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EVALUATION

THE DATA ACCESS AND TRANSMISSION ACTIVITY

**UNDER USAID/EGYPT
STRATEGIC OBJECTIVE NO. 16
PARTNERSHIP FOR ECONOMIC REFORM RESULTS PACKAGE**

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I. EXECUTIVE SUMMARY / OVERVIEW:

Purpose of Evaluation: The Data Access and Transmission Activity (DATA) is in the third year of a three year endeavor. Management decisions are required as to the future of the activity. The mission is pleased with the activity and considers it a notable success. This "rapid" style evaluation was requested to independently verify (or challenge) the presumed success, and critically assess plans for a second phase. Moreover, soliciting counterpart comment has value in itself. Because of the limited time (one week) and personnel (one economist) this evaluation is not intended to be comprehensive, but rather as eclectic, indicative, and cost-effective.

Findings: The DATA project has been highly effective in achieving its purposes and is making a material difference in the quality of macroeconomic statistics in Egypt and in the professional skills of statisticians and managers in the Ministry of Planning (MOP), The Central Agency for Public Mobilization and Statistics (CAPMAS), and line agencies. The project and technical assistance team appear to be uniformly well regarded by counterparts cooperating agencies. Technical assistance (TA), training, and information technology (IT) commodities appear to have been well targeted and effectively delivered. The activity is on track to achieve intended objectives. However, because the new National Income and Product Accounts and related data have not yet been publicly released, the impact of the activity on economic policy and decision-making has been limited.

With DATA assistance, the National Accounts have been updated and restructured to meet current international standards as embodied in the United Nations System of National Accounts 1993 (SNA 93). The index of manufacturing has been revitalized, grounded in an appropriate monthly survey, placed on a monthly basis, and now produces information with a two month lag rather than a two year lag. In addition, GOE technical staff now is able to meet 15 of the 17 criteria for the IMF Special Data Dissemination Standards (SDDS), well in advance of the project timetable. Also of major importance, the DATA activity has helped promote greater inter-ministerial and intra-ministerial cooperation and coordination throughout the GOE's statistical and data producing/processing entities.

In full agreement with a formal Ministry of Planning (MOP) request, USAID project management plans to extend the activity and broaden its focus to encompass the establishment and institutionalization of a national statistical policy – i.e., consistent definitions and standards for data collection, processing and dissemination applicable to all GOE agencies. USAID and counterparts also agree on the need for DATA to also target better and timely economic indicators. This concept enlargement would seem a logical and appropriate extension of existing activity for which the DATA is well positioned. As MOP experience grows with the new national accounts and SDDS, resources can be free-up and used against the new broader objectives. Moreover, DATA would retain the ability to provide hands-on TA against contingencies in institutionalizing phase one improvements. This evaluation indicates that the current assistance team has developed an exceptionally productive trust relationship with counterparts. Retaining that team would be important for a smooth transition into a broader activity.

Recommendations: Proceed with intended course of action – extend project and broaden focus; in phase II increase proportion of commodities and make even greater use of off-site seminars and workshops to promote inter-ministerial personal professional relationships; reexamine the Communicative English Proficiency Assessment (CEPA) exam as to whether it might be too rigid in screening candidates for international training; make data accessibility (as per SDDS) a precondition to disbursement of any additional funding; consider making better MOP provision of operating supplies a precondition to additional funding and/or making available modest amounts of local currency targeted on specific bottlenecks; consider adding an additional project vehicle or two; consider funding refurbishment of work venue if MOP offers additional team office space; consider greater use of source origin waivers for locally produced items (e.g., furniture).

II. PROGRAM CONTEXT

Egypt lacks a modern statistical framework. Up to this point its statistical apparatus had been based on methodology and procedures derived in an earlier era and making little use of automation. Actual data was two or more years old, with planned or projected figures used in lieu of current year actual figures. No computers at all were available to the National Income Accounts Unit of the MOP. Processing time and accuracy suffered accordingly. Moreover, the national accounts structure was based on obsolete 1960's methodology and did not include quarterly data. There were no useful economic tracking indicators. Lastly, bureaucratic fragmentation with definitional and methodological inconsistency across ministerial and governate lines plagued the aggregation of data. The GOE was unable to provide credible data to its economic authorities, the IMF, donor community, or to the private sector.

A 1997 USAID-funded assessment¹ of Egypt's statistical capabilities presented the GOE with a detailed problem assessment together with a comprehensive set of remedial recommendations. The GOE implemented the major organization recommendation – eliminating the overlapping MOP – CAPMAS responsibility for the National Account by centralizing National Accounts preparation in the MOP National Accounts Unit (NAU) and the data collection responsibility in CAPMAS. The GOE asked USAID for assistance in implementing the substantive recommendations. USAID and the GOE agreed on a \$5.9 million program focused on bring the National Accounts into line with accepted international standards; and interrelated to this, meeting the IMF's General Data Dissemination Standard (GDSS -- required of all IMF members) and the stricter Special Data Dissemination Standard (SDDS --recommended for emerging market economies seeking to attract foreign investment.) A contract to implement the activity was awarded to Booz– Allen- Hamilton in June of 2000. USAID now intends to extend the DATA activity and expand its scope to cover the balance of the IMCC reports recommendations – e.g., developing and implementing a national statistics policy. In addition both USAID and the GOE want to include greater emphasis to short lag time economic tracking indicators.

¹ IMCC Assessment Report: "Modernization of the National Accounts of Egypt, January 26, 1998, Consulting Assistance in Economic Reform Paper", team headed by Dr. Charles C. Waite.

III. CONTRACTOR PERFORMANCE²

DATA has made a notable difference in the professionalism of GOE statistical staff and the efficiency of their work. All persons interviewed, including senior staff at MOP, CAPMAS, Ministry of Foreign Trade, and the Central Bank of Egypt (CBE) uniformly praised the activity and the contractor's performance. All said that major progress had been achieved in all project areas; and credited this in large measure to the assistance team's efforts. Dr. Omeran, Director of Research at the Ministry of Foreign Trade (MoFT) when asked to criticize the activity responded that, on the contrary, he wanted to personally thank USAID and "Mr. Frank"³ for this highly valuable project.⁴ Although not articulated to this degree, Central Bank of Egypt (CBE) Research Director Ahmed Nos'hy (chairman of the inter-ministerial SDDS committee) also had high praise for the activity and its implementing technical staff. DATA supported accomplishments – modern national accounts, a monthly index of manufacturing, and the technical mastery of 15 of 17 SDDS requirements are sources of pride to the MOP, CAPMAS and other statistical staffs concerned. Moreover, these, taken together with counterparts' comments as to the TA team's role, are tangible evidence of effective contractor performance.

The contractor's office (Booze-Allen Cairo Office at MOP) seemed well laid out (though crowded) with a friendly but professional ambiance. Office operations seemed business-like. The few records examined were, if anything, excessive in detail. For example, all significant pieces of project supplied hardware, for example, are tracked on a master spread sheet. Project reports, of which there are a plethora, were only cursorily examined, but appeared to meet requirements and to be more than adequate for all practical purposes. The project has set up a project web site, and compiled all produced reports electronically and makes them available for distribution on CD ROMs and on the project web site

TA: Ninety seven person-months of resident expatriate staff assistance and nine person-months of short term expertise has been supplied through June of 2002. Their efforts have been supplemented by those of local hire staff. Recipients found all areas of support on target. The MOP National Accounts staff found daily contact with the team and its hands-on TA indispensable. Other agencies praised training, the short term experts and the ability of the contractor's team to arrange consultants and training as needed on a timely basis. (There are no GOE funds for such external consultants and even if there were, the administrative arrangements would be a formidable hurdle). As far as the counterparts are concerned, the right experts were made available at the right times.

³ Frank Szumilo, Booze-Allen Chief of Party

⁴ The MoFT is particularly interested in DATA project help to resolve problems with the foreign trade data. MoFT customs-derived data differs from CBE foreign change transaction derived data and both differ sharply from the corresponding export/import records of trading partners. This has been an embarrassment for some time. Senior officials throughout the government are unable to get an unequivocal response when they ask a quantitative question on imports or exports.

It was also observed that the contractor made a judicious selection of local staff and was able to engage a number of individuals who not only possessed the necessary technical knowledge but also brought with them the good will of the official government statistical authorities, and the academic community.

Training. Over 600 people have been trained (2045 person training weeks delivered) in information technology, statistical methods, and English language. A full range of training activities were provided -- overseas and local, group and individual. Appropriate, detailed training plans were submitted in a timely fashion -- the current plan runs some 26 pages.

Approximately eight persons who had received training were interviewed, most of them managers who had also had staff under them who received DATA-sponsored training. Impressions were fairly uniform. Both local and U.S. training were considered excellent in improving specific statistical skills and enhancing perspective on data processing and usage. The participants all considered the Development Training II (DT2) administrative arrangements as excellent -- good choice of training opportunities and good overseas logistical support. To the extent that there were negative comments they focused on the English language requirement for overseas training and CEPA test.⁵ Several managers observed that they had individuals on staff who could benefit greatly from the training but were unable to pass the CEPA. They felt that the test was too strict, and that the individuals involved had sufficient English for the specific training proposed. It was also asserted in several different meetings that, in a group setting the participants could collectively coach members who might be missing points. They suggest that the test be loosened; or that the English language instruction be tuned to the test, or to the technical subject area; or that a translator be used. The DATA contractor is inclined to agree; but believes that by arranging more training in-country from short term experts the problem has been minimized (and the budget stretched.) This evaluation is unable to address the CEPA related questions, but suggests that USAID examine this issue in a broader context.

At least one incidence was recounted where observational travel (by the CAPMAS Director General of Data Processing) led to immediate change of data processing procedures in CAPMAS. Several managers observed without prompting that training, workshops, and seminars involving multiple departments or ministries proved useful in fostering interagency coordination and cooperation (as was intended by the TA team.) All others confirmed this when the question was explicitly asked. Examples were given. Improved communication was seen as particularly valuable in the context of the GDDS and SDDS exercises where a high level of coordination is imperative.

Training opportunities were approximately equal by gender -- 297 female and 309 males account for the 606 training actions. Time did not permit examination of the level or type of training by gender, although at a superficial level no disparities were apparent.

Commodities: Although there is great demand for additional equipment among counterpart agencies, all expressed satisfaction with the equipment and IT support they have received to date. This is particularly commendable in that only \$150, 000 was budgeted and spent. Forty

⁵ Contractor staff estimate that of the 100 or so people sent to take the test, only about 20 passed.

computers with appropriate software and peripheral equipment were provided and are maintained by the DATA team, a MOP Nation Accounts Unit local area net with a fiber-optic links to CAPMAS was installed, and broad band internet access through a leased line, has been put into service. In addition two Unix servers with optical links and switching boxes have been installed. There is now connectivity within the MOP, between the MOP and CAPMAS, and between these organizations and the internet. Detailed objective-linked procurement plans were provided on a timely basis. A detailed inventory of project funded hardware was available for inspection and the USAID logo was prominently displayed on the items viewed in MOP and CAPMAS. Funds for commodities were utilized early in the project and the contractor provided USAID with a plan for addition procurement if additional funding could be found. (It could not.)

VI. USAID, GOE, OTHER DONORS, AND INTERESTED PARTIES

Even with solicitation, no specific complaints against USAID or counterpart agencies were received (apart from the English language requirements mentioned elsewhere.) USAID funding and backstopping was available on a timely basis. The activity CTO, an economist, took a strong professional interest in activity and was closely engaged in monitoring and guiding it. MOP, for its part, provided acceptable office space, minister-level access, and good counterparts. In addition, the MOP and CAPMAS made suitable training candidates available and otherwise fulfilled its formal administrative obligations. The MOP would have preferred an earlier initiation of expanded activities⁶ but this was not given serious consideration until funding became available. Moreover, it appears to this observer that current pace / sequence of TA has proven appropriate. Many GOE officials have been conditioned to think of economic data as national security information. More intensive activity earlier -- before the necessary trust and confidence relationships were established -- could have overloaded the process and called into question gains made. It is also unclear that internal GOE bureaucratic dynamics were conducive to the expansion earlier in the activity. In any event, with cabinet level interest in the new monthly manufacturing index, the interagency experience in developing SDDS compliant data, and the approaching 2006 census, there appears to be strong receptivity to a phase II activity.

The IMF is by all reports pleased with the activity which will provide a far better statistical handle on the economy. The activity was praised in the IMF's August 2002 Article IV Consultation Statement. An IMF official concerned with SDDS, Dr. Gary Jones, is very supportive of the activity. He believes that the technical assistance team is doing good work and has the respect and attention of its counterparts. In all the Arab world, only Tunisia is SDDS compliant. The IMF would like to see Egypt subscribe to the standard, not only for Egypt's good, but also because it will help push others in that direction. At MOP's request the European Union EU donated expensive Dutch national income accounting software (ISA96) to the MOP. This fed directly into the work of the DATA team. This donation freed up some \$30,000 which was used for the procurement of additional computer equipment. The EU official who arranged

⁶ According to the Minister's Project Coordinator (Nasr Tantawi) three successive Ministers of Planning in five letters requested an expanded program. [Check this with Frank -- have there really been 5 ministers in 2 and a half years?]

the donation did not return an email, nor did the former IMF RESREP⁷. In any case it's fair to say that this activity fits in well with the international donor communities interests.

DATA offices are beginning to attract the attention of economic information consumers. Indeed, one of the basic premises behind SDDS is that better information will lead not only to better decisions but investor confidence and greater foreign investment. Visitors seeking perspective on economic trends have included: the Economist Intelligence Unit, Standard & Poor's, the Financial Times, Oxford Business Group, the IMF, the World Bank, and individuals from the Egyptian private sector.

V. ACCOMPLISHMENTS (RESULTS LEVEL)

A detailed list of specific accomplishments claimed by the contractor and reviewed during the evaluation is provided in Annex B. In summary, the National Income Accounts have been brought into line with SNA), with the data through calendar year 2000 ready for release on a quarterly basis. This involved complete restructuring of the accounts substituting the modern SNA 93 methodology for obsolete 1960's concepts. This in itself was a major undertaking as it involved examination/assessment and appropriate methodological treatment of all input statistical series including price and production indices. The index of manufacturing and the index of industrial production have been revitalized and updated information available with a two month lag time rather than the previous two year lag. (This is a major logistical and technical achievement requiring design and initiation of a monthly survey of some 300 firms country-wide and index construction.) The country is positioned to meet the IMF special data dissemination standard (SDDS). Currently 15 of the 17 SDDS technical requirements can be met, and only Central Bank concurrence in the release of key monetary data stands in the way of full compliance. Equally or perhaps even more important, DATA has made a notable difference in the professionalism of GOE statistical staff in MOP, CAPMAS, and to a lesser extent, other agencies. Prior to the team's arrival there were no computers at all accessible to the National Accounts Unit staff, little if any automation, no understanding of even rudimentary IT technology, and little productive interchange between statistical staffs in different entities. A two year lag time was usual for data processing/release and, continuing the practice of the central planning period, projected or expected figures substituted for current year data. In sum, there was little ability to produce meaningful, timely data. The provision of TA, training, and IT commodities under DATA has had an enabling effect on target entities and perhaps been catalytic in improvement in attitude among the statistical staff. For example CAPMAS senior staff evidenced pride at their DATA related accomplishments (e.g., the monthly survey of manufacturing). Work valued by colleagues commands attention. Further, among counterparts, DATA project TA has helped reinforce the gradual evolution of bureaucratic mindset on the role of statistical information from one appropriate to central planning to one more suitable to a market

The DATA activity has been integral to the SDDS exercise. It has also sponsored training activities involving staff from different organization with the expected (and intended) result of

⁷ This may not have received the email given the short lead time and the on-going IMF-World Bank meetings in Washington.

promoting greater professional interchange across bureaucratic boundaries. The SDDS exercise is another case in point. DATA staff, training, and commodities were an integral part of an enabling environment for a collective interagency endeavor. Illustrative of a different aspect of this same point, a senior Central Bank official said that thanks to DATA, the MOP Nation Accounts Unit was now making coherent understandable data requests that could be met, before it was not clear what they wanted.

It should be noted that Partnership for Economic Reform Results Package Amendment states that "a preliminary indicator of success will be the adoption of ...GDDS...; completion of the first annual GDP estimates ...and initiation of a reliable and timely ... quarterly GDP estimates." In these terms, only lacking is a political decision to release the data.

VI. IMPACT

"The success of the activity at impact level will be determined by the extent to which the availability of reliable and timely data is used in the formation of sound economic policy"⁸ As of this writing, the new data series are not public available.⁹ However, the new figures are starting to dribble out informally. Anecdotal information suggests that high level officials are aware of the revised nation income data and the index of manufacturing. The Minister of Planning has used the new manufacturing index numbers in cabinet level meetings, and in meetings with the IMF. He has asserted that there is strong demand within the cabinet for such numbers. The minister also used the new lower growth figures in at least one speech to a select group and been praised in the press for the realism of his data. The new quarterly nation accounts figures are also now beginning to be used in the Central Bank's basic macroeconomic model of the economy (an AID-funded legacy.) It was also stated (by an MOP official) that a government decision to try to raise the savings rate has been take after the new national accounts figures showed the rate was well below what had been thought. Still, there is no evidence of the systematic use of the improved data, or that a material difference in economic policy or decision-making is attributable to the activity. The potential impact of realistic, timely economic data on decision making and policy is beyond question. But it can only happen only to the extent the data is made available.

VII. PROBLEMS:

The problems noted in this evaluation appeared to be exogenous to the DATA activity. A shortage of operating funds dogs all elements of the GOE. Thus it is no surprise that lack of toner and paper for the printer is a significant bottleneck in the production of the new national income accounts; that inability to pay overtime and adequate per diem to field personnel

⁸ September 1998 RP Amendment

⁹). We are told that the minister wants a full 5 year series before he releases the data. At the current time the MOP has three years of the new national accounts at the detailed level, starting from the benchmark 1995 year. Two additional years are available at the aggregate level. In general, time series data are released to cover five consecutive years, as they would then allow two benchmark years. Further, the MOP now has six months of a monthly manufacturing index (and survey data). This however is difficult to interpret until enough of a series is available to adjust for seasonality (at least one or more year's monthly series).

undertaking the base data surveys inhibits data collection feeding to targeted data series; and that no ministry vehicles are available to support data collection. (See footnote no. 7)

The GOE bureaucracy is aging. After the hiring excesses of an earlier era, there is an age hump in the average age of government employees working through the system. Thus the average age of trainees is thought to be in the upper forties; i.e., closer to the end than the beginning of careers

English language competence is by all reports a serious hindrance to external training. There may be no solution here other than second best local training.

The new data series are not yet publicly available.

VIII. SUSTAINABILITY:

The establishment of a modern national accounts framework is seen as irreversible. Regardless of all else, this is unlikely to be lost, although the product could certainly be degraded by lack of budget priority and staff. The increase in skills of GOE target entity statisticians is unlikely to be lost in the near term. However, many are approaching retirement age and unless provision is made for new trained replacements, the skill improvements will be lost. The new manufacturing index and the other planned indicators would appear to have found a patron in the minister of planning and a cabinet level market for this product. Once the international donors begin getting the upgraded information, they will in all likelihood exert pressure for continuation. How the government budget process deals with this remains to be seen. The improvement in inter-ministerial coordination has yet to be institutionalized and may well depend on mechanisms put in place within the context of a national statistical policy. The assistance team currently maintains the project funded IT equipment. However, two individuals on the National Accounts Unit staff have been trained in routine maintenance and software problem solving. The MOP computer department appears ready to provide serious problem solving when the team so requests.¹⁰ (They now have internet access, some new equipment, the fiberoptic link, and the local area net. *In sum, an excellent start has been made, but in the long run sustainability here – as with all assistance to GOE institutional entities – rests on a functional budget process not yet in evidence.*

IX. CONCLUSIONS:

This is a textbook example of a successful project. All parties –the GOE, USAID, the international donors, the private sector, and the academic community perceived a critical need. A (USAID) technical team assessed the problem and produced a set of remedial recommendations¹¹, accepted in full by the GOE. The government requested USAID assistance to implement the recommendations. The activity fit well into the USAID Strategic Objective

¹⁰ The MOP computer depart appears well run and competently staffed.. The unit head is highly pleased with the training department members have received from DATA, with the leased line (internet), fiberoptic cable and other IT improvements to which it has access thanks to the DATA activity. The team believes the computer department, which has work with the team on the installation of these items is fully capable of maintaining them.

¹¹ Cite the IMCC Report

(SO 16) framework and into an existing Results Package (Partnership for Economic Reform). USAID defined a reduced scope activity around a manageable coherent set of the recommended needs. The choice of initial activities (at least in retrospect or) lent itself to a logically sequenced two-step activity encompassing much of the rest of the recommendations/request in a phase II. USAID project management was professionally interested in the activity and gave it priority attention. A quality contractor was found for the first phase, who competently executed the activity design, providing effective TA, training, and commodity support. A material difference in the technical performance of counterpart institutions is apparent. Objectives were met and phase II (to which there never had been a formal USAID commitment) is now under design. More negatively, impact on economic decision-making has yet to be demonstrated and awaits release of the new statistical data generated by the new systems put in place.

X. RECOMMENDATIONS:

General Recommendation:

- A. Extend project with broadened focus as is currently planned, taking care to: (1) retain/access expertise to deal with shake-out problems in the institutionalization of phase I accomplishments; (2) increase proportion of funding for commodities; and (3) provide increased flexibility to deal with changing short term expertise needs.

Specific Recommendations:

- B. Consider building into the project some technical assistance support for the Egyptian 2006 national census to be undertaken by CAPMAS. (They intend to approach USAID on this.)
- C. In the context of the project extension/expansion, try to negotiate some dedicated GOE operating expense funding to support MOP National Account Unit and CAPMAS DATA related operations. If this is not practical, consider use of local currency to provide interim operating support to overcome key bottlenecks.¹² It may also be necessary to deflate CAPMAS staff expectations as to potential USAID funding of reoccurring expenses
- D. Make realization of all mission-critical objectives of phase 1 a condition to additional funding -- specifically, timely release of data per GDDS/SDDS.

¹² AID generally eschews budget support for recurring items, and for good reason. It undercuts the development of effective host government budget processes and calls into question the sustainability of the specific endeavor. However in this case, the evaluator believes that some such local currency support directed at specific bottlenecks should be considered. The budgeting problem needs to be addressed at systemic level. This project will not drive such decisions. At the same time lack of minor sums could serious hinder national statistical policy development/implementation. Realistic data lends itself to policy dialog, and will help combat self-delusion as to the cost of a dysfunctional budget process. Our purposes might be better served by taking a slightly more relaxed view of what is operating costs and what is an investment in systems development. At the risk of belaboring the point, CAPMAS and the MOP became convinced of the value of the manufacturing survey. Totally unable to ring the necessary funding out of the budget process, the minister directed that the Government Investment Bank make a \$10,000 loan to CAPMAS for the activity – money which CAPMAS staff views myopically. It is hard to argue that the budget process has been improved.

- E. Retain current contractor and staff. Phase II, as authorized in the recent RP amendment, is a logical extension of on-going work. The contractor has done a commendable job. Moreover the current technical assistance team now has unmatched expertise in the relevant Egyptian statistics and enjoys the confidence of technical and managerial staff in counterpart agencies. Change would involve substantial re-establishment time and expense.
- F. Attention needs to be given to how to decrease the average age of trainees (with due regard to age discrimination considerations.)
- G. Critically examine the extent to which the CEPA test is a reasonable indicator of the ability to absorb US technical training; and/or whether the language instruction as currently provided might better be targeted to specific areas of technical training.
- H. Consider greater use of source origin waivers for locally produced items such as office furniture.
- I. Consider funding the refurbishment of additional office space (assuming MOP will provide) to house the additional 10 MOP officials assigned to work with the DATA technical team.
- J. Consider increasing the relative funding for workshops directed at both skills development AND fostering inter-office and inter-ministry professional interaction (especially off-site activities with adequate participant per diem.)

APPENDIX A: PERSONS CONTACTED / INTERVIEWED

Ministry of Planning

Nasr Tantawi, Project Coordinator for the Ministry of Planning
Ms. Safaa Hussein Eweida, General Director, NAU
Ms. Amal Ayub Hakeem, Statistician, NAU
Ms. Laila Mostafa Hammad, Statistician, NAU
Engr. Mohamed Kamel, General Manager, Computer Center

CAPMAS

Mr. Bakr Soltan, Director General for Technical Affairs
Mr. Sayeed Nawara, Director General for Industrial Statistics Sector
Mr. Ashraf Badr, Under Secretary
Mustafa El Sawy, Director General for Data Processing
Engr. Mohamed Kamel, General Manager, Computer Center, MOP
Central Bank of Egypt
Mr. Ahmed Nos'hy, Director General for Research

Ministry of Foreign Trade

Dr. Hussein Omran, Director of Research, Ministry of Foreign Trade

IMF

Gary Jones, Economist, Data Dissemination Standards Division, Statistics Department

DATA (Booz-Allen) Expatriate Staff

Frank Szumilo, COP
George Atalla
Moiz Zainddin

DATA (Booz-Allen) Local Staff

Dr. Ibada Sarhan, Statistical Advisor for Economic Surveys (former Dean and Founder of Cairo University's Statistics Institute)
Dr. Ghazal Abdel Aziz, Statistical Methodology Advisor (current Vice Dean at the Statistics Institute)
Dr. Kamal Selim, Statistical Advisor for Economic Surveys (Professor of Statistics at the Statistics Institute)

Plus Various MOP and CAPMAS encountered at the presentation of the manufacturing index; and academics and other professional encountered in meetings on other projects

APPENDIX B. -- ACCOMPLISHMENTS

Data Project Accomplishments (excerpted from Szumilo August 14, 2002 Report and reviewed in discussion with MOP National Accounts Unit staff)

1. National Accounts:

Completion of the 1995/1996 – 1997/1998 series of the national accounts per the SNA '93 at a detailed level. The following tables are compiled:

- Production Account
- Generation of Income Account
- Primary Distribution of Income Account
- Secondary Distribution of Income Account
- Redistribution of income in kind accounts
- Use of Adjusted Disposable Income Account
- Capital Account

The above listed accounts are compiled for the total economy and for each of the following institutional sectors;

- Non-Financial Corporate Sector
- Financial corporate Sector
- General Government Sector
- Household Sector
- Non-Profit Organizations Serving Households Sector
- Rest of the World Sector

Completion of the 1998/1999, 1999/2000 series of the national accounts per the SNA '93 at an aggregate level. Currently working on the addition of detail to the accounts.

2. Surveys and Censuses

Compiled Monthly Survey of Manufacturing Production series for January-June, 2002. CAPMAS is working on the monthly survey of manufacturing series. The data become available 8 weeks after the end of the month. The SDDS requires release of data 6 weeks after the end of the month. As the system is improved, the release of the data will be in a timely manner

Developed a Monthly Manufacturing and Oil Extraction Index for January – March 2002. The second quarter indexes are nearing completion and will be ready by the end of August 2002.

The most important aspect of the Mfg Index is that a functional system is in place in CAPMAS with which they are able to conduct a monthly survey of manufacturing and oil

producing establishments and obtain production data that are used to develop an index for manufacturing and oil extraction in Egypt.

Also of significance, is the fact that the monthly survey and index were started from scratch and nothing similar existed at CAPMAS prior to this work initiated by the DATA Project Team.

- **Compiled quarterly GDP estimates for 5 sectors of the economy.** (Annual estimates were quarterized using variables within each of the sectors to move the quarterly estimates. The sectors include Construction, Tourism, Electricity, Suez Canal, and Transportation for the period 1995/1996 to 1999/2000. Projection was made for 2000/2001.

3. Special Data Dissemination Standard (SDDS)

Near completion of SDDS requirements. Awaiting final submission from the Central Bank of Egypt (CBE) of information on the International Liquidity position and the template on the reserves. Upon receipt of the information, the SDDS Steering Committee will submit the documentation for all 17 requirements to IMF for review. If accepted, the GOE will then be under a 4-month observation period during which time IMF will observe the dissemination of the data by the GOE. If at the conclusion of the observation period, IMF approves of the process, the GOE will then submit a request to participate in the SDDS program.

4. Training Program

Training program running ahead of schedule. Over 600 staff from the ministries working with us including Ministry of Planning (MOP) Computer Department and the National Accounts Unit (NAU), Central Agency for Mobilization and Statistics, (CAPMAS), Ministry of Finance (MOF), Ministry of Foreign Trade (MOFT), Ministry of Agriculture and Land Reclamation (MALR) Central Bank of Egypt (CBE). Training conducted in Egypt and the United States, including several observation tours. Three programs were conducted in Egypt by trainers from the US Bureau of the Census including Data Quality, Questionnaire Design, and IMPS. Over 135 staff participated in these three workshops.

5. Automation and Procurement

Automation and procurement on track. A leased line was installed yesterday, which connects the Ministry of Planning with the IDSC, which is the Internet connection for Egypt. Fiber optic line between MOP and CAPMAS has been installed. The National Accounts Unit is automated; computer equipment placed with the Computer Department in the MOP and Computers were placed in CAPMAS to assist in processing the results of the annual Industrial Survey. Also used in the development of the monthly manufacturing production series and the monthly manufacturing index.

APPENDIX C. CONTRACTOR PERFORMANCE TABLE:

The below tables summarize explicit contract requirements. The contractor appears to have met or be on track for meeting all essential requirements. It should be noted that the contract still has 9 months to run.

Task Elements: The contract lays out a general statement of activity goals (essentially the activity RP) towards which the contract should work. In addition it specifically and explicitly requires 5 contractor tasks.

Task Element	Achievement	Status
1. Assist the GOE with the Preparation of a Time-Phased Plan to Meet IMF Data Dissemination Standards	Plan prepared AND implemented with 15 of 17 technical SDDS specifications now mastered by the MOP and the CBE-chaired inter-ministerial SDDS committee.	Significantly Exceeded requirement
2. Prepare and submit annual work plans	Quality operational plans submitted on timely basis	satisfied
3. Deliver TA. In Statistical Policy, National Accounts, Economic Surveys, household Surveys, and information management.	GOE now has (unreleased) accurate modern CY2000 National accounts, has successfully undertaken economic and household surveys, and has better IT technology – all of which the implementing GOE entities credit contractor TA with strong enabling TA	Exceeded requirement (individual reports and milestones not systematically checked in view of overall satisfaction of requirements)
4. Provide and Facilitate National Accounts Short-term Training and Seminars	606 training experiences (2045 person-months) appropriately documented. Trainees and supervisors interview pleased with results	Exceeded requirements
5. Execute Procurement Plan	Plan presented and executed	Met requirement

DELIVERABLES:

1. Incorporation of basic GDP indicators ...	Done	Satisfied
2. The preparation of gross national income and other primary indicators	Done	Satisfied
3. Preparation of institutional sector accounts (1 st steps)	Done	Satisfied
4. item 3 (intermediate steps)	Done	Satisfied
5. item 3 (final steps)	Done	Satisfied
6. Cash flow accounts and balance sheets	Done	Satisfied
Performance Monitoring Plans	Done	Satisfied
Impact monitoring plan and annual report	Done	Satisfied
Final Report	N/A	N/A