

USAID/Egypt
Operational Plan

FY 2006

June 12, 2006

Please Note:

The attached RESULTS INFORMATION is from the FY 2006 Operational Plan and was assembled and analyzed by the country or USAID operating unit identified on the cover page.

The Operational Plan is a "pre-decisional" USAID document and does not reflect results stemming from formal USAID review(s) of this document.

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Program Performance Summary FY 2005: Egypt, a strong moderating force in the Middle East, has long been an important U.S. ally. Egypt and the United States share strategic interests that include achieving stability and peace in the region. This continuing bilateral relationship serves the national security interests of both countries. A key U.S. goal is for Egypt to become a fully-integrated and competitive participant in the global economy. Thus, prosperity is promoted in Egypt by assisting the country's ongoing, but incomplete, transition from an economy controlled by the state to a free market.

The greatest threat to domestic stability results from popular frustration with recent economic performance and a persistent lack of economic opportunity. About 40% of Egypt's 71.8 million citizens live below the poverty line, despite a per capita gross domestic product of about U.S. \$1,100. Unemployment is an acute problem. Official numbers show a steady rise in unemployment from a low of 7.9% in 1999/2000 to 10% in 2005. Most independent estimates put the rate within the range of 15-25%. Moreover, unemployment among recent graduates is generally considered to be even higher, at almost 40% for men and 50% for women.

Order has returned to the foreign exchange market as the Central Bank of Egypt took steps to ensure the availability of hard currency. This task was made easier by Egypt's vastly improved external position as tourism boomed, exports strengthened with the depreciation of the Egyptian pound and strong oil prices, and import demand remained extremely sluggish. In late December, the Egyptian pound finally registered its first gain on the official market in five years.

The economically liberal cabinet, appointed in mid-2004, has embarked on reform with vigor. Key measures have included lowering customs duties and simplifying customs procedures as well as implementing sharp reductions in personal and corporate income taxes. These reforms are expected to stimulate the economy by raising disposable income for consumption and investment. Egypt's implementation of the Qualifying Industrial Zone (QIZ) program with the United States and Israel indicates the Government of Egypt's (GOE) increasing pragmatism and determination to encourage trade and investment.

Challenges: Major tasks facing the GOE include restoring business confidence to stimulate rapid, private-sector-led economic growth; improving the business environment to attract new investment and create jobs; arresting the deterioration of public finances; and better targeting of subsidies and social expenditures to ensure that Egypt's most needy people are assisted without overwhelming the budget. Financial sector reform, privatization, and measures to address the banking sector's large non-performing loan burden are major issues of debate.

U.S. Interests and Goals: The United States seeks a strong bilateral relationship with Egypt to form an effective partnership to meet foreign policy objectives and address regional priorities. The Egypt program is a strategic program that aims to combat terrorism; achieve regional stability, advance regional peace; ensure domestic and regional security; and promote economic development. USAID's programs in Egypt also address the following strategic priorities of the Asia-Near East (ANE) Bureau: USAID invests in education, skills development, small and micro enterprise, and trade and investment to create jobs for the 21st century. USAID also increased the participation of rural inhabitants in decentralized water management and is maintaining water conveyance infrastructure to improve irrigation water usage and availability. These efforts and the extensive water and wastewater projects address the ANE initiative of launching a Blue Revolution. The participant training program works towards training future leaders in Egypt. USAID's administration of justice program seeks to improve justice systems and strengthen the rule of law. In addition, efforts to support democratic local government and to decentralize political, administrative, and fiscal systems are new initiatives that address the ANE priority of making national governments work.

Gender: USAID addresses gender issues and gaps in all sectors. It aims to increase women's and girls' access to education and competitive jobs, improve their health, and increase their participation in decision-making processes. A total of 150,284 girls and women received education and training through USAID-funded programs. USAID provided 4,024 scholarships to primary, preparatory, and secondary school girls in 2005. The small and micro enterprise project provided credit to women, primarily heads of

households in Egypt's most economically disadvantaged areas. The health program improved maternal and child health on the national level, with a special focus on urban slum areas. A new activity aims to strengthen the family justice system to mediate family disputes.

Key achievements: Overall, the USAID program in Egypt met its targets in 2005. The GOE is now more determined to undertake policy reform and address difficult social and economic challenges.

1. Environment for Trade and Investment: USAID's assistance for strengthening the environment for trade and investment is organized around the objectives of modernizing the financial sector; facilitating trade and investment policies and procedures, and; increasing the competitiveness of natural resource-based industries. In March 2005, negotiations with the GOE culminated in the signing of a multi-year Financial Sector Reform Memorandum of Understanding concerning reforms to be implemented with assistance from the Development Support Program II. During FY 2005, USAID provided technical assistance and training to the Egyptian Customs Authority (ECA) to streamline procedures and the ECA's organizational structure. Egypt established the Model Customs Center in Alexandria - a single window for processing trade documents - which reduced the time for obtaining approvals from 26 days to five days. During the past year, USAID assisted the Central Bank of Egypt (CBE) in establishing the Monetary, Foreign Exchange and Non Performing Loans units by financing a number of private sector practitioners with extensive international experience. These experts formed a professional cadre at the CBE and started the implementation of reform in the banking and monetary policy areas. USAID's Microfinance Development Program, which has been serving Egypt's small and micro entrepreneurs since 1991, reached its one millionth borrower at the end of FY 2005. USAID-supported microfinance institutions continued to increase outreach capacity, issuing more than 805,000 loans valued at over LE 1.1 billion (about US\$191 million) nationwide in the course of the year. Women have consistently constituted more than 65% of all borrowers, and most of these women were heads of households in Egypt's most economically disadvantaged areas.

2. Increased Access to Sustainable Utilities: USAID's infrastructure program provides assistance to the telecommunications, power, and water/wastewater sectors. The work on the Abu Qir power generation plant has been completed, with the warranty period set to expire in March 2006. The construction of three electrical high voltage substations is complete. These substations reduce the high voltage from the central transmission grid so that it can be distributed and used on a local basis. Each of these substations will provide electrical power to about 250,000 people. In the past 26 years, USAID has financed 35% of Egypt's electric power-generating capacity, benefiting more than 20 million people and helping bring access to electricity to almost 98% of the Egyptian population. Total capacity increased from 4,000 MW to more than 15,000 MW, and consumption has increased by 6% annually since the 1980s. In addition, approximately 1.5 million Egyptians benefited during this reporting period from USAID investments to improve the reliability of power generation at Abu Qir and Abu Sultan plants. USAID assistance enabled generators to increase operating time and output by approximately 25%.

Installation of new phone lines and other telephone services expanded and improved telephone service for approximately nine million people. Nearly 1.4 million Egyptians benefited during this reporting period from USAID investment under the Outside Plant II activity that added over 280,000 new phone lines. Construction of a wastewater collection and treatment system in Luxor, serving approximately 40,000 people, was completed. Also in Luxor, construction of a force main and rehabilitation of an existing major pump station is 65% complete, which will improve the efficiency of the existing wastewater treatment facilities. Additionally, work to lower the levels of groundwater which will help preserve both Karnak and Luxor Temples is about 30% complete. This rehabilitation work will help sustain both the temples as well as the resulting economy which relies on tourism to these monuments.

3. Healthier Planned Families: The primary focus of USAID's child health activities are polio eradication, Integrated Management of Childhood Illness (IMCI), and neonatal care. During FY 2005, USAID continued to be a major donor to the Ministry of Health and Population's polio eradication effort, and will remain so until polio is eradicated from Egypt - projected for 2008. USAID contributed funding for door-to-door national immunization campaigns; a total of eight were conducted in FY 2005, with a coverage rate exceeding 99.2%. No cases of live polio were detected in Egypt in FY 2005. Partially due to USAID's

financial support of the national IMCI program, Egypt has experienced a significant reduction in the Under Five Mortality Rate (from 80.6 deaths/1000 children in 1995 to 41 deaths/1000 children in 2005), exceeding the planned target of 42 deaths/1000 children for FY 2005. During FY 2005, the IMCI program expanded to an additional 38 districts, for a cumulative 157 of 250 districts nationwide. This exceeded the target of 125 districts. During early FY 2005, the final 17 planned hospital delivery room and maternity ward renovations and refurbishments were completed.

As the seven-year technical assistance program neared completion during FY 2005, all 75 districts in Upper Egypt and two slums in Cairo received the full basic package of essential maternal health service upgrades. These upgrades included training, renovating and equipping hospital and maternity center obstetric wards, and mobilizing communities. The share of births attended by a skilled provider increased from 69.4% in 2003, to 74.2% in 2005 - thereby exceeding the target of 72%. Community outreach programs reached more than 75,000 youth and adults with family planning and reproductive health messages. Nearly 3,500 private sector pharmacists and physicians were trained in improved counseling skills, and about 11,400 public providers and non-governmental organization (NGO) outreach workers were trained on reproductive health. The program educated and garnered the active involvement of Muslim and Christian religious leaders, agricultural extension agents, women's advocacy groups, and community businessmen. An FY 2005 survey conducted in the intervention areas showed a 35% increase in patronage at the newly renovated and galvanized clinics (family planning clients increased by 20.8%), and knowledge of optimal birth spacing (3 - 5 years) increased by 38%.

During FY 2005, with funding and technical assistance from USAID, Egypt opened its first anonymous HIV/AIDS Voluntary Counseling and Testing (VCT) center and provided training for 28 VCT counselors. The Cairo VCT Center tested and/or counseled 230 clients during FY 2005. A campaign to increase public awareness about the VCT centers is currently being developed. NGO outreach activities provided 1,000 intravenous drug users with prevention information. Training in clinical management, treatment, and care of people living with HIV/AIDS was provided to 150 physicians and nurses

4. Democracy and Governance: Egypt's first contested Presidential election offered a prime opportunity to expand the boundaries of civic participation and raise the standards of journalism. Under a grant to the International Center for Journalists, USAID trained 144 Egyptian journalists in a civic journalism approach to reporting on elections (i.e., engaging the Egyptian public in setting the agenda for candidates). Through workshops and technical assistance, journalists produced a 16 page voter's guide that was distributed to 500,000 people nationwide through Egypt's leading daily newspaper. Journalists also produced 15 video stories, and 65 journalists reported from more than 200 polling stations on Election Day.

USAID requested proposals from Egyptian and international NGOs to strengthen civil society and promote democracy. For the first time, the GOE agreed that USAID would not be required to seek its approval before issuing these grants.

In FY 2005, USAID received over 100 project proposals and awarded 12 grants valued at U.S. \$5.5 million. Many other proposals are poised for approval in FY 2006. Projects focused on a range of democracy and governance issues, including civic education, human rights, decentralization, rule of law, and improving the media sector. Most proposals approved in FY 2005 were related to the Presidential elections in FY 2005, and the Parliamentary elections in FY 2006.

Under the Administration of Justice activity, USAID improved the operation and performance of two civil/commercial pilot courts. USAID performed comprehensive assessments of the pilot courts. The assessments focused on facility conditions, operational procedures, case backlog, and the number of staff as well as their duties and capacities related to the court's workload. The activity also developed a tool to conduct assessments of the remaining 20 courts and conducted strategic planning workshops to provide a framework for project initiatives. USAID trained judges and staff on change management (transparency, efficiency, and customer service) and case management (reducing case delay). In total, 878 Ministry of Justice officials (including 377 judges and 501 staff) participated. Of the 501 staff who received training, 47% were women.

5. Improved Access to Quality Education: USAID is providing assistance in all three areas in the seven focus governorates of Cairo, Alexandria, Minya, Fayoum, Qena, Beni Suef and Aswan.

To improve school quality, The Education Reform Program (ERP) is assisting the Ministry of Education's in-service, and the Faculties of Education's pre-service, training systems. These training systems are incorporating the perceived needs of teachers into the designs of the training curriculums. In the past year, 919 teachers were trained in active learning methods under the ERP and the New School Program (NSP). More than 1499 teachers were trained in 10 private and four public experimental schools to utilize the 6,120 computers already installed under the Information Technology (IT) in Schools program. The excess in the planned versus actual number of teachers trained in active learning methodologies can be attributed to the start-up of the ERP, and the expansion of the NSP.

Under the IT in Schools program, 4,247 lesson plans (representing approximately 50% of the national curriculum), have been posted on the Education Resource Network website. This activity in private schools has successfully married active learning methods with technology, and increased levels of motivation and satisfaction among teachers and students. The activity also enriched teaching capacity and instructional resources available to children.

The USAID-funded NSP increased access to education by constructing 70 new primary schools, 170 multi-grade schools, and 21 literacy classrooms. Working with 12 NGOs and 28 Community Development Associations, USAID provided 4,024 scholarships to primary, preparatory, and secondary school girls over the past year. USAID also continued to sponsor community awareness-raising activities for parents in Minya, Qena, and Beni Suef to enhance the demand for education.

Under ERP, 3060 adults received literacy training, which supports improved learning outcomes among their children. NSP enrolled 434 students in literacy classes as well. Over 300 life skills facilitators were trained, thereby enabling many young adults to enroll in life skills classes. A total of 150,284 women and young girls received education and training through USAID-funded programs. The major increase in the FY 2005 actual versus planned performance measure is due to the addition of the ERP family of schools.

FY 2006 Program**SO: 263-016 Environment for Trade and Investment Strengthened****Expand & Improve Access To Economic & Social Infrastructure**

Expand and Improve Access to Economic and Social Infrastructure (\$7,200,000 ESF; \$6,035,000 ESF Prior Year Unobligated). USAID is working with Government of Egypt (GOE) counterparts to develop paperless processes so many government transactions can take place on-line. Support for the U.S.-Egypt Science and Technology Agreement will continue. USAID is assisting the private sector to facilitate business transactions and provide training for small and micro-enterprises in the information and technology sector. USAID is also funding the identification, development, execution, monitoring, and evaluation of selected development activities. Principal Implementer: General Dynamics.

Improve Access To Clean Water & Sanitation

Improve Access to Clean Water and Sanitation (\$62,500,000 ESF Prior Year Unobligated). USAID is continuing to finance the construction of water and wastewater facilities and is constructing small-scale water and wastewater treatment facilities, water distribution networks, wastewater collection facilities, ground water control systems, water conservation systems, and wetlands for wastewater treatment. These activities are mitigating environmental degradation, improve health standards, and promote economic growth. Principal Implementer: To Be Determined (TBD).

Improve Economic Policy and the Business Environment

Improve Economic Policy and the Business Environment (\$302,639,000 ESF Cash Transfer; \$12,300,000 ESF Project Assistance; \$200,000,000 Prior Year Unobligated ESF Cash Transfer; \$6,000,000 ESF Prior Year Unobligated Project Assistance; \$294,901,100 ESF Recoveries Cash Transfer). USAID is continuing to provide cash transfer assistance to support reforms under the Financial Sector Reform Memorandum of Understanding. USAID is implementing specific reforms in the areas of macroeconomic stability, financial sector modernization, trade facilitation, and commercial law development. These activities are aimed at stimulating investment and creating new businesses. Principal Implementer: BearingPoint.

Improve Sustainable Management Of Natural Resources & Biodiversity

Improve Sustainable Management of Natural Resources and Biodiversity (\$2,000,000 ESF). USAID assistance is being targeted to improve livelihoods and create jobs for populations living in and around the Wadi Gimal National Park in the Southern Red Sea coastal area, and to support ecotourism pilot projects. Principal Implementer: Chemonics.

Increase Agricultural Sector Productivity

Increase Agricultural Sector Productivity (\$7,000,000 ESF Prior Year Unobligated). USAID is continuing to enhance Egypt's competitiveness in the agricultural sector by providing assistance to agricultural trade associations by linking small horticulture and livestock producers to larger producers and exporters, helping producers meet quality standards of international importers, and transferring important technologies to smallholder farmers. Principal Implementers: Chemonics, CARE-Egypt, QED, Agricultural Cooperative Development International/Volunteers in Overseas Cooperative Assistance, and Midwest Universities Consortium for International Activities.

Increase Trade and Investment

Increase Trade and Investment (\$4,000,000 ESF; \$203,220,000 ESF Prior Year Unobligated). USAID is continuing to finance trade and investment transactions through the Commodity Import Program. USAID is assisting the Egyptian Customs Authority (ECA) to implement new customs procedures at all ports, establish a new organizational structure for ECA, conduct a multi-year training program, as well as identify ECA software and hardware needs for full automation of major ports. Principal Implementer: BearingPoint.

Strengthen The Financial Services Sector & Increase Access to Capital

Strengthen the Financial Services Sector and Increase Access to Capital (\$5,600,000 ESF; \$475,900 DCA Prior Year Unobligated). USAID continues to support private sector credit bureaus, and expand access to housing finance through several banks and private companies. The Ministry of Justice is assessing requirements to establish a modern property registration system. In the underserved Upper Egypt region, one Development Credit Authority (DCA) activity is making medium-term credit available to small and medium size enterprises that formerly used the Commodity Import Program. Principal Implementers: Chemonics and BearingPoint.

FY 2007 Program

SO: 263-016 Environment for Trade and Investment Strengthened

Expand & Improve Access To Economic & Social Infrastructure

Expand and Improve Access to Economic and Social Infrastructure (\$2,000,000 ESF). USAID will continue to support the U.S.-Egypt Science and Technology Agreement. Principal Implementer: Not Applicable.

Improve Access To Clean Water & Sanitation

Improve Access to Clean Water and Sanitation (\$1,000,000 ESF). USAID will continue to support the activities of the Blue Revolution Initiative. Principal Implementer: TBD.

Improve Economic Policy and the Business Environment

Improve Economic Policy and the Business Environment (\$301,878,000 ESF Cash Transfer; \$6,850,000 ESF Project Assistance). USAID will continue to support policy reform, particularly financial sector reform, through cash transfers and provision of technical assistance. This support will increase private sector banks' share of all bank loans extended and reduce the overall number of non-performing loans in the banking system. USAID will improve the business and investment environment by strengthening commercial laws and increasing the efficiency and effectiveness of government. Principal Implementer: BearingPoint.

Improve Sustainable Management Of Natural Resources & Biodiversity

Improve Sustainable Management of Natural Resources and Biodiversity (\$2,000,000 ESF). USAID will continue to fund activities to improve livelihoods and create jobs for indigenous populations living in and around the Wadi Gimal National Park. Principal Implementer: Chemonics.

Increase Trade and Investment

Increase Trade and Investment (\$4,000,000 ESF). USAID will continue to support the ECA. USAID will

also fund non-governmental organizations such as the American Chamber of Commerce and the Egyptian Exporters Association. Principal Implementer: BearingPoint.

Strengthen The Financial Services Sector & Increase Access to Capital

Strengthen the Financial Services Sector and Increase Access to Capital (\$500,000 ESF). USAID anticipates transferring funding to DCA to implement two DCA activities started in FY 2006. Principal Implementer: TBD.

FY 2006 Program

SO: 263-020 Healthier, Planned Families

Address Other Health Vulnerabilities

Address Other Health Vulnerabilities (\$3,558,000 ESF). USAID is providing technical expertise and funding for 14 medical and 11 nursing schools to update national core curricula, strengthening classroom training programs, introducing objective student assessments, establishing partnerships between American and Egyptian medical and nursing institutions, and assisting in implementing a medical education accreditation system. USAID is also improving local capacity to implement health education programs; creating a private sector association of pharmacists and physicians; providing mass media health messages via television, radio, and press reaching 25 million adults each quarter; and providing grants to non-governmental organizations (NGOs) to mobilize communities on local health issues. Principal Implementers: Chemonics and Johns Hopkins University.

Improve Child Survival, Health & Nutrition

Improve Child Survival, Health and Nutrition (\$3,864,520 ESF). USAID is funding polio eradication efforts, and expand the use of the Integrated Management of Childhood Illness Approach for early diagnosis and treatment of critical childhood diseases in 45 additional districts for a total of 157 districts. A new integrated maternal/child health and family planning project focused on the renovation of neonatal wards and provision of equipment and training to improve newborn survival in Lower Egypt is being started. Principal Implementer: To Be Determined (TBD).

Improve Maternal Health & Nutrition

Improve Maternal Health and Nutrition (\$3,161,880 ESF). USAID is providing technical expertise and funding to extend the maternal health and safe birthing program into poor areas of Lower Egypt. USAID is also helping to establish village committees responsible for safe motherhood, ensuring the care of pregnant women and transport to the medical facility for delivery, and expanding the maternal mortality surveillance system. Principal Implementer: TBD.

Prevent & Control Infectious Diseases Of Major Importance

Prevent and Control Infectious Diseases of Major Importance (\$1,670,000 ESF). USAID is providing technical expertise and funding to advance the national infectious disease surveillance system by updating surveillance guidelines, improving the system's response time, and incorporating HIV/AIDS data into the system. USAID is also improving infection control practices in medical facilities, controlling food borne diseases, and increasing avian influenza preparedness. Principal Implementer: U.S. Naval Medical Research Unit 3.

Reduce Transmission & Impact Of HIV/AIDS

Reduce Transmission and Impact of HIV/AIDS (\$1,940,000 ESF). USAID is providing funding and technical expertise to establish three HIV/AIDS Voluntary Counseling and Testing centers and a national Sexually Transmitted Infection diagnosis and treatment center; training health providers in the diagnosis and treatment of HIV/AIDS; conducting an HIV/AIDS behavioral and biological surveillance study; and funding two faith-based organization programs working with high-risk populations. Principal Implementer: Family Health International.

Support Family Planning

Support Family Planning (\$10,539,600 ESF). USAID is providing technical expertise and funding to make family planning information and services available to over 17 million women nationwide. Specific activities include renovating and equipping community clinics; training health care providers and managers; providing contraceptives; mobilizing communities to rally financial and other support for the clinics; and sponsoring family planning education programs. Principal Implementer: TBD.

FY 2007 Program

SO: 263-020 Healthier, Planned Families

Address Other Health Vulnerabilities

Address Other Health Vulnerabilities (\$6,372,000 ESF). USAID will continue to support all 25 public medical and nursing schools in Egypt, improve curricula and teaching methodologies, effectively evaluate the performance of students, and encourage international partnerships. USAID will improve local capacity to implement health education programs, strengthen a private sector association of pharmacists and physicians, disseminate mass media health messages, and provide grants to local NGOs. Principal Implementers: Chemonics and Johns Hopkins University.

Improve Child Survival, Health & Nutrition

Improve Child Survival, Health and Nutrition (\$3,168,000 ESF). USAID funding will continue to support polio eradication efforts, expand the integrated management of childhood illness program, and improve hospital and clinic-based services to increase newborn survival rates. Principal Implementer: TBD.

Improve Maternal Health & Nutrition

Improve Maternal Health and Nutrition (\$2,592,000 ESF). USAID will provide funding and technical expertise to expand maternal health services in Lower Egypt. Principal Implementer: TBD.

Prevent & Control Infectious Diseases Of Major Importance

Prevent and Control Infectious Diseases of Major Importance (\$345,000 ESF). USAID will provide funding and technical expertise to Egypt's infectious disease surveillance program to ensure that data collection, analysis, and response systems are functioning and sustainable. This will be the final stage of USAID support to the program. Principal implementer: TBD.

Reduce Transmission & Impact Of HIV/AIDS

Reduce Transmission and Impact of HIV/AIDS (\$2,265,000 ESF). USAID will continue providing technical expertise and funding to Egypt's National AIDS Program and associated NGOs. This activity focuses on AIDS surveillance and prevention in high-risk populations, increasing the technical capacity of the health

providers to diagnose and treat AIDS, and increasing AIDS awareness in the general population. Principal Implementer: TBD.

Support Family Planning

Support Family Planning (\$8,640,000 ESF). USAID will continue to make quality information and services available to facilitate family planning and reproductive health through renovation of clinics, training health care providers, mobilizing communities, and developing corporate partnerships. Principal Implementer: TBD.

FY 2006 Program

SO: 263-021 Initiatives in Governance and Participation Strengthened

Establish & Ensure Media Freedom & Freedom Of Information

Establish & Ensure Media Freedom and Freedom of Information (\$6,000,000 ESF). USAID is helping the Egyptian media sector become more professional, economically viable, and independent through capacity building of Egyptian institutions that train journalists, improving the management of media, and development of local media. USAID is also helping the GOE implement a media reform program. Principal Implementers: To Be Determined (TBD).

Promote And Support Anti-Corruption Reforms

Promote and Support Anti-Corruption Reforms (\$4,600,000 ESF). USAID is assisting the GOE and empowering civil society to assist in the reform of transparency laws; establish independent entities within the judicial and legislative branches to investigate corruption; and develop a national plan to raise awareness about, and combat, public sector corruption. Principal Implementers: TBD.

Promote and Support Credible Elections Processes

Promote and Support Credible Elections Processes (\$5,700,000 ESF). USAID is assisting the GOE and empowering civil society to make elections more accountable, competitive, and transparent. Assistance includes public information campaigns to educate voters, train domestic monitors, support international observation teams, dialogue on electoral reform, and develop an independent political think-tank. Principal Implementers: National Democratic Institute (NDI) and International Republican Institute (IRI).

Protect Human Rights

Protect Human Rights (\$4,600,000 ESF). USAID is increasing the ability of civil society and government to address human rights violations and respond to violence against women and children. Assistance is increasing public awareness, promoting advocacy, providing legal assistance, improving investigation capacity, and developing human rights curricula. Principal Implementer: TBD.

Strengthen Civil Society

Strengthen Civil Society (\$6,600,000 ESF). USAID is strengthening Egyptian civil society organizations (CSOs) and enhancing their participation in the political process and their ability to promote and monitor human rights through a grants program. Concurrently, a training and technical assistance contract is strengthening the management and reporting capacity of Egyptian grantees. Principal Implementer: TBD.

Strengthen Democratic Political Parties

Strengthen Democratic Political Parties (\$2,000,000 ESF). USAID is strengthening the capacity of political party leaders to wage effective campaigns, develop more democratic and representative internal structures and clearer platforms, monitor the integrity of the electoral process, and develop dialogue with civic leaders to build momentum for political reform. USAID works only with parties committed to democratic principles and non-violence. Principal Implementers: NDI and IRI.

Strengthen the Justice Sector

Strengthen the Justice Sector (\$12,100,000 ESF; \$3,500,000 ESF Prior Year Unobligated). USAID is assisting with reform of the justice sector by improving the efficiency and effectiveness of civil courts, integrating women into the judiciary, and promoting judicial independence. USAID is streamlining administrative procedures, automating and training judicial and court personnel at two major courts, planning for nationwide replication of the program, and improving access to justice for families. Principal Implementers: America-Mideast Educational and Training Services, Management Sciences for Development Inc., and others TBD.

Support Democratic Local Government & Decentralization

Support Democratic Local Government and Decentralization (\$6,400,000 ESF). USAID is building the capacity of local governments to respond to citizen priorities by increasing revenue, establishing participatory mechanisms to manage resources, and strengthening management. Support focuses on governorates where USAID has already invested in education, health, environment, and microenterprise. Policy dialogue at the national level is helping to decentralize key authorities and responsibilities to the local level. Principal Implementer: TBD.

FY 2007 Program

SO: 263-021 Initiatives in Governance and Participation Strengthened

Establish & Ensure Media Freedom & Freedom Of Information

Establish and Ensure Media Freedom and Freedom of Information (\$3,740,000 ESF). USAID will continue to train journalists and media managers to work in the restructured media sector. Principal Implementers: TBD.

Promote And Support Anti-Corruption Reforms

Promote And Support Anti-Corruption Reforms (\$3,000,000 ESF). USAID will support civil society and GOE efforts to identify and combat public corruption. Principal Implementer: TBD.

Promote and Support Credible Elections Processes

Promote and Support Credible Elections Processes (\$4,000,000 ESF). In addition to continuing to work with civil society and the GOE to support political and electoral reforms, including the cleaning of voter lists, USAID will strengthen political parties to respond to constituent concerns, expand membership, and participate effectively in elections. Principal Implementers: NDI, IRI, and others TBD.

Protect Human Rights

Protect Human Rights (\$3,000,000 ESF). USAID will increase the ability of civil society and government

to address human rights violations and respond to violence against women and children.

Strengthen Civil Society

Strengthen Civil Society (\$13,950,000 ESF). USAID will fund more CSO initiatives in the areas of human rights, democratic reform, and governance through a grants program. Also, a training and technical assistance contract will strengthen the management and reporting capacity of Egyptian grantees. Principal Implementers: TBD.

Strengthen the Justice Sector

Strengthen the Justice Sector (\$12,700,000 ESF). USAID will continue to train judges and mediators, develop human rights curricula, and automate the civil courts and the Office of the Prosecutor General. Principal Implementers: TBD.

Support Democratic Local Government & Decentralization

Support Democratic Local Government and Decentralization (\$5,000,000 ESF). USAID will continue to provide policy and technical assistance to give local governments the authority and capacity to levy and retain local taxes and make transparent decisions in response to citizen priorities. Principal Implementers: TBD.

FY 2006 Program

SO: 263-022 Improved Access to Quality Education

Achieve Equitable Access to Quality Basic Education

Achieve Equitable Access to Quality Basic Education (\$57,577,000 ESF; \$16,423,000 ESF Prior Year Unobligated). USAID continues to fund programs which finance teacher training, classroom materials, school construction, literacy training, parent education regarding early childhood, life skills training, training for school supervisors and administrators, and activities to improve the linkages between the teachers' colleges and schools.

USAID is providing 14 million books and instructional material kits to 16 million students in primary, preparatory, and secondary schools in Egypt's 27 governorates. USAID continues to finance the establishment of multi-grade schools, training for Board of Trustees and Parent Associations, computers, and school construction. A public/private partnership with Vodafone and Microsoft is providing 80 new schools with school-based computer centers.

USAID continues to improve the quality of K-12 schools by providing incentives to the schools that are the most successful in both implementing the Egyptian national education standards and achieving school excellence. Education experts are evaluating school progress in achieving improvements they have identified in their school improvement plans. This is being done using a measurement tool summarizing the achievement of educational standards. Program funds are directed to the selected schools for school and staff improvements. USAID in collaboration with United Nations Children's Fund (UNICEF) is improving water and sanitation practices in selected schools in Upper Egypt by introducing behavioral health messages within the school and the community. This program's activities include curriculum development, latrine construction, and technical assistance.

USAID is providing direct support to democratically elected school Boards of Trustees, and other Egyptian and U.S. non-governmental organizations. Support is being targeted to entities that are involved in increasing popular participation, accountability, and transparency in the oversight, management, and delivery of basic education. At the secondary level, USAID is training teachers, constructing schools,

providing scholarships to socio-economically disadvantaged people, especially girls, and procuring computers to redress inequitable access by Egypt's poor to secondary education.

Principal Implementers: Academy for Educational Development (AED), CARE, American Institutes for Research, UNICEF, and Development Associates.

Improve Quality of Workforce through Vocational/Technical Education

Improve Quality of Workforce through Vocational/Technical Education (\$1,000,000 ESF). USAID is providing ongoing support to the School-to-Work Program. This program matches up private sector interests and support with technical and vocational secondary schools to improve the relevance of secondary education, develop internship opportunities, and facilitate recruitment and job placement. Activities are occurring on a pilot basis in approximately 20 selected vocational and regular secondary schools. Principal Implementer: American Institutes for Research.

Increase Capacity of Higher Education to Contribute to Development

Increase Capacity of Higher Education to Contribute to Development (\$25,000,000 ESF). USAID is providing resources to a new regional participant training program, which supports short and long-term training at U.S. institutions of higher education and at the American Universities of Beirut and Cairo. Funds for the American University of Cairo's Leadership in Education and Development Scholars program cover 54 students, one male and one female, from each of the 27 governorates. Principal Implementers: American University of Cairo and To Be Determined (TBD).

FY 2007 Program

SO: 263-022 Improved Access to Quality Education

Achieve Equitable Access to Quality Basic Education

Achieve Equitable Access to Quality Basic Education (\$47,000,000 ESF). FY 2006 programs will continue in FY 2007. In addition, the Environmental Education Program will also receive funding to integrate environmental education into the Egyptian curriculum through a pilot in a select number of schools. USAID support will assist in designing curricula, training teachers, and developing educational materials. Principal Implementers: AED, CARE, American Institutes for Research, UNICEF, and Development Associates.

Improve Quality of Workforce through Vocational/Technical Education

Improve Quality of Workforce through Vocational/Technical Education (\$1,000,000 ESF). USAID will support the School-to-Work Program in approximately 20 selected vocational and regular secondary schools. Principal Implementer: American Institutes for Research.

Increase Capacity of Higher Education to Contribute to Development

Increase Capacity of Higher Education to Contribute to Development (\$20,000,000 ESF). USAID will provide resources to a new regional training program which will host short and long-term training at U.S. institutions of higher education and at the American Universities of Beirut and Cairo. Principal Implementer: TBD.

Results Framework

263-016 Environment for Trade and Investment Strengthened

Program Title: Creating Jobs through Trade and Investment

IR16.1: Financial Sector Modernized

IR16.2: Trade and Investment Facilitated

IR16.3: Competitiveness of Natural Resource Based Industries Increased

263-018 Increased Access to Sustainable Utilities

Program Title: Infrastructure

IR.18.1: Enhanced Utility Services

IR.18.2: Improved Commercialization of Utilities

IR.18.3: Legal & Regulatory Framework for Municipal Water, Power, and Telecommunications Sectors Established

263-020 Healthier, Planned Families

Program Title: Healthier, Planned Families

IR 20.1: Increased Use of Family Planning Services

IR 20.2: Increased Use of Maternal & Child Health Services

IR 20.3: Strengthened Infectious Disease Surveillance and Response

263-021 Initiatives in Governance and Participation Strengthened

Program Title: Democracy and Governance

IR.21.1: Improved Enabling Environment for Political Processes

IR.21.2: Enhanced Collaboration between a Responsive Government and an informed Citizenry

IR.21.3: Increased Availability of Effective Legal Services

263-022 Improved Access to Quality Education

Program Title: Improved Basic Education

IR 22.1: Expanded Access for Girls and Women

IR 22.2: Improved Instructional Methods

IR 22.3: Public Participation in Education Enabled