

**VERIFICATION PLAN**

**AGRICULTURAL POLICY REFORM PROGRAM**  
**Policy Benchmarks, Tranche IV**

Submitted by  
**The Government of Egypt**

to

**The United States Agency for International Development,**  
**Cairo**

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## **VERIFICATION PLAN**

### **AGRICULTURAL POLICY REFORM PROGRAM Tranche IV**

#### **Sponsored by:**

**The Government of Egypt, Ministry of Agriculture and Land Reclamation**

**The United States Agency for International Development/Cairo  
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#### **MVE Team**

Dr. Gary Ender, Chief of Party  
Dr. Adel M. Mostafa, Agribusiness Specialist  
Dr. John Holtzman, Agribusiness Specialist  
Dr. Morsi Ali Fawzi, Agricultural Policy Analyst

Project Office: 15th Floor, 7 Nadi El Seid Street, Dokki, Cairo  
Telephones: 202 337 0357, 337 0592, 337 0378 Fax: 202 3499 278

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## LIST OF ACRONYMS

ACs	Affiliated Companies
ACDI	Agricultural Cooperative Development International
ALCOTEXA	Alexandria Cotton Exporters Association
APRP	Agricultural Policy Reform Program
ARC	Agricultural Research Center
CAPQ	Central Administration for Plant Quarantine
CASC	Central Administration for Seed Certification
CASP	Central Administration for Seed Production
CATGO	Cotton Arbitration and Testing General Organization
CBE	Central Bank of Egypt
CRI	Cotton Research Institute
FSRP	Food Security Research Program
GOE	Government of Egypt
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit
HC	Holding Company
HEIA	Horticulture Export Improvement Association
IAS	Irrigation Advisory Service
IFPRI	International Food Policy Research Institute
MALR	Ministry of Agriculture and Land Reclamation
MD	Managing Director
MPE	Ministry of Public Enterprise
MPWWR	Ministry of Public Works and Water Resources (former name of MWRI)
MOTS	Ministry of Trade and Supply
MVE	Monitoring, Verification and Evaluation Unit
MWRI	Ministry of Water Resources and Irrigation
PBDAC	Principal Bank for Development and Agricultural Credit
PPC	Program Planning Committee
RDI	Reform Design and Implementation
STTA	Short Term Technical Assistant
USAID	United States Agency for International Development
WPAU	Water Policy Advisory Unit
WTO	World Trade Organization

## **PREFACE**

This verification plan for the policy benchmarks of tranche IV of APRP was prepared by the MVE Unit and approved by the PPC in its meeting on April 2, 2000, with a request that certain language be revised. These revisions were approved by Dr. Saad Nassar on April 5, 2000. It was developed based on the Memorandum of Understanding of September 20, 1999 for tranche IV of APRP. The APRP benchmark implementation workshops held in October and November, 1999 were also very helpful in clarifying implementation and verification issues.

## INTRODUCTION

Under the terms of the Memorandum of Understanding (MOU) between the Arab Republic of Egypt and the United States Agency for International Development (USAID) dated September 20, 1999 (tranche IV of APRP), the Government of Egypt (GOE) has undertaken to complete certain agricultural policy reforms. These reforms are specified in the MOU. The MOU states that "fulfillment of the policy reform benchmarks is a condition precedent to disbursement of APRP funds."

The MVE Unit of APRP is charged with providing technical assistance to the GOE. One of the purposes of this assistance is to prepare a verification report. The verification report is submitted by the Government to USAID and is used as one basis for the Mission's assessment of the level of accomplishment of the reforms and of the amount of disbursement. The Unit also prepares a verification plan, which sets out the work that the Unit will do to verify accomplishment of the benchmarks.

Tranche IV of APRP includes both one-year and two-year benchmarks. That is, there are some indicators that must be accomplished by December 31, 2000, and there are some that must be accomplished by December 31, 2001. In accordance with this format, the MVE Unit will prepare two verification reports for tranche IV, one following each deadline, in accordance with the process outlined in the table below.

The tranche IV APRP MOU calls for a verification plan, to "consist of the following elements:

1. Criteria, including quantitative measures where applicable, for concluding that a reform has been completed. Criteria will include a time limitation in most instances;
2. Precise definition for each benchmark, including scope, timing, and measures of change;
3. Methodology for ascertaining whether or not a benchmark has been met;
4. Interim reviews of progress;
5. Procedures for settling differences in interpretation of the data; and
6. A schedule for reviewing the results of the verification report and negotiating the final report."

The required six elements mentioned above and in the MOU are to be found in this verification plan, as follows:

<b>Plan Element</b>	<b>Explanation</b>
1. Criteria..., including a time limitation	The MVE Unit will use the background document, including the policy benchmarks and their verification indicators, to analyze progress on reform. The Unit will state for each policy benchmark whether the verification indicator(s) has been accomplished. The usual time limitation is December 31, 2000 for all one-year benchmarks, and the usual additional deadline is December 31, 2001 for two-year benchmarks. <sup>1</sup> The indicators corresponding to these different time limitations are stated in the body of this plan for all two-year benchmarks. Where applicable, quantitative measures are specified in the methodology.
2. Precise definition for each benchmark,....	Each benchmark is defined by the combination of the benchmark and its indicators. Additional details regarding objectives and benefits are given in the background document. (In the rare case where additional precision is needed, the body of this plan provides additional clarification in the methodology section of the benchmark in question.) The benchmark and its indicators cover scope and measures of change. The timing of implementation is not specified by the MOU or the verification plan, but is contained in the workplans of the GOE and the technical assistance units. The usual deadline for implementation is December 31, 2000 for all one-year benchmarks and December 31, 2001 for additional indicators in two-year benchmarks. <sup>1</sup>
3. Methodology	The body of this plan provides for each benchmark a methodology for ascertaining whether the benchmark has been met.
4. Interim reviews of progress	Interim reviews will be scheduled quarterly by the Project Coordinator (Eng. Mahmoud Nour). At these times the MVE Unit will provide a matrix of known progress. The Unit will then update this matrix based on the results of the discussions in the review meeting. The up-to-date matrix will then be made available to the PPC at its next meeting. In addition the Unit will provide an updated progress matrix whenever it is requested by the PPC, as long as sufficient lead time is provided for updating.
5. Procedures for settling differences in interpretation of the data	Immediately after December 31, the MVE Unit will prepare a draft of the verification report, which will be reviewed by the GOE. The Unit and the GOE will discuss technical issues on which there is disagreement, after which the Unit will finalize its report. If the GOE disagrees with any of the interpretations or conclusions of the report, the GOE will so state in its cover letter transmitting the report. The Unit will communicate with the Project Coordinator regarding the GOE's comments on the report.
6. Schedule for reviewing the results....	The MVE Unit will submit a draft of the verification report to the GOE no more than 45 calendar days after the deadline for accomplishment. The Unit will complete the verification report no later than five working days after receiving the GOE's final comments.

## **A. PRICES, MARKETS AND TRADE**

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<sup>1</sup>In certain benchmarks a different time limitation is clearly specified for its indicator(s).

There are no Tranche IV benchmarks identified in the MOU for this policy area.

**B. PRIVATE INVESTMENT AND PRIVATIZATION IN AGRIBUSINESS**

There are no Tranche IV benchmarks identified in the MOU for this policy area.

## **C. AGRICULTURAL LAND AND WATER RESOURCE INVESTMENTS, UTILIZATION AND SUSTAINABILITY**

### **Benchmark C.1: Reducing Mismatch of Irrigation Deliveries**

#### **Policy Benchmark:**

The GOE (MPWWR and MALR jointly) will establish a system that improves the flow of real-time information between the Ministries with respect to irrigation demands and supplies.

#### **Verification Indicator(s):**

**C.1.1.** A pilot program will be initiated by the MPWWR and MALR in one irrigation district in each of two governorates for mutual information transfer for cropping patterns and calendars and water supplies by December 31, 2000.

**C.1.2.** A joint MALR/MPWWR national policy for the application of the pilot program will be approved by the two Ministers by December 31, 2001.

#### **Method**

The MVE unit has a copy of the APRP Water Policy Tranche IV Benchmark Workplan (report no. 24 of the Water Policy Program) for guidance. The Unit will monitor activities of the working group, including attending its workshops, and check for the establishment in the field of a pilot program. The investigation will be conducted on different levels for different target groups. The applied techniques will include conducting interviews with government employees and a limited sample of farmers and extension personnel within the selected district in each of the governorates. One of the main foci of the monitoring is to understand the details of information transfer.

The Unit will obtain copies of the ministerial decrees promulgated upon completion of the pilot programs.

## **Benchmark C.2: Water Quality and Drainage Reuse**

### **Policy Benchmark:**

The GOE (MPWWR) will adopt policies for improved management of discharge and reuse of urban wastewater in agricultural drains.

### **Verification Indicator(s):**

**C.2.1.** The MPWWR will approve a policy and procedures for managing and reusing urban wastewater discharges in agricultural drains and submit them to the Cabinet by 31 December 2000.

**C.2.2.** The MPWWR in coordination with other ministries and authorities will apply the policy and procedures in one selected pilot area in the Delta by 31 December 2001.

### ***Method***

The MVE unit has a copy of the APRP Water Policy Tranche IV Benchmark Workplan (report no. 24 of the Water Policy Program) for guidance.

**C.2.1.** The Unit will track the development of the new policy. It will obtain a copy of the new policy and procedures and of evidence that they were submitted to the Cabinet.

**C.2.2.** The Unit will monitor activities of the working group and check for the establishment in the field of a pilot program.

## **Benchmark C.3: Water Management at the Directorate Level**

### **Policy Benchmark:**

The GOE (MPWWR) will establish a policy for allocating, distributing, and controlling water on a volumetric basis at the directorate and inspectorate levels.

### **Verification Indicator(s):**

**C.3.1.** A pilot program will be conducted by MPWWR in two directorates by 31 December 2000, to provide the basis for implementing volume-based water management policy at the directorate and inspectorate levels.

**C.3.2.** A policy document that includes a plan and instructions for volume-based water management in the Nile Irrigation System will be approved by MPWWR and distributed to all directorates by 31 December 2001.

### ***Method***

The MVE unit has a copy of the APRP Water Policy Tranche IV Benchmark Workplan (report no. 24 of the Water Policy Program) for guidance.

**C.3.1.** The Unit will make field trips and interview members of the implementation team to track the progress of the pilot program in two directorates.

**C.3.2.** The Unit will obtain a copy of the approved policy document and evidence that it was distributed to all water directorates.

## **Benchmark C.4: Irrigation Management Transfer**

### **Policy Benchmark:**

The GOE (MPWWR) will adopt a policy and strategy for transferring management of selected sections of the irrigation system to stakeholders and/or the private sector.

### **Verification Indicator(s):**

**C.4.1.** The MPWWR will develop a policy on irrigation management transfer, to include a plan for phased implementation and to identify legal requirements, by 31 December 2000.

**C.4.2.** Application of the policy will be initiated in two selected pilot areas by 31 December 2001.

### **Method**

The MVE unit has a copy of the APRP Water Policy Tranche IV Benchmark Workplan (report no. 24 of the Water Policy Program) for guidance.

**C.4.1.** The Unit will follow the development of the policy and obtain a copy.

**C.4.2.** The Unit will monitor activities of the working group and check for the establishment of a pilot program in two areas.

## **Benchmark C.5: Revision of Law 12/1984 on Irrigation and Drainage**

### **Policy Benchmark:**

The GOE (MPWWR) will prepare revisions to Law 12 of 1984 on irrigation and drainage, and its supplementary laws, to improve effective water resources management.

### **Verification Indicator(s):**

**C.5.1.** MPWWR will complete an analysis and review, with stakeholder participation, of the modifications needed for Law 12 of 1984 on irrigation and drainage and its supplementary laws by 31 December 2000.

**C.5.2.** A draft amendment document for Law 12 of 1984 on irrigation and drainage and its supplementary laws will be approved by MPWWR by 31 December 2001.

### **Method**

The MVE unit has a copy of the APRP Water Policy Tranche IV Benchmark Workplan (report no. 24 of the Water Policy Program) for guidance.

**C.5.1.** The Unit will track the review process, check that stakeholders are involved, and obtain a copy of the analysis.

**C.5.2.** The Unit will obtain a copy of the approved draft amendment.

## **D. AGRICULTURAL SECTOR SUPPORT SERVICES**

### **Benchmark D.1: Agribusiness Advisory Councils**

#### **Policy Benchmark:**

GOE will ensure that the private sector membership on the agricultural/agribusiness advisory councils comes from private sector industry/commodity groups.

#### **Verification Indicator(s):**

**D.1.1.** The GOE (MOTS) issues a ministerial decree outlining the structure, membership, and functions of the Agricultural Advisory Councils and their relationship with private industry unions. (12/2000)

**D.1.2.** Provide evidence of the activation of one or more of the Agricultural Advisory Councils. (12/2001)

#### ***Method***

There is an existing decree, but this does not meet the terms of indicator 1.1 because it does not set the roles of the different groups.

**D.1.1.** The MVE Unit will track the progress of implementation and obtain the new decree. Under the new Cabinet structure this decree will apparently be issued by the Minister of the Economy and Foreign Trade.

**D.1.2.** The Unit will collect evidence that at least one council has been activated, in the form of the following:

- ? A list of members and their affiliation to particular commodity or trade groups
- ? Meeting minutes (and summary translations)
- ? An organizational chart for the council
- ? Interviews with key council members and other to assess actions taken, including whether this activity was sustained for a significant period of time during tranche IV

## **Benchmark D.2: Airfreight Transport**

### **Policy Benchmark:**

To increase the volume and value of Egyptian exports of agribusiness products, the GOE will introduce appropriate improvements in regulations and procedures affecting Egyptian international airports that will enhance competition in the provision of air cargo-handling services at Egyptian airports.

### **Verification Indicator(s):**

**D.2.1.** Civil Aviation Authority (CAA) will modify regulations and/or procedures to enable international airlines operating at international airports in Egypt, in addition to Egypt Air, to provide competitively priced air cargo-handling (loading and unloading) equipment and services to other airlines on a commercial basis. (12/2000)

#### *Method*

Based on a review of the drafts of the benchmark and the indicator, the MVE Unit believes that the CAA mentioned in the indicator should be the Cairo Airport Authority, not the Civil Aviation Authority. The MVE Unit will attempt to obtain evidence that the CAA or another competent body has modified the required regulations or procedures for the international airport in Cairo.

The Unit will also check with airlines and exporters to see if the new regulations are being implemented, but implementation is not required by the indicator. If implementation has begun, the Unit will also investigate whether pricing is more competitive.

### **Benchmark D.3: Airport Terminal Cold Storage**

#### **Policy Benchmark:**

GOE will allow privately operated cold storage services using free market pricing to operate within the Customs area at all international airports in Egypt.

#### **Verification Indicator(s):**

**D.3.1.** GOE (CAA) regulations allowing private investors to build, or lease, or operate, cold storage facilities within the Customs area at Cairo Airport. (12/2000)

#### Method

The benchmark and the indicator are different with regard to the scope of the action required: the benchmark (and the expected effects in the background statement) state(s) that cold storage should be permitted at all (six) international airports, whereas the indicator states at Cairo. The Unit interprets the benchmark and indicators together to mean at Cairo only. The Unit also recommends that such differences be avoided in future benchmarks.

There is a law governing the construction of private BOT facilities on public land. What is required here is a document from the Cairo Airport Authority regarding the Cairo airport location. In addition to obtaining such a document, the Unit will interview government officials and any private investors involved in setting up the private cold storage at Cairo airport.

## **Benchmark D.4: Research and Extension Rationalization**

### **Policy Benchmark:**

The GOE (MALR) will develop and approve a new policy mandating extension officers to undertake tasks that respond directly to the needs of stakeholders in the agricultural production, marketing and processing economy.

### **Verification Indicator(s):**

**D.4.1.** Implementation of the plan for a pilot program in research and extension reform in the Governorate of Ismaileya. Development and initial implementation of a second pilot plan in Upper Egypt (Luxor/Qena). (12/2000)

**D.4.2.** Initial implementation of the successful elements of the pilot activity, adapted to local circumstances, in three other representative governorates. (12/2001)

### ***Method***

**D.4.1.** The Unit will follow the progress of the pilot program in Ismaileya in defining and meeting the needs of those in production, marketing and processing. Unit staff or consultants will interview stakeholders to obtain their opinions. The Unit will check whether a second pilot program is developed and begun in Upper Egypt.

**D.4.2.** After the lessons of the first round have been extracted, the Unit will investigate whether the further three governorate programs have begun in three other governorates.

The Unit will obtain a copy of the new policy if it is available, but this is not required for accomplishment of the benchmark.

## **Benchmark D.5: Government Withdrawal from Seed Multiplication and Distribution**

### **Policy Benchmark:**

The GOE will cease the multiplication and distribution of hybrid seed by June 2001 and encourage the development of improved private sector capacities for producing and marketing of this type of seed.

### **Verification Indicator(s):**

**D.5.1.** The GOE (Central Authority for Seed Production, the Maize Research Program and the Horticultural Services Unit) will reduce its multiplication and distribution of hybrid seed by 30% by June 2000.

**D.5.2.** The GOE will cease multiplication and marketing of hybrid seed by June 2001.

### ***Method***

This benchmark covers only hybrid maize (cf. the background statement).

**D.5.1.** The Unit will interview seed producers and the head of the Horticultural Services Unit. It will obtain data from the relevant units of the GOE to ascertain whether their multiplication and distribution of hybrid seed have declined by 30 percent. Accomplishment of the 30-percent reduction will be determined based on data for the spring, 2000 seed distribution season, compared to those for the spring, 1999 season. Multiplication and distribution will be examined separately.

**D.5.2.** The Unit will further verify that by June 30, 2001 the three entities have ceased multiplication and marketing of hybrid maize. This verification will be carried by through interviews with staff of these agencies and of private seed companies.

In terms of encouraging the private sector, the background document mentions the following:

- ? The GOE needs to promote fair competition among private firms by refraining from providing special favors or subsidies to any one company
- ? The GOE, ESAS, and APRP/TA all need to support the private sector's efforts to improve its direct marketing capacities

The Unit will discuss these issues with government officials and seed company representatives to ascertain whether the GOE's performance in these areas has encouraged the development of improved private sector capacities for seed production and marketing. Such encouragement is not required by either of the indicators.

## **Benchmark D.6: Pest Management Services**

### **Policy Benchmark:**

The GOE will allow the private sector to provide all cotton pest management services by December 2000. The MALR will be responsible only for inspection and quality control, licensing and provision of extension advisory services.

### **Verification Indicator(s):**

**D.6.1.** Completion of a pilot program to allow private sector provision of pest management services for cotton in two governorates for the 1999 cotton-growing season. (12/2000)

**D.6.2.** A decree allowing the private sector to provide all goods and services required for pest management in cotton. Implementation will be over a three-year period. (12/2000)

### **Method**

This indicator and the benchmark should be read in the following way: By December, 2000 the GOE will allow the private sector to provide all cotton pest management services. Indicator D.6.2. then specifies the time period over which a transition will occur.

Under MD 256/1999 authority for cotton pest management services was transferred to the cooperatives, which some consider a part of the private sector, although they are certainly not all of it. The background statement mentions private companies and cooperatives in about equal amounts and status in discussing this benchmark. Ongoing pilot programs involve only the cooperatives, not private companies. If only cooperatives, and not private companies, are allowed to provide cotton pest management services, the benchmark will be determined to be only partially accomplished.

**D.6.1.** The Unit will interview representatives of the private sector and MALR officials. It will follow through visits the progress of the pilot program in the two governorates.

**D.6.2.** The Unit will obtain a copy of the decree and review it.

## **Benchmark D.7: Farm Production Statistics**

### **Policy Benchmark:**

The GOE (MALR) will collect, manage, and distribute agricultural data and information on farm production and income at the farm and national levels to meet the private and public sector needs.

### **Verification Indicator(s):**

**D.7.1.** The GOE (MALR) approves and establishes a policy on procedures for collecting agricultural production and income data at the farm level. (12/2000)

**D.7.2.** Agricultural production and farm-level income statistics based on new procedures are prepared for representative villages and administrative districts. (12/2001)

**D.7.3.** The GOE (MALR) will prepare agricultural income statistics at the national level to meet the system of national accounts, 1993 standards. (12/2001)

### **Method**

**D.7.1.** The MVE Unit will actively follow the development of the policy for collecting agricultural production and income data at the farm level and obtain a copy. (The Unit is a stakeholder in this process, as farm income data will be very useful to the Unit in assessing the success of APRP.)

**D.7.2.** The Unit will review the procedures that are adopted by the GOE for collecting, tabulating, and publishing farm income data in representative villages and districts to check that they are new procedures. Topics covered will include the institutionalization of the new activity, training of the staff, and sample selection. The Unit will also review the workplan for expanding this activity to cover the entire country. In reviewing these activities, the Unit will interpret the objectives of this activity as improving farm income statistics and improving national agricultural income statistics. That is, the objectives are not improving agricultural production data or improving cost-of-production data. The improvement of agricultural production statistics is another important objective of the Ministry, but this is not a primary objective of this activity.

**D.7.3.** The Unit will obtain a copy of a relevant document that is evidence that the MALR has prepared agricultural income statistics at the national level to meet the system of national accounts, 1993 standards.

## **Benchmark D.8: Sea Freight Transport**

### **Policy Benchmark:**

The GOE will coordinate import inspection procedures for refrigerated foodstuffs (radiation, GOEIC, agriculture, health and veterinary).

### **Verification Indicator(s):**

**D.8.1.** The GOE (MOH, MALR, MOTS, and MOSR) will establish a policy to coordinate import inspections of refrigerated foodstuffs (radiation, health, veterinary, agriculture and GOEIC) at all Egyptian ports (sea, land and air) by 12/2000.

**D.8.2.** Average dwell time at Mediterranean Sea ports for refrigerated containers is reduced to fifteen days for the 9/2000-9/2001 period based on a survey of private sector traders. (12/2001)

### **Method**

**D.8.1.** The Unit will interview officials in the respective ministries. It will follow the development of the policy and obtain a copy of any relevant document.

**D.8.2.** The Unit will begin in September, 2000 measuring the dwell time by obtaining data from container handling companies (of which two are public and one (Port Said) is partially private). The Unit will also contact freight forwarders, shipping lines, and shipping agencies. Thereafter the Unit will update this information quarterly, and finally the Unit will calculate the average dwell time for the 9/2000-9/2001 period. Data will be collected for the three Mediterranean ports of Alexandria, Port Said, and Damietta. Currently dwell time is about three weeks.

The Unit will coordinate with staff of RDI, ATUT, and ALEB as well. The latter are working with (potential) exporters of frozen horticultural products. Imports of refrigerated foodstuffs are dominated by frozen butter and meat. "Refrigerated" includes both chilled and frozen. Dwell times for chilled and frozen containers are not expected to be significantly different.

## **Benchmark D.9: Truck Transport Regulations**

### **Policy Benchmark:**

The GOE will improve exports of horticultural products through improving the capacity of the local refrigerated trucking industry by reducing the tariff on imported refrigerated trucking equipment.

### **Verification Indicator(s):**

**D.9.1.** GOE regulations reducing the tariff to 5% on imports of new refrigerated trucking equipment. This includes trucks, trailers, and compressors. (12/2000)

**D.9.2.** Evidence that private trucking companies and exporters of agricultural products in Egypt are aware of the change in the tariff. (12/2000)

### ***Method***

Law 8 of 1997 reduced the import tariff on some new trucking equipment to 5%. Implementation of the new law may not have begun, possibly because the customs regulations do not distinguish between refrigerated and non-refrigerated equipment. This remains to be clarified.

**D.9.1.** The MVE Unit will determine accomplishment based on finding the change in the tariff for new refrigerated trucking equipment. The MVE Unit will obtain an official document or regulation showing this change.

**D.9.2.** If the tariff is changed, the Unit will conduct a limited survey of private trucking companies and exporters to determine their awareness of the change in the tariff and its implementation. If the clients of the tariff change (private trucking companies and exporters of agricultural products) are aware of the change in the tariff, it is also reasonable to assume that the tariff change has been communicated to the relevant customs offices. Thus accomplishment will require that both the private trucking companies and exporters of agricultural products and also customs officials at ports of entry are aware of the changed tariff. Accomplishment will not require that any trucks have been imported and charged the lower tariff.

## **Benchmark D.10: Vegetable Seeds**

### **Policy Benchmark:**

The GOE will simplify its requirements for registering new varieties of vegetable seeds and abolish registration requirements for the import and trade of vegetable seeds already registered or protected in countries belonging to the Organization for Economic Cooperation and Development (OECD).

### **Verification Indicator(s):**

**D.10.1.** The GOE (MALR) approves a policy to drop the requirement for VCU testing of vegetables. (12/2000)

**D.10.2.** The GOE (MALR) approves a policy that permits vegetable varieties registered or protected in OECD countries to be imported and traded in Egypt without retesting. (12/2000)

**D.10.3.** Confirmation from private vegetable seed companies that they are aware of these policy changes and that at least one shipment of vegetable seeds has been imported for commercial sale under these new policies. (12/2001)

### **Method**

**D.10.1.** The MVE Unit will track the development of the policy and obtain a copy of the decree or other policy document.

**D.10.2.** The MVE Unit will track the development of the policy and obtain a copy of the decree or other policy document.

**D.10.3.** The Unit will conduct a limited survey of private seed companies to assess their awareness of the new policies. If a majority of those surveyed are aware of the new policies, then this part of the indicator will be considered to have been met. The survey will also reveal whether at least one shipment of vegetable seeds has been imported since the change in policies.

## **Benchmark D.11: Women's Employment, Entrepreneurship and Income in the Agricultural Economy**

### **Policy Benchmark:**

The GOE (MALR) will adopt policies to encourage the creation and expansion of women-owned and managed agribusinesses and access to resources and information for women in the agriculture sector in Egypt.

### **Verification Indicator(s):**

**D.11.1.** The GOE (MALR) will publish and implement a policy that calls for AERI and CAAE to collect and analyze gender-disaggregated data. (12-2000)

**D.11.2.** The GOE will establish a policy that mandates establishment of business support centers with units specifically for women in the agricultural economy. (12/2001)

### ***Method***

**D.11.1.** The MVE Unit will follow with great interest the development of the policy on collecting and analyzing gender-disaggregated data. As the benchmark calls for access to information and the first indicator calls for implementation of the policy to collect and analyze gender-disaggregated data, the Unit interprets these together to mean that, ideally, GOE will publish at least one gender-based study that uses the newly collected gender-disaggregated data. However, publication is not required by the indicator, so publication will constitute accomplishment exceeding full accomplishment. Neither the benchmark and indicator nor the background document is clear about what type of data is envisioned, other than that it be gender-disaggregated. The background document asserts that the productivity of women in agriculture is lower than that of men. One approach to implementing the benchmark would be to collect data to test this hypothesis.

**D.11.2.** The Unit will also follow the development of the new policy on business support centers and obtain a copy of the decree or other policy document. To accomplish this indicator, the GOE may choose to establish these centers widely and designate some of them to be specifically for women, or it may mandate establishment of centers only for women.

## **Benchmark D.12: Horticultural Modernization**

### **Policy Benchmark:**

The GOE (MALR) will establish a policy that facilitates the renewal of the stock of fruit and other tree crop planting materials in Egypt.

### **Verification Indicator(s):**

**D.12.1.** Ministerial decree to encourage the importation and testing of new fruit and vegetable varieties from around the world. The policy will:

- a) allow and enable research stations throughout Egypt to acquire planting materials regularly and to carry out long-term, commercial-scale testing of promising fruit and other tree crop varieties under Egyptian conditions (12-2000); and
- b) approve a policy and plan to ensure private sector participation in multiplication, distribution, and importation and quality control procedures. (12-2001)

### ***Method***

The MVE Unit will track the development of the policy and obtain a copy. Unit staff will visit research stations, both those of the ARC and private stations if they exist.

The background document mentions many relevant issues, including:

- ? Adequate funding of long-term research on tree crop varieties
- ? The possibility of commercial-scale field trials
- ? Private sector reluctance to undertake long-term variety-testing research
- ? Regulatory obstacles in trying to import non-seed planting materials
- ? GOE emphasis on food security, to the detriment of tree crops
- ? Local nurseries often sell ordinary, local varieties under assumed names

The Unit will consider these issues when reviewing the new policy.

The background document also contains the following statement:

the GOE (MALR/ARC) will declare a policy that promotes long-term research on horticultural crops, especially tree crops, and will assign no less than 50 feddans in at least one station each in Upper, Middle, East Delta and West Delta Egypt to carry out these trials, as well as staff and budget resources required for long-term, ongoing trial series.

This benchmark and its indicators call for the establishment of a new policy, but not for its implementation. The assignment of area on various research stations for trials would constitute the

beginning of implementation and would therefore constitute accomplishment beyond that required in the benchmark.

## **Benchmark D.13: Registration Procedures for Pesticides**

### **Policy Benchmark:**

The GOE (MALR and Ministry of Health) will establish coordinated protocols for registration and labeling of pesticides.

### **Verification Indicator(s):**

**D.13.1.** Joint decree or other publication by the GOE (MALR and MOH) that harmonizes registration and licensing of pesticides by 12/2000.

### ***Method***

The MVE Unit will interview officials of the two ministries to follow the coordination between them and obtain a copy of the decree or other publication that harmonizes registration and licensing.

## **E. FOOD SECURITY AND POVERTY ALLEVIATION**

### **Benchmark E.1: Reduced Leakage of Subsidized Wheat Flour**

#### **Policy Benchmark:**

The GOE (MOTS) will reduce illicit leakage of subsidized wheat flour.

#### **Verification Indicator(s):**

**E.1.1.** The GOE (MOTS) will make the necessary arrangements to produce at least 50,000 metric tons of mixed wheat-maize flour at flour mills and then supply the mixed flour to bakeries and warehouses. (12/2000)

#### ***Method***

MVE Unit staff and/or consultants will visit some of the mills mixing maize flour with wheat flour at the mill to observe this process directly. The Unit will obtain the relevant records from the Ministry of Supply and Home Trade or other cognizant agency to establish the accomplishment of the benchmark. Unit staff will also visit bakeries and warehouses to observe the logistics of wheat flour storage and transportation.

## **Benchmark E.2: Ration Card System**

### **Policy Benchmark:**

The GOE (MOTS) will improve equity of the rationed food subsidy system by increasing benefits to the poor and reducing benefits to the rich.

### **Verification Indicator(s):**

**E.2.1.** The GOE (MOTS) will convert at least 25,000 red cards, currently held by poor households, into green cards, and make available for review the record of these conversions. (12/2000)

### **Method**

The MVE Unit will maintain contact with the relevant department of the Ministry of Supply and Home Trade and the APRP Food Security Task Force to obtain the necessary records.