

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.