. Key equipment needs, types and sources
- f. A bibliography of core literature concerning the target crop

g. Recognized, authoritative reference books on the production and management of the target crop

5. WORLD SUPPLY AND DEMAND SITUATION FOR THE TARGET CROP

a. Latest available statistics on world production and consumption (from FAC Yearbook of Agriculture)

b. Latest available analysis of Western Hemisphere supply and demand trends (Situation and Outlook Report generated by USDA/FAS)

c. Other readily available summary analyses or reports on overall trends

BEST AVAILABLE DOCUMENT

TERMS OF REFERENCE FOR THE DIAGNOSTIC ANALYSES OF PRIORITY CROPS

BACKGROUND:

The Export Enterprise Development (EED) Project is a five-year effort being sponsored by USAID/Egypt, carried out by the Trade Development Center (TDC) of the Egypt-U.S. Joint Business Council, and supported by Chemonics International, assumed the role of technical assistance contractor for a three-year period that began on June 10, 1993.

EED is predicated on two premises: first, that Egypt needs to earn more foreign exchange through increased exports; and second, that increases in exports depend on Egyptian producers being introduced to foreign markets so that they can better understand their requirements and more successfully compete in international markets.

Over an initial three-year period, the EED project will focus on two export subsectors--light manufacturing and fresh produce--and aim mainly at EC and Middle Eastern markets.

Since resources available both to TDC and to its institutional contractor are limited, EED has to narrow its focus even further, electing to work mainly with large-scale ("first-tier") producers and to select only the most promising product groups within these two target subsectors.

In the case of fruits and vegetables, EED and Chemonics will channel most assistance through the New Desert Growers' Company (NDG), a private company recently founded by eleven entrepreneurs who have most of the know-how and resources needed to achieve rapid increases in both the quantity and quality of crops exported.

As far as priority crops are concerned, a preliminary consensus between NDG, major receivers from the UK and Germany, TDC and Chemonics staff was reached at the Agricultural Retreat held in Cairo on September 19-20, 1993. The crops that were selected include: potatoes; grapes; melons; onions; and tomatoes.

Although the crop priorities listed above reflect the best judgment of knowledgeable producers, exporters, importers and trade advisors, significant gaps in production, post-harvest, transport and marketing information remain. Since these gaps could affect or even determine the competitive position of Egypt in each crop, it is only prudent to undertake the "due diligence" needed to fill them, and to do so before all parties concerned make substantial investments of time and money.

For that reason, one of the first actions to be undertaken in support of agricultural export development under EED will be a rapid appraisal of Egypt's present competitive position for these five priority crops in designated target markets (initially the EC only, but later on in the Middle East and/or the Newly Independent States). Since the appraisals are

intended to identify the strengths, weaknesses, opportunities and threats that characterize each of the selected export industries in Egypt, they will be dubbed S.W.O.T analyses.

STATEMENT OF WORK:

The SWOT analyses are intended to help answer more clearly certain key questions:

1. Can Egyptian potatoes (grapes, melons, onions or tomatoes) successfully compete at the present time in selected EC markets? If so, on what basis and in what circumstances have Egyptian exports of potatoes been successful? In other words, what are the comparative strengths of Egyptian product in the main markets of interest?

2. If and when Egyptian potatoes (et cetera) have not met with success, what have been the circumstances, and how have competing suppliers won out over Egypt? In other words, what have been Egypt's comparative weaknesses in the main target markets?

3. In those instances where Egyptian potatoes (et cetera) have proven to be strong competitors, how can TDC and its client producers build on that fact, not just in the same markets but in new ones? And where Egyptian potatoes have proven to be weak competitors in target markets, how can that situation be overcome? In other words, where are the opportunities?

4. On the other hand, where Egyptian potatoes (et cetera) have had weak performance, what is the explanation? Which are the problems in production, post-harvest handling, transport or marketing that have already affected Egyptian exports? And what are the strategic or tactical moves, the changes in technology, or the differences in available resources or business organization that represent current or future threats to Egypt's competitive position? Which country, organization or enterprise is making them, and how can they be countered?

5. Given the strengths, weaknesses, opportunities and threats identified above, what can and should be done to deepen, broaden or otherwise enhance Egypt's competitive position in potatoes (or whichever crop is being analyzed)?

Although a consensus has already been reached within the New Desert Growers Company itself, and between NDG, TDC, designated receivers, and the Chemonics advisors, that a comprehensive program is needed to improve quality, quantity, consistency of supply and reliability all at the same time in each of the priority crops, many details are lacking on which problems or constraints must be attacked, and how to accomplish it.

SPECIFIC DUTIES:

The intent of this assignment, then, is to identify more clearly the specific changes in target markets and windows, varietal selection, production technologies, quality control systems, packing procedures, loading techniques, transport modes/routes/services, and

marketing channels or arrangements needed to achieve significant increases in export volume and value for the designated crop.

Our approach will be to bring to Egypt for a period not to exceed one month per crop, one or more expatriate experts in each priority crop who are capable of conducting the SWOT analysis described above, supported by one or more Egyptian experts on the same crop. Although all such experts will be hired as short-term consultants, Chemonics will identify and provide the expatriate experts through its technical support contract for the EED project, while TDC (or the NDG Company founders) will identify and provide the local experts.

The duties of the expatriate advisors will include, but not be limited to, the following:

1. Prior to departure from their present place of work, establish contact with other recognized experts and specialists who may already know Egypt, may have experience in similar growing conditions, and or may have specialized knowledge of specific topics relevant to this situation, in order to exchange views and information.
2. Prior to departure, establish contact with providers of vegetative materials, equipment or technologies that are likely to be relevant to the Egyptian context, in order to become familiar with what they offer and pre-position the project to access their help at a later date.
3. Prior to departure, pull together from the consultant's own collection of technical materials and any other readily accessible sources, any background information that may prove useful in the field.
4. Prior to departure, renew personal or professional contacts with individuals who work in the EC produce industry, to discuss their views of problems and prospects facing Egypt for the crop in question.
5. While en route to Cairo, review basic documents relating to this project, such as the Project Paper, RFP, proposal, contract and other background materials, so as to arrive as prepared as possible.
6. As soon as possible after arrival, hold introductory meetings with the Chemonics COP, the TDC Executive Director, and any agricultural staff that may have been hired by then.
7. Early on in the assignment, through a review of USAID/Egypt's projects database, identify all past, present and future projects that may be relevant to the target crop, then obtain and review all key documents, and visit with appropriate technical staff of selected on-going projects.
8. With the assistance of TDC's Director of Agriculture, and hopefully in the company of a local expert in the designated crop already hired by TDC, identify and

establish contact with any universities, research or extension centers that may have worked with this crop, in order to establish a firm understanding of the research community's view of the issues and problems affecting development of this crop in Egypt.

9. With the assistance of the local expert, visit with the main authorities on this crop and related problems (e.g. whitefly) in Egypt.

10. With the assistance of the TDC Director of Agriculture and the support of the COP/Management Advisor, make arrangements to visit the farms of the NDG members most experienced in this particular crop, or most interested in growing it, in order to get a clear understanding of the client growers and the production sites/facilities with which this project will work.

11. Assuming that the appropriate Crop Reference Packet for the designated crop arrives in time, review, assimilate and disseminate it to interested growers.

12. After digesting all of the data, information and impressions obtained above, write a report that: (1) summarizes the strengths, weakness, opportunities and threats affecting this crop; (2) makes an overall judgment as to the future potential of this crop in target markets; (3) makes a recommendation as to whether to retain it as a priority crop; (4) identifies the specific problems that would have to be resolved if the crop is to attain its full competitive potential; and (5) recommends an appropriate course of action to address these problems and realize that potential.

The duties of the local expert for each crop will mirror and complement that which was just described. In essence, the local expert is expected to lay the groundwork for the visit, provide access to the best available technical information, expertise and other contacts, and assist the expatriate expert to make an fully informed judgment about the crop's potential in and for Egypt.

DURATION OF THE ASSIGNMENT: Not to exceed one person-month each, for an expatriate expert as well as a local expert.

QUALIFICATIONS:

1. A Ph.D. in a relevant agricultural discipline
2. At least 15 years of professional experience in related fields
3. Significant experience in commercial horticulture, whether in managerial or senior technical positions
4. Intensive experience in production and postharvest handling of the designated crop
5. Proven ability to extrapolate past experience to new growing situations and cultures

**PROGRAM GENERATED INCOME DISTRIBUTION FORMULA
AND TDC SALARY LEVELS**

ANNEX L-A
PROGRAM GENERATED INCOME DISTRIBUTION

A. Effective Date - March 16, 1994 to March 15, 1995 and every 12 months thereafter.

1. Distribution¹: Two Levels (dependant on the then balance in the account)

1a. Up to \$100,000 (equivalent balance in the account)

a. 75% - to be earmarked for a fund designed for overall company performance and individual performance.

b. 25% - to be earmarked for a fund designed for general operating expense.

2b. Over \$100,000 (equivalent balance in the account)

a. 50% to the above (a) performance fund

b. 50% to the above (b) general operating fund

2. Individual Distribution Formula

2a. Every employee would receive 1% of the balance in the performance fund. (Provided TDC met its strategic indicators ((deliverables)) as set-out in its cooperative agreement).

2b. For every employee involved directly with export expansion (coded 's' in the TDC salary level chart), they would receive, on individual performance ratings, a further incentive from the balance of the performance fund, after the above deductions as follows:

a. Executive Director - 22%

b. Director of Sales & Marketing and the Director of Agriculture - 13% each

c. Food Processing Manager - 10%

d. Account Executives - 6% each

e. The balance will be used for special events such as quarterly sales award, prizes, etc. (sales related activities)

¹ It is to be understood that this distribution is not progressive, i.e., the first \$100,000 is 75%, the next \$100,000 and above is 50%. It is either one or the other level, strictly dependent on the balance in the fund at the time. The maximum ceiling that can be distributed as incentive in any given year is capped at \$150,000, i.e., there would have to be a minimum balance of \$300,000 in the program generated income account.

3. Performance Criteria

3a. Each individual would have a target assigned i.e. sector sales, program generated income sales and firms assisted. (Please see Annex LE-3).

3b. In addition, they would have a second criteria based on overall performance. (Please see Annex L-E).

3c. The senior management would do the criteria evaluations based on a category point system. If the total points are in excess of the minimum standards, then the full percentages are awarded. The percentage will decrease accordingly in three equal segments based on poorer performance indicators.

3d. The above activity will be done annually but will take into account bonus points for meeting the quarterly target indicators.

B. Program Example - Based on a balance of \$100,000 in the Program Generated Income Fund as at March 15, 1995 and all indicators and deliverables met:

1. 75% is available for the performance fund, 25% to the PGI operating fund.

1a. 1% of the Performance Fund (\$75,000) is given to all employees (\$750. to each employee x 31 = \$23,250)

2a. All 's' coded² employees receive a further bonus as set out below based on a balance of \$51,750 ($\$100,000 \times 75\% = \$75,000 - 31\% = \$51,750$) provided they meet all individual performance indicators.

a. Executive Director - 22% of 51,750 = \$11,385

b. Sales & Marketing Director & Director of Agriculture each receive 13% = $\$6727.50 \times 2 = \$13,455$.

c. Field Manager - Export - 10% of 51,750 = \$5175

d. Account Executives receive 6% each = $\$3105 \times 6 = \$18,630$

e. Balance of 6% = \$3105 for quarterly sales promotions (awards)

² It is to be noted that in the event of a balance in the program generated income fund which is of a minimum amount, then as a minimum the 's' coded employees will receive the equivalent of one month's salary. As a maximum (if the balance of the PGI fund is available to this level) not more than \$150,000 shall be distributed to the overall employee performance fund through program generated income.

ANNEX L-B

USAID FSN SALARY SCALE

USAID FSN Salary Scale

ATTACHMENT "A" TO FOREIGN NATIONAL COMPENSATION PLAN POSITION ALIGNMENT LIST

Effective March 27, 1988

FSN-1

**Janitor/Janitress
Laborer
Watchman**

FSN-2

**Duplicating Equipment Operator
File Clerk
Gardener
Guard
Heating Plant Operator
Janitor Supervisor
Mail and File Clerk
Mail Clerk
Motor Vehicle Servicemen
Trades Helper
Warehouseman**

FSN-3

**Automotive Mechanic
Boiler Operator
Chauffeur
Clerk Typist
Data Input Clerk
Distribution Clerk
File Clerk
Guard
Mail and File Clerk
Mail Clerk
Maintenance Man
Mechanic Offset Press Operator
Power Plant Operator
Receptionist
Sewage Disposal Plant Operator
Telephone Operator
Water Plant Operator**

FSN-4

Automotive Mechanic
Automotive Mechanic (Body and Fender)
Boiler Operator
Chauffeur
Clerk Stenographer
Clerk Typist
Computer Control Clerk
Data Input Clerk
Dispatcher
Distribution Clerk
Federal Benefits Clerk
File Clerk
File Supervisor
Furniture Repairman
Guard
Guard/Receptionist
Heavy Duty Fork Lift Operator
Library Clerk
Locksmith
Machinist
Mail and File Clerk
Mail and File Supervisor
Mail Clerk
Mail Supervisor
Maintenance Man
Mechanic (Building Trades)
Office Machine Repairman
Offset Press Operator
Passport and Citizenship Clerk
Peripheral Equipment Operator
Power Plant Operator
Procurement Clerk (Typing)
Receptionist
Refrigeration and Air-Conditioning Mechanic
Sheetmetal Mechanic
Special Consular Services Clerk
Supply Clerk
Telephone Installer and Repairman
Telephone Operator
Teletype Operator
Truck Driver
Upholsterer
Visa Clerk (Typing)

FSN-5

Accounts Maintenance Clerk
Automotive Mechanic Foreman
Central Office Telephone Mechanic
Clerk Stenographer
Commercial Clerk
Computer Control Clerk
Computer Operator
Consular Investigations Clerk
Data Input Clerk
Distribution Clerk
File Supervisor
Federal Benefits Clerk
Guard Supervisor
Library Clerk
Library Clerk (LOC)
Mail and File Supervisor
Mail Supervisor
Maintenance Foreman
Medical Technician
Minicomputer Operator
Participant Training Clerk
Pay Clerk
Pay Liaison Clerk
Peripheral Equipment Operator
Personnel Clerk
Program Clerk
Purchasing Agent
Receptionist
Secretary
Security Clerk
Security Guard/Chauffeur
Shipment Clerk
Special Consular Services Clerk
Subcashier
Supply Clerk
Telephone Supervisor
Teletype Mechanic
Teletype Operator
Travel Clerk
Visa Clerk (Typing)
Voucher Examiner
Work Control Clerk

FSN-6

**Accounts Maintenance Clerk
Audience Record System Clerk
Audio Visual Technician
automotive Mechanic Foreman
Cashier/Asst. Cashier/Subcashier
Commercial Clerk
Computer Control Clerk
Computer Operator
Customs Expediter
Distribution Supervisor
Federal Benefits Clerk
Guard Supervisor
Language Instructor
Library Clerk (LOC)
Library Technician
Maintenance Foreman
Maintenance Inspector
Medical Technician
Minicomputer Operator
Motor Pool Supervisor
Nurse
Participant Training Clerk
Payroll Liaison Clerk
Personnel Clerk
Program Clerk
Protocol Assistant
Secretary
Shipment Clerk
Storekeeper
Telephone Supervisor
Teletype Supervisor
Utilities Foreman
Visa Clerk (Typing)
Voucher Examiner**

FSN-7

**Accounting Technician
Arts and Graphics Assistant
Audience Record System Assistant
Audio Visual Technician
Budget Analyst
Cashier Assistant
Cashier
Commercial Assistant
Computer Control Assistant**

FSN-7 (continued)

Computer Operator
Computer Programmer
Consular Investigations Assistant
Cultural Affairs Assistant
Disbursing Assistant
Distribution Assistant
Economic Assistant
Engineering Draftsman
Engineering Inspector
Federal Benefits Assistant
Information Assistant
Language Instructor
Librarian (LOC)
Library Technician
Maintenance Supervisor
Motor Pool Supervisor
Passport and Citizenship Assistant
Peace Corps Program Assistant
Personnel Assistant
Political Assistant
Protocol Assistant
Purchasing Agent
Reference Librarian
Secretary
Security Investigator
Shipment Assistant
Shipment Assistant (POV)
Special Consular Services Assistant
Supervisory Federal Benefits Assistant
Technical Services Librarian
Teleprocessing Operator
Translator
Travel Assistant
Visa Assistant
Voucher Examiner

FSN-8

Accounting Technician (AID)
Art and Graphics Assistant
Audience Record System Assistant
Budget Analyst
Cashier
Commercial Assistant
Computer Operations Manager
Consular Investigations Assistant

FSN-8 (continued)

Cultural Affairs Assistant
Development Loan Assistant
disbursing Assistant
Distribution Assistant
Economic Assistant
Federal Benefits Assistant
Information Assistant
Librarian (LOC)
Maintenance Supervisor
Nurse
Participant Training Assistant
Passport and Citizenship Assistant
Peace Corps Program Assistant
Personnel Assistant
Press Assistant
Procurement Agent
Program Assistant
Protocol Assistant
Reference Librarian
Scientific Affairs Assistant
Secretary Security Investigator Shipment Assistant
Special Consular Services Assistant
Supervisory Audiovisual Technician
Supervisory Language Instructor
Supervisory Librarian (USIS)
Translator
Travel Assistant
Visa Assistant
Voucher Examiner (USAID)

FSN-9

Administrative Management Assistant
Agricultural Assistant
Art & Graphics Assistant
Audience Record System Assistant
Budget Analyst
Cashier
Commercial Assistant
Computer Operations Manager
Computer Systems Analyst
Consular Investigations Assistant
Cultural Affairs Assistant
Distribution Assistant
Economic Assistant
Federal Benefits Assistant

FSN-9 (continued)

Information Assistant
Labor Assistant
Librarian (LOC Acquisitions)
Librarian (LOC Cataloging)
Participant Training Assistant
Passport and Citizenship Assistant
Peace Corps Program Assistant
Peace Corps Program Assistant
Personnel Assistant
Political Assistant
Procurement Agent
Program Assistant
Reference Librarian (Program Assistant)
Scientific Affairs Assistant
Security Investigator
Shipment Supervisor
Special Consular Services Assistant
Supervisory Librarian (USIS)
Supply Supervisor
Technical Services Librarian (USIS)
Trade Center Assistant
Translator
Visa Assistant

FSN-10

Accountant
Agricultural Research Specialist
Agricultural Specialist
Art and Graphics Specialist
Audience Record System Specialist
Civil Aviation Specialist
Commercial Specialist
Computer Operations Manager
Cultural Affairs Specialist
Development Loan Specialist
distribution Specialist
Economic Specialist
Financial Specialist
Geographic Specialist
Information Specialist
Librarian (LOC)
Library Director
Maintenance Supervisor
Participant Training Specialist
Passport and Citizenship Specialist

FSN-10 (continued)

Peace Corps Program Specialist
Personnel Specialist
Procurement Supervisor
Program Specialist
Security Investigator
Special Consular Services Specialist
Supervisory Adm. Mgmt. Specialist
Supervisory Fed. Benefits Specialist
Supervisory Librarian
Trade Center Specialist
Travel Promotion
Visa Specialist

FSN-11

Accountant
Agricultural Specialist
Arts and Graphics Specialist
Auditor Commercial Specialist
Chief Accountant
Commercial specialist
Computer Operations Manager
Cultural Affairs Specialist
Economic Specialist
Engineer
Financial Analyst
Financial Specialist
Information Specialist
Labor Specialist
Library Director
Passport and Citizenship Specialist
Peace Corps Program Specialist
Personnel Specialist
Political Specialist
Program Specialist
Scientific Affairs Specialist
Supervisory Administrative Management Specialist
Visa Specialist

FSN-12

Agricultural Research Specialist
Agricultural Specialist
Chief Accountant (AID)
Chief Librarian (LOC)
Commercial Specialist

FSN-12 (continued)

Cultural Affairs Specialist
Economic Specialist
Engineer (AID)
Financial Specialist (STATE)
Information Specialist
Library Director
Medical Officer
Peace Corps Program Specialist
Political Specialist
Program Specialist
Scientific Affairs Specialist
Visa Specialist

AMERICAN EMBASSY AND CONSULATE, PCS, AID, USIS, FAS, LOC

40 HOUR WEEK		SALARY SCALE											EFFECTIVE: MARCH 1990	
CLASS	1	2	3	4	5	6	7	8	9	10	11	12	13	WGI
FSN-6 BR	15,213	16,012	16,811	17,610	19,409	19,208	20,007	20,806	21,605	22,404	23,203	24,002	24,801	799
ABR	14,159	14,783	15,407	16,031	16,655	17,279	17,903	18,527	19,151	19,775	20,399	21,023	21,647	624
C.	1,268	1,334	1,401	1,468	1,534	1,601	1,667	1,734	1,800	1,867	1,934	2,000	2,067	
ED.	16,692	17,382	18,073	18,764	19,454	20,145	20,835	21,526	22,216	22,907	23,598	24,288	24,979	
FSN-7 BR	19,165	20,161	21,157	22,153	23,149	24,145	25,141	26,137	27,133	28,129	29,125	30,121	31,117	996
ABR	17,309	18,063	18,817	19,571	20,325	21,079	21,833	22,587	23,341	24,095	24,849	25,603	26,357	754
C.	1,597	1,680	1,763	1,846	1,929	2,012	2,095	2,178	2,261	2,344	2,427	2,510	2,593	
ED.	20,171	21,008	21,845	22,682	23,519	24,356	25,193	26,030	26,867	27,704	28,541	29,378	30,215	
FSN-8 BR	21,158	22,254	23,350	24,446	25,542	26,638	27,734	28,830	29,926	31,022	32,118	33,214	34,310	1096
ABR	18,871	19,687	20,503	21,319	22,135	22,951	23,767	24,583	25,399	26,215	27,031	27,847	28,663	816
C.	1,763	1,855	1,946	2,037	2,129	2,220	2,311	2,403	2,494	2,585	2,677	2,768	2,859	
ED.	21,899	22,807	23,714	24,621	25,529	26,436	27,343	28,251	29,158	30,065	30,973	31,880	32,787	
FSN-9 BR	24,291	25,544	26,797	28,050	29,303	30,556	31,809	33,062	34,315	35,568	36,821	38,074	39,327	1253
ABR	21,255	22,172	23,089	24,006	24,923	25,840	26,757	27,674	28,591	29,508	30,425	31,342	32,259	917
C.	2,024	2,129	2,233	2,338	2,442	2,546	2,651	2,755	2,860	2,964	3,068	3,173	3,277	
ED.	24,544	25,566	26,587	27,609	28,630	29,651	30,673	31,694	32,716	33,737	34,758	35,780	36,801	
FSN-10 BR	27,860	29,291	30,722	32,153	33,584	35,015	36,446	37,877	39,308	40,739	42,170	43,601	45,032	1431
ABR	23,933	24,958	25,983	27,008	28,033	29,058	30,083	31,108	32,133	33,158	34,183	35,208	36,233	1025
C.	2,322	2,441	2,560	2,679	2,799	2,918	3,037	3,156	3,276	3,395	3,514	3,633	3,753	
ED.	27,520	28,664	29,808	30,952	32,097	33,241	34,385	35,529	36,674	37,818	38,962	40,106	41,251	
FSN-11 BR	38,182	40,201	42,220	44,239	46,258	48,277	50,296	52,315	54,334	56,353	58,372	60,391	62,410	2019
ABR	32,318	33,663	35,008	36,353	37,698	39,043	40,388	41,733	43,078	44,423	45,768	47,113	48,458	1345
C.	3,182	3,350	3,518	3,687	3,855	4,023	4,191	4,360	4,528	4,696	4,864	5,033	5,201	
ED.	36,765	38,278	39,791	41,305	42,818	44,331	45,844	47,358	48,871	50,384	51,897	53,411	54,924	
FSN-12 BR	50,995	53,655	56,315	58,975	61,635	64,295	66,955	69,615	72,275	74,935	77,595	80,255	82,915	26
ABR	41,181	42,633	44,165	45,697	47,229	48,761	50,293	51,825	53,357	54,889	56,421	57,953	59,485	15
C.	4,250	4,471	4,693	4,915	5,136	5,358	5,580	5,801	6,023	6,245	6,466	6,688	6,910	
ED.	47,139	48,892	50,646	52,400	54,153	55,907	57,661	59,414	61,168	62,922	64,675	66,429	68,183	
FSN-105-13 ADMINISTRATIVE SPECIALIST AND FSN-4005-13 PROGRAM SPECIALIST														
FSN-13 BR	71,848	75,550	79,252	82,954	86,656	90,358	94,060	97,762	101,464	105,166	108,868	112,570	116,272	37
ABR	53,958	55,657	57,356	59,055	60,754	62,453	64,152	65,851	67,550	69,249	70,948	72,647	74,346	16
C.	5,987	6,296	6,604	6,913	7,221	7,530	7,838	8,147	8,455	8,764	9,072	9,381	9,689	
ED.	61,733	63,741	65,748	67,756	69,763	71,771	73,778	75,786	77,793	79,801	81,808	83,816	85,823	

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 (LINE D (TOTAL PER ANNUM SALARY) INCLUDES THE FOLLOWING ALLOWANCES:
 TRANSPORTATION ALLO 1059 PA
 MEAL ALLOWANCE: 729 PA

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BR: BASE SALARY

FOREIGN NATIONAL COMPENSATION PLAN
 AMERICAN EMBASSY AND CONSULATE, FCS, AID, USIS, FAS, LDC

40 HOUR WEEK		SALARY SCALE												EFFECTIVE: MARCH 1990
CLASS	1	2	3	4	5	6	7	8	9	10	11	12	13	WGI
FSN-1 BR	4,372	4,613	4,854	5,095	5,336	5,577	5,818	6,059	6,300	6,541	6,782	7,023	7,264	241
ABR	5,154	5,369	5,584	5,799	6,014	6,229	6,444	6,659	6,874	7,089	7,304	7,519	7,734	215
C.	364	384	405	425	445	465	485	505	525	545	565	585	605	
ED.	6,783	7,018	7,254	7,489	7,724	7,959	8,194	8,429	8,664	8,899	9,134	9,369	9,604	
FSN-2 BR	7,200	7,583	7,966	8,349	8,732	9,115	9,498	9,881	10,264	10,647	11,030	11,413	11,796	383
ABR	7,679	8,000	8,321	8,642	8,963	9,284	9,605	9,926	10,247	10,568	10,889	11,210	11,531	321
C.	600	632	664	696	728	760	792	823	855	887	919	951	983	
ED.	9,544	9,897	10,250	10,603	10,956	11,309	11,662	12,014	12,367	12,720	13,073	13,426	13,779	
FSN-3 BR	10,487	11,034	11,581	12,128	12,675	13,222	13,769	14,316	14,863	15,410	15,957	16,504	17,051	547
ABR	10,457	10,907	11,357	11,807	12,257	12,707	13,157	13,607	14,057	14,507	14,957	15,407	15,857	450
C.	874	920	965	1,011	1,056	1,102	1,147	1,193	1,239	1,284	1,330	1,375	1,421	
ED.	12,596	13,092	13,587	14,083	14,578	15,074	15,569	16,065	16,561	17,056	17,552	18,047	18,543	
FSN-4 BR	11,583	12,185	12,787	13,389	13,991	14,593	15,195	15,797	16,399	17,001	17,603	18,205	18,807	602
ABR	11,356	11,851	12,346	12,841	13,336	13,831	14,326	14,821	15,316	15,811	16,306	16,801	17,296	495
C.	965	1,015	1,066	1,116	1,166	1,216	1,266	1,316	1,367	1,417	1,467	1,517	1,567	
ED.	13,586	14,131	14,677	15,222	15,767	16,312	16,857	17,402	17,948	18,493	19,038	19,583	20,128	
FSN-5 BR	13,553	14,254	14,955	15,656	16,357	17,058	17,759	18,460	19,161	19,862	20,563	21,264	21,965	701
ABR	12,976	13,546	14,116	14,686	15,256	15,826	16,396	16,966	17,536	18,106	18,676	19,246	19,816	570
C.	1,129	1,188	1,246	1,305	1,363	1,422	1,480	1,538	1,597	1,655	1,714	1,772	1,830	
ED.	15,370	15,999	16,627	17,256	17,884	18,513	19,141	19,769	20,398	21,026	21,655	22,283	22,911	

LINE D (TOTAL PER ANNUM SALARY) INCLUDES THE FOLLOWING ALLOWANCES:
 TRANSPORTATION ALLOWANCE: 536 PA
 REAL ALLOWANCE: 729 PA

BR: BASE SALARY
 ABR: PER ANNUM SALARY
 C: BONUS
 D: TOTAL PER ANNUM SALARY

EXCHANGE RATE AS OF 03/11/90 IS LE. 1 EQUALS U.S. DOLLARS 0.37831484
 LABEL: AR
 7 /15/90

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ANNEX L-C

CHEMONICS FSN SALARY CLASSIFICATION MATRIX

Chemonics International/Egypt Salary Classification Matrix

I	Administrative and Management Series	
	Senior Management Officer II	Grade 8
	Senior Management Officer I	Grade 6
	Management Officer	Grade 5
	Administrative Specialist III	Grade 5
	Administrative Specialist II	Grade 4
	Administrative Specialist I	Grade 3
	Administrative Support Specialist	Grade 2
	Administrative Support Aide	Grade 1
II	Editing and Translation Series	
	Editor	Grade 5
	Translator	Grade 5
III	Secretarial Series	
	Senior Secretary	Grade 4
	Secretary II	Grade 3
	Secretary I	Grade 2
IV	Office Support Series	
	Office Support Supervisor	Grade 2
	Office Support Specialist II	Grade 3
	Office Support Specialist I	Grade 2
	Office Support Aide II	Grade 2
	Office Support Aide I	Grade 1
V	Driver Series	
	Driver II	Grade 2
	Driver I	Grade 1

VI Governmental Advisory and Research Series

Governmental Advisor III	Grade 6
Governmental Advisor II	Grade 5
Governmental Advisor I	Grade 4
Research Editor	Grade 4
Research Associate	Grade 3

VII Training Series

Training Specialist II	Grade 6
Training Specialist I	Grade 5
Training Coordinator	Grade 4
Training Support Specialist	Grade 3
Training Support Aide	Grade 2

VIII Data Management and Processing Series

Data Management Supervisor	Grade 5
Data Processing Specialist II	Grade 4
Data Processing Specialist I	Grade 3
Data Analyst	Grade 2

IX Engineering and Architect Series

Engineer III/Architect III	Grade 6
Engineer II/Architect II	Grade 5
Engineer I/Architect I	Grade 4
Junior Engineer/Junior Architect	Grade 3

X Mechanical Equipment Series

Equipment Specialist	Grade 5
Equipment Advisor	Grade 4
Equipment Engineer	Grade 3

**Chemonics International/Egypt
Salary Classification Matrix
Long-term Professionals & Support Staff**

Step Grade	A	B	C	D	E	F	G	H	I	J	K	L
8	8,544	8,971	9,402	9,891	10,386	10,905	11,450	12,023				
7	5,781	6,071	6,375	6,695	7,029	7,381	7,750	8,137	8,544	8,971		
6	3,544	3,722	3,908	4,105	4,310	4,754	4,992	5,242	5,505	5,781	6,071	6,375
5	2,175	2,283	2,398	2,518	2,644	2,776	2,915	3,061	3,214	3,375	3,544	3,722
4	1,335	1,402	1,472	1,546	1,623	1,704	1,789	1,879	1,973	2,071	2,175	2,283
3	816	857	901	947	995	1,046	1,099	1,153	1,211	1,272	1,335	1,402
2	497	522	548	576	606	636	669	703	739	776	816	857
1	306	321	337	353	371	390	409	430	451	473	497	522

NOTE: Figures are for monthly salary in Egyptian pounds.

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LOCAL MARKET COMPENSATION COMPARISON

ALLIED ACCOUNTANTS

Ragheb, Sherif, Istanbuli & El Kilany
A Member Firm of ARTHUR ANDERSEN & Co. SC
Public Accountants & Business Advisors
Fellows & Members of the Egyptian Society of Accountants & Auditors



المحاسبون المتضامنون

راغب ، شريف ، اسطنبولي والكيلاني
مراشتر آرثر آندرسن وشركاه
محاسبون قانونيون وخبراء تنظيم وإدارة
ملا وأعضاء جمعية المحاسبين والمراجعين المصرية

Mr. Emad Abdel Razek
Executive Director
Trade Development Center

Dear Mr. Abdel Razek,

With reference to our telephone conversation of today, I confirm that the salary scales included in our letter of September 30, 1993, represent the regular salaries paid to executives of joint venture companies established in Egypt with an annual revenue of over U.S.\$ one million.

If you have any further questions, please do not hesitate to contact me.

Yours sincerely,

Nabil Istanbuli

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	# 1	# 2	# 3	# 4	# 5
Head of Engineering	72000	64300	122375	73400	149400
Head Of Quality	73872	64310	117000	81400	
Head Of Production	71200	71525	160130 SOLID	91400	
Head Of Production			113400 LIQUID		
Head of Sales	86144		60000 Field Force	72000	In addition to Sales Incentives
Head of Distribution	81720		81000	44000	Regional Sales Manager
Head of I.T.	71172	43125	81000		
Head of Purchasing	42400	77000	90225	40000	
Head of Planning & Follow Up	42400	49150	77320 Production Services	40000	Material Planning
Marketing Planning Manager	67996			81000	In addition to Sales Incentives
Sales Administration Manager	42400		91650	67000	
Production Planning Manager	64000	45425		31500	In addition to Sales Incentives
Specialized Team Manager	29016	44000		54000	In addition to Sales Incentives
Head Of Personnel	42400	99150	81000	67000	
Head Of Management Planning	42400				
Head Of Finance	71200	59150	90000	60000	
Financial Controller	60000				
Head Of Financial Planning	54000				
Director Director (Factory Mgr.) (Grade 9)		90400 Grade 9			52000 Reporting to O.M.
Q. Line Manager	24400	39025	60000 Section Head		
Director Manager	49720	34750		42000	
Sales Training Manager	121270		62500		
Utility Maintenance	30400		70000 Section Head	52000	Section Head
Process Equipment Manager	42400	40115 Grade 8		52000	
Tobacco & Cigarette Packaging S.H.	33400	34700	82520 Section Head	40000	
Shop Manager	34400		82745		
Stores Manager	60000		82745		

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PERFORMANCE EVALUATION FORM

TDC Performance Evaluation Form

NAME: _____

POSITION: _____

REVIEWER: _____

REVIEW PERIOD DATES: FROM: _____ TO: _____

SECTOR: _____

INSTRUCTIONS

Please rate the employee's performance on each of the following points using the rating codes listed below, and provide specific comments on the employee's strengths and areas for future development in the space provided at the end of this form. For Performance Targets, please use the actual figures in Egyptian pounds with the symbol for thousands i.e., Eighteen Thousand would be written 18k.

RATING INSTRUCTIONS

- 5 = outstanding performance
- 4 = very good performance, usually above normal standards and expectations
- 3 = generally satisfactory performance, meeting average standards and expectations
- 2 = mixed performance, sometimes satisfactory and sometimes substandards
- 1 = unsatisfactory performance
- N/A = not applicable

PERFORMANCE TARGETS

Annual Quota	Annual Achieved		Category
_____	_____	Export sales directly attributable	1
_____	_____	Program generated income directly attributable	2
_____	_____	Total number of firms assisted directly attributable	3

Quarterly Review

Target				Achieved				Category
1 st	2 nd	3 rd	4 th	1 st	2 nd	3 rd	4 th	
_____	_____	_____	_____	_____	_____	_____	_____	1
_____	_____	_____	_____	_____	_____	_____	_____	2
_____	_____	_____	_____	_____	_____	_____	_____	3

QUALITY OF WORK

- ___ Level of knowledge and skill in his/her area
- ___ Overall quality of work produced
- ___ Accuracy
- ___ Thoroughness
- ___ Analytical ability, judgement
- ___ Innovativeness, creativity
- ___ Versatility: ability to function well in several different areas
- ___ Facility for learning new tasks and skills
- ___ Ability to produce an acceptable volume of work
- ___ Financial targets achieved

WORK HABITS

- ___ Organizational skill: ability to plan, organize and set priorities
- ___ Ability to work steadily, without serious interruption
- ___ Ability to work with reasonable speed
- ___ Ability to meet deadlines
- ___ Ability to work effectively under pressure
- ___ Persistence and determination in tackling difficult tasks
- ___ Ability to work independently without close supervision
- ___ Job attendance
- ___ Punctuality
- ___ Availability for special work requirements and overtime

COMMUNICATIONS

- ___ Ability to produce a clear, written account of his/her work
- ___ Ability to produce information orally when necessary
- ___ Willingness to request information of others
- ___ Willingness to share information when appropriate
- ___ Ability to understand and follow instructions
- ___ Ability to function effectively as a representative of the company

ATTITUDE

- ___ Interest and enthusiasm exhibited towards his/her work
- ___ Interest in company operations outside immediate sphere of activity
- ___ Initiative shown in taking on new tasks
- ___ Flexibility, adaptability to changes in work patterns or assignments
- ___ Ability to work productively with other staff as a team member
- ___ Sense of group spirit and general interest in office welfare
- ___ Willingness to take direction and to comply with decisions made by supervisors
- ___ Ability to accept constructive criticism
- ___ Willingness and ability to make an effort to improve performance when and where necessary

SUPERVISORY ABILITY

- ___ Ability to plan, organize, and coordinate the work of those supervised
- ___ Ability to distribute work load fairly
- ___ Ability to delegate responsibility and authority when appropriate
- ___ Ability to make decisions quickly and consistently
- ___ Willingness to seek and accept advice
- ___ Ability to give clear and reasonable instructions
- ___ Ability to train employees under one's supervision
- ___ Ability to provide appropriate feedback on performance
- ___ Ability to evaluate the work of those supervised fairly and perceptively
- ___ Ability to provide leadership and motivate others to perform
- ___ Ability to create a work environment of mutual respect and trust
- ___ Ability to ease tensions and resolve conflicts among those supervised

Point System for 'A' and 'S' coded employees:

- 170 points = 100% of 1% overall incentive scheme - (as set out in Annex L-A1 - 2a.)
 150 points = 66 2/3% of 1% overall incentive scheme "" ""
 118 points = 33 1/3% of 1% overall incentive scheme "" ""
 Below 118 points - No incentive is paid and a warning letter is issued

Bonus System: For 'S' coded employees only - Performance targets:

a) Each category of the performance target (see page LE-1) represents 100 points for matching the annual quota. (100 x 3 = 300 points minimum requirement to qualify. Any difference between quota and achieved is deducted from or added to 100% in direct proportion and credited as points accordingly). It is to be noted that only a maximum of 50% difference either plus or minus will be used regardless of the actual swing in numbers over this percentage.

example:

Category	Annual Quota	Achieved	Difference	Points Applicable
1	1,000,000 (1 m)	750,000 (750k)	-25% or minus 25 points	75
2	50,000 (50k)	80,000 (80k)	+60%	150
3	10	12	+20%	120

(In the above example, the total points applicable is 345 without any bonus points for obtaining quarterly targets. The person would only be eligible for 66 2/3% of their incentive percentage unless they obtained bonus points built up in the quarterly reviews.)

b) Quarterly bonus points - for achievement in excess of targets - three categories - 5 bonus points each category each quarter. (Individual targets in each of the three categories listed in LE-1 will be given out separately by sector.)

c) Annual points in excess of 300 qualify for the bonus incentive according to job title, as set out in Annex L-A1 - 2b. ¹The Point System is as follows:

- 3 10 points = 33 1/3 % of the applicable percentage as set in Annex L-A1 - 2b.
- 3 30 points = 66 2/3 % of the applicable percentage as set in Annex L-A1 - 2b.
- 3 50 points = 100% of the applicable percentage as set in Annex L-A1 - 2b.

SUPERVISOR'S COMMENTS (A narrative can be attached)

EMPLOYEE RESPONSE AND COMMENTS (A narrative can be attached)

Employee's signature: _____ Date: _____

Supervisor's signature: _____ Date: _____

Executive Director: _____ Date: _____

EED Chief of Party: _____ Date: _____

Comments:

¹ Note: The individual targets, point system, bonus system (a, b & c of page LE-3) and incentive percentages are open for review and recalculation at the end of each year by senior management consensus and USAID approval for change. The parameters being the Executive Director may never exceed 25% per year and an account executive may never be less than 6% per year.