

**USAID/EGYPT**

**RESULTS REVIEW and RESOURCE REQUEST  
(R4)**

**FY 1999**

**April 1997**

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**USAID/EGYPT**  
**RESULTS REVIEW AND RESOURCE REQUEST**

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## OVERVIEW

Government of Egypt (GOE) reforms over the past year put Egypt into the global economy. The Ganzouri government's first few months had a tremendous pace of reform culminating in the Middle East Economic Conference in Cairo in November 1996. There, Egypt demonstrated to the world its commitment to policy reform and serious interest in attracting private investment. The challenge now is to keep to this course of reform.

After a long hiatus, the GOE reached agreement with the IMF on a structural adjustment program. This program, together with liberalization of trade and accelerated privatization, triggered a Paris Club release of the long postponed third tranche of debt relief. Egypt's entry into international financial markets and its rapidly developing capital market have captured international financial attention. Moody's ratings and Standard and Poors's BBB-minus investment rating in hand, Egypt has emerged on the international market place. Hopefully the high international visibility and promise of future investment are now strong enough incentives for Egypt to stay the course of reform. Slowing down now would jeopardize the progress of the past year.

The U.S.-Egyptian Partnership for Economic Growth and Development, with its four subcommittees and the Presidents' Council, was very active over the last year promoting policy reforms. Complementing the Partnership, USAID has an array of policy programs in place. There were many successes of the Partnership, such as the introduction of unleaded fuel, accelerated privatization and reduction of tariffs, but these too must continue.

In many critical areas, reforms are still coming too slowly, especially with regard to legislation, trade barriers and a broad range of pricing issues. Egypt has been too hesitant to adopt economic pricing policies in areas such as water, energy and fertilizer. These are the challenges ahead if Egypt is to make more than a cameo appearance on the world economic stage.

The following highlights progress over the past year by goal, subgoal, strategic objective (SO) and special objective (SpO).

### **GOAL: Broad-based Sustainable Development with Increased Employment and Quality of Life**

Official GOE unemployment, while slightly down at 9.6%, may not reflect a real drop. Egypt's rank on the Human Development Index has moved from 107 to 106 of 174 countries.

## **Subgoal 1: Accelerated Economic Growth**

### **SO 1: Accelerated Private Sector-Led, Export-Oriented Economic Growth**

Progress is on track, indicating a healthy, growing economy and increasing influence of the private sector. GDP for 1995/96 is 4.2%, up from 3.2%; the private sector share of GDP is 63.3%, up from 62.6%; and private sector, non-petroleum exports have increased from 49.8% to 53.2%. The latter figures show a 70% increase, but recently received statistics suggest stagnation. Real GDP per worker increased by 2.9%, reflecting a more buoyant economy and greater private sector participation. Privatization activity has accelerated: 19 companies were privatized as against two the previous year. The Commercial Policy Index rose from 41 in 1994 to a preliminary 56 in 1996, indicating improvement in Egypt's business environment relative to that of other countries.

### **SO 2: Increased Participation of Girls in Quality Basic Education**

This SO involves new activities yet to be implemented. However, the Ministry of Education and the Egyptian non-governmental organization (NGO) community's enthusiasm for these activities has already led to important educational policy reforms, including age increases for entry into primary school and preparatory school to 9 and 18 years, respectively.

#### **SpO A: Increased Use of Egyptian Universities in Quality, Demand-Driven Applied Research**

Progress has been on track since the closure of the financial audit in February 1996. Twenty-one proposals for research have been approved, with eleven ready for award.

## **Subgoal 2: Improved Environment for the Growth of Democracy**

Egypt's rating on the Freedom House Index has not changed: On a scale of 1-7 (7, not free), Egypt's scores are: political rights, 6; civil rights, 6; and freedom rating, not free.

### **SO 3: Increased Citizen Participation in Public Decision Making**

The GOE has met four of five measures for the disbursement of the first tranche under the sector policy reform program, which supports increased devolution of authority to the local level. USAID continues to strengthen Egyptian NGOs and a new activity will expand efforts with advocacy NGOs.

## **SpO B: Increased Use of Information Services by the Legislature in Decision Making**

Performance for 1996 has exceeded targets. Legislative discourse is beginning to move from rhetoric dominated to greater reliance on facts and figures.

## **SpO C: Improved Civil Legal System**

The principal contractor arrived in September, initiating activities under this SpO. To date, the two pilot courts have been selected and close relationships have been formed among ministry staff and the new team.

## **Subgoal 3: Reduced Population Growth and Improved Health**

Life expectancy remains unchanged at 62 for men and 65 for women. Preliminary figures show that Egypt's population increased from 59 million in 1995 to 61.4 million 1996, with the growth rate remaining at 2.2%.

## **SO 4: Reduced Fertility**

The Egyptian family planning program has successfully averted 7 million births between the mid-1960s and 1995. The fertility rate dropped from 6.7 children per family to 3.63 during the same period. Recent survey data, however, indicate that a plateau in the use of family planning services was reached in the early 1990s. The plateau is a result of population momentum, a high contraceptive discontinuation rate, a drop-off in private sector family planning marketing efforts and loss of initiative by the GOE. Concerted efforts will be directed towards new solutions.

## **SO 5: Sustainable Improvements in the Health of Women and Children**

Progress remains on track. Quality child health services are being sustained and extended. Full immunization levels for children reached 79%. Polio cases fell from 625 in 1991 to 71 in 1996. New activities are being directed towards Upper Egypt where health problems are more severe -- e.g., the infant mortality rate in Upper Egypt is 97.7/1000 compared to 60.9/1000 in Lower Egypt. Schistosomiasis work is on track. The cost recovery model has also been simplified. Progress has been made in negotiating a policy and institutional reform agenda as well.

## **Subgoal 4: Environment Managed for Long-Term Sustainability**

Over the 1990-95 period, population with access to safe water was 80% and to sanitation, 50%. Air quality will be monitored in the future.

## **SO 6: Increased Access to Sustainable Water and Wastewater Service**

More than 22 million Egyptians -- about one of every three -- in eight urban centers

have benefitted from improved water and wastewater services with USAID support. Impressive progress on cost recovery has been achieved through billing and collections practices of utilities in secondary and provincial cities. Progress on tariff increases has been slower than anticipated in Alexandria and Cairo. Four utilities, in addition to those in Cairo and Alexandria, have been granted economic authority status. Facility completion is on schedule, with the Port Said wastewater treatment plant opening in March 1997.

### **SO 7: Reduced Generation of Air Pollution**

Progress continues on reducing pollutants (SO<sub>x</sub>, NO<sub>x</sub> and CO) through the application of greater energy efficient industrial technologies and processes. Most notable, however, has been the GOE's push for nationwide conversion to unleaded gasoline. More than 80% of Egypt's filling stations have converted to unleaded gasoline, a process expected to be completed by July 1997.

### **SpO D: Approaches to Sustainable Tourism Demonstrated**

Six models for natural and cultural site development and management have been created and are at various stages of implementation. Coordination among public regulatory agencies has been enhanced. NGO relationships in site use and management have been improved. Site development and maintenance technologies have also been introduced and are being implemented.

### **SpO E: Improved Human Capacity Development**

The contractor for the Development Training II activity will soon be moving forward with training needs assessments and plans for all strategic and special objectives, making up for delays encountered in procurement acquisition.

## **PART I: OVERVIEW AND FACTORS AFFECTING PROGRAM PERFORMANCE**

The broader development context within which the USAID program works in Egypt remains unchanged. No new social or political conflict or human rights violations have emerged which would significantly impact on the Mission's ability to achieve objectives.

## **PART II: PROGRESS TOWARD OBJECTIVES**

### **GOAL:**

#### **Broad-based Sustainable Development With Increased Employment and Improved Quality of Life**

The strategic plan indicated that the Mission would monitor progress toward the program goal. The official Government of Egypt (GOE) unemployment figure, one indicator being tracked, has decreased from 9.8% in 1993/94, to 9.6% in 1994/95 and to 9.4% in 1995/96. The direction is positive, but it is not yet clear whether the downward movement reflects a real drop in unemployment. Egypt's rank on the Human Development Index (HDI) is also being monitored. The country's rank has moved very slightly -- from 107 to 106 out of 174 countries. The Mission reorganization plan provides for the establishment of a division that will give greater attention to cross-cutting, macro-level indicators over the next year. Annex C includes an updated listing of selected economic indicators for Egypt.

### **SUBGOAL 1:**

#### **Accelerated Economic Growth**

#### **SO 1: Accelerated Private Sector-Led, Export-Oriented Economic Growth**

##### **1. Performance Analysis:**

Strategic Objective 1 data provide favorable indications that progress is well on track. Lower level (IR) indicators confirm this trend, highlighting important aspects of the health of the economy and the private sector's growing influence.

Gross Domestic Product, the broadest measure of economic activity, grew 4.2%, up from 3.2% in 1994/95, and well above the 1995/96 3.5% goal, led by a 13% increase in earnings from tourism. This acceleration was due, in part, to a gradual improvement in the economic environment that has been taking place over the last several years which also resulted in faster growth in trade, industry and finance.

Another broad indicator of progress is the private sector's share of GDP. The private sector has continued to increase its share although not quite reaching the 63.5% target. Nonetheless, 63.3% represents good progress over last year's 62.6%. This growth is largely attributed to industry and small increases in trade and finance growth. There was virtually no change in the private sector's share of agriculture, tourism or social services sectors (agriculture's share is already in the high 90s).

The third broad indicator, the private sector share of non-petroleum exports, showed a significant upturn in 1996 over the previous year for which data were available (1994), expanding from 49.8% of the export market to 53.2%.

IR 1.1: Increased Private-Sector Exports. Private sector non-petroleum exports rose nearly 70% over the 1994-96 period from \$750 million to \$1.259 billion. Nonetheless, the Mission has some concern about the possible continuity of this upward trend, especially in light of the latest statistics, now being analyzed in the Mission, which seem to show a stagnation in private sector exports in the period July - October 1996 compared to July - October 1995.

IR 1.1.1: Liberalized trade: The data provided this year is considered preliminary for the average effective rates of protection. A trade study to be undertaken from June to November 1997 may use a more detailed methodology requiring revisions in the R4 planning data. The trade environment is expected to continue to improve gradually.

IR 1.1.2: Accelerated adoption of new products and technologies: Three indicators report on export, market-oriented technologies being disseminated to Egyptian firms. Two concern the work of the International Service Corps' Center for Quality Assurance (ESC/CQA) which is introducing technologies and helping Egyptian firms meet international export standards to achieve ISO 9000 certification. The third covers the thousands of farmers receiving assistance in production, harvesting, post harvesting, marketing, handling and processing of export crops under the Agriculture Technology Utilization and Transfer (ATUT) project. These efforts are doing better than expected. ISO 9000 certification can take 12 to 18 months to complete. Four firms have already been certified although IESC/CQA just began full scale operations in December 1995.

ATUT has disseminated more than 15 technologies to both small and large growers/exporters, which has been disseminated to more than 95,000 end users. These technologies deal with melons, strawberries, garlic, peaches, green beans, dates, and a number of other products. Grapes is a good example of the way ATUT technology is contributing to export-oriented, private sector-led growth. Six important table grape management technologies were extended to export growers: improved trellising, induced early maturity, new varieties, improved packaging for sea shipment, cost effective application (method and timing) of gibberellic acid, and improved pruning.

Expertise for these technologies came from Chile, California, Israel, Jordan, Australia and Europe. A 27% annual rate of growth has occurred in grape exports over the last three years, with the value of grape exports now totaling around \$10 million per year.

IR 1.1.3: Increased access to market information: A growing number of market information channels are opening up. Under ATUT, for example, a system is now in use that regularly sends market information by fax to a select number of Egyptian exporters on a range of commodities selling in Europe. That access is important for those receiving it. Access and impact can be tracked. In terms of reach, however, the indicator selected for this IR will be based on the new Internet websites sponsored by Business Links, ATUT and others that will make market information readily available on a truly broad scale. This indicator awaits further development.

IR 1.1.4: Increased access to reliable power and telecom services: In the last R4, the indicators for power and telecom services were repeated under both 1.1.4 and 1.2.5. This year, they have been realigned. Installed capacity is retained under IR 1.1.4. In 1996, the Egyptian Electricity Authority (EEA) initiated a program to retire less efficient power plants and to utilize more fully the new, combined-cycle thermal power plants. This meant that installed electric generating capacity increased less than planned but improved efficiency more than compensated for this shortfall. Greater efficiencies allow cost cutting and better service. As a result, a new indicator, the efficiency of the unified power system, has been added to track more directly EEA efficiencies in power generation.

Telephones installed and teledensity also remain under IR 1.1.4. Here the 1996 data reflect the aggressive expansion promoted by the Arab Republic of Egypt National Telecommunications Organization (ARENTO) to meet growing demand. A new indicator has been added reporting on international telephone traffic to reflect global outreach.

IR 1.2: Increased Productivity of Private Enterprise: Plans for a total factor productivity (TFP) indicator have been dropped. After further review, with inputs from a consultant, it was decided that using the TFP for advances by the Egyptian private sector would be too complex, too difficult to calculate given the statistics at hand, and too difficult to explain. It is not the most useful snapshot when looking for the impacts of new technologies and policy reforms. In the mid-1970s, for example, substantial increases in the TFP of Egyptian industry were due exclusively to increases in capacity utilization and therefore ended with cyclical recovery.

The indicator "productivity in the non-agricultural private sector" based on output (GDP) per worker is both easier to calculate, to explain, and to keep current than the TFP. Between 1994/95 and 1995/96, real GDP per worker increased by 2.9% with output per worker moving from LE 12,517 to LE 12,875, reflecting a more buoyant economy and greater participation by the private sector.

The second indicator retained at this level is real value of output per hectare for 23 major crops. The slight difference in 1996 represents the normal fluctuations in crop production which characterize agriculture rather than any underlying decline in the growth trend. Both indicators suggest that progress is on track.

IR 1.2.1: Liberalized markets: The nominal production coefficient compares the ratio of four major food crop domestic prices with border prices. Achieving parity or narrowing the gap between domestic and international prices is considered a measure of efficiency of the market and an established proxy for liberalization or non-interference. None of the four crops have yet achieved parity; however, with the renewed emphasis that APRP will put on price, trade and marketing policy reforms, we expect to see a trend line towards market liberalization.

The second indicator tracks policy reforms under the Sector Policy Reform Program (SPR) and the Agricultural Policy Reform Program (APRP). SPR is directly linked to objectives of the U.S./Egyptian Partnership for Economic Growth and Development and has benefitted substantially from the high profile interest of Vice President Gore and President Mubarak. The Partnership's Subcommittee I on Economic Policy, Trade, Investment and External Finance has promoted several new activities. These include technical assistance from USG agencies, such as the U.S. Securities and Exchange Commission to the Egyptian Capital Market Authority. A long-term Development Economic Policy Reform Assistance activity is providing technical assistance, training, and limited commodities to technical staffs at GOE ministries in policy development and implementation and regulatory oversight. The FY 1996 Growth Through Globalization results package is providing a framework for Partnership trade and investment support.

Under the first phase of SPR II, 12 out of 18 policy measures were achieved and \$115 million out of \$200 million was disbursed. An additional disbursement of approximately \$40 million is expected in April 1997 for 4 measures, with another \$15 million for 2 measures requiring further review before disbursement can be made. The balance of \$30 million for additional reforms has been moved to the second phase reforms. Overall, GOE performance against the first year SPR II matrix was good, reflecting the new cabinet's commitment to accelerated economic reform. Some of the important reforms implemented include: privatizations; banking legislative reform to allow foreign majority ownership of joint venture and private banks; establishment of one stop shops for exports in major ports; streamlining of the temporary admission system for imports; and improved environmental regulations for air pollution.

Lower than expected performance under APRP reflected the impact of several factors: (a) the government's inability to keep some key fertilizer reforms in place, (b) poor implementation of their cotton floor-price policy which inadvertently made it unprofitable for full private sector participation in cotton marketing, and (c) the limited

accomplishment of some other reforms due to a delay in the arrival of technical assistance. Because of slow performance, \$50 million in program funds planned for FY 1996 were not obligated.

IR 1.2.2: Accelerated adoption of improved technologies and management practices: The number of farmer adopters and the area of land under improved practices reflect the substantial early impact that ATUT is having: 63,500 farmers reached and 114,800 hectares employing new technologies. These achievements have been realized through numerous early start-up activities conducted by the Mission that engaged partners and customers in well-attended local-level workshops and, once on board, through the work of a dynamic institutional contractor. To complement this indicator, a new indicator is being formulated that will track impacts in the industrial sector under Growth through Globalization. Data for this new indicator will be available in next year's R4.

IR 1.2.3: Expanded and deepened financial services: The indicators tracking progress in the growth of Egypt's fledgling private stock and bond market include the value of the securities traded on the exchanges, the volume of trading that takes place and the capitalization of the market. The value of the shares (equity and debt) traded on the Cairo and Alexandria securities exchanges has increased dramatically from approximately LE 600 million in 1992 to LE 3.9 billion in 1995. The value of shares traded surged to nearly LE 11 billion in 1996 as a result of the GOE's more aggressive privatization program. The volume of trading also increased dramatically from 17.7 million shares in 1993 to over 208 million shares in 1996. A new indicator, market capitalization, will measure the growth of the securities market, growth that is expected to double by the year 2001. Growth in credit extended to the private sector increased substantially from LE 49.9 billion in 1995 to LE 64.9 billion in 1996.

IR 1.2.4: Improved capacity to promote small, emerging business growth (SEB): Credit extended to SEBs increased from LE 173 million in 1995 to LE 212 million in 1996 (an increase of 23%) which substantially exceeded projections. The number of SEB service units has increased from 27 to 34 over the past year. The geographic coverage reaches from Assiut in Upper Egypt to Alexandria on the north coast and Port Said to the east. Programs in Cairo, Alexandria and Port Said reached operational break-even ahead of the planned schedule of 2.5 years. One foundation, Assiut, set up a special unit to facilitate women's access to credit. All units encourage women borrowers. Women borrowers represent about 11% of credit extended, three points above the percentage of women-owned businesses in the economy.

The formal banking system is an important partner. Of the 34 SEB units, 17 are managed by a private bank. Five non-profit foundations operate the other 17 units. Greater collaboration with the banking system is expected over the coming years with the Credit Guarantee Corporation (CGC). Using the CGC channel for USAID-supported SEB lending will facilitate substantially greater credit expansion.

IR 1.2.5: Increased access to reliable power and telecom services: Two new indicators emphasize the relationship of power and telecom services to the private sector: one reports on energy sales to the commercial/investment sector while the second reports on telephones installed at business firms. Increases occurred over 1995/96 in both areas.

IR 1.3: Accelerated Privatization and Improved GOE Support of Competitive Markets: As a result of strong public support from both the President and the Prime Minister, privatizations increased substantially in 1996. From a base of only two in 1995, both of which were liquidations, a total of 19 companies were privatized in 1996 (15 through the stock market, 3 as sales to anchor investors and 1 liquidation). A new indicator has been added to track the value of the privatized firms based on their 1991 book value. The total value of firms privatized in 1996 was nearly LE 3.5 billion. This achievement provided the economy with a tremendous boost. That level of performance reflects the fact that firms targeted for privatization in 1996 were mostly attractive, highly saleable assets.

It is still somewhat early to gauge the full economic impact of privatization. Only a few firms have been operating for any length of time: Coca Cola, Pepsi Cola and Nasr Boilers. Both beverage companies have expanded substantially since privatization. The employee stock ownership firms, privatized over a year and a half ago, seem to be doing very well and are aggressively seeking business outside their normal government contracts. These firms are receiving technical assistance to strengthen their management capabilities. The firms privatized through stock offerings were far too recent to demonstrate impact. Part of the work of the International Technical Business Consultants, Inc. is to track the benefits of privatization.

The Commercial Policy Index is an independent measure of the business environment in Egypt and other countries. The index shows an upward trend for Egypt. The Egyptian Center for Economic Studies (ECES) calculates this index which is compared to 55 other countries using the Stanford Research Institute Commercial Policy Framework Model. In 1994, the index for Egypt was 41 (out of 100). Based on a preliminary assessment for 1996, it rose to 56 in 1996. According to ECES data, this very positive increase in the Egypt index resulted principally from improved import policies and investment incentives, and reduced foreign direct investment restrictions.

IR 1.3.1: Increased economic stabilization and structural adjustment: The GOE budget deficit is expected to continue to decline. It was LE 3.7 billion in 1994 and LE 3.0 billion in 1996. The Amun Oracle, the second indicator, provides the Mission with an index of policy reform based on the views of about 20 private professional Egyptians. Participants are asked to rate the GOE's progress on policy reform. The panel gave the GOE's efforts a rating of fair for both 1995 and 1996 (the fair category ranges from 40 to 60). The Mission was surprised that the GOE did not receive a higher score in light of the many reforms implemented by the new government. The

Mission believes that the decline in the score (60 to 58.9) is due to slight changes in the composition of the focus group rather than a slowdown in the progress of reform. Besides giving the Mission needed insights into public opinion, this customer focus group keeps the Mission in direct touch on with broad range of important issues.

IR 1.3.2: Commercialization of utilities: Considerable progress was made towards the establishment of regulatory boards for power and telecom in 1996. A decree is being drafted by the Cabinet for an EEA regulatory board. ARENTO's regulatory board was established in 1996.

The responsible GOE organizations have recognized the need for more commercial and competitive operations. Their ability to self-finance, attract outside investors, improve and expand facilities depends on it. Reductions in operating costs, quality improvements and economic pricing are being sought. Both utilities initiated steps to operate under a reasonable regulatory discipline but EEA progress remains behind that of ARENTO. As noted in the self-financing ratio indicator, EEA's performance was far less than hoped for and even dropped slightly from 1995 (14% down from 16%) due to continuing financial difficulties. EEA has not increased tariffs and revenue remained unchanged in 1995 and 1996. EEA continues to seek solutions. Efforts are being taken to reduce operating costs, improve revenue collections, and minimize financial liabilities. In contrast, ARENTO is doing very well. Revenue per line increased by 9% last year and the self-financing ratio increased from 77% to 80%. A new indicator has been added reporting on built/leased/operating lines to measure the transition to private sector telecom services.

IR 1.3.3: Improved allocation of water resources: The allocation of water resources in Egypt has shown steady improvement since 1990. The real value of production per cubic meter increased from 0.116 in 1990 to 0.128 in 1996, and it is expected to continue to grow. These figures tend to under-report the value of production per unit of water because they do not include the contribution of some horticultural crops such as grapes which have become more important in recent years, thanks in part to USAID efforts. Also water for non-agricultural use has grown since 1980. Taking these factors into account means that the improvement has been even better than the data would suggest.

IR 1.3.4: Increased privatization incentives: While the procedures needed to implement Law 203 lacked transparency, the law per se is no longer considered to be a major impediment to privatization. Once the political commitment to privatization was brought to bear, privatization moved forward. Thus, the Law 203 indicator has been dropped. The number of SPR measures achieved related to privatization is retained. Their number increased from 2 in 1993 to 6 in 1996. APRP measures selected for tracking this IR demonstrate that the private sector role has been increasing since 1993 although cotton continues to lag behind.

IR 1.3.5: Increased private participation in policy dialogue: The number of Egyptian organizations (supported by USAID) advocating policy change has grown from two in 1989 to ten in 1996. Groups include the American Chambers of Commerce (AmCham), the President's Council, the Egyptian Center for Economic Studies (ECES), and a rapidly growing number of micro-financing foundations throughout Egypt. During 1996, Business Link was launched. This new webnet will allow Egyptian business groups to more readily communicate with each other, a dialogue which is expected to strengthen the private sector. In addition, many groups are providing media events and publications on business subjects, e.g., ECES produces high quality and widely-read papers; AmCham produces regular TV shows and quarterly periodicals; and the privatization project disseminates numerous articles of interest to a growing readership.

IR 1.3.6: Increased capacity to prepare privatization transactions: As a result of the significant progress achieved by the Government in actual privatizations, this proxy IR was dropped.

## **2. Expected Progress Through FY 1999 and Management Decisions:**

Continued progress is envisioned over the next three years. The Mission has assigned ambitious growth targets for private sector exports (1.1) considering the fact that the exchange rate, in real terms, is appreciating. As noted earlier, some concern exists about the accuracy of export statistics. The entire issue of data accuracy has been raised in the past. In response, USAID is developing a new activity, Data Access and Dissemination Standards (DADS), which will help Egypt modernize its statistical system.

Fortunately, the Mission has a number of ways to track exports to determine the program's impact. One is the Trade Development Center, a relatively small activity but one that has been able to help firms export \$45 million worth of goods and services over the period 1992-95. Another is the ATUT project and its export outreach.

Although the GOE has increased its proficiency in privatization, the actual pace of privatization is not expected to increase in the coming two years as the more difficult to sell companies are put up for sale. As the Government enters the next phase of the privatization process involving the more troubled companies, sales to anchor investors will become more critical. The U.S. contractor, Arthur Andersen, has prepared an Anchor Investor Handbook to assist the different entities in the sales process. Arthur Andersen is also working with governmental and non-governmental organizations, including holding companies, affiliate companies, the Public Enterprise Office, financial institutions, and the Commodity Markets Authority, to increase their capacity to prepare privatization transactions. Working with the media, Arthur Andersen is also increasing the awareness and acceptability of privatization. Twenty-five privatizations are expected in 1997, and 25 in 1998.

Privatizations of key agro-industries (cotton ginning, spinning and weaving, fertilizer production, seeds, rice and feed milling) will increase in 1997. Majority shares of two of the five public sector ginning companies were recently sold and shares of the remaining ones will likely be sold this year. Unirab, one of the 31 public sector textile companies (which include cotton, silk and wool), with 2000 employees and profitable, has been privatized. Four textile companies are slated to be privatized over the next year. So far, three flour mills were privatized in 1996 and two more were partially privatized. One rice mill is scheduled to be privatized in 1997. One fertilizer (phosphate) company was also privatized in 1996 with a second in process.

Policy Reforms: Remedial policy measures were negotiated with the GOE regarding fertilizer. In the extension granted for part of the Tranche 7 under the Agricultural Production and Credit Project, three of the six benchmarks covered conditions regarding fertilizer reforms; the other three were for cotton. To help the GOE meet some of the fertilizer benchmarks, a USAID-funded expert was brought on board to provide assistance. However, the GOE did not meet either the fertilizer or cotton benchmarks and, as a result, \$16 million representing the tranche extension was not disbursed. Nevertheless, the GOE has kept the tariff off fertilizer imports. The GOE advises that tariffs can only be kept off permanently (which is the policy issue) by rescinding a law and that is time consuming. The same fertilizer reforms have been incorporated into the APRP reform agenda. APRP will continue to address other critical issues (e.g., the policy of determining ex-factory prices). Most believe that the issues blocking fertilizer reform are both political and economic and, therefore, not easily changed. APRP will pursue, at the Minister of Agriculture's request, a commission on long-term fertilizer reform.

In September 1996, USAID and the GOE signed the two-year SPR III program (9/96 - 9/98). With the second year of SPR II and the first year of SPR III being implemented in 1997, the Mission is looking for continued progress by the GOE in implementing a range of related reforms. Close to 70 SPR reforms are expected to be achieved by the end of 1998. SPR IV will likely be signed in mid-1998 adding another 20 or so policy measures to be achieved during the FY 1998-99 time frame.

Some adjustments have been made in targets under IR 1.2.3. The unexpected boom in the securities market during 1996 led to an upward adjustment in out-year targets. Likewise, targets for the volume of trading have been reset at much higher levels. A gradual improvement is projected in all other indicators reflecting the positive course of the economy.

The Mission proposes that the strategy period for SO-1 be extended to FY 2004 to accommodate two activities, DADS (noted above) and Corporate Tax, under the new FY 1997 results package, Partnership for Economic Reform. The IR 1.3.1 indicator impacting on the budget has been extended as have indicators at the SO level. The new targets assume that over the course of this period Egypt will continue moving

towards a 6-1/2% growth rate. No new resources are requested at this time.

**PERFORMANCE DATA TABLE**

**EGYPT**

**Approved: June 1996**

**STRATEGIC OBJECTIVE 1: Increased Private Sector-Led, Export-Oriented Economic Growth**

**Indicator:** GDP Growth

**Unit of Measure:** % - growth of total output of goods and services in the domestic economy.

**Source:** CAPMAS, IMF, World Bank, Ministry of Planning

**Comments:** All SO-1 data is based on GOE fiscal year July 1 - June 30 unless otherwise noted.

Planning targets for extension to 2004(T):

2002 - 6.3  
2003 - 6.6  
2004 - 6.9

Year	Planned	Actual
1994(B)		2.9
1995	NA	3.2
1996	3.5	4.2
1997	4.2	
1998	4.5	
1999	4.5	
2000	5.5	
2001	6.0	

**Indicator:** Private sector share of GDP

**Unit of Measure:** % share of total output of goods and services in the domestic economy.

**Source:** CAPMAS, IMF, World Bank, Ministry of Planning

**Comments:**

Planning targets for extension to 2004(T):

2002 - 69.2  
2003 - 70.2  
2004 - 71.2

1994(B)		61.7
1995	NA	62.6
1996	63.5	63.3
1997	64.2	63.3
1998	65.2	
1999	66.2	
2000	67.2	
2001	68.2	

**Indicator:** Private sector share of non-petrol exports

**Unit of Measure:** % share.

**Source:** CAPMAS, Central Bank of Egypt

**Comments:** \* The Central Bank did not have data for 1995. In that year the form completed by each exporter upon which estimates were based was abolished. It took the GOE a year to adjust and find other reliable sources of data.

Planning targets for extension to 2004(T):

2002 - 69.28  
2003 - 72.40  
2004 - 75.66

1994(B)		49.8
1995	NA	NA*
1996	53.5	53.2
1997	55.6	
1998	58.1	
1999	60.7	
2000	63.4	
2001	66.3	

**Result No. 1.1: Increased Private Sector Exports****Indicator:** Value of private non-petroleum exports**Unit of Measure:** In US \$ millions

Year	Planned	Actual
1994(B)		750
1995	NA	NA*
1996	1,300	1,259
1997	1,448	
1998	1,665	
1999	1,915	
2000	2,202	
2001(T)	2,533	

**Source:** CAPMAS, Central Bank of Egypt**Comments:**

\* See explanation under previous indicator.

**Result No. 1.1.1: Liberalized Trade****Indicator:** Effective rates of protection**Unit of Measure:** % - difference between value added at domestic prices and at world prices as a % of the latter.

1994(B)		39
1995		NA
1996		37
1997	35	
1998	34	
1999	33	
2000	32	
2001(T)	30	

**Source:** CAPMAS/customs data**Comments:****Result No. 1.1.2: Accelerated Adoption of Improved Products and Technologies****Indicator:** Number of technologies disseminated**Unit of Measure:** Annual no. of export, market-oriented technologies disseminated at the following levels: production, harvest or post harvest, marketing, handling, and processing.

1995(B)	0	210
1996	144	230
1997	125	
1998	136	
1999	149	
2000	179	
2001(T)	179	

**Source:** International Service Corps' Center for Quality Assurance (IESC/CQA) progress reports**Comments:** The need for continued IESC/CQA contributions beyond 1998 is being evaluated.



<b>Indicator:</b> Technology dissemination to end users			
<b>Unit of Measure:</b> Cumulative number of end users receiving export market-oriented technologies under the Agricultural Technology Utilization and Transfer project (ATUT).	Year	Planned	Actual
	1995(B)		45,000
<b>Source:</b> ATUT progress reports	1996		95,774
	1997	148,574	
<b>Comments:</b>  (Note: ATUT began in FY 1995.)	1998	209,294	
	1999	279,124	
	2000	359,429	
	2001(T)	443,749	
<b>Indicator:</b> ISO 9000			
<b>Unit of Measure:</b> Annual number of Egyptian private sector companies in the process of ISO 9000 certification receiving IESC/CQA support.			
	1995(B)		25
	1996	35	69
<b>Source:</b> IESC/CQA progress reports	1997	45	
	1998	50	
<b>Comments:</b>  In 1996, 135 firms were certified, of which 4 had received IESC/CQA support.	1999	55	
	2000	60	
	2001(T)	65	
<b>Result No. 1.1.3: Increased Access to Market Information</b>			
<b>Indicator:</b> People and firms gaining market information through new internet channels			
<b>Unit of Measure:</b> Number of "hits" on USAID-supported web sites providing information on technologies and/or markets.			
	1995(B)		TBD
	1996		TBD
<b>Source:</b> Progress reports from Business-Links/American Chambers of Commerce; Trade Development Center; and ATUT.	1997	TBD	
	1998	TBD	
	1999	TBD	
<b>Comments:</b> This is a replacement indicator. Baseline/targets to be provided in next R4.	2000	TBD	
	2000	TBD	
	2001(T)	TBD	

**Result No. 1.1.4: Increased Access to Reliable Power and Telecom Services****Indicator:** Installed capacity**Unit of Measure:** Gross generation MW**Source:** Egyptian Electricity Authority (EEA)**Comments:**

The actual gross generation is slightly lower in 1996 because EEA has initiated a program to retire the inefficient power plants and more fully utilize combined-cycle thermal power stations.

Year	Planned	Actual
1995(B)	12,978	12,978
1996	14,308	13,027
1997	13,867	
1998	14,337	
1999	14,519	
2000	14,725	
2001(T)	14,889	

**Indicator:** Efficiency in the Unified Power System (UPS)**Unit of Measure:** Percentage based on power generated per unit of fuel used.**Source:** EEA**Comments:**

This indicator is an efficiency/reliability indicator, representing improvements in thermal efficiency of the Unified Power System.

Year	Planned	Actual
1995(B)		38.3
1996		38.9
1997	39.4	
1998	39.9	
1999	40.1	
2000	40.3	
2001(T)	40.5	

**Indicator:** Telephones installed**Unit of Measure:** In thousands - cumulative.**Source:** Arab Republic of Egypt National Telecommunications Organization (ARENTO)**Comments:**

1996 progress reflects greater strides made by ARENTO to expand service.

Year	Planned	Actual
1995(B)	3,500	3,500
1996	3,850	4,015
1997	4,515	
1998	5,015	
1999	5,515	
2000	6,015	
2001(T)	6,515	

<b>Indicator:</b> Teledensity			
<b>Unit of Measure:</b> Lines per 100 population	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
		1995(B)	4.4
<b>Source:</b> ARENTO	1996	4.9	5
<b>Comments:</b>  1996 actual represents 60,000 new lines over that planned for the year reflecting accelerated efforts to expand the service.	1997	5.5	
	1998	6	
	1999	6.6	
	2000	7.3	
	2001(T)	8	
<b>Indicator:</b> International telephone traffic			
<b>Unit of Measure:</b> Millions of message minutes	1995(B)		453
	1996		485
<b>Source:</b> ARENTO	1997	520	
<b>Comments:</b>  This new indicator is a measure of increased access to international market information.	1998	557	
	1999	596	
	2000	635	
	2001(T)	674	

<b>Result No. 1.2: Increased Productivity of Private Enterprise</b>			
<b>Indicator:</b> Productivity in the non-agricultural private sector			
<b>Unit of Measure:</b> In Egyptian pounds (LE) at constant 1991/92 prices: Output (GDP) per worker.	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
	1995(B)	--	12,517
<b>Source:</b> CAPMAS, Ministry of Planning	1996	--	12,875
	1997	13,133	
<b>Comments:</b>  Employment in the private non-agricultural sector was 5.4 million in 1995 and 5.7 million in 1996.	1998	13,395	
	1999	13,663	
	2000	13,936	
	2001(T)	14,215	
<b>Indicator:</b> Real value per hectare			
<b>Unit of Measure:</b> In Egyptian pounds (LE): Real value per hectare of output from 23 major crops.			
<b>Note:</b> Agricultural statistics lag behind by a year. As a result, SO-1 data report on the production cycle in the preceding year. This applies to all indicators whose units of measure are derived from agricultural statistics.	1995(B)	1,608	1,616
	1996	1,656	1,629
<b>Source:</b> Ministry of Agriculture records	1997	1,705	
	1998	1,757	
<b>Comments:</b> Prior Reference Year 1989: LE 1,387	1999	1,809	
	2000	1,864	
	2001(T)	1,919	

**Result No. 1.2.1: Liberalized Markets****Indicator:** Nominal protection coefficients for selected commodities**Unit of Measure:** Ratio of domestic price to border price for main crops within USAID's manageable interest: wheat, maize, rice and cotton.**Source:** Agricultural Policy Reform Program (APRP) monitoring and evaluation reports**Comments:**

Low nominal protection coefficients for wheat and rice indicate inadequate price transmissions and some barriers to free trade still existing for these markets. Likely barriers are procurement risks, administrative rigidities to import or export, lack of good market information, etc.

Year	Planned	Actual
	<b>Wheat</b>	
1995(B)	1.00	1.00
1996	1.00	0.78
1997	1.00	
1998	1.00	
1999	1.00	
2000	1.00	
2001(T)	1.00	
	<b>Maize</b>	
1995(B)	1.00	1.00
1996	1.00	0.94
1997	1.00	
1998	1.00	
1999	1.00	
2000	1.00	
2001(T)	1.00	
	<b>Rice</b>	
1995	0.84	0.84
1996	0.90	0.82
1997	1.00	
1998	1.00	
1999	1.00	
2000	1.00	
2001T	1.00	

High nominal protection coefficient for cotton reflects poor implementation of the government's floor price policy which is to encourage production. Floor price was set too high.	Year	Planned	Actual
		<b>Cotton</b>	
	1995(B)	1.32	1.32
	1996	1.10	1.20
	1997	1.00	
	1998	1.00	
	1999	1.00	
	2000	1.00	
	2001(T)	1.00	
<b>Indicator:</b> Tracking of policy reforms/scoring of reforms			
<p><b>Unit of Measure:</b> Cumulative index of reform measures achieved under the Sector Policy Reform (SPR) program and the Agricultural Policy Reform Program (APRP).</p> <p>Reform measures achieved are weighted during the assessment for tranche disbursement. The index is set equal to 100 in the year 2001, representing 80% of the total final disbursement.</p>		<b>SPR</b>	
	1993(B)		15
	1994		30
	1995		30*
	1996	38	39
	1997	60	
	1998	74	
	1999	84	
	2000	95	
2001(T)	100		
<b>Source:</b> SPR and APRP progress reports		<b>APRP</b>	
<p><b>Comments:</b></p> <p>*Reflects the year-long delay in completing negotiations for the follow-on MOU.</p> <p>This indicator employs a new formula to provide uniform reporting for both SPR and APRP.</p>	1995		46
	1996		53
	1997	67	
	1998	78	
	1999	86	
	2000	97	
	2001(T)	100	

**Result No. 1.2.2: Accelerated Adoption of Improved Technologies and Management Practices****Indicator:** Spread of adopted horticulture and food crop technologies**Unit of Measure:** In thousands: Number of adopters of export market-oriented technologies and management practices; plus, area affected (in hectares) by using these improvements.**Source:** Agricultural Technology Utilization and Transfer (ATUT) progress reports**Comments:**

Year	Planned	Actual
	<b>Adopters</b>	
1995(B)		0
1996		63.5
1997	119.0	
1998	236.0	
1999	411.0	
2000	527.1	
2001(T)	643.2	
	<b>Area</b>	
1995(B)		0
1996		114.8
1997	219.5	
1998	433.2	
1999	752.3	
2000	963.2	
2001(T)	1,173.9	

**Indicator:** Value of transferred industrial technologies to end-users**Unit of Measure:** In US \$ millions: Value of industrial technologies transferred under Growth Through Globalization.**Source:** GTG progress reports**Comments:**

New indicator. Baseline/targets will be provided in next R4.

Year	Planned	Actual
1996(B)		TBD
1997	TBD	
1998	TBD	
1999	TBD	
2000	TBD	
2001(T)	TBD	

<b>Result No. 1.2.3: Expanded and Deepened Financial Services</b>			
<b>Indicator:</b> Value of shares/bonds traded			
<b>Unit of Measure:</b> In billions of Egyptian pounds (LE)	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
	1995	1.59	3.9
<b>Source:</b> CAPMAS, World Bank, IMF, Central Bank, USAID	1996	1.63	10.97
<b>Comments:</b>  (Note: This indicator was denominated in US \$ millions in the previous report.)	1997	12	
	1998	15	
	1999	18	
	2000	22	
	2001(T)	25	
<b>Indicator:</b> Volume of trading			
<b>Unit of Measure:</b> In millions: Number of shares/bonds traded.	1993(B)		17.7
	1994		59.8
<b>Source:</b> CAPMAS, World Bank, IMF, Central Bank, USAID	1995	38.1	72
<b>Comments:</b>	1996	39.4	208
	1997	300	
	1998	400	
	1999	500	
	2000	550	
	2001(T)	600	
<b>Indicator:</b> Market capitalization			
<b>Unit of Measure:</b> In billions of Egyptian pounds (LE)			
	1995(B)		27
<b>Source:</b> CAPMAS, Central Bank, World Bank, IMF, USAID	1996		48
<b>Comments:</b>  This is a new indicator to measure the growth of the securities market.	1997	60	
	1998	70	
	1999	80	
	2000	90	
	2001(T)	100	

<b>Indicator:</b> Credit extended to the private sector			
<b>Unit of Measure:</b> In billions of Egyptian pounds (LE): Total credit extended by all banks to the private sector.	Year	Planned	Actual
	<b>Source:</b> CAPMAS, World Bank, IMF, Central Bank, USAID	1994(B)*	
1995		65.6	49.9
1996		69.0	64.9
1997		74.8	
1998		86.0	
1999		99.0	
2000		113.9	
2001(T)		131.0	
<b>Comments:</b> *In calendar years.  (Note: This indicator was denominated in US \$ millions in the previous report.)			
<b>Result No. 1.2.4: Improved Capacity to Promote Small, Emerging Business Growth</b>			
<b>Indicator:</b> Small Enterprise Business (SEB) credit extended			
<b>Unit of Measure:</b> In millions of Egyptian pounds (LE): Total volume of annual credit provided by NGOs participating in USAID activities.			
	1995(B)	125	173
<b>Source:</b> NGO progres reports	1996	163	212
	1997	230	
	1998	250	
	1999	300	
	2000	400	
	2001(T)	500	
<b>Comments:</b> Prior Reference Year 1990: LE 5 million.  In 1990 two institutions began providing SME loans. By 1996, the number had expanded to six institutions in eight different geographical areas, including a large program with a private bank in the greater Cairo area.  Gender: Of the total volume of credit provided, about 11% goes to female borrowers, which compares favorably to the percentage of women-owned businesses in the private sector, which is about 8%.			
<b>Indicator:</b> NGOs reaching break-even			
<b>Unit of Measure:</b> Cumulative number of NGO SEB service units reaching operational breakeven status in 2.5 years from the start-up of delivery of end-user services.	1995(B)	27	27
	1996	35	34
<b>Source:</b> NGO progress reports	1997	40	
	1998	50	
	1999	65	
	2000	80	
	2001(T)	118	
<b>Comments:</b> Prior Reference Year 1990: 0  (Note: Each NGO has multiple service units.)			



<b>Result No. 1.2.5: Increased Access to Reliable Power and Telecom Services</b>			
<b>Indicator:</b> Energy sales by electricity distribution companies to the commercial/investment sector			
<b>Unit of Measure:</b> MKWH	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Source:</b> EEA	1995(B)		2,763
<b>Comments:</b>  Electricity sales in the last R4 were global. This indicator narrows sales to firms in the private business sector to improve IR focus.	1996		3,091
	1997	3,512	
	1998	3,993	
	1999	4,539	
	2000	5,085	
	2001(T)	5,632	
	<b>Indicator:</b> Telephones installed for business sector		
<b>Unit of Measure:</b> Cumulative in thousands of lines			
<b>Source:</b> ARENTO	1995(B)		582
<b>Comments:</b>  This indicator also narrows the scope to business firms to improve private sector reporting.	1996		646
	1997	710	
	1998	800	
	1999	830	
	2000	870	
	2001(T)	900	

**Result No. 1.3: Accelerated Privatization and Improved GOE Support of Competitive Markets****Indicator:** Number of privatizations**Unit of Measure:** Cumulative number**Source:** Public Enterprise Office (PEO) and USAID project records**Comments:** Of the 19 privatizations, 6 received substantial direct assistance from USAID. Three were liquidations, 15 were privatized through the stock market, and 3 were sales to anchor investors.

Year	Planned	Actual
1995(B)	10	2
1996	25	21
1997	41	
1998	66	
1999	91	
2000	116	
2001(T)	157	

**Indicator:** Value of privatized firms**Unit of Measure:** In millions of Egyptian pounds (LE): Cumulative total 1991 book value of privatized firms.**Source:** PEO records**Comments:**

New indicator. In 1995, there were two liquidations.

Year	Planned	Actual
1995(B)		15
1996		3,462
1997	9,477	
1998	19,477	
1999	32,477	
2000	46,477	
2001(T)	61,477	

**Indicator:** Commercial Policy Index (CPI)**Unit of Measure:** Stanford Research Institute Index, a measure of the investment climate.**Source:** Calculated by the Egyptian Center for Economic Studies (ECES) based on SRI reports**Comments:** \*Preliminary figure. ECES calculations were not made for 1995 or 1996. For comparison, the 1994 CPI for Pakistan was 45, Turkey 57, Indonesia 59, Thailand 66, Malaysia 73 and Taiwan 80.

Year	Planned	Actual
1994(B)		41
1995	43	NA
1996	45	56*
1997	47	
1998	49	
1999	51	
2000	53	
2001(T)	55	

<b>Result No. 1.3.1: Increased Economic Stabilization and Structural Adjustment</b>			
<b>Indicator:</b> Budget deficit			
<b>Unit of Measure:</b> In billions of Egyptian pounds (LE): Difference between revenues and expenditures.	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
	1993/4(B)		3.7
<b>Source:</b> Ministry of Finance	1995	1.8	2.5
<b>Comments:</b>  The budget deficit as a % of GDP was not used because of the long lag time in getting GDP numbers.  The extension of this indicator accommodates two activities under a new Partnership for Economic Reform results package: the Data Access and Dissemination Standards activity and the Corporate Tax activity.	1996	--	3.0
	1997	2.8	
	1998	2.6	
	1999	2.4	
	2000	2.2	
	2001	2.0	
	2002	2.0	
	2003	2.0	
	2004(4)	2.0	
<b>Indicator:</b> Amun Oracle			
<b>Unit of Measure:</b> Index of economic policy management based on a possible score of 100.			
	1994(B)		61
<b>Source:</b> Panel of Egyptian economic observers	1995		60
<b>Comments:</b>  The Amun Oracle panel is composed of Egyptians prominent in business and practical economic studies. Every six months, since 1991, they have been asked to rate Egypt's progress in economic reform. Scores of 40-60 represent fair progress, 70-90 good.	1996	65	58.9
	1997	67	
	1998	68	
	1999	69	
	2000	71	
	2001(T)	73	

<b>Result No. 1.3.2: Commercialization of Utilities</b>			
<b>Indicator:</b> Regulatory Board for Power			
<b>Unit of Measure:</b> (1) indicates established; (2) being staffed, and (3) operational.	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Source:</b> EEA	1995(B)		0
<b>Comments:</b>  The Cabinet approved a regulatory board for the power sector in principle and a decree is being drafted for formal Cabinet approval.	1996		0
	1997	(1) (2)	
	1998	(2)(3)	
	1999	(3)	
	2000	(3)	
	2001	(3)	
<b>Indicator:</b> Self Financing Ratio			
<b>Unit of Measure:</b> Ratio of net revenue generated divided by average capital expenditures in previous, current and next year.			
<b>Source:</b> EEA	1995(B)	20	0
<b>Comments:</b>  1996 data show that EEA continues to face financial difficulties. It collects about 75% of total electricity sales. Consultants are working with EEA to reduce costs and improve collections.	1996	25	0
	1997	30	
	1998	35	
	1999	35	
	2000	35	
	2001(T)	35	
<b>Indicator:</b> Net Income			
<b>Unit of Measure:</b> In millions of Egyptian pounds (LE):			
<b>Source:</b> EEA	1995(B)		276
<b>Comments:</b>  New indicator based on net income before allowance is made for uncollected revenues.	1996		319
	1997	360	
	1998	410	
	1999	440	
	2000	470	

	2001(T)	500	
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Performance Data Table - Egypt

<b>Indicator:</b> Regulatory Board for Telecommunications			
<b>Unit of Measure:</b> (1) indicates established, (2) being staffed, and (3) operational.	Year	Planned	Actual
	<b>Source:</b> ARENTO	1995(B)	
1996			(1)
1997		(2)	
1998		(3)	
1999		(3)	
2000		(3)	
2001(T)		(3)	
<b>Comments:</b> The Regulatory Board is formally established.			
<b>Indicator:</b> Self Financing Ratio			
<b>Unit of Measure:</b> Ratio of net revenue divided by average capital expenditures in previous, current and next year.	Year	Planned	Actual
	1995(B)	--	89
<b>Source:</b> ARENTO	1996	66	83
	1997	80	
	1998	80	
	1999	80	
	2000	80	
	2001(T)	80	
	<b>Comments:</b> ARENTO exceeds the industry standard for self-financing (65%) which reflects its healthy financial status.		
<b>Indicator:</b> Net Income			
<b>Unit of Measure:</b> In millions of Egyptian pounds (LE)	Year	Planned	Actual
	1995(B)		648
<b>Source:</b> ARENTO	1996		791
	1997	800	
	1998	850	
	1999	900	
	2000	950	
	2001(T)	1000	
	<b>Comments:</b> New indicator to demonstrate ARENTO's ability to self finance its ambitious expansion plan.		

<b>Indicator:</b> Private Built/Leased/Operating (BLO) Lines			
<b>Unit of Measure:</b> In Thousands	Year	Planned	Actual
	<b>Source:</b> ARENTO	1997(B)	0
<b>Comments:</b> New Indicator.	1998	20	
	1999	40	
	2000	80	
	2001(T)	200	
<b>Result No. 1.3.3: Improved Allocation of Water Resources</b>			
<b>Indicator:</b> Real value of production per cubic meter of water			
<b>Unit of Measure:</b> In Egyptian pounds (LE): Real value of production from 23 major crops per cubic meter of water.	Year	Planned	Actual
	1995(B)		0.123
<b>Source:</b> Ministry of Agriculture and Livestock Resources, Ministry of Public Works and Water Resources, USAID	1996		0.128
	1997	0.135	
<b>Comments:</b> Note: This series was revised in 1996 to change the base-year price weight in the production index from '80 to '86 as a statistical adjustment.	1998	0.138	
	1999	0.141	
	2000	0.145	
	2001(T)	0.149	
<b>Result No. 1.3.4: Increased Privatization Incentive</b>			
<b>Indicator:</b> Sector policy reform measures on privatization achieved			
<b>Unit of Measure:</b> Cumulative number achieved	1993(B)		2
	1994		2
<b>Source:</b> USAID Status Reports	1995	1	3
<b>Comments:</b>	1996	6	6
	1997	10	
	1998	12	
	1999	TBD	
	2000	TBD	
	2001(T)	TBD	

<b>Indicator: Select Agricultural Policy Reform Program (APRP) Measures*</b>			
<b>Unit of Measure:</b> % of total processing volume controlled by the private sector through the transfer of assets, private management of facilities, or leasing of facilities for selected industries: Cotton-ginning, spinning and weaving; rice milling, and wheat milling.	Year	Planned	Actual
	<b>Source:</b> APRP monitoring and evaluation reports		
		<b>Cott-gin</b>	
1995		0	0
1996		25	25
1997		35	
1998		45	
1999		50	
2000		55	
2001(T)		60	
		<b>Cott-spn</b>	
1995		3	3
1996		3	3
1997		15	
1998		25	
1999		30	
2000		40	
2001(T)		50	
		<b>Cott-wvg</b>	
1995	50	50	
1996	55	50	
1997	65		
1998	70		
1999	80		
2000	85		
2001(T)	90		

**Comments:**

\*Does not include the growing business associated with rentals and custom hires.

## Baseline 1993:

cotton-gin 0%  
cotton-spn 3%  
cotton-wvg 50%  
rice milling 75%  
wheat mlg. 40%

Year	Planned	Actual
	<b>Rice-ml</b>	
1995	75	75
1996	80	75
1997	85	
1998	90	
1999	95	
2000	95	
2001(T)	100	
	<b>Wheat-ml</b>	
1995	45	40
1996	50	50
1997	60	
1998	70	
1999	90	
2000	95	
2001(T)	100	

<b>Result No. 1.3.5: Increased Private Participation in Policy Dialogue</b>			
<b>Indicator:</b> Advocacy groups			
<b>Unit of Measure:</b> Cumulative number of private sector advocacy groups in Egypt.	Year	Planned	Actual
<b>Source:</b> Egyptian Center for Economic Studies, UNDP, President's Council, Partnership Secretariat, CAPMAS, World Bank, U.S. Embassy, IMF, Central Bank of Egypt, USAID.	1996(B)		10
	1997	15	
	1998	20	
	1999	21	
	2000	23	
<b>Comments:</b> Prior Reference Year 1989: 1.	2001(T)	25	

## **SO 2: Increased Participation of Girls in Quality Basic Education**

### **1. Performance Analysis:**

This new strategic objective received its first funding less than a year ago on September 30, 1996. It is too soon to expect significant progress. Nevertheless, the Ministry of Education (MOE) and the Egyptian NGO community's enthusiasm for this strategic objective and the related results package has already led to important benefits in educational policy reforms (IR 2.3). USAID's dialogue with these stakeholders, and other donors, in the design and early implementation phases led to unanticipated rapid change. The MOE's readiness to remove obstacles which had stood between non-governmental sponsored schooling and the formal system is particularly important to achieving USAID's policy reform agenda. USAID will capitalize on that momentum to explore additional opportunities for institutional change beyond those in the existing reform agenda. The reforms the MOE has carried out include:

- Permissible age for entry to primary school increased from 8 to 9 years.
- Permissible age for entry to preparatory school increased from 14 to 18 years.
- One-room schools under the "Mrs. Mubarak Initiative" opened up to communities in the evenings for literacy classes.
- Literacy class "graduates" now allowed to take the 5th grade examination and, if passed, to enter preparatory school (middle school).
- Cooperation with non-governmental organizations agreed to (brokered by USAID).

### **2. Expected Progress Through FY 1999 and Management Actions:**

Progress is expected to remain largely on track over the next three years. Some early constraints for FY 1997 and the school year 1997/98 should be noted. The first stage of the Target Area Survey, completed last year, made it clear that the current statistical base does not include unenrolled children. The accuracy of targets and the ability to right-size community interventions depend on household/hamlet survey data in the target areas. The long-term technical assistance (TA) contractor is now expected to arrive in country in August 1997. Using NGOs, they will collect data in Minya, Beheira and Beni Suef at the outset. Additional data may be collected in the poor informal settlements in Cairo and Alexandria. Communities and NGOs willing to begin schools this year, where the need is clear, will be supported to the extent possible with teacher instruction and existing UNICEF materials. However, the arrival

of the TA contractor just as the 1997/98 school year is about to begin makes this problematic.

IR 2.1: UNICEF failed to submit the expected grant proposal for a USAID funded pilot due to their organizational downsizing and personnel constraints. The TA contractor should be able to begin schools in Minya and Beheira shortly after their arrival. In the meantime, USAID is working with NGOs in both governorates on awareness raising and team building. Multi-graded curriculum, and accompanying training modules, will be developed by the Global Communications and Learning Project. The team is expected in country by June 1997.

IR 2.2: The TA contractor will support follow-up for the two workshops conducted last year for ENGOs in Minya and Cairo on role setting and responsibilities in increasing the demand for girls' education and for the workshop to be conducted with ENGOs in Beheira this April. They will also support the organization of educational committees, conduct Knowledge, Attitudes and Practices surveys and form focus groups to determine demand in targeted areas.

IR 2.3: The effects of the recent policy changes which allow girls' entry into the formal system at a later age will be measured. Numbers of girls enrolled in grade six should increase over the next two years, if the new entry age policy is well known and demand is present. A USAID-funded policy study and updated assessment scheduled for July 1997 will assist the MOE and the Mission in refining the policy agenda.

The World Bank/European Union is making progress designing an extensive framework for activities with the MOE involving school construction, teacher preparation, and evaluation for an Educational Enhancement Program that will be carried out in two governorates. Over the next year, they plan to establish baselines and become more explicit regarding policy priorities. USAID will be given access to their baselines and implementation data to formally track this program, particularly as it relates to USAID's policy agenda. This can be incorporated into a separate indicator when data are available.

USAID initiated a Donor Sub-Group on Basic Education that includes UNICEF, UNESCO, Japan, Germany, Great Britain, the European Union and the World Bank to facilitate closer collaboration in Egypt's education sector which has sparked considerable enthusiasm. This sub-group will also serve SO needs for broader donor monitoring.

Gender data: Although the small school program (and the literacy program) will target girls' education, these facilities will be open to boys. It is expected that actual levels will mirror planning percentages calling for enrollments of 80% girls and 20% boys. Actual numbers, disaggregated by gender, will be provided when the USAID-supported schools and literacy programs are underway.

The standard exam given at the end of the third grade has been kept as an indicator at the SO level. It is an important measure of participation (i.e., retention) because it shows real dropout rates in the first three grades. In many schools, children who are not attending stay on the rolls until the exam is taken. It is also an important measure of quality. Until grade three, promotion is automatic. This exam measures basic literacy, numeracy and instructional effectiveness and it is given in all non-formal and formal schools. The sixth year exam will be added later if this SO extends in time to a point where USAID-funded efforts reach the middle school level. For now, the SO focuses on ensuring enrollment of children at lower levels.

Other indicators at the SO level have been refined. The Mission has replaced "gross enrollment of females in basic education in targeted areas" with three indicators to more accurately reflect the breadth of impact this SO is expected to achieve. The first is enrollment in the small school program which tracks the number of girls in USAID-funded basic education programs in target areas. This includes rural and urban model schools supported by USAID and other schools in these areas that are expected to adopt the USAID-supported multi-grade curriculum: Mrs. Mubarak Initiative, UNICEF and Social Fund schools. An ambitious target of 225,000 girls has been set for this indicator, a number that will be reviewed, and revised as necessary, when data are available from the household/hamlet baseline survey. The second indicator reflects the literacy program which will reach older illiterate girls in the SO target areas to extend basic education facilities to an adolescent population for which the small school program may not be appropriate. The third indicator captures the large potential audience of children nationwide that will benefit from educational television, Egyptian Sesame Street.

The work of Sub-committee IV under the U.S./Egyptian Partnership for Economic Growth and Development will help influence the adoption of effective MOE policy over the life of the SO. Partnership activities are now being subsumed under SO's and SpO's, as appropriate. Funding for the Girls' Education results package, for example, is linked to the Partnership. A signing ceremony for the Girls' Education grant and the agreement with the Children's Television Workshop for an Egyptian version of Sesame Street took place in Washington last fall with the Egyptian Minister of Education, the Assistant Administrator for Global and the Undersecretary of the U.S. Department of Education in conjunction with a Sub-committee IV meeting.

This SO reaches local and national targets. Activities to increase girls' participation in basic education at the local level contain elements appropriate for broader, national application, particularly the multi-grade curriculum. Policy changes promoted by the SO will affect the sector nationwide. All activities will be designed to have reasonable recurrent costs and clearly defined plans for financial and institutional continuation by the appropriate Egyptian counterparts. Only those programs the GOE and the communities agree to sustain will be pursued. A recent World Bank Study concluded that the GOE is willing to allocate sufficient funding for public education.

The problem is one of misdirected and weakly managed funds, areas to be addressed in the model schools and through policy dialogue.

**PERFORMANCE DATA TABLE**

<b>EGYPT</b>		<b>Approved: June 1996</b>	
<b>STRATEGIC OBJECTIVE 2: Increased Participation of Girls in Quality Basic Education</b>			
<b>Indicator:</b> Girls receiving basic education in small school programs			
<b>Unit of Measure:</b> Cumulative number of girls in target areas benefitting from USAID small-school and curriculum support.	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Source:</b> Ministry of Education (MOE), USAID			
<b>Comments:</b>  Target estimates based on classrooms x pupils: 1,000 x 30 = 30,000: USAID rural model 20 x 3,000 = 60,000: USAID urban model 4,000 x 30 = 120,000: Mrs. Mubarak Initiative 300 x 30 = 9,000: UNICEF 150 x 30 = 4,500: Social Fund	1996/97(B)		0
	1997/98	600	
	1998/99	60,000	
	1999/00	175,000	
	2000/01(T)	225,000	
<b>Indicator:</b> Girls receiving literacy and life skills training			
<b>Unit of Measure:</b> Cumulative number of adolescent girls in USAID-funded literacy programs.			
<b>Source:</b> MOE, USAID	1998/99(B)		0
<b>Comments:</b>	1999/00	5,000	
	2000/01(T)	15,000	
<b>Indicator:</b> Preschool children better prepared for school by Egyptian "Sesame Street"			
<b>Unit of Measure:</b> In thousands: Cumulative number of girls receiving early education through Egyptian "Sesame Street" out of a pool of 6 million 3, 4 and 5-year-olds.			
<b>Source:</b> MOE, USAID	1997/98(B)		0
<b>Comments:</b>  * Numer depends on how the TV program will be piloted. ** Constitutes a minimum number.	1998/99	6*	
	1999/00	6	
	2000/01(T)	1,500**	



<b>Indicator:</b> Girls' pass rates on third year exam			
<b>Unit of Measure:</b> Pass rates of girls in USAID-supported schools compared to those in regular MOE and private schools.	Year	Planned	Actual
<b>Source:</b> MOE, USAID			
<b>Comments:</b>  No data will be available until 2000. Current MOE figures show that the average pass rate of students is 65% in MOE schools, 75% in private schools and 100% in UNICEF community schools.	1997/98(B)		0
	1998/99	TBD	
	1999/00	TBD	
	2000/21(T)	90	
<b>Indicator:</b> Drop-out rate between grades 3 and 4			
<b>Unit of Measure:</b> % of children in USAID-supported schools who drop out.			
	1997(B)		0
<b>Source:</b> MOE, USAID	1997/98	5	
<b>Comments:</b>	1988/99	5	
	1999/00	5	
	2000/21(T)	5	
<b>Result No. 2.1: Increased number of classrooms in which constraints to girls' attendance removed</b>			
<b>Indicator:</b> Classrooms encouraging girls' attendance			
<b>Unit of Measure:</b> Cumulative number of USAID-supported classrooms in the target areas giving priority to girls.			
	1997(B)		0
<b>Source:</b> MOE, USAID	1997/98	0	
	1998/99	100	
	1999/20	450	
	2000/21(T)	1,000	

<b>Indicator:</b> Small schools using multi-grade curriculum			
<b>Unit of Measure:</b> Cumulative number of small schools using multi-grade curriculum developed with USAID support. Pool includes USAID/MOE, MOE, UNICEF/MOE and SFD/MOE small schools.	Year	Planned	Actual
	<b>Source:</b> MOE, USAID	1997(B)	
<b>Comments:</b>  Multi-grade curriculum includes interactive and student-centered teaching methodologies, emphasis on problem solving and <b>gender sensitivity</b> .	1997/98	0	
	1998/99	0	
	1999/00	1,000	
	2000/01(T)	3,000	
<b>Result No. 2.2: Increased Demand for Girls' Education</b>			
<b>Indicator:</b> Committees formed at village level to support launching of small schools			
<b>Unit of Measure:</b> Cumulative number of education committees formed. One planned per school in target areas.			
<b>Source:</b> MOE, USAID	1997(B)		0
<b>Comments:</b>	1997/98	10	
	1998/99	110	
	1999/00	460	
	2000/01(T)	1,000	
<b>Indicator:</b> Egyptian NGOs trained to support small schools			
<b>Unit of Measure:</b> Cumulative number of ENGOs trained in community mobilization, supervision, engendering education.			
<b>Comments:</b>  Some ENGOs currently support 175 small schools. Others may support only two or three. As a consequence, this number may vary widely.	1997(B)		0
	1997/98	10	
	1998/99	50	
	1999/00	75	
	2000/01(T)	100	

<b>Indicator:</b> Demand expressed by parents in targeted areas			
<b>Unit of Measure:</b> % - based on Knowledge, Attitudes, Practices (KAP) surveys and focus groups testing families' awareness.	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Source:</b>	1997(B)		
<b>Comments:</b>	1997/98	0	
	1998/99	60	
	1999/00	70	
	2000/01(T)	80	
<b>Result No. 2.3: Improved National Policy Environment</b>			
<b>Indicator:</b> Progress achieved on basket of identified policy reforms			
<b>Unit of Measure:</b> Cumulative number of reforms met. Dialogue will be ongoing. No predetermined order of achievement.			
<b>Source:</b> MOE, USAID			
<b>Comments:</b>  Reform basket includes: Primary school budget allocations increased; Private-public sector dialogue on national female education strategy regularized; and Barriers removed for girls from non-formal classrooms accessing formal classrooms.	1996(B)		0
	1997/98	1	
	1998/99	1	
	1999/00	2	
	2000/01(T)	3	

**SpO A: Increased Use of Egyptian Universities in Quality, Demand-Driven Applied Research**

**1. Performance Analysis:**

The long suspension of SpO A activities due to a financial audit ended in February 1996. Since then, progress has been on track.

A U.S. contractor established a new financial management system for implementing research activities, in accordance with recommendations of the audit. The technical assistance contractor, along with counterparts from U.S. universities, helped Egyptian faculty members and end-users in developing quality, demand-driven proposals. Thirty-eight proposals have been reviewed, of which 21 have been approved. Of these 11 are ready for award following USAID environmental clearances. Of this initial group of 11 grants, 4 are with historically black universities and colleges (HBCU). A one-third set-aside is provided under the University Linkages project for HBCU research grants.

**2. Expected Progress Through FY 1999 and Management Actions:**

This special objective will end in December 1999 with the conclusion of the University Linkages project which funds these activities. Targets will be refined for the next results report to ensure effective monitoring through the end of the performance period.

**PERFORMANCE DATA TABLE**

<b>EGYPT</b>		<b>Approved: June 1996</b>	
<b>SPECIAL OBJECTIVE A: Increased Use of Egyptian Universities in Quality, Demand-Driven Applied Research</b>			
<b>Indicator:</b> Research projects undertaken successfully to solve Egyptian development problems			
<b>Unit of Measure:</b> % of grants judged to have met success standards, based on a sample.	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Source:</b> USAID (external evaluation when grants are implemented).	1996(B)		0
<b>Comments:</b>	1997	TBD	
	1998	TBD	
	1999(T)	75	
<b>Result No. A.1: Increased End-User Demand for University Research Services</b>			
<b>Indicator:</b> Research grants implemented with significant end-user cost sharing			
<b>Unit of Measure:</b> % of research grants meeting cost sharing requirements.			
<b>Source:</b> USAID contractor reports	1996(B)		0
<b>Comments:</b>	1997	50	
	1998	50	
	1999(T)	50	

**Result No. A.2: Strengthened/Expanded Cooperative Relationships between Egyptian and U.S. Universities and Egyptian End-Users, Especially from the Private Sector**
**Indicator:** High quality of research products

**Unit of Measure:** % of research products judged to have met high quality standards, based on a sample.

**Source:** USAID (external evaluation when grants are implemented).

**Comments:**

Year	Planned	Actual
1997(B)		0
1998	75	
1999(T)	75	

**Result No. A.3: Egyptian Development Problems Solved by Egyptian University Researchers**
**Indicator:** Economic benefits accruing to end-users

**Unit of Measure:** % of completed grants having an internal rate of return exceeding 30%, based on a sample.

**Source:** USAID (external evaluation).

**Comments:**

Year	Planned	Actual
1997(B)		0
1998	25	
1999(T)	25	

## **SUBGOAL 2: Improved Environment for the Growth of Democracy**

At the subgoal level, the Mission is monitoring the Freedom House index which rates both political rights and civil liberties. On a scale of 1-7, 7 is the worst rating. Combining these two scores, Freedom House then rates the country Free, Partly Free, or Not Free. Egypt's scores are: Political Rights: 6; Civil Liberties: 6; and Freedom Rating: Not Free.

### **SO 3: Increased Civil Society Participation in Public Decision Making**

#### **1. Performance Analysis:**

At the end of 1996, USAID and the GOE came to agreement on a new two-year results package and a policy reform matrix for the Participatory Rural Governance Program (PRGP) to support local development and the devolution of authorities to the local level (IR 3.3). The GOE has met four of the five first tranche benchmarks by reorganizing the technical secretariat to monitor and manage this program; village sub-accounts have been established for communities to deposit and manage their contributions to their respective projects; and procedures and guidelines are being revised. The GOE has already introduced the project in over 700 villages and increased the budget for local development from approximately \$16.0 million in 1995/96 to over \$20.0 million in 1996/97.

In the area of PVO development, the Mission has strengthened and improved PVO planning and management capacities, fund raising and financial systems, PVO linkages with national and international PVOs, and facilitated broader based participation in PVO activities. The PVO program impact evaluation validated successes in this area and has resulted in additional funding and an extension of the Mission's PVO umbrella activity until September 1999. Noteworthy accomplishments under this activity include 26 Egyptian PVOs operating under newly adopted management systems which allow for enhanced responsiveness to the needs of target populations. For example, two of these PVOs were successful for the first time in soliciting and receiving funding directly from other donors such as UNICEF. In addition, linkages among PVOs have grown because of USAID assistance, including collaboration among four Egyptian PVOs to target and implement activities addressing community level needs and the teaming of two other PVOs to conduct a workshop on bio-gas.

#### **2. Expected Progress Through FY 1999 and Management Actions:**

Since the last R4, a democracy program audit has intervened in the process of closing on Shrouk indicators, baselines, and performance targets. The audit contained several recommendations which resulted in a rewording of SO 3 to read, "Increased Citizen Participation in Public Decision Making" in lieu of "Increased Civil Society

Participation...." The Mission also agreed to review and revise the SO indicators for Civil Society Organizations (CSOs) to better conform to Agency criteria, i.e., direct, objective, practical, and unidimensional. The Mission has contracted for monitoring and verification of the Shrouk program, including the collection and reporting of baseline and annual performance targets, disaggregated by gender. Shrouk data will be in place by the end of the fiscal year and incorporated into the next results report. Approaches for increasing women's participation in local Shrouk councils and associations will be considered in the implementation phase, and in CSO designs.

National and local-level CSOs are the target of the new Egyptian NGO service center activity and the redesign of the ongoing PVO umbrella activity. The enabling environment for CSO growth and the impact of Law 32 on that growth will be elaborated in the design process.

IR 3.1: Effective Citizen Participation Through Stronger CSOs: The grantee or cooperating agency should be selected and in operation by the third quarter of FY 1998 under the new activity designed to strengthen CSOs. During the last quarter of FY 1998, the monitoring and evaluation plan will be developed and approved, and plans made for collection of baseline data adopted. Fiscal year 1998 will be the first year of project implementation.

IR 3.2: Reduced Restrictions on CSOs: During 1997, USAID will assist a group of active CSOs in a consensus building effort aimed at developing a conceptual framework for reforming Law 32 to allow for the empowerment and active participation of CSOs in the social and economic development of Egypt. During 1998, this assistance is to culminate in a reformed law. While the reform process will be lead by a group of CSOs, it will include the full participation of the GOE and will involve continued coordination and consultation with other donors.

IR 3.3: Incremental Devolution of Authority to the Local Level: This new results package building on the GOE national priority program called Shrouk, that is estimated to cost approximately \$7.0 billion over the next 20 years, has high level GOE support. The second and third tranches of \$10 million under PRGP Phase I are expected to be released in December 1997 and September 1998 if the decentralization benchmarks are met. A contract team has been recruited to monitor and verify progress in achieving the policy benchmarks. A program evaluation is scheduled for late 1997 to further review prospects for success in Phase I and the potential to achieve significant decentralization reforms in a planned Phase II. Current progress would indicate that this program requires close monitoring.

## **SpO B: Increased Use of Information Services by the Legislature in Decision Making**

### **1. Performance Analysis:**

Overall performance for 1996 has exceeded set targets. Progress can be attributed to the improved supply of information which prompted an increase in demand for information services, in addition to the change in composition of the Parliament after the November 1995 elections.

The analysis of minutes indicates that the Parliament is already in transition from the baseline level of 1 to level 2 at the SpO level, indicating that legislative discourse is beginning to move from rhetoric dominated to greater reliance on referral to available facts and figures.

IR. B.1: Increase Members' Demand for Improved Information Services: Performance targets were achieved during 1996. Although project implementation was delayed during 1996 because of political sensitivity in reaching members of Parliament, demand for information services increased due to improved services. Demand for "spot research," basic reference information, and a variety of committee reports increased from 12% to 15% at the People's Assembly and from 10% to 12% at the Shura Assembly.

IR. B.2: Improved Information Services: Performance targets were achieved during 1996, confirmed by the achievement of all IR targets, except for the training, institutionalization and automation of the administrative, financial and legislative systems, which did not affect the overall progress of the IR. Progress is demonstrated most clearly in the high-volume work of the library and its research service and reference units. Library materials are beginning to reflect sensitivity to legislative needs as library staff become more proactive in anticipating needs and assembling bibliographies and other relevant documents. During this time period, the research service unit produced 23 "issue files." Implementation of the new computer-based "Information Channel" has made available an entirely new medium of information services. Such improvements were also noted during the closing ceremony of the last Parliamentary session where the Speaker, and other members, including the opposition, commended the staff on the advances made in the supply of information.

### **2. Expected Progress Through FY 1999 and Management Actions:**

During 1997, and through 1999, SpO B is expected to make progress in the two main interrelated result areas of improved parliamentary information services and improved members' demand for these information services. While some difficulties and delays in reaching members in 1996 were experienced, significant developments in access to information services by members occurred after an observational study tour to the

United States. New activities to stimulate increased demand for information services include issues seminars and U.S. study/observational tours. Staff activities are expected to be on track with a shift from classroom training to work site application. Advanced training in areas of data gathering and analysis, computers, budget analysis, policy analysis, utilization of government and general reference sources, and library information awareness will be delivered. Another set of training programs focusing on administrative behavior, information technology issues and human resource development will also continue.

Based on a recent program audit, a number of SpO B indicators were modified for lower-level intermediate results not included in this report. Also, the language of IR B.1 was reworded from Improved Members' Abilities to Increased Members' Demand for Improved Information Services.

Perceptions of members of Parliament will be measured. The questionnaire used during interviews with members of Parliament addresses the question of access, in addition to classifying information gathered by committee membership, party, and gender.

**PERFORMANCE DATA TABLE**

<b>EGYPT</b>				<b>Approved: June 1996</b>			
<b>SPECIAL OBJECTIVE B: Increased Use of Information Services by the Legislature in Decision-Making</b>							
<b>Indicator:</b> PA/SA actions indicate that more information is being used in the decision-making process							
<b>Unit of Measure:</b> A 5 point rating scale on the use of information in the various legislative functions. See footnote at end of table for formula. Targets are PA/SA*.	<b>Year</b>	<b>Planned</b>	<b>Actual</b>				
	1995(B)	1/1					
	1996	1/1	1+/1+				
	1997	2/2					
	1998	3/3					
<b>Source:</b> Legislative records, members.	1999(T)	4/4					
<b>Comments:</b> *People's Assembly (PA) / Shura Assembly (SA)							
<b>Result No. B.1: Increased Members' Demand for Improved Information Services</b>							
<b>Indicator:</b> Members requesting information from PA/SA information services							
<b>Unit of Measure:</b> % and number ( ) of members requesting information	<b>People's Assembly</b>						
	1995(B)		12(54)				
	1996	15(68)	15(68)				
	1997	20(91)					
	1998	25(114)					
<b>Source:</b> Records of the library, committees, and Research Unit that track members' information requests.	1999(T)	30(136)					
	<b>Shura Assembly</b>						
	1995(B)		10(26)				
	1996	12(32)	12(32)				
	1997	16(42)					
	1998	20(53)					
	1999(T)	25(66)					
<b>Comments:</b> Universe = 454 PA members and 264 SA members							
<b>Result No. B.2: Improved Information Services</b>							
<b>Indicator:</b> PA members' perceptions of improvements in information services							
<b>Unit of Measure:</b> % and number ( ) of PA members expressing satisfaction.	1995(B)		0				
	1996	15(68)	15(68)				
<b>Source:</b> Members	1997	20(91)					
	1998	25(114)					
<b>Comments:</b> Total universe - 454 members	1999(T)	30(136)					

<b>Indicator:</b> SA members' perceptions of improvements in information services			
<b>Unit of Measure:</b> % and number ( ) of SA members expressing satisfaction.	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
		1995(B)	
<b>Source:</b> Members	1996	10(26)	10(26)
<b>Comments:</b> Total universe - 264 members	1997	15(40)	
	1998	25(66)	
	1999(T)	30(79)	

## Footnote:

The 5-point rating scale used to measure the use of information in the various legislative functions: debate, legislation and oversight, follows. Note that the SA has an advisory role, accordingly, most of its functions revolve around debating national issues.

Level 1: Limited access to and impact of information on legislative actions; rhetoric predominates in legislative discourse, passive acceptance of executive initiatives and budget proposal predominates.

Level 2: Discourse references: Reliable facts and figures on government performance (accountability, integrity) and on the budget (expenditure patterns, multi-year projections, audits) are sought referenced, interpreted and debated.

Level 3: Extensive public policy analysis and simulation modeling used by Members, particularly key committees; legislative discourse references public policy analysis, and analysis of implementation and evaluation.

Level 4: Public policy analysis and modeling integrated into legislative process via committees and debates.

Level 5: Information and analysis are used in all phases of the legislative process; lagged improvements effects are becoming measurable in the technical and substantive quality of legislative actions, in measurable impact on presentations and actions of the government, on final budget and future budget submissions, enhancement of government respect for the Parliament as a partner, and in external respect for the Parliament within the context of Egyptian expectations and functions.

## **SpO C: Improved Civil Legal System**

### **1. Performance Analysis:**

This SpO encompasses the Administration of Justice (AOJ) activity, which began in 1996 with contractor arrival in September. Progress since that date includes completion of a study tour of top officials to expose them to innovative and important developments in court administration; identification and assessment of the two pilot courts which are to be the focus of program interventions for future replication; and initiation of assessments of the National Center for Judicial Studies. The significance of the above accomplishments lies in the establishment of close relationships with the Ministry of Justice, building constituencies among Ministry senior staff, and close coordination between the Ministry and the new activity team.

Performance indicators were developed in the context of the Mission's Sub-Goal 2, Improved Environment for the Growth of Democracy. Baselines were established in January 1997, based on data provided by the Ministry of Justice. While demonstrating a significant backlog and lack of efficiency in the pilot courts, the initial data provided proved to be weak and inaccurate. The new contractor is now in the process of assembling a more reliable data set. The G/DG/D office will assist in developing indicators.

### **2. Expected Progress Through FY 1999 and Management Actions:**

Performance targets at the pilot courts and the National Center for Judicial Studies will be determined after concluding assessments and development of the strategic plan. Further, to ensure sustainability, new cutting edge technologies will be developed that can be used to generate revenue on a fee for service basis for improved judicial services. Finally, project activities will be institutionalized within the Ministry of Justice, through development of new positions, such as systems administrators, to ensure the availability of know-how to maintain new automated systems.

**PERFORMANCE DATA TABLE**

<b>EGYPT</b>				<b>Approved: June 1996</b>			
<b>SPECIAL OBJECTIVE C: Improved Civil Legal System</b>							
<b>Indicator:</b> Documented pilot court system tested and accepted for replication by Ministry of Justice (MOJ)							
<b>Unit of Measure:</b> % based on survey of MOJ acceptance with minor modification.	<b>Year</b>	<b>Planned</b>	<b>Actual</b>				
	1996(B)						
<b>Source:</b> MOJ records.	1997						
<b>Comments:</b>  TBD	1998						
	1999						
	2000						
	2001(T)						
<b>Indicator:</b> Measurable improvement in lawyers' perceptions of judicial skills in pilot courts							
<b>Unit of Measure:</b> % increase in lawyer confidence in pilot court judiciary.							
	N/A(B)						
<b>Source:</b> Annual survey of civil lawyers practicing in pilot courts.	1997						
	1998						
<b>Comments:</b>  TBD	1999						
	2000						
	2001 (T)						
<b>Result No. C.1: Improved Efficiency of Two Pilot Court Systems</b>							
<b>Indicator:</b> Reduction in case processing time							
<b>Unit of Measure:</b> Average no. of months from case filing to disposition pilot courts (B: 3-5 years).							
	1996 (B)	18					
<b>Source:</b> Independent verification of pilot court records by AOJs staff.	1997						
	1998						
<b>Comments:</b>  TBD	1999						
	2000						
	2001(T)						

**Result No. C.2: Judges More Knowledgeable of Egyptian Civil Law****Indicator:** Percentage increase in pre-and post-course scores**Unit of Measure:** Test scores.

Year

Planned

Actual

1996(B)

**Source:** Training instructors.

1997

**Comments:**

1998

TBD

1999

2000

2001(T)

### **SUBGOAL 3: Reduced Population Growth and Improved Health**

At the subgoal level, the Mission is monitoring annual changes in life expectancy, population size and the population growth rate, indicators which appeared at the Agency Goal 3 level. Life expectancy remains unchanged at 62 for men and 65 for women. Preliminary figures show Egypt's population increased from 59 million in 1995 to 61.4 million in 1996 with the growth rate remaining at 2.2%.

Another area being monitored is integration at the Ministry of Health and Population (MOHP). Although the merger of the two ministries brought MCH and FP services under one ministry last year, separate administrative units will continue to manage those services. It is important to note, however, that prior to the merger, service delivery was never separate. Service delivery in the field will continue to combine MCH and FP. USAID will promote greater linkage in health and family planning services through joint information, education and communication (IE&C) activities, combined management information system activities, coordinated training of MOHP management and technical staff, development of cross-referral protocols, joint work in medical schools, and joint work on policy dialogue. As institutional change evolves, USAID will have a role in facilitating that process through technical assistance and sector program support.

#### **SO 4: Reduced Fertility**

##### **1. Performance Analysis:**

Egypt achieved spectacular results in reducing the fertility rate from 6.7 children per family in the mid-1960s to 3.63 in 1995, averting seven million births. Despite the success of the program, the 1995 Egypt Demographic and Health Survey (EDHS) demonstrated that a plateau was reached in the use of family planning services in the early 1990s which undermined projections which had maintained a higher trend. This is of major concern. The current plateau is caused by population momentum, high discontinuation rates, a drop-off in private sector family planning marketing efforts, and some disarray and loss of initiative in family planning by the GOE.

IR 4.1.1, the percentage of GOE FP clinics with sustained quality standards, shows a shortfall (0% in lieu of 5% planned) in 1995, representing GOE FY 1995, and in 1996 (6% in lieu of 15% planned). This was due to (1) a delay in mobilizing institutional support during the start-up period and (2) the requirement that a clinic maintain the specified quality standards for at least two quarters to qualify for Gold Star status. In 1996, an additional 3% or 144 more clinics had achieved the quality standards for one quarter. This effort is now on track.

IR 4.1.2 shows that demand for family planning services dropped from 69% in 1992

to 63.9% in 1995. Two explanations seem to account for that drop: (1) widespread misinformation about the side effects of contraceptives that led some women to discontinue contraception, and (2) the termination of USAID-donated contraceptives to the private sector that contributed to a decline in private sector service provision.

IR 4.2 unit of measure: GOE contribution to total cost of family planning program: The large jump in expenditures in GOE FY 1994/95 represent inflated costs resulting from the International Conference on Population Development (ICPD).

IR 4.2.1, reporting on financial self-sufficiency of the family planning systems, shows that the percent of client payments for family planning/Couple Years Protection (CYPs) services fell short of planning levels in 1995 (1996 data are not yet available), 8.3%, down from 13% planned. In fact, actual client payments had increased from the previous year; however, since total GOE expenditures (the denominator) was inflated due to ICPD expenditures (see 4.2), the percentage of client payments to total expenditures shows a decrease.

IR 4.2.2, the training program for mid-level managers produced better than expected results, reaching 58% of the pool as opposed to the planning figure of 45% thanks to excellent support from the MOHP and the contractor.

## **2. Expected Progress Through FY 1999 and Management Actions:**

Fertility is expected to continue to decline through 1999 and beyond, although the rate of decline is slowing. Population momentum; the increasing difficulty of reaching more remote, poor, and traditional segments of the population; and the maturing of the Egyptian national population program contribute to the slowing of fertility reduction. To some extent, these factors should be offset by planned more aggressive private sector marketing of family planning services, new NGO initiatives, and improved quality of public sector service. USAID recently launched a new initiative to stimulate greater private sector involvement through training and advertising/marketing campaigns for commercial and NGO providers and by resuming the supply of donated contraceptive pills to NGOs. IE&C activities and media measures will be re-invigorated to overcome misinformation and to encourage new acceptors. The new results package, Population/Family Planning IV, will emphasize the importance of finding new approaches to encourage greater momentum.

Another important step will be to ensure progress is accurately tracked. Since the Total Fertility Rate, the direct indicator of fertility, is only measured every fifth year, a proxy indicator called the "general fertility rate" (GFR) is used for intermediate years. The GFR masked the plateau because it is strongly influenced by the age structure of the population. Progress was distorted when a large cohort of young women moved into the equation. An annual survey is being developed to replace three proxies, the GFR at the SO level, the synthetic contraceptive prevalence rate (for IR 4.1), and CYPs attributable

to more effective methods (for IR 4.1.1), to provide more useful annual backup for the EDHS data.

## **SO 5: Sustainable Improvements in the Health of Women and Children**

### **1. Performance Analysis:**

Egypt has made impressive strides in increasing life expectancy and reducing child mortality in recent decades. Overall progress continues to be on track. The most important health status gains have been in terms of prevalent childhood diseases, such as the immunizable diseases and diarrheas. The infant mortality rate (IMR), which is one of the best indicators of overall well being of a society, requires some clarification concerning the trend line. The monitoring plan in the last R4 gave an IMR of 61.5 for the reference year 1990 and 61.0 for 1995/actual, which may have suggested a plateau had been reached. In fact 61.0 did not represent 1995, the year the EDHS-95 survey was completed. The IMR should have been stated as the mid-year point of the survey, i.e., 1993. An explanatory note has been added to the tables to make that distinction clear. Another distinction concerns the time frame. Mortality rates are measured over a long period because change is not always linear. The IMR dropped 35 percent, from 97/1000 to 63/1000 in the past 14 years. The data has been reviewed and the Mission has concluded that, with the targeting envisioned, the downward trend will continue with 55/1000 projected for 1997.

Quality child health services are being sustained and extended. Fully immunized children reached 79% in the EDHS-95 (5.1.1). Polio cases fell from 625 in 1991 to 71 in 1996; neonatal tetanus is now below the recommended targeted level for elimination (5.1.3). Performance is on track with endemic and emerging diseases (5.2) including schistosomiasis work as monitored in the sentinel regional, Kafr El Sheik; the Egyptian Reference Diagnostic Laboratory (one of three laboratories worldwide selected by WHO to perform in vitro tests of candidate antigens for schistosomiasis); field work under the hepatitis C virus grant; and the study of the prevalence of sexually transmitted diseases to identify groups who would also be potential "core transmitters" for HIV/AIDS.

Considerable progress has been made on the agenda of policy and institutional reforms (5.3.1) to be undertaken by the MOHP and related health agencies. The draft policy matrix, identifying planned implementation strategies and targets, has been prepared and final negotiations toward the development of indicators and benchmarks for the first tranche disbursement are underway in the Mission for the new Health Sector Policy Reform Program (See Annex D).

The cost recovery (CR) conversion model has been simplified and site surveys completed for ten new hospitals (5.3.2) which will make up for some lost momentum in 1996 when projections for new CR facilities were higher than actuals. Quality assurance

(QA) programs have been established in the four remaining facilities and the MOHP plans to establish a QA unit at the central level. Implementation of the new Health Insurance Organization automated management information system is proceeding on schedule (5.3.3).

## **2. Expected Progress Through FY 1999 and Management Actions:**

Despite the gains, deaths among young children remain unacceptably high with an IMR of 62.6 and total under five mortality rate of 80.6 per 1,000 live births (1995). The EDHS-95 confirms the correctness of the approach in the SO 5 strategy to further reduce the IMR by targeting neonatal mortality, representing 48% of the IMR, and Upper Egypt, which has had an IMR of 97.7/1000 for the last ten years compared to 42.9/1000 for urban governorates and 60.9/1000 for Lower Egypt. The health problems that characterize Egypt as a whole are particularly severe in Upper Egypt where population density is high and where health services are greatly in need of improvement. The Healthy Mother/Healthy Child project targets district-level interventions in Upper Egypt. The first steps have been taken to develop a basic package of essential reproductive and child health services that when implemented will reduce neonatal and maternal mortality in the participating districts.

Over the next three years, child health programs will be sustained and strengthened. Activities to combat endemic and emerging diseases will be lower-level intermediate results. MOHP support for the health policy program is expected to remain strong. A technical support mechanism is in place to assist the MOHP in building capacity for policy analysis and formulation. Cost recovery conversion will continue apace. In 1997, ten new hospitals will begin full CR conversion and MOHP decrees will be issued authorizing an additional 100 facilities to increase the number of beds operated on a fee-for-service basis. Ten additional hospitals are expected to begin full CR conversion in 1998 and another 25 in 1999. In 1997, the HIO management information system will be fully operational at the headquarters level and HIO branch offices and service delivery facilities 50% operational.

Gender information has been added to the tables. As expected, neonatal mortality is significantly higher for boys than for girls; however, post-neonatal and under-five mortality levels are higher for girls than for boys. Since mortality levels are generally higher for boys than girls even after early infancy, this pattern raises the possibility of gender-related differences in childrearing or child health care practices that place girls at higher risk of dying. The SO 5 Team will request secondary analysis of EDHS results looking for socio-economic and geographic factors that are associated with the higher risk for girl children. In addition, the neonatal practice studies that Mothercare is conducting will look at possible gender bias in newborn care. A review will be conducted on causes of death of young children to ascertain if there are gender-related patterns.

Result No. 5.1 under last year's framework, Increased Knowledge and Improved Health Behavior in Households, has been shifted from a double digit IR to a triple digit IR - 5.1.4 - under Improve Quality and Increase Utilization of Maternal, Perinatal and Child Health Services which was renumbered from 5.2 to 5.1. This shift recognizes that utilization and demand for quality health services are factors of how households behave.

EGYPT		Approved: June 1996	
<b>STRATEGIC OBJECTIVE NO. 4: Reduced Fertility</b>			
<b>Indicator:</b> Total Fertility Rate (TFR)			
<b>Unit of Measure:</b> The average no. of children a woman would have at the end of her childbearing years if she were to bear children during those years at the currently observed rates.	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
	1992(B)		3.9
<b>Source:</b> National Population Council (NPC), EDHS	1993		NA
	1994		NA
<b>Comments:</b>  The last Egyptian Demographic and Health Survey (EDHS) was conducted in 1995; the next is scheduled for 1999.	1995		3.63
	1996	NA	NA
	1997	NA	
	1998	NA	
	1999	3.59	
	2000	NA	
	2001(T)	3.55	
<b>Indicator:</b> General Fertility Rate (GFR)			
<b>Unit of Measure:</b> The number of live births per 1,000 women aged 15-49 years in a given year.	1992(B)		120
	1993		124
<b>Source:</b> CAPMAS	1994		127
	1995	115.3	121
<b>Comments:</b>  As the TFR is only measured every fifth year, GFR is being used as a proxy indicator. The GFR will indicate whether fertility is falling over time, although it is strongly influenced by the age structure of the population.  *Results of the GRF are available annually, in June of the following year.	1996	113.6	NA*
	1997	119	
	1998	118	
	1999	117	
	2000	116	
	2001(T)	115	

**Result No. 4.1: Increased Use of Family Planning Services****Indicator:** Contraceptive Prevalence Rate (CPR) (National)

**Unit of Measure:** % of married women of childbearing age (15-49) currently using contraceptives.

**Source:** NPC, EDHS

**Comments:**

Prior Reference Year 1988: 38%

Year	Planned	Actual
1992(B)		47
1993		NA
1994		NA
1995	50.6	47.9
1996	50.1	NA
1997	NA	
1998	NA	
1999	48.7	
2000	NA	
2001(T)	51.6	

**Indicator:** "Synthetic" CPR

**Unit of Measure:** % based on number of Couple Years Protection (CYP) in a given year divided by the number of married women of reproductive age. CYP data is attributable to all public sector and NGO providers who report to the NPC.

**Source:** NPC

**Comments:**

\* Based on average of first 10 months of 1996.

1992(B)		21
1993		24
1994		25
1995	26	25.6
1996	27	29*
1997	28	
1998	28	
1999	29	
2000	29	
2001(T)	30	

**Result No. 4.1.1: Enhanced Supply****Indicator:** Extended Use Failure Rate

**Unit of Measure:** % of women who become pregnant while using contraceptives or following discontinuation of contraceptives for any reason other than a desire to become pregnant.

**Source:** EDHS

1992(B)		10
1993		NA
1994		NA
1995	8.5	8.4

	1996	NA	NA
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Performance Data Table - Egypt

<b>Comments:</b>  Prior Reference Year 1988: 13%	Year	Planned	Actual
	1997	NA	
	1998	NA	
	1999	8.5	
	2000	NA	
	2001(T)	NA	

<b>Indicator:</b> CYPs Attributable to More Effective Methods			
<b>Unit of Measure:</b> % - Number of CYPs attributable to more effective methods (IUDs, injectibles & NORPLANT) divided by total CYPs.	1992(B)		89
	1993		90
	1994		92
<b>Source:</b> NPC	1995	92	95
<b>Comments:</b>  This indicator is the annual proxy for Extended Use Failure Rate.  *Based on average of the first 10 months of 1996.	1996	92.3	96*
	1997	95	
	1998	95	
	1999	96	
	2000	96	
	2001(T)	96	

<b>Indicator:</b> Percentage of public sector FP clinics with Gold Star for quality			
<b>Unit of Measure:</b> % of GOE FP clinics with sustained quality standards	1992(B)		0
	1993		0
<b>Source:</b> MOHP, USAID	1994		0
<b>Comments:</b>  % is based on a total of 3850 FP clinics in the Ministry of Health and Population (MOHP) in all governorates.	1995	5	0
	1996	15	6
	1997	10	
	1998	15	
	1999	20	
	2000	30	
	2001(T)	40	

**Result No. 4.1.2: Increased Demand****Indicator:** Total Demand = Met Need + Unmet Need

**Unit of Measure:** % of currently married women for whom total demand is met. This includes (a) met need: women who are currently using contraceptives and (b) unmet need: women who are pregnant, amenorrheic and whose last birth was mistimed and women who want no more children or who want to space the next birth but are not using contraception.

**Source:** EDHS**Comments:**

Year	Planned	Actual
1992(B)		69
1993		NA
1994		NA
1995	NA	65.1
1996	NA	NA
1997	NA	
1998	NA	
1999	67.5	
2000	NA	
2001(T)	70	

**Indicator:** CYP in Public and Private Sectors

**Unit of Measure:** Millions of CYP's calculated from service statistics reports

**Source:** NPC**Comments:**

\*Based on average of first 10 months of 1996.

1992(B)		3.7
1993		2.95
1994		4.44
1995	NA	4.56
1996	4.82	3.72*
1997	4.0	
1998	4.3	
1999	4.5	
2000	4.7	
2001(T)	5.0	

<b>Result No. 4.2: Strengthened Sustainability of FP Systems</b>			
<b>Indicator:</b> Inflation adjusted GOE contribution in public and NGO sectors.			
<b>Unit of Measure:</b> GOE contribution as a % of total budget to total cost of family planning program.	<b>Year*</b>	<b>Planned</b>	<b>Actual</b>
	1992(B)		39.72
<b>Source:</b> GOE budget based on Egyptian fiscal year (July 1 - June 30)	1993		44.2
	1994		47.8
<b>Comments:</b>  *Actual 1996 data not available until Jan. 1998.	1995	45	58.3
	1996	46	NA*
	1997	46	
	1998	47	
	1999	47	
	2000	47	
	2001(T)	48	
	<b>Result No. 4.2.1: Increased Financial Self-Sufficiency of FP Systems</b>		
<b>Indicator:</b> Client payments as a % of total CYP costs in the public and NGO sectors.			
<b>Unit of Measure:</b> % of client payments of total cost of each CYP achieved in public and NGO sector.	1992(B)		10.5
	1993		12.8
<b>Source:</b> NPC Annual Cost Studies	1994		13
<b>Comments:</b>  *Actual 1996 data not available until Jan. 1998.	1995	13	8.3
	1996	14	NA*
	1997	14	
	1998	14	
	1999	15	
	2000	15	
	2001(T)	15	

<b>Result No. 4.2.2: Strengthened Institutional Capacity</b>			
<b>Indicator:</b> Mid-level managers trained/skilled in management of USAID-funded programs.			
<b>Unit of Measure:</b> % of mid-level managers trained under USAID-funded FP programs, as a measurement of skills development.	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
	1992(B)		0
	1993		0
	1994		0
<b>Comments:</b>  % based on a total mid-level manager pool of 1200 MOHP FP managers at the central, governorate and district levels. Continuing management training is required for all staff on an annual basis. High-level projections indicate sustained improvements.	1995	30	23
	1996	45	58
	1997	70	
	1998	90	
	1999	90	
	2000	90	
	2001(T)	90	
<b>Result No. 4.2.3: Improved Policy Environment</b>			
<b>Indicator:</b> Population Policy Reform Index*			
<b>Unit of Measure:</b> % = modified version of national L-M scale to measure policy environment based on qualitative asesment of policy and regulatory reform.			
	1996(B)	NA	68
<b>Comments:</b>  *The index, newly designed by the Futures Group, is a score on a series of items to establish a trend that will vary from year to year as specific policy determinations are made by the GOE. A similar index has also been developed for Jordan.	1997	TBD	
	1998	TBD	
	1999	TBD	
	2000	TBD	
	2001(T)	TBD	

EGYPT		Approved: June 1996	
<b>STRATEGIC OBJECTIVE 5: Sustainable Improvements in the Health of Women and Children</b>			
<b>Indicator:</b> Under Five Mortality Rate			
<b>Unit of Measure:</b> Annual number of deaths of children under five years of age per 1,000 live births.	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Source:</b> Egyptian Demographic Health Survey (EDHS)			
<p><b>Comments:</b> Prior Reference Year 1983: 139</p> <p>The last EDHS was conducted in 1995; the next is scheduled for 1999. Socio-economic indicators (including gender breakdown) are reported in the EDHS decennially. For the period <b>1985-95</b>, the national under five mortality rate was <b>92.5 for boys and 99.3 for girls</b>. The 1999 EDHS will provide gender data for the period 1989-1999.</p> <p>*For <b>mortality rates</b>, the EDHS-generated data reports on the mid-year point of the survey, i.e., 1993 for EDHS-95, 1997 for EDHS-99, 2001 for EDHS-03. Actuals and planned figures will be limited to those years. The 1997 actual will not be available until 1999.</p>			
	1993(B)		80.6*
	1994		NA
	1995		NA
	1996	NA	NA
	1997	76*	
	1998	NA	
	1999	NA	
	2000	NA	
	2001(T)	73*	
<b>Indicator:</b> Infant Mortality Rate			
<b>Unit of Measure:</b> Annual number of deaths of infants (under one year of age) per 1,000 live births.	1993(B)		62.6*
	1994		NA
<b>Source:</b> EDHS	1995		NA
<p><b>Comments:</b> Prior Reference Year 1983: 97</p> <p>For the period <b>1985-95</b>, the national infant mortality rate was <b>72.5 for males and 73.3 for females</b>.</p> <p>* See comments above re EDHS mortality rate data.</p>	1996		NA
	1997	55*	
	1998	NA	
	1999	NA	
	2000	NA	
	2001(T)	53*	
<b>Indicator:</b> Maternal Mortality/National Ratio			
<b>Unit of Measure:</b> Annual number of maternal deaths per 100,000 live births.	1992(B)		174
	1993		NA
<b>Source:</b> Maternal Mortality Study 1992/93	1994		NA

*Baseline data from the first MOHP/USAID national Maternal Mortality Study (1992/93) to be followed by a study in 1998 and one every four years thereafter.	Year	Planned	Actual
	1995	170	NA
	1996	165	NA
	1997	NA	
	1998	155	
	1999	NA	
	2000	NA	
	2001(T)	139	

### Result No. 5.1: Improve Quality and Increase Utilization of Maternal, Perinatal and Child Health Services

#### Indicator: Case Fatality Rate for Obstetric Emergencies

**Unit of Measure:** Case fatality rate for women referred for obstetric emergencies.

**Source:** National Maternal Mortality Study 1992/93\*

**Comments:**

\*Data in years not covered by the national study will be proxies drawn from MOHP statistics in targeted districts of Upper Egypt where the Healthy Mother/Healthy Child (HM/HC) Project is active.

1992/3(B)		47
1995		NA
1996		NA
1997	NA	
1998	43*	
1999	41*	
2000	38*	
2001(T)	35*	

#### Indicator: Neonatal Mortality Rate

**Unit of Measure:** Annual number of deaths of infants within first month of life per 1,000 live births.

**Source:** EDHS; MOHP statistics

**Comments:**

\* Baseline Year for Upper Egypt

\*\* Baseline Year for National

\*\*\*Planning figures were presented as Nat'l/Upper Egypt

For 10-year period **1985-95**, the national neonatal mortality rate for newborns was **42.6 for males** and **31.5 for females**.

The neonatal surveillance system in targeted districts of Upper Egypt under HM/HC will provide proxy data for years not covered by EDHS.

1990(B)*		47
1993(B)**		30
1994		NA
1995		NA
1996	30/47***	NA
1997	29/45	
1998	45	
1999	44	
2000	43	
2001(T)	42	

**Result No. 5.1.1: Quality of Essential Maternal Perinatal and Child (MP+C) Health Services Improved****Indicator:** Prenatal Care/National**Unit of Measure:** % of pregnant women receiving four or more prenatal examinations in a health facility.**Source:** EDHS; MOHP Statistics**Comments:** Prior Reference Year 1990: 22%

\* The data will be reported from target districts of Upper Egypt under HM/HC as a proxy for years not covered by EDHS.

Year	Planned	Actual
1993(B)		28
1994		NA
1995		NA
1996	NA	NA
1997	40	
1998	45*	
1999	52*	
2000	60*	
2001(T)	70	

**Indicator:** Immunization Coverage**Unit of Measure:** % of living children between 12 and 23 months who are fully vaccinated with DPT (3), Polio (3), Measles, and BCG before their first birthday.**Source:** EDHS; MOHP statistics**Comments:** \* As data differs between EDHS and MOHP sources due to different methodologies used to calculate change, statistics for both are provided.  
EDHS Baseline: 1992; MOHP Baseline: 1994.  
Figures presented as: EDHS/MOHP.For 10-year period **1985-95**, immunization coverage was **78.7 for boys and 79.5 for girls**.

1992(B)*		67.4
1993		NA
1994(B)*		87
1995		79/91
1996	NA/90	NA/NA
1997	NA/90	
1998	NA/90	
1999	NA/90	
2000	NA/90	
2001(T)	90/90	

**Result No. 5.1.2: Implementing Essential MP + C Services in Target Governorates****Indicator:** Districts implementing essential MP+C Services**Unit of Measure:** Number of districts implementing MP+C in target governorates**Source:** Project Data**Comments:** Figures are cumulative.

1996 (B)		0
1997	5	
1998	15	
1999	30	
2000	50	
2001 (T)	65	

**Result No. 5.1.3: Established National Child Survival Programs Sustained****Indicator:** Indigenous Polio Cases**Unit of Measure:** Number of confirmed indigenous polio cases.**Source:** MOHP surveillance systems**Comments:** Prior Reference Year 1988: 550  
\* Number reflects expanded case definition based on World Health Organization recommendations and improved surveillance.

Gender breakdown not available.

Year	Planned	Actual
1994(B)		120
1995	60	71
1996	30	70*
1997	20	
1998	0	
1999	0	
2000	0	
2001(T)	0	

**Indicator:** Neonatal Tetanus Cases**Unit of Measure:** Number of neonatal tetanus cases**Source:** MOHP surveillance systems**Comments:** Prior Reference Year 1984: 7,256

Gender breakdown not available.

1994(B)		993
1995	600	790
1996	500	500
1997	400	
1998	300	
1999	250	
2000	225	
2001(T)	200	

**Result No. 5.1.4: Increased Knowledge and Improved Health Behavior in Households****Indicator:** Percent of infants exclusively breastfed for the first 4-5 mos. of life**Unit of Measure:** % - same as above**Source:** EDHS; MOHP statistics**Comments:** Prior Reference Year 1992: 28.6%For the period **1985-95, 94.7% of male children** were ever breastfed and **95.0% of females** were ever breastfed.

\*Data in years not covered by EDHS will be proxies drawn from MOHP statistics in targeted districts of Upper Egypt where the HM/HC is active.

1994(B)		NA
1995	NA	30.7
1996	NA	NA
1997	NA	
1998	45*	
1999	55*	
2000	65*	
2000	65*	
2001 (T)	75	

<b>Result No. 5.2: New Tools &amp; Approaches to Combat Selected Endemic and Emerging Diseases Developed and Disseminated</b>			
<b>Indicator:</b> Prevalence of schistosomiasis			
<b>Unit of Measure:</b> % of school children infected with S. mansoni in Kafr el Sheikh Governorate, selected as the "sentinel" region because it has a high prevalence of the more difficult to control form of schistosomiasis and will undergo more intensive monitoring.	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
	1994(B)		13.8
	1995	15	14.5
	1996	12	NA*
	1997	10	
	1998	8	
	1999	7	
<b>Sources:</b> Epidemiological surveillance by the National Schistosomiasis Control Program (NSCP)	2000	6	
	2001(T)	5	
	<b>Comments:</b> Prior Reference Year 1988: 16.4  * There is a one-year lagtime in the availability of data.		
<b>Result No. 5.2.1: Tools for schistosomiasis control developed and applied</b>			
<b>Indicator:</b> Schistosomiasis control tools			
<b>Unit of Measure:</b> Number of control tools, both applied and developed.			
	1994(B)		5
	1995	5	6
	1996	6	7
	1997	7	
	1998	8	
	1999	8	
<b>Source:</b> Project Reports	2000	9	
	2001(T)	9	
	<b>Comments:</b> Figures are cumulative.  Prior Reference Year 1989: 0		

**Result No. 5.2.2: Modes of Transmission of and Potential Preventive Measures for Hepatitis C Identified**
**Indicator:** HCV transmission modes determined.

**Unit of Measure:** Results of 5-year field research program

**Source:** Grantee Reports

**Comments:**

Benchmarks (Yes/No determination):

#1: Grant awarded/field work set up (Yes)

#2: One year of data collected

#3: Second year of data collected

#4: Preliminary results reported

#5: Fourth year of data collected

#T: Most important modes defined

Year	Planned	Actual
1995(B)		NA
1996	BM #1	BM #1
1997	BM #2	
1998	BM #3	
1999	BM #4	
2000	BM #5	
2001(T)	BM #T	

**Result No. 5.2.3: Sustained Indigenous Capacity to Carry Out Research on Priority Diseases**
**Indicator:** Egyptian Reference Diagnostic Laboratory (ERDL)

**Unit of Measure:** ERDL continues to support key research efforts such as vaccine field trials

**Source:** Project reports and site visits

**Comments:**

Benchmarks:

#1: Staff training underway.

#2: Renovation of space and equipment installation; operations begin.

#3 thru #T: Operations continue or expand.

1993(B)		BM #1
1994		BM #2
1995		BM #3
1995		BM #4
1996		BM #5
1997	BM #6	
1998	BM #7	
1999	BM #8	
2000	BM #9	
2001(T)	BM #T	

**Result No. 5.3: Improved Environment to Plan, Manage and Finance Sustained Maternal & Child Health Systems**
**Indicator:** Percent annual increase in MOHP funding allocated for primary and preventive services

**Unit of Measure:** % of MOHP funding allocated for primary and preventive services

Year	Planned	Actual
1995		NA

**Source:** MOHP Budget Tracking System

1996		NA
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**Comments:**

The GOE Budget Tracking System capable of routinely producing this info is now being developed and is scheduled for nationwide implementation in 1998.

1997	10	
1998	20	
1999		
2000	40	
2001(T)	50	

**Result No. 5.3.1: Clearly Articulated Policy Priorities and Plans**
**Indicator:** Policy measures and benchmarks established and agreed to with MOHP

**Unit of Measure:** Yes or No

**Source:** Joint MOHP/USAID MOU

**Comments:**

Policy program begins in FY 1997.

1997(B)	Yes	
1998	Yes	
1999	Yes	
2000	Yes	
2001(T)	Yes	

<b>Result No. 5.3.2: Rationalized MOHP Curative Care Services Program</b>			
<b>Indicator:</b> Number of MOHP hospitals/polyclinics operating as cost recovery (CR) facilities			
<b>Unit of Measure:</b> No. of MOHP hospitals/clinics operating as cost recovery (CR) facilities	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
	1988(B)		0*
<b>Source:</b> MOHP Budget Tracking system	1989		0
<b>Comments:</b> Figures are cumulative.  *CR Project begins.	1990		0
	1991		0
	1992		0
	1993		0
	1994		0
	1995		5
	1996	10	5
	1997	20	
	1998	30	
	1999	50	
	2000	85	
	2001(T)	100	
<b>Result No. 5.3.3: Equitable and Financially Viable Expansion of Social Finance Coverage</b>			
<b>Indicator:</b> Percent of Egyptians covered under social insurance			
<b>Unit of Measure:</b> % of Egyptians covered under social insurance/Health Insurance Organization (HIO)			
	1994(B)		30
<b>Source:</b> HIO beneficiary registration reports	1995	30	32
<b>Comments:</b>	1996	30	32
	1997	30	
	1998	30	
	1999	40	
	2000	40	
	2001(T)	50	

<b>Result No. 5.3.4: National Quality Assurance System</b>			
<b>Indicator:</b> Number. of hospitals with quality assurance committees and regular reporting			
<b>Unit of Measure:</b> No. of hospitals with functioning quality assurance committees and submitting regular reports	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Source:</b> MOHP management reports	1995(B)	1	1
<b>Comments:</b> Figures are cumulative.	1996	5	5
	1997	25	
	1998	100	
	1999	100	
	2000	200	
		2001(T)	300
<b>Result No. 5.3.5: System to Collect, Analyze, and Facilitate Use of Health Information</b>			
<b>Indicator:</b> Number of governorates with operational MIS and submitting required reports and data			
<b>Unit of Measure:</b> No. of governorates with operational MIS and submitting required reports and data			
	1994(B)		0
<b>Source:</b> MOHP management reports	1995	7	7
<b>Comments:</b> Figures are cumulative.	1996	7	7
	1997	11	
	1998	15	
	1999	27	
	2000	27	
		2001(T)	27

**Result No. 5.3.6: Increased Private Sector Provision & Financing of Cost Effective Health Care****Indicator:** Inpatient care provided in private facilities**Unit of Measure:** % of inpatient care provided in private facilities**Source:** MOHP Management Reports**Comments:**

Year	Planned	Actual
1995(B)		10
1996	10	15
1997	10	
1998	15	
1999	15	
2000	20	
2001(T)	25	

**Result No. 5.3.7: Enhanced Capacity to Plan and Manage Public Health Program****Indicator:** Academic training departures**Unit of Measure:** Number of academic training departures**Source:** PTMS**Comments:** Figures are cumulative)

Year	Planned	Actual
1994(B)		0
1995		2
1996	2	4
1997	10	
1998	20	
1999	30	
2000	40	
2001(T)	50	

## **SUBGOAL 4: Environment Managed for Long-term Sustainability**

USAID had planned to track nationwide indicators for water, sanitation and air quality. Updated trend figures show that over the 1990-95 period, population with access to safe water was 80% and to sanitation, 50%. The DANIDA-financed air monitoring system for tracking nationwide air quality is still in the start-up phase.

### **SO 6: Increased Access to Sustainable Water and Wastewater Service**

#### **1. Performance Analysis:**

The Performance Data Tables for SO-6 contain a set of new indicators superseding the interim performance monitoring plan in the last R4. These indicators provide a comprehensive view of Mission investments in the water/wastewater sector, using data readily available from the utilities. The Mission received assistance from the Global Bureau's Environmental Health Project (EHP) in this effort and collaborated with each of the targeted utility organizations and associated technical assistance teams to ensure a quality approach. A total of 27 indicators were identified as being useful. The Mission selected 14 that give a cross section of the strategic objective and its intermediate results. Some of these have been aggregated for R4 reporting, e.g., urban centers (excluding Cairo and Alexandria) have been grouped by population thresholds, above and below 250,000 being designated other major and minor, respectively, to simplify reporting. Others have been added (populations served) to better demonstrate people-level impact. Because the data format does not easily permit baselines that extend back nearly two decades, a baseline of 1995 is used for the tables. The comments section of the tables contains prior reference year notations specifying the level of results achieved to capture past successes.

By the end of 1996, over 22 million people in eight cities -- about one out of every three Egyptians -- benefitted from improved water and wastewater services through USAID-funded activities. Egypt's high population growth rate and the influx of people from rural areas to the cities have put a severe strain on all urban infrastructure, especially water and wastewater facilities. USAID efforts to increase access to sustainable water and wastewater service in Egypt remains on track. A shift is occurring towards investments in urban centers outside of Cairo to expand the reach of USAID assistance throughout Egypt and to respond to the supportive attitudes of local decision makers towards needed reforms.

IR 6.1: Cost Recovery: Impressive progress has been achieved on cost recovery through improved billing and collection practices by utilities in secondary and provincial cities. A pilot metering program (focused on large volume users) is helping utilities in

Minya, Beni Suef and Fayoum move towards the goal of O&M cost recovery. The results yielded thus far have been impressive. Monthly revenues increased by 20%, 12% and 11%, respectively. Unaccounted water (the difference between the volume produced and billed) decreased by 8.6%, 5.1% and 4.7%, respectively. This performance caught the attention of the Governors and utility managers and has encouraged accelerated implementation.

The hoped for tariff increases needed to achieve cost recovery have been slower in coming. In 1996, a statement issued by the Prime Minister that no new burdens were to be placed on the people of Egypt that year specifically targeted utility rate increases. This led to immediate delays in the approval of the Alexandria Sewerage II grant agreement which would have committed that utility to greater progress on cost recovery. However, Alexandria water and wastewater tariffs and revenues were increased three times over the past 18 months. In the past six months alone, revenues increased from 75% to 82% of O&M costs as a result of improved collections.

The problem is most severe in Cairo, which has the lowest tariffs in the country. In 1996, the water tariff was increased by 20% and the wastewater surcharge was increased from 20% to 30% of the water bill. This surcharge has not been implemented but, in any case, even if it had been it was substantially below what was needed to meet USAID conditionality. Generated revenues for Cairo sewerage totalled LE 67 million in 1995 compared to the target of LE 125 million. Full cost recovery for Cairo is virtually impossible for the life of the strategic objective (through 2004).

In 1996, all utility organizations under the secondary cities program attained better than the 10% improvement in billings and collections agreed to in the Action Plans, with Aswan collections improving by 34%.

IR 6.2: Decentralized Utility Management: Having the status of an economic authority is absolutely essential for effective decentralization to occur. Four additional utilities have been granted that status: Mansoura, Minya, Beni Suef and Fayoum. (Alexandria and Cairo already have established utility authorities). Having the authority to make independent personnel policy is also critical. Here progress has been slower because the process of granting that authority requires many levels of approval. Nevertheless, progress across all geographic locations continues to be satisfactory. Alexandria and Aswan sewerage utilities are notable for their achievements in the area of personnel policy.

IR 6.3: Capacity to Deliver Services: The completion of facilities being financed by USAID continues on schedule. The Port Said wastewater treatment plant opened in March 1997. The pilot metering program (IR 6.1) also contributes to the capacity of the utilities to serve their customers better. USAID expects to continue and expand this program to other cities.

## **2. Expected Progress Through FY 1999 and Management Actions:**

Cairo water activities and Cairo sewerage activities will continue to be supported through 1997 and 1999, respectively, to strengthen organizational management and to continue the dialogue on needed reforms. Since September 1996, the Mission has taken advantage of the centrally funded USAID FORWARD program to engage in discussions at very high levels within the GOE on the question of tariff reform in Cairo. Ideas for dispute resolution are being introduced but little optimism exists for adequate movement on cost recovery in Cairo. Cairo is, therefore, no longer considered a target for future USAID funds.

Capitalizing on the formation of new Public Economic Authorities in the provincial cities communities, a new results package is being developed in FY 1997 to assist in the implementation of financial management systems and budget controls for the cities of Fayoum, Minya, and Beni Suef. Accompanying infrastructure improvements for those cities will focus on the wastewater treatment and collection systems. The RP will also address assistance to the Alexandria Water General Authority to improve revenue collections, customer services and efficiency, by reducing system losses and increasing public conservation through water use education. The RP will also explore the use of PVOs/NGOs to assist in targeting services for the peri-urban poor and customer education in water use and water related health education.

Assistance to the Alexandria sewerage authority will continue to focus on the evolution of a responsive and financially autonomous management structure and the completion of the primary sewage treatment facilities serving the city. It is expected that the authority will generate 100% of its O&M costs through revenue sources well before the target year 2001.

Aswan and Mansoura have met, or exceeded, benchmarks required to release construction funds. The first construction tender packages will be released for bids by mid-1997.

The GOE has demonstrated increased interest in alternative approaches for organizational reform, including public-private partnerships. The Ministry of Housing and Public Utilities is actively pursuing the development of pilot build/own/transfer or build/own/operate schemes which would increase private participation in the water and wastewater utility sector. This has become a focus in the discussion of the secondary cities program for Luxor and the South Sinai. USAID will finance preparatory studies analyzing these schemes for the Ministry.

**PERFORMANCE DATA TABLE**

**EGYPT**

**Approved: June 1996**

**STRATEGIC OBJECTIVE 6: Increased Access to Sustainable Water and Wastewater Service**

**Indicator:** Alexandria wastewater conveyance and primary treatment facilities

**Unit of Measure:** In millions: Population served by USAID-funded infrastructure.

Year	Planned	Actual
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1995(B)		2.4
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**Source:** AGOSD

1996	2.4	2.4
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**Comments:**

Prior reference year 1993: 2.4 million - Alexandria wastewater, phase one, completed.

1997	2.4	
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1998	2.4	
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1999	2.4	
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2000	3.5	
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2001	3.65	
------	------	--

2002	3.8	
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2003	4	
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2004(T)	4.15	
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**Indicator:** Cairo (West Bank) wastewater conveyance and treatment facilities

**Unit of Measure:** In millions: Population served by USAID-funded infrastructure.

1995(B)	4.0	4.0
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1996	4.2	4.2
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**Source:** Cairo GOSD

1997	4.4	
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**Comments:**

Prior reference year 1990: 3.3 million.

1998	4.7	
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1999	4.9	
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2000(T)	5.1	
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**Indicator:** Cairo (West Bank) connections in unsewered areas

**Unit of Measure:** In millions: Population served by USAID-funded infrastructure.

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1995(B)	1.9	1.9
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**Source:** Cairo GOSD.

1996	2.0	2.0
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**Comments:**

Prior reference year 1990: 1.2 million.

1997	2.0	
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1998(T)	2.1	
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<b>Indicator:</b> Other major urban centers wastewater conveyance and treatment facilities			
<b>Unit of Measure:</b> In millions: Population served by USAID-funded infrastructure.	Year	Planned	Actual
	<b>Source:</b> NOPWASD, Local Administrations, and TA contractors.	1995(B)	0.5
1996		.87	0.87
<b>Comments:</b>  Base year reflects Fayoum start-up. Indicator also includes Suez, Ismailia, Port Said, and Mansoura (conveyance only). On completion of a new RP design for middle Egypt, the targets will be adjusted accordingly	1997	1.27	
	1998	1.3	
	1999	1.34	
	2000	1.38	
	2001	1.57	
	2002	1.60	
	2003	1.64	
	2004	1.7	
<b>Indicator:</b> Other major urban centers water transmission and treatment facilities			
<b>Unit of Measure:</b> In millions: Population served by USAID-funded infrastructure.	Year	Planned	Actual
	1995(B)	.23	.23
<b>Source:</b> NOPWASD, Local Administrations, and TA contractors.	1996	.23	.23
	1997	.23	
<b>Comments:</b>  Base year represents work completed in Fayoum. Out-year plan includes Mansoura.	1998	.23	
	1999	.23	
	2000	.23	
	2001	0.73	
	2002(T)	0.75	

<b>Indicator:</b> Minor urban centers wastewater conveyance and treatment facilities			
<b>Unit of Measure:</b> In millions: Population served by USAID-funded infrastructure.	Year	Planned	Actual
	1995(B)	0.4	0.4
<b>Source:</b> NOPWASD, Local Administrations, and TA contractors.	1996	0.4	0.4
	1997	0.4	
<b>Comments:</b>  Base year includes Minya and Beni Suef. Out-year targets include the Secondary Cities project. The new start planned for middle Egypt will adjust these targets upward once the results are known.	1998	0.4	
	1999	.730	
	2000	.730	
	2001	.738	
	2002	.746	
	2003	.752	
	2004(T)	.762	
<b>Indicator:</b> Minor urban centers connections in unsewered areas			
<b>Unit of Measure:</b> In millions: Population served by USAID-funded infrastructure.			
	1995(B)	0	0
<b>Source:</b> NOPWASD, Local Administrations, and TA contractors.	1996	0	0
	1997	0	
<b>Comments:</b>  Indicator includes Luxor, Aswan, and South Saini under secondary cities. The new start planned for middle Egypt will adjust these targets upward once results are known.	1998	0	
	1999	0	
	2000	0.24	
	2001	0.25	
	2002	0.25	
	2003	0.26	
	2004(T)	0.27	

<b>Result No. 6.1: Improved Sustainability through the Recovery of Full O&amp;M Costs</b>			
<b>Indicator:</b> Alexandria wastewater O&M costs covered by retained revenues			
<b>Unit of Measure:</b> Percent	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
	1995(B)		27
<b>Source:</b> AGOSD	1996		35
<b>Comments:</b> Prior reference year 1992: 33%.  The performance drop in 2002 is expected due to the increased costs of a final disposal option.	1997	83	
	1998	107	
	1999	110	
	2000	112	
	2001	114	
	2002	94	
	2003	95	
	2004(T)	100	
<b>Indicator:</b> Cairo wastewater O&M costs covered by retained revenues			
<b>Unit of Measure:</b> Percent			
	1995(B)		16
<b>Source:</b> Cairo GOSD, TA contractor.	1996		21* Check
<b>Comments:</b> Prior reference year 1992: 13.5%.  * Estimated.	1997	64	
	1998	100	
	1999	100	
	2000(T)	100	
<b>Indicator:</b> Cairo water O&M costs covered by retained revenues			
<b>Unit of Measure:</b> Percent			
	1996(B)		67
<b>Source:</b> GOGCWS, TA contractor.	1997	70	
<b>Comments:</b>  Targets reflect current position regarding tariffs in Cairo.	1998	77	
	1999	74	
	2000	69	
	2000(T)	65	

<b>Indicator:</b> Other major urban centers wastewater O&M costs covered by retained revenues			
<b>Unit of Measure:</b> Percent	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
	1995(B)	25	19.5*
<b>Source:</b> NOPWASD, Local Administrations, and TA contractors.	1996	40	TBD
	1997	50	
<b>Comments:</b>  Indicator includes Mansoura and Fayoum.  * Estimated	1998	60	
	1999	70	
	2000	80	
	2001(T)	100	
<b>Indicator:</b> Minor urban centers wastewater O&M costs covered by retained revenues			
<b>Unit of Measure:</b> Percent			
	1995(B)	25	30*
<b>Source:</b> NOPWASD, Local Administrations, and TA contractors.	1996	30	
	1997	40	
<b>Comments:</b>  Indicator includes Minya, Beni Suef, the Aswan group, South Sinai, and Luxor.  * Estimated	1998	50	
	1999	70	
	2000	90	
	2001(t)	100	

<b>Result 6.2: Improved Decentralized Utility Management</b>			
<b>Indicator:</b> Alexandria wastewater organization delegated appropriate authorities			
<b>Unit of Measure:</b> % based on one third point for each of the following delegated authorities: retain revenues, internally manage personnel policy, and a performance-based budget.	Year	Planned	Actual
	1993(B)		0
	1994		33
	1995		33
<b>Source:</b> AGOSD	1996	67	67
<b>Comments:</b>  In 1994, AGOSD was granted authority to retain revenues.	1997	67	
	1998	67	
	1999	67	
	2000	100	
	2001	100	
	2002(T)	100	
<b>Indicator:</b> Cairo wastewater organization delegated appropriate authorities			
<b>Unit of Measure:</b> % based on one third point for each of the following delegated authorities: retain revenues, internally manage personnel policy, and a performance-based budget.			
	1995(B)		33
	1996	67	67
	1997	100	
<b>Source:</b> Cairo GOSD, TA contractor	1998	100	
<b>Comments:</b>	1999	100	
	2000(T)	100	

<b>Indicator:</b> Cairo water organization delegated appropriate authorities			
<b>Unit of Measure:</b> % based on one third point for each of the following delegated authorities: retain revenues, internally manage personnel policy, and budget by chart of accounts.	Year	Planned	Actual
	1995(B)	66	33
	1996	100	33
<b>Source:</b> GOGCWS, TA contractor	1997	100	
<b>Comments:</b>	1998	100	
	1999	100	
	2000	100	
	2001(T)	100	
<b>Indicator:</b> Utility organizations within other major urban centers delegated appropriate authorities			
<b>Unit of Measure:</b> % based on one third point for each of the following delegated authorities: retain revenues, internally manage personnel policy, and budget by chart of accounts.			
	1995(B)		0
	1996		200
<b>Source:</b> NOPWASD, Local Administrations, TA contractors.	1997	300	
	1998	333	
<b>Comments:</b>  Base year includes Fayoum, Suez, Ismailia, Port Said, and Mansoura.	1999	367	
	2000	400	
	2001	400	
	2002	400	
	2003	400	
	2004(T)	400	

<b>Indicator:</b> Utility organizations within minor urban centers delegated appropriate authorities			
<b>Unit of Measure:</b> % based on one third point for each of the following delegated authorities: retain revenues, internally manage personnel policy, and budget by chart of accounts.	Year	Planned	Actual
	1995(B)	0	0
	1996	0	0
<b>Source:</b> NOPWASD, Local Administrations, and TA contractors.	1997	100	
	1998	200	
	1999	300	
<b>Comments:</b>  Indicator includes Minya, Beni Suef, Aswan and Luxor.	2000	400	
	2001	500	
	2002	500	
	2003	500	
	2004(T)	500	
<b>Result 6.3: Improved Capacity to Deliver Services through Improved Systems and Qualified Staff</b>			
<b>Indicator:</b> Alexandria wastewater treated to design standards			
<b>Unit of Measure:</b> Million liters per day (MLD)			
	1995(B)	585	585
<b>Source:</b> AGOSD, TA contractors.	1996	585	585
	1997	585	
	1998	585	
<b>Comments:</b> Prior reference year 1993: 585 MLD.  Prior to USAID support, all sewage was discharged into the Mediterranean, drains or Lake Marryout. Since 1993, the sewerage plants have been at capacity.	1999	585	
	2000	972	
	2001	982	
	2002	995	
	2003	1005	
	2004(T)	1015	

<b>Indicator:</b> Cairo wastewater treated to design standards			
<b>Unit of Measure:</b> Million liters per day (MLD)	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
		1995(B)	730
<b>Source:</b> Cairo - GOSD, TA contractor	1996	730	630
<b>Comments:</b>	1997	730	
	1998	730	
	1999	730	
	2000(T)	730	
<b>Indicator:</b> Cairo - quantity of wastewater collected and conveyed to treatment facilities			
<b>Unit of Measure:</b> MLD	1995(B)	580	600
	1996	610	630
<b>Source:</b> Cairo GOSD, TA contractor.	1997	700	
<b>Comments:</b>	1998	770	
	1999	800	
	2000(T)	900	
<b>Indicator:</b> Other major urban centers wastewater treated to design standards			
<b>Unit of Measure:</b> MLD			
	1995(B)	85	85
<b>Source:</b> NOPWASD, Local Administrations, TA contractor.	1996	150	150
	1997	275	
<b>Comments:</b>  Indicator includes Suez, Ismailia, Port Said, and Mansoura. The new start planned for middle Egypt will adjust the figures upward once new targets are established.	1998	285	
	1999	290	
	2000	300	
	2001	310	
	2002	320	
	2003	330	
	2004(T)	340	

<b>Indicator:</b> Other major urban centers - quantity of wastewater collected and conveyed to treatment facilities			
<b>Unit of Measure:</b> Million liters per day (MLD)	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
	1995(B)	14	14
<b>Source:</b> NOPWASD, Local Administrations, and TA contractors.	1996	14	14
	1997	14	
<b>Comments:</b>  Base year reflects Fayoum . The new start for middle Egypt will add other urban centers and adjust targets when RP is designed.	1998	TBD	
	1999	TBD	
	2000	TBD	
	2001	TBD	
	2002	TBD	
	2003	TBD	
	2004(T)	TBD	
<b>Indicator:</b> Other major urban centers water treated to design standards			
<b>Unit of Measure:</b> MLD			
	1995(B)	26	26
<b>Source:</b> NOPWASD, Local Administrations, and TA contractors.	1996	26	31*
	1997	26	
<b>Comments:</b>  Base year reflects Fayoum. Mansoura is planned for completion in 2001.  *Fayoum is pushing treatment beyond desired capacity. No management action contemplated at this time.	1998	26	
	1999	26	
	2000	26	
	2001	130	
	2002	130	
	2003	130	
	2004(T)	130	

<b>Indicator:</b> Other major urban centers water stored and distributed to consumers			
<b>Unit of Measure:</b> MLD	Year	Planned	Actual
	1995(B)	26	26
<b>Source:</b> NOPWASD, Local Administrations, TA contractors.	1996	26	26
	1997	26	
<b>Comments:</b>  Base year reflects Fayoum. Mansoura is planned for completion in 2001. When the new RP design is completed, targets will be adjusted accordingly.	1998	26	
	1999	26	
	2000	26	
	2001	130	
	2002	130	
	2003	130	
	2004(T)	130	
<b>Indicator:</b> Minor urban centers wastewater treated to design standards			
<b>Unit of Measure:</b> MLD			
	1995(B)		21
<b>Source:</b> NOPWASD, Local Administrations, TA contractor.	1996	21	21
	1997	21	
<b>Comments:</b>  Base includes Minya and Beni Suef. The Aswan group, South Sinai, and Luxor will be completed by 2001. A new start for middle Egypt will adjust the targets for the out years upward.	1998	21	
	1999	21	
	2000	21	
	2001	78	
	2002	78	
	2003	78	
	2004(T)	78	

<b>Indicator:</b> Minor urban centers water treated to design standards			
<b>Unit of Measure:</b> MLD			
	1995(B)		26
<b>Source:</b> NOPWASD, Local Administrations, TA contractors.	1996		26
	1997	26	
	1998	26	
<b>Comments:</b>  Base year includes Minya and Beni Suef. Planned improvements for the Aswan group, Luxor and South Sinai will be completed in 2000.	1999	26	
	2000	83	
	2001(T)	83	

## SO 7: Reduced Generation of Air Pollution

### 1. Performance Analysis:

Progress continues to be achieved in reducing the SO<sub>x</sub>, NO<sub>x</sub> and CO pollutants by the application of greater energy efficient industrial technologies and processes, with actual levels in 1996 somewhat higher than planned. Progress is on track and positive results have been achieved, as noted below.

The most striking achievement has been the GOE's dramatic push for nationwide conversion to unleaded gasoline. Over 80% of Egypt's filling stations have converted from leaded to unleaded gasoline, including all of Alexandria and Cairo. All gasoline will be converted nationwide by July 1997. This represents significant progress in reducing vehicular lead pollution. The probable impacts of this development can be appreciated by comparing the results of an April 1996 analysis of ambient lead levels at busy Alexandria intersections, which converted earlier, for a look at "after" conditions, with results from the same study done in Cairo prior to its conversion, for the "before" look.

- average lead level at three sites in Cairo: 2.33 ug/m<sup>3</sup>
- average lead level at three sites in Alexandria: 0.76 ug/m<sup>3</sup>.

#### IR 7.1: Adoption of Pollution Mitigating Technologies:

Forty companies completed industrial pollution audits; industrial pollution prevention technologies are being implemented at 27 plants. Preliminary design work is also underway for pollution technologies for two of the largest Cairo-area lead smelters, whose combined emissions represent at least 80% of the total smelter pollution in Cairo.

Compressed Natural Gas (CNG) fuel conversions continue. To date, 1,000 vehicles have been converted to bi-fuel; 50 "dedicated" CNG buses and mini-buses are on the road; and 8 CNG fueling stations have opened, with 8 more under construction. Since the Cairo Air Improvement Project (CAIP) is not yet under contract, pilot activities for public bus CNG conversion and for vehicular emissions standards enforcement will not begin until late FY 1997.

IR 7.1.1: Improved environmental policy framework: The GOE continues to be actively engaged in the development and implementation of environmental policies that will impact on air pollution. Subcommittee III under the U.S./Egyptian Partnership for Economic Growth and Development has made a substantial contribution to these efforts. The subcommittee is concerned with how government policies affect the sustainability of economic growth and development and deals with issues related to the role of environmental policies and the importance of building public support for environmentally

sound development strategies. The development of a lead exposure abatement plan, promoted by this subcommittee, is on schedule and is expected to be completed this September. A Lead Smelter Action Plan was adopted by the GOE in December 1996. The Mission is working with the Ministry of Petroleum to help sustain energy efficient technology transfer through a national energy policy. The Plan is already being implemented with the two major Cairo smelters noted above. Regulations have been adopted but implementation of vehicular emissions testing and compliance will begin later in the year when the technical assistance contractor is on board. The Egyptian Electricity Authority is still reluctant to raise electricity tariffs..

IR 7.1.2: Technologies successfully demonstrate reduced emissions of CO, NO<sub>x</sub>, HC and SO<sub>x</sub>: The demonstration effects of the pilots have been excellent. For example, in one it was shown that by switching from light oil to natural gas, local bakeries can reduce CO emissions from 825 parts per million (ppm) to 43 ppm, SO<sub>x</sub> from 402 ppm to 2 ppm, and NO<sub>x</sub> from 92 ppm to 7 ppm. Substantial gains continue to be made by plants participating in pilot-related activities.

The percentage of natural gas used to produce power dropped in 1996 relative to mazout. Natural gas is the preferred fuel for power plant operations but is not always available. Although Egypt's natural gas reserves continue to expand, the distribution network cannot yet serve needs. While the trend line for natural gas use in power generation continues upward, there will be short-term variability.

IR 7.1.3: Technologies successfully demonstrate reduced air emissions of particulates: Both baseline and performance target figures will be provided after CAIP start-up.

IR 7.1.4: Environmental management strengthened: The GOE continues to make positive progress towards establishing a viable environmental policy management and regulatory/enforcement structure principally through the Egyptian Environmental Affairs Agency (EEAA), the Ministry of Tourism/Tourism Development Authority, the Ministry of Petroleum, and the regional governorates.

An Egyptian Coordination Group for Environment and Technical Cooperation was established with Canadian assistance. The group includes representatives from EEAA, the Ministries of Public Works, Agriculture, and International Cooperation who meet semi-annually to resolve environmental policy issues. The EEAA Board of Directors, with representatives from each ministry, now meets regularly and is starting to address major environmental policy issues. The Board recently approved the Environmental Impact Assessment guidelines.

## **2. Expected Progress Through FY 1999 and Management Actions:**

The Mission will continue to work with the GOE on environmental policy measures under Sector Policy Reform Program II and III. One example is the planned work of EEAA and the Ministry of Petroleum to inventory major sources of hydrocarbons and particulate pollution, leading to action plans for reductions in both pollutants. New reform measures address the implementation of lead-related policy actions as a follow-on to SPR II adoption; the development of air emission regulation enforcement strategies, especially as they relate to particulate pollution; continuation of the introduction of unleaded gasoline and fuel pricing modifications to encourage greater use of low-polluting fuels; introduction of appropriate emission technologies on new cars; and the development of a strategy to promote environmentally sustainable tourism in the Red Sea coast area. These new policy measures have been added to the SO performance monitoring tables.

The rapid introduction of unleaded gasoline has been discussed above. USAID continues to encourage the Ministry of Petroleum and the EEAA on technical and policy coordination issues related to gaining a broader understanding of the benefits of unleaded gasoline. The Mission maintains regular contact with the U.S.-led joint venture company in the CNG fueling business. According to their latest figures, some 600 vehicles (taxis, private cars, minivans and buses) have been converted by that company to operate on CNG. The Mission is organizing an observational study tour to the U.S. for GOE officials responsible for the selection of CNG filling station sites and is working with the Ministry of Petroleum to identify any policy obstacles to more rapid adoption of CNG technology by private motorists.

Given the GOE's openness to policy-level reform in the environmental sector, its positive track record of performance in environmental reforms under SPR, plus Mission staffing constraints, future USAID investments in this sector will be made in the context of a policy-based, cash transfer environmental reform program. The planned follow-on to the Energy Conservation and Environment Project and other environmental activities supported in Egypt will be subsumed under the Egyptian Environmental Policy Program (EPPP) for FY 1997 funding. The Mission plans to establish a sector-level monitoring plan under EPPP which will include regular performance tracking and monitoring for SO-7. Based on that work, baselines and targets will be refined for the next results report. The Global Bureau's Environmental Health Project is assisting in plan preparation. The DANIDA-sponsored (Danish aid) air quality monitoring project is still in its early stage with no data yet available for SO reporting.

Progress on donor efforts at institutional strengthening are closely monitored at the donor subcommittee monthly meetings. The Mission is developing a data base of all donor environmental sector activities for internal use and for use by the donor subcommittee. USAID continues to collaborate closely with the Work Bank in its environmental and anti-pollution abatement loan program.

**PERFORMANCE DATA TABLE**

<b>EGYPT</b>		<b>Approved: June 1996</b>	
<b>STRATEGIC OBJECTIVE 7: Reduced Generation of Air Pollution</b>			
<b>Indicator:</b> Accumulated pollution reduction in SOx, NOx, and CO			
<b>Unit of Measure:</b> Metric tons of emissions averted from intervention and replications.	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
		<b>SOx</b>	
	1995(B)	NA	20,202
<b>Source:</b> USAID progress reports.	1996	21,499	22,959
<b>Comments:</b>	1997	48,660	
	1998	112,028	
	1999	206,525	
	2000	301,022	
	2001(T)	395,520	
		<b>NOx</b>	
	1995(B)	NA	4,262
	1996	8,879	9,423
	1997	42,392	
	1998	114,374	
	1999	226,336	
	2000	338,298	
	2001(T)	450,260	
		<b>CO</b>	
	1995(B)	NA	14,419
	1996	21,623	22,560
	1997	54,030	
1998	156,019		
1999	258,008		
2000	359,997		
2001(T)	461,986		



<b>Indicator:</b> Accumulated pollution reduction in HC, lead and particulate emissions			
<b>Unit of Measure:</b> % of emissions reduced as a result of interventions and replications.	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
	<b>Source:</b> USAID progress reports		<b>HC</b>
1996(B)		0	0
1997		0	
1998		7	
1999		20	
2000		40	
2001(T)		80	
		<b>Lead</b>	
1996(B)		0	0
1997		30.2	
1998		63.8	
1999		73.1	
2000		82.4	
2001(T)		91.8	
		<b>Part. Emis.</b>	
1996(B)		0	0
1997		31.2	
1998		45	
1999		48	
2000		51	
2001(T)	54		

<b>RESULT NO. 7.1: Adoption of Pollution Mitigating Technologies</b>			
<b>Indicator:</b> Pollution prevention technologies replicated			
<b>Unit of Measure:</b> Cumulative number of replication technologies installed.	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
	1994(B)		0
<b>Source:</b> USAID progress reports	1995	20	24
	1996	31	31
	1997	36	
	1998	50	
	1999	500	
	2000	2500	
	2001(T)	5000	
<b>Indicator:</b> Plants successfully adopting air pollution control technologies			
<b>Unit of Measure:</b> Cumulative number of replicated air pollution control technologies installed.			
	1996(B)		0
<b>Source:</b> USAID progress reports	1997	40	
<b>Comments:</b>	1998	80	
	1999	120	
	2000	160	
	2001(T)	200	
<b>Indicator:</b> Public sector buses in Cairo running on CNG			
<b>Unit of Measure:</b> % of public sector fleets using CNG.			
<b>Source:</b> USAID progress reports	1996(B)		0
<b>Comments:</b>	1997	0	
	1998	20	
	1999	50	
	2000	250	
	2001	300	

<b>Indicator:</b> Cairo vehicles in compliance with GOE emissions standards			
<b>Unit of Measure:</b> Cumulative number of Cairo vehicles passing vehicle emissions test.	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
	<b>Source:</b> USAID progress reports.	1996(B)	
<b>Comments:</b>	1997	0	
	1998	50,000	
	1999	280,000	
	2000	420,000	
	2001(T)	560,000	
<b>Result No. 7.1.1: Improved Environmental Policy Framework</b>			
<b>Indicator:</b> Electricity tariffs set at economic pricing levels			
<b>Unit of Measure:</b> Tariff as a % of long-run marginal cost.	1994(B)		90
	1995	100	80
<b>Source:</b> USAID, Egyptian Electricity Authority	1996	80	80
<b>Comments:</b>	1997	90	
	1998	90	
	1999	100	
	2000	100	
	2001(T)	100	
<b>Indicator:</b> Sector policy reform - reduction of lead pollution			
<b>Unit of Measure:</b> Cumulative number of measures adopted and implemented.			
<b>Source:</b> GOE and contractor reports.	1996(B)		0
<b>Comments:</b>	1997	4	
	1998	6	
	1999	6	
	2000	6	
	2001(T)	6	

<b>Indicator:</b> Sector policy reform - mobile emission sources			
<b>Unit of Measure:</b> Cumulative number of standards developed and implemented.	Year	Planned	Actual
	1995(B)		0
<b>Source:</b> GOE and contractor reports.	1996		0
<b>Comments:</b>	1997	2	
	1998	4	
	1999	4	
	2000	4	
	2001(T)	4	
<b>Indicator:</b> Sector Policy Reform - stationary emission sources			
<b>Unit of Measure:</b> Cumulative number of strategies and enforcement procedures developed.	1996(B)		0
	1997	1	
<b>Source:</b> USAID reports.	1998	3	
<b>Comments:</b>	1999	3	
	2000	3	
	2001(T)	3	
<b>Result No. 7.1.2: Technologies successfully demonstrate reduced emissions of CO, NOx, HC, andSOx</b>			
<b>Indicator:</b> Accumulated pollutant reduction in SOx, NOx and CO			
<b>Unit of Measure:</b> Metric tons of emissions averted from USAID-funded interventions		<b>SOx</b>	
	1994(B)		0
<b>Source:</b> USAID progress reports	1995	10,725	20,202
<b>Comments:</b>	1996		22,959
	1997	25,957	
	1998	30,632	
	1999	35,307	
	2000	39,982	
	2001(T)	44,657	

Performance Data Table - Egypt

		NOx	
	1994(B)		0
	1995	3,552	4,262
	1996		9,423
	1997(B)	14,545	
	1998	20,152	
	1999	25,759	
	2000	31,366	
	2001(T)	36,973	
		CO	
	1994(B)		0
	1995)	9,014	14419
	1996	22,560	
	1997	30,692	
	1998	38,835	
	1999	46,978	
	2000	55,121	
	2001(T)	63,264	
<b>Indicator:</b> Accumulated pollutant reduction in HC			
<b>Unit of Measure:</b> % of emission reduced as a result of USAID-funded interventions.	1997(B)	0	
	1998	22	0
<b>Source:</b> USAID reports.	1999	23	
<b>Comments:</b>	2000	25	
	2001(T)	26	
<b>Indicator:</b> Natural gas consumed at power plants			
<b>Unit of Measure:</b> % of natural gas in total fuel consumption.	1994(B)		70
	1995	70	76
<b>Source:</b> EEA	1996	81	73
<b>Comments:</b>	1997(B)	80	
	1998	100	
	1999	100	
	2000	100	

2001(T)

100

Performance Data Table - Egypt

**Indicator:** Improved fuel consumption ration to KWH generated**Unit of Measure:** Gram mazute equivalent/kilowatt hour

Year	Planned	Actual
1995(B)	230	227
1996		223
1997	223	
1998	221	
1999	221	
2000	221	
2001(T)	218	

**Source:** EEA**Comments:****Result No. 7.1.3: Technologies successfully demonstrate reduced air emissions of particulate****Indicator:** Accumulated amounts of pollutant reduction**Unit of Measure:** % of emissions reduced as a result of USAID-funded interventions and replications.**Lead  
Smelters****Source:** Contractor reports.

1996		N/A
1997(B)	0	
1998	42	
1999	75	
2000	88	
2001(T)	88	

**Comments:****CNG  
Buses**

1996		N/A
1997(B)	0	
1998	20	
1999	50	
2000	100	
2001(T)	100	



	Year	Planned	Actual
	<b>Lead from Vehicles</b>		
	1997(B)	80	TBD
	1998	100	
	1999	100	
	2000	100	
	2001(T)	100	
<b>Result No. 7.1.4: Environmental management strengthened (monitoring other donor results)</b>			
<b>Indicator:</b> Environmental education and training unit established within EEAA.			
<b>Unit of Measure:</b> Office staffed and in continuous operation.	1995(B)	0	0
	1996		1
<b>Source:</b> Implementing donor	1997	1	
<b>Comments:</b>	1998	1	
	1999	1	
	2000	1	
	2001(T)	1	
<b>Indicator:</b> Guidelines established for environmental impact assessments			
<b>Unit of Measure:</b> Official guidelines issued and maintained.			
	1995(B)	0	0
<b>Source:</b> Implementing donor.	1996		1
<b>Comments:</b>	1997	1	
	1998	1	
	1999	1	
	2000	1	
	2001(T)	1	

<b>Indicator:</b> Environmental information system established			
<b>Unit of Measure:</b> System established and operations maintained.	Year	Planned	Actual
		1995(B)	0
<b>Source:</b> Implementing donor.	1996	0	0
<b>Comments:</b>	1997	1	
	1998	1	
	1999	1	
	2000	1	
	2001(T)	1	
<b>Indicator:</b> Procedures developed for enforcing the environmental law			
<b>Unit of Measure:</b> Procedures developed and enforced.			
	1995(B)	0	0
<b>Source:</b> Implementing donor.	1996		0
	1997	1	
	1998	1	
	1999	1	
	2000	1	
	2001(T)	1	
<b>Indicator:</b> Mechanisms in place for coordination and cooperation among GOE agencies			
<b>Unit of Measure:</b> Mechanism established and maintained.	1995	0	0
	1996		1
<b>Source:</b> Implementing donor.	1997	1	
<b>Comments:</b>	1998	1	
	1999	1	
	2000	1	
	2001(T)	1	

## **SpO D: Approaches to Sustainable Tourism Demonstrated**

### **1. Performance Analysis:**

Progress has exceeded expectations. Six rather than five models have been created and are at various stages of implementation. Coordination among public regulatory agencies has been enhanced. NGO relationships in site use and management have been improved. Site development and maintenance technologies have been introduced and are being implemented. Preserve management in the Red Sea Governorate is being improved.

The Red Sea Marine Park/Protectorate model resulted in a direct partnership among the Egyptian Environmental Affairs Agency (EEAA), the Hurghada Environmental Protection and Conservation Association (HEPCA), an Egyptian NGO, and local private sector developers and hotel managers. A coral reef assessment methodology has been introduced and over 75 state-of-the-art mooring buoys installed. More than 60 dive boat crews were trained.

A Tourism Development Authority (TDA) Regional Office was also established at Hurghada to assist environmentally sustainable tourism in the Red Sea region. An integrated coastal zone management plan will be undertaken by the World Bank's Global Environment Facility Project in Hurghada under the leadership of TDA.

A newly developed "Policy Framework for Developing an Environmentally Sustainable Tourism Strategy for the Egyptian Red Sea Coast" will guide environmentally sustainable tourism in the region. The GOE's adoption of this framework is an important accomplishment of the interagency group established by USAID. Representatives from USAID, the Ministry of Foreign Affairs, EEAA, the Tourism Development Authority (TDA), the Red Sea Governorate Environmental Management Unit, and the Global Environmental Facility Project actively participate in this group.

A model for sustainable cultural tourism for the Monasteries of Sts. Anthony and Paul involved the introduction of environmentally sensitive and sustainable technologies for site conservation and management. These technologies are compatible with dual usage sites for religious and touristic purposes. The religious community has been actively involved in the decision-making process. State-of-the-art wall painting conservation techniques are underway at St. Anthony's monastery and museum display and drainage techniques were introduced at St. Paul's monastery.

A private sector-driven, Solid Waste Action Plan model for Hurghada, Safaga, and Quseir was developed bringing together the Red Sea Governorate city officials, hotel managers, and NGOs to collect, sort, recycle and dispose of solid wastes.

A model for urban adaptive reuse in the Gameleya district of Islamic Cairo has been developed to demonstrate that abandoned and deteriorating historical monuments can be

transformed and restored into viable enterprises that are economically self-sustaining and provide local economic development. The Chairman of the Supreme Council of Antiquities is collaborating in its implementation.

A model for environmentally sustainable management practices in the hotel/tourism sector involved the active participation and cooperation of the owners and operators of hotel and other tourism facilities. It is being implemented in collaboration with USAID's Energy Conservation and Environment Project through a series of seminars, manager round tables, environmental audits of tourism facilities and training. Environmental energy audits were conducted jointly at nine hotels.

Enhanced Regional Cooperation: Two GOE delegates attended the International Coral Reef Initiative Conference in Panama; a delegate from an NGO attended a regional energy conference in Jordan; private sector, public sector, and NGO delegates went to the World Tourism Organization conference in Jordan; and delegates from the private sector and Red Sea monasteries went to Jordan to study monastery museum techniques. Initial planning for a regional Madaba Map conference held in Cairo was attended by Egyptian, Palestinian, Israeli, and Jordanian officials and chaired by the Secretary General of Egypt's Supreme Council of Antiquities. The Amman-related event will occur in April 1997, the Cairo event in September 1997, and an exhibition will open at the Israel Museum in early 1998.

## **2. Expected Progress Through FY 1999 and Management Actions:**

The Mission will undertake a sector assessment in mid-FY 1997 to determine potential new activities and whether, before the two-year special objective ends, to propose a new strategic objective. An issue to be considered is whether sustainable tourism should be a separate strategic objective or incorporated into a broader strategic objective focused on the environment. Continuing investments in sustainable tourism will, however, remain linked to the environment rather than economic growth. Although tourism is the number two foreign exchange earner for the Egyptian economy, the Mission's emphasis in supporting tourism will be on protecting the environment. Analyses and plans will be forwarded to Washington during 1997 for review and approval in accordance with Management Contract guidelines.

Biological monitoring: A joint biological assessment of the corals at representative dive sites in Hurghada, Safaga and Quseir was undertaken by project staff, park rangers from EEAA, and HEPCA staff using the internationally recognized methodology developed by the French World Conservation Unit, known as IUCN. This information will be updated yearly and will provide a basis for assessing changes in the health and diversity of coral resources at the Red Sea dive sites. These data will also assist in developing management plans for regulating the intensity of access to and use of key dive sites.

**PERFORMANCE DATA TABLE**

<b>EGYPT</b>		<b>Approved: June 1996</b>	
<b>SPECIAL OBJECTIVE D: Approaches to Sustainable Tourism Demonstrated</b>			
<b>Indicator:</b> Effective models achieved			
<b>Unit of Measure:</b> Cumulative number of cultural and natural site development plans implemented.	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
	1996(B)	0	0
<b>Source:</b> American Research Center in Egypt (ARCE), USAID	1997	6	
	1998(T)	6	
<b>Comments:</b>	1999		
	2000		
	2001		
<b>Result No. D.1: Approaches to Natural and Cultural Touristic Asset Management Created</b>			
<b>Indicator:</b> Effective models created			
<b>Unit of Measure:</b> Cumulative number of natural and cultural site development plans designed.			
	1996(B)	5	6
<b>Source:</b> ARCE, USAID	1997	6	
	1998(T)	6	
<b>Comments:</b>	1999		
	2000		
	2001		

**SpO E: Improved Human Capacity Development System Linked to Strategic Priority Areas**

**1. Performance Analysis:**

This special objective supports the seven strategic objectives and four special objectives through the Development Training II Project (DT2). Progress in 1996 under the training component was minimal due to the absence of a technical assistance contractor. The contract was awarded on January 7, 1997 to the Institute of International Education. The contractor's team is mobilizing and will soon begin work with the strategic and special objective teams on partner institutional organizational diagnostics and training needs assessments. Under the English Language Testing and Training component, the Mission is nearing the award of a contract this month.

**2. Expected Progress Through FY 1999 and Management Actions:**

With two contracts in place, progress is expected to move ahead without further delay.

Washington expressed reservations about the appropriateness of having SpO E continue as a special objective, a point that the Mission had hoped to address fully in this results report. Unfortunately, without the technical assistance contractor on board, the analysis needed to articulate the value-added of this SpO is not yet available. Having DT2 as a separate special objective recognizes the critical importance of a unified, quality approach to training needs assessments/training plans for all segments of the Mission's strategy. The Mission proposes an extension of the SpO for one year to allow time for the needed inputs of the technical assistance contractor to be taken into account.

**PERFORMANCE DATA TABLE**

<b>EGYPT</b>		<b>Approved: June 1996</b>	
<b>SPECIAL OBJECTIVE E: Improved Human Capacity Development System Linked to Strategic Priority Areas</b>			
<b>Indicator:</b> Strategically linked training plans developed			
<b>Unit of Measure:</b> Number of training plans approved	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
	1997(B)	TBD	
<b>Source:</b> USAID	1998	TBD	
<b>Comments:</b>	1999	TBD	
	2000	TBD	
	2001(T)	TBD	
<b>Indicator:</b> Positive feedback on relevance and delivery of training interventions			
<b>Unit of Measure:</b> % of partner institutions providing feedback.			
	1998(B)	TBD	
<b>Source:</b> USAID	1999	TBD	
<b>Comments:</b>	2000	TBD	
	2001 (T)	TBD	

### **PART III: STATUS OF THE MANAGEMENT CONTRACT**

The Mission proposes the following changes to the Management Contract:

1. SO-1: Accelerated Private Sector-Led, Export-Oriented Economic Growth: Extend the strategy period for SO-1 to FY 2004 to accommodate two new activities under the Partnership for Economic Reform results package: Data Access and Dissemination Standards and Corporate Tax.
2. SO-5: Sustainable Improvements in the Health of Women and Children: Shift IR Result 5.1, Increased Knowledge and Improved Behavior in Households, under last year's framework to a lower level result, IR 5.1.4, under the new IR 5.1 (vice IR 5.2), Improve Quality and Increase Utilization of Maternal, Perinatal and Child Health Services.
3. SpO D: Approaches to Sustainable Tourism Demonstrated: Defer the decision on whether to convert this special objective to a strategic objective until a sector assessment is completed later in FY 1997.
5. SpO E: Improved Human Capacity Development System Linked to Strategic Priorities: Defer the decision on whether to continue this special objective until a full assessment of training needs is completed later in FY 1997 when the technical assistance contractor will have been able to contribute to the exercise.

## Acronyms

ADS:	Agriculture Development Services
ANE:	Asia Near East Bureau
ARENTO:	Arab Republic of Egypt National Telecommunication Organization
AWACS:	Agency Wide Accounting & Control System
CAIP:	Cairo Air Improvement Project
CCO:	Cairo Curative Organization
CFR:	Code of Federal Regulations
CIDA:	Canadian International Development Agency
CIMMYT:	Centro Internacional de Mejoramiento de Maiz Y Trigo
CIP:	Commodity Import Program
CN:	Congressional Notification
CNG:	Compress Natural Gas
CO:	Carbon dioxide
CSI:	Community Services Improvement
CSO:	Civil Society Organization
CSO:	Civil Society Organization
CSP:	Customer Service Plan
DANIDA:	Danish International Development Agency
DHS:	Demographic & Health Survey
DT2:	Development Training II
EC:	European Community
EDHS:	Egyptian Demographic & Health Survey
EEA:	Egyptian Electricity Authority
ERSAP:	Economic Reform & Structural Adjustment Program
EU:	European Union
FSN:	Foreign Service National
FY:	Fiscal Year
G/PHN :	Global Bureau/Population, Health and Nutrition
GALAE:	General Authority for Literacy & Adult Education
GDP:	Gross Domestic Product
GOE:	Government Of Egypt
GTZ:	German Development Assistance
HB:	HandBook
HDI:	Human Development Index
HIO:	Health Insurance Organization
HIV:	Human Immuno-Deficiency Virus
IBRD:	International Bank for Reconstruction & Development (World Bank)
ICARDA:	International Center for Agriculture Research in the Dry Areas
IEC:	Information, Education Communication
IFPRI:	International Food Policy Research Institute
IMF:	International Monetary Fund
IR.:	Intermediate Result
IRRI:	International Rice Research Institute
JICA:	Japanese International Cooperation Agency

LE: Egyptian Pounds (Egyptian Currency)  
MB: Muslim Brotherhood  
MHPU: Ministry of Housing & Public Utilities  
MMR: Maternal Mortality Ratio  
MOE: Ministry of Education  
MOHP: Ministry of Health & Population  
MWRA: Married Women of Reproductive Age  
NCJS: National Center for Judicial Studies  
NDP: National Democratic Party  
NGO: Non-Governmental Organization  
NMS: New Management System  
NOPWASD: National Organization for Potable Water & Sanitary Drainage  
NOx: Nitrogen Oxide  
O&M: Operations & Maintenance  
ODA: Official Development Assistance  
OE: Operating Expenses  
OECD: Organization for Economic Cooperation & Development  
OECP: Ministry of Petroleum's Organization for Energy  
Conservation & Planning  
OFE: Orientation, Follow-up & Evaluations  
OPS: Operations  
OTG: Operations Training Groups  
PA: People's Assembly  
PVO: Private Voluntary Organization  
R4: Results Review & Resource Requests  
RP: Results Package  
SA: Shura Assembly  
SDF: Social Development Fund  
SME: Small & Micro Enterprise  
SO: Strategic Objective  
SOE: State Owned Enterprise  
SOx: Sodium Oxide  
SpO: Special Objective  
STI: Sexually Transmitted Infections  
TFR: Total Fertility Rate  
THO: Teaching Hospital Organization  
UNDP: United Nations Development Program  
UNFPA: United Nations Family Planning Agency  
USIS: United States Information System  
W/W: Water & Wastewater  
WID: Women In Development

TABLE 1

**Egypt: Selected Economic Indicators, 1985-96**

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
<b>NATIONAL INCOME</b>												
Per Capita GNP	670	680	690	660	640	640	610	640	660	670	690	
Real GDP Growth Rate (% change)	6.4	2.8	2.5	3.9	3.0	2.4	2.1	0.3	0.5	2.9	3.2	4.2
<b>INVESTMENT &amp; SAVINGS</b>												
Gross Investment/GDP (%)	27	24	18	24	23	21.9	20.4	18	17	17.5	16.9	17.0
Gross National Savings/GDP (%)	15.3	13.0	7.3		19.8	16.2	20.1	25.6	17.5	16.3	15	17.2
Gross Domestic Savings/GDP (%)	14.6	13.8	8.4	8.0	10.5	6.8	10.1	10.9	5.4	4.0	5.0	11.6
<b>PRICES, EMPLOYMENT</b>												
Consumer Price Index (period avg.)	12.3	16.9	25.2	14.2	21.2	21.2	14.7	21.1	12	8	10.5	9.3
Unemployment Rate (%)					7.0	7.6	8.4	9.2	10.1	9.8	9.6	9.4
<b>EXCHANGE RATE (Egyptian Pounds/U.S.\$)</b>												
Market Rate (end of period average)	0.7	0.7	0.7	0.7	1.94	2.76	3.34	3.32	3.35	3.38	3.39	3.39
<b>MONEY</b>												
Money Supply (M-2) Growth (%)				29.6	17.4	19.7	27.5	14.3	16.5	12.4	11	10.5
<b>BALANCE of PAYMENTS (b. U.S.\$)</b>												
Current Account Balance (excl. offic. transfers)	-3.5	-4.0	-1.9	-2.6	-3.5	-3.7	-3.2	2.3	0.3	-0.6	0.7	-0.8
as % of GDP	-14.8	-19.6	-8.7	-9.5	-10.8	-11.4	-9.3	6.5	0.7	-1.4	-	-
Exports f.o.b.	3.9	3.2	2.6	3.1	2.8	3.2	3.9	3.6	3.4	3.3	5	4.6
Imports c.i.f. (1)	-10.5	-9.5	-7.9	-9.9	-10.4	-11.4	-11.4	-10.1	-10.7	-10.6	-11.9	-13.7
Overall Balance	-0.9	-0.8	-1.9	-1.5	-1.9	-1.2	2	5.9	4.0	1.7	0.8	0.6
<b>DEBT</b>												
Gross External Debt (b. U.S.)	35.0	35.6	37.6	40.0	43.0	46.1	35.5	31.1	31.0	30.9	33.0	31.1
International Reserve			1.4	1.3	1.5	2.7	5.3	10.8	16.0	17.0	18.0	19
<b>Public Sector (% of GDP)</b>												
Overall Deficit (Excluding Grants)	-22.0	-22.8	-17.6	-17.1	-15.0	-15.8	-17.2	-5.0	-3.5	-2.1	-1.3	-1.3

**Sources:**

The International Monetary Fund (IMF) {Article IV Consultation and Recent Economic Developments} 1995 and and 1996

World Bank (Country Economic Memorandum and Claiming the Future) 1995

The Central Bank of Egypt's Annual Report 1995/96

(1) According to the Central Bank data, imports in 1995 amounted to \$12.8 billion.

Mervat Fikry, EAP

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Feb. 27, 1997

## Annex D

# USAID/EGYPT Mission Policy Reform Agenda

**Goal: Broad-based Sustainable Development with Increased Employment and Improved Quality of Life.**

## **SUBGOAL 1: ACCELERATED ECONOMIC GROWTH**

### **SO 1: ACCELERATED PRIVATE SECTOR-LED, EXPORT-ORIENTED ECONOMIC GROWTH**

#### **Increased Private Sector Exports**

**Liberalize trade to promote Egyptian exports, create jobs and dynamic efficiency:**

- create a tariff structure that is conducive to efficient investment and growth.
- reduce burden of complicated customs regulations and procedures.
- reduce controls and administrative cost to exporters.
- reduce non-tariff barriers and controls to importers.
- de-monopolize shipping agencies, port and airport services.

**Expand export and linkages to international markets.**

- expand exports produced by Egypt's private sector.

#### **Increased Productivity of Private Enterprise**

**Encourage savings and efficient channeling of financial resources to the private sector:**

- increase competition in the financial markets.
- improve the overall prudent management of monetary policy and the banking system.
- ensure financial system solvency while facilitating privatization.
- develop capital markets to facilitate productive private investment.

**Strengthen private market institutions.**

- encourage private industry representational, service, and developmental organizations.
- encourage technology, quality assurances, productivity and trade development organizations.
- enhance participation of small and micro enterprises in the formal economy.

### **Strengthen financial market institutions**

- develop Capital Markets Authority.
- establish viable credit delivery systems for small and micro-enterprises.
- develop private market instruments and institutions.

### **Liberalize prices, markets and trade.**

- complete liberalization of prices and marketing system for cotton, rice, and fertilizer.
- complete the removal of restrictions on cropping patterns.
- remove trade barriers on imports, particularly for agricultural commodities, e.g., red meat, frozen chicken, trucks, and tractors.
- establish public and encourage private market information systems.
- establish a system for regulating non-competitive behavior in production and marketing.

### **Expand private investment.**

- liberalize and privatize cotton spinning companies, fertilizer companies, rice mills, flour mills, seed processing plants, and feed mills.
- continue phasing out PBDAC (Principle Bank for Development and Agricultural Credit) distribution of fertilizer and other agricultural inputs.
- restructure PBDAC into a commercially viable bank..
- create a legal framework for independent, commercial cooperatives.
- sell MOA's land to the private sector.

### **Encourage the Egyptian Electricity Authority's transformation into an autonomous, commercially self-sufficient, and efficient utility:**

- place EEA's financial operations on a commercial basis and achieve financial viability.
- strengthen accounting systems and procedures to produce accurate and timely information for financial tracking and planning.
- modify EEA's charter to permit it to operate on a commercial and autonomous basis.
- establish an independent utility regulatory framework for electric utilities.
- develop EEA's business plan which establishes the Authority's overall goals, lays out annual objectives for operation and performance, and specifies needed actions.
- develop human resources and allocate them to support efficient operations.

### **Accelerate and enhance the evolution of ARENTO into a more autonomous and efficient telecommunications utility:**

- develop an acceptable National Telecommunications Policy.
- separate regulator and regulatee functions.
- enhance ARENTO's autonomy
- establish a strategic plan for ARENTO which identifies key financial, organizational, employment management, service, and technical goal/objectives.
- reform personnel policies and strengthen key departments in ARENTO relating to marketing/customer services, financial management, planning, and human resources

- develop a rolling 5 year business plan consistent with the National Telecommunications Policy and the Strategic Plan.
- improve system expansion planning to achieve maximum efficiency in operations.
- computerize ARENTO planning, operation, accounting and customer service.
- strengthen ARENTO's financial performance, including clarifying financial liabilities.

## **Accelerated Privatization and Improved GOE Support of Competitive Markets**

### **Promote a competitive private market economy:**

- decrease the size of the state owned enterprise sector by divesting/liquidating existing public enterprises.
- facilitate the investment and operations of profit and non-profit enterprises.
- improve the cost effectiveness of government investment incentives.
- introduce private sector competition in cotton and textile markets.
- improve legal and regulatory environment to enhance efficiency and contestability.
- reduce subsidies to state enterprises.

### **Support privatization:**

- encourage the transfer of State owned enterprises and properties to private ownership and control.
- encourage private provision of public service.

### **Ensure a stable fiscal setting which encourages private sector led growth and broad based opportunities:**

- minimize the fiscal deficit, if not run a surplus.
- improve the efficiency, elasticity and business-friendliness of the tax system.
- reallocate government budget toward more efficient investment and more equitable social expenditures.
- recover costs in public utilities and services.

### **Strengthen and improve the availability, timeliness and accuracy of economic data:**

- improve national income accounts.
- improve the household income, consumption and expenditure survey.
- encourage the dissemination of information on economic reform experiences of other countries.

### **Increase private participation in economic decision making.**

- encourage private sector efforts at globalization of the Egyptian economy
- encourage private sector participation in the policy dialogue process.

**Increase the efficiency of public investment and improve the sustainability of agriculture.**

- revise master plans for land and water
- improve marketing, on-farm irrigation technology, and credit system.
- improve the efficiency of allocation of irrigation water.
- address the problems of water quality, soil waterlogging and salinity.
- encourage private sector participation and improvements in research, development and extension
- remove unnecessary restrictions to free trade in agricultural products, raw materials and inputs; e.g., phytosanitary controls on imports.

**Maintain national food security.**

- establish a safety net program for the poorest urban and rural households.
- develop a national farm tax policy.
- develop a plan for targeting food assistance and moderating price and income variation under the liberalized market regime.

**SO 2: Increased Participation of Girls in Basic Education**

**Promote basic education and literacy, improve the quality and relevance of the educational system, reform teaching practices, change attitudes towards female education and increase girl's participation, enrollment, persistence and completion.**

- reallocate budget expenditures towards primary education.
- reform the personnel incentive system for the public schools.
- develop the application of research and data to analysis, planning, and policy formulation.

**SUBGOAL 2: IMPROVED THE ENVIRONMENT FOR THE GROWTH OF DEMOCRACY**

**SO 3: Increased Citizen Participation in Public Decision Making**

- reduce organizational, systematic and regulatory barriers and constraints to strengthened popular participation.
- introduce elements of decentralization which promote local participation and empowerment in local decisions.

**SpO C: Improved Civil Legal System**

- increase incentives in the judicial sector to maintain the integrity and efficiency of members.

## **SUBGOAL 3: REDUCED POPULATION GROWTH AND IMPROVED HEALTH**

### **SO 4: Reduced Fertility**

#### **Increase the level and effectiveness of the use of modern contraceptive methods among married couples**

- reduce legal and regulatory barriers to contraceptive use.
- remove subsidies on contraceptive commodities in the private sector and encourage differential pricing in the public and private sectors.
- remove duties and other import restrictions on imported contraceptives and medical devices.
- support the introduction and expansion of long-term clinical methods.
- increase emphasis on family planning in the regular curricula in medical and nursing schools.
- institute formal pre-service training and continuing education programs for service providers in both the public and private sectors.
- support the transition to performance-based payment systems of those projects which generate revenue.
- promote fully integrated reproductive health care with joint family planning and other maternal health services.

### **SO 5: Improved Maternal and Child Health**

#### **Assure the sustainability of key maternal and child health and family planning programs and investments. Areas for health sector policy reforms include:**

- Rationalize the role of the Ministry of Health and Population (MOHP) in providing and financing curative care.
- Strengthen the role of the MOHP in the provision of and increased share of financing Preventive Medicine and Primary Health Care.
- Reform the MOHP Personnel Policy.
- Develop the MOHP role in regulation and accreditation, and its capacity for national health strategic planning, policy analysis and management.
- Ensure the viability of the Health Insurance Organization.
- Expand social health insurance coverage coupled with adequate administrative and financing mechanisms Achieve greater efficiency, effectiveness and equity in the provision and financing of quality health care, especially in the area of maternal and child health, and of family planning.

## **SUBGOAL 4: ENVIRONMENT MANAGED FOR LONG-TERM SUSTAINABILITY**

### **SO 6: Increased Access to and Sustainability of Water and Wastewater Services**

**Transform water and wastewater utilities into an autonomous, financially viable, and efficient organizations.**

- establish a regulatory/legal framework which allows the utility to operate on a commercial basis modify legal environment to permit utilities to operate autonomously on a commercial basis and the actual implementation of technical improvements.
- reform tariffs to promote financial viability and to achieve economic pricing.
- strengthen accounting systems and procedures to produce accurate and timely information for financial tracking and planning.
- develop human resources and allocate them to support efficient operations.

### **SO 7: Reduced Generation of Air Pollution**

**Reduce emissions of lead and particulate pollution to the environment**

- follow up on initial regulations and upgrade as appropriate
- encourage appropriate industrial safety standards
- certify industrial operations of major energy using equipment

**Encourage environmental regulations based on consideration of economic costs and benefits.**

**Encourage industrial and commercial self-regulation to reduce pollution and environmental degradation.**

**Encourage efficient energy use**

- adopt energy efficiency standards
- incorporate into the designs of new industrial facilities appropriate energy consumption standards.

### **SpO D: Approaches to Sustainable Tourism Demonstrated**

- adopt a time-phased, detailed strategy, policies, and enforcement measures to create an enabling environment for sustainable tourism development in the Red Sea Coast and Islands region, addressing such issues as public access to beaches, land use management, site development standards, an integrated approach to marine pollution control, a sub-regional approach to solid waste management, and locational and construction standards for marine structures.



OBJECTIVES	POLICY MEASURES	
	First Year	Second Year
<p>C. Activate the capital market to promote productive private investment.</p> <p>D. Ensure a stable fiscal setting.</p> <p><b>II. <u>TRADE LIBERALIZATION:</u></b></p> <p><i>SUBGOAL:</i> <i>Liberalize trade in order to promote Egyptian exports, create jobs, and encourage dynamic efficiency.</i></p> <p>A. Create a tariff structure that is conducive to efficient investment and export growth.</p>	<p>C.1. The Capital Market Authority (CMA) will enforce the adherence to international principles of accounting, auditing practices and disclosure for listed firms at the CMA.</p> <p>C.2. Based on the 1993/94 financial instruments study, the GOE shall review its capital market law and regulations, and abolish legislative and regulatory constraints to: a) the active trading of securities in the stock exchange, b) the introduction of new financial instruments and c) freedom of brokers to set commissions.</p> <p>A.1 The maximum tariff rate shall be reduced to at most 60%, with tariff brackets between 60% and 30% reduced by 10 percentage points; no more than 2% will be imposed on imports as a service charge or other fee.</p>	<p>C.1. The GOE will ensure that the Accounting Review Board (ARB) is operative and has published a set of standardized and unified accounting and auditing principles and begun enforcement.</p> <p>C.2. The GOE will issue a decree which establishes an investor protection fund.</p> <p>D.1. The GOE will expand the coverage of the general sales tax to the retail level with crediting of taxes on inputs.</p> <p>D.2. The GOE will improve the global personal income tax by broadening its base, limiting special deductions, and strengthening compliance incentives by improving the system of penalties, delay fines, and auditing.</p> <p>A.1. The maximum tariff rate shall be reduced to at most 50%, with tariff bracket between 50% and 30% reduced by 10 percentage points. All service charges will be eliminated. The GOE will not impose any additional duties or charges.</p>

OBJECTIVES	POLICY MEASURES	
	First Year	Second Year
B. Reduce burden of complicated customs regulations and procedures for exporters.	<p>B.1. The GOE will review, reduce, and publish a complete short list of regulations and procedures to be followed by exporters and importers. In the case of exports:</p> <ul style="list-style-type: none"> <li>* Stamp taxes will be eliminated and fees not based on cost of services will be appropriately reduced;</li> <li>* Inspections (except those required for security) will be optional at the request of the exporter.</li> <li>* Customs will provide services 24 hours per day in major ports.</li> </ul> <p>B.2. The GOE will establish and make operational "one stop shops" in major ports where remaining approvals needed for export activities can be processed.</p>	<p>B.1. The GOE will eliminate licensing requirements for exports, and will not impose any new fees, approvals, or required inspections for exports.</p> <p>B.2. The "one stop shops" for both exports and imports will be effectively and efficiently operating. Documentation requirements will only be for statistical purposes.</p>
C. Reduce administrative cost to exporters.	<p>C. The GOE will only require exporters using Temporary Admission System (TAS) to present a written pledge of the establishments assets (or cash credit, bank guarantee, or insurance certificate) for duties and taxes in case of failure to export. Sanctions for not honoring the pledge will be fines for technical violations and loss of TAS rights in case of major abuse.</p>	<p>C. The GOE will develop and implement a "fixed drawback" system and a system for tax rebates to indirect exporters.</p>
D. Reduce non-tariff barriers to imports.	<p>D.2. The GOE will establish a commission made up of government officials, private business representatives and qualified scientists to conduct a comprehensive review of health, safety, and quality standards, procedures and applications to assure that only essential health, safety, and quality requirements are being applied.</p>	<p>D. The GOE will implement results of the review to eliminate all but essential health, quality, and safety requirements and to assure appropriate application.</p>

OBJECTIVES	POLICY MEASURES	
	First Year	Second Year
<p>E. De-monopolize shipping agencies and port services.</p> <p><b><u>III. TRANSITION TO MARKET ECONOMY:</u></b></p> <p><i>SUBGOAL:</i> <i>Promote a competitive private market economy.</i></p> <p>A. Decrease the size of the state owned enterprise sector by divesting/liquidating existing public enterprises.</p> <p>B. Facilitate the investment and operations of for profit and non-profit enterprises.</p>	<p>E. The GOE will sponsor a study to determine the actions necessary to ensure greater competition in maritime transportation, including service activities.</p> <p>A. The GOE will transfer majority ownership and control to the private sector or liquidate at least 15 public enterprises whose total 1991 book value exceeds LE 2.7 billion.</p> <p>B.1. The GOE will submit draft legislation to the People's Assembly which will consolidate Laws 159, 230, and 203 and other legislation into a unified business regime which separates listing from incorporation, ends non economic distinctions, encourages foreign investment, simplifies the registration process, and specifies how existing companies will relate to the new regime.</p>	<p>E. The GOE will adopt and begin implementation of an action plan to break up monopolies in maritime transportation, including service activities</p> <p>A. The GOE will transfer majority ownership and control to the private sector or liquidate an additional 30 public enterprises whose total 1991 book value of the value exceeds LE 5.4 billion.</p> <p>B.1. The GOE will implement the new unified business regime.</p> <p>B.2. The GOE will present to the parliament the legislation needed to eliminate requirements that firms be members of associations, chambers, federations or similar organizations and register with the Lawyer's Syndicate; eliminate investment licensing at the governorate level; and, simplify and limit local level establishment and operation (E&amp;O) licensing.</p>

OBJECTIVES	POLICY MEASURES	
	First Year	Second Year
C. Improve the cost-effectiveness of investment incentives.	B.3. In light of the Uruguay Round agreements within the frame work of the GATT of 1994, the GOE will adopt a time phased action plan to implement selected recommendations of the study on streamlining and modernizing the structure and procedures of intellectual property rights protection.	B.3. The GOE will implement its action plan on intellectual property rights protection.
D. Introduce private sector competition in cotton and textile markets.	D. The GOE will adopt and implement its plan for the liberalization/privatization of the textile sector.	C. The GOE will make its investment incentives more cost effective.  D. The GOE will continue implementation of its plan for the liberalization/privatization of the textile sector.

OBJECTIVES	POLICY MEASURES	
	First Year	Second Year
<p><b><u>IV. PROTECTION OF THE ENVIRONMENT:</u></b></p> <p><i>SUBGOAL:</i> <i>Enhance protection of Egypt's environment.</i></p> <p>A. Encourage environmental regulations, based on considerations of economic costs and benefits.</p> <p>B. Reduce emissions of lead to the environment.</p>	<p>A.1. The GOE will issue executive regulations for the air pollution sections (particularly those related to vehicle emissions) of Law 4/1994 which are practical, realistic, and have a positive environmental impact without unduly burdening the economy.</p> <p>B.1. The GOE will prepare a Lead Pollution Reduction Action Plan for smelters.</p>	<p>A.1. The GOE will have systems in place to enforce the decrees/regulations related to vehicle emissions.</p> <p>B.1. The GOE shall adopt a comprehensive lead pollution reduction plan covering the major sources of lead emissions based on analysis of the different lead emissions in the environment and their relative contributions to blood lead levels, as well as the costs of alternative remedial measures and begin implementation of that plan.</p>

## SECTOR POLICY REFORM (SPR) III PROGRAM

**SPR III Goal: To accelerate private sector led, export-oriented economic growth which contributes to broad based sustainable development with improved quality of life and increased employment.**

OBJECTIVES	POLICY MEASURES	
	First Year	Second Year
<p><b><u>I. INCREASE PRIVATE SECTOR EXPORTS</u></b></p> <p>A. Rationalize the tariff structure to encourage an internationally competitive economy.</p> <p>B. Streamline procedures/eliminate barriers to facilitate international trade.</p>	<p>A. The GOE shall take actions to lower and level effective rates of protection across subsectors of the economy.</p> <p>B.2. The GOE shall remove legal/regulatory restrictions on the entry and operation of foreign owned trading companies and import and export service companies, taking into consideration Egypt's obligations under the General Agreement of Trade in services.</p> <p>B.3. The GOE shall adopt and begin implementation of a plan to streamline the administration of customs services.</p>	<p>A. The GOE shall continue to lower and level effective rates of protection, including reducing the maximum tariff rate to at most 40%, with tariff rates previously between 50% and 30% reduced by 10 percentage points or to 30%.</p> <p>B.1. The GOE shall implement the key components of its quality control reform plan to assure that only essential health, safety, and quality requirements are being applied.</p> <p>B.3. The GOE shall implement the key elements of its plan to streamline the administration of customs services.</p>

OBJECTIVES	POLICY MEASURES	
	First Year	Second Year
<p><b><u>I. INCREASE PRIVATE SECTOR EXPORTS (Cont'd)</u></b></p> <p>C. Improve the efficiency of the transportation system, and hence increase export competitiveness.</p>	<p>C.1. The GOE shall begin to take actions to reduce the costs of Egyptian air freight by, for example, ending Egypt Air's route monopoly, eliminating barriers to private entry into air cargo, or permitting chartered aircraft to transport Egyptian goods without paying fees to Egypt Air.</p>	<p>C.1. The GOE shall continue its actions to reduce the cost of Egyptian air freight.</p> <p>C.2 The GOE shall continue the actions required to break up monopolies and ensure greater competition in maritime transportation, including service activities.</p>
<p><b><u>II. INCREASE PRODUCTIVITY OF PRIVATE ENTERPRISE</u></b></p> <p>A. Increase competition in the financial sector to lower costs and improve services.</p>	<p>A.1. The GOE will evaluate for transfer to the private sector at least one major public sector bank.</p> <p>A.2. The GOE shall reduce its share in at least one state insurance company to achieve private sector majority ownership.</p>	<p>A.1. The GOE will transfer majority ownership of at least one public sector bank to the private sector.</p> <p>A.2. The GOE shall remove restrictions on foreign majority ownership of direct insurance companies.</p> <p>A.3. The GOE shall review and modernize elements of the commercial and civil codes, at a minimum to provide a modern system for securitizing property.</p>

OBJECTIVES	POLICY MEASURES	
	First Year	Second Year
<p><b><u>II. INCREASE PRODUCTIVITY OF PRIVATE ENTERPRISE (Cont'd)</u></b></p> <p>B. Improve financial sector regulation to improve investor confidence.</p> <p>C. Enhance the role of the private sector in the provision of financial services.</p>	<p>B. The GOE shall issue prudential standards for at least three areas of securities financial services such as brokerage, portfolio management, and bookkeepers as transfer agents or endorse relevant industry developed and managed standards for these areas.</p> <p>C. Based on a comprehensive review of the structure, operations, solvency, and investments of the social insurance system, the GOE shall adopt and begin implementation of a time phased action plan aimed at channeling more funds to the private sector, improving actuarial soundness, and attaining better returns on capital.**</p>	<p>B. The GOE shall issue prudential standards for at least four other areas of securities financial services, or endorse relevant industry developed and managed standards for these additional areas.</p> <p>C. The GOE shall continue to implement its plan to reform the social insurance system. **</p>
<p><b><u>III. ENHANCE COMPETITIVE MARKETS</u></b></p> <p>A. Decrease the size of the state owned enterprise sector to encourage growth of the private sector.</p>	<p>A.2. The GOE shall ensure that uses of sales proceeds from privatization are limited, with only minor exceptions, to: debt retirement/financial restructuring of public enterprises to be privatized; employee compensation relating to downsizing/liquidation; costs of selling public enterprises; and reduction of domestic public debt.</p>	<p>A.1. The GOE shall liquidate or transfer majority ownership and control to the private sector at least 25 public enterprises whose total 1991 book value exceeds LE 4.5 billion.</p> <p>A.2. The GOE shall continue to ensure that uses of privatization proceeds are limited, with only minor exceptions, to: debt retirement/financial restructuring of public enterprises to be privatized; employee compensation relating to downsizing/liquidation; costs of selling public enterprises; and reduction of domestic public debt.</p>

OBJECTIVES	POLICY MEASURES	
	First Year	Second Year
<p><b>III. ENHANCE COMPETITIVE MARKETS (Cont'd)</b></p> <p>B. Facilitate the establishment and operations of efficient for-profit and non-profit enterprises</p> <p>C. Improve the: 1) coverage, periodicity, and timeliness; 2) access by the public; 3) integrity; and 4) quality of economic data for decision making</p>	<p>B.1. The GOE shall unify or formally coordinate the functions of the Patent, Trademark, and Industrial Design Offices, and take the steps necessary to ensure the retention of revenues for financing improvements.**</p> <p>B.2. The GOE shall revise Law 32 of 1964 and executive regulations to allow greater freedom to organizations under its domain.</p> <p>B.3. The GOE shall initiate streamlining and modernizing the commercial register to allow enterprises to easily and quickly register and obtain extracts under multiple indexes from throughout the country.</p> <p>C.1. The GOE shall expedite the conduct of surveys, especially for market research firms and universities, and shall conduct a review of laws, regulations and practices governing the mission of CAPMAS, refine the vision for CAPMAS, and submit legislation to the People's Assembly that would call for liberalized practices governing the collection and dissemination of data, including the release of census and survey raw data, stripped of identifiers.**</p>	<p>B.1. The GOE shall adopt a new patent law which provides for both product and process patent protection for all types of technology, and increases the terms of protection to 20 years.**</p> <p>B.3. The GOE shall have streamlined and modernized the commercial register to allow enterprises to easily and quickly register and obtain extracts under multiple indexes from throughout the country.</p> <p>C. 1. The GOE shall continue to expedite the conduct of surveys and shall implement the changes in law by issuing appropriate regulations and notifying potential users of data.**</p>

OBJECTIVES	POLICY MEASURES	
	First Year	Second Year
<p><b>III. ENHANCE COMPETITIVE MARKETS (Cont'd)</b></p> <p>D. Ensure a stable fiscal setting for private sector growth</p> <p>E. Reform the tax system to promote private sector growth</p> <p>F. Rationalize budgeting to enhance sustainability, efficiency and growth</p>	<p>C.2. The GOE shall adopt a time phased plan to comply with the special IMF data dissemination standards and shall begin to release to the public on a timely and regular basis available key economic data according to an announced schedule.**</p> <p>D. The GOE shall limit the overall preliminary actual budget deficit for FY 1996/97 to LE 3.5 billion.</p> <p>E. The GOE shall submit to the People's Assembly proposed reforms of the corporate income tax, such as: replacing the additions/ discounts system with a system of estimated payments; rationalizing the tax treatment of specific reserves/provisions; strengthening compliance incentives; lowering marginal tax rates; establishing an independent appeal committee; improving the treatment of depreciation; and developing more selective and focused audit procedures.</p> <p>F. The GOE shall adopt a time phased plan to reform and make more transparent financial flows between the government and both public service authorities, and quasi-government organizations (such as Egyptian Electricity Authority (EEA) and the Health Insurance Organization).</p>	<p>C.2. The GOE shall largely comply with the special IMF data dissemination standards.**</p> <p>D. The GOE shall limit the overall preliminary actual budget deficit for FY 1997/98 to LE 3.8 billion.</p> <p>E. The GOE shall implement key components of these corporate income tax reforms.</p> <p>F. The GOE shall implement the first year of its plan to reform fiscal flows.</p>

OBJECTIVES	POLICY MEASURES	
	First Year	Second Year
<p><b><u>IV: ENHANCE PROTECTION OF EGYPT'S ENVIRONMENT</u></b></p> <p>A. Encourage transparent, sound environmental regulations, based on considerations of economic costs and benefits, and applicable equally to the public and private sectors.</p>	<p>A.1. For stationary sources of air emissions, the GOE shall specify the methods, roles and responsibilities for testing and enforcing compliance with air emission regulations.</p> <p>A.2. The GOE shall carry out a well publicized program to notify major stationary sources of air pollutants, especially particulate, both public and private, of the requirement to reduce emissions, based on an adopted reduction strategy that includes consideration of the economic benefits and costs of reductions.</p> <p>A.4. The GOE shall finalize for ministerial signature adjusted executive regulations for Law 4 of 1994 that require lower emission standards for new vehicles, based on the use of modern technologies such as catalytic convertors and evaporative control systems, applying equally to imported vehicles and to those assembled in Egypt, and resulting from consultations with the petroleum industry, the auto industry and other interested parties. (Taking into account that the Executive Regulations should set standards not technologies.)</p>	<p>A.1. The GOE shall enforce Law 4 for 1994 and its executive regulations, equally for the public and private sectors, in order to reduce emissions of particulate and other air pollutants from stationary sources.</p> <p>A.3. The GOE shall implement systems for enforcing the decrees/regulations of Law 4 of 1994 related to vehicle emissions, applicable equally to the public and private sectors.</p> <p>A.4. The GOE shall issue these regulations with a timetable for enforcement that applies equally to the public and private sectors. (Taking into account that the Executive Regulations should set standards not technologies.)</p>

OBJECTIVES	POLICY MEASURES	
	First Year	Second Year
<p><b><u>IV: ENHANCE PROTECTION OF EGYPT'S ENVIRONMENT (Cont'd)</u></b></p> <p>B. Through market-based pricing policies, encourage efficient fuel selection, promote energy conservation and reduce air emissions.</p> <p>C. Reduce exposure to lead in the environment</p> <p>D. Encourage sustainable tourism development while protecting the ecological environment.</p>	<p>B. The GOE shall continue its plan for phasing out leaded gasoline and reducing consumption of high polluting fuels by expanding refining capabilities for unleaded gasoline and reducing the differential for other petroleum products between local and international prices.</p> <p>C. The GOE shall implement its action plan to reduce lead emissions from lead smelters, both public and private, including clear commitments on acceptable locations and lead emission standards consistent with Law 4 of 1994.</p> <p>D. The GOE shall adopt a time-phased, detailed strategy, policies, and enforcement measures to create an enabling environment for sustainable tourism development in the Red Sea Coast and Islands region, addressing such issues as public access to beaches, land use management, site development standards, an integrated approach to marine pollution control, a sub-regional approach to solid waste management, and locational and construction standards for marine structures.</p>	<p>B. The GOE shall continue implementation of its plan.</p> <p>C. The GOE shall continue to implement its action plan to reduce lead emissions from lead smelters, both public and private, expanding the overall effort to address other public and private sources of lead based on the Lead Exposure Abatement Plan.</p> <p>D. The GOE with the participation of sub-national governments and the private sector shall implement the strategy, policies and enforcement measures, including putting in place a system to monitor compliance.</p>

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CONSTRAINTS/ PROBLEM AREAS	OBJECTIVES	BENCHMARK, BY TRANCHE			MEANS OF VERIFICATION
		FIRST	SECOND	THIRD	
<b>I. Rural Local Institutional Development:</b>	<b>SUBGOAL:</b> Continuing increase in organized popular participation in local rural development.				
A. Shrouk policy-making process needs improvement.	A. Improve the Shrouk policy-making process.	--ORDEV establishes the Shrouk Technical Assistance Secretariat (TAS).  --ORDEV defines TAS's mission.	--Staff TAS and USAID Technical Assistance team is incorporated into it; --TAS mission and annual work plan updated. --TAS working effectively	A. None.	A. First Tranche: A decree from the Chairman of ORDEV announcing the establishment, purpose, and functions of the TAS. Second Tranche: USAID (MVE) evaluation of TAS and its workplan

Annex A

CONSTRAINTS/ PROBLEM AREAS	OBJECTIVES	BENCHMARK, BY TRANCHE			MEANS OF VERIFICATION
		FIRST	SECOND	THIRD	
B. Shrouk program lacks formal transparent procedures.	B. Institutionalization and transparency in Shrouk procedures (both Committee procedures and program operations).	B. All Shrouk implementation procedures issued to date are assembled.	B. ORDEV presents Shrouk Program Guidelines to Shrouk Highest Level Policy Body for approval.	B. Shrouk Highest Level Policy Body approves and begins implementing Shrouk Program Guidelines.	B. --First Tranche: A letter from the Chairman of ORDEV listing an inventory of the implementation procedures; Photocopies of the procedures will be attached. --Second and Third Tranches: Copies of draft and approved Shrouk Program Guidelines, and evidence of initial implementation
C. Villages have insufficient local revenue bases and discretion about expenditures.	C. Increase village level control over retention and expenditure of user fees and local taxes.	C. None	C. None.	C. ORDEV approves one or more options for expanding local fiscal control, especially in rural areas, through means that do not discourage investment and are not perceived as arbitrary by, or discriminatory against rural citizens and forwards a request for action to the appropriate authority.	C. Approved options papers, and documentation of request for action.

Annex A

CONSTRAINTS/ PROBLEM AREAS	OBJECTIVES	BENCHMARK, BY TRANCHE			MEANS OF VERIFICATION
		FIRST	SECOND	THIRD	
D. Shrouk Committees lack control over Shrouk community contributions.	D. Shrouk Committees control all Shrouk community contributions.	D. GOE agrees in principle that Shrouk Committee should control the use of Shrouk community resources.	D. ORDEV finalizes procedures for assuring that the Shrouk Committee controls all LSDA Shrouk sub-account usage.	D. ORDEV agrees on an action plan to ensure that Shrouk Committees control all Shrouk resources and begins to implement it.	D. --First Tranche: A letter from the Minister of the MLA announcing that the Ministerial Committee (comprised of representatives of all major ministries) has proclaimed all Shrouk sub-accounts to be under the control of Shrouk Committees. --Second and Third Tranches: Documentation of action plan procedures; Documentation of action plan procedures implemented.

Annex A

CONSTRAINTS/ PROBLEM AREAS	OBJECTIVES	BENCHMARK, BY TRANCHE			MEANS OF VERIFICATION
		FIRST	SECOND	THIRD	
E. Formal relationships between Shrouk Committees and Popular Councils at various local and governorate levels lack definition of the roles and responsibilities of each body.	E. Define and formalize roles and responsibilities of Shrouk Committees and Popular Councils, to assure present role of the elected Popular Council is not undermined.	E. None.	E. -- The Shrouk governorate-level committees set criteria for the selection of members on the Shrouk local committees and recommend these to ORDEV and the Shrouk Highest Level Policy Body.  --ORDEV approves roles and responsibilities of Shrouk Committees and Popular Councils; ORDEV prepares an action plan for implementation of any recommendations made above.	E.-- ORDEV and other appropriate bodies Implement recommendations approved in second tranche.	E. TAS options papers and action plan; --Field study of implementation.

Annex A

CONSTRAINTS/ PROBLEM AREAS	OBJECTIVES	BENCHMARK, BY TRANCHE			MEANS OF VERIFICATION
		FIRST	SECOND	THIRD	
F. The role of women in Shrouk activities and decision-making processes is not fully maximized.	F.Ensure that women are participating productively in Shrouk activities and decision-making processes.	F. None.	F.ORDEV recommends methods to improve the participation of women in Shrouk, if necessary, presents findings, and recommends action steps.	F. Implement approved recommendations.	F.--TAS analysis report --Documentation of effective women's participation in Shrouk activities and decision-making processes. --Observational evidence in the field that implementation instructions are being followed.
<b>II. Rural Local Infrastructure Development:</b>	<b>SUBGOAL:</b> Increase the operational and environmental sustainability of local infrastructure.				
A. Responsibilities for recurring costs and preventive maintenance are not well defined nor are sufficient budgets established and available.	A. Assure that recurring costs including operation and maintenance (O&M) are available to ensure continuing operation and preventive maintenance of infrastructure projects.	A. None.	A. Shrouk plans and budgets include recurring cost estimates, funds for O&M, discuss related issues, and identify specific responsibilities for providing funds and related services.	A. Shrouk committees and other parties meet the commitments made for provision of funds, services or other issues included in their plans for recurrent costs.	A. Shrouk planning documents; --Field comparison of provisions and actual practice.

Annex A

CONSTRAINTS/ PROBLEM AREAS	OBJECTIVES	BENCHMARK, BY TRANCHE			MEANS OF VERIFICATION
		FIRST	SECOND	THIRD	
B. Environmental concerns and opportunities are not explicitly included in Shrouk process.	B. Assure that environmental concerns and opportunities are addressed in local infrastructure projects.	B. None.	B. Shrouk planning process and formats include environmental concerns and opportunities;	B. Shrouk environmental procedures are refined.	B. Shrouk planning documents and formats.
C. GOE needs strengthened mechanisms for longer-term financing of village infrastructure.	C. Develop new or improved mechanisms for financing village infrastructure.	C. None.	C. Studies recommend ways to finance village infrastructure projects, including mechanisms for raising long-term capital funds and for generating new revenues.	C. ORDEV develops an action plan and begins implementation of the plan.	C. --Scopes of work; -- Completed studies; -- Documentation of action plan. --Evidence of implementation.
D. Existing law, regulations, and practices discourage the use of private sector contractors for construction, routine engineering supervision, maintenance, and other procurement	D. Allow rural Local Units to contract with private sector firms on an equal basis with public sector entities.	D. None.	D. ORDEV recommends appropriate mechanism to alleviate public sector bias in contracting, permitting Local Units to procure services for the best quality, at the lowest price, with optimum competition.	D. ORDEV begins to implement approved recommendations.	D. TAS option papers; --Documentation of actions begun.

Annex A

CONSTRAINTS/ PROBLEM AREAS	OBJECTIVES	BENCHMARK, BY TRANCHE			MEANS OF VERIFICATION
		FIRST	SECOND	THIRD	
E. GOE annual budget processes and procedures, including quarterly advance/liquidation procedures will inhibit timely provision of funds to Shrouk projects, especially as Shrouk expands.	E. Overcome the impediments posed to smooth local level project implementation by the quarterly disbursement and review the possibility of multi-year, incremental funding for projects in which it would be useful.	E. Establish Shrouk Sub-Accounts for village Local Services and Development Accounts (LSDAs) to receive community cash contributions dedicated to Shrouk projects.	E. ORDEV identifies ways to deposit GOE central funds allocated to Shrouk, in sub-accounts or other means of achieving smooth, timely disbursements of GOE central funds to Shrouk projects.	E. Recommendations approved and appropriate decrees are issued to implement actions recommended in Tranche Two.	E.-- First Tranche: The account numbers of each established LSDA Shrouk sub-account, along with the letter submitted in I.D. --Second and Third Tranches: Options papers; documentation of relevant decrees.
<b><u>III. Human Services Development (HSD):</u></b>	<b>SUBGOAL:</b> Improve the quality of human services development (HSD) and the participation of local village dwellers in HSD decision-making and in service provision and financing.				

Annex A

CONSTRAINTS/ PROBLEM AREAS	OBJECTIVES	BENCHMARK, BY TRANCHE			MEANS OF VERIFICATION
		FIRST	SECOND	THIRD	
A&B. Local people/officials do not actively plan for the GOE services that are to be provided through Shrouk facilities and HSD activities are not fully incorporated in the Shrouk planning process.	A. Assure that quality services can be provided in Shrouk-financed facilities.	A&B. None.	A&B. ORDEV identifies, and Shrouk Highest Level Policy Body approves, a framework for actively involving Shrouk communities in the planning and oversight of their own Human Service Delivery (HSD).	A&B. Shrouk Highest Level Policy Body approves a set of procedures for the framework developed under Tranche 2 and begins implementation of an action plan.	A&B. TAS working and options papers on HSD framework and set of procedures; action plan; documentation of implementation begun.
	B. Assure that the Shrouk methodology is increasingly applied to HSD.				

Annex A

CONSTRAINTS/ PROBLEM AREAS	OBJECTIVES	BENCHMARK, BY TRANCHE			MEANS OF VERIFICATION
		FIRST	SECOND	THIRD	
<b>IV. Program Management:</b>	<b>SUBGOAL:</b> Assure Shrouk replicability and long-term sustainability.				
A. Past large-scale local development efforts became too dependant on the continuance of outside assistance to sustain them.	A. Ensure the planned replication of the Shrouk model throughout rural Egypt and the eventual potential for full financial support from Egyptian and non-donor sources.	A. GOE commitment to increasing <u>its</u> budgetary resources to Shrouk activities by at least 17% p.a. for the next ten years.	A. GOE 97/98 budget allocation of at least LE 81 million of non-donor resources to Shrouk and allocation for 96/97 is fully disbursed.	A. GOE budget commitments for Shrouk from non-donor resources continue to increase at 17% p.a. and previous allocation is fully disbursed.	A. --First Tranche: A letter from the MEIC committing the GOE to increasing the allocation to Shrouk by 17% annually. -- Second and Third Tranches: Shrouk and GOE budget and liquidation documents.

**GENDER: USAID ENGENDERS ITS RESULTS**

## USAID ENGENDERS ITS RESULTS

Agency policy guidance from the Administrator in March 1996 stated: "USAID is committed to supporting women's empowerment as a vital part of development assistance at all levels. Improving the status of women is an important goal in and of itself. In addition, women's empowerment is fundamental to sustainable development and their participation impacts each of the areas of USAID's strategic focus." USAID/Cairo has taken Agency guidance seriously in casting all of its strategic objectives and is in the process of finalizing Gender Guidelines for all of its development activities. These guidelines include important gender insights and provide useful guidelines on gender integration at the SO level. They are meant to facilitate the orientation of Mission SO teams towards the importance of gender integration in Mission programs not merely as a requirement, but as an essential tool towards customer-focused sustainable development.

A wide range of specific actions were undertaken during the R4 period to address gender concerns. The following describes activities that aim to ensure significant participation by women in designs, achievement of results and monitoring.

### SO 1: Accelerated Private Sector-led Export Oriented Economic Growth.

#### a. Agricultural Technology Utilization and Transfer (ATUT)

USAID Results Package managers, ATUT partners and customers have designed a gender baseline survey to collect quantitative and qualitative gender-focused household data to establish a frame of reference that would enable project managers and ATUT activities to assess the near and medium term impacts of ATUT resources on all customers, including small, medium, and large growers and landed and landless laborers in the areas affected by ATUT. To start, the survey will focus on one crop, table grapes, in one geographic area with the intention of expanding it to cover all primary crops in all project areas.

ATUT's gender survey will collect data from women and men on a number of socioeconomic financial and technical issues that affect the results of the RP.

The survey will be supplemented by case studies that cover gender roles in entrepreneurship, management, production,

and employment (including landless labor) in vertically integrated grape production, packaging, transportation and marketing firms.

b. Agriculture Production and Credit Project (APCP)

In order to help rural women improve their standard of living by making use of resources available in their environment, the Principle Bank for Development and Agricultural Credit (PBDAC) has implemented a program to encourage rural women to obtain credit from the Bank for the purpose of establishing small production enterprises suitable to their skills and experience and to help them in marketing their products as well.

Lending to women started on a pilot basis in the Qalubia governorate on February 5, 1992. It was implemented in two village banks under the Agricultural Production and Credit project (APCP). The program was later expanded throughout all other governorates. Six female trainers were sent to Atlanta, GA for a six-week WID training of trainers program under the administration of the Historically Black Colleges and Universities in 1991. Also, in-country training for women was provided under APCP in 14 governorates.

The total value of loans to women granted by PBDAC from 1991 through November 30th, 1996 under APCP reached L.E. 250 million (\$73.5 million) for 265,000 female borrowers. Repayment rate was 95.2%.

c. Small and Micro Enterprise Credit

USAID-supported small and emerging enterprise (SEE) programs that began in earnest about six years ago in Egypt have been gender neutral. In that period, USAID gained experience and developed effective credit delivery and collection models to serve existing entrepreneurs through newly created "Foundations" formed from local or regional private business associations. USAID also has commissioned studies and hosted conferences and presentations on gender that have added to the collective knowledge of the management and staff of the growing USAID/SEE community. The results of these first efforts hopefully have sensitized personnel to the issue of women in development and the socio-economic intricacies of women in business. There are ongoing discussions about special programs and credit products for women in the Alexandria Business Foundation. One of our newest foundations in Assuit has established a new department to serve only women.

Recent evidence from a study on poverty trends in Egypt indicate that more women now head very poor households and that poverty has become urbanized. USAID is confident that this sector could qualify for the USAID-supported type of loan (no collateral, L.E. 3,000 on-average-loan, and with repayment averaging eight months). In addition, a strong economic argument can be made regarding women borrowers as observed in USAID studies indicate that women clients borrow less and repay faster. USAID is informing partners of these facts.

Loans to women entrepreneurs are on average 11% of USAID SEE programs which generally serve urban areas. This means that roughly, L.E. 58,000,000 in 23,000 loans have gone to women and been successfully repaid to date. This percentage of female participants closely matches official figures of the number of women in the work force of Egypt. However, if we use the definition of owners/operators to classify women loan recipients the figure may be less than 11%.

Future support will encourage greater participation of women in a variety of ways: additional research to detect particular needs; hiring more female extension officers in existing programs; ensuring appropriate numbers of female extension officers in future programs; support for community associations focusing on women's needs; and continued conferences and seminars.

d. Privatization Support

The privatization support RP team, in their attempt to analyse the gender, identified specific implications of the privatization process in Egypt, coming up with the following findings:

While privatization itself is gender neutral, the impact within certain industries can vary. For example, depending on the industry, privatization could have a negative impact on women in terms of a reduction in employees for newly privatized firms, especially where females are overly represented in the ranks of the underemployed/disguised unemployment.

While the labor law seeks to protect women by giving them a greater number of benefits in a competitive environment, this may actually place them at a competitive disadvantage compared to male labor. Also when it comes time to reduce the number of workers, women are often the first to accept retirement schemes that are offered for early retirement.

On the other side, privatization has also had a **positive** impact in the banking, financial institutions, consultancy operations etc, industries that have developed as a result of the privatization process. In the modern industry of privatization and capital markets, female professionals have assumed key roles. Women are sometimes leaders, presidents of companies, consultancy offices, brokerage firms, fund managers, etc. and also in some professional categories represent equal or even a higher percentage than males of the labor force. So in this case, women have actually benefited from the privatization process.

Measures to offset the negative impact of privatization on women are yet to be defined and assessed.

#### Gender concerns in SO 2: Increased Participation of Girls in Quality Basis Education.

It has been shown that no society will achieve real and sustained economic growth without quality universal primary education. The largest stumbling block for achieving this target in Egypt is in the education of girls. A public investment in female education has a large multiplier effect in social benefits. Women who are educated keep their families in better health, have smaller families, educate all of their children to a higher level, and are more likely to participate in the productive economy. Current statistics in Egypt on the status of girls education are encouraging insofar as they are better off than ten years ago, but there is still much to be done. The Egypt Human Development Report shows that only about one third of the female population can read. There is a serious gender gap in the country side for female enrollment. It ranges between 20% and 40%, depending on the governorate. USAID, other donors, the Ministry of Education and non-governmental organizations understand the importance of eradicating illiteracy and promoting female education. Concentrated efforts are being made by all stakeholders.

This new SO, which has only received its funding in September of 1996 seeks to enhance access, demand, and the policy environment for supporting increased participation of girls in education in Egypt.

#### Gender concerns in SO 3: Increased Civil Society Participation in Public Decision Making

The Democracy program focuses on increasing citizen participation in public decision-making. The program, which is aimed at both advocacy groups and at stronger local government, is equally

concerned with male and female participation. For advocacy activities, many of the interests are female-centered, such as family planning, girls' education, and circumcision. Not only are many programs aimed at female-specific interests, but at least half the NGO leaders are women.

Regarding the devolution of authorities to local governance, which is a conditionality-based program, one condition for disbursement is that local women are effectively taken into consideration in the decision-making process. To assist the GOE in this process, USAID is financing technical assistance on increasing women's participation in local governance.

In addition to the democracy strategic objective, there are two Special Objectives to improve the environment for the growth of democracy: Improved use of information by the legislature and improved civil legal systems. In the judicial project, although there are no female judges, there are many women working in the courts and an estimated 30% of the beneficiaries of the training will be women. This will affect personnel in court libraries, typists, archives and record-keepers.

For the legislature, about 50% of the staff are women, many of whom are in senior management positions. Among the members, only 6% of the People's Assembly and 2% of the Shura Assembly are females. As the project focuses mainly on working with staff, it offers an unusual opportunity to work with a large number of women, upgrading their skills and increasing their contribution to the institutions. Training programs provided through the project reflect an awareness of the scheduling needs of women, as well as a desire to provide much of the higher level training for women in Egypt, to facilitate access of female staff (who often find it difficult to commit to long-term overseas training due to family responsibilities).

#### Gender concerns in SO 4: Reduced Fertility

S04 is strongly focused on meeting critical needs of women in Egypt. The direct beneficiaries of SO 4 services are married women of reproductive age. The family planning/reproductive health (FP/RH) services supported by SO4 benefit women in a number of important ways, including the following:

- Women's health is protected. By reducing high risk pregnancies, maternal mortality and morbidity are reduced.
- Women are empowered by getting control of their reproductive lives. By being able to control and plan

their reproduction, women improve their opportunities for education, employment, and political participation.

SO 4 interventions are designed to develop services that are responsive to the needs and preferences of women clients, in the following ways:

- Services are being made comfortable and safe for women, by: (1) expanding the number of women physicians; (2) providing good counseling so that women can make informed choices; (3) providing a clinic environment that is clean, safe, comfortable, and private; and (4) providing safe, effective, and affordable contraceptives.
- Information, education, and communication (IEC) services are designed to bring clear and accurate information to all women concerning family planning and reproductive health.
- Research is being done to understand the lives of women in Egypt and to design services that really meet their needs. SO 4 financed the Demographic and Health Survey (DHS) that provided the first scientific information in Egypt about female genital mutilation (FGM) and about domestic abuse of wives by husbands.
- SO 4 is training large numbers of women service providers and managers.

A gender equity issue in the SO 4 program is men. Historically, males have received little attention in the Egyptian national family planning program, because it is widely believed that family planning is a woman's decision. Recent research shows that male beliefs affect the decisions that women make. More information suitable for males and more male involvement in decision making concerning reproduction and family planning will be a feature of future SO 4 activities.

#### Gender concerns in SO 5: Sustainable improvements in the Health of Women and Children.

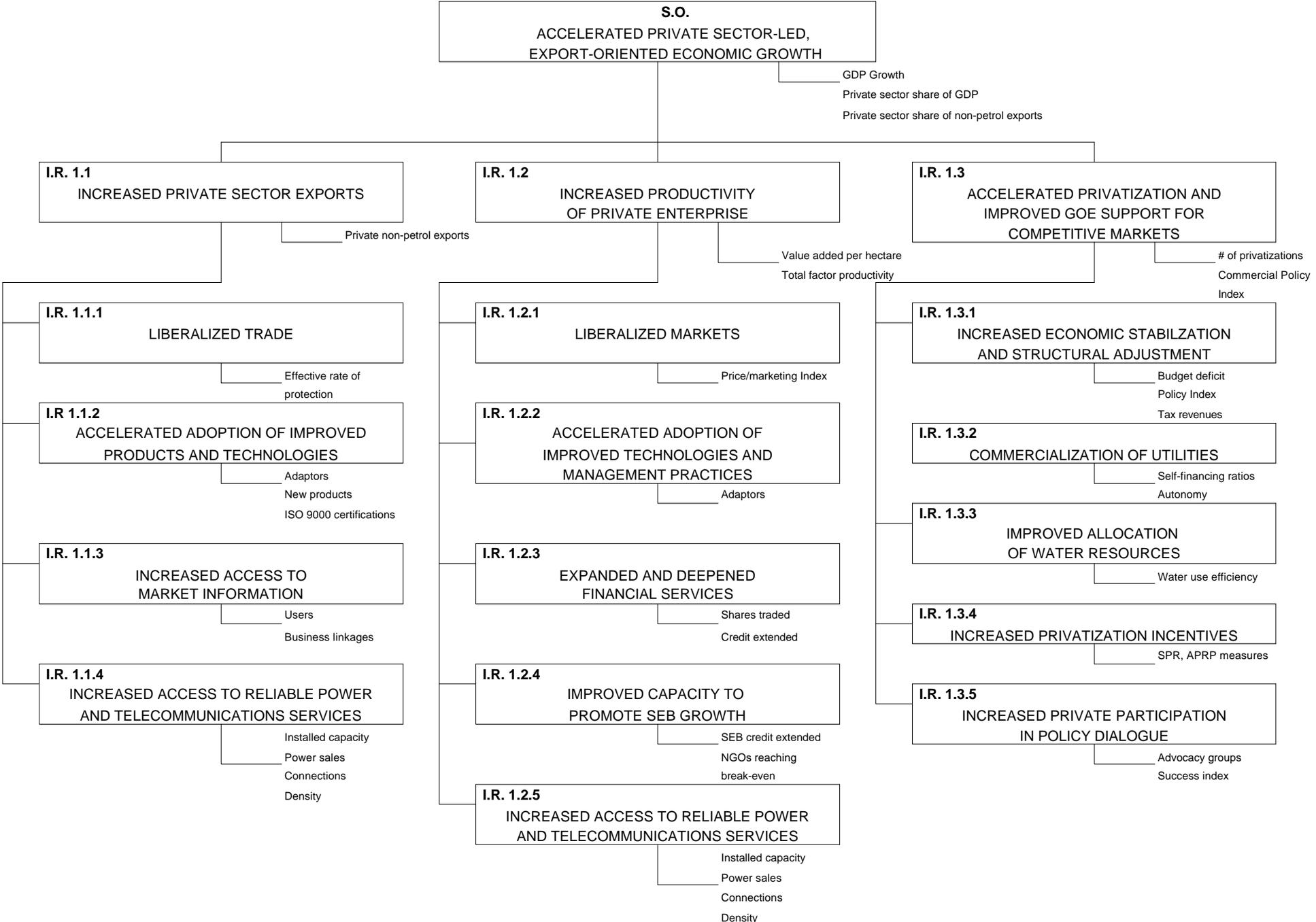
In a shift from a previous emphasis on children, this SO has broadened its focus to increase attention toward women's health. This shift has been prompted in part by data indicating high maternal mortality ratios throughout the Governorates of Egypt, nearly half of these deaths occurred in clinical settings from avoidable causes. Consequently, the team is taking a more holistic approach by establishing linkages with family planning providers and dayas (traditional birth attendants) in an effort to identify

additional opportunities wherein women with health problems are more likely to be identified and to receive the care needed. More proactive cross-referral processes are needed to further enhance these linkages. Of importance, this team is also looking at the need to provide group practice clinics in which female physicians could provide services under flexible working hours and without the management burden of a private office. The Healthy Mother/Healthy Child program is an example of a broad-range program which recognizes the impact of women's health on current and future generations.

The Health Policy Support Program is supporting policy change that will contribute to sustaining maternal and child health programs, including family planning services. One policy area is targeted at ensuring adequate funding in the MOHP budget priority maternal and child health activities. A second area seeks to expand social health insurance to cover women and young children who are not now covered by any type of insurance and who are at most risk.

One issue which should be considered is how men impact the health of women and children. Men, who do not place high priority on health care or who give more priority to the care of certain family members, can influence the health status of women and children. Additionally, men whose own health care needs have not been met can increase the potential for health problems for other family members. Men who are carriers of untreated diseases, in particular sexually transmitted diseases, can infect other family members. In general, constraints and barriers to health care services must be considered for all family members in order to realize success in sustainable improvements in the health of women and children.

**S.O.#1: ACCELERATED PRIVATE SECTOR-LED, EXPORT-ORIENTED ECONOMIC GROWTH**



# S.O. #2: Increased Participation of Girls in Quality Basic Education

**S.O. #2**  
**Increased Participation of Girls in Quality Basic Education**

**I.R. 2.4**  
**World Bank/EC Education Enhancement Program**

- Indicators:
- (i) Girls receiving basic education in small sch
  - (ii) Girls receiving literacy & life skills training
  - (iii) Pre-school children better prepared for sch
  - (iv) Girls pass rates on 3rd year exam
  - (v) Dropout rates between grades 3 and 4

- Indicators:
- (i) National enrollment figures
  - (ii) Achievement test scores
  - (iii) National EMIS functioning

**I.R. 2.1**  
**Increased number of classrooms in which constraints to girls' attendance removed**

**I.R. 2.2**  
**Increased demand for girls' education**

**I.R. 2.3**  
**Improved national policy environment**

- Indicators:
- (i) Classrooms encouraging girls' attendance
  - (ii) Small schools using multi-grade curriculum

- Indicators:
- (i) Committees formed at village level to support of small schools
  - (ii) Egyptian NGOs trained to support small scho
  - (iii) Demand expressed by parents in targeted are

- Indicators:
- Progress achieved on basket of id policy reform

**I. R. 2.1.1**  
**Communities donating & maintain schools**

**I.R. 2.1.2**  
**Community groups participat enhancing & supplementing girls' educa**

**I.R. 2.1.3**  
**TA develops multi- gra gender- sensitive, prot solving curriculum**

**I.R. 2.1.4**  
**Teachers, staff and head training program develop**

**I.R. 2.1.5**  
**Scholarship program en girls to attend schools**

**I.R. 2.2.1**  
**Adolescent girls and mot attending ENGO literacy programs**

**I.R. 2.2.2**  
**Stakeholders promoting awar high returns from educating g women**

**I.R. 2.3.1**  
**GWE Country Coordinatc promoting policy agenda with MOE and WB**

**I.R. 2.3.2**  
**Partnership policy dialo addressing gender and themes**

Activities:  
NGO outreach  
ENGO strengthening

Activities:  
Numbers trained

Output:  
Number of women completing  
  
Note:  
connection hypothesized to be

Outputs:  
Mass media campaigns  
Statements by religious leaders  
Local ENGO awareness activities  
Private sector donations

Output:  
Exchange visits  
Subcommittee meetings

## SO3: Increased Citizen Participation in Public Decision Making

**Increased Number of Attempts to Influence Public Decision Making**

1. % Shrouk villages whose male/female citizens believe that the Shrouk Committee responds to their development needs/priorities.
2. Index of Shrouk Village ownership & responsibility for development management:
  - a) % villages that score high on the index; and b) % villages that score medium;
3. % Shrouk Committees still engaged in development decision-making after 2 years.

**IR 3.1 : Effective Citizen Participation Through Stronger Society Organizations**

**Sub-IR 3.2.2: CSOs Use Advocacy Skills to Increase Citizen Participation**

**Sub-IR 3.1.1: CSOs Have a Strong Organizational Base**

**SUB-IR 3.2: Reduced Restrictions on Civil Society Organizations**

**SUB-IR 3.2.1: CSOs and Donors Agree on Common Agenda**

**SUB-IR 3.2.2: Donors Advocate Reduced Restrictions**

**SUB-IR 3.2.3: Donors CSOs Advocate Reduced Restrictions**

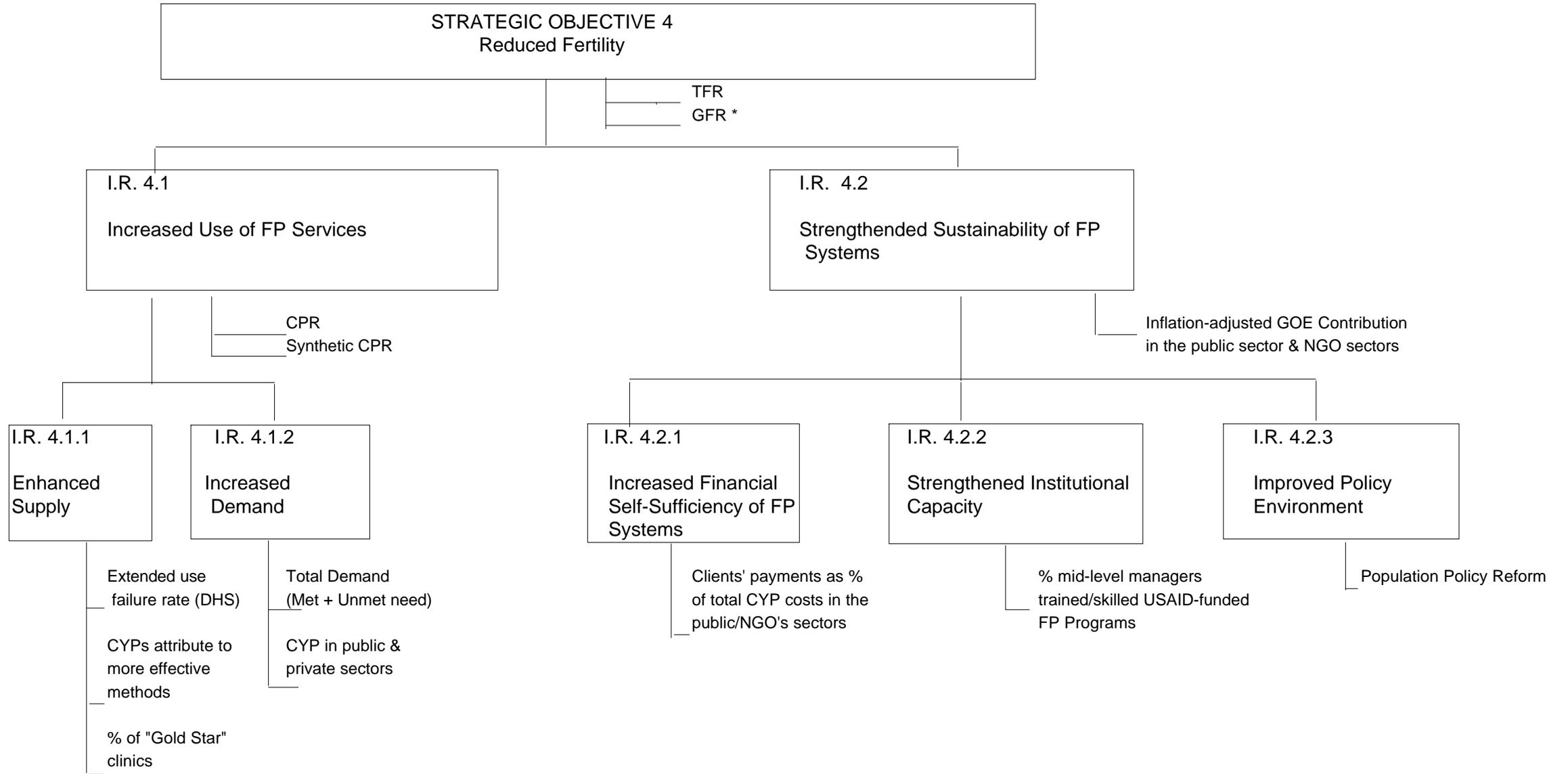
**IR 3.3: Incremental Devolution of Authorities Level**

**SUB-IR 3.3.1: Devolution of Fiscal Authorities**

**SUB-IR 3.3.2: Devolution of Operational Authorities**

**Sub IR 3.3.3: Development of Participatory Democratic Practices**

S.O. # 4: REDUCED FERTILITY



\* General Fertility Rate (GFR) =  $\frac{\# \text{ births}}{\# \text{ women aged 15-49}} \times 1,000$  in a given year

**USAID/EGYPT**  
**RESULTS REVIEW AND RESOURCE REQUEST**

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Table 2:	USAID FY 1998 Budget Request by Program/Country
Table 3:	USAID FY 1999 Budget Request by Program/Country
Table 4:	Global Field Support Table
Table 5:	OE Tables
Table 6:	Workforce Tables FY 1997
Table 7:	Workforce Tables FY 1998
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Activities Requiring IEEs or EASs in FY 1997

#### IV. RESOURCE REQUEST

##### A. Program Funding

USAID/Egypt's planned and requested funding for FY 97-FY 99 (see Tables 1, 2, and 3 in the Annex for Part IV) assumes continuation of an annual earmark of \$815 million in economic support funds. Requested funding for each strategic objective is within the planned level of the approved strategic plan for FY 1996-FY 2001. Per agreements reached as part of the Management Contract (96 State 118846), USAID has eliminated Special Objective F, incorporating funding for it under SO 1. The pipeline, the prioritization of objectives and approaches to sustainability are discussed below.

1. Pipeline. The pipeline at the end of FY 96 was \$2.1 billion, or about 2.7 times the annual OYB. It was spread across the portfolio with the bulk in infrastructure. Infrastructure also had older pipelines. Slow moving policy reform programs contributed to an inflated end-of-year pipeline, with disbursement of program assistance -- e.g., for the Sector Policy Reform (SPR) and Agricultural Policy Reform (APRP) Programs -- lagging 12-18 months behind obligation. Funding for infrastructure construction is normally obligated at the end of the fiscal year after policy reforms are implemented, also contributing to a larger end-of-year pipeline.

The infrastructure portfolio accounted for about \$750 million of the \$2.2 billion pipeline. The large and aged pipeline of the infrastructure portfolio was a result of lengthy procurement, design and construction periods for these facilities. Other contributors were: SPR, \$520 million; the Commodity Import Program (CIP), \$320 million; APRP, \$50 million; and other institutional and policy programs approximating \$400 million.

The aged pipeline (obligated in FY 92 or prior years) was less than 10% of the total pipeline; of that amount 95% was in infrastructure activities. Thus, except for infrastructure, most program obligations are disbursed fully within three-four years. The Mission has made concerted efforts to scrub the aged pipeline this past year and will continue to do so to minimize its size. However, infrastructure activities are expected to continue to need a longer time frame of five-seven years for total disbursement.

2. Prioritization of objectives. USAID/E provides substantial funding in support of all four principal Agency goals and contributes to most Congressional special interest areas. The Mission plans to continue to fund these important areas over

the planning period. Funding for population (SO 4), child survival (SO 5), democracy or governance (SO 3), environment (SO 6/7), girls' education (SO 2) and small and micro-enterprise (SO 1) will remain at about the same levels, assuming no substantial earmark reduction. The Mission also expects to maintain a large Private Sector CIP (under SO 1) because of strong Congressional support and the Mission's need for local currency generations to finance operational expenses (OE). Large, existing mortgages among various water and wastewater activities will also require substantial funding in the short run under SO 6.

The bulk of the funding supports SO 1 (accelerated private sector-led, export-oriented economic growth) activities. Except for SpO E (training), considered essential to achieving results across SOs, funding for special objectives is expected to phase out or decline by FY 99.

3. Sustainability and modalities. An important objective of the strategic plan is achieving sustainability of USAID investments in Egypt's development. USAID has used two approaches to achieve sustainability. One has been to target the technical, financial and management improvements of critical development institutions. The other has been to improve the environment for private sector growth and encourage greater reliance on the private sector for investment and operations in program areas ranging from infrastructure to social services. Recent attention has focused on exploring the potential for providing endowments to selected non-governmental organizations to help put them on a more sustainable path.

USAID will continue to utilize several approaches to sustain program activities. The use of cash transfer funds for encouraging the GOE to reform policies and regulations will continue with programs like SPR, APRP, Health Policy Reform, and the Rural Governance Program. These programs encourage reduced bureaucracy, increased efficiency, increased fees for services, and rational use of economic resources. They attack the most debilitating sustainability problems. Traditional technical assistance programs are now devoting more resources to reforming institutions. Among the most obvious are infrastructure activities, where technical assistance helps improve management capability, financial viability, etc. Water/wastewater, power, and telecommunications activities all have substantial components which contain management training, financial/accounting improvements, cost recovery, improved efficiency, cost containment, etc. Similar efforts are financed in the health, agriculture and private sector areas. Improving efficiencies in utility operations will also help attract the needed private capital to invest and operate facilities on a sustainable basis

over the longer term.

USAID will also continue to require substantial GOE counterpart contributions to activities and increased GOE assumption of recurring costs. For example, the GOE now budgets for vaccines and increasingly for school maintenance programs which USAID financed previously.

#### B. Field Support

As noted in Table 4 in the Annex, USAID plans to use approximately \$39.6 million for buy-ins to Global Bureau activities in FY 97. Planning figures for FY 98 and FY 99 are estimated at \$33.2 million and \$26.4 million, respectively. The Mission has found Global Bureau mechanisms useful for obtaining highly specialized technical services. Planned use of Global Bureau activities is greatest in the private sector, democracy/governance, population, health and environment sectors.

#### C. Workforce and OE

1. Workforce. Workforce ceilings have dropped considerably since USAID/W reviewed the strategic plan in mid-1996. Continual reductions in staff ceilings have a serious impact on the Mission's ability to manage the program effectively and ensure accountability. Continued deterioration in levels also impede USAID's ability to achieve agreed-upon targets and objectives. Last year, the Mission emphasized the need to straight-line workforce levels for at least two years following any reduction in annual program funding because of the existing pipeline. However, ceilings have once again dropped precipitously with no reduction in program level.

Staff ceilings for the prior R-4 were 88 USDHs, 302 FSN/USPSCs (OE trust funded) and 39 FSN/USPSCs (program funded). Recently USAID/W provided planning figures for these categories are 76, 266, and 39, respectively, to be achieved by October 1, 1998. The 14% reduction in USDHs required over one year poses an enormous challenges for the Mission. As the Mission has informed Washington separately (reclama on FSN staff levels), maintaining FSN/USPSC strength during this transition is absolutely necessary to avoid serious risk in maintaining reasonable management oversight and accountability of the huge, visible assistance program for Egypt. Moreover, without some reasonable FSN staffing stability, USAID will likely experience an exodus of the most productive and qualified staff. This loss, combined with that of the USDHs, could seriously undermine Mission management capacity.

USAID had projected that future reductions in staff would be dependant on implementation of an improved new management system (NMS), restructuring Mission operations and approaches, and reducing the pipeline. The NMS system is still not fully operational. Indeed staff requirements to implement the system have thus far been enormous, and implementation will now take more time and effort than anticipated. The Mission reorganization to consolidate implementation activities under SO 1 (including agriculture, private sector, and economic reform activities) will result in USDH staff reductions. Yet, the time and effort needed to establish highly functional teams will continue to take substantial efforts across the Mission over the next year.

To accommodate the increased staff reduction, the Mission must try to accelerate the initiation and implementation of less intensive management modes. Some options the Mission has initiated or is considering: (a) ensuring new designs address the management burden more systematically; (b) focusing on key constraints or priorities, phasing out marginal activities; (c) strengthening rather than building new institutions wherever possible; (d) reducing the number of policy reform measures, focusing only on a few critical ones; (e) consolidating management units (e.g., larger, more focused result packages); (f) minimizing the number of contract and grants to manage; (g) using technical assistance to pick up more day-to-day monitoring tasks; (h) turning over greater implementation responsibility to partners (GOE, NGOs, or other donors); (i) making greater use of USAID/W long-term IQC contracts; (j) contracting out even more of the monitoring and supervision for infrastructure; and (k) modifying program composition. Shifting the program and management modes takes time and effort. It also requires sufficiently capable GOE and NGO institutions to absorb more of the management burden. Thus, gains in terms of reduced staff requirement are not expected immediately.

2. OE Overview Estimated OE requirements for recurring costs are \$16.079 million for FY 97; \$15.806 million for FY 98; and \$16.227 million for FY 99. Non recurring costs for the new office building and ICASS estimates increase total OE requirements or all years. (See the Annex for Part IV for OE details).

Assumptions for the next two fiscal years are that the Egyptian Pound will remain fairly stable, depreciating only by about 3% annually against the dollar. FSN payroll costs and costs such as guard services which are tied to the local compensation plan are expected to rise 10% in FYs 98 and 99 due to normal step increases and promotions. In FY 99 we are also

budgeting an additional 5% survey-driven wage increase. Other local currency denominated costs are expected to rise 5% annually, except utilities which, following recent experience, are expected to increase by 10% each year. Therefore, ignoring any changes in staffing levels would leave a built-in inflation rate of between 5-9% for local currency-denominated accounts translated to dollar equivalents. Of course, this cannot be translated directly to increases in the trust fund budget since USAID/Egypt continues to fund large amounts of dollar expenses through GOE-owned Trust Fund resources (by selling Egyptian Pounds to the U.S. Treasury for dollars). Thus, Trust Fund projections contain a mix of dollar and local currency expenses. OE budget totals for both FY 97 and FY 98, both dollar and Trust Fund amounts, conform to ANE established budget marks. Projections for FY 99 are based on best estimates to support on-going operations at approved staff levels. A summary of the budgets follow:

Operating Expense Budgets  
(\$000)

	<u>FY 97</u>	<u>FY 98</u>	<u>FY 99</u>
Dollar Appropriation	\$ 694.0	\$ 581.0	\$ 700.6
Trust Fund (Dollar Equivalent)	<u>15,385.2</u>	<u>15,224.8</u>	<u>15,526.2</u>
Total Recurring	\$16,079.2	\$15,805.8	\$16,226.8
New Office Bldg Estimates	\$6,167.6	\$9,664.3	\$ 500.2
FAAS/ICASS Costs	<u>826.2</u>	<u>1,366.9</u>	<u>1,448.9</u>
Total Shown on Budget Request	<u>\$23,073.0</u>	<u>\$26,837.0</u>	<u>\$18,175.9</u>

The recurring cost totals show a decrease from FY 97 to FY 98 and an increase from FY 98 to FY 99. The above-mentioned inflation assumptions explain most of the cost increases. The major contributing factor to the decrease is the cut of five USDH positions, with corresponding decreases in the "U.S. Direct Hire" and "Housing" budget categories. This USDH decrease, and budgeting a "straight line" for currently authorized FSN positions through the budget period, conforms to the most recent ANE Bureau guidance on positions. The postponement of home leaves and transfers in FY 96 results in both increases and decreases in "U.S. Direct Hire" costs. The postponement created an unevenness in the home leave cycles, with post assignments in FY 97 and FY 99 higher than would have been expected and FY 98, lower. There is a significant increase in the training budget in

all three fiscal years, compared with previous budgets. This reflects Mission management's judgment that extensive training will be needed to NMS, strengthen team operation at all levels and complete Mission transition to a reengineered mission. There is also a significant increase in the cost of accrued severance pay starting in the current fiscal year due to the recent rise in FSN pay levels. Overall, the Mission recurring operating expense budget will increase less than 3% from FY 98 to FY 99 while continuing to finance more than 95% of total costs from non-appropriated Trust Funds.

ICASS (International Cooperative Administrative Support Services) Sticker Shock Revisited. The past year has seen intensive activity in the ICASS evolution. Mission personnel participated in the Department of State-sponsored ICASS workshop in Cairo as well as the USAID-sponsored workshops. An ICASS budget has been developed, decisions on USAID participation in ICASS service functions for initial implementation have been made, and the ICASS Council and Working Group are in place. Clearly the evolution during this transitional year, and beyond, will continue. At this juncture our budget submission does not request resources for USAID to function as an ICASS service provider, although there is strong potential for the Mission to become such as the search for low-cost, high-quality administrative services continues. The table below presents the cost impact of the transition from FAAS to ICASS, and attempts to put the "sticker shock" increase in some perspective.

FAAS/ICASS Transition  
(\$000)

	<u>FAAS</u> <u>FY 97</u>	<u>ICASS</u> <u>FY 98</u>	<u>ICASS</u> <u>FY 99</u>
Total	\$ 826.2	\$ 1,366.9	\$ 1,448.9

FAAS/ICASS  
Comparison Analysis  
(\$000)

	<u>FAAS</u> <u>FY 97</u>	<u>ICASS</u> <u>FY 98</u>
Total FAAS/ICASS Costs	\$826.2	\$1,366.9
Deduct Washington Costs	123.2	335.9
Net Post Costs	703.0	1,031.0
FAAS Inflation To FY 98 Prices		

Estimated @ 6%	<u>42.2</u>	<u>-</u>
Comparable Local FAAS/ICASS Costs	\$745.2	\$1,031.0

Overall, the ICASS formula for full cost recovery will result in an increase in the cost of providing Mission administrative support services of \$540.7 from FY 97 to FY 98, or an increase of 65%. After deducting Washington-based costs (salary and benefits of DOS USDH staff, post assignment costs, and Washington medical costs) and adjusting FAAS local costs to reflect FY 98 prices, the impact of ICASS on local Mission costs is an increase of \$285.8, or 38%. Given the ICASS cost allocation framework, these increases were not unexpected, and the rate of increase was less than at other Missions. However, the Mission OE dollar budget level will need to be augmented to cover ICASS expenses. Clearly the ICASS cost picture remains very fluid, with major organizational elements at the post still reviewing their level and form of participation in ICASS. Should significant changes occur, the budget will be affected accordingly, particularly in the near-term while adjustments in administrative resource levels are made.

New Office Building (NOB). Delays have surfaced in the NOB project due to a series of unusual GOE State Security approval requirements for the selected site. The problem has now been resolved and formal approval of the building site is expected shortly. Overall, the NOB project budget remains as previously estimated but award of the architectural and engineering (A&E) design contract and the start of construction are now expected in FY 98. The following table outlines NOB costs which are included in the Mission's detailed budget tables.

NOB Project (\$000)			
	<u>FY 97</u>	<u>FY 98</u>	<u>FY 99</u>
Land Purchase	\$6,014.7	\$ -	\$ -
Program Design	2.9	-	-
USPSC	150.0	150.0	28.0
A&E Contract		857.1	
Value Engineering Contract		28.6	
Construction Costs	<u>                    </u>	<u>8,628.6</u>	<u>472.2</u>
Total	\$6,167.6	\$9,664.3	\$500.2

With minor amounts obligated in prior fiscal years for geotechnical studies, preliminary land surveys and legal services, total NOB project costs are currently estimated at approximately \$16.5 million.

USAID/Egypt's Regional Support Role. The budget includes estimated amounts to fund TDY support travel to client posts in keeping with current backstopping responsibilities. These support needs are difficult to predict with clarity as frequently support requirements are generated by unanticipated problems. In addition to the traditional accounting station support provided to Rome, Tunis (closing this year) and Israel activities, financial management support to AFR/Club du Sahel and PPC/OECD offices in Paris has been added this year. Also accounting station responsibilities for Oman and Yemen are expected to be transferred later in FY 97. Program, legal and contracting backstopping has also been assumed for both close-out and on-going activities in Oman and Yemen. Overall, Mission regional support responsibilities constitute a significant responsibility within the Mission. The following estimates for TDY travel have been included in our budget tables for this purpose.

Regional Support Travel  
(\$000)

	<u>FY 97</u>	<u>FY 98</u>	<u>FY 99</u>
Paris	\$12.0	\$13.1	\$14.5
Rome	10.0	11.0	12.1
Tunis	6.0	1.6	-
Oman	32.2	35.3	39.0
Yemen	<u>20.0</u>	<u>20.0</u>	<u>24.2</u>
Total	\$80.2	\$81.0	\$89.8

D. Environmental Compliance

The Mission is providing the Bureau environmental officer with a copy of the recently completed report, "Egypt's Biodiversity and Opportunities for Sustainable Tourism Development." This report updates a basic study conducted by USAID in 1992 and an update undertaken by GOE in 1995. USAID is also providing the officer with a copy of the GOE report.

The Mission does not anticipate any issues related to the implementation of requirements under 22 CFR 216 such as Initial Environmental Examinations (IEEs) and Environmental Assessments (EAs). Following Bureau Environmental Officer guidance, the environmental review process necessary to make a threshold determination of environmental impact will be conducted during results package design. See the Annex for Part IV for a list of activities requiring IEEs and/or EAs in FY 97.

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**TABLE 1**

**USAID FY 1997 Budget Request by Program/Country  
(\$000)**

30-Nov-98  
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Country/Program: EGYPT

S.O. #	Title	Approp Acct	Bilateral/ Field Spt	Est. SO Pipeline at end of FY 96	FY 1997 Request								Est Expend. FY 97	Est Total cost life of SO	Mortgage at end of 1997	
					FY 1997 Total Request	Basic Education for Childrn	Other Economic Growth	Population	Child Survival	HIV/AIDS	Other Health	Environ				D/G
SO 1: Accelerated Private Sector Led, Export-Oriented Economic Growth																
	ESF	Bilateral		1,517,128	660,100	0	640,900	0	0	0	0	19,200	0	836,941		
		Field Spt				0	0	0	0	0	0	0	0			
	Total			1,517,128	660,100	0	640,900	0	0	0	0	19,200	0	836,941	3,260,000	1,975,800
SO 2: Increased Participation of Girls in Quality Basic Education																
	ESF	Bilateral		15,000	10,000	10,000	0	0	0	0	0	0	0	2,000		
		Field Spt				0	0	0	0	0	0	0	0			
	Total			15,000	10,000	10,000	0	0	0	0	0	0	0	2,000	65,000	40,000
SO 3: Increased Citizen Participation in Public Decision Making																
	ESF	Bilateral		20,514	17,000	0	0	0	0	0	0	0	17,000	16,645		
		Field Spt				0	0	0	0	0	0	0	0			
	Total			20,514	17,000	0	0	0	0	0	0	0	17,000	16,645	135,000	98,000
SO 4: Reduced Fertility																
	ESF	Bilateral		33,226	12,067	0	0	12,067	0	0	0	0	0	21,000		
		Field Spt				0	0	0	0	0	0	0	0			
	Total			33,226	12,067	0	0	12,067	0	0	0	0	0	21,000	87,000	59,290
SO 5: Sustainable Improvement in the Health of Women and Children																
	ESF	Bilateral		78,577	40,000	0	0	0	27,390	260	12,350	0	0	31,540		
		Field Spt				0	0	0	0	0	0	0	0			
	Total			78,577	40,000	0	0	0	27,390	260	12,350	0	0	31,540	177,000	113,000
SO 6: Increased Access to Sustainable Water and Wastewater Service																
	ESF	Bilateral		277,012	223,601	0	0	0	11,181	0	11,181	201,239	0	83,031		
		Field Spt				0	0	0	0	0	0	0	0			
	Total			277,012	223,601	0	0	0	11,181	0	11,181	201,239	0	83,031	520,000	244,300
SO7: Reduced Generation of Air Pollution																
	ESF	Bilateral		102,083	25,000	0	0	0	0	0	0	25,000	0	32,386		
		Field Spt				0	0	0	0	0	0	0	0			
	Total			102,083	25,000	0	0	0	0	0	0	25,000	0	32,386	235,000	175,000

**TABLE 1(Cont.)**

USAID FY 1997 Budget Request by Program/Country  
(\$000)

30-Nov-98  
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Country/Program: EGYPT

S.O. # , Title			Est. SO	FY 1997 Request									Est	Est	Mortgage		
Approp	Bilateral/	Pipeline		FY 1997	Basic	Other	Population	Child	HIV/AIDS	Other	Environ	D/G	Expend.	Total cost	at end		
Acct	Field Spt	at end of		Total	Education	Economic		Survival		Health			FY 97	life of	of		
		FY 96		Request	for Chldrn	Growth								SO	1997		
SPOA:Increased Use of Egyptian Universities in Quality, Demand-Driven Applied Research																	
ESF	Bilateral	14,311		0	0	0	0	0	0	0	0	0	2,010				
	Field Spt			0	0	0	0	0	0	0	0	0	0				
	<b>Total</b>	<b>14,311</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,010</b>	<b>5,000</b>	<b>2,000</b>		
SPOB:Increased Use of Information Services by the Legislature in Decision Making																	
ESF	Bilateral	5,489		3,242	0	0	0	0	0	0	0	3,242	2,553				
	Field Spt			0	0	0	0	0	0	0	0	0	0				
	<b>Total</b>	<b>5,489</b>		<b>3,242</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,242</b>	<b>2,553</b>	<b>3,242</b>	<b>0</b>		
SPOC:Improved Civil Legal System																	
ESF	Bilateral	2,954		5,000	0	0	0	0	0	0	0	5,000	3,000				
	Field Spt			0	0	0	0	0	0	0	0	0	0				
	<b>Total</b>	<b>2,954</b>		<b>5,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,000</b>	<b>3,000</b>	<b>18,000</b>	<b>10,000</b>		
SPOD:Approaches to Sustainable Tourism Demonstrated																	
ESF	Bilateral	0		0	0	0	0	0	0	0	0	0	0				
	Field Spt			0	0	0	0	0	0	0	0	0	0				
	<b>Total</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>50,000</b>		
SPOE:Improved Human Capacity Development System Linked to Strategic Priority Areas																	
ESF	Bilateral	44,688		0	0	0	0	0	0	0	0	0	5,450	0			
	Field Spt			0	0	0	0	0	0	0	0	0	0				
	<b>Total</b>	<b>44,688</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,450</b>	<b>117,000</b>	<b>92,000</b>		
<b>Total Bilateral</b>				996,010	10,000	640,900	12,067	38,571	260	23,531	220,439	3,242					
<b>Total Field Support</b>				0	0	0	0	0	0	0	0	0					
<b>TOTAL PROGRAM</b>				<b>2,110,982</b>	<b>996,010</b>	<b>640,900</b>	<b>12,067</b>	<b>38,571</b>	<b>260</b>	<b>23,531</b>	<b>220,439</b>	<b>25,242</b>	<b>1,036,556</b>	<b>4,672,242</b>	<b>2,859,390</b>		

FY 97 Budget Request by Appropriation - (\$000's)	
Development Assistance	0
Development Fund for Africa	0
Economic Support Funds	996,010
SEED	0
FSA	0
PL 480 Title II	0
PL 480 Title III	0
Micro & Small Ent. Dev. Credit Program	0
Housing Investment Guarantee Program	0
Enhanced Credit Program	0
Disaster Assistance	0

**TABLE 2**

**USAID FY 1998 Budget Request by Program/Country  
(\$000)**

30-Nov-98  
02:08 PM

Country/Program: EGYPT

S.O. #	Title	Approp Acct	Bilateral/ Field Spt	Est. SO Pipeline at end of FY 97	FY 1998 Request								Est Expend. FY 98	Est Total cost life of SO	Mortgage at end of 1998
					FY 1998 Total Request	Basic Education for Chldrn	Other Economic Growth	Population	Child Survival	HIV/AIDS	Other Health	Environ			
SO 1: Accelerated Private Sector Led, Export-Oriented Economic Growth															
	ESF	Bilateral	1,340,278	592,000	0	574,980	0	0	0	0	17,020	0	676,076		
		Field Spt			0	0	0	0	0	0	0	0			
		Total	1,340,278	592,000	0	574,980	0	0	0	0	17,020	0	676,076	3,260,000	1,383,800
SO 2: Increased Participation of Girls in Quality Basic Education															
	ESF	Bilateral	23,000	15,000	15,000	0	0	0	0	0	0	0	10,500		
		Field Spt			0	0	0	0	0	0	0	0			
		Total	23,000	15,000	15,000	0	0	0	0	0	0	0	10,500	65,000	25,000
SO 3: Increased Citizen Participation in Public Decision Making															
	ESF	Bilateral	20,869	25,000	0	0	0	0	0	0	0	25,000	28,069		
		Field Spt		0	0	0	0	0	0	0	0	0			
		Total	20,869	25,000	0	0	0	0	0	0	0	25,000	28,069	135,000	73,000
SO 4: Reduced Fertility															
	ESF	Bilateral	24,293	15,000	0	0	15,000	0	0	0	0	0	23,300		
		Field Spt			0	0	0	0	0	0	0	0			
		Total	24,293	15,000	0	0	15,000	0	0	0	0	0	23,300	87,000	44,290
SO 5: Sustainable Improvements in the Health of Women and Children															
	ESF	Bilateral	87,037	34,000	0	0	0	23,640	260	10,100	0	0	57,635		
		Field Spt			0	0	0	0	0	0	0	0			
		Total	87,037	34,000	0	0	0	23,640	260	10,100	0	0	57,635	177,000	79,000
SO 6: Increased Access to Sustainable Water and Wastewater Service															
	ESF	Bilateral	417,582	53,000	0	0	0	2,650	0	2,650	47,700	0	135,261		
		Field Spt			0	0	0	0	0	0	0	0			
		Total	417,582	53,000	0	0	0	2,650	0	2,650	47,700	0	135,261	520,000	191,300
SO 7: Reduced Generation of Air Pollution															
	ESF	Bilateral	94,698	45,000	0	0	0	0	0	0	45,000	0	81,650		
		Field Spt			0	0	0	0	0	0	0	0			
		Total	94,698	45,000	0	0	0	0	0	0	45,000	0	16,013	235,000	130,000

**TABLE 2(Cont.)**

USAID FY 1998 Budget Request by Program/Country  
(\$000)

30-Nov-98  
02:08 PM

Country/Program: EGYPT

S.O. # , Title			Est. SO	FY 1998 Request									Est	Est	Mortgage	
Approp	Bilateral/	Pipeline		FY 1998	Basic	Other	Population	Child	HIV/AIDS	Other	Environ	D/G	Expend.	Total cost	at end	
Acct	Field Spt	at end of		Total	Education	Economic		Survival		Health			FY 98	life of	of	
		FY 97		Request	for Chldrn	Growth								SO	1998	
SPOA:Increased Use of Egyptian Univesities in Quality, Demand-Driven Applied Research																
ESF	Bilateral	12,301		2,000	0	2,000	0	0	0	0	0	0	7,140			
	Field Spt			0	0	0	0	0	0	0	0	0	0			
	<b>Total</b>	<b>12,301</b>		<b>2,000</b>	<b>0</b>	<b>2,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,140</b>	<b>5,000</b>	<b>0</b>	
SPOB:Increased Use of Information Services by the Legislature in Decision Making																
ESF	Bilateral	6,178		0	0	0	0	0	0	0	0	0	2,898			
	Field Spt			0	0	0	0	0	0	0	0	0	0			
	<b>Total</b>	<b>6,178</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,898</b>	<b>3,242</b>	<b>0</b>	
SPOC:Improved Civil Legal System																
ESF	Bilateral	4,954		4,000	0	0	0	0	0	0	0	4,000	5,000			
	Field Spt			0	0	0	0	0	0	0	0	0	0			
	<b>Total</b>	<b>4,954</b>		<b>4,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,000</b>	<b>5,000</b>	<b>18,000</b>	<b>6,000</b>	
SPOD:Approaches to Sustainable Tourism Demonstrated																
ESF	Bilateral	0		10,000	0	0	0	0	0	0	10,000	0	10,000			
	Field Spt			0	0	0	0	0	0	0	0	0	0			
	<b>Total</b>	<b>0</b>		<b>10,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,000</b>	<b>0</b>	<b>10,000</b>	<b>50,000</b>	<b>40,000</b>	
SPOE:Improved Human Capacity Development System Linked to Strategic Priority Areas																
ESF	Bilateral	39,238		20,000	0	20,000	0	0	0	0	0	0	16,000			
	Field Spt			0	0	0	0	0	0	0	0	0	0			
	<b>Total</b>	<b>39,238</b>		<b>20,000</b>	<b>0</b>	<b>20,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16,000</b>	<b>117,000</b>	<b>72,000</b>	
<b>Total Bilateral</b>			<b>2,070,428</b>	<b>815,000</b>	<b>15,000</b>	<b>596,980</b>	<b>15,000</b>	<b>26,290</b>	<b>260</b>	<b>12,750</b>	<b>64,720</b>	<b>29,000</b>				
<b>Total Field Support</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>				
<b>TOTAL PROGRAM</b>			<b>2,070,428</b>	<b>815,000</b>	<b>15,000</b>	<b>596,980</b>	<b>15,000</b>	<b>26,290</b>	<b>260</b>	<b>12,750</b>	<b>64,720</b>	<b>29,000</b>	<b>987,892</b>	<b>4,672,242</b>	<b>2,044,390</b>	

FY 98 Budget Request by Appropriation - (\$000's)	
Development Assistance	0
Development Fund for Africa	0
Economic Support Funds	815,000
SEED	0
FSA	0
PL 480 Title II	0
PL 480 Title III	0
Micro & Small Ent. Dev. Credit Program	0
Housing Investment Guarantee Program	0
Enhanced Credit Program	0
Disaster Assistance	0

**TABLE 3**

**USAID FY 1999 Budget Request by Program/Country  
(\$000)**

30-Nov-98  
02:08 PM

Country/Program: EGYPT

S.O. #	Title	Approp Acct	Bilateral/ Field Spt	Est. SO Pipeline at end of FY 98	FY 1999 Request								Est Expend. FY 99	Est Total cost life of SO	Mortgage at end of 1999	
					FY 1999 Total Request	Basic Education for Chldrn	Other Economic Growth	Population	Child Survival	HIV/AIDS	Other Health	Environ				D/G
SO 1: Accelerated Private Sector Led, Export-Oriented Economic Growth																
	ESF	Bilateral		1,256,211	578,000	0	567,200	0	0	0	0	10,800	0	628,782		
		Field Spt				0		0	0	0	0	0	0			
	Total			1,256,211	578,000	0	567,200	0	0	0	0	10,800	0	628,782	3,260,000	805,800
SO 2: Increased Participation of Girls in Quality Basic Education																
	ESF	Bilateral		27,500	10,000	10,000	0	0	0	0	0	0	0	15,000		
		Field Spt				0		0	0	0	0	0	0			
	Total			27,500	10,000	10,000	0	0	0	0	0	0	0	15,000	65,000	15,000
SO 3: Increased Citizen Participation in Public Decision Making																
	ESF	Bilateral		17,800	15,000	0	0	0	0	0	0	0	15,000	11,800		
		Field Spt			0	0	0	0	0	0	0	0	0			
	Total			17,800	15,000	0	0	0	0	0	0	0	15,000	11,800	135,000	58,000
SO 4: Reduced Fertility																
	ESF	Bilateral		15,993	15,000	0	0	15,000	0	0	0	0	0	23,000		
		Field Spt				0	0	0	0	0	0	0	0			
	Total			15,993	15,000	0	0	15,000	0	0	0	0	0	23,000	87,000	29,290
SO 5: Sustainable Improvements in the Health of Women and Children																
	ESF	Bilateral		63,402	32,500	0	0	0	23,675	325	8,500	0	0	42,000		
		Field Spt				0	0	0	0	0	0	0	0			
	Total			63,402	32,500	0	0	0	23,675	325	8,500	0	0	42,000	177,000	46,500
SO6: Increased Access to Sustainable Water and Wastewater Service																
	ESF	Bilateral		335,321	87,100	0	0	0	4,355	0	4,355	78,390	0	199,918		
		Field Spt				0	0	0	0	0	0	0	0			
	Total			335,321	87,100	0	0	0	4,355	0	4,355	78,390	0	199,918	520,000	104,200
SO7: Reduced Generation of Air Pollution																
	ESF	Bilateral		58,047	45,000	0	0	0	0	0	0	45,000	0	31,620		
		Field Spt				0	0	0	0	0	0	0	0			
	Total			58,047	45,000	0	0	0	0	0	0	45,000	0	31,620	235,000	85,000

**TABLE 3 (Cont.)**

USAID FY 1999 Budget Request by Program/Country  
(\$000)

30-Nov-98  
02:08 PM

Country/Program: EGYPT

S.O. #, Title			Est. SO	FY 1999 Request									Est	Est	Mortgage
Approp	Bilateral/	Pipeline	FY 1999	Basic	Other	Population	Child	HIV/AIDS	Other	Environ	D/G	Expend.	Total cost	at end	
Acct	Field Spt	at end of	Total	Education	Economic		Survival		Health			FY 99	life of	of	
		FY 98	Request	for Chldrn	Growth								SO	1999	
SPOA: Increased Use of Egyptian Universities in Quality, demand-Driven Applied Research															
ESF	Bilateral	7,161	0	0	0	0	0	0	0	0	0	5,790			
	Field Spt		0	0	0	0	0	0	0	0	0	0			
	<b>Total</b>	<b>7,161</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,790</b>	<b>5,000</b>	<b>0</b>	
SPOB: Increased Use of Information Services by the Legislature in Decision Making															
ESF	Bilateral	3,280	0	0	0	0	0	0	0	0	0	2,603			
	Field Spt		0	0	0	0	0	0	0	0	0	0			
	<b>Total</b>	<b>3,280</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,603</b>	<b>3,242</b>	<b>0</b>	
SPOC: Improved Civil Legal System															
ESF	Bilateral	3,954	5,900	0	0	0	0	0	0	0	5,900	4,000			
	Field Spt		0	0	0	0	0	0	0	0	0	0			
	<b>Total</b>	<b>3,954</b>	<b>5,900</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,900</b>	<b>4,000</b>	<b>18,000</b>	<b>100</b>	
SPOD: Approaches to Sustainable Tourism Demonstrated															
ESF	Bilateral	0	10,000	0	0	0	0	0	0	10,000	0				
	Field Spt		0	0	0	0	0	0	0	0	0				
	<b>Total</b>	<b>10,000</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>30,000</b>	
SPOE: Improved Human Capacity Development															
ESF	Bilateral	43,738	16,500	0	16,500	0	0	0	0	0	0	19,200			
	Field Spt		0	0	0	0	0	0	0	0	0	0			
	<b>Total</b>	<b>43,738</b>	<b>16,500</b>	<b>0</b>	<b>16,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19,200</b>	<b>117,000</b>	<b>55,500</b>	
<b>Total Bilateral</b>				815,000	10,000	583,100	15,000	28,030	325	12,855	144,190	20,900			
<b>Total Field Support</b>				0	0	0	0	0	0	0	0	0			
<b>TOTAL PROGRAM</b>			<b>1,842,407</b>	<b>815,000</b>	<b>10,000</b>	<b>583,100</b>	<b>15,000</b>	<b>28,030</b>	<b>325</b>	<b>12,855</b>	<b>144,190</b>	<b>20,900</b>	<b>928,893</b>	<b>4,672,242</b>	<b>1,229,390</b>

FY 99 Budget Request by Appropriation - (\$000's)	
Development Assistance	0
Development Fund for Africa	0
Economic Support Funds	815,000
SEED	0
FSA	0
PL 480 Title II	0
PL 480 Title III	0
Micro & Small Ent. Dev. Credit Program	0
Housing Investment Guarantee Program	0
Enhanced Credit Program	0
Disaster Assistance	0

**TABLE 4**  
**GLOBAL FIELD SUPPORT**

Mission Strategic Obj.	Activity Description	Global Project NO	Global Project/Activity Name (INCLUDE SUB-AGREEMENT IF Appropriate)	Mission Priority	Duration of Activity	Fiscal Year 1997		Fiscal Year 1998		Fiscal Year 1999	
						Obligated By		Obligated By		Obligated By	
						Operating Unit	Global Bureau	Operating Unit	Global Bureau	Operating Unit	Global Bureau
<b>S.O.1 Accelerated Private Sector-Led, Export-Oriented Economic Growth</b>											
	Financial Flows Study	940-2028	Private Enterprise Dev. Support (PEDS)	High	1 Year	750,000	0	0	0	0	0
	Social Insurance Study	940-0025	Financial Sector Development Project II	High	5 months	350,000	0	0	0	0	0
	Actuarial Tutoring	940-2028	Private Enterprise Dev. Support (PEDS)	Low	1 Year	0	0	250,000	0	0	0
	Data Assessment	963-0405	Consulting Assistance on Econ. Reform II	High	1 Year	0	0	0	0	750,000	0
	Energy Sector Assessment	TBD	TBD	High	1 Year	0	0	0	0	0	0
	President's Council Support	TBD	Macro. and Int. Econ. Anal. (Macro IQC)	High	2 Years	500,000	0	1,000,000	0	0	0
	Small & Emerging Business Short Term TA	940-0406	Enterprise Innovation Prj.	High	2 Years	50,000	0	50,000	0	0	0
	Capital Markets Needs Assessment/Training	940-0025	Financial Sector Development Project II	Medium	1 Year	750,000	0	0	0	0	0
	Capital Markets Disclosure Procedures	940-0025	Financial Sector Development Project II	Medium	2 Years	200,000	0	100,000	0	0	0
	Capital Markets Investor Protection Fund	940-0025	Financial Sector Development Project II	Medium	1 Year	100,000	0	0	0	0	0
	Capital Markets Financial Intermediation	940-0025	Financial Sector Development Project II	Medium	1 Year	0	0	200,000	0	0	0
	Political Support For Privatization	298-0377	Democracy Institutional Support, (DISP)	Medium	2 Years	100,000	0	100,000	0	0	0
	Pension Fund Development	940-0025	Financial Sector Development Project II	Low	1 Year	0	0	100,000	0	0	0
	Privatization of Insurance Companies	940-0025	Financial Sector Development Project II	Medium	1 Year	0	0	200,000	0	0	0
	Insurance Sector Reform	940-0025	Financial Sector Development Project II	Medium	1 Year	0	0	150,000	0	0	0
	Financial Instrument Development	940-0025	Financial Sector Development Project II	Medium	1 Year	0	0	400,000	0	0	0
	Privatization Decision Making Support	940-0028	Private Enterprise Dev. Support (PEDS)	Medium	2 Years	100,000	0	100,000	0	0	0
	Investment Banking Support for Privatization	-0001		Medium	2 Years	300,000	0	100,000	0	0	0
	Export Promotion Strategy Development/Export Finance	940-0028	Private Enterprise Dev. Support (PEDS)	Medium	2 Years	200,000	0	300,000	0	0	0
	Growth Thru. Globalization Monitoring and Evaluation	940-0028	Private Enterprise Dev. Support (PEDS)	High	1 Year	500,000	0	0	0	0	0
	Growth Thru. Globalization Diagnostics and Roadmaps	940-0028	Private Enterprise Dev. Support (PEDS)	High	1 Year	250,000	0	0	0	0	0
	Export Finance	940-0025	Financial Sector Development Project II	High	2 months	200,000	0	0	0	0	0
	Econ. Planning Advisors - Egyptian Center For Economic Studies Proj.	940-0405	Consulting Assist. on Economic Reform II	Medium	1 Year	0	0	300,000	0	0	0
	Mid-Term Eval., Egyptian Center For Economic Studies	940-0405	Consulting Assist. on Economic Reform II	Medium	1 month	100,000	0	0	0	0	0
	Detailed Assessment of Agribusiness Policies	936-4201	Agricultural Policy Analysis Project III	High	1 Year	50,000	0	0	0	0	0
	Water Policy Analysis	TBD	Environ. Policy and Instit. Strengthening	High	3 Years	3,000,000	0	3,000,000	0	2,000,000	0
	Rural Microenterprise Short Term TA	TBD	T A and Training in Microenterprise and Microfinance Development	Medium	3 Years	100,000	0	200,000	0	200,000	0
	<b>TOTAL</b>					<b>7,600,000</b>	<b>0</b>	<b>6,550,000</b>	<b>0</b>	<b>2,950,000</b>	<b>0</b>
<b>S.O. 2 Increased Participation of Girls in Quality Basic Education</b>											
	Girls' and Women's Initiative	936-5848	Girls' and Women's Education activity	High	3 Years	1,000,000	0	1,000,000	0	1,000,000	0
	Global Communication and Learning Systems	936-5846	Global Communications and Learning System activity	High	3 Years	2,900,000	0	2,900,000	0	1,500,000	0
	<b>TOTAL</b>					<b>3,900,000</b>	<b>0</b>	<b>3,900,000</b>	<b>0</b>	<b>2,500,000</b>	<b>0</b>

**TABLE 4**  
**GLOBAL FIELD SUPPORT**

Mission Strategic Obj.	Activity Description	Global Project NO	Global Project/Activity Name (INCLUDE SUB-AGREEMENT IF Appropriate)	Mission Priority	Duration of Activity	Fiscal Year 1997		Fiscal Year 1998		Fiscal Year 1999	
						Obligated By		Obligated By		Obligated By	
						Operating Unit	Global Bureau	Operating Unit	Global Bureau	Operating Unit	Global Bureau
<b>S.O. 3 Increased Civil Society Participation in Public Decision Making</b>											
	Technical Assistance to Shrouk	936-5470	Institutionalizing Policy Change IPC II	High	1 year	3,500,000	0	0	0	0	0
	Assistance in Law 32	TBD	Democracy Sector Support	High	4 months	200,000	0	0	0	0	0
	Design of NGO Service Center	TBD	Democracy Sector Support	High	18 months	350,000	0	0	0	0	0
	Evaluation of PRGR	TBD	Development Associates	High	2 years	1,200,000					
	<b>TOTAL</b>					<b>5,250,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>S.O. 4 Reduced Fertility</b>											
	Voluntary surgical contraceptives high risk approach	936-3068	Prog. for Voluntary and Safe Contraception	High	3 Years	2,448,000	0	1,500,000	0	1,700,000	0
	Evaluation of Population Family Planning III and Other Activity	936-3024	Population Technical Assistance	High	1 Year	500,000	0	0	0	0	0
	New Policy Project	936-3078	The POLICY Project	High	2 years	1,000,000	0	500,000	0	0	0
	FP Log. Management	936-3038	Family Planning Logistics Management	High	3 Years	500,000	0	200,000	0	200,000	0
	OPS Research in ASIA/NE	936-3030	Strategy for Improving Service Delivery/OR	High	1 Years	705,964	0	0	0	0	0
	Demographic and Health Survey-Secondary Analysis	936-3023	Demographic and Health Surveys	High	3 Years	400,000	0	300,000	0	1,300,000	0
	Contraceptive Requirements	936-3057	Central Contraceptive Procurement	High	3 Years	2,604,581	0	3,000,000	0	3,500,000	0
	<b>TOTAL</b>					<b>8,158,545</b>	<b>0</b>	<b>5,500,000</b>	<b>0</b>	<b>6,700,000</b>	<b>0</b>
<b>S.O. 5 Sustainable Improvements in the Health of Women and Children</b>											
	Maternal and Neonatal Health & Nutrition Program	936-5966.07	MotherCare II	High	1 Year	500,000	0	0	0	0	0
	Technical Support for HPSP	936-5974.13	Partnership for Health Reform	High	5 Years	2,500,000	0	3,500,000	0	3,000,000	0
	T A for HIV/AIDS	936-5972	New G/PHN AIDS Technical Support	High	1 Year	0	0	1,140,000	0	0	0
	T A for HIV/AIDS	TBD	Contraceptive Technology Research Proj.	High	1 Year	200,000	0	0	0	0	0
	T A for Schisto Vaccine Development	936-5968	Technologies for Child Health (HealthTech)	High	4 Years	1,000,000	0	1,000,000	0	1,000,000	0
	T A for Schisto Vaccine Development	936-5994	Environmental Health Project	High	1 Year	200,000	0	0	0	0	0
	<b>TOTAL</b>					<b>4,400,000</b>	<b>0</b>	<b>5,640,000</b>	<b>0</b>	<b>4,000,000</b>	<b>0</b>
<b>S.O. 6 Increased Access to and Sustainability of Water and Wastewater Service</b>											
	Interim evaluation of Canal Cities Water & Sewerage	TBD	TBD	Medium	2 months	100,000	0	0	0	0	0
	Final Evaluation of Canal Cities Construction	TBD	TBD	Medium	2 months	0	0	0	0	50,000	0
	Phase IV Water/Wastewater Economic Impact	936-5555	Environmental Policy and Training	Low	3 months	0	0	0	0	0	0
	Autonomy and Financial Viability Assistance	TBD	TBD	High	6 months	0	0	250,000	0	0	0
	Community Involvement	936-5994	Environmental Health Project	High	1 Year	0	0	950,000	0	0	0
	Evaluation of Secondary Cities Development	TBD	TBD	Medium	2 months	0	0	150,000	0	0	0
	Utility Management RP Analysis	936-5994	Environmental Health Project	High	2 months	500,000	0	0	0	0	0
	Public - Private Partnerships	TBD	Environmental and Urban Program Support	High	2 months	100,000	0	0	0	0	0
	Twinning	TBD	TBD	Low	2 months	0	0	100,000	0	0	0
	FORWARD- Water resource resolution	TBD	Fostering Resolution of Water Res. Disputes	TBD							
	<b>TOTAL</b>					<b>700,000</b>	<b>0</b>	<b>1,450,000</b>	<b>0</b>	<b>50,000</b>	<b>0</b>

**TABLE 4**  
**GLOBAL FIELD SUPPORT**

Mission Strategic Obj.	Activity Description	Global Project NO	Global Project/Activity Name (INCLUDE SUB-AGREEMENT IF Appropriate)	Mission Priority	Duration of Activity	Fiscal Year 1997		Fiscal Year 1998		Fiscal Year 1999	
						Obligated By		Obligated By		Obligated By	
						Operating Unit	Global Bureau	Operating Unit	Global Bureau	Operating Unit	Global Bureau
<b>S.O.7 Reduced Generation of Air Pollution</b>											
	TA-Energy Conserv. & Env. Protection (Pollution Prevention)	936-5559	Environmental Pollution Prevention Project	High	1 year	2,800,000	0	0	0	0	0
	Egypt Env. Policy Program (Env. assessment & mgt. unit design)	TBD	Environmental Policy & Institutional Strengthening	High	8 months	950,000	0	0	0	0	0
	EEPP (Monitoring & Evaluation System Design)	936-5994	Environmental Health Project	High	4 months	300,000	0	0	0	0	0
	T.A. for EEPP Implementation	TBD	Environmental Policy & Institutional Strengthening	High	3 years	4,500,000	0	9,000,000	0	9,000,000	0
	T.A. for Monitoring and Evaluation System Implementation	936-5994	Environmental Health Project	High	3 years	500,000	0	1,000,000	0	1,000,000	0
	<b>TOTAL</b>					<b>9,050,000</b>	<b>0</b>	<b>10,000,000</b>	<b>0</b>	<b>10,000,000</b>	<b>0</b>
<b>Sp.O. A Increased Use of Egyptian Universities in Quality, Demand-Driven Applied Research</b>											
	<b>TOTAL</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sp.O. B Increased Use of Information Services by the Legislature in Decision Making</b>											
	Initial Evaluation	IQC (-5468)	World Learning	Medium	1 month	50,000	0	0	0	0	0
	<b>TOTAL</b>					<b>50,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sp.O. C Improved Civil Legal System</b>											
	<b>TOTAL</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sp. O. D Approaches to Sustainable Tourism Demonstrated</b>											
	Secretariat for Partnership Sub-committee III	936-5555	Environmental Policy and Training	High	1 Year	100,000	0	0	0	0	0
	<b>TOTAL</b>					<b>100,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sp.O. E Improved Human Capacity Development System Linked to Strategic Priority Areas</b>											
	Develop. Trg. II Participant Data Base/Evaluation System	926-0071	Training, Evaluation and Support Services (TESS) Project	High	3 Years	390,000	0	200,000	0	200,000	0
	<b>TOTAL</b>					<b>390,000</b>	<b>0</b>	<b>200,000</b>	<b>0</b>	<b>200,000</b>	<b>0</b>
	<b>OPERATING UNIT TOTAL</b>					<b>39,598,545</b>	<b>0</b>	<b>33,240,000</b>	<b>0</b>	<b>26,400,000</b>	<b>0</b>

**TABLE 5 (A)**

Org. Title: USAID/CAIRO-EGYPT

Org. No: 263

OC

	FY 97			FY 98			Requested FY 99			Targeted FY 99		
	Dollars	TF	Total									
11.1 <b>Personnel compensation, full-time permanent</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.1 Base Pay & pymt. for annual leave balances - FNDH	0.0	217.1	217.1	0.0	232.1	232.1	0.0	259.4	259.4	0.0	259.4	259.4
<b>Subtotal OC 11.1</b>	0.0	217.1	217.1	0.0	232.1	232.1	0.0	259.4	259.4	0.0	259.4	259.4
11.3 <b>Personnel comp. - other than full-time permanent</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.3 Base Pay & pymt. for annual leave balances - FNDH	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Subtotal OC 11.3</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11.5 <b>Other personnel compensation</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.5 <b>USDH</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11.5 <b>FNDH</b>	0.0	5.8	5.8	0.0	6.2	6.2	0.0	6.9	6.9	0.0	6.9	6.9
<b>Subtotal OC 11.5</b>	0.0	5.8	5.8	0.0	6.2	6.2	0.0	6.9	6.9	0.0	6.9	6.9
11.8 <b>Special personal services payments</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.8 US PSC Salaries	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11.8 FN PSC Salaries	0.0	524.3	524.3	0.0	502.4	502.4	0.0	561.6	561.6	0.0	561.6	561.6
11.8 IPA/Details-In/PASAs/RSSAs Salaries	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Subtotal OC 11.8</b>	0.0	524.3	524.3	0.0	502.4	502.4	0.0	561.6	561.6	0.0	561.6	561.6
12.1 <b>Personnel benefits</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1 <b>USDH benefits</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1 Educational Allowances	0.0	21.0	21.0	0.0	11.0	11.0	0.0	11.6	11.6	0.0	11.6	11.6
12.1 Cost of Living Allowances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12.1 Home Service Transfer Allowances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12.1 Quarters Allowances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12.1 Other Misc. USDH Benefits	0.0	2.7	2.7	0.0	2.7	2.7	0.0	2.7	2.7	0.0	2.7	2.7
12.1 <b>FNDH Benefits</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1 Payments to the FSN Separation Fund - FNDH	0.0	53.7	53.7	0.0	57.4	57.4	0.0	64.2	64.2	0.0	64.2	64.2
12.1 Other FNDH Benefits	0.0	15.8	15.8	0.0	16.9	16.9	0.0	18.9	18.9	0.0	18.9	18.9
12.1 <b>US PSC Benefits</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12.1 <b>FN PSC Benefits</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1 Payments to the FSN Separation Fund - FN PSC	0.0	13.7	13.7	0.0	14.6	14.6	0.0	16.4	16.4	0.0	16.4	16.4
12.1 Other FN PSC Benefits	0.0	33.5	33.5	0.0	33.5	33.5	0.0	37.5	37.5	0.0	37.5	37.5
12.1 <b>IPA/Detail-In/PASA/RSSA Benefits</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Subtotal OC 12.1</b>	0.0	140.4	140.4	0.0	136.1	136.1	0.0	151.3	151.3	0.0	151.3	151.3
13.0 <b>Benefits for former personnel</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0 <b>FNDH</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0 Severance Payments for FNDH	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
13.0 Other Benefits for Former Personnel - FNDH	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
13.0 <b>FN PSCs</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0 Severance Payments for FN PSCs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
13.0 Other Benefits for Former Personnel - FN PSCs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Subtotal OC 13.0</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

**TABLE 5 (A)**

Org. Title: USAID/CAIRO-EGYPT  
 Org. No: 263  
 OC

	FY 97			FY 98			Requested FY 99			Targeted FY 99		
	Dollars	TF	Total									
21.0 <b>Travel and transportation of persons</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0 <b>Training Travel</b>	0.0	11.0	11.0	0.0	11.3	11.3	0.0	12.3	12.3	0.0	12.3	12.3
21.0 <b>Mandatory/Statutory Travel</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0 Post Assignment Travel - to field	0.0	6.4	6.4	0.0	6.4	6.4	0.0	6.4	6.4	0.0	6.4	6.4
21.0 Assignment to Washington Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
21.0 Home Leave Travel	0.0	7.6	7.6	0.0	12.4	12.4	0.0	10.6	10.6	0.0	10.6	10.6
21.0 R & R Travel	0.0	19.2	19.2	0.0	11.2	11.2	0.0	12.8	12.8	0.0	12.8	12.8
21.0 Education Travel	0.0	8.8	8.8	0.0	6.6	6.6	0.0	2.2	2.2	0.0	2.2	2.2
21.0 Evacuation Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
21.0 Retirement Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
21.0 Pre-Employment Invitational Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
21.0 Other Mandatory/Statutory Travel	0.0	9.4	9.4	0.0	10.6	10.6	0.0	11.3	11.3	0.0	11.3	11.3
21.0 <b>Operational Travel</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0 Site Visits - Headquarters Personnel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
21.0 Site Visits - Mission Personnel	37.7	7.4	45.1	41.5	7.9	49.4	45.6	8.4	54.0	45.6	8.4	54.0
21.0 Conferences/Seminars/Meetings/Retreats	0.0	10.6	10.6	0.0	11.7	11.7	0.0	12.8	12.8	0.0	12.8	12.8
21.0 Assessment Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
21.0 Impact Evaluation Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
21.0 Disaster Travel (to respond to specific disasters)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
21.0 Recruitment Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
21.0 Other Operational Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Subtotal OC 21.0</b>	37.7	80.4	118.1	41.5	78.1	119.6	45.6	76.8	122.4	45.6	76.8	122.4
22.0 <b>Transportation of things</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
22.0 Post assignment freight	0.0	20.0	20.0	0.0	20.0	20.0	0.0	20.0	20.0	0.0	20.0	20.0
22.0 Home Leave Freight	0.0	4.8	4.8	0.0	6.0	6.0	0.0	4.8	4.8	0.0	4.8	4.8
22.0 Retirement Freight	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
22.0 Transportation/Freight for Office Furniture/Equip.	0.4	2.3	2.7	0.4	4.9	5.3	0.9	2.4	3.3	0.9	2.4	3.3
22.0 Transportation/Freight for Res. Furniture/Equip.	2.9	15.1	18.0	3.1	35.5	38.6	2.5	6.9	9.4	2.5	6.9	9.4
<b>Subtotal OC 22.0</b>	3.3	42.2	45.5	3.5	66.4	69.9	3.4	34.1	37.5	3.4	34.1	37.5
23.2 <b>Rental payments to others</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.2 Rental Payments to Others - Office Space	0.0	157.1	157.1	0.0	157.1	157.1	0.0	157.1	157.1	0.0	157.1	157.1
23.2 Rental Payments to Others - Warehouse Space	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
23.2 Rental Payments to Others - Residences	0.0	108.1	108.1	0.0	106.8	106.8	0.0	105.6	105.6	0.0	105.6	105.6
<b>Subtotal OC 23.2</b>	0.0	265.2	265.2	0.0	263.9	263.9	0.0	262.7	262.7	0.0	262.7	262.7
23.3 <b>Communications, utilities, and miscellaneous charges</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.3 Office Utilities	0.0	23.3	23.3	0.0	24.9	24.9	0.0	26.6	26.6	0.0	26.6	26.6
23.3 Residential Utilities	0.0	14.3	14.3	0.0	16.4	16.4	0.0	17.6	17.6	0.0	17.6	17.6
23.3 Telephone Costs	0.0	14.8	14.8	0.0	15.8	15.8	0.0	16.9	16.9	0.0	16.9	16.9
23.3 ADP Software Leases	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
23.3 ADP Hardware Lease	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
23.3 Commercial Time Sharing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
23.3 Postal Fees (Other than APO Mail)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
23.3 Other Mail Service Costs	0.0	0.3	0.3	0.0	0.3	0.3	0.0	0.3	0.3	0.0	0.3	0.3
23.3 Courier Services	0.0	0.7	0.7	0.0	0.8	0.8	0.0	0.9	0.9	0.0	0.9	0.9
<b>Subtotal OC 23.3</b>	0.0	53.4	53.4	0.0	58.2	58.2	0.0	62.3	62.3	0.0	62.3	62.3

**TABLE 5 (A)**

Org. Title: USAID/CAIRO-EGYPT  
 Org. No: 263  
 OC

	FY 97			FY 98			Requested FY 99			Targeted FY 99		
	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
24.0 <b>Printing and Reproduction</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Subtotal OC 24.0</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25.1 <b>Advisory and assistance services</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.1    Studies, Analyses, & Evaluations	0.0	26.3	26.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25.1    Management & Professional Support Services	0.0	30.0	30.0	0.0	32.0	32.0	0.0	34.2	34.2	0.0	34.2	34.2
25.1    Engineering & Technical Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Subtotal OC 25.1</b>	0.0	56.3	56.3	0.0	32.0	32.0	0.0	34.2	34.2	0.0	34.2	34.2
25.2 <b>Other services</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.2    Office Security Guards	0.0	34.9	34.9	0.0	37.3	37.3	0.0	41.7	41.7	0.0	41.7	41.7
25.2    Residential Security Guard Services	0.0	9.1	9.1	0.0	11.1	11.1	0.0	12.4	12.4	0.0	12.4	12.4
25.2    Official Residential Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25.2    Representation Allowances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25.2    Non-Federal Audits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25.2    Grievances/Investigations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25.2    Insurance and Vehicle Registration Fees	0.0	0.3	0.3	0.0	0.4	0.4	0.0	0.6	0.6	0.0	0.6	0.6
25.2    Vehicle Rental	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25.2    Manpower Contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25.2    Records Declassification & Other Records Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25.2    Recruiting activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25.2    Penalty Interest Payments	0.0	0.2	0.2	0.0	0.4	0.4	0.0	0.5	0.5	0.0	0.5	0.5
25.2    Other Miscellaneous Services	0.0	6.2	6.2	0.0	12.5	12.5	0.0	6.8	6.8	0.0	6.8	6.8
25.2    Staff training contracts	0.0	29.8	29.8	0.0	30.7	30.7	0.0	33.3	33.3	0.0	33.3	33.3
25.2    ADP related contracts	0.0	3.5	3.5	0.0	15.0	15.0	0.0	3.6	3.6	0.0	3.6	3.6
<b>Subtotal OC 25.2</b>	0.0	84.0	84.0	0.0	107.4	107.4	0.0	98.9	98.9	0.0	98.9	98.9
25.3 <b>Purchase of goods and services from Government accounts</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.3    FAAS	99.1	0.0	99.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25.3    ICASS	0.0	0.0	0.0	164.0	0.0	164.0	173.9	0.0	173.9	173.9	0.0	173.9
25.3    All Other Services from Other Gov't. accounts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Subtotal OC 25.3</b>	99.1	0.0	99.1	164.0	0.0	164.0	173.9	0.0	173.9	173.9	0.0	173.9
25.4 <b>Operation and maintenance of facilities</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.4    Office building Maintenance	0.0	18.7	18.7	0.0	14.0	14.0	0.0	14.8	14.8	0.0	14.8	14.8
25.4    Residential Building Maintenance	0.0	31.3	31.3	0.0	34.9	34.9	0.0	36.8	36.8	0.0	36.8	36.8
<b>Subtotal OC 25.4</b>	0.0	50.0	50.0	0.0	48.9	48.9	0.0	51.6	51.6	0.0	51.6	51.6
25.6 <b>Medical Care</b>	0.0	1.4	1.4	0.0	1.8	1.8	0.0	2.0	2.0	0.0	2.0	2.0
<b>Subtotal OC 25.6</b>	0.0	1.4	1.4	0.0	1.8	1.8	0.0	2.0	2.0	0.0	2.0	2.0
25.7 <b>Operation/maintenance of equipment &amp; storage of goods</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.7    ADP and telephone operation and maintenance costs	0.0	18.2	18.2	0.0	17.0	17.0	0.0	19.2	19.2	0.0	19.2	19.2
25.7    Storage Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25.7    Office Furniture/Equip. Repair and Maintenance	0.0	7.6	7.6	0.0	7.5	7.5	0.0	7.8	7.8	0.0	7.8	7.8
25.7    Vehicle Repair and Maintenance	0.0	0.3	0.3	0.0	0.3	0.3	0.0	0.3	0.3	0.0	0.3	0.3
25.7    Residential Furniture/Equip. Repair and Maintenance	1.0	7.6	8.6	1.1	8.3	9.4	0.9	8.7	9.6	0.9	8.7	9.6
<b>Subtotal OC 25.7</b>	1.0	33.7	34.7	1.1	33.1	34.2	0.9	36.0	36.9	0.9	36.0	36.9

**TABLE 5 (A)**

Org. Title: USAID/CAIRO-EGYPT  
 Org. No: 263  
 OC

	FY 97			FY 98			Requested FY 99			Targeted FY 99		
	Dollars	TF	Total									
25.8 <b>Substance and support of persons (by contract or Gov't.)</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Subtotal OC 25.8</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
26.0 <b>Supplies and materials</b>	7.6	62.8	70.4	9.0	39.7	48.7	10.2	45.2	55.4	10.2	45.2	55.4
<b>Subtotal OC 26.0</b>	7.6	62.8	70.4	9.0	39.7	48.7	10.2	45.2	55.4	10.2	45.2	55.4
31.0 <b>Equipment</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
31.0 Purchase of Residential Furniture/Equip.	2.3	16.0	18.3	6.4	11.2	17.6	2.0	14.7	16.7	2.0	14.7	16.7
31.0 Purchase of Office Furniture/Equip.	3.5	15.1	18.6	2.5	31.1	33.6	2.8	6.7	9.5	2.8	6.7	9.5
31.0 Purchase of Vehicles	4.8	8.9	13.7	3.4	9.1	12.5	2.4	8.2	10.6	2.4	8.2	10.6
31.0 Purchase of Printing/Graphics Equipment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
31.0 ADP Hardware purchases	8.6	67.0	75.6	0.6	72.0	72.6	0.6	12.0	12.6	0.6	12.0	12.6
31.0 ADP Software purchases	1.1	12.0	13.1	3.0	12.0	15.0	2.4	12.0	14.4	2.4	12.0	14.4
<b>Subtotal OC 31.0</b>	20.3	119.0	139.3	15.9	135.4	151.3	10.2	53.6	63.8	10.2	53.6	63.8
32.0 <b>Lands and structures</b>	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
32.0 Purchase of Land & Buildings (& construction of bldgs.)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
32.0 Purchase of fixed equipment for buildings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
32.0 Building Renovations/Alterations - Office	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
32.0 Building Renovations/Alterations - Residential	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Subtotal OC 32.0</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
42.0 <b>Claims and indemnities</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Subtotal OC 42.0</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL BUDGET</b>	169.0	1,736.0	1,905.0	235.0	1,741.7	1,976.7	244.2	1,736.6	1,980.8	244.2	1,736.6	1,980.8
<b>Less FAAS</b>	(99.1)	0.0	(99.1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net Mission Budget</b>	69.9	1,736.0	1,805.9	235.0	1,741.7	1,976.7	244.2	1,736.6	1,980.8	244.2	1,736.6	1,980.8

**TABLE 5(C)**

Orgno.:263  
 Org. Title: USAID/CAIRO-EGYPT

**Foreign National Voluntary Separation Account**

Action	FY 97			FY 98			FY 99		
	OE	Program	Total	OE	Program	Total	OE	Program	Total
Deposits	304.2	0.0	304.2	325.1	0.0	325.1	363.4	0.0	363.4
Withdrawals	22.6	0.0	22.6	0.0	0.0	0.0	0.0	0.0	0.0

**Local Currency Trust Funds - Regular (\$000s)**

	FY 97	FY 98	FY 99
Balance Start of Year	10,145.5	13,052.0	16,398.6
Obligations	15,385.2	15,224.8	15,526.2
Deposits	18,291.7	18,571.4	19,722.2
Balance End of Year	13,052.0	16,398.6	20,594.6

**Trust Funds in Dollar Equivalents, not in Local Country Equivalents**

**Local Currency Trust Funds - Real Property (\$000s)**

	FY 97	FY 98	FY 99
Balance Start of Year	12,279.9	8,006.7	771.0
Obligations	6,167.6	9,664.3	500.2
Deposits	1,894.4	2,428.6	0.0
Balance End of Year	8,006.7	771.0	270.8

**Trust Funds in Dollar Equivalents, not in Local Country Equivalents**

**TABLE 6.A**  
**Workforce Resources**  
**FY 1997 Position Allocation of Staff Ceilings**

**Organization:** USAID/EGYPT

Staff	Strategic Objective 1	Strategic Objective 2	Strategic Objective 3	Strategic Objective 4	Strategic Objective 5	Strategic Objective 6	Strategic Objective 7	Special Objective A	Special Objective B	Special Objective C	Special Objective D	Special Objective E	Subtotal S.O. Staff	Support Offices							Subtotal Support Staff	Grand Total Staff
														Mission Mgt.	Con-troller	EXO	Con-tracts	Legal	Program	Other		
USDH	29	4	2.5	5	6.5	9.5	6	0.5	1	1.5	2.5	2	70	3	1	2	1	1	3		11	81
USPSC (OE/TF) Internationally Recruited													0			2					2	2
USPSC (OE/TF) Locally Recruited	1												1			4			1	1	6	7
USPSC (Program Funded)	5		1	1	1								8		1				1		2	10
FSN/TCN Direct Hire (OE/TF) Internationally Recruited													0								0	0
FSN/TCN Direct Hire (OE/TF) Locally Recruited	22	1		4	3	1	2	1			1	3	38		5	13	1		2	1	22	60
FSN/TCN Non-Direct Hire (OE/TF) Internationally Recruited													0								0	0
FSN/TCN Non-Direct Hire (OE/TF) Locally Recruited	44	6	8.5	7	7	15	4	2	4	3	2	4.5	107	1	5	73	1	1	5	2	88	195
FSN/TCN Non-Direct Hire (Program Funded)	6		2		1	6				2		3	20		6						6	26
Other (RSSA, PASA, IPA) (OE/TF Funded)													0								0	0
Other (RSSA, PASA, IPA) (Program Funded)	2				1								3								0	3
<b>Total Staff by Objective</b>	109	11	14	17	19.5	31.5	12	3.5	5	6.5	5.5	12.5	247	4	18	94	3	2	12	4	137	384
TAACs*																						
Fellows*																						

Strategic Objective 1: Accelerated Private Sector-Led Export-Oriented Economic Growth

Strategic Objective 2: Increased Participation of Girls in Quality Basic Education

Strategic Objective 3: Increased Citizen Participation in Public Decision Making

Strategic Objective 4: Reduced Fertility

Strategic Objective 5: Sustainable Improvements in the Health of Women and Children

Strategic Objective 6: Increased Access to Sustainable Water and Wastewater Service

Strategic Objective 7: Reduced Generation of Air Pollution

Special Objective A: Increased Use of Egyptian Universities in Quality, Demand-Driven Applied Research

Special Objective B: Increased Use of Information Services by the Legislature in Decision Making

Special Objective C: Improved Civil Legal System

Special Objective D: Approaches to Sustainable Tourism Demonstrated

Special Objective E: Improved Human Capacity Development System Linked to Strategic Priority Areas

**TABLE 6.B**

**Totals by Staffing Category - FY 1997 Ceiling**

Staff	Strategic Objective 1	Strategic Objective 2	Strategic Objective 3	Strategic Objective 4	Strategic Objective 5	Strategic Objective 6	Strategic Objective 7	Special Objective A	Special Objective B	Special Objective C	Special Objective D	Special Objective E	Subtotal S.O. Staff	Support Offices							Subtotal Support Staff	Grand Total Staff
														Mission Mgt.	Con-troller	EXO	Con-tracts	Legal	Program	Other		
USDH	29	4	2.5	5	6.5	9.5	6	0.5	1	1.5	2.5	2	70	3	1	2	1	1	3	0	11	81
USPSC (OE/TF)	1	0	0	0	0	0	0	0	0	0	0	0	1	0	0	6	0	0	1	1	8	9
USPSC (Program Funded)	5		1	1	1	0	0	0	0	0	0	0	8	0	1	0	0	0	1	0	2	10
<b>Total USPSCs</b>	<b>6</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>0</b>	<b>1</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>10</b>	<b>19</b>
FSN/TCN Direct Hire (OE/TF)	22	1	0	4	3	1	2	1	0	0	1	3	38	0	5	13	1	0	2	1	22	60
FSN/TCN Non Direct Hire (OE/TF)	44	6	8.5	7	7	15	4	2	4	3	2	4.5	107	1	5	73	1	1	5	2	88	195
FSN/TCN Non Direct Hire (Program Funded)	6	0	2	0	1	6		0	0	2	0	3	20	0	6	0	0	0	0	0	6	26
<b>Total FSN/TCN Non Direct Hire</b>	<b>50</b>	<b>6</b>	<b>10.5</b>	<b>7</b>	<b>8</b>	<b>21</b>	<b>4</b>	<b>2</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>7.5</b>	<b>127</b>	<b>1</b>	<b>11</b>	<b>73</b>	<b>1</b>	<b>1</b>	<b>5</b>	<b>2</b>	<b>94</b>	<b>221</b>
<b>Total FSN/TCN (OE/TF)</b>	<b>66</b>	<b>7</b>	<b>8.5</b>	<b>11</b>	<b>10</b>	<b>16</b>	<b>6</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>7.5</b>	<b>145</b>	<b>1</b>	<b>10</b>	<b>86</b>	<b>2</b>	<b>1</b>	<b>7</b>	<b>3</b>	<b>110</b>	<b>255</b>
<b>Total FSN/TCN (Program Funded)</b>	<b>6</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>6</b>		<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>3</b>	<b>20</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>26</b>
<b>Total FSN/TCN Staff</b>	<b>72</b>	<b>7</b>	<b>10.5</b>	<b>11</b>	<b>11</b>	<b>22</b>	<b>6</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>3</b>	<b>10.5</b>	<b>165</b>	<b>1</b>	<b>16</b>	<b>86</b>	<b>2</b>	<b>1</b>	<b>7</b>	<b>3</b>	<b>116</b>	<b>281</b>
<b>Total Other (RSSA, PASA, IPA) (OE/TF)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>						
<b>Total Other (RSSA, PASA, IPA) (Program Funded)</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>
<b>Total FSN/TCN Staff</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>
<b>Total OE/TF Staff (includes USDH)</b>	<b>96</b>	<b>11</b>	<b>11</b>	<b>16</b>	<b>16.5</b>	<b>25.5</b>	<b>12</b>	<b>3.5</b>	<b>5</b>	<b>4.5</b>	<b>5.5</b>	<b>9.5</b>	<b>216</b>	<b>4</b>	<b>11</b>	<b>94</b>	<b>3</b>	<b>2</b>	<b>11</b>	<b>4</b>	<b>129</b>	<b>345</b>
<b>Total Program Funded Staff</b>	<b>13</b>	<b>0</b>	<b>3</b>	<b>1</b>	<b>3</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>3</b>	<b>31</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>8</b>	<b>39</b>
<b>Grand Total All Staff</b>	<b>109</b>	<b>11</b>	<b>14</b>	<b>17</b>	<b>19.5</b>	<b>31.5</b>	<b>12</b>	<b>3.5</b>	<b>5</b>	<b>6.5</b>	<b>5.5</b>	<b>12.5</b>	<b>247</b>	<b>4</b>	<b>18</b>	<b>94</b>	<b>3</b>	<b>2</b>	<b>12</b>	<b>4</b>	<b>137</b>	<b>384</b>

Strategic Objective 1: Accelerated Private Sector-Led Export-Oriented Economic Growth

Strategic Objective 2: Increased Participation of Girls in Quality Basic Education

Strategic Objective 3: Increased Citizen Participation in Public Decision Making

Strategic Objective 4: Reduced Fertility

Strategic Objective 5: Sustainable Improvements in the Health of Women and Children

Strategic Objective 6: Increased Access to Sustainable Water and Wastewater Service

Strategic Objective 7: Reduced Generation of Air Pollution

Special Objective A: Increased Use of Egyptian Universities in Quality, Demand-Driven Applied Research

Special Objective B: Increased Use of Information Services by the Legislature in Decision Making

Special Objective C: Improved Civil Legal System

Special Objective D: Approaches to Sustainable Tourism Demonstrated

Special Objective E: Improved Human Capacity Development System Linked to Strategic Priority Areas

**Notes:**

\* TAACs and Fellows count against G ceilings only and thus are "below the line" for field operating units. Service in the capacity of TAACs should be reported as TAACs regardless of the hiring mechanism. They should not be reported under PSCs, PASAs, RSSAs, etc.

The data in the table reflects positions, NOT, on-board strength or FTEs. You can divide the positions of people working on more than one SO, but do not subdivide in units of less than a half (0.5).

Provide separate tables for FY 97, 98, and 99.

**TABLE 7.A**  
**Workforce Resources**  
**FY 1998 Position Allocation of Staff Ceilings**

**Organization:** USAID/EGYPT

Staff	Strategic Objective 1	Strategic Objective 2	Strategic Objective 3	Strategic Objective 4	Strategic Objective 5	Strategic Objective 6	Strategic Objective 7	Special Objective A	Special Objective B	Special Objective C	Special Objective D	Special Objective E	Subtotal S.O. Staff	Support Offices							Subtotal Support Staff	Grand Total Staff
														Mission Mgt.	Con-troller	EXO	Con-tracts	Legal	Program	Other		
USDH	25	4	2.5	5	6.5	9	6	0.5	1	1	2.5	2	65	3	1	2	1	1	3		11	76
USPSC (OE/TF) Internationally Recruited													0			2	0				2	2
USPSC (OE/TF) Locally Recruited	1												1			4			1	1	6	7
USPSC (Program Funded)	5		1	1	1								8		1					1	2	10
FSN/TCN Direct Hire (OE/TF) Internationally Recruited													0								0	0
FSN/TCN Direct Hire (OE/TF) Locally Recruited	22	1		4	3	1	2	1			1	3	38		5	13	1		2	1	22	60
FSN/TCN Non-Direct Hire (OE/TF) Internationally Recruited													0								0	0
FSN/TCN Non-Direct Hire (OE/TF) Locally Recruited	44	6	8.5	7	7	15	4	2	4	3	2	4.5	107	1	5	73	1	1	5	2	88	195
FSN/TCN Non-Direct Hire (Program Funded)	6		2		1	6				2		3	20		6						6	26
Other (RSSA, PASA, IPA) (OE/TF Funded)													0								0	0
Other (RSSA, PASA, IPA) (Program Funded)	2				1								3								0	3
<b>Total Staff by Objective</b>	105	11	14	17	19.5	31	12	3.5	5	6	5.5	12.5	242	4	18	94	3	2	11	5	137	379
TAACs*																						
Fellows*																						

Strategic Objective 1: Accelerated Private Sector-Led Export-Oriented Economic Growth

Strategic Objective 2: Increased Participation of Girls in Quality Basic Education

Strategic Objective 3: Increased Citizen Participation in Public Decision Making

Strategic Objective 4: Reduced Fertility

Strategic Objective 5: Sustainable Improvements in the Health of Women and Children

Strategic Objective 6: Increased Access to Sustainable Water and Wastewater Service

Strategic Objective 7: Reduced Generation of Air Pollution

Special Objective A: Increased Use of Egyptian Universities in Quality, Demand-Driven Applied Research

Special Objective B: Increased Use of Information Services by the Legislature in Decision Making

Special Objective C: Improved Civil Legal System

Special Objective D: Approaches to Sustainable Tourism Demonstrated

Special Objective E: Improved Human Capacity Development System Linked to Strategic Priority Areas

**TABLE 7.B**

**Totals by Staffing Category- FY 1998 Ceiling**

Staff	Strategic Objective 1	Strategic Objective 2	Strategic Objective 3	Strategic Objective 4	Strategic Objective 5	Strategic Objective 6	Strategic Objective 7	Special Objective A	Special Objective B	Special Objective C	Special Objective D	Special Objective E	Subtotal S.O. Staff	Support Offices							Subtotal Support Staff	Grand Total Staff
														Mission Mgt.	Con-troller	EXO	Con-tracts	Legal	Program	Other		
USDH	25	4	2.5	5	6.5	9	6	0.5	1	1	2.5	2	65	3	1	2	1	1	3	0	11	76
USPSC (OE/TF)	1	0	0	0	0	0	0	0	0	0	0	0	1	0	0	6	0	0	1	1	8	9
USPSC (Program Funded)	5	0	1	1	1	0	0	0	0	0	0	0	8	0	1	0	0	0	0	1	2	10
<b>Total USPSCs</b>	<b>6</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>0</b>	<b>1</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>10</b>	<b>19</b>
FSN/TCN Direct Hire (OE/TF)	22	1	0	4	3	1	2	1	0	0	1	3	38	0	5	13	1	0	2	1	22	60
FSN/TCN Non Direct Hire (OE/TF)	44	6	8.5	7	7	15	4	2	4	3	2	4.5	107	1	5	73	1	1	5	2	88	195
FSN/TCN Non Direct Hire (Program Funded)	6	0	2	0	1	6	0	0	0	2	0	3	20	0	6	0	0	0	0	0	6	26
<b>Total FSN/TCN Non Direct Hire</b>	<b>50</b>	<b>6</b>	<b>10.5</b>	<b>7</b>	<b>8</b>	<b>21</b>	<b>4</b>	<b>2</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>7.5</b>	<b>127</b>	<b>1</b>	<b>11</b>	<b>73</b>	<b>1</b>	<b>1</b>	<b>5</b>	<b>2</b>	<b>94</b>	<b>221</b>
<b>Total FSN/TCN (OE/TF)</b>	<b>66</b>	<b>7</b>	<b>8.5</b>	<b>11</b>	<b>10</b>	<b>16</b>	<b>6</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>7.5</b>	<b>145</b>	<b>1</b>	<b>10</b>	<b>86</b>	<b>2</b>	<b>1</b>	<b>7</b>	<b>3</b>	<b>110</b>	<b>255</b>
<b>Total FSN/TCN (Program Funded)</b>	<b>6</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>3</b>	<b>20</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>26</b>
<b>Total FSN/TCN Staff</b>	<b>72</b>	<b>7</b>	<b>10.5</b>	<b>11</b>	<b>11</b>	<b>22</b>	<b>6</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>3</b>	<b>10.5</b>	<b>165</b>	<b>1</b>	<b>16</b>	<b>86</b>	<b>2</b>	<b>1</b>	<b>7</b>	<b>3</b>	<b>116</b>	<b>281</b>
<b>Total Other (RSSA, PASA, IPA) (OE/TF)</b>		<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Other (RSSA, PASA, IPA) (Program Funded)</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>
<b>Total FSN/TCN Staff</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>
<b>Total OE/TF Staff (includes USDH)</b>	<b>92</b>	<b>11</b>	<b>11</b>	<b>16</b>	<b>16.5</b>	<b>25</b>	<b>12</b>	<b>3.5</b>	<b>5</b>	<b>4</b>	<b>5.5</b>	<b>9.5</b>	<b>211</b>	<b>4</b>	<b>11</b>	<b>94</b>	<b>3</b>	<b>2</b>	<b>11</b>	<b>4</b>	<b>129</b>	<b>340</b>
<b>Total Program Funded Staff</b>	<b>13</b>	<b>0</b>	<b>3</b>	<b>1</b>	<b>3</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>3</b>	<b>31</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>8</b>	<b>39</b>
<b>Grand Total All Staff</b>	<b>105</b>	<b>11</b>	<b>14</b>	<b>17</b>	<b>19.5</b>	<b>31</b>	<b>12</b>	<b>3.5</b>	<b>5</b>	<b>6</b>	<b>5.5</b>	<b>12.5</b>	<b>242</b>	<b>4</b>	<b>18</b>	<b>94</b>	<b>3</b>	<b>2</b>	<b>11</b>	<b>5</b>	<b>137</b>	<b>379</b>

Strategic Objective 1: Accelerated Private Sector-Led Export-Oriented Economic Growth

Strategic Objective 2: Increased Participation of Girls in Quality Basic Education

Strategic Objective 3: Increased Citizen Participation in Public Decision Making

Strategic Objective 4: Reduced Fertility

Strategic Objective 5: Sustainable Improvements in the Health of Women and Children

Strategic Objective 6: Increased Access to Sustainable Water and Wastewater Service

Strategic Objective 7: Reduced Generation of Air Pollution

Special Objective A: Increased Use of Egyptian Universities in Quality, Demand-Driven Applied Research

Special Objective B: Increased Use of Information Services by the Legislature in Decision Making

Special Objective C: Improved Civil Legal System

Special Objective D: Approaches to Sustainable Tourism Demonstrated

Special Objective E: Improved Human Capacity Development System Linked to Strategic Priority Areas

**Notes:**

\* TAACs and Fellows count against G ceilings only and thus are "below the line" for field operating units. Service in the capacity of TAACs should be reported as TAACs regardless of the hiring mechanism. They should not be reported under PSCs, PASAs, RSSAs, etc.

The data in the table reflects positions, NOT, on-board strength or FTEs. You can divide the positions of people working on more than one SO, but do not subdivide in units of less than a half (0.5).

Provide separate tables for FY 97, 98, and 99.

**TABLE 8.A**  
**Workforce Resources**  
**FY 1999 Position Allocation of Staff Target Levels**

**Organization:** USAID/EGYPT

Staff	Strategic Objective 1	Strategic Objective 2	Strategic Objective 3	Strategic Objective 4	Strategic Objective 5	Strategic Objective 6	Strategic Objective 7	Special Objective A	Special Objective B	Special Objective C	Special Objective D	Special Objective E	Subtotal S.O. Staff	Support Offices							Subtotal Support Staff	Grand Total Staff
														Mission Mgt.	Con-troller	EXO	Con-tracts	Legal	Program	Other		
USDH	25	4	2.5	5	6.5	9	6	0.5	1	1	2.5	2	65	3	1	2	1	1	3		11	76
USPSC (OE/TF) Internationally Recruited													0			2	0				2	2
USPSC (OE/TF) Locally Recruited	1												1			4			1	1	6	7
USPSC (Program Funded)	5		1	1	1								8		1					1	2	10
FSN/TCN Direct Hire (OE/TF) Internationally Recruited													0								0	0
FSN/TCN Direct Hire (OE/TF) Locally Recruited	22	1		4	3	1	2	1			1	3	38		5	13	1		2	1	22	60
FSN/TCN Non-Direct Hire (OE/TF) Internationally Recruited													0								0	0
FSN/TCN Non-Direct Hire (OE/TF) Locally Recruited	44	6	8.5	7	7	15	4	2	4	3	2	4.5	107	1	5	73	1	1	5	2	88	195
FSN/TCN Non-Direct Hire (Program Funded)	6		2		1	6				2		3	20		6						6	26
Other (RSSA, PASA, IPA) (OE/TF Funded)													0								0	0
Other (RSSA, PASA, IPA) (Program Funded)	2				1								3								0	3
<b>Total Staff by Objective</b>	105	11	14	17	19.5	31	12	3.5	5	6	5.5	12.5	242	4	18	94	3	2	11	5	137	379
TAACs*																						
Fellows*																						

- Strategic Objective 1: Accelerated Private Sector-Led Export-Oriented Economic Growth
- Strategic Objective 2: Increased Participation of Girls in Quality Basic Education
- Strategic Objective 3: Increased Citizen Participation in Public Decision Making
- Strategic Objective 4: Reduced Fertility
- Strategic Objective 5: Sustainable Improvements in the Health of Women and Children
- Strategic Objective 6: Increased Access to Sustainable Water and Wastewater Service
- Strategic Objective 7: Reduced Generation of Air Pollution
- Special Objective A: Increased Use of Egyptian Universities in Quality, Demand-Driven Applied Research
- Special Objective B: Increased Use of Information Services by the Legislature in Decision Making
- Special Objective C: Improved Civil Legal System
- Special Objective D: Approaches to Sustainable Tourism Demonstrated
- Special Objective E: Improved Human Capacity Development System Linked to Strategic Priority Areas

**TABLE 8.B**

**Totals by Staffing Category - FY 1999 Target**

Staff	Strategic Objective 1	Strategic Objective 2	Strategic Objective 3	Strategic Objective 4	Strategic Objective 5	Strategic Objective 6	Strategic Objective 7	Special Objective A	Special Objective B	Special Objective C	Special Objective D	Special Objective E	Subtotal S.O. Staff	Support Offices							Subtotal Support Staff	Grand Total Staff
														Mission Mgt.	Con-troller	EXO	Con-tracts	Legal	Program	Other		
USDH	25	4	2.5	5	6.5	9	6	0.5	1	1	2.5	2	65	3	1	2	1	1	3	0	11	76
USPSC (OE/TF)	1	0	0	0	0	0	0	0	0	0	0	0	1	0	0	6	0	0	1	1	8	9
USPSC (Program Funded)	5	0	1	1	1	0	0	0	0	0	0	0	8	0	1	0	0	0	0	1	2	10
<b>Total USPSCs</b>	<b>6</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>0</b>	<b>1</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>10</b>	<b>19</b>
FSN/TCN Direct Hire (OE/TF)	22	1	0	4	3	1	2	1	0	0	1	3	38	0	5	13	1	0	2	1	22	60
FSN/TCN Non Direct Hire (OE/TF)	44	6	8.5	7	7	15	4	2	4	3	2	4.5	107	1	5	73	1	1	5	2	88	195
FSN/TCN Non Direct Hire (Program Funded)	6	0	2	0	1	6	0	0	0	2	0	3	20	0	6	0	0	0	0	0	6	26
<b>Total FSN/TCN Non Direct Hire</b>	<b>50</b>	<b>6</b>	<b>10.5</b>	<b>7</b>	<b>8</b>	<b>21</b>	<b>4</b>	<b>2</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>7.5</b>	<b>127</b>	<b>1</b>	<b>11</b>	<b>73</b>	<b>1</b>	<b>1</b>	<b>5</b>	<b>2</b>	<b>94</b>	<b>221</b>
<b>Total FSN/TCN (OE/TF)</b>	<b>66</b>	<b>7</b>	<b>8.5</b>	<b>11</b>	<b>10</b>	<b>16</b>	<b>6</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>7.5</b>	<b>145</b>	<b>1</b>	<b>10</b>	<b>86</b>	<b>2</b>	<b>1</b>	<b>7</b>	<b>3</b>	<b>110</b>	<b>255</b>
<b>Total FSN/TCN (Program Funded)</b>	<b>6</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>3</b>	<b>20</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>26</b>
<b>Total FSN/TCN Staff</b>	<b>72</b>	<b>7</b>	<b>10.5</b>	<b>11</b>	<b>11</b>	<b>22</b>	<b>6</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>3</b>	<b>10.5</b>	<b>165</b>	<b>1</b>	<b>16</b>	<b>86</b>	<b>2</b>	<b>1</b>	<b>7</b>	<b>3</b>	<b>116</b>	<b>281</b>
<b>Total Other (RSSA, PASA, IPA) (OE/TF)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>						
<b>Total Other (RSSA, PASA, IPA) (Program Funded)</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>
<b>Total FSN/TCN Staff</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>
<b>Total OE/TF Staff (includes USDH)</b>	<b>92</b>	<b>11</b>	<b>11</b>	<b>16</b>	<b>16.5</b>	<b>25</b>	<b>12</b>	<b>3.5</b>	<b>5</b>	<b>4</b>	<b>5.5</b>	<b>9.5</b>	<b>211</b>	<b>4</b>	<b>11</b>	<b>94</b>	<b>3</b>	<b>2</b>	<b>11</b>	<b>4</b>	<b>129</b>	<b>340</b>
<b>Total Program Funded Staff</b>	<b>13</b>	<b>0</b>	<b>3</b>	<b>1</b>	<b>3</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>3</b>	<b>31</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>8</b>	<b>39</b>
<b>Grand Total All Staff</b>	<b>105</b>	<b>11</b>	<b>14</b>	<b>17</b>	<b>19.5</b>	<b>31</b>	<b>12</b>	<b>3.5</b>	<b>5</b>	<b>6</b>	<b>5.5</b>	<b>12.5</b>	<b>242</b>	<b>4</b>	<b>18</b>	<b>94</b>	<b>3</b>	<b>2</b>	<b>11</b>	<b>5</b>	<b>137</b>	<b>379</b>

- Strategic Objective 1: Accelerated Private Sector-Led Export-Oriented Economic Growth
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Provide separate tables for FY 97, 98, and 99.

Activities Requiring IEEs or EAs in FY 97

**NEW ACTIVITIES**

<u>Strategic Objective</u>	<u>Results Package Title</u>	<u>Environmental Review Status</u>
1	Small Enterprise Credit II	IEE
1	Capital Market Development	IEE
1	Private Sector CIP II	IEE
1	Power Sector Distribution	IEE
1	Telecom Sector Support	IEE
1	Partnership for Economic Reform	IEE
3	ENGO Service Center	IEE
4	POP/Family Planning IV	IEE
6	Egypt Utilities Management Design	IEE
7	TA for Environmental Policy	IEE
1	Strategic Analysis and Monitoring	IEE

**ACTIVITY/PP AMENDMENTS**

1	Growth Through Globalization	IEE
1	Privatization Support	IEE
3	PVO Development	IEE

**ENVIRONMENTAL ASSESSMENTS IN PROCESS**

Anticipated Completion Date

6	Alexandria Wastewater II	April, 1997
6	Secondary Cities	April, 1997

**PLANNED ENVIRONMENTAL ASSESSMENTS FOR FY 97/98 START**

6	Egypt Utilities Management	late 97 start
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