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Policy Analysis  
FY 1989/90 Implementation & Financial Plan

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National مشروع  
Agricultural للمؤسسات  
Research للأبحاث  
Project الزراعية



November 1990

**EY 1990 Implementation and  
Financial Plan**

for

The Agricultural Policy Analysis Component (APAC)  
of

The National Agricultural Research Project (NARP)

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**FY 1990 Implementation and Financial Plan  
for the  
Agricultural Policy Analysis Component (APAC)  
of  
The National Agricultural Research Project (NARP)**

**I. Introduction:**

This is the Third Implementation and Financial Plan prepared for this component.

The first was an Interim Plan prepared in the late winter of 1988 prior to official and formal start up of the component.

The second was the APAC Implementation and Financial Plan for FY 1989. Again, this was submitted and approved prior to the component's official start up. This covered the period from July 1, 1988 through June 30, 1989. The 1989 Plan was, in practicality, a bridging plan to carry on preliminary activities while awaiting the issuance of the Component's Request for Proposals (RFP), and the subsequent arrival of the long term contract technical team. The component was officially approved for implementation in September of 1988, when Amendment No. 2 to the NARP agreement was signed by the GOE and USAID.

The RFP has been advertised in the Commerce Business Daily in Washington and the release date for the RFP is October 20, 1989 and the closing date is January 19, 1990. Consequently, it is not expected to have the long term contract team in Cairo before May or June of 1990. This has been taken into account in the preparation of this Third Implementation and Financial Plan.

## **II. Policy Background and Setting**

### **A. GOE's 1986 Economic Reform**

The Government of Egypt's (GOE) overall economic strategy is to move away from strict central government planning and control towards a more liberal market-oriented economic system. In 1986, the GOE adopted a national economic development reform program to: (1) create more favorable conditions for market-led economic development; (2) increase the role of prices in the allocation of resources; (3) control internal inflation by reducing the national fiscal deficit; and (4) improve the balance of trade by promoting exports and reducing imports.

### **B. MALR's Agricultural Policy Reform**

During the spring and summer of 1986, in concert with the national economic development program, the Ministry of Agriculture and Land Reclamation (MALR) developed an agenda for substantial changes in its agricultural economic policies. The more significant elements of the agricultural policy reforms were: (1) eliminating administrative allocation of agricultural inputs and products; (2) reducing agricultural input and interest subsidies; (3) permitting agricultural product prices to reflect market conditions and adjusting the few remaining controlled agricultural prices closer to international levels; and (4) promoting greater private sector participation in the marketing of farm inputs and outputs.

### **C. Importance and Role of Agricultural Policy Analyses**

Formulation of national policies is the province of government policy decision-makers. Once formulated, policies must be implemented by managers within the relevant government ministries and other agencies.

Identification of agricultural policy alternatives and appraisal of their consequences is the responsibility of economic analysts who then provide information and recommendations to the policy decision-makers and implementing managers.

To be most useful, agricultural information provided must be relevant, timely, and accurate. Analysts also monitor and analyze policies during their implementation process to provide their current status and impact to decision-makers. These monitoring evaluations frequently lead to some adjustments in implementation plans or possibly a decision to completely change existing policies. Reliable agricultural information is also needed by private managers involved in production and marketing activities within the production and trading sectors. Provision of information to assist private decision-making is one of the key public support services for which the government agricultural agencies are primarily responsible.

#### **D. Agricultural Policy Analysis in Egypt**

Egypt's agricultural policy issues, due to political, social, and economic concerns, put policy makers under constant pressure to make critical decisions on an urgent basis. Too frequently these issues and problems need almost immediate response. There is a need for greater agricultural policy analysis capability to staff out, study, and prepare policy briefing papers for those who must make the critical agricultural policy decisions. Technical staff need to be available to develop and analyze important information, make objective recommendations, or to assist top level government officials to fully consider current policies, alternative policy strategies, and their consequences.

Past agricultural policies in Egypt have tended to depress and distort agricultural production and have resulted in uneconomic resource utilization. Monitoring and evaluation of the impact of the agricultural policies and programs have been sparse. The GOE's agricultural development strategy is currently in transition. The recent removal of

price, acreage, and government procurement controls on many crops is a significant indicator of Egypt's determination to decontrol the agricultural sector, rationalize policies, and move towards a more competitive market-oriented economy.

### **III. National Agricultural Research Project (NARP)** **USAID-263-0152:**

This project, initiated in August 1985, has as its principal goal to increase agricultural productivity in Egypt. Its purpose is to improve Egypt's capability to provide farmers with productivity-increasing technologies in a supportive policy environment. The project emphasizes increasing crop yields on existing arable land. The NARP strategy calls for involving a broad range of public and private institutions to participate in agricultural policy dialogue; to sponsor and support new initiatives and improved technology and to transfer to producing farmers that which is proven will be advantageous to them.

The NARP is comprised of five specific project components, each having its own component director and financial and implementation plan. These components are: research, technology transfer, seeds, new initiatives, and agricultural policy.

### **IV. Agricultural Policy Analysis Component (APAC)** **-USAID-263-0152.03:**

Appropriate agricultural policies are as important to increasing productivity as improved credit, technology and seeds. Without positive economic incentives, farmers will not normally take the risks of change. Farmers will, however, take such risks if they believe there will be a more profitable return for them.

The Agricultural Policy Analysis Component (APAC) of the National Agricultural Research Project (NARP) has recently undergone some organizational changes. First, this component is now headed by Dr. Osman El Kholei, who is Economic Counselor to His Excellency Dr. Youssef Wally, Deputy Prime Minister and Minister of Agriculture and Land Reclamation (MALR.) Dr. El Kholei also serves as Director of the Agricultural Economic Research Institute (AERI) of the Agricultural Research Center (ARC). A principal goal of the APAC is the institutional strengthening of the Egyptian Ministry of Agriculture's Undersecretariat for Agricultural Economics and Statistics (U/AES). The scope of this goal has been broadened to now include the Agricultural Economic Research Institute (AERI.) Henceforth, for the purposes of this project, U/AES and AERI together will be known as the Ministry's Agricultural Statistics and Economics Group (ASEG). The APAC implementation support efforts will thus be directed to the Agricultural Statistics and Economics Group (ASEG.)

The policy analysis component of NARP focuses on strengthening the MALR's capabilities to implement, manage, and coordinate the agriculture policy monitoring and analysis efforts. The objective of the Agricultural Policy Analysis Component is to assist the MALR by strengthening its in-house ability to collect, analyze and formulate policy options, prepare recommendations based on studied data, and upon implementation of new policies, to monitor, analyze, evaluate and report on their impact.

Five specific activities are financed under this component. (A) upgrading the group institutionally; (B) strengthening in-house economic and policy analysis functions and broadening linkages and policy dialogue; (C) upgrading and improving the MALR's statistical services; (D) modernizing and automating data handling; and (E) establishing an information/communication center for dissemination of selected agricultural policy and statistical information generated.

## **A. Institutional Strengthening**

This activity is to provide both interim (Social Consultants International [SCI] contract) and long term (prime contractor) administrative and technical support to the Component Director of APAC to implement the component activities and strengthen and enhance MALR's administrative operations to meet APAC target goals.

There are a series of four interrelated functions in this activity which will be carried out during FY 1990.

### 1. Baseline for APAC Evaluation

In Egypt, numerous ministries, semi-autonomous agencies and development authorities have an effect on and are affected by the agricultural sector. These institutions each have narrowly defined areas of influence, making broad agricultural sector analysis, policy formulation, and their implementation a difficult exercise. In this environment, the MALR and its related agencies are so engrossed in the day-to-day problems of implementing their development programs that fuller attention must be given to the impact of macro-economic and sector policies by the individual agencies.

#### **Description:**

Economic and policy monitoring, particularly in reference to the Agricultural Production and Credit Project Tranche II or III reports, indicated that such monitoring has received considerably more attention than has evaluation. Two formal evaluations were specified in the project paper for this component over its original six year time span, and a baseline evaluation to begin during the first year. The first is now planned for November-December 1990 and the second for November-December 1992. In order to effectively perform these evaluations, a baseline

assessment is necessary to identify key program and management questions and quantifiable indicators to be used in the program evaluations. This will be prepared during FY 1990. This baseline data will develop quantifiable impact indicators and related appropriate baseline data. Its design and installation will permit the measurement of project achievement. It will to the extent possible build on the related work done during implementation of the previous Data Collection and Analysis (DCA) Project's final evaluation.

MALR officials, USAID, the NARP Steering Committee and the long term contractor personnel will participate in annual reviews of project progress throughout the entire period of project implementation. In-depth discussions of policy issues as well as project implementation problems will be reviewed as a part of component monitoring and informal evaluation. A variety of data will be generated in the normal course of project implementation. These data will be available for more specific evaluations to include: (a) progress in institutional strengthening; (b) whether staff's economic and policy analysis capabilities have been enhanced; (c) the value, utility, and competence of the commodity specialist program and quick response capability of MALR staff; (d) the sufficiency of national, governorate, and district level statistical data generated under list frame sampling (LFS) methodology; (e) the extent to which policy dialogue and related public discussions are effective and influence policy alternatives; and (f) the extent to which policy training - in country and out of country - is effective in reaching project improvement targets and goals.

#### Implementation:

This activity is planned to start the second quarter, November-December 1989. Two consultant specialists will be contracted to review the DCA work, Project Component Paper, and APAC implementation plan for the baseline data collection, handling and evaluation system. A scope of work for the baseline evaluation will be prepared collaboratively by the MALR and USAID, and finalized prior to arrangement for the consultants.

**Deliverables:**

A comprehensive report and monitoring system for evaluating APAC and its progress and problems in reaching desired goals and targets.

**Project Support Required:**

The two consultants, an agricultural economist and an evaluation specialist will be provided for approximately two months and funded through the Social Consultants, International contract. The APAC Director is to provide office space, administrative support and competent professional staff to assist in the evaluation system design, plan preparation, testing, and final report preparation.

**2. Renovations for Contract Team Offices/ Other MALR Offices**

**Description:**

This work is planned to convert the 15th floor of the Ministry's Agencies and Companies Building, Nadi El Said Street (presently a cafeteria, kitchen and roof space) to house the APAC and Partners in Development long term contract teams and project component support office staff (10 persons), and provide the APAC with a combined training and conference multi-purpose room, a publication and information center, and a PC training room. Additional work will be done throughout the MALR to improve working space, provide PCs to the offices and upgrade communications equipment directly related to the APAC objectives. An objective yield laboratory will be established in the basement of the Ministry's Agencies and Companies Building to serve the crop forecasting needs. (See section C.1. below.)

### Implementation:

The preliminary planning for the 15th floor was initiated during FY 1989 and the concept and location have been approved by the MALR. The final work plan will be drawn by the A & E contractor who is in the process of providing final drawings and specifications for GOE/ USAID approval. Following this, the A & E contractor will prepare and solicit proposals/bids on a competitive basis for the actual remodeling work based on the GOE/ USAID approved plans. It is contemplated that this will be a modified fixed amount reimbursable (FAR) contract. It is estimated that this work will take about eight months from drawings and specs preparation to contract and work completion. The A & E firm will supervise the works contractor as a part of its obligation and be responsible for certifying satisfactory completion when the works portion is finished. A separate design drawing and set of specifications will be prepared for the objective yield laboratory.

### Deliverables:

Completed drawings, plans, specifications and bid documents for the approved renovation of space on the 15th floor of the Ministry's Agencies and Companies Building, Nadi el Said St. When completed, this will be suitable for housing the APAC long term contractor for technical services, project support office, and auxiliary offices, functional rooms, and objective yield lab, as stated above. The costs will not include furnishings or office equipment. These are, have been, or will be taken care of under the long term contractor's funds.

### Project Support Required:

The A & E fee of LE 18,000 for consultants' design, engineering and oversight. When the specifications are completed, the A & E firm will supply its more exact estimation of renovation costs, prepare bid documents, and list materials. LE 350,000 is the amount estimated for the cost of this renovation effort.

### 3. Project Component Support Office for the APAC

#### Description:

The purpose of this office is to provide, for an interim period staff services and administrative support for the Component Director and to assist him in the implementation, financial planning, correspondence, reports preparation, commodity procurement, and the provision of specialized short term technical consultants necessary for special studies, on-the-job training and similar related work necessary for component implementation. This office and some of the administrative support staff, i.e. accountant, secretary, analyst, driver, etc., may be integrated into the long term contractor's team when it arrives in May or June of 1990. In the interim period, the staff functions as a bridging office to backstop and support component implementation. These bridging functions include the following:

1. Assist the Project Component Director and designated staff in the coordination, implementation, and monitoring of the Annual Implementation and Financial Plans. This includes assisting in preparation and verification of fiscal reports, preparation of necessary documents, periodic reports, vouchers, advance requests, action memoranda, draft letters, budgets, scopes of work, progress reports, commodity specifications, commodity inventory, and necessary project plans to support project implementation.
2. Provide logistic support to include office space, typing, copying, coordinating meetings and appointments, providing essential supplies and materials, translation, and official transportation to the extent possible.
3. Serve as a coordinating and liaison linkage with NARP Executive Office, USAID Agricultural Directorate and the Project Component

Director in reviewing project related issues, clarifying pending problems, relaying information concerning AID regulations and reporting procedures related to project implementation and monitoring.

4. Review with the project accountant on a monthly basis project expenditures and anticipated advance needs and reporting them to the Component Director.

#### Implementation:

The Project Support Office will be established and made operational by extending the Social Consultants, International (SCI) contract. Technical assistance, equipment, supplies and services including the office staff will be primarily funded through the SCI contract until the arrival of the long term resident contractor team. The Project Support Office staff will consist of a long term Management Specialist, an accountant, program analyst, secretary, expeditor/training assistant and a contracted automobile and driver. It will during FY 1990 also provide on request (action memorandum) up to 10 PM of short term technical specialist work. In addition, urgently needed computer equipment and related specified commodities will be procured for the APAC Project Support Office and appropriate MALR administrative sections.

Office furnishings and equipment for the APAC support office and the Component Director's technical and financial offices will be purchased with project funds. These items will include but not be limited to desks, computer tables, chairs, filing cabinets, calculators, typewriters and other similar office equipment.

#### Deliverables:

An operating project component support office with trained staff, correspondence system, files and operational procedures in place.

### Project Support Required:

The MALR will provide appropriate office space in its Agencies and Companies Building, adequate telephone services and the extension of the Social Consultants, International contract for one year. (This contract extension was approved by the NARP Steering Committee and has been in effect since October 1, 1989.) The SCI contract was funded in the amount of \$537,108 and LE 25,000 is needed for the office furniture and equipment mentioned above.

#### 4. Contract for Long Term Technical Team

##### Description:

The Ministry requested USAID approval for the use of a "two envelope" procurement procedure (RFP) for the technical assistance, training and other long term services for the APAC. USAID approved the request. The Ministry also requested that the agricultural statistics (technical advisor) be provided for under the existing USDA PASA or through the NARP Program Support PASA. The National Agricultural Statistical Service (NASS) has been providing similar and related technical assistance to the Ministry for the last several years through the USDA/ PASA. The Ministry would like NASS to continue this relationship, therefore it requested that agricultural statistics position be separate from the long term contract.

The contract resulting from this RFP will provide the long term technical services to both strengthen the management of the MALR Economic Group implementing the component, and enhance the capabilities of the MALR's staff in planning agricultural policy/ economics, statistical systems, and related statistical reports, survey design, data collection and processing and publication.

ODIS 12/13/88

Please insert the  
page in the AID  
IFU previously sent for  
them dated 11/21/88  
concerning the additional  
for 4/1/88 contract start-up  
costs.

**Implementation:**

The Project Component Director, after screening with the Steering Committee, will appoint a technical committee to review and rate the technical proposals submitted in response to the solicitation notice. The technical proposals will be rated and ranked according to the criteria and weights established in the RFP, as approved by NARP and USAID. Then, the cost proposals of the three highest ranked offerors will be opened publicly and in the presence of an AID representative, and the total cost estimates recorded. The costs criteria outlined in the RFP will be used to complete the final ranking of the three top offerors. The technical committee will prepare an evaluation report reviewing the selection process, reasons for rating and ranking of offerors, and recommend contract award approval for the highest ranked offeror to the Project Component Director and for USAID's concurrence.

The APAC Director will invite the highest ranked offeror to come to Egypt to negotiate a contract and will be responsible for the negotiation of a draft Host Country Contract. The draft Host Country Contract will be submitted to USAID for approval, prior to signing.

**Project Support Required:**

The technical contract will cost an estimated \$7 million. Except for fifty thousand dollars as shown in the annexed schedules A and B for the contractor start-up costs, no other dollar funding is included in this budget for this contract. The amount necessary, when this contract is negotiated, will be set aside by USAID.

**Deliverables:**

Short term technical support specialists until the PASA described in (b) below is in place.

**Project Support Required:**

The APAC Support Office will provide logistic support to the USDA TDYers and resident advisor, until this contract expires in May of 1990. The cost of this is estimated to be \$150,000.

*b) NARP Program Support USDA/ PASA*

**Description:**

The National Agricultural Research Project (NARP) is planning to enlist program technical cooperative support by entering into a Participating Agency Service Agreement (PASA) with USDA. The purpose of this NARP program support PASA will be to establish an institutional relationship in order to ensure the availability of timely and qualified technical support from USDA. This will provide the Ministry of Agriculture with technical support and cooperation in several of its activities, such as collaborative research, a national agricultural library, technology transfer, agricultural policy analysis, new initiatives, etc. under the aegis of the NARP program support PASA. Specialized program support services will be arranged as and when the MALR determines they are needed and are consistent with the NARP program. The technical services provided under this PASA are demand driven and requests for them will be initiated through a work order.

The APAC will participate in this program support PASA to acquire various technical support services for agricultural policy analysis, statistical services and data processing. Also under this PASA, a resident applied statistician from USDA will provide long term support to the MALR

statistical program. Additional support from this PASA for this Component will be identified later and passed to the Steering Committee for approval.

**Implementation:**

The Project Component Director will review the draft scope of work and budget related to the APAC portion of the NARP program support PASA and provide the appropriate changes as necessary. The NARP Director General will submit to USAID NARP's approval and request to proceed with contract negotiations.

**Deliverables:**

A long term and various short term technical support specialists during the life of the project as determined by the Component Director and as necessary for satisfactory component implementation.

**Project Support Required:**

Logistic and administrative support to be provided by the Component Support Office. The level of funding in this PASA for the APAC needs will be determined later (probably in January or February of 1990) and sent to the NARP Steering Committee and USAID for approval.

## B. Economic and Policy Analysis

### 1. Establishment of Commodity Specialist Program and Preparation of Commodity Outlook Situation Reports

#### Description:

A commodity outlook specialist program will be developed to begin a process of regular reporting as well as strengthening the capacity of the MALR Economic Group to respond to specific commodity policy questions. The commodity outlook program will be developed using junior staff members with B.S. degrees or diplomas in agriculture. They will become specialists in specific commodities or problem areas. The commodity specialists will become critical resource persons for others within the MALR working on specific issues, impact assessments, task forces, or special policy studies.

The commodities specialists will be expected to visit and establish professional linkages with appropriate agencies, organizations, universities, private producers, processors, research specialists and extension workers etc., and become familiar with pertinent library resources and documents. Information collected would become a part of the database in development for MALR.

During this year, three commodity outlook situation reports will be undertaken in the general areas of livestock, horticulture, and field crops. Technical cooperation will be requested for the compilation, analysis and publication of the information gathered, and to assist in the training of MALR commodity specialists.

### Implementation:

Two USDA/ERS consultant specialists in commodity situation outlook reporting (CSOR) will be provided to assist with the senior level planning and coordination of the work necessary to prepare these reports, as well as field training on analytical procedures. They will provide the technical cooperation to establish the program and assist in its implementation during two visits, each one for a period of four weeks.

It is usual that these in-depth reports will take approximately 3 months to complete. The senior consultant specialists will be expected to prepare a plan of work for the preparation of the reports to include initial review of secondary data available and assess the current situation on the commodity. From this they will recommend any new data necessary and the appropriate plans to obtain it. They will leave this plan of work for review by the MALR and USAID at the end of the initial assignment. The initial period for the commodity plan preparation, including identification of the required data collection, should take about four weeks for the three proposed reports.

Following the TDY USDA/ERS specialists' visit, three members of the MALR staff will visit USDA/ERS in the U.S. to receive follow up orientation and on site training for 10 to 12 weeks each.

### Deliverables:

The major output from this activity will be an upgraded commodity outlook program with a trained staff of commodity specialists with responsibility for monitoring and reporting of information and problems related to domestic production, processing, utilization and consumption including price information. Commodity specialists will serve as technical resource individuals to continue to supply quick response agro-economic reports as needed by Ministry officials, and to serve as general information sources on a day to day basis.

It is expected that at least six MALR professionals will receive valuable on the job experience in the CSOR techniques and procedures. The hard copy deliverables will consist of working papers, progress reports and the final publication of three commodity outlook reports one commodity each from the areas of livestock, crops, and horticulture.

#### Project Support Required:

The MALR will provide logistic support through the Project Support Office, enumerators for the collection of data, and computers for the processing and analysis of data.

Funding for two senior commodity outlook specialists from ERS will be provided from the USDA PASA. This will include the initial and follow up visits. These specialists will provide technical assistance and staff training and planning for four weeks and in the second two week period do review, critiques and evaluations for a total of two person months each.

Funding for three MALR commodity specialists for training and observation in the United States, at USDA/ERS.

## 2. Agricultural Sector Monitoring and Evaluation

### *a) Agricultural Policy Reform Monitoring*

#### Description:

The objective of this activity is to monitor GOE progress towards the achievement of the agreed upon benchmarks supporting the GOE's agricultural structural adjustment reforms.

The agricultural sector is subject to frequent government influences which directly and indirectly affect individual decisions regarding resource use

and product distribution. Resources and product values are also affected by government decisions and actions. A concern is that many policy program instruments devised to achieve goals work at cross-purposes and inadvertently offset the effects of previously instituted programs.

The Ministry of Agriculture is currently in the process of identifying potential second phase medium term policy reform goals. These policy reforms, goals, specific benchmarks, and target levels will require negotiated discussion and following this, joint approval from the Ministry of Agriculture and USAID.

#### Implementation:

The MALR has agreed to identify, develop and monitor policy reform progress and report such progress to USAID. The MALR is reviewing long term goals agreed upon by joint MALR and USAID conferences. The MALR will further identify specifics and facilitate the identification and development of policy reform medium term goals, target levels, and benchmarks for such projects as may be required.

During the second quarter, the MALR will prepare the necessary documentation and position papers for the proposed medium term goals, targets and benchmarks for the review of Ministry's policy committee. Following the committee's approval, the MALR will initiate discussions with USAID. If necessary, the MALR will design and carry out farm related or institutional surveys to collect essential information for policy position papers.

During the third quarter, the MALR will initiate policy discussions and negotiations with USAID for the second phase medium term policy reform and structural adjustment measures.

### Deliverables:

The MALR will prepare, with USAID and local technical assistance, a report indicating the MALR medium term policy reform goals.

### Project Support Required:

In carrying out the above activities, the MALR will utilize local professional specialists as well as U.S. short term technical assistance. An American technical assistant is already contracted from the end of October until December to fulfill some of these needs. The SCI contract, and when appropriate the USDA/ PASA, will be utilized to provide short term technical assistance and resource support. The Project Support Office will provide logistic support to the Project Component Director, staff, and short term technical assistance personnel. It is anticipated that approximately four additional person months of local technical assistance will be required, in addition to 2 months of U.S. technical assistance.

#### *b) Establishment of an Agricultural National Accounts Unit (ANAU.)*

### Description:

The Agricultural National Accounts Unit will be responsible for improving agricultural national accounts methods, measuring domestic agricultural national product and supporting policy makers by providing special quick response data and reports.

### Implementation:

This unit will work in consultation and cooperation with other MALR offices, private agricultural sector entities, and other government ministries such as the Ministry of Irrigation, the Ministry for National Planning and others.

Previous data will be analyzed using mathematical and statistical tools such as:

1. Input/Output Analysis
2. Mathematical Linear Programming
3. Estimation of Major Macro Agro-Economic Variables

Deliverables:

The unit will be responsible for publishing annual and other periodical reports as well as special quick response reports. These will include all items affecting agricultural national income.

Project Support Required:

Approximately one person month of expatriate technical assistance in May/June of 1990. The specific work to be done will be further described in a detailed scope of work (SOW) to be prepared in February/March of 1990. Some specific commodities and the training needs will be included as annexes to the SOW.

### 3. Special Studies to Facilitate Policy Dialogue

The objective of this activity is to contribute to the improvement of the process of agricultural policy formulation. Its strategy is to raise the level of inter-ministerial and non-public discussion and involvement in policy issues and to strengthen the capacity of public and non-public institutions to perform policy analysis and participate in the policy formulation process. A series of policy study topics were proposed in the APAC paper as possible areas for concentration during the early phases of project implementation and to be financed under the component. The studies are to be principally medium to long term in nature, and focus on the policy reform dialogue between USAID, IBRD and the IMF. The selecting and contracting of such studies are discussed in the APAC project paper. The

following are four studies that are to be funded through APAC during the second and third quarters of 1990:

*a) Seed Policy Study*

Description:

The NARP Grant Covenant, Amendment 3 requires that a study of the Egyptian Seed Industry be undertaken. It is to review current Egyptian laws and regulations governing the seed industry. The study will provide recommendations for modification of the policy environment regarding seed production, processing and distribution, to strengthen private sector participation of the seed industry. Based on these recommendations, an implementation plan will then be submitted to USAID detailing actions for implementing changes which appear appropriate. Review and approval of these changes is to precede approval of the IFP for the NARP Seed Technology Component for FY 1991.

Implementation:

To fulfill the study requirements, a team of six persons will be organized for up to four weeks from December 15, 1989 to January 15, 1990 for phase one and three weeks for phase two, to begin in early February of 1990. For phase one, the team composition is to be as follows:

- (1) Two U.S. short term specialists (one to be team leader).
- (2) Two Egyptian specialists from ARC/CAS or the private sector.
- (3) The CID/ NARP seed industry specialist.
- (4) One Egyptian agricultural economist

The two U.S. specialists and at least one Egyptian specialist will devote 100% of their time during the four-week study period. The USAID Project Officer (Seed Component) will participate through coordination of

logistic and administrative support as required. The team leader is responsible for finalizing and submitting a written report. The other three team members will provide as much of their time as the study needs and/or as directed by the Team Leader. The NARP Policy Component Director has primary responsibility for supervising this study, with full technical cooperation and support from the NARP Seed Component Director. Initial contacts will be made by the USAID project officer in collaboration with the Seed Component Director prior to the two specialists' arrival to coordinate and set up initial meeting times with PBDAC, private sector firms, and other related government institutions and individuals outside ARC and the government. This will ensure that all principal interest groups are included and initial meetings are scheduled as early as possible to address study issues.

#### Deliverables:

The team will prepare a draft report which will be circulated and discussed with and within the concerned agencies of GOE and USAID. The report will include an Executive Summary of not more than five pages, stating the objectives, major conclusions and recommendations. Other sections will include remarks on the general situation of Egypt's seed industry, an overview on seed use and requirements, prices and production of seed, classification of seed in Egypt, and policies affecting the seed industry in Egypt. The report will be comprehensive, i.e. it will include economic, political, administrative, legal and institutional policy effects. It will also cover the structure of the seed industry, exports and imports and an analysis of future GOE and private sector roles in Egypt's seed industry.

#### Project Support Required:

The technical assistance needed for this study will come through the Social Consultants International contract. No further funding is required. The Egyptian economist as well as translation services are LE funded.

*b Agricultural Marketing Study and Assessment Quality Control Unit:  
Cotton, Rice and Onions*

**Description:**

This activity proposes a special study to explore the best means to improve and expand the marketing of Egypt's agricultural products to internal and export markets. For the initial stages, the study will focus on the present internal system of marketing agricultural products. This will identify by principal product harvest at farm level, and any processing or other handling, then the movement and further processing handling, packaging, distribution, transportation, and marketing to wholesalers and retailers up to the final sales to consumers. The study will develop the information necessary to assess potential for improving the marketing system giving special emphasis to Egypt's horticultural and animal products. The study will assess the feasibility and best means to implement the recommended improvements, evaluate policy implications, estimate economic benefits and costs, identify constraints and such other factors necessary to produce a concept, strategy, and implementable plan. The major recommendations and preliminary measures needed for the GOE to adequately evaluate the concept and enable it to accept it, reject it, or determine what further study or work needs to be done will be a part of the study assessment. One sector of the report will discuss in principle the potential effects of the Barriers Conciliation between the European Community scheduled for 1992 and of the Uruguay Round of GATT on the Egyptian market share and on the terms of trade. Further study of the export potential may follow where there is promise for Egypt's further expansion of markets in Europe and the Middle East.

**Implementation:**

A scope of work describing the study, its methods and procedures, will be developed for submission to the MALR. Two consultant specialists, one from USDA and one from the National Bureau of Standards (NBS,) will be recruited to prepare this SOW in January/ February of 1990. If the study is to be fully comprehensive, it will probably take a minimum of four months

to accomplish, utilizing both Egyptian specialists and expatriates. The current time frame suggests completion and approval of the scope of work by the end of February. The study team is to be assembled to start work in April of 1990 and a final report completed by June 30, 1990.

Deliverables:

A comprehensive report covering recommendations to improve the internal and export marketing of Egypt's agricultural crops and an implementable plan to do this.

Project Support Required:

Five expatriate specialists will be required. The first two will prepare the scope of work (2 PM.) The other three-- an economist, an agricultural marketing expert, and a horticultural and/or livestock products expert will join Egyptian specialists to conduct the study following the scope of work preparation. These will be required for 2 person months each. Funds for these individuals will come from the USDA PASA. Also needed, from local currency sources, will be funds to contract three Egyptian experts as counterparts to the expatriate specialists.

*c) Agricultural Cooperatives Assessment*

Description:

The objective of the Agricultural Cooperatives Assessment is to further the policy reform process in the area of liberalizing the agriculture sector through market structure reform in the agricultural output and input marketing system. An assessment team will be formed to provide the Egyptian government and USAID with the information needed to identify areas of common interests in this area so as to design a pilot program that will support these interests. Cooperatives are viewed as a potentially useful vehicle for advancing the goals of liberalization and privatization in the

fields of production, pricing, and marketing. In addition to becoming themselves more independent, they can play a valuable role in terms of providing competition as input suppliers with private sector firms. However, despite the recognition of these factors, there still remain legal, policy, and to a lesser degree, economic constraints which tend to prevent the cooperatives from assuming a full role in the overall privatization process. The problem facing the assessment team is to balance the need to assist cooperatives for their own sake, and the need to assist cooperatives as a vehicle for continued agricultural market structure reform. These objectives are not necessarily mutually exclusive, but the choice of the cooperatives with which to work weighs heavily toward the policy side.

#### Implementation:

The assessment team working under guidance of First Undersecretary for Agricultural Cooperatives, The Principal Bank for Development and Agricultural Credit (PBDAC,) and the APAC Component Director will review literature relative to the cooperative movement in Egypt and interview individuals and officials knowledgeable of the present cooperative situation. They will conduct interviews with government officials, cooperatives, and other organizations and individuals who are knowledgeable about the current system of cooperatives. They will undertake field visits to cooperatives in various areas of the country.

Based on these efforts, they will seek to:

1. Describe the existing situation of the cooperative movement in Egypt and identify its strengths and weaknesses.
2. Identify the types and/or levels of cooperatives with which USAID could establish a relationship leading to increased economic development for the cooperatives and for increased economic benefits to their members.
3. Describe the PBDAC's present role in supplying agricultural inputs to the agricultural sector, the types of physical facilities under its control, its

procurement and distribution system for agricultural outputs and inputs, and its present efforts to divest itself of these facilities and activities.

4. Recommend to USAID and the Government of Egypt the specific cooperatives and types of efforts on the part of the cooperatives which merit assistance in the support of the agricultural market structure reform efforts of the Egyptian government and provide the rationale for their selection .

5. Describe the type and kind of assistance (technical assistance, financial assistance, commodities or some combination of these) needed by the cooperatives in order to sustain market structure reform in the agricultural sector and economic growth in the cooperatives identified in (4) above.

6. Provide the design of a pilot program to deliver the assistance described in (5) above to the identified cooperatives.

7. Review present cooperative law and proposed cooperative law in Egypt and recommends changes, if needed, to enhance the movement of cooperatives toward an independent, private cooperative sector.

#### Deliverables:

The assessment team will prepare a final draft assessment report with two major sections. The first will describe the current situation with regard to the cooperatives, which of these merit assistance in terms of the reform efforts of the Egyptian government, and specifically what sort of assistance is required. The second part will then provide a pilot plan for carrying out these programs.

#### Project Support Required:

The composition of the assessment team will be as follows: an agricultural economist, a management specialist, an agricultural marketing specialist

(The preceding three members will come as expatriate technical experts.) and an Egyptian cooperatives specialist. The duration of the in-country assessment will be approximately eight weeks, and an additional two weeks will be required to complete the final assessment in the U.S. The estimated budget for this will be \$144,000, including salaries of the U.S. staff, local staff, fringe benefits, per diems, travel and transportation, overhead rates and local office space. A detailed breakdown of this can be found in the proposed scope of work.

*d) Impact Evaluation of Experience of University Graduate New Lands Reclamation Program*

Description:

Several thousand recent university graduates have been given improved agricultural land and provided with special technical assistance to establish themselves as independent agricultural producers. This program was instituted to assist these graduates in lieu of their mandatory employment by the government.

The purpose of this study is to objectively assess the performance of the program, determine its benefits to the participants and the government, its deficiencies and problems, evaluate whether and under what conditions the program should be continued, expanded, curtailed, etc.

Implementation:

A detailed scope of work (SOW) will be prepared cooperatively by the APAC/ASEG and USAID for this assessment. When this is completed and approved by the NARP Steering Committee and USAID, a study/assessment team will be formed to carry out this work in accordance with the SOW. It is not possible to accurately forecast the team membership required or the time period necessary; a preliminary estimate would be a four person team for approximately three months.

Deliverables:

The assessment, when complete, would document the experience of the new lands to graduates program to date, identify the positive and negative

aspects of this experience and other supportable recommendations and policy guidelines for the program's future.

#### Project Support Required:

For purposes of budget estimation, the following is suggested: 10 person months of work-- 2 expatriates for 2 months each (4 months) and 2 Egyptian professionals for 3 months each (6 months) plus some surveys/field interviews at an estimated cost of LE5000. Expatriate technical assistance will be acquired through either a buy-in to an AID centrally funded project or through an indefinite quantity contract (IQC.)

### C. Agricultural Statistical Services

#### 1. Establishment of Long Term Objective Yield Unit and Ongoing Objective Yields Work

##### Description:

Objective yields forecasting has been an ongoing activity in both the AERI and the U/AES since 1984; it was begun under the DCA project and continued with the advent of APAC. Since objective yields work is dependent upon time of year, crop seasons, etc. it is extremely important that there not be interruptions in the process. The establishment of this unit is intended both to arrange a coordination between the AERI and U/AES objective yields researchers and to prepare for a long term plan for the continuation and expansion of such work.

Objective yield surveys are very important in making early season forecasts on crop yields and production. The counts and measurements on plants are taken soon after fruit set and before the crop is mature, giving forecasts of crop production months before it actually begins to reach the market. Subsequent forecasts are made as the crop matures to validate or update the first forecast. With some historic data and proper models, this

procedures can give precise forecasts early in the season. This system of forecasting differs from crop cutting as it permits much earlier forecasts to be made after several seasons of experience are gained and the selected supported research is in place.

#### Implementation:

Objective yields work can be divided into three subordinate tasks: field work, laboratory work, and statistical/analysis work. The field work of the data collectors and enumerators in particular is something easily shared and can be used by both the U/AES and AERI in cooperation. Eventually professionals from all three levels will be trained at a greater skill level and will work together on this activity at all levels.

Setting up an all-purpose objective yields laboratory is an important part of the establishment of this unit. Laboratory equipment for a variety of the crops to be sampled and researched will have to be purchased, after an assessment of the available machinery and facilities is undertaken. The most immediate priorities are cotton and wheat.

In addition to the activities to be undertaken in the transition period of the establishment of this unit, a detailed scope of work for a long term plan for the objective yields unit will be written. This plan will contain a description of the most effective method of integration of the available objective yield professionals in the Agricultural Statistics and Economics Group into one unit. It will also include long range goals for the unit in terms of training needs and commodities required. This plan will be developed in FY 1991. Currently, objective yields work is not being undertaken for all crops under production in Egypt.

The group will start its coordination and supervisory activities for the continuation of:

*a. Citrus*

The citrus objective yield forecasting work for the FY 1990 season will be a continuation of the FY 1989 work in fourteen districts in four governorates. Field work last year was a little slow especially in the new governorates. This year should show marked improvements. The emphasis this year will be on improving field and office techniques, especially on the data processing and earlier publication of forecasts.

*b. Cotton*

The cotton objective yield forecasting will begin again this year in nine governorates, four where work has been done in past years, and to include five new governorates this year. The objective is to make a national cotton forecast in early October 1989. Research will also be done in 40 research plots to gather more detailed data for future use. Once enough data is gathered, then better models can be developed to permit forecasts earlier in the season.

The implementation of these two surveys will require monthly follow up visits to the sample fields during the crop growing season by MALR personnel. Technical assistance is needed during the planning phase, and each month of field work and during the final summary and analysis of data.

**Deliverables:**

An objective yield unit composed of professionals from the Agricultural Statistics and Economics Group. A fully equipped and expandable laboratory for objective yields work. A long range plan for the integration of these professionals into the said unit, prioritization of the work to be undertaken, and the training and commodity needs anticipated. These deliverables are not anticipated to be completed during this fiscal year, but rather initiated during the transition phase as described above.

The output of this continuing objective yield work in cotton and citrus will be: monthly citrus forecasts early in the season; a cotton production forecast in early October; and further development of an historic database for both citrus and cotton.

**Project Support Required:**

The Component Support Office will need to give administrative support to this work to keep it on track. There will be need for some replacement of the expendable supplies for the survey, but no major expenditures are expected this year for laboratory or other equipment to be used for the ongoing forecasts.

The person months of technical assistance required are as follows:

	<u>Citrus</u>	<u>Cotton</u>
Survey planning and workshop training	1	1
Field work quality check and support	1	2
Final analysis and report preparation	<u>1</u>	<u>1</u>
total	3 PM	4 PM

2. Establish National List Frame Sampling System

**Description:**

The objective of this activity is to derive list frames to be used for national list frame survey and census updating. During FY1989, substantive pilot work was done in Kalyoubia Governorate (a prototype of the nation) and some initial work was done in another governorate. The pilot survey work has been beneficial to develop and test sampling, survey and summary procedures, as well as questionnaire design and field training manuals. Experience and expertise will increase rapidly as work proceeds in the

selected governorates. Once refined, these procedures should make a smooth transition to a national scale frame.

The two list sampling frames were developed along with a village frame and a specialized holdings list (large operator list.) The selected villages from the village frame were divided into blocks of buildings on a village list by a person from the MALR. Then one or more blocks within the village were selected for the detailed data collection. Each household in the selected block(s) was surveyed.

The specialized holdings list was developed, stratified and sampled by MALR personnel. During the data check-out and edit phase, any duplication between frames was identified so it could be adjusted as needed by appropriate statistical methods.

#### Implementation:

During FY 1990, the national list sampling frame will be developed using knowledge and expertise derived from the aforementioned pilot work. With a properly developed sampling frame, specialized surveys to meet specific data needs will be possible within a reasonable time period, i.e. updating benchmark baseline studies, tranche studies, and compiling important estimates for planners and decision makers. Survey results from these sampling frames will be major inputs to the national agricultural data base and the national census.

#### Deliverables:

A sampling frame for villages and specialized holdings in Kalyoubia and one other governorate will be completed. Surveys utilizing these frames for a small number of important agricultural products will be conducted, edited and summarized.

After the second and third years' work, frames will be developed for sample districts and villages in all governorates. Once frames are developed, surveys for a broader base of important data can begin.

#### Project Support Required:

Two person months of technical assistance provided by USDA/NASS in cooperation with a specialist from the U.S. Bureau of Census for one person month, will accomplish the technical assistance needed for this fiscal year.

### 3. Scope of Work for Improved Agricultural Database

#### Description:

A scope of work will be prepared to define the precise purposes, tasks, activities, and methods necessary to assess needs and define means to upgrade and make operative an improved, modern, querable, automated agricultural data base for the MALR. A specialized team will be enlisted to carry out an appraisal of all the MALR joint information (data) currently being processed either manually, or anticipated to be processed in the future. This activity will also assess pertinent data and information available outside the headquarters of the MALR.

The database development upgrading and assessment project will cover collecting, recording, analyzing, evaluating, and reporting economic, agricultural and social data pertinent to Egypt's overall agricultural sector. These needs will be determined by an in-depth review and assessment of the present methods of collection, recording, utilization, manipulation, publication, and storage/archiving throughout the Ministry. The scope of work will also include a methodology for identifying essential information not currently available in the system but which should be included.

#### Implementation:

A team will be required on a Ministry-wide basis to perform a review of the Ministry's needs in terms of its mandated responsibilities for agricultural sector data collection, analysis and reporting. Information users will be interviewed throughout the Ministry to determine exactly what is needed for effective job performance. An analysis of what these needs imply in terms of information requirements will then be made and a comprehensive plan developed of what services the database(s) should provide and how best to accomplish this.

The scope of work will document each activity within the plan, and accordingly delineate all the duties expected to be accomplished by the designated team, as well as to assess all work assignments/tasks against the required team member composition, i.e. education, experience, background that each team member must possess to bring the proper balance and expertise to undertake this project.

The team will be expected to carry out the following general activities:

1. Interview current users of MALR data and potential users to obtain background material concerning organizational structure, organizational relationships, major functions, site and location of operations, and reporting responsibilities.
2. Review and assess the current information systems to determine exactly what users need to perform their jobs, analyze what these needs imply in terms of information, and develop a comprehensive plan stating what the database system can provide. This task will include collecting and analyzing information needs of the managers within the Ministry. Information requirements will be developed for each department throughout the Ministry, as well as the Governorates, and these will include the types of reports, their frequency, and their information content.
3. The information acquired under the first two tasks will be organized into a conceptual design. The proposed system will include system level flow charts, narrative, inputs, outputs, data relationships and prioritization of how this information can be defined and patterned based on usage. The

development of this information base will lead to a logical database architecture which can then be reviewed by the Ministry of Agriculture officials and managers for satisfaction of their user requirements.

#### Deliverables:

A detailed work plan for the database will be developed including the design, programming, testing, and implementation activities. The work plan will indicate all the projected activities, with proposed start and finish dates for each task and interim target. An oral presentation and written report documenting a comprehensive Information Resources Management (IRM) implementation plan will be prepared.

#### Project Support Required:

A team composed of 3 Egyptian and 4 American specialists will be needed for three months to develop the design and implementation plan for the database. The expatriate specialists will be: one senior agricultural statistician with broad experience in automated agricultural data base systems; one senior agricultural economist with broad experience in agricultural policy analysis methods including computer analysis applications; one management information specialist with extensive experience in automated data processing (computer specialist), including experience directing/managing a computer center serving agricultural applications; a microcomputer and statistical specialist with knowledge of the programs of the U.S. National Agricultural Statistical Service and extensive experience using microcomputers. It is also anticipated that the team will be able to rely on support from the resident computer advisor. This advisor will have carried out the inventory of hardware, software, and the knowledge and skill levels of the Computer Center personnel prior to the arrival of the team in country.

The three Egyptian specialists will be a policy economist, an agricultural statistician and the MALR Computer Center supervisor.

## **D. Data Processing Services**

### **1. Automation Capacity Plan- Headquarters and Field Offices**

#### **Description:**

This activity is to assess hardware, software, and training required to enhance and expand the Ministry of Agriculture and Land Reclamation (MALR) computer center. This project will also assess the hardware, software, and training needs at the governorate/field office level.

An assessment of these requirements at the governorate/field office level as well as for the central processing systems(s) (microcomputers and mainframe) will serve as the basis for the development of a definitive action plan that will clearly delineate each task, interim target, and project associated with automating/augmenting all abovementioned units.

#### **Implementation:**

A team of seven persons will be assembled to conduct this project. Four Egyptians in the fields of Data Processing, Statistics, Information Management, and Management and Training will be selected and designated by the MALR will be joined by three expatriates -- a management information specialist, a management and training specialist, and a microcomputer and statistical specialist.

The team will carry out the following general activities:

1. Evaluate the current computer operations (mainframe and microcomputers) and potential future needs of the MALR as they relate to information requirements.
2. Describe and enumerate the general responsibilities of the computer center, functional requirements, and its relationship to other MALR

offices. This effort should first identify the overall objectives of the MALR computer center and then identify inter-relationships and dependencies. (This study is closely allied to and supportive of the database developmental effort in C,3 above.)

3. Review information collected by the resident computer consultant/advisor and the staff of the computer center regarding inventories of hardware, software and training. The team will then conduct interviews and make site visits to key MALR offices to ensure that the team attains an in-depth understanding of the organization, its responsibilities, and work program.

4. Schedule a number of visits to at least three selected governorates/field offices for the purpose of inspecting the sites, interviewing the staff, determining the environmental conditions and determining the needs for hardware, software and training.

5. Develop a comprehensive plan outlining all of the tasks that must be accomplished in order to automate the governorates/field offices, e.g. training, PC's to be installed in each governorate, data access by each governorate, software needs, and procedures for data submission to the MALR.

6. Develop microcomputer specifications/cost benefit analyses needs so that the MALR will be able to advertise requirements and solicit bids.

7. Prepare specific recommendations for appropriate hardware and software which will enhance and upgrade the effectiveness of services provided by the MALR computer center.

8. Evaluate staffing, organizational structure, and training needs necessary for the MALR to provide quality data processing services to its clients.

9. Prepare an oral presentation and written report documenting the comprehensive information resources management (IRM) Plan which should incorporate all the findings with regard to the above projects for the

review and approval of the appropriate Ministry, MALR and USAID officials.

**Deliverables:**

The team will provide a comprehensive information resources management (IRM) implementation plan that will include the following:

1. A schedule of requirements and detailed plans for computerizations (mainframe and microcomputers.)
2. At least three self-sustaining subplans, to include the following:
  - A commodity procurement plan;
  - A training plan; and
  - An inventory reporting system.

**Project Support Required:**

The team should be in place by March of 1990 for a period of three months. This team will include the seven aforementioned Egyptian and expatriate specialists. The team will be contracted through the USDA PASA.

2. Preventive and Remedial Maintenance Contracts

**Description:**

This activity is to provide contracts covering preventative and remedial maintenance for sensitive equipment in the MALR computer center, e.g. the personal computers, the air conditioners, the uninterruptible power supply and the software for the NCR mainframe.

## Implementation:

Contracts for preventative and remedial maintenance will be arranged with the appropriate vendors of the equipment, after bids for these contracts have been received and reviewed. The funds for this maintenance activity are divided into parts and service, where applicable.

The UPS contract is divided into \$5,000 per year for maintenance and \$2,000 in the first year to establish a spare parts inventory so that parts may be replaced as they are utilized without delay. Periodic visits to examine the UPS system and its environment to analyze maintenance needs will be made.

There are 22 microcomputers to be serviced at a total of \$3,000 per year, and during the first year of the contract another \$5,000 will be required for parts. The principal purpose of this contract is the repair (replacement of malfunctioning parts), cleaning and normal servicing which is required for these microcomputers.

There are ten window airconditioners, and two central airconditioning units for the mainframe computer. Periodic visits will be made to undertake the preventative and remedial work for these airconditioners; this will cost \$5,000 per year. In the initial year, \$3,000 will also be required to establish a parts inventory. The parts can then easily be replaced as they are utilized.

The software contract for the NCR mainframe computer will cost \$12,000 per year. This includes a resident engineer for 3 days a week, who will be available to resolve questions and problems as they occur. This engineer will also be responsible for training one or two staff members of the computer center in maintenance techniques, which will greatly help in problem prevention in the future. Additionally included in the contract are periodic remedial/maintenance visits.

**Deliverables:**

Fully functional equipment in the MALR Computer Center, without delays in repair and maintenance that might otherwise occur.

**Project Support Required:**

\$7,000 will be required for the UPS. \$8,000 total will be required for the microcomputers. \$8,000 is the required total for the Denco airconditioners. \$12,000 will be required for the software. The grand total for all of the maintenance contracts is \$35,000.

## **E. Information and Publication Center**

### **Description:**

An information and publication center is an important part of the APAC activities. It will become operational when the contract for renovations of the fifteenth floor offices in the Agencies and Companies Building is completed and the area is provided with the necessary equipment. The center will be responsible for publishing the reports and papers produced and written by the MALR Agricultural Economic Group staff. It will also be responsible for their distribution to the sources designated by the respective departments within the MALR, i.e. universities, the general public, international organizations, etc.

This activity will provide for the development of a concept and implementation plan to establish the information and reproduction center to serve as an information repository and provide the duplication/reproduction services necessary for publication of formal reports prepared as reference sources and for circulation outside the MALR.

### **Implementation:**

During the fiscal year 1990, a plan will be developed which will describe the functions and responsibilities of the information center, its staff requirements, equipment and funding needs. This will include more specific identification of the documents and publications the center will be expected to publish for the information users. This might include, but not necessarily be limited to, monthly briefing bulletins, quarterly topical summaries, minutes from conferences, special topical policy papers, etc. The majority of the information will be economic analyses, statistical tables and similar factual data resulting from the Agricultural Economics Group special component activities and regularly gathered agricultural

data. The center will also be provided with special graphic aids to improve quality and expedite quick response publications.

**Deliverables:**

A publication center plan.

**Project Support Required:**

Technical assistance will be provided to include two expatriate specialists for one person month each. They will review needs and prepare the start-up and first year implementation plan for the center. This expatriate assistance will be provided through the USDA/ PASA. A multi-function type photo-copier will be provided in FY 1990. This will be needed as soon as the center is functioning. It will reduce, collate, staple, and print on both sides. \$50,000 is budgeted for the machine and supplies. Other commodities include binding machines, a laserprinter, etc.

**F. Commodities**

1. Commodity Needs Assessment/Procurement Plan

**Description:**

Except for commodities which are specifically included in the SCI/ Component Support Office contract, and day to day operational expendable papers, ribbons, and other non-accountable sundries for ongoing and specifically approved activities in this implementation and financial plan, no commodities will be purchased until the APAC commodity procurement plan is prepared and approved by the GOE and USAID. Exceptions, if deemed necessary, for spare parts replacement, or equipment procurement critical to an already approved activity, or other extraordinary circumstance will be requested on the basis of a formal action memorandum to the NARP Steering Committee and USAID for approval.

### Implementation:

A component commodity procurement plan will be prepared to cover procedures, identify who is responsible for reporting to USAID on the utilization of AID-financed project equipment, types of commodities to be procured, estimated procurement value, justification for mode of procurement, who will procure, and when the procurement will occur. All USAID regulations and instructions will be considered in the development of the plan. When completed it will be sent to the NARP Steering Committee and USAID for approval, and upon approval become a part of this FY 1990 and future Implementation and Financial Plans.

### Project Support Required:

One commodity procurement specialist with AID experience for 2 months to assist the APAC to develop this plan. Funds for this specialist will be included in the SCI contract.

### Deliverables:

A comprehensive assessment of need and draft component commodity procurement plan.

## **G. Training**

### 1. Life of Project (LOP) Training Plan

#### **Description:**

Except for training as described below, which is specifically included in the approved interim activities to be implemented by this plan, all further APAC training will be included in the APAC Training Plan presently being prepared.

The LOP Training Plan will be for a three to four year period and will be based on the specific skills needed to implement the various APAC related technical activities, upgrade MALR Agricultural Statistics and Economics Group (ASEG) staff capabilities, and strengthen its management resources. These include but are not limited to the agricultural economic and policy analysis, special studies, specialized statistical services (i.e. objective yields and list frame sampling, etc.), advanced and computerized data processing and preparation and publication of policy analysis reports, and English language skills.

The training requirements are expected to include special technical training outside of Egypt, and in service technical training in Egypt, including orientation workshops and field training on specific topics. Training for women will be stressed and encouraged wherever possible.

#### **Implementation:**

The ASEG training officers will work with the various department heads in AERI and U/AES to determine their needs over the life of the project.

He will be assisted in his effort by 2 expatriate technical specialists who are well-versed in assessing and determining training needs.

**Deliverables:**

A draft three to four year APAC training plan, with emphasis on the first year.

**Project Support Required:**

Two training specialists with AID experience for 2 months each to assist APAC to develop the training plan. One will assist with AERI and one with U/AES. These specialists will be requested from Social Consultants, International and funds included in that contract.

2. Interim Training Activities

*a. English Language*

**Description:**

English language courses were initiated under the APAC FY 1989 Implementation and Financial Plan. Over 40 staff members have been enrolled in the six courses which have been given under a contract with the International Language Institute. These courses have been very successful thus far and it is planned to continue them.

**Implementation:**

English language training for staff members is being conducted via a contract with the International Language Institute (ILI.) Two courses will be given in January, two additional ones in February 1990 and it is planned

to have eight more such courses two each month from March until June of 1990.

**Deliverables:**

Continued and considerable upgrading of the English language skills of the staff. It is expected that approximately 80 staff members will have received English language training by the end of FY 1990. The progress is estimated at 20 reaching Intermediate level English, 40 Elementary level, and 20 Beginners level Stage III.

**Project Support Required:**

Funds in the amount of LE 35,000 will be required to continue the ILI teaching activities.

*b. Computer Skills*

1. Personal Computers:

**Description:**

Computer training workshops will be arranged to assist the selected staff in learning operations of the APAC-related personal computer network. These will be conducted both in English and in Arabic, according to the needs of the participants.

**Implementation:**

Training will be provided by a local computer dealer, as part of a purchase/ maintenance/ training agreement. Generally they recommend training 2 persons per computer to start with, and then adding more as needs and interest present themselves. Initial training will focus on a general introduction to personal computers, and then on word-processing skills. As needed, staff will be trained in use of mathematical/ spreadsheet type programs and desktop graphics. This will be done after the computers are procured.

### Deliverables:

10 staff members skilled in document presentation, word processing, desktop publishing and spreadsheet use, both in English and in Arabic.

### Project Support Required:

Training courses will be arranged with a local computer dealer with experience in computer education. Initial funds for this training contract will come from the SCI contract as a part of the computer purchase agreement; additional courses and computers may be arranged if the need arises.

## 2. Policy Analysis Matrix (PAM)

### Description:

In-country training on Policy Analysis Matrix (PAM) will be conducted to improve ASEG's Economic staff capabilities and understanding of agricultural policy analysis, Policy Analysis Matrix methodology, and the utilization of micro-computers in performing agricultural policy analysis. The PAM in-country training activity will improve staff ability to analyze the impact on efficiency, distribution and the environment of a range of macro policies, specific commodities, taxes, subsidies, and international trade measures affecting agriculture. The training will help develop a greater awareness of market imperfections related to capital, labor and land markets.

Further, the PAM training will assist in identifying ways in which government policy can reduce economic distortions within the agricultural sector. This training activity will include the development of microcomputer skills that permit raw data to be transformed into a

framework or matrix or spreadsheets such as Lotus or Excel. The resulting PAM framework presents the findings on the discrepancies between private (financial) and social (economic) prices, allowing the analyst to identify those policies that are causing the observed distortions.

A unique opportunity to stimulate dialogue on the impact of domestic policies and effects of international prices on domestic agricultural commodities and policy intervention instruments will result from the presentation and interpretation of PAM results for policy makers and government officials.

#### Implementation:

A preliminary course in microcomputer use will be set up to ensure staff preparedness for the training; materials and course outlines for this will be obtained from Stanford University. The training in PAM is to begin during February 1990, with the daily sessions to be divided between introductory and intermediate level groups (these include people with previous PAM training at Stanford). A technical advisor and a senior assistant are to come from the Stanford Food Research Institute to teach the course for a month in March of 1990.

#### Deliverables:

A new analysis methodology and staff skills improvement in PAM, affecting six or more staff professionals.

#### Project Support Required:

4 weeks of academic technical assistance for course preparation and presentation. 5 weeks of senior assistant time for preparation and presentation. (This would include materials prepared in support of the preliminary course.) This is a total of 2 person months. Also required will be appropriate space, computer facilities, and costs of materials, i.e.

manuals, books etc. People to carry out the preliminary course should be available within the MALR; these may also be needed to assist with the introductory course.

### 3. Statistical Software Training

#### Description:

This training involves instruction in Statistical Software Programs for micro-computers. These systems are software packages which manipulate data, enable data analysis, and facilitate report writing. These make it possible to store data values, retrieve and modify data, compute descriptive statistics, and create reports. These systems include graphics capability, and perform such operations to integrate graphics into procedures for easier comprehension of results, provide interactive modification of graphics displayed on a terminal screen, provide the ability to show a previous graph instead of the next graph when showing several graphs with one command, and also the capability to display information from several databases on one screen.

#### Implementation:

A team of nineteen students will be enrolled in one class for Statistical Applications Software. The instruction will be conducted one day per week for four hours per day each session and followed up with two four hour workshops each week. The American University in Cairo (AUC) will be the organization responsible for conducting this training and it will continue for a period of three months.

The second class for Statistical Package Software Systems (SPSS) training has not yet been firmed up with respect to participants or training location. It is estimated that an equal number of participants (19) will receive this training.

## Deliverables:

The training for SAS for will consist of 1 day of classroom instruction and 2 days of workshop, which is intended to re-emphasize and focus the learning into practical implementation solutions through a series of practical problems and test applications. This training will be conducted in Arabic.

Results from the Statistical Packages Software Systems training will be similar to those described above for the SAS.

## Project Support Required:

The cost for the SAS training is estimated to be approximately LE 8,000.

It is estimated that an additional 6,000 LE will be required for the Statistical Packages Software Systems training.

## 4. Stagflation Coursework

### Description:

The MALR has requested funding for a participant for one semester at Indiana University, based on the Ministry's strong interest in the participant's research on Stagflation Phenomena and Confrontation and its effect on the Egyptian agricultural sector. Stagflation is a combination of economic stagnation and inflation, which influences macro-economic policy, i.e. foreign exchange rates, changes in internal interest rates, as well as agricultural sector growth, productivity and employment. The Egyptian government presently is in a transitional period moving from a highly centralized planning position to a market-based economy. It assigns central importance to macro-economic policy changes. These have significant effects on agricultural prices, agricultural imports and exports, and production responses.

### Implementation:

The Ministry of Agriculture and the NARP Steering Committee have recommended that Mr. Ayman Rifaat El Mahgoub receive one semester of academic training support in order for him to complete his research. Mr. El Mahgoub is an employee of Cairo University, in the Faculty of Economics and Political Science. He has been working as an assistant lecturer since December of 1984 after completing his M.A. at Indiana University, and is also a Ph.D student in the Cairo University Faculty of Economics and Political Science. His doctorate program is based on completion of course work at Indiana University's Department of Economics, and completion of a dissertation and final exams at Cairo University.

### Deliverables:

An individual with expertise and academic knowledge of the stagflation phenomenon.

### Project Support Required:

Tuition and support and travel payments for the participant to go to Indiana University for one semester. These costs are estimated at \$9,000.

**H. Matrix of Principal Activities/Schedule**

**I. Financial Tables**

APAC Output Summary

Objectives/ Indicators	Responsible Parties	FY1989-1990 By Quarter							
		1		2		3		4	
		Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual
<b>A. Institutional Strengthening</b>									
Baseline for APAC Evaluation >reporting, monitoring and evaluation system for the APAC	CD/PO			Nov-Dec					
Renovations 15th Floor >engineering design and specs >contract work	CD/PO A & E Firm			Oct	Dec	Feb-Mar		Apr-Jun	
Component Support Office >SCI contract >Make CSO operational >Implementation and Financial Plan	SCI PO PO	Sep Jul-Sep	Sep Jul-Sep	Oct-Dec	Oct-Dec Nov-Dec	Jan-Mar		Apr-Jun	
L/T Team Contract >prepare RFP >Issue RFP >Review proposals	CD/PO PO/USAID CD/PO	Jul	Jul	Nov	Nov	Jan		My-Jun	
APAC support USDA PASA >renew until NARP PASA is in place				Nov	Nov				
NARP support USDA PASA >establish PASA >determine APAC amount needed	USAID OD					Jan-Feb Jan-Feb			
<b>B. Economic and Policy Analysis</b>									
Commodity outlook reports >SCW review, approve TDY >3 commodity reports	CD/PO CD/Staff			Dec		Jan-Mar		Apr-Jun	
Policy reform monitoring >TDY initial work >SCW and Feb-Mar work >SOW for Egyptian Specialists >Reform Draft Report	PO/TDY PO/TDY CD/PO CD/PO/TDY			Oct-Dec	Oct-Dec	Jan-Mar Jan-Mar		Apr	
Unit for Agricultural National Accounts	OD							Apr-My	
Seed Policy Study >comprehensive report	PO/TDY			Dec		Jan			

APAC Output Summary

Objectives/ Indicators	Responsible Parties	FY1989-1990 By Quarter							
		1		2		3		4	
		Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual
Evaluation of Reclaimed Lands to Graduates >study team	CD/PO							Apr-Jun	
Agricultural Marketing Study >SOW and find appropriate experts >Report	FO PO/TDY					Jan Feb-Mar		Apr-My	
<b>C. Agricultural and Statistical Serv.</b>									
Objective Yields Unit-Long Term >scope of work									
Objective Yields >Citrus and Cotton Updates and Reports	PO/TDY			Oct Dec	Oct	Feb		My-Jun	
National List Frame Sampling System >find appropriate experts >sampling frame and surveys	PO/USAID PO/CD Staff			Dec		Jan-Feb			
Agricultural Database Development >Inventory of Information >SOW for Dbase assess/design/recomm. >Dbase assessment >Database design and recommendations	CD/Staff CC/TDY CC/TDY CC/TDY			Oct-Dec	Oct-Dec	Jan Feb-Mar		Apr-Jun	
<b>D. Data Processing Services</b>									
Computer Center ADP Capacity Analysis >Field and central headquarters	PO/CC/TDY							My-Jun	
Preventive and remedial maintenance >arrange for contracts	PO/CC			Nov-Dec		Jan-Mar		Apr-Jun	
<b>E. Info and Publication Ctr.</b>									
Publication center plan	PO/CD/TDY							Jun	

APAC Output Summary

Objectives/ Indicators	Responsible Parties	FY1989-1990 By Quarter							
		1		2		3		4	
		Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual
<b>F. Commodities</b>									
Commodities									
>SOW for commodity assessment	PO/CD			Dec					
>Commodity Procurement Plan	PO/CD/TDY					Jan-Feb			
<b>G. Training</b>									
Training Plan									
>SOW for training assessment	PO/CD					Jan			
>LOP Training Plan	PO/CD/TDY					Feb-Mar			
English Training									
>(to be included in training plan)									
PC training									
>(to be included in training plan)						Feb			
PAM training									
>6 or more staff trained by US experts	PO/CC/TDY					Jan-Feb			
SAS and SPS training									
>AUC courses	PO/CC/AUC			Dec		Jan-Feb			
Stagflation Coursework	PO					Jan-Mar		My-Jun	

Summary of Activities		Schedule A									
Component Activities	July- Sept		Oct- Dec		Jan- Mar		Apr- Jun		Annual Total		
	S	LE	S	LE	S	LE	S	LE	S	LE	
<b>A. Institutional Strengthening</b>											
001-Tech. Asstce and services	540,000		150,000	10,000	48,000	58,000	50,000	300,000	788,000	368,000	
002-Commodities				10,000		15,000				25,000	
003-Training											
<b>B. Econ. Policy Analysis</b>											
001-					24,000	7,000	84,000	31,000	108,000	38,000	
002-								2,000		2,000	
003-					4,300		22,000		26,300		
<b>C. Agricultural Statistics</b>											
001-						11,000		6,000		17,000	
002-											
003-											
<b>D. Data Processing Services</b>											
001					61,000	3,000	72,000	3,000	133,000	6,000	
002-					10,000				10,000		
003											
<b>E. Information &amp; Publication Ctr.</b>											
001-							24,000	1,000	24,000	1,000	
002-							50,000	10,000	50,000	10,000	
003-											
<b>F. Commodities</b>											
001-					24,000	3,000			24,000	3,000	
002-						5,000		5,000		10,000	
003-											
<b>G. Training</b>											
001-					24,000	3,000			24,000	3,000	
002-				1,000	5,000	4,000			5,000	5,000	
003-				10,000	33,000	24,000		15,000	33,000	49,000	
<b>Activity Total By Quarter</b>	540,000		150,000	31,000	233,300	133,000	302,000	373,000			
<b>Grand Totals</b>									1,225,300	537,000	

Technical Services 001-		Schedule B									
Component Activities	July- Sept		Oct- Dec		Jan- Mar		Apr- Jun		Annual Total		Justification
	\$	LE	\$	LE	\$	LE	\$	LE	\$	LE	
<b>A. Institutional Strengthening</b>											
Baseline Evaluation Renovations 15th floor SCI Contract Long Term Contractor USDA PASA NAKP PASA subtotal	540,000			10,000	48,000	58,000		300,000	540,000	368,000	2 TDYs for 2 months(\$12,000 per month) design/ engineering and contractor fees. A & C Bldg. Contract extended for one year to be advanced- after RFP evaluations/negotiations temporary bridging PASA to be determined
	540,000	0	150,000	10,000	48,000	58,000	50,000	300,000	788,000	368,000	
<b>B. Economic Policy Analysis</b>											
Commodity Outlook Repts. Ag. Soc. Monitoring Eval. Ag. Mkt. Accounts Unit Seed Policy Study Ag. Marketing Study Ag. Coop Assessment Production Lands-Grads subtotal			(24,000)		24,000	3,000	24,000	3,000	48,000	6,000	2 TDYs for 2 months; logistic support i.e. translations
					(24,000)			4,000	(48,000)	4,000	2 PM TDY, 4PM local TA-LE250/month 50LE per diem
					[24,000]	2,000	12,000	2,000	12,000	2,000	1 PM TDY, 2PM local TA
					[24,000]	2,000	[72,000]	5,000	[24,000]	2,000	2 PM TDY, 2 PM local TA and support services
					^144,000^				[84,000]	7,000	2 PM for SOW, 3 TDY for 2PM each for team; 3 local TA to be filled in ^field surveys from above
	0	0	0	0	24,000	7,000	84,000	17,000	108,000	17,000	2 TDY @ 2PM each; 6PM Local TA; field surveys
<b>C. Agricultural Statistics</b>											
Long Term Obj Yield Unit Continued Obj Yield Work List Frame Sampling Database subtotal			[36,000]		[12,000]		[36,000]	5,000	[12,000]	[84,000]	1PM TDY for SOW
					[12,000]		[36,000]	6,000	[36,000]	5,000	7PM TDY
					[36,000]	5,000	[72,000]	6,000	[36,000]	5,000	3PM TDY; field surveys
					[72,000]	11,000	[72,000]	6,000	[144,000]	12,000	4 TDY for 3PM each; 3 Local TA for 3PM each
	0	0	0	0	0	11,000	0	6,000	0	17,000	
<b>D. Data Processing Services</b>											
ADP plan Preventative maintenance subtotal					36,000	3,000	72,000	3,000	108,000	6,000	3 TDY for 3PM each; 4 Local TA for 3PM each
					25,000				25,000		5000 (UPS) + 3000 (PCs) + 5000 (AC)+ 12,000 (Software)
	0	0	0	0	61,000	3,000	72,000	3,000	133,000	6,000	
<b>E. Information &amp; Publication Ctr.</b>											
plan	0	0	0	0	0	0	24,000	1,000	24,000	1,000	2 TDY for 1PM each; translation and logistics services
<b>F. Commodities</b>											
LOP plan	0	0	0	0	24,000	3,000	0	0	24,000	3,000	2PM TDY ; 2PM local TA
<b>G. Training</b>											
LOP plan	0	0	0	0	24,000	3,000	0	0	24,000	3,000	2 TDY @ 2pm each; 2PM local TA
Activity Total/ Quarter	540,000	0	150,000	10,000	181,000	85,000	230,000	341,000			
<b>Grand Totals</b>									<b>1,101,000</b>	<b>436,000</b>	

[ ] : indicates figures are PASA funded      ^ ^: indicates figures are USAID funded  
 ( ) : indicates figures are SCI funded

Commodities 002-		Schedule C									
Component Activities	July- Sept		Oct- Dec		Jan- Mar		Apr- Jun		Annual Total		Justification
	\$	LE	\$	LE	\$	LE	\$	LE	\$	LE	
<b>A. Institutional Strengthening Office Furniture-CSO and CD</b>											
			10,000		15,000					25,000	Component Support Office, CD technical and financial offices
<b>B. Econ. Policy Analysis Ag. Accounts Unit subtotal</b>											
								2,000		2,000	equipment, i.e. calculators, typewriters
								2,000		2,000	
<b>C. Agricultural Statistics</b>											
<b>D. Data Processing Services Preventive Maintenance</b>											
					10,000					10,000	spare parts inventories 2000(UPS)+ 5000(PC)+ 3000 (AC)
<b>E. Information &amp; Publication Ctr. Publishing needs etc.</b>											
							50,000	10,000	50,000	10,000	copying machine, binding machine, misc. related supplies
<b>F. Commodities Bridging Commodity Support</b>											
					5,000			5,000		10,000	miscellaneous items for support of project-- paper, typewriters etc.
<b>G. Training English language SAS PAM subtotal</b>											
			1,000		1,000					2,000	books for English classes
					3,000					3,000	books and software for computer course
			5,000		5,000				5,000	5,000	books and software from US for this course
			1,000		5,000				5,000	5,000	
<b>Activity Total/Quarter</b>					11,000	15,000	24,000	50,000	17,000		
<b>Grand Totals</b>										65,000	52,000

Training 003-		Schedule D									
Component Activities	July- Sept		Oct- Dec		Jan- Mar		Apr- Jun		Annual Total		Justifications
	\$	LE	\$	LE	\$	LE	\$	LE	\$	LE	
<b>A. Institutional Strengthening</b>											
<b>B. Econ. Policy Analysis</b>											
Commodity Outlooks											
Ag. Accounts Unit subtotal											
<b>C. Agricultural Statistics</b>											
<b>D. Data Processing Services</b>											
<b>E. Information &amp; Publication Ctr.</b>											
<b>G. Training</b>											
English Language											
SAS											
Statist. Packages Software											
PAM											
Stagnation- IU											
subtotal											
<b>Activity Total/ Quarter</b>											
<b>Grand Totals</b>											

3\*28\*110+ 3\*28\*2\*50+3\*120+3\*400  
visits to USDA Washington--12 PM and 1PM  
travel funds are in dollars because they  
are FT-800 funds for travel

course fees for ILI  
AUC course fee  
1 semester at IU. and FT-800 funds for travel