

The Challenge

Egypt's international trade revenues continued to increase in 2004 and 2005 which drove a second consecutive year of improvement in economic performance. Real gross domestic product rate growth increased from 2.7% in Egypt's FY 2004 to almost 5% in FY 2005, which ended June 2005. However, approximately 40% of the 71.8 million people still live below the poverty line. Egypt suffers from a high chronic unemployment rate of 15% - 25% and a lack of public participation in political life. In response, USAID aims to restore business confidence and improve the environment to stimulate rapid, private sector-led growth, attract investment, and create jobs. Additional assistance is provided for financial sector reform, privatization, and measures that address the banking sector's large non-performing loan burden. USAID also supports educational reform; strengthens the administration of, and access to, justice for women and disadvantaged groups; and promotes decentralized governance.

Objectives, Sectors and Workforce

Mission Director: Kenneth Ellis

MCA Status: Currently Not Eligible

PEPFAR Focus Country: No

Provided or Received Services From Other Missions: Stand Alone

Program Budget (Appropriations by Objective)	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07	2005 SO Performance Score	Direct SO Admin. Cost Ratio
263-016 Creating Jobs through Trade and Investment	472,340	484,797	333,739	318,228	-32.6%	1.25	Exceeded
263-018 Infrastructure	7,400	0	0	0	N/A	N/A	N/A
263-019 Environment and Natural Resources Management	9,940	0	0	0	N/A	N/A	N/A
263-020 Healthier, Planned Families	29,230	26,000	24,734	23,382	-20.0%	1.00	Met
263-021 Democracy and Governance	37,050	3,500	48,000	45,390	22.5%	0.57	Not Met
263-022 Improved Basic Education	15,648	16,423	83,577	68,000	334.6%	1.82	Exceeded
PL 480 Title II not Allocated to a Strategic Objective	2,345				N/A		
Country Total	573,953	530,720	490,050	455,000	-20.7%		

Program Budget (Appropriations by Account)

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Economic Support Fund	571,608	530,720	490,050	455,000	-20.4%
PL 480 Title II	2,345	0	0	0	N/A
Total	573,953	530,720	490,050	455,000	-20.7%

Program Budget by Sector and Account

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Basic Education ESF	10,489	14,452	54,408	44,572	324.9%
Agriculture and Environment ESF	26,230	62,199	3,000	3,000	-88.6%
Higher Education & Training ESF	6,659	6,517	64,701	63,729	857.0%
Economic Growth ESF	461,210	414,713	259,230	235,098	-49.0%
Democracy and Governance ESF	37,050	3,500	85,505	86,455	133.3%
Family Planning / Reproductive Health ESF	14,592	13,297	13,337	13,017	-10.8%
HIV / AIDS ESF	1,212	1,815	2,058	1,488	22.8%
Child Survival and Maternal Health ESF	11,649	12,682	6,259	6,519	-44.0%
Other Infectious Diseases ESF	2,517	1,545	1,552	1,122	-55.4%
PL 480 Title II not Allocated to a Sector	2,345				N/A
Total	573,953	530,720	490,050	455,000	-20.7%

Workforce

	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
US Direct Hires	45	33	33	32	-28.9%
US Non Direct Hires	19	16	18	18	-5.3%
Foreign Nationals	224	175	168	156	-30.4%
Total	288	224	219	206	-28.5%

Operating Expense

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Salaries and benefits	4,959	5,047	6,763	5,745	15.8%
Travel	1,871	1,818	1,763	1,870	-0.1%
Transportation of things	728	630	517	513	-29.5%
Rent	1,364	1,334	899	816	-40.2%
Security	633	615	517	450	-28.9%
Equipment	1,514	1,194	698	604	-60.1%
ICASS - Operating Expense only	1,023	994	1,129	1,202	17.5%
Other Operating Expense	6,402	6,149	2,876	2,251	-64.8%
Total OE Budget	18,494	17,781	15,162	13,451	-27.3%

US direct hire salary and benefits	6,574	5,776	3,931	4,353	-33.8%
Program Funded Administrative Expenses				2,127	
Country Total Administrative Budget				19,931	
Percent of Bureau OE Total				#REF!	

Mission Summary

	FY 2004	FY 2005	FY 2006	FY 2007
Program per US Direct Hire (\$000)	12,755	16,082	14,850	14,219
Program per All US (\$000)	8,968	10,831	9,609	9,100
Program per Position (\$000)	1,993	2,369	2,238	2,209
Operating Expense as % of Program Funding				3.0%
Program Funded Admin Expense as % of Total Admin				10.7%
Total Admin Expense as % of Program Funding				4.4%

Other Major Donors:

Bilateral: The United States is the largest bilateral provider of assistance. Other major bilateral donors include Germany, Canada, Japan, France, Italy, Austria, Netherlands, Spain, Finland, Denmark, and Switzerland. USAID collaborates with other donors in all technical areas under its strategic program through regular plenary and sectoral subgroup meetings, and other fora.

Multilateral: The multilateral donors providing assistance in Egypt are the International Monetary Fund, World Bank, European Union, United Nations Development Program, United Nation's Children's Fund, World Food Program, United Nations Refugee Agency, African Development Bank, and European Investment Bank.

Egypt PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2004 Actual	FY 2005 Actual	FY 2006 Current	FY 2007 Request
Economic Support Fund	571,608	530,720	490,050	455,000
PL 480 Title II	2,345	0	0	0
Total Program Funds	573,953	530,720	490,050	455,000

STRATEGIC OBJECTIVE SUMMARY				
263-016 Creating Jobs through Trade and Investment				
ESF	472,340	484,797	333,739	318,228
263-018 Infrastructure				
ESF	7,400	0	0	0
263-019 Environment and Natural Resources Management				
ESF	9,940	0	0	0
263-020 Healthier, Planned Families				
ESF	29,230	26,000	24,734	23,382
263-021 Democracy and Governance				
ESF	37,050	3,500	48,000	45,390
263-022 Improved Basic Education				
ESF	15,648	16,423	83,577	68,000

Mission Director,
Kenneth Ellis

Data Sheet

USAID Mission:	Egypt
Program Title:	Creating Jobs through Trade and Investment
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	263-016
Status:	Continuing
Planned FY 2006 Obligation:	\$333,739,000 ESF
Prior Year Unobligated:	\$780,132,000 ESF
Proposed FY 2007 Obligation:	\$318,228,000 ESF
Year of Initial Obligation:	2000
Estimated Year of Final Obligation:	2009

Summary: USAID programs aimed at strengthening the environment for trade and investment include: trade and investment financing, budget support, and related technical assistance; trade, business support, and agribusiness development; financial sector reform and privatization; information technology; and construction of water and wastewater treatment facilities. This constitutes notification of FY 2006 funds.

Inputs, Outputs, Activities:

FY 2006 Program:

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 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 (\$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 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 (\$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 (\$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 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:

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 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 (\$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 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 (\$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 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.

Performance and Results: Overall trade indicators, imports and exports as a percent of gross domestic product (GDP), rose to 30.8% in 2005. This is an increase from 22% in 1999, surpassing the projected target of 30% for 2009. The overall investment rate indicator, investment as a percent of GDP, demonstrated a slight improvement from a base of 17.4% in 2003 to 17.7% in 2005. The GOE is taking measures to further increase investment to 20.5% by 2009. It is noteworthy that in FY 2005, the composition of investment moved strongly toward the private sector (9%), exceeding the government share (8.7%) for the first time. At the grassroots level, USAID supported small and micro enterprise activities helping Egypt's low income business operators start new income-generating activities or expand existing businesses. More than 805,000 loans valued at over \$191million were issued nationwide in 2005, up from \$51.9 million in 1999, and surpassing USAID's projected target of \$174.2 million for 2009.

US Financing in Thousands of Dollars

Egypt

263-016 Creating Jobs through Trade and Investment	ESF
Through September 30, 2004	
Obligations	4,652,024
Expenditures	3,978,079
Unliquidated	673,945
Fiscal Year 2005	
Obligations	116,671
Expenditures	346,537
Through September 30, 2005	
Obligations	4,768,695
Expenditures	4,324,616
Unliquidated	444,079
Prior Year Unobligated Funds	
Obligations	780,132
Planned Fiscal Year 2006 NOA	
Obligations	333,739
Total Planned Fiscal Year 2006	
Obligations	1,113,871
Proposed Fiscal Year 2007 NOA	
Obligations	318,228
Future Obligations	383,350
Est. Total Cost	6,584,144

Data Sheet

USAID Mission:	Egypt
Program Title:	Healthier, Planned Families
Pillar:	Global Health
Strategic Objective:	263-020
Status:	Continuing
Planned FY 2006 Obligation:	\$24,734,000 ESF
Prior Year Unobligated:	\$0
Proposed FY 2007 Obligation:	\$23,382,000 ESF
Year of Initial Obligation:	2000
Estimated Year of Final Obligation:	2009

Summary: USAID improves the quality, availability, and management of primary health care in Egypt through family planning and reproductive health programs; maternal and child health interventions; HIV/AIDS prevention and other infectious disease activities; and health information campaigns. USAID will provide technical assistance and training, acquire medical equipment, procure contraceptives, renovate hospitals and clinics, and mobilize communities to become active participants in health care. All family planning assistance agreements incorporate clauses that implement the President's directive restoring the Mexico City policy. This constitutes notification of FY 2006 funding.

Inputs, Outputs, Activities:

FY 2006 Program:

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 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 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 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 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 (\$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:

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 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 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 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 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 (\$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.

Performance and Results: USAID was successful in increasing the sustainability of health programs through the development of partnerships and integration of programs. The longstanding partnership between USAID and the Ministry of Health and Population (MOHP) allowed for further integration and decentralization of health care services. Further, 38 Egyptian NGOs were engaged in program activities. The private sector also assumed a more significant role with 14 corporations supporting program activities and 13,000 private pharmacists and physicians enrolling in a USAID-supported association to promote health seeking behaviors. USAID's first Global Development Alliance in Egypt was formed with the Education for Employment Foundation to improve nursing education. As a result of USAID advocacy efforts, the MOHP was authorized a budget to procure contraceptives. This will allow USAID to phase out of this activity. Religious leaders participated in training sessions on family planning, reproductive health and HIV/AIDS, and have become trusted sources of reliable health information, particularly among youth.

US Financing in Thousands of Dollars

Egypt

263-020 Healthier, Planned Families	ESF
Through September 30, 2004	
Obligations	569,912
Expenditures	494,269
Unliquidated	75,643
Fiscal Year 2005	
Obligations	25,799
Expenditures	33,997
Through September 30, 2005	
Obligations	595,711
Expenditures	528,266
Unliquidated	67,445
Prior Year Unobligated Funds	
Obligations	0
Planned Fiscal Year 2006 NOA	
Obligations	24,734
Total Planned Fiscal Year 2006	
Obligations	24,734
Proposed Fiscal Year 2007 NOA	
Obligations	23,382
Future Obligations	37,284
Est. Total Cost	681,111

Data Sheet

USAID Mission:	Egypt
Program Title:	Democracy and Governance
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	263-021
Status:	Continuing
Planned FY 2006 Obligation:	\$48,000,000 ESF
Prior Year Unobligated:	\$3,500,000 ESF
Proposed FY 2007 Obligation:	\$45,390,000 ESF
Year of Initial Obligation:	2000
Estimated Year of Final Obligation:	2009

Summary: USAID programs under this objective assist the Government of Egypt (GOE) and civil society in strengthening the administration of justice; improving access to justice for women and disadvantaged groups; promoting fiscal, political, and administrative decentralized governance; promoting more competitive and transparent electoral processes and representative political parties; strengthening the organizational and advocacy capabilities of civil society organizations; making the media more professional through training and structural reform; identifying and combating public sector corruption; and fighting human rights abuses and violence against women and children nationwide. This constitutes notification of FY 2006 funding.

Inputs, Outputs, Activities:

FY 2006 Program:

Establish and 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 (\$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 (\$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 (\$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 (\$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 (\$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 (\$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 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:

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 (\$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 (\$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 (\$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 (\$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 (\$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 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.

Performance and Results: The goal of this objective is to strengthen the administration of justice, promote decentralization, improve the transparency of electoral processes, and strengthen civil society organizations. In FY 2005, USAID trained 377 judges and 501 judiciary staff, of which 47% were women. USAID developed the information technology system for the civil courts nationwide and procured over \$2 million worth of hardware and software for two major national courts and Ministry of Justice offices. \$5.5 million in grants were issued to American and Egyptian non-governmental organizations to field international election observers; train and field local monitors throughout Egypt; raise political awareness of civil society; and train journalists to report professionally on election issues.

US Financing in Thousands of Dollars

Egypt

263-021 Democracy and Governance	ESF
Through September 30, 2004	
Obligations	109,390
Expenditures	85,844
Unliquidated	23,546
Fiscal Year 2005	
Obligations	20,360
Expenditures	13,394
Through September 30, 2005	
Obligations	129,750
Expenditures	99,238
Unliquidated	30,512
Prior Year Unobligated Funds	
Obligations	3,500
Planned Fiscal Year 2006 NOA	
Obligations	48,000
Total Planned Fiscal Year 2006	
Obligations	51,500
Proposed Fiscal Year 2007 NOA	
Obligations	45,390
Future Obligations	75,130
Est. Total Cost	301,770

Data Sheet

USAID Mission:	Egypt
Program Title:	Improved Basic Education
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	263-022
Status:	Continuing
Planned FY 2006 Obligation:	\$83,577,000 ESF
Prior Year Unobligated:	\$16,423,000 ESF
Proposed FY 2007 Obligation:	\$68,000,000 ESF
Year of Initial Obligation:	2000
Estimated Year of Final Obligation:	2009

Summary: USAID programs aim to improve student learning outcomes by enhancing the quality, increasing the coverage, and strengthening the management of K-12 schools. This is achieved through technical assistance, training, scholarships for girls, school construction, and the provision of school libraries and computers. This constitutes notification of FY 2006 funding.

Inputs, Outputs, Activities:

FY 2006 Program:

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 (\$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 (\$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:

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 (\$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 (\$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.

Performance and Results: To date, USAID has had a significant impact on Egypt's educational system. The number of girls and women receiving education and training through USAID-funded programs has increased from 7,207 in FY 1999 to 150,284 in FY 2005. There has been a threefold increase in both the number of teachers trained by USAID in modern teaching methods from 1,216 in FY 1999 to 3,844 in FY 2005, and the number of community organizations supporting formal and non-formal education from 109 in FY 1999 to 341 in FY 2005. Starting in FY 2006, USAID, with the Ministry of Education, expects to measure the overall impact of its education assistance in terms of percentage improvements in student learning outcomes in primary, preparatory, and secondary schools in seven target governorates.

US Financing in Thousands of Dollars

Egypt

263-022 Improved Basic Education	ESF
Through September 30, 2004	
Obligations	202,544
Expenditures	80,391
Unliquidated	122,153
Fiscal Year 2005	
Obligations	62,309
Expenditures	28,737
Through September 30, 2005	
Obligations	264,853
Expenditures	109,128
Unliquidated	155,725
Prior Year Unobligated Funds	
Obligations	16,423
Planned Fiscal Year 2006 NOA	
Obligations	83,577
Total Planned Fiscal Year 2006	
Obligations	100,000
Proposed Fiscal Year 2007 NOA	
Obligations	68,000
Future Obligations	109,200
Est. Total Cost	542,053