



EGYPT HUMAN DEVELOPMENT REPORT 2008



EGYPT'S SOCIAL CONTRACT: THE ROLE OF CIVIL SOCIETY



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PREFACE



In the past, many citizens had perceived large institutions, especially government, to be distant and unaccountable, and because highly centralized, lacking the capacity to reach all citizens. This has neared its end as numerous declarations by Egypt's President Hosni Mubarak, and by the government of Egypt suggest that the time is ripe for a new social policy that would match the liberalization of the economic regime.

Over the past decade, there has been a growing drive by the government of Egypt to turn this objective into a reality, in line with a national consensus to better engage citizens to help make and shape those public policies that affect them most. Participation at a decentralized level is believed to be a major tool for social transformation, whereby citizens become proud and willing to share in national development efforts by owning, managing and implementing programs that raise their quality of life in every domain. In short, it has been a call for the integration of civil society — as the 'third' pillar of the state, alongside government and the private sector, in a new social contract for all.

This concurrence runs counter to decades of neglect of the value of the contribution of this large sector in the nation's growth path. It is argued in this Egypt Human Development for 2008 that greater civic participation — spearheaded by a growing body of civil society organizations — will not only lead to a more engaged citizenry but will also meet the developmental goals of improved public goods in Egypt. It is, after all, the space where people come together to debate, associate and seek to influence broader society. It is clear that civil society, whether in its philanthropic, advocacy, or interest group manifestation has become critical to any sustainable process of development. This is evident in the proliferation of registered CSOs over the past decade.

Civil society organizations are deeply embedded in Egypt, grounded in historic philanthropic practices, frequently exercised through faith-based Wakf or Endowment Funds. Such charity work has exhibited continuity over the years. However, there are now new opportunities for civil society organizations to link up with the newer concepts and practices of development, especially with the programs proposed under a new social contract. This calls for wider initiatives whereby partnerships between multiple government and community agencies, with support from private or international donors, ensure enhanced, replicable and sustainable efforts that dovetail with state plans and resources.

A series of 55 integrated programs were proposed as deliverables in the previous Egypt Human Development Report. This report for 2008 builds upon the proposal that a 'new social contract' and its deliverables is needed between the state and its citizens. This will require measures both legislative and administrative to enable civil society to participate more vigorously in those programs, as partners, in welfare and

services provision, and as the voice of reform through its capacity to monitor and to render accountable all stakeholders in the national endeavor.

In this respect, plans in process to decentralize and devolve to local bodies both fiscal and administrative responsibility are expected to promote a participatory approach. This approach will embed democratic practices in local government and encourage partnerships with other social actors able to bring in expertise and the necessary financial backing required for truly effective services and development programs. Such an ambitious undertaking is backed by political will and by the gradual creation of an ensuing enabling framework of regulations.

Given the current impetus for reform, the Egypt Human Development Report 2008 has reviewed the status of Egypt's civil society and its organizations and proposes ways and means by which this important sector of society, in alliance with other state actors, can contribute substantially to Egypt's development efforts. It explores poverty mapping, for example, as an effective tool in indicating regional disparities in human development both at the governorate and district level. An understanding of the spatial distributions of poverty can be used in the design of poverty reduction programs and policies that target the neediest regions and communities. It also provides scientific evidence for the prioritization of poverty programs during the budget allocation process and administrative reforms to accelerate decentralization to the local government units, thereby enabling prompt and rapid local alliances with CSOs.

EHDR 2008 also demonstrates that a number of Egypt's CSOs have been engaged — to various degrees — in best practice application of their missions. These cover relevant and, indeed, crucial areas of development such as education, health, micro credit facilities for SMEs, culture, the environment, housing and sanitation. Yet, in investigating both the external and internal environments within which CSOs operate, and in turn, to which they contribute, it becomes clear that much reform is still needed to fully achieve best practice conditions.

We should all of us – state and civil society – work hand-in-hand to reduce conflictual factors and emphasize harmonious relations in order to overcome any obstacle that hinder the achievement of the ultimate goal of higher levels of human development and better standards of living for all Egyptians.

Osman Mohamed Osman
Minister for Economic Development

FOREWORD



Since its debut in 1994, the Egypt National Human Development Report (EHDR) has become an indispensable key publication of the UNDP Egypt Country Office. Being a vital platform for discussing critical national and sub-national human development issues, the report has established itself as a reliable analytical tool that is enriching policy options, positively impacting public discussion and giving inspiration for action on issues of critical importance to the National Human Development Agenda.

The tenth in the EHDR series, the 2008 EHDR focuses on the role of civil society organizations in promoting and implementing the well received plan for 55 socio-economic public investment programmes articulated in the 2005 EHDR as a vision for a new social contract and a specific plan of action. This year's report highlights this vital role of civil society and depicts it as an essential partnership with the public sector and other partners to jointly strive to achieve the goals of the national human development agenda and more specifically the 55 programmes and the eight Millennium Development Goals (MDGs) – which range from halving extreme poverty to halting the spread of HIV/AIDS and providing universal primary education, all targeted to be achieved by the year 2015. The Report brings to the table specific proposals regarding measures to encourage the growth of, and stimulate innovation within, civil society organizations, in addition to improving the legal and administrative environment within which they operate.

Around the world, governments are recognizing the vital role that civil society plays in the development process and increasingly, civil society, especially think tanks, is being invited to contribute to social policy formulation. Moreover, Civil Society Organizations (CSOs) have long established themselves as reliable partners in the delivery of public services, especially to marginal communities, and thus contributing to combating poverty, reducing unemployment, providing better access to health services for the less privileged, improving the quality of free education, and addressing a range of other issues that directly affect the wellbeing and livelihood of citizens and society. Many have also been in the forefront of advocating principles of social justice and equity.

The growing strength and sophistication of civil society actors in the development arena is often seen as an opportunity for national governments to build the necessary, versatile and creative alliances to enhance the well being of their citizens. To design, establish and sustain genuine partnerships with civil society actors, it is essential to understand the mechanics of this civil society, to assess its capacities and weaknesses, and to develop effective instruments with which to engage this sector.

UNDP believes civil society constitutes a third crucial sector, existing alongside and interacting with the state and market and defines it as "non-state actors whose aims

are neither to generate profits nor to seek governing power. CSOs unite people to advance shared goals and interests.”

The independent team of authors comprised of prominent Egyptian scholars and experts led by Professor Heba Handoussa, have managed to produce a stimulating and inspiring report that offers a comprehensive analysis of Civil Society in Egypt. The Report showcases how unleashing the potential of civil society can enable it to become an effective vehicle for delivering the targets of the Millennium Development Goals (MDGs) and serve as an engine that stimulates policy dialogue on Egypt’s reform agenda.

As Egypt continues its transition from the era of central planning to that of the market, it has become clear that the public sector alone cannot address all the needs of citizens. The private sector must create jobs and civil Society should be at the heart of sustainable human development initiatives. Egypt stands to reap significant gains from engaging an efficient and committed civil society, at the national and sub-national levels, in a long-term partnership to address national human development challenges. This partnership is nascent and can be further deepened to the benefit of both and of the Egyptian citizens. Each has a role that complements that of the other and each has rights and responsibility towards the other. This report provides to both a rich source of ideas and proposals that could further consolidate this partnership and enhance building it on a stronger foundation of mutual trust and accountability.

It is our hope that the analysis and recommendations of this report trigger nationwide policy discussions to encourage an enabling environment for a responsible and effective civil society development in all spheres of Egyptian life.

James W. Rawley
UNDP Resident Representative
April 2008

PREAMBLE



Civil society in Egypt is undergoing a process of transformation. The ideological precedents of the 1952 Revolution had favored a centralized economic, social and welfare regime. However, over time, claims to the benefits of economic liberalization allowed a growing space for civil society groups to also voice their demands, in parallel to a privileged private sector.

But reform of social policy has not kept pace with the liberalizing measures introduced to stimulate an 'open' economy, although one can now say that CSOs have much more 'voice' than in the recent past. This is evidenced in an opposition press, civil movements, worker sit-ins and strikes, as well as in a move by CSOs from a focus on benevolence to energetic initiatives that promote self help and the use of partnership support.

Nevertheless, in this new transition stage — an emerging role for civil society lies uncomfortably defined between the demise of the old authoritarian and bureaucratic command regime and a rising understanding of the need for a new social and welfare role for citizen participation.

It is essential to view the status of civil society and its organizations against this background, and indeed, the EHDR 2008 consistently draws attention to fact that it is no simple matter for government to allow civil society to 'take off' after a 50 year freeze, particularly given its national security concerns in these turbulent times. Progress is slow on the legislative and security fronts. But there is an upturn, reinforced by successful private enterprise public service initiatives, often led by those with the financial means to initiate CSO activity. The educated elite has also played its part in raising awareness and in activating new programs.

The Egypt Human Development Report 2008 is therefore an invitation to CSOs to consolidate, expand and replicate their best practices, in partnership with the GOE and Egypt's private sector. The report has identified about 150 Egypt CSOs that are 'best practice'. One group has a track record of quality service to poor communities, the sick, the handicapped or the illiterate. A second group has gone beyond charitable work into the new developmental activities such as micro credit, income generation, extension services and training. A third group has earned its reputation in lobbying for interest groups and in advocacy on behalf of good governance, gender equity, and human rights.

The focus of this report is on the first two groups, which are commonly referred to as NGOs and which represent the bulk of CSO population of over 20,000 organizations in Egypt, excluding the community development associations occupying an indeterminate area of semi dependence on government. It is associations such as NGOs — with a focus on poverty reduction and on raising the quality of living conditions — that can support the implementation of the 55 integrated programs for a new 'social con-

tract' proposed in the previous Egypt Human Development Report for 2005, with full coordination and cooperation available from the Social Contract Center at the Information and Decision Support Center of the Cabinet.

In this respect, I would like to refute some claims that civil society organizations are being used by foreign donors — through funding and otherwise — to promote their own agendas. Indeed, the Egypt Human Development 2008 dispels this notion by indicating quite clearly that such donations are a fraction of the monies collected locally, and that other sources of foreign assistance are overwhelmingly of a technological nature. To claim otherwise is to undermine the local and genuine efforts of CSOs to contribute to the development efforts of our country, and reduces the trust we must place in their support.

The concept of best practice has been explored at length in the report. The time is now right to apply the same approach in designing models for each of the 55 social contract programs so as to scale up CSO interventions either as self standing or in partnerships. Ideally, a form of 'franchising' could be used to scale up from best practice in one neighborhood to be applied across Egypt. The proposal is that at the level of each and every particular CSO activity, there should be deliberations between the functional ministry, local government, best practice CSOs, academics and sector specialists — in order to design a sectoral CSO model to be franchised and put into operation within a more flexible legislative framework.

The closest analogy for franchising can be found in micro credit or conditional cash transfer programs. In the case of micro credit, this model has been experimented such that the Social Fund for Development now has the appropriate formula for engaging with CSOs as intermediaries in all of urban and rural Egypt. In the case of conditional cash transfers, the program for Egypt, now in its pilot stage, and was modeled on Chile's Solidario program for the ultra poor, but with adaptations from other Latin American countries to fit Egypt-specific needs.

In investigating both the external and internal environments within which CSOs operate, and in turn, to which they contribute, it becomes clear that much reform is still needed. There is yet work to be done on promoting reform to the legislative environment, on accurately measuring CSO performance, on expanding good governance practices, on promoting more voluntarism, on enlarging networks and partnerships, and on adding a monitoring and evaluation dimension to highlight benchmarks of quality practices that are replicable nationally. Communications with the general public require improvement. Fundraising skills need to be upgraded.

However, given the current impetus for social reform in Egypt, the Egypt Human Development Report 2008, in reviewing the status of Egypt's civil society and its organizations today, proposes ways and means by which this vital sector of society — in alliance with other state actors — can evolve to contribute substantially to Egypt's development efforts. The venture is a collective one, depending for success on the goodwill and cooperation of all sectors that constitute the Egyptian state.

Heba Handoussa
Lead Author and Director
Egypt Human Development Report 2008

ACRONYMS



AAW	Alliance for Arab Women
ABA	Alexandria Businessmen Association
ANPRO	Analysis Projection Model
ARVIN	Association Resources Voice Information Negotiation
AUC	American University in Cairo
BDS	Business Development Services
BRCs	Business Resource Centers
BSHD	Business Solutions for Human Development
CAPMAS	Central Agency for Public Mobilization and Statistics
CBOs	Community Based Organizations
CCNGO/EFA	Collective Consultation of NGOs on Education for All
CCT	Conditional Cash Transfer
CDA	Community Development Association
CDP	Community Development Programs
CEDPA	Center for Development and Population Activities
CEOSS	Coptic Evangelical Organization for Social Development
CIDA	Canadian International Development Agency
CSOs	Civil Society Organizations
CSR	Corporate Social Responsibility
DANIDA	Danish International Development Agency
EFA	Education for All
EHDR	Egypt Human Development Report
EFTU	Egyptian Federation of Trade Unions
ESCWA	Economic and Social Commission for Western Asia
ESDF	Egyptian Swiss Development Fund
EU	European Union
FEDA	Federation of Economic Development and Income Generation Association
FEI	Federation of Egyptian Industries
FGC	Female Genital Cutting
FGM	Female Genital Mutilation
FOI	Freedom of Information
FYP	Five-Year Plan
GAFI	General Authority for Investment
GDP	Gross Domestic Product
GFAN	General Federation of Associations and NGOs
GFCC	General Federation of Chambers of Commerce
COHBC	General Organization for Housing and Building Cooperatives
GOE	Government of Egypt
GTZ	Technische Fur Zusammenarbeit
HD	Human Development
HDI	Human Development Index/Indicators
ICT	Information and Communications Technology

IDSC	Information and Decision Support Center
IFC	International Finance Corporation
IFPRI	International Food Policy Research Institute
IMC	Industrial Modernization Center
INP	Institute of National Planning
JICA	Japan International Cooperation Agency
LDC	Least Developed Countries
LE	Egyptian Pound
MDGs	Millennium Development Goals
MDRMII	Second Multi-Donor Review Mission
MENA	Middle East and North Africa
MNC	Multi-National Cooperation
MOA	Ministry of Agriculture
MOE	Ministry of Education
MOF	Ministry of Finance
MOHP	Ministry of Health and Population
MOHUNS	Ministry of Housing, Utilities, and New Settlements
MOI	Ministry of Investment
MOP	Ministry of Planning
MOSS	Ministry of Social Solidarity
MSE	Micro and Small Enterprises
MSEA	Ministry of State for Environmental Affairs
MWRI	Ministry of Water Resources and Irrigation
NBD	National Bank of Development
NCCM	National Council for Childhood and Motherhood
NCW	National Council for Women
NGOs	Non-Governmental Organizations
ODA	Official Development Assistance
OSS	One-Stop Shop
PBO	Public Benefit Organization
PFA	Productive Family Association
PPP	Purchasing Power Parity
PVO	Private Voluntary Organization
R&D	Research and Development
SC	Social Contract
SCC	Social Contract Center
SEDO	Small Enterprises Development Organization
SFD	Social Fund for Development
SMBS	Small and Medium Business Support
SME	Small and Medium Enterprises
UN	United Nations
UNDP	United Nations Development Program
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations Children's Fund (Formerly United National International Children's Emergency Fund)
UNRISD	United Nations Research Institute for Social Development
UNV	United Nations Volunteer
USAID	United States Agency for International Development
WB	World Bank
WFP	World Food Program

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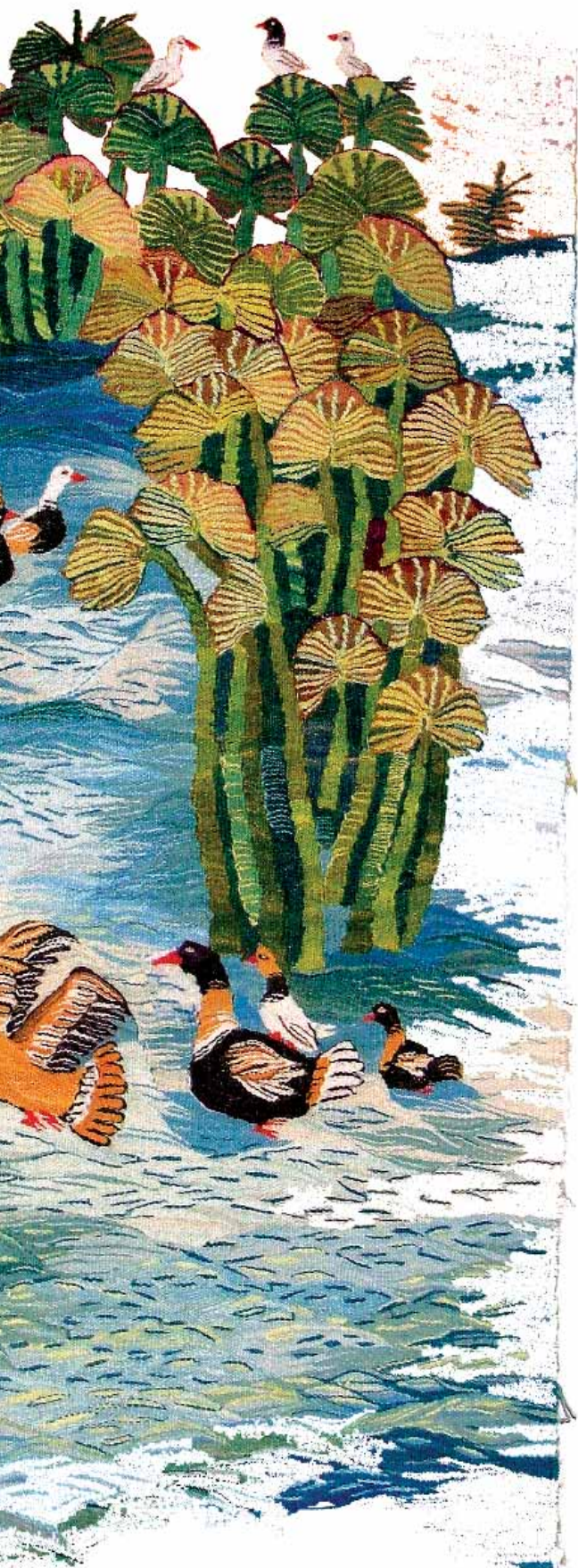
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CHAPTER ONE

CIVIL SOCIETY ORGANIZATIONS ARE VITAL PARTNERS IN DEVELOPMENT

The Egypt Human Development Report 2008 (EHDR 2008) is the tenth in a series starting in 1994. The purpose of these reports has been to distill all of the knowledge that has built up nationally and internationally on core issues impacting Egypt's human development, with topics ranging from decentralization and poverty to a new and more inclusive social contract between state and citizens.

In line with this approach, EHDR 2008 highlights the key role to be played by civil society and its organizations — as catalysts for change — in an emerging new social contract. The report explores the role of civil society organizations (CSOs) in Egypt, identifies constraints to their activities, reviews progress in human development and the achievements of the MDGs in Egypt, with an emphasis on the role of non-governmental organizations (NGOs) as the major CSO players in poverty alleviation. In this respect, it follows up on the '55 program' recommendations of the EHDR 2005, focusing mainly on service delivery (see Box 1.1).

EHDR 2008 opens up a new vista for CSO engagement in national development. Its thrust is on the positive concepts and values found in Egypt's popular heritage regarding social solidarity. CSOs are expected not only to serve the poor and marginalized but also to help guide both the government and the private sector in the nation's quest for good governance, as indicated in the 55 programs.

BOX 1.1 WHAT ARE THE 55 SOCIAL CONTRACT PROGRAMS?

The 55 Social Contract (SC) programs suggested in EHDR 2005 were carefully selected to achieve the MDGs by 2015, but several are significantly more ambitious and better tailored to the specific socio-economic and cultural profile of Egyptian society. These programs were developed vertically and cover eight main sectors matching the functional mandates of government entities:

- *Poverty*—4 programs—Ministry of Social Solidarity (MOSS)
Preschool, Basic and Vocational *Education* and Adult *Literacy*—24 programs—Ministry of Education (MOE)
- *Health Insurance*—2 programs—Ministry of Health (MOHP)
- *Social Security*—1 program—Ministry of Finance (MOF)
- *Micro and Small Enterprise*—6 programs—Social Fund for Development (SFD)
- *Agriculture* mechanization, animal husbandry, and Extension Services—3 programs—Ministry of Agriculture (MOA)
- *Water and Sanitation* — 10 programs—Ministry of Housing, Utilities and New Settlements (MOHUNS)
- *Housing and Area Development*—5 programs—Ministry of Housing, Utilities and New Settlements (MOHUNS)

All these programs have clear social dimensions and most of them have now been incorporated in the annual and five-year investment plan of the government and the current expenditure budget. However, as a result of bureaucratic and fiscal constraints in implementation of these public welfare programs, execution by the government alone may be delayed, a situation that can be avoided by promoting partnership with CSOs and private business in the execution phase.

Source: Egypt Human Development Report 2005: Choosing Our Future: Towards a New Social Contract



This expansion in CSO activity from service provision to advocacy for a liberal and openly democratic society can only be realized in an environment that accommodates, encourages, and promotes positive transformation through values, ethics, and concepts that allow for responsible participation in a climate of freedom from fear or repression. This call by CSOs for all groups within society to adhere to a new social contract is at the heart of the EHDR 2008, and implicit to its messages (see Box 1.7).

The questions this report attempts to answer directly are important in practical terms. Can one integrate social outcomes into economic policy? Can Egypt eradicate extreme poverty by the year 2015? Will MDG targets be fulfilled for all of Egypt's governorates? Have the goals of social and gender equity become closer to reach? These

were some of the key concerns of the EHDR 2005, and the response then was to build a growth model based on selected economic sectors and geographic regions that would serve as engines of pro-poor growth and poles of attraction and job creation, using CSO networking and public-private partnerships as instruments for change.

EHDR 2008 returns to these themes and attempts to provide examples of best practice for growth with social development. It is also anchored in the MDGs, as well as in President Mubarak's election platform of 2006, in Egypt's Five Year Plan ending 2012, and in the Prime Minister's commitment to the creation of the new Social Contract Centre that reports directly to him.

THE HISTORICAL CONTEXT

It can be argued that historically, the 1952 Revolution alienated both the private and the CSO sector, openly or implicitly by claiming to represent all of society, provide universal welfare services and subsidies on most goods and services, free education, as well as employment for all graduates, in return for national allegiance and support. It attempted to address the burden of poverty from which a large proportion of Egyptians suffered, and in the name of the deprived and dispossessed, built a welfare state. This, in turn, cemented popular support for the regime change. But the welfare state was financially unsustainable.

President Sadat, through his *Infitah* or Open Door policies hoped that the private sector would generate the resources needed to continue universal welfare benefits. This sector was given new rights to organize and lobby to advance its own interests (chambers of commerce, businessmen's clubs). This opening up provided more space for non-state actors and allowed an increasing number of groups to voice their demands. However, economic reform was increasingly perceived by the middle and lower ranks of the vast salaried state bureaucracy, the working class and labor unions to work against their interests, since their access to better wages and upward mobility was diminished. The poor became hostage to inferior quality public goods and higher prices as the state tightened its belt.

BOX 1.2 TOWARDS AN INTEGRATED SOCIAL POLICY FOR EGYPT

Achieving significant social development for Egypt cannot be attained without coordination between the state and social institutions. Citizens will not feel the outcomes of economic growth unless part of it is directed towards services that address their daily needs, with CSOs providing oversight over service delivery.

Within the proposed framework, the political leadership has realized the necessity of coordination among ministries whose missions are service delivery. As such, the Ministerial Group for Social Development was formed by Prime Minister decree No. 568/2007, issued March 2007. This Ministerial Group includes the Ministers of Housing, Utilities, and Urban Development; Social Solidarity; Education; Higher Education and Scientific Research; Transport; Local Development as well as the Managing Director of the Social Fund for Development. The Minister of State for Environment Affairs joined the Ministerial Group in May 2007.

Addressing social policy must link economic and social development. In spite of achieving growth of 7% over the past two years, there has been little impact on the living standards of the poor. Ensuring pro-poor growth requires enacting integrated social policy within a new vision based on the concept of a rights-based Social Contract between the state, citizens, and all institutions.

Integrated social policy is part of a vision which is translated into specific projects and programs and includes:

- an *institutional structure*, where the Ministerial Group for Social Development (MGSD) and the Social Policy Unit of the Ministry of Social Solidarity (MOSS) act as coordinators;
- *organizational and technical structures* which secure access to information and accurate data on the projects and programs of social policy implementation;
- *service delivery*, based on the concept of access to all beneficiaries regardless of their financial capability;
- *training social workers and CSOs* to guarantee the success of social policy; vocational training for beneficiaries to contribute to community development;
- *evaluation and follow up* on projects and programs and publishing findings to guarantee transparency.

Targeting is one indicator of commitment to a new Social Contract. The objective of Ministerial Group for Social Development (MGSDs) is to target the poorest rural and urban areas through an integrated infrastructure development plan to advance these areas and upgrade their social, economic, and environmental standards. Other goals include improving earning capacity and assistance in executing and operating small or micro-enterprises.

Piloting Conditional Cash Transfers

During the first stage, the poorest cities and villages in two governorates (Sharkia and Assiut) were targeted, followed by the neediest families through proxy means testing. A form was

designed to identify economic, educational, health, and housing needs, as well as the extent to which each family benefits from services offered by the state (social insurance, social solidarity pension, food ration card).

Implementation was conducted in Sharkia governorate by selecting the poorest villages and cities (256 villages and eight cities) and was completed in December 2006. The total number of families surveyed was 390,000 families, and human resources contributing to the project amounted to 788 people, including administrative and field supervisors, reviewers, social workers and clerical reviewers. Training on accuracy and efficiency in the application of the targeting model was carried out and workers assigned to working groups. Publicizing and advertising the project took place within the governorate at all levels and seeking assistance from community leaders of local communities. In Assiut, the poorest villages were selected (148 villages), exceeding half of the total number of villages in the governorate. In addition, the poorest cities amounted to seven.

The current stage involves preparing an integrated database of the surveyed families in cooperation with the State Ministry for Administrative Development. After completion of the work in Assiut governorate, application will be conducted in all governorates of Egypt, starting with the poorest ones.

Source: Rabab Al-Husseini – The Ministry of Social Solidarity – Office of the Minister, 2008.

Over time, welfare and social services were increasingly in short supply and have become the *raison d'être* for a large number of CSOs, while non-government welfare services have been used by some ideological currents as an indirect means to garner political support and patronage.¹ Civil society began to request with increasing urgency— through expanded ICT and a freer press — greater social justice, more participation, better representation, and increased government accountability.

Moreover, democratic participatory models for service delivery and for the definition and prioritization of community needs became, if not the norm, then a coveted ideal. The desire for people to express their demands and orientations in a language and through a medium that is not amenable to state control is also expressing itself through CSOs. These have proliferated in many guises as vehicles for building constituencies, as welfare providers challenging state inefficacy, as

The state can neither ignore protest nor can it afford to allow it to challenge regime stability



resources of employment creation, and as para-state organizations created to act as non-state partners for donors and aid organizations.

This trend of civic engagement and participation is now facing obstacles and barriers with the narrowing of space for public activism in reaction to genuine or fabricated threats to national security. Hence the zigzag of stops and starts in the process of democratization, and the sluggish pace of social and political liberalization, now out of step with successful economic liberalization.

The present acrimony between the state and CSOs noted in several chapters has thus revolved

1. Hania Sholkamy, Background Paper for EHDR 2008.



Good social policy is intrinsic to national unity and to social justice

around this overlap between the 'old' and a yet to be formulated new relationship. Hence the decision by the state to tighten up control on CSO funding sources, registration procedures, and NGO activities. Paradoxically, and concurrent with these restraining actions has come a recognition of the effectiveness of civil society partners as welfare service providers and as potential extensions of the state services apparatus. It is now increasingly accepted that civil society and social associations are critical to any sustainable process of development, with new roles for these and for government, to be supported by enabling legislation, new knowledge and skills learned by listening to and engaging with local communities, and a willingness by all to successfully negotiate this transition phase.²

A NEW SOCIAL CONTRACT?

Good social policy is intrinsic to national unity and to social justice; it is the bedrock that sustains a healthy society. In the recent past, the State has made public its intention to focus on social policy, giving it high priority alongside economic growth. Evidence can be found in the budget allocations for expanded infrastructure in poor regions and in the start to introduce universal pension and health insurance schemes. A movement to better target subsidies has begun and Law 84 of 2002 governing civil associations in Egypt is under review. Police brutality, subject to intense press

coverage, has now been made accountable in the courts, as are high profile cases of corruption. Egypt's Ministry of Social Solidarity has registered increasing numbers of new civil society organizations, and is in the process of rationalizing its regulations concerning partnerships with these. All of these reforms are documented in the following chapters of this report.

Social policy in Egypt can thus be described as evolving towards a shared system of responsibility, with government progressively more sensitive to the voice of civil society as an agent of active social change that shapes and influences social policy. National programs and policies must therefore be the outcome of a more comprehensive consultative process and the role of CSOs strengthened and recast to meet new competing needs, interests and ideologies in today's society, such that they yield 'integration' and 'community' rather than 'alienation' and 'confrontation'. The battle today is no longer between left and right ideologies but about which system can manage and deliver better social justice through basic services and earning opportunities, higher levels of transparency and accountability, and more freedom of expression.

WHAT IS CIVIL SOCIETY?

An organized society rests on three pillars: the state, the private sector and the social space — *civil society* — occupied by citizens and in which they organize themselves voluntarily to promote common values and objectives. Civil society is an arena of voluntary collective actions around shared interests, purposes and values distinct from family, state and profit-seeking institutions. It is a particular space in a society where people come together to debate, associate and seek to influence broader society.

In this respect, civil society can be seen as the foundation on which social capital is built. It complements the executive, the legislature, and an independent media to provide the conditions necessary for development and democracy to flourish.³ And it responds frequently to issues of social equity that are bypassed by profit-seeking institutions.

2. See Gaventa, John (2004), *Strengthen Participatory Approaches to Local Governance: Learning the Lessons from Abroad*, HYPERLINK "<http://www.ids.ac.uk/logolink>" www.ids.ac.uk/logolink
3 CIDA (2007), *Civil Society and Aid Effectiveness*, for the Advisory Group on Civil Society and Aid Effectiveness (June 2007).

BOX 1.3 EMPOWERING EGYPT: FOR THE RICH AND THE POOR

"Either you give people the fish or you teach them how to do the fishing." This Chinese wisdom so declares. In Egypt, it has been the center of debates on the developmental future of the country. The argument has been about the state role in giving the fish; or the help required to give the less fortunate the means to fish for themselves. This in many ways has been a new stark choice in Egypt since mid- 2004 when the new Egyptian Cabinet led by Dr. Ahmad Nazif and his economic team came to office.

Traditionally, the Egyptian state policies have been providing subsidies for food, housing, transportation, energy, health, education, and other services. At times up to mid 1980s, the government was ready to give employment to university graduates. Meals were provided to students and labor. The end result has been that about 7 million Egyptians civil and security personnel- or one third of the labor force- has become dependent on the government payroll. In a way, these bureaucrats are the largest political force in the country. The bureaucrats' declared goal is the protection of the political community. They are the nationalists, the guardians of the state against threats from within and without. For them, the state is an objective, organic, and natural being, that cares for the poor and the less fortunate. For these bureaucrats, change means the consolidation of state power to protect and to defend. Reform is aimed at making the state more powerful and capable of leading and guiding. This ideology was not only adopted by the governing National Democratic Party, but also it was believed by opposition groups including those of the outlawed Muslim Brothers.

However, the Egyptian experience is not so different from countries that adopted the same policies then became bankrupt. The fish gradually

became scarce, and the population was forced to seek wealth abroad and governments to ask foreigners to give aid. National independence has been tested through these pressures and dependency. Population growth and rising expectations have made it impossible for the Egyptian government to continue the same course of action that prevailed in the past few decades. The poor have never stopped increasing in numbers, and there are not enough fish in Egyptian waters to be given.

Whether by choice or necessity, the Egyptian government opted for the empowerment of society, the poor, and the state. Here, it was clear there was no zero-sum-game in this trilateral empowerment where interactions can be comprehensively enhancing. The key is to resume an accelerated development that puts approximately 80 million Egyptians, 1 million km² of Egypt, and 250 km of coastline to work. In many ways Egypt is not only a geopolitical reality, but also a geoeconomic factor of the first order — at the crossroads of three continents, spread over searoutes of great trade magnitude (Red Sea, Mediterranean and Suez Canal). As the experience of many countries in the world has attested in the last two decades, it is possible not only to double a national income, but also to reduce the numbers of the poor and decrease the gap between them and the more fortunate. The new government in Egypt has been pursuing the same direction. There has been no reinvention of the wheel.

The key for the empowerment is to increase national wealth through sustained, rapid, and high growth rates. If the Chinese wisdom is to be applied, national policies are to remain focused on the investment climate, reforming the tax and customs systems. Since, 2004, the Egyptian position in the "Doing Business Report" of the World Bank

has improved steadily. In 2007 Egypt ranked near the top for economic reform. Improving business procedures has benefited the rich as well as the poor. As the economy has picked up at a close to 7% pace, domestic and foreign investment have surged, giving more opportunities that spread over industry, agriculture, services, tourism, finance, construction, and communications. In 2005 foreign investment in Egypt was no less than \$6 billion and in 2006, it was more than \$11 billion; a great jump from the inflow of \$450 million back in 2003.

Yet, if economic policies can empower the state by increasing national reserves that closed on \$30 billion in 2007 and strengthen the national currency, it is not enough to allow for the just allocation of values in the society. The Egyptian experiment is still in its first three years and coming from a low level of per-capita income, so its mark on the distribution of wealth must be dealt with in a way that closes the wealth gap. Patterns of investment and employment should favor the mobilization of human resources. A balance should be struck between direct subsidies and the investments in health and education to improve the opportunities of the poor and the less endowed. The criteria should remain, always, the number of poor who graduate from the poverty lines to join the middle class.

The net conclusion is the need to equate "social justice" with social and economic development to expand the opportunities for all citizens to share wealth and, of no less importance, power. Countries who pursued the track of empowering citizens and giving them fishing skills have been fortunate to eventually adopt democratic politics. For Egypt, the possibilities are similar. The key is persistence, sustainability, and above all time.

Source: Abdel Monem Said Aly, Director, Al Ahram Center for Political and Strategic Studies, Cairo

CIVIL SOCIETY ORGANIZATIONS (CSOs)

The organizations within civil society encompass a wide range of non-state and non-market bodies and vary according to their purpose, philosophy, expertise and scope of activities. CSOs include organizations with a philanthropic or services orientation, community associations, associations reflecting special interests such as business, advocacy groups to defend the 'collective benefit' and professional groups such as syndicates (see Chapter Three). They are autonomous, voluntary, not-for-profit associations that have a structured governance and organizational framework. They operate within boundaries defined by legislation and defend the public interest outside of the political realm.

However, many spheres of civil society activity overlap in practice, and many forms of collective citizen action are difficult to categorize into a specific sphere. In some cases, there is leakage into the categories of semi-governmental social agencies, or state-reliant unions, all of which may fall into a grey area since they are not fully autonomous.⁴ In Egypt, the case of community development associations (CDAs) and of syndicates fall within this area but are nevertheless considered CSOs for the purposes of this report since they reflect a category that also reflects some form of independent community activity (see Chapters Three and Five).



4. Lester M. Salmon, S. Wojciech Soke Lowski and Associated (2004), *Global Civil Society*, John Hopkins and Kumarians.

BOX 1.4 REFORM, CIVIL SOCIETY AND THE NEW SOCIAL CONTRACT

A new social contract proposed for Egypt involves a reconfiguration of the relationship between the state and citizens, in particular, with regard deprived or disadvantaged groups. This inevitably requires redefining the roles of government, civil society, and the private sector, a significant undertaking governed by numerous factors. At the head of these, perhaps, are political conditions. A change here, in my view would include a series of constitutional, legal, and institutional reforms, in addition to a number of new policies and executive practices.

But how does political reform relate to the role of civil society? I argue that political conditions are required for the vitality and effectiveness of CSOs in Egypt. They can support civil society structurally and functionally and substantially increase their capacity in activating the mechanisms and goals of the new social contract. However, the goal is not just to impact the relationship between CSOs and the political system but also their constructive relationship with private sector organizations.

The political conditions can be summarized into three requirements:

- **Freedom.** That is, granting CSOs the freedom to undertake their roles within the framework of their commitment to the Constitution and the law. In other words, the provision of "trust" in CSOs which allows them to mobilize their capacities (human and material) and employ those capacities to serve their goals without reservations, or bureaucratic and security obstacles;
- **Decentralization.** Regional and local units of voluntary work — in either their relationship

with their administration in the lead association or in their relationship to local authorities — should have the power to take the initiative and make decisions appropriate for their individual circumstances;

- **Transparency and accountability.** These principles guarantee the positive outcome of freedom and decentralization and also guarantee consistent elimination of corruption and deficiency in organizations.

There is no doubt that these factors rely on a legislative and legal framework that recognizes their importance as well as a general atmosphere that secures CSOs' various roles and distinguishes them from political and social institutions such as political parties. In other words, the political environment required is democratic, according to internationally agreed definitions of liberal democracy.

CSOs in service delivery, participation, and cultural development

These aspects of CSO activities are important to the role they can undertake in activating a new social contract. This role relates to a moment of transformation or transition from the prevailing political, cultural, and economic features to other aspired features containing more democracy, enlightenment, and effectiveness.

In this framework, three CSO roles in particular are highlighted:

- The advocacy role aims at promoting the values, ethics, and concepts of the new social contract. It is a call for society and public opinion to adopt a more liberal and enlight-

ened perspective, presently impeded by passivity, negligence and fear of change.

- The moderating, corrective or watchdog role in alleviating the consequences of transformation from an economy that depends on the state, government employment and public sector activities to an economy based on market mechanisms and individual initiatives. Moreover, CSOs call for a new logic and concepts related to this transformation and for adopting the positive values found in Egypt's popular heritage regarding social solidarity and the poor and marginalized.
- CSOs' direct and productive role includes innovating, developing, and facilitating thousands of small enterprises which play a fundamental role in the economies of all emerging nations. In this regard, the intellectual elite and government agencies have an important role to play in guiding effective civil society leadership on the wide horizons available and which are linked to creativity, innovation and new thinking.
- CSOs have an important role in the actual practice of embodying and applying the values and ethics of the new social contract. They cannot be advocates of the value of positive participation, democracy and transparency without the organization itself applying the same principles. Along with media, cultural, educational, and religious institutions, CSOs should become a major medium for social transformation. This can only be realized in an environment that accommodates, encourages, and promotes positive change.

Source: Osama Ghazaly Harb, Democratic Front Party.

There has been a significant trend in the growth of sustainable development-oriented civil society organizations

CSOs do not operate in a vacuum. They are linked to social, political, economic and demographic conditions. The dynamics of political values, a young population, privatization, increased participation of women in the labor force and globalization are impacting profoundly on the nature and content of society and hence on the nature of CSOs. As a result, and over the past two decades, there has been a significant trend in the growth of sustainable development-oriented civil society organizations as opposed to charity or philanthropic organizations. This report presents many examples of these. Another trend has been



the emergence of partnerships and contractual relationships between non-government organizations and/or the private sector and public authorities in the service of long-term development.

DEFINING BEST PRACTICE CSOS

Successful development interventions have promoted the notion of CSO best practice (BP) in poverty alleviation and in other civil society activities. Global events have also helped set new agendas for the propagation of the BP concept in development, especially the 1995 and 2000 UN World Social Summits on Development. These meetings stressed that the distribution of knowledge through networking and partnerships was essential.

UNESCO has listed four characteristics of BP, especially in poverty and social exclusion. These are that:



A national voice for civil society is dependent on the presence of a legitimate point of entry provided by the appropriate enabling legislation

1. *They are innovative.* A BP has developed new and creative solutions to common problems;
2. *They make a difference.* A BP demonstrates a positive and tangible impact on the living conditions, quality of life or environment of the individuals, groups or communities concerned;
3. *They have a sustainable effect.* A BP contributes to sustained eradication of poverty or social exclusion, especially by the involvement of participants;
4. *They have the potential for replication.* A BP serves as a model for generating policies and initiatives elsewhere.

In hindsight, it appears common sense in development terms to provide models of success that can be replicated or utilized for the purpose of scaling up to serve larger numbers of beneficiaries. In the case of Egypt, the preponderance of philanthropic or small-scale NGOs with limited reach and uncertain sustainability calls for the demonstration effect of successful larger organizations that, in partnership with state or private bodies, are able to advance national development goals or the MDGs (see Chapter Eight). Indeed, one key message of this report is the need for greater networking and partnerships.

WHY FOCUS ON CIVIL SOCIETY ORGANIZATIONS?

A major objective of the EHDR 2008 is to illustrate the legitimate role of civil society organizations in pursuing the public good, *firstly*, by illustrating their contribution of service delivery to national development and *secondly*, by promoting mechanisms for social empowerment. In

any such endeavor which questions established norms of governance, there are sensitivities. The concept of a 'civil society' has been used and misused by governments, by donor agencies and by the activities of civil society itself to promote or to discourage citizen participation, to increase or to reduce the social empowerment of particular groups, and to either facilitate or to control the delivery of development programs and operations (see Chapter Three).

Securing a national voice for civil society is dependent on the presence of a legitimate point of entry provided by the appropriate enabling legislation. In turn, civil society organizations themselves — if they are to succeed in legitimizing their place in a democratic society, must illustrate through action their effectiveness as service providers, as agents for development, and as advocates and watchdogs for the public good. These multiple roles are difficult to implement under present legislative conditions in Egypt (see Chapter Four).

A situation analysis on the condition of CSOs in Egypt, conducted on behalf of the EHDR 2008 suggests that, despite progress and improvement, much remains to be accomplished before all of Egypt's civil society organizations mature sufficiently (Chapter Three). The analysis found that CSOs do not have a strong structural base characterized by broad citizen participation and adequate resources; the values of transparency, democracy and accountability are not fully understood or applied; and advocacy and policy intervention remain very weak. These conditions are also explored.

BOX 1.5 UNDP AND CIVIL SOCIETY: A MULTI-FACETED RELATIONSHIP

UNDP has a longstanding engagement with civil society which complements the work of UNDP with governments in program implementation and policy advocacy in all its thematic areas. To name just a few, these range from civil society participation in budgetary processes, to supporting local communities to protect the environment.

Recognizing citizen participation as a powerful method to strengthen the impact of public policies, UNDP seeks to strengthen civic engagement in fostering democratic governance, in the delivery of public services, in the facilitation and strengthening of citizen participation in dialogue and advocacy to reduce poverty and achieve the MDGs, as well as in ensuring independent perspectives and innovative alternatives to policy debates.

Why does UNDP engage with CSOs?

CSOs are a crucial resource, constituency and partner for UNDP in advancing sustainable human development goals and principles. UNDP recognizes that CSOs are not a substitute for government, but are central to sustainable governance. UNDP interest in forging partnerships with CSOs stems from the conviction that improved governance must ultimately come from society and that CSOs have vital roles to play as participants, legitimizers and endorsers of government policy and action; and that success in the future is dependent on multi-party trust.

From a CSO perspective, some factors that warrant engagement with UNDP are:

- at the country level, *the relationship of trust between* developing country governments and UNDP, and the ability of UNDP to broker space for government-CSO dialogue and engagement;
- the *human development paradigm* as a critical entry point and foundation for dialogue, action, joint advocacy and campaigns with civil society;
- *the potential of UNDP as an ally and source of resources for CSO human development initiatives.*

By the end of 2000, the number of CSOs officially accredited to the Economic and Social Council (ECOSOC) of the UN had more than doubled – to 1900 from about 900 in 1992. CSOs have participated closely in all stages of conference prepara-

tion and follow-up, holding parallel forums and lobbying for alternative language and initiatives.

Five Principles and Commitments of CSO-UNDP Engagement;⁵

- UNDP partnership with CSOs is founded on the principle of a horizontal relationship between parties which are of equal standing. The relationship is premised on mutual trust that must be earned by both sides.
- In adopting a policy on human rights, UNDP implicitly recognizes its responsibility as a duty-bearer towards member governments, and simultaneously towards civil society as a legitimate claimant on government and UNDP as a public body.
- Neither UNDP nor CSOs are required to accept or endorse each other's agendas and engagement must be founded on the principle of negotiation towards a common interest that recognizes complementarity of roles, not a sharing of institutional responsibilities. Each party is individually accountable for its own agenda and its behavior to its owners or constituencies.
- UNDP recognizes that CSOs are, by their very nature, heterogeneous. This diversity is a valuable development asset that should not be 'homogenized' by CSO engagement with UNDP.
- UNDP acknowledges the importance of the principles of coherence and consistency between engaging with CSOs in its in-country initiatives and in international policy work. It is committed to balanced between CSO engagement, i.e., in its operations and policy dialogues, within countries, regionally and internationally.

UNDP Roles and Functions.

- *Trusted convenor, negotiator and facilitator* of multi-stakeholder initiatives.
- *Broker of space for policy options and excluded perspectives*, ensuring that the perspectives of CSOs are made available to decision-makers.
- *Competent enhancer of CSO capacity*, supporting and facilitating CSOs networking – among themselves, with government and with business.
- *Disseminator of instructive best practice.*

Examples of CSO engagement in United Nations and UNDP-led policy processes.

- Human Development Report (HDR). The

global and national HDRs have become the principal UNDP instruments for stimulating policy debate. CSOs have been most effective in generating local debates on findings from HDRs, and translating the report into advocacy strategies and campaigns for effecting policy changes.

- The Millennium Development Goals (MDGs). Partnerships with CSOs are crucial not only in campaigning for the goals, but in preparing the analysis for MDG reports, and monitoring progress to generate and sustain political momentum and public interest.

Policies on engagement with civil society organizations and with indigenous peoples and their organizations were endorsed in 2001 and constitute a formal expression of UNDP commitment to deepen its partnership with these constituencies. To assist country offices in applying these commitments, a practical sourcebook on civil society organizations was published in 2002 and a toolkit for strengthening partnerships in 2006.

In May 2000, UNDP set up a CSO Advisory Committee to provide advice and strategic guidance to the Administrator and senior management on the future directions of UNDP. Fifteen CSO policy leaders from around the world, with expertise in the substantive areas in which UNDP engages (such as governance, human rights, poverty reduction, conflict prevention and peace building, environment and gender) constitute the committee.

Since 2006, a number of UNDP country offices have taken the lead in establishing national civil society advisory committees as forums for regular interaction and dialogue with civil society actors at the country level. This enables the United Nations system at global and national levels to become a more outward-looking organization, embrace a plurality of constituencies and link global goals with local needs and realities. National advisory committees have been established in Bolivia (for indigenous peoples), Burkina Faso, Ghana, Kyrgyzstan, Macedonia, Mozambique, Pakistan, Philippines, and Tanzania. Through continuous engagement, the committees are expected to contribute to a culture of dialogue and consultation between the United Nations and civil society partners in the country.

Source: Nahla Zeitoun, Research and Policy Associate, UNDP, Egypt.



Further, mapping of Egypt's NGO activities suggest that the largest number of CSOs perceive that the nature of their activity is to meet the immediate practical needs of citizens rather than to address longer term national developmental issues (see Chapter Six). Also, there are very few watchdog organizations that monitor government, other CSOs or the private sector. A corol-

lary is that clients are seen as recipients of services rather than as active partners in the CSO movement.

On the plus side, philanthropy in Egypt indicates a potentially significant citizen interest in playing a civic role, given an enabling environment. NGOs provide a ready base for creating and expanding

development programs into under-represented areas, both in rural and peripheral urban settlements where poverty is concentrated. Conditions under which these organizations can grow are discussed in Chapters Eight and Nine, where specific areas of concern in poverty alleviation and in services provision are explored.

Chapter Five discusses the syndical movement and constraints to its representational role. The Chapter argues that syndicates and professional unions — other than the private sector — are the closest civil society institutions to development since they stem from within the economic arena itself. The chapter shows the indicators of syndicates' weakness, and attempts to explain this through a number of factors relating to the framework regulating syndicates, the state-syndicate relationship as well as syndical relations with political society.

Private sector participation is explored in Chapter Seven which views it in its role as provider of employment through small enterprises, with CSOs acting as major intermediaries in providing credit to MSEs. Intermediation is a potentially significant activity for CSOs, and can also be seen in the linkages they are able to create between citizens, administrative bodies, specialists and donors.

Chapter Eleven reviews the impact of the media on civil society, given the encouraging indicator that there is growing public awareness (media, researchers, opinion leaders) of the value of their role in social change. Equally important is this Chapter's review of the potential of the Information and Decision Support Center of the Cabinet (IDSC) as a key government organization affiliated with the Egyptian Cabinet in acting as a bridge with civil society in providing evidence-based analysis and technical support in relation to information and data to conduct public interest polls and debates. A new website will include databases of NGOs categorized by activity and geographic distribution, present success stories of NGOs in different developmental fields, and information and data that can help NGOs fulfill their goals and objectives.



CHALLENGES AND PROSPECTS

Five groups of challenges face Egypt's civil society and its organizations:

- *The first challenge relates to financial viability and membership:* To date, the operating results of CSOs (2007 figures) are estimated at a modest LE 2 billion in revenues of 15,150 associations. These revenues include: membership fees (very limited), gifts, donations, grants, government financial support (to about 30 percent of the associations), and foreign funding. MOSS data for 2006 shows that only 249 registered associations acquired foreign funding of about LE 300 million (US\$ 54 million). The total NGO workforce in 2006 was 100,761, which includes 12,889 assigned by MOSS to CSOs. On the other hand, the permanent employees of associations excluding volunteers and contract-based employees is 44,731, with the highest share in Cairo at 13,864 (see Chapter Three).
- *The second challenge relates to the political and legislative environment.* In 2000, Egypt's President Hosni Mubarak used the term 'civil society' for the first time, thereby identifying this sector as a partner in development. Nevertheless, there remains a huge gap between the intentions stated in the political discourse and the reality on the ground. Even so, civil society is rarely, if ever, considered an equal partner in the initial planning, or drafting of plans, and participation is usually limited to consultation sessions. The State focuses attention on civil society's role in public service provision (especially health and education), but advocacy organizations that support civic and democratic development are viewed with suspicion.

5. Adapted from UNDP (2001), A Practice Note on Engagement
6. See [HYPERLINK "http://www.icnl.org/knowledge/ijnl/vol9iss2/special_4htm"](http://www.icnl.org/knowledge/ijnl/vol9iss2/special_4htm)
www.icnl.org/knowledge/ijnl/vol9iss2/special_4htm

Very rarely do CSOs evaluate and measure the impact of their work and it is seldom that evaluation and impact assessment inform future strategy



With regard oversight and penalties⁶ and although NGO Law 84/2002 designates the executive authority as the Ministry of Social Solidarity the Office of State Security maintains a presence within the Ministry of Social Solidarity and plays a significant role in CSO oversight. However this role is not authorized in the law or in the Constitution. Respect for freedom of association is a key element for civil society organizations to thrive. Complicated bureaucratic procedures for licensing organizations, tight control on daily activities of NGOs, powers to confiscate funds, dissolve organizations, supervise details of budgets, limit access to information — all of these restrict freedoms. Moreover, both the Emergency Law in Egypt and the new draft Anti-Terrorism Law also limit indirectly the activities of the civil society sector.

- *The third challenge concerns challenges internal to CSOs themselves.* These include vague and multiple mission goals, lack of democratic practices inside organizations, poor technical capacity of staff, and top down relationships between CSOs and their constituencies. Frequently, these are symptoms of inexperience, but they result in a low level of public trust in CSOs and also limit their ability to influence government policies. While there is evidence of much greater professionalism, especially within business associations, development-oriented NGOs and advocacy groups, there is a need, overall, to upgrade skills.

Very rarely do CSOs evaluate and measure the overall impact of their work and if they do, it is seldom that findings of the evaluation and impact assessment inform future strategy. This lack of vision for the future is also due to financial hard-

ship which impacts on the ability to assess achievements and plan forward. Their function as monitors of government or private sector activity is still very limited.

- *The fourth challenge relates to networking:* For example, most coalitions, and alliances among human rights organizations in Egypt (nearly 61 organizations in 2007) remain 'unofficial.' In monitoring the national elections of 2005, the existing 43 human rights organizations operated under three main coalitions or alliances characterized by a high degree of coordination. This well-executed intervention gained the respect of much of the media and public opinion. Nevertheless, the concept of networks is still relatively new, and the preconditions for successful participation, notably management skills and resources, are often missing. In 2000, only 5% of 4,300 Egyptian civil associations operating in development were members of Arab or global networks.
- *The fifth challenge relates to the social and cultural environment.* One serious problem is the absence of a culture of voluntarism, a visible manifestation being low participation rates from youth in the 18-35 age bracket. Data from the Ministry of Social Solidarity reveals a serious reduction of registered youth organizations. Another deficiency is a poor understanding of the value of collective work. Inter-group ventures are not in great evidence, nor are partnerships sufficiently exploited.

OTHER CONSTRAINTS TO EFFECTIVE PERFORMANCE

It has been mentioned elsewhere that in the post-September 11 environment CSOs now face setbacks in the name of preserving stability and pro-

7. See Howell, Jude et al (2006), "The Backlash Against Civil Society in the Wake of the Long War on Terror", Center for Civil Society Working Paper No. 26, London: The London School of Economics and Political Science.

BOX 1.6 EGYPT: A HYBRID STATE?

Many “transitional” or hybrid states, including Egypt, are stalled between authoritarianism and democracy, and maintain characteristics of both. The hybrid state allows a high degree of freedom of expression, but limits citizens’ freedoms to convert their words into action. The danger of hybrid states is the high propensity for both apathy and/or violence resulting from the absence of engagement and democratic political behavior.

Protest in the Egyptian Context

In Egypt, protest behavior can be *spontaneous*, caused by deficiency in public services or facilities. It can take the form of demonstrations focused on policy such as employment rights or foreign policy; it can exhibit voice to pressure for fairness in political procedures; and descend into *encroachment* by attempting to attain public goods (water, electricity, housing) through illegal methods.

There is a thin line in civil society between organizations and movements. In many cases, movements are unregistered. In others, they register under civil laws that allow them more freedoms than Association Law 84/2002 which governs NGOs and other like associations. Finally, they may register under the Association Law but extend their activities – indirectly - into areas not permitted under this Law.

Below are a sample of protest activists that have been particularly evident in recent years:

- *The Egyptian Movement for Change or “Kefaya”*. Established in September 2004, Kefaya united activists from Marxist, Liberalist, Nasserist, and Islamist traditions to protest presidential election procedures, the concentration of decision-making powers in the presidency, and the Emergency Law and other legislation that limit civil liberties. It has taken advantage of modest openings in a more liberalized political environment to spread its message using popular slogans, information technologies, demonstrations, and other methods of action. Offspring of Kefaya

include “Youth for Change”, “Writers for Change”, and “Journalists for Change”.

- *Muslim Brotherhood*. The Muslim Brothers are the largest and most influential opposition group in Egypt. Much of their support is garnered indirectly through legitimate (registered) medical and other services provided to the emerging middle class and the poor of society. However, the group has also been successful in mobilizing support for political reform within expressions of religious norms and values. In reaction to their forced exclusion from the political sphere (not recognized as an official political party), they have called for more inclusive and pluralist political processes and an end to the Emergency Law and other restrictions on political activity.
- *The Egyptian Judges Club*. Reformist judges within the ‘Judge’s Club’ have campaigned to restore independence of the judiciary and to guarantee transparency of the electoral process through judicial supervision and monitoring of elections. They have mobilized support among NGOs, opposition parties, and the public through granting interviews to independent newspapers and satellite channels; issuing memos, press releases and reports; and organizing demonstrations and sit-ins.
- *March 9 Movement*. The March 9 Movement was launched by university professors to protest the presence and interference of state security officials on university campuses and to call for independence of universities and freedom of academia.
- *Coptic Protests*. Coptic protests and political action are characterized by a spontaneous element. In 2004, Coptic demonstrations in Alexandria protested against personal status laws and called for religious freedom. Other Coptic protests have occurred in reaction to attacks on churches and religious symbols.
- *Feminist movements*. Many CSOs incorporate gender empowerment into their activities and seek to increase women’s participation in public space. However, no active registered

non-government organization has emerged in Egypt that pushes specifically for social, political, and economic equality of the sexes. The absence of a feminist movement is related to the lack of discourse on women’s issues, and the polarization of the political sphere between the conservative state and a frequently conservative opposition.

State Response to Protest Movements

The state uses the “hard power” of central security forces to deter protest behavior. The uniformed, barracked part of this force was created by President Nasser in 1968 and expanded by President Sadat to control student protests. In the last decade, an un-uniformed and un-named force was added to deter protests in a non-legal and non-accountable fashion by mandate of the state. The state also uses “soft power” directly by co-opting opposition figures and indirectly by measuring and interpreting the popular pulse and adjusting policy to defuse public opposition.

The use of hard and soft power leads to high transaction costs. The predominant role of security forces in the public sphere results in a cumbersome and slow process of cooperation and coordination between civil society and government, contributing to the lack of trust between both. It also deters the emergence of CSOs deemed ‘unsuitable’ through its interventions in the registration process at the Ministry of Social Solidarity.

In general, citizen compliance to rules and laws is high when the public participates in the policy-making process and has ownership of the policy outcomes. In Egypt, compliance occurs not through ownership, but by deterrence.

Source: Heba Handoussa, based on keynote speech, Robert Springborg, and presentations by Mustapha Kamel Al-Sayyed, Sameh Naguib, Nathalie Bernard, Samer Soliman, and Rabab El-Mahdi. “Protest in a Recalcitrant Polity: Purposes and Reactions”, Cairo Papers in Social Science Thirtieth Anniversary Symposium, “30 Years of Political and Social Protest in Egypt.” American University in Cairo. 21 April 2007.

tecting national security.⁷ The conditions under which civil society organizations can flourish and develop have also narrowed as an outcome of current donor efforts to streamline aid delivery, and reduce transaction costs.

In the 1980s, organizations, especially those whose activities complemented state provision of basic social services, were seen as able to incorporate principles of social justice, democracy, human rights, and equitable economic opportunities into their programs and initiatives. A decision by many international agencies to now prioritize CSO technical service delivery functions at the

Restrictions on funding mean that CSOs do not have the financial resources for strategic planning or for monitoring commitments

expense of their potential empowering and emancipatory roles may provide the incentive for CSOs to improve what has been judged as poor performance. But it has also had the unfortunate consequence of weakening engagement. Restrictions on funding mean that CSOs do not have the financial resources for strategic planning, for building sustainable relationships, or for monitoring commitments.

BOX 1.7 THE SIX MESSAGES OF EHDR 2008

Implementing the vision for a new social contract (SC) requires new roles for all of Egypt's stakeholders and actors. The role of civil society and its organizations in realizing the aspirations of the social contract is the chosen theme of the EHDR 2008. The report highlights six principles and related actions that underlie and give direction to the promotion of Egypt's civil society and CSOs:

1. CSOs are the most effective vehicle for delivering on MDG indicators and Social Contract programs

The CSO sector has vast underutilized capacity which could complement and compensate for inadequate government capacity to fulfill on schedule the various targets and programs as visualized in the EHDR 2005. CSOs are key players for 31 out of the 55 SC programs, especially in service delivery to poor and remote regions in the areas of poverty reduction, conditional cash transfers, pre-school education, literacy, girls education, micro credit, youth and IT clubs, and in environment protection and conservation. More broadly, civil society must be considered as the legitimate arena in which citizens increasingly participate in the transition to a democratic society. CSOs should be encouraged to enter into more diverse fields of activity for community empowerment and collective action. All forms of CSO partnerships should be promoted including those with government, with private business and with donors.

Proposed actions for message 1 to materialize:

The state and the legislature must review the NGO law to provide an enabling CSO environment;

- Civil Society must advocate for the removal of legal and practical obstacles which inhibit the creation and effective activities of CSOs. Civil Society must demand the introduction of a legal framework that would allow advocacy for policy change, and for monitoring government, private sector and CSO performance, and for introducing accountability practices.

2. CSOs are the most viable referee reestablishing trust between the state and the citizen

Empowering the CSO community to play its role as arbitrator and watchdog should encompass participation in the assessment of macro and sectoral policies and options, reporting to the public on budget allocation, monitoring and evaluation of development projects and programs, and advocacy and auditing of reforms in the realms of bureaucracy, decentralization and human rights. Best practice CSOs are neither motivated by the quest for political power nor profit making, and they are the closest organizations to local communities and the grassroots. It is these characteristics that qualify CSOs as mediators across social segments (rich and poor), between households and markets (consumers and workers), and across gender and generational divides. Egypt's CSO sector is presently neither strong enough nor cohesive enough to adequately fulfill the

responsibilities of a "Third Sector" and every effort needs to be made to strengthen Egypt's more than 20,000 CSOs.

Proposed actions for message 2 to materialize:

- CSOs will need to better apply internally the rules of democratic organization and principles to function optimally;
- CSOs will need to better network among themselves in order to project a cohesive image and a united voice on matters of human development and human rights;

The state must reduce its coercive powers and increase its tolerance of CSOs by reigning in brutality, corruption and nepotism in the state apparatus.

3. The state should review its responsibilities

It must maintain and improve on its role as the key provider of public goods and services, but it should retreat from its monopoly in particular segments in the social services chain so as to make space and crowd in CSOs. Examples are in hospital management and university education where the private sector caters for the rich and the CSO sector could play an important role for the non-rich. This judgment is made (a) in view of Egypt's cultural heritage which gave substantial weight to the Waqf system in social service delivery for the poor; and (b) on account of the overwhelming evidence from international best practice on the quality and cost efficiency of CSO-operated health care systems and higher education institutions. While these sectors of activity have been opened up to private business, NGO trusts and foundation are only just emerging in Egypt, even though their pioneering efforts are well recognized historically. It will be important for all three players – the state, civil society and business - to encourage and support a renaissance in philanthropy for the development of quality and competition in all services.

Proposed action for message 3 to materialize:

- The State should sort through and prioritize those activities that can be shared either with the private sector or civil society organizations. The task can be assigned to relevant ministries with responsibility given to them to identify those organizations appropriate for each activity and to arrange the mechanisms required for partnerships or for devolution to civil bodies.
- There are at least 10 out of the 55 social contract programs where CSOs can be fully entrusted to operate such programs as piloting housing and sanitation schemes for the poor, upgrading informal settlements, health insurance for various levels of household incomes, extension services for agriculture and mechanization, research and higher education on a not-for-profit basis. The Social Contract Centre could act as a clearing house, in association with the Federation of NGOs, which in turn, would communicate the needs and goals to specialized clusters of NGOs;

- Fundraising and advocacy campaigns among corporations and individuals should become a national cause with special incentives for increased philanthropy and corporate social responsibility such as in tax treatment, recognition and visibility.

4. Women can best claim their right to increased political and economic participation through CSOs

The potential of Community Development Associations (CDAs) and NGOs for gender equality in leadership must be exploited. Given a woman's comparative advantage in social and family affairs, she can serve well at the CDA level as a training ground for her political empowerment in local constituencies. Economically, all types of income generating CSOs are a stepping stone for women beneficiaries into the business and entrepreneurial world. An increasing number of CSOs are utilized by semi official agencies such as the National Council for Women (NCW) and Egypt's Social Fund for Development (SFD) as development intermediaries. A live example is the Productive Families Program (PFP) from which countless business women are emerging.

According to the social contract programs, thousands jobs can be provided for educated young women in their own communities, working in the NGO sector such as in the delivery of preschool education for some 3 to 4 million children, the universal Health Insurance Program and the Conditional Cash Transfer Program. Between them, the execution of these three SC programs is expected to create more than a half million jobs for women educators, health staff and social workers over the next few years leading up to 2015.

Proposed actions for message 4 to materialize:

- The Ministry of Local Development and the Federation of NGOs should introduce the notion of affirmative action at the CDA and NGO levels to promote a more equitable gender balance in the leadership and staffing of CSOs;
- CSOs should be encouraged to apply for participation in the design, piloting and implementation of the social contract programs.

5. A key challenge is to use the current geographical mapping of NGOs

Mapping shows a negative relationship between the density of NGOs and the intensity of poverty and other measures of human deprivation. However, on the positive side, the trends have been for more donor supported NGOs to operate in poor and marginalized regions such as in rural Upper Egypt and the Sinai. Another positive trend shows the relative growth in development-oriented NGOs as opposed to the more traditional service/charity NGOs. There are ample opportunities for innovative NGOs and especially NGOs operated by youth to reach out in the most needy

THE SIX MESSAGES OF EHDR 2008 (CONT..)

regions via specially designed programs operated at the decentralized community level. International experience points to the value of operating the emerging NGO sector on the basis of franchising best practice models and allowing leading CSOs to act as intermediaries in building the capacity of NGOs and small businesses in particular activities at the local level. Examples are in the early education field, in micro-credit, in elderly care and in IT clubs.

Proposed action for message 5 to materialize:

- Awareness raising using the poverty map and better collection of data to identify districts where services are limited and more NGO presence is needed;
- A targeted campaign, possibly through the Federation of NGOs, to encourage CSOs and CSO partnership with other players at the local level where poverty indicators are high, and in both the service and development areas of activity;
- Objective and scientific identification and evaluation of best practices sponsored by the Federation of NGOs and University departments so as to promote duplication and allow scaling up in underserved regions.

6. A 'National Campaign' could mobilize society to achieving the MDGs and advocating the new social contract.

The multiple benefits of such a national campaign would include

- (a) providing a forum and focus for citizen awareness and participation;
- (b) promoting debate on options and priorities among the three players – the state, civil society and the private sector;
- (c) creating a platform for CSOs to become more visible and improve on their advocacy activities.

The proposed structure of roles and relationships to be tested is fourfold:

- The state provides the regulatory framework within which CSOs can operate freely;
- Line ministries are responsible for setting standards for each service (education, health, etc...) and promote international best practice as models;
- CSOs create an independent Federation of CSOs whose main purpose is to set governance standards, monitor CSO governance and provide CSO accreditation for government service procurement;
- The private sector refers to the independent

CSO Federation as a neutral arbitrator that can guide it in selecting NGOs to implement its corporate social responsibility activities and in identifying best practice CSOs in each field of activity and in every region.

Proposed action for message 6 to materialize:

- The state provides the space in the legislature and in the public media for CSOs to perform their advocacy role towards the MDGs and the new social contract;
- Line ministries designate special departments to coordinate activities with the Social Contract Centre, CSOs and the private sector;
- CSOs organize themselves to have their elected representatives at the level of activities and sectors. They also promote CSO coalitions whereby they can take advantage of synergies, and collective action can ensure greater impact;
- The Social Contract Centre should act as mediator between civil society, the state and the business sector according to its establishment mandate.

Source: Heba Handoussa, Lead Author, EHDR 2008.

Pressure for improved performance at the grassroots will require a devolution of functions from the center



A related obstacle has been a shift towards the provision of direct support and funds to national governments rather than directly to organizations themselves. This is illustrated by the 2005 Paris Declaration on Aid Effectiveness, in which civil society was mentioned only once in reference to the need for governments of recipient countries to coordinate aid at all levels and only 'promote' the participation of civil society in development programs. The consequence has been a loss of CSO autonomy and a growing dependence on state largesse.

THE IMPACT OF DECENTRALIZATION

Decentralization acts as a vehicle for creating an enabling environment for CSOs. For example,

fiscal and administrative decentralization could mean that more room will be given to CSOs to participate in direct service delivery and in reaching to the grassroots. In this sense, CSOs have a vested interest in supporting decentralization, and could assume an active role to promote it. Pressure for improved performance at the grassroots, and greater CSO involvement in diverse activities will require a devolution of functions from the center.

Because of some cases of corruption and mishandling of funds with criticism directed by parliamentarians and the media, activists are advocating that CSO finances should be under the close monitoring of the Central Agency for Accounting and not under the Ministry of Social Solidarity.

Human Development Indicators show that progress has been uneven across governorates



Decentralization also relates to a greater degree of democracy at local levels and involves the transfer of policy and legislative powers from central governments to lower level assemblies and local councils to ensure a high degree of community participation in decision making.

OPPORTUNITIES FOR BETTER STATE/CSO RELATIONS

Several opportunities now present themselves for the State to engender trust and instill hope in the country's aspiring new generations:

- On the *economic* front, all indicators of growth and diversification are placing Egypt on the global map as one of the most promising emerging markets;
- economic growth can translate into greater provision of public social goods;
- On the *social* front, implementing the 55 new social contract programs is expected to eradicate the segment of ultra poor within less than ten years and to fulfill all of the MDGs and more by 2015;
- a new social contract center has been created within the IDSC of the Cabinet to coordinate these programs;
- On the *demographic* front, Egypt has passed the apex of the demographic bulge such that the size of the age group that is searching for jobs is shrinking as a result of the decline in fertility of two decades ago. However, more needs to be done to reduce further the pace of decline of fertility which has leveled at about 3.1 for almost a decade;
- As to *income distribution*, Egypt at last has a poverty map (see Chapter Two) whereby the geographic identification of the poorest of the poor enables accurate targeting of rural and urban households in need of immediate relief. The two million

families living below the poverty line can now be selected for access to conditional cash transfers (CCT).

The CCT program is being piloted in Assiut and Sharkia governorates. This program is one of the five largest under the package of 55 new social contract programs.

WHY EHDR 2008 MUST FOCUS ON THE POOR

ACHIEVING THE MDGs

The evolution of Human Development Indicators (HDI) for Egypt shows that progress has been uneven across governorates and that much needs to be actioned in order for all governorates to achieve the MDGs by 2015 (see Chapter Two). Over the past 12 years, there has been consistent progress in overall health and education indices that are components of the human development index but less than half of the governorates have kept pace with the overall improvement. In fact, even with regard MDG 1 — halving the proportion of people living on less than \$1 per day over the period 1990 to 2015 — and although the overall percentage has declined from 8.2% in 1990 to 3.4% in 2004-2005 — as many as 11 governorates are not expected to achieve this goal unless drastic measures are taken now.

Based on the national poverty line, one out of each five Egyptians (19.6%) had consumption expenditures below the poverty line in 2007, compared to 24.3% in 1990. In the period 1990-2005, the poverty rate declined by an average annual rate of 1%. There needs to be a faster decline in the percentage of population under the national poverty level to meet the target of halving the proportion of the poor under the poverty line, to reach 12.1% in 2015.

There has been consistent improvement in Egypt's overall HDI score since 1995. In 2005, Egypt's HDI was 0.708, giving it a rank of 112 out of 177 countries. The life expectancy index has steadily progressed, especially after 2003. The education index has also increased from 0.544 in 1995 to 0.718 in 2006, while that of GDP rose from 0.357 to 0.681 over the same period.

Other indicators are troubling. According to the 2006 census data, 14.7% of children between the ages of 6 and 18 nationwide have never enrolled in basic education or have dropped out of school, amounting to over three million children that have not gained basic literacy and numeracy skills. Low income levels force children to leave school for work. In addition, high levels of illiteracy among women in rural areas, contribute to low enrolment rates of children, especially girls.

Another negative trend is the impact of informal settlements in large cities. While Cairo has a relatively low poverty rate compared to other governorates, poverty projections indicate that the poverty rate in Cairo governorate will increase from 4.6% in 2005 to 7.6% in 2015.

Poverty Rates: Poverty rates in the five highest ranking governorates range between 2.4% and 8.0%, well below the national poverty rate of 19.6%. Port Said was ranked first every year during the twelve year period, followed by Suez, Cairo, Alexandria, and Damietta. At the other extreme, Fayoum, Menia, Assiut, Suhag, and Beni Suef are the lowest ranking governorates with a poverty rate as high as 61% in Assiut. The Gini coefficients for the five top governorates are high, in contrast to the five lowest ranking governorates where poverty is uniformly spread.

Egypt's poverty map confirms that poverty is highly concentrated in Upper Egypt with 762 of the poorest 1000 villages located in Menia, Suhag, and Assiut whereas 59 villages out of the poorest 100 belong to Suhag alone. The average poverty rate in Egypt's poorest 1000 villages is 52%. A word of caution is that almost 63% of the Egyptian poor live outside these villages, which

highlights the importance of complementing poverty mapping methodology with other developmental policies and targeting techniques.

Gender Progress: The gender front presents a mixed picture. Over the past 12 years, there has been little improvement in gender equity in labor markets. Wage employment grew by less than 1% per year, which indicates that there will be negligible improvement in female wage employment in the near future. Women's representation in local councils is a negligible 1.8%, with 1.3% of local council seats in rural areas and 2.9% of local in urban areas. Representation in the People's Assembly has regressed, from 4.0% in 1990 to 2.0% at present.

However, Egypt will come closer to achieving the 2015 MDGs target for the proportion of births attended by skilled health personnel. The percentage has increased from 56.5% in 2001 to 80.0% in 2006 due to tangible efforts exerted in this area. The maternal mortality rate has declined from 60.7 per 100,000 live births in 2001 to 52.9 in 2006. The percentage of women with prenatal care has increased from 61.1% in 2001 to 69.6% in 2006.

There has also been consistent progress in the area of education. The ratio of females to males in primary education increased from 88% in 2000/2001 to 93% in 2005/2006. The gap between boys and girls in primary education is expected to be eliminated at the national level as well as in all of the country's governorates by 2014. The literacy rate of 15-24 year old females has increased from 66.9% in 1990 to 80.1% in 2005.

Population Growth: Population policies and strategies are crucial and requires the mobilization of several ministries and community-based organizations for an integrated and sustainable approach. International experience of success stories such as Iran (where fertility has declined to 2.1 in 2005 from 6.6 in 1980) shows that the role of NGOs and trained social workers at the local level was essential. Since 1990, the total fertility rate (TFR) in Egypt has been slowly declining from 4.1 in 1991 to 3.5 in 2000. Additional decline in TFR to 3.1 was shown by EDHS 2005. Egypt's



target is to reach TFR of 2.1 by 2017 which implies an increase in contraceptive prevalence to reach 72%. The contraceptive prevalence rate (CPR) in Egypt has shown an increasing trend over time from 47.6% in 1991 to 59.2% in 2005 and yet this trend will not be sufficient to reach the target TFR.⁸

On the demographic front, one of the positive trends is the increased age at marriage and the trend whereby the percentage of women (15-49) who married at age less than 18 is declining slowly, from 44% in 1992 to 34% in 2005. The proportion who gave their first birth at age less than 18 has declined from one-quarter to almost one-eighth over the same period.⁹ Antenatal care utilization by women has risen from 28.3% in 1995 to 58.6% in 2005. According to the DHS surveys the level of unmet need for family planning has significantly declined from 19.8% in 1992 to 10.3% in the year 2005.¹⁰

GROWTH WITH EQUITY

This report argues that while time is of the essence, the recipe is available. At its heart, the social contract provides a delicate mix of pro-poor growth with a strong dose of social and human progress. There are three conditions to ensure the balance between Egypt's economic and social pursuits. They are:

- Policies that address the multiple dimensions of poverty, including the cross-cutting dimensions of gender and environment. Progress in one dimension such as family planning will be accelerated by progress in others such as literacy;
- Participation of civil society and the private sector in favor of poverty reduction at the

Civil Society has an unquestionable right to also act as watchdog in fulfillment of its national responsibilities

national and local grassroots levels. To achieve this, the state and its policy-making processes need to be open, transparent and accountable to the interests of the poor and contribute to their employment. Public and private resources need to help CSOs expand the economic activities of the poor;

- Implementation is the key to successful policies. The drafting of good laws, decrees and regulations are a necessary but not a sufficient condition. The political and administrative will to enforce these requires that incentives are in place to reduce the temptation to turn a blind eye to enforcement.

Policies at the macro and sectoral levels need therefore to promote both the pace of economic growth and the means by which this can be achieved with equity. Introducing accepted criteria and indicators of good governance is essential in order to realize goals and targets in a timely manner. However, monitoring and evaluation undertaken within the state apparatus alone are insufficient to combat vested interests and corruption. Civil Society has an unquestionable right to also act as watchdog in fulfillment of its national responsibilities under the new social contract. Policies for growth with equity can only be achieved through country-level processes based on country-level analyses, given that all social actors — whether poor or not — participate in growth as both agents and beneficiaries.

POVERTY HAS NOT DECLINED FOR OVER A DECADE.

Not everyone who is poor was born into poverty. Large numbers of poor people fall into poverty within their lifetimes. Their relationship with poverty is qualitatively different from that of people who have been chronically poor. Rather than considering "the poor" as a homogeneous group requiring common policy responses, it is preferable to take account of subgroup-specific requirements. For example, researchers comparing trends across diverse countries have concluded that a "medical poverty trap" drives thousands into poverty. In

8., Ministry of Economic Development (2008), "Egypt: Achieving the Millennium Development Goals. A Midpoint Assessment," DRAFT.

9. Ibid

10. Ibid

BOX 1.8 SEVEN RULES FOR PRO-POOR GROWTH

To achieve rapid and sustained poverty reduction for the significant segment of Egypt's population that is poor, a policy of pro-poor growth needs to be set in place for which the state is ultimately accountable. This should take into account that:

- *The vulnerability of the poor to risk and the lack of social protection reduce the pace of growth.* The journey out of poverty is not one way and many return to it because man-made and natural shocks erode the very assets that the poor need to escape poverty. Policies that tackle risk and vulnerability, through prevention, mitigation and coping strategies, improve both the pattern and pace of growth and can be a cost effective investment in pro-poor growth.
- *Inequality matters.* Inequality of assets and opportunity hinders the ability of poor people to participate in and contribute to growth. Gender is a particularly important dimension of inequality. Women face particular barriers concerning assets, access and participation in the growth process, with serious implications for the ability of growth to be pro-poor. Rising inequality is not an inevitable consequence of the growth process, as long as there is a mix of policies that addresses both growth and distributional objectives.
- *Policies need to tackle the causes of market failure and improve market access.* Well-functioning markets are important for pro-poor growth. Market failure hurts the poor disproportionately and the poor may be disadvantaged by the terms on which they participate in markets. Programs are needed to ensure that markets that matter for their livelihoods work better for the poor.
- *Both the pace and the pattern of growth are critical for long-term and sustainable poverty reduction.* For growth to be rapid and sustained, it should be broad-based across sectors and regions and inclusive of the large part of the work force (agriculture and informal services) that poor women and men make up.
- *A pro-poor pattern of growth requires the participation of the poor in the growth process.* This in turn necessitates increasing access to land, labor and capital markets and by investing in basic social services, social protection and infrastructure. Policies to promote environmental sustainability should also be integral to promoting pro-poor growth.
- *Policies to tackle the multiple dimensions of poverty should go hand-in-hand.* Perceptions of dichotomies (e.g. economic versus social policies) can be misplaced. Progress on the income poverty MDG facilitates progress on other MDGs and vice versa.
- *The poor need to participate in and influence the policy reform process that goes with poverty reduction strategies.* Approaches are needed to increase the voice and influence of CSOs that are representative of civil society in order that policy making is evidence based, rather than determined by narrow vested interests. This entails a better understanding of the political economy, power relations and drivers of change, and supporting formal, transparent decision making, strengthening the demand for pro-poor change and building capacity of the state to respond to demand.

Source: Adapted from Development Assistance Committee (2007) OECD HYPERLINK ⁸<http://www.oecd.org/dac/poverty> ⁹www.oecd.org/dac/poverty.

Egypt, as in many other countries, thousands of families are living one illness away from poverty, and thousands have become deeply indebted on account of health-related costs. Mounting a comprehensive response — addressing escape and descent concurrently — will help to address different types of poverty selectively, and will thereby empower poor people in a targeted manner.

The Universal Health Insurance component currently being designed ranks among the top five programs proposed under the new social contract package in the EHDR 2005 and will constitute an enormous step forward in reducing the risk of falling into poverty as a result of sudden sickness (see Chapter Nine). Similarly, the government's preparation of a Universal Pension Scheme that caters for different groups who so far do not benefit from any social security program will go a long way to encourage rationalization and formalization of work relations that are presently vulnerable and unprotected.

When we review the proposed integrated package of the 55 social contract programs later in this

chapter, it can be observed that these address the many dimensions of poverty and exclusion, notably in regard to water, sanitation and housing for the poor; health, education and vocational training; social insurance for all, conditional cash transfers for the ultrapoor and an expanded social safety net; and employment in urban and rural MSEs with increased productivity and agricultural mechanization. This broad-based attack on the sources and outcomes of poverty is therefore of some magnitude and will need all players in society to put their weight behind it, including private enterprise.

THE ROLE OF BUSINESS IN POVERTY ALLEVIATION

The Sixth Socioeconomic Development Five-Year Plan (2007-2012) targets an increase in employment levels at a rate of 750 thousand individuals per year. According to the most recent census (2006) data, the unemployed amounted to two million, corresponding to 9.3% of the total labor force. The unemployment rate is expected to decrease to 5.5% and the number of unemployed not to exceed 1.4 million by the end of the plan.



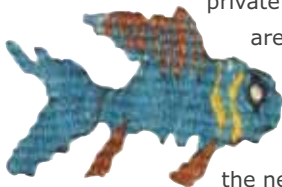
At present, communication channels between the private sector, NGOs and the government are weak



Unemployment issues and the role of micro and small enterprises (MSEs) in job creation are key items in the GOE's Long-Term Development Vision 2022, which focuses on continued economic growth necessary to generate sustainable productive employment. This focus is evident in the two Five-Year Plans 2002-2007 and 2007-2012, which emphasize development objectives: export promotion, deepening and upgrading manufacturing industry, promotion of small and medium-sized enterprises, directing development towards desert land and correcting spatial imbalances, poverty reduction, and women's participation.¹¹

The message of the recent Business Solutions Report is that the current context and development indicators in Egypt serve as a call for firms to reassess their responsibilities to all stakeholders, while still keeping the profit motive in mind.¹² The plea is for private businesses to perceive and implement a new role in generating prosperity and opportunity in the community. To date, the potential to work alongside local community organisations to expand the reach of such programmes to the most disadvantaged has not been adequately exploited.

At present, communication channels between the private sector, NGOs and the government are weak. The media has a major role to play in creating links between the sectors, and stronger dialogue among stakeholders would support the need for public accountability from private businesses on such issues as product prices or environmental infringements. Another example is bringing together NGOs, indigenous populations and the rapidly expanding tourist industry to work together under an umbrella intermediary, to promote ecotourism and curb the growing destruction of coral reefs, waterways and marine biodiversity.¹³



Successive governments and the multi-donor reviews of Egypt's Social Fund for Development (SFD) programs carried out in 2004 to 2006 have shown that SFD demonstrates that the poor can be reached and their living conditions improved by establishing a quick disbursing, flexible, and transparent credit mechanism. These reviews also confirm that SFD remains relevant to donors as an umbrella funding mechanism for poverty reduction and job creation programs.

An evaluation of the impact of the different stakeholders' programs on MSEs shows that much more can be achieved with the help of CSOs (see Chapter Seven). Although the number of MSEs that received finance grew from 3-5 % in 1998 to between 15-20 % in 2006, the outreach is still limited in relative terms and the SFD can do much more to expand access to micro credit via the expanded use of NGOs and CDAs. There is a vast space to fast involve larger numbers of CSO intermediaries in all of the credit, training and other non-financial services which SFD is entrusted with providing to the MSE sector.

Since the SFD is planning to increase its activities significantly due to the volume of disbursements necessary for SFD to be sustainable in the long term, it is also recommended that the SFD delegate authority to links further down in the chain, especially the Regional Offices. Otherwise, there is the danger that the turnover time for projects becomes too long.

Where non-financial services are concerned, the MSE survey 2003/2004 indicates that only 0.5 % of all MSE received non-financial services. It is therefore crucial to raise the technical capacity of NGOs to innovate and design market-driven services. NGOs and the private sector could also invest in the establishment of modern specialized training centers.

11. See Chapter Two for details of Egypt's Five Year Plans and Chapter Seven for the roles of civil society, the private sector and government in promoting MSEs.

12. Business Solutions for Human Development, (2007), Ministry of Investment and UNDP

13. Ibid

CSOs CAN IMPLEMENT PROPOSED PROGRAMS

The integrated set of 55 social contract programs outlined in the previous EHDR 2005 aim to reinvigorate poverty eradication efforts. This dictates the need to pool resources of all stakeholders, i.e. the government, CSOs, the private sector and local communities- under a new social contractual arrangement. CSOs are envisaged to play a pivotal role towards implementation.

Within the context of a new social contract, CSOs are the most viable channels to promote increased empowerment, ownership and participation to build local capacities and to make all voices distant from the political power and decision-making heard. CSOs' coordination activities can complement the government developmental efforts by increasing group and community participation in the design, implementation and monitoring of programs.

By virtue of physical proximity to local communities and through a better understanding of special groups' demands and needs, CSOs are best suited to advocate for some programs while also taking the lead in implementing others. Participation of CSOs in the implementation of the social contract programs is indeed the only realistic means to scaling up these programs geographically and among all target groups so as to achieve the MDGs by 2015.

One set of the suggested Social Contract programs – particularly in the education, water, sanitation, and housing sectors- has been reflected in a bold initiative for expansion in the government sectoral development plans. This GOE initiative explicitly aims at accelerating the pace of execution of programs, and increasing their geographic coverage. Consequently, the initiative demands that more budget resources should be channeled to this end. This would also entail relying much more on assistance from NGOs and other partners. The other set of programs such as the national donations and the poverty contract program, are also the responsibility of the current government budget but can increasingly depend on support from civil society partners at the grassroots level.

BOX 1.9 THE GLOBAL COMPACT: A UN CSR INITIATIVE.

Since its announcement in 1999, the Global Compact (GC) has called on companies and other organizations to pledge to adhere to and advance 10 broad principles in the areas of human rights, labor, the environment and anti-corruption. As of early 2007, 3,800 companies, SMEs, non-profits, labor organizations, and other entities in 100 countries had formally signaled their commitment to the GC's ten principles. Egypt has taken the lead among Arab nations in embracing the Global Compact. However, because of the stalled growth in new company commitment, the country is now behind Tunisia in the Arab ranking.

Human Rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: make sure that they are not complicit in human rights abuses.

Labor Standards

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labor;
- Principle 5: the effective abolition of child labor; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges; and
- Principle 8: undertake initiatives to promote greater environmental responsibility;
- Principle 9: encourage the development and diffusion of environmentally friendly technologies;

Anti-Corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Source: www.globalcompact.org

Within the context of a new social contract, CSOs are viable channels to promote increased empowerment, ownership and participation



FEATURES OF THE CONTRACTUAL RELATIONSHIP BETWEEN GOVERNMENT AND CSOS

The vision of the new social contract is guided by a citizenship-rights approach with a central and dual focus to enhance development and pro-poor growth. This focus on poverty reduction is dictated by the perception that progress in development will stall unless widespread inequity is addressed.

Involving CSOs in the implementation of the vision of the social contract should be based upon an understanding of a partnership reflected in a new contractual relationship with the government whereby the government becomes committed to:

BOX 1.10 PRINCIPLES AND CONDITIONS OF THE SOCIAL CONTRACT

The vision of the new social contract proposed in the EHDR-2005 revolves around the principles of:

- Growth with equity;
- Sustained empowerment;
- Improved quality of life of all citizens;
- Increased participation of all groups in society in decision-making.

These goals can hardly be achieved without serious consideration of pre-requisites:

- *Eliminating extreme poverty and enhancing the capabilities of the poor and the disadvantaged via:*
 - Direct financial assistance to those in extreme poverty;
 - Universal access to quality free education including preschool;
 - Introducing universal health insurance;
 - Better access to physical infrastructure;
 - Better access to low-income housing;
 - Raising employment and productivity;
 - Giving voice to all diverse groups in Egyptian society;
 - Ensure a match between the aspirations of citizens and the decisions made and programs designed;
- Secure citizen commitment, a common will and collective monitoring of the implementation of these decisions and plans/programs.

Source: Sahar Tawila. Background Paper for EHDR 2008.



The role envisaged for CSOs is complementary and integral to the role of the government

- An overall increase in spending on public goods;
- Providing a pre-set minimum package of high quality of each public good;
- Providing differentiable (but time-bound) extra public spending beyond the set minimum packages, in favor of local communities with low HDI, with a bonus/incentive linked to achieving MDG goals (and beyond) at the level of these communities;
- Creating an enabling environment for CSOs to exercise their full potential in

reaching, mobilizing, and serving local communities in collaboration with local councils;

- Building trust and actual partnership with CSOs with mutual acceptance of exchanged coordination and monitoring to achieve the goals of the new social contract.

The role envisaged for CSOs is complementary and integral to the role of the government. It is anticipated to positively impact the effectiveness, efficiency and sustainability of these programs. It is not meant to simply reduce the financial pressures or relieve the government from some or all of its obligations. To the contrary, as already mentioned, more government spending will be required.

CSOs can potentially play diverse roles toward the implementation of the suggested programs in terms of:

- advocacy at the level of policy formulation and participation in the design of these programs, while at the community level CSOs may perform outreach activities (awareness-raising campaigns and mobilization of beneficiaries and stakeholders) as well as actual service delivery, and may assume coordination, and monitoring/assessment roles. However, these roles are not necessarily considered central to all programs in the same way. Outreach activities carried out by CSOs may be essential in one program while service delivery in relation to that particular program might have less weight. On the other hand, service delivery could be considered a key role for CSOs in yet another program (Annex Table 1.1).

GROUPING THE PROGRAMS

The Social Contract programs can be divided into three main groups according to the potential role of CSOs vis-a-vis the government in their implementation, ranging from a minimal role of CSO assistance in coordinating the efforts of the government (group 1), to a maximum where CSOs assume full responsibility for funding and/or implementation.

Practical considerations related to sustainability and scaling up call for a shift to a cost-sharing model between the government and CSOs



The first group of programs focuses on public goods that are, and should remain, the concern and responsibility of the relevant government ministries and hence, are funded mainly from the national budget and implemented by the government with coordination and monitoring from CSOs and local communities. The bulk of these programs is concentrated in the three sectors of education, water and sanitation and low-income housing.

As many as 18 out of the package of programs are geared toward a better and more equitable basic education system and will always remain the responsibility of the government. These include:

- building new schools to expand coverage while reducing class density, maintenance of the existing education infrastructure, curriculum development, reform of learners' assessment, providing incentive premiums for master teachers to serve in poor communities and, in-service training of teachers.
- The government also has a leading role in developing new adult literacy curricula while in the area of vocational education the government should at least be in charge of developing and documenting training packages for vocational qualifications and completing the national skill standards project.

Similarly, the 15 programs focusing on the provision of infrastructure for water, sanitation and low-income housing projects as well as managing long-term credits for building new housing units fall into this category. The program aiming at enhancing youth access to employment opportunities by paying a part of the employers' contributions to social insurance of new workers is also

strictly beyond the realm of CSOs. Yet, pilot testing of this program could be initiated with paid jobs within the domain of CSOs (rather than with the private sector) to enhance high caliber employment opportunities in this sector, which will be reflected in the quality of work/services provided by these CSOs.

The second group of programs on the other hand is currently the responsibility of the relevant government ministries, but what is proposed is for CSOs to take up a significantly larger share. Past experience in those areas and/or practical considerations related to sustainability, efficiency and the need for rapid scaling up call for a shift to a cost-sharing model between the government and CSOs, and to CSOs shouldering a greater responsibility for the implementation of these programs with coordination and close supervision from the government. Improved targeting and expanded coverage of both conditional and unconditional cash transfer programs as well as the efforts to achieve complete births registration and universal coverage of the national ID program can hardly be realized without engaging NGOs and CDAs in local communities and ensuring their support.

In order to maintain government efforts focused on increasing access and improving quality of core formal education programs, CSOs are invited to play a leading role in experimenting with, and then scaling up the less formal education programs such as early childhood development (pre-school education), girls' education (one classroom schools), adult and working children literacy classes, qualifying out-of-school 11-14 year olds for the 3rd primary certificate, establishing IT clubs, and providing vocational training and technical assistance for skill development.



Moreover, several roles are envisaged for CSOs within the framework of the new health insurance law. These roles extend from advocacy, participation in the design and implementation of outreach activities- to realize the goal of full participation and coverage- to actual service delivery. Acting as an intermediary between the Social Fund for Development and the beneficiaries in disbursing short- and long-term loans, CSOs can contribute significantly to expanding the base and scope of SMEs by reaching out to and recruiting new target groups in both urban and rural areas.

Programs in the third group are strictly the responsibility of CSOs as they are mainly advocacy and outreach programs necessary for the successful implementation of other sets of programs. The role of CSOs is crucial in mobilizing and assisting some households with enrollment procedures of children in 1st primary, as well as their efforts in relation to environmental conservation/pollution, social marketing activities related to building a national consensus concerning the concept of the new social contract, enhancing citizens' participation and interest in community and public issues, the concept of community service, etc.

Furthermore, the national donation program aims at supporting and operationalizing the recently established "Zakat Fund" and "Businessmen Fund", both operate independently from the government to collect and disburse

There is near consensus on the importance of integrating rather than by passing local governments in any community based development

funds to directly and strictly benefit the poor. CSOs can play a key role in raising awareness regarding social solidarity, and the importance of pooling financial contributions from all sources, to rationalize utilization and maximize benefits. The monitoring role of CSOs should extend to emphasizing the transparency of the program in terms of management, decisions made, size of pooled contributions, and beneficiaries. Under this program, citizens' *zakat* and corporate contributions will be earmarked to support poor households in financing specific, yet diverse aspects of their life, deemed critical to empower them to escape poverty such as school meals and school uniforms for children in these households to encourage them to stay in school, household's water and sanitation connections to improve living conditions and enhance health production at the household level, and health insurance premiums of poor households.

The work of decentralized local government, CSOs and CDAs interact and their spheres overlap in many situations. The recommended route for achieving the goal of sustainable pro-poor development is to rely on effective partnerships between the state and CSOs for collaboration and cooperation. There is near consensus regarding the importance of integrating rather than bypassing local governments in any community based development, especially if there is a need for scaling up the initiatives and achieving a long term positive impact.

ADVOCACY AND MONITORING

Advocacy and monitoring are deemed central to all programs in the three groups. One the one hand, there is a strong need to raise awareness of the benefits of voluntarism, and on the other hand, to promote a citizen-right approach to

Organized CSOs communication activities need to draw attention to the benefits of expanding their sources of finance



development incorporating the right to identity, to improved quality of life and clean environment, the right to quality education, and the right to be covered by a health insurance system.

Chapter Eight suggests that it is timely for civil society to re-visit all current legal measures that ensure quality standards, such as those related to education, for example. In this sector, it would also touch on enforcement of mandatory enrollment in school or introduce changes to legislation to allow for mainstreaming out of school children and graduates of special programs into the formal education system, while raising awareness on gender equality in education and the importance of early education on later child development.

Parallel advocacy efforts should be directed towards raising donations for building new public schools in deprived and poor regions, elevating the national standards of formal education, reducing class density and enhancing the specifications and requirements on the physical infrastructure of schools. Advocacy is a fundamental role for CSOs in the areas of continuous revisions of curriculum, adding and emphasizing particular common concepts related to human rights, citizenship, participation, democracy, governance, equality (including but not confined only to gender equality), elimination of discriminatory concepts, and the introduction of new systems of learner assessment as well as highlighting issues relevant to particular local communities (social, environmental, health related, etc.).

CSOs can not only advocate for but also participate in providing quality vocational education to cope with accelerated technological progress on the one hand and the requirements of market

needs on the other. Establishing a network that includes all CSOs interested in adult literacy is instrumental to enhance the work to eradicate illiteracy. These activities support awareness raising efforts concerning importance and benefits of literacy, including computer literacy, and of acquiring skills and that there are no age limits for learning and skill-development.

On another front, health is a domain that is wide open for a partnership between the government and CSOs. In many OECD countries such as Canada, the majority of hospitals are owned and operated under a CSO legal status so as to ensure maximum quality of services and dedication of staff. In the health sector and in addition to service delivery and monitoring, CSOs can significantly raise awareness concerning healthy practices and preventive measures, the relationship between health and achievement whether in work or education, health-related problems at community level, implementing health insurance systems, highlighting the gains of engaging in these efforts and the risks associated with neglecting them. Media CSOs, whether private or public, have been instrumental in transmitting these messages across Egypt in the recent past (covered in Chapters Nine and Eleven).

Organized CSOs communication activities related to MSEs currently exist yet need to be strengthened in the effort to draw attention to the benefits of acquiring a formal legal status for establishments, businesses and property, in identifying potential projects and related marketable products, or in stressing the need for quality and /or enhancement of skills. On the other hand, advocacy related to the need of NGOs for international funding to expand and diversify their sources of



CSOs have the ability to tailor specific packages of two or more programs

finance is required, and so is the need to have the Credit Guarantee Corporation expand guarantees to banks to cover credit lines for NGOs to provide short- and long-term micro credit (see Chapter Seven).

Chapter Nine argues that CSOs can also advocate for prompt government responses to the citizens' immediate needs for having potable water and sanitation projects in their communities and for the continuous maintenance of these projects, and the need to have reasonable and affordable housing. For upgrading of slum areas, advocacy is needed to provide these slums with infrastructure and basic services and for solving the legal problems of land and housing tenure. Improved efficiency and optimal use of scarce natural resources such as water and agricultural land are strategic areas in relation to CSOs' advocacy and awareness raising roles.

CSO MODES OF IMPLEMENTATION

This report suggests two possible modes for the implementation of CSO programs:

- *Individual program implementation mode:* Many programs can be implemented individually, that is, irrespective of the implementation of any other programs. Examples include water/sanitation projects, low-income housing projects and the mobile service for issuing birth certificates and national ID cards. In the education sector, CSOs can be accredited by the MOE to provide preschool education services, to supervise and accredit other private sector education projects in the community, to operate literacy classes for adults and for working children, to establish and operate one-classroom schools for girls, to mobilize and assist households in enrollment procedures of their children

in the first primary grade, mobilizing out-of-school children to qualify them for a basic primary certificate. In vocational training, CSOs can provide skill-building courses, disburse loans, develop specific vocational skills, provide supervision and extension technical assistance, support extension services. For environment upgrade, CSOs can mobilize local community resources to implement pollution-control interventions such as garbage collection and recycling, or advocacy and technical support to reduce vaporization of Nile water and canal pollution, or to raise public pressure for government to enforce legislation on noxious industrial emissions.

- *Package interventions:* In comparison with line ministries, CSOs have the ability to tailor "specific packages of two or more programs" that would ultimately maximize the returns of each of the intended initial programs and result in significant improvements in the quality of life in specific local communities and/or of particular groups of beneficiaries. This can be demonstrated using the example of two individual programs: the expansion of social safety nets (unconditional cash transfers) and the introduction of 'poverty contracts' (conditional cash transfers). Each of these two individual programs involves direct cash transfer, and hence they focus primarily on the poorest segment of the population. The lack (or very low) income available to the targeted beneficiaries translates into a high level of unmet basic needs that require either a significant amount of cash transfer or a reasonable amount of cash transfer coupled by other in-kind services provided through other programs in a comprehensive package.

IN CONCLUSION

If it is to achieve the MDGs and national development goals, the challenge now facing Egypt is to consolidate the role of civil society and its institutions in complementing the state and the private sector, particularly in poverty reduction efforts, but also in raising the quality of service provision and advocating for rights-based reforms. While the government of Egypt has great responsibility in creating the enabling legislative and administrative environment for CSOs to grow and prosper, it is up to CSOs themselves to raise the level of their internal practices so as to develop an independent, reputable, and high profile public presence, able to guide policymakers and attract donors.

In this respect, the question of sound and stable financial resources is closely related to that of sustainable and well-planned initiatives. Good practice that has medium to long-term impact — and that is replicable — relies on competent staff, strategic planning, partnerships, monitoring and evaluation. All these depend on a reliable flow of funding. If CSOs are to become more autonomous of government or of donor support, they must seek financing from sources additional to membership fees or the like. Funding could come from productive activities, or from the general public or from partnerships with large corporations. In this respect, Egypt's CSOs have much to learn from highly successful fundraising campaigns in other countries, whereby advertising and the media are exploited to reach and capitalize on the goodwill of the average citizen.

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ANNEX 1.1: ROLE OF CSOS IN SELECTED SOCIAL CONTRACT PROGRAMS

Programs and annual cost	Design	Implementation	Mobilization	Coordination Service Delivery
<p>1. Poverty (4 programs) 1.1 Unconditional cash transfers: expanding social safety nets in terms of increased coverage- of target groups -and more significant assistance.</p> <p>Cost: LE 9.8 bil Beneficiaries: 11.7% of the population</p>	<p>Participate in setting criteria for identification of target groups. Classify distinct target groups according to capabilities and needs (elderly, handicapped, female-headed households, etc.). Participate in tailoring relevant packages for each of these groups.</p>	<p>Survey the local community to identify potential beneficiaries and recruit them.</p>	<p>Coordinate with relevant governmental entities to officially enroll the beneficiaries in the programs and secure the necessary funds.</p> <p>Guiding those beneficiaries on how/ what/ where/ when to receive the services not delivered by CSOs.</p>	<p>Buy the required documents for participants in programs 1.1, 1.3.</p> <p>Deliver some or all of the services entailed by the specific program (depending on the package /type of service).</p>
<p>1.2 National Donation Program</p> <p>Cost: LE 15.1 bil Beneficiaries: 100,000 jobs created.</p> <p>1.3 Conditional cash transfers(poverty contract):</p> <p>Cost: LE 5.2 bil Beneficiaries: 15,000 jobs created for social workers.</p>	<p>Electing representatives on the board of trustees. Participate in the designation of sub-programs that could be funded.</p> <p>Participate in: identifying mechanisms for collecting the contributions, criteria for disbursing them, output and outcome indicators for M&E. At the local level, participate in setting a plan for mobilization of financial resources.</p>	<p>Outreach activities in local communities to market the coupons and recruit new local supporters for the program.</p> <p>Mobilize the businessmen and well-to-do residents in local community to contribute to the program.</p>	<p>Communicate with representatives on the managing board the problems faced during implementation and coordinate efforts to resolve these problems.</p>	<p>Marketing the coupons (collecting the contributions from donors).</p>
<p>1.4 Mobile service for issuing birth certificates and national ID cards.</p> <p>Cost: LE 255 mil for one year</p> <p>Beneficiaries: 8.5 mil with no birth certificates until the age of 18, and adults with no ID cards.</p>	<p>Work out the design of the program and the resources needed.</p>	<p>Mobilize (locally) adults who do not have national ID cards and, parents of children who do not have birth certificates.</p> <p>Mobilize opinion leaders in community to encourage target groups to participate in program.</p>	<p>Coordinate with civic register dept. of the MOI at Kism level to organize a campaign for providing the service at NGO premises during a specified period (a given week) and for enough hours each day to fit the situation of the beneficiaries.</p>	<p>Support beneficiaries in filling-out required forms and provide physical space/infrastructure for implementing the program.</p>
<p>2. Education/Literacy (9 programs) 2.1 Early childhood development (4-6 years)</p> <p>Cost: LE 1.2 bil</p> <p>2.2 Girls' education (one classroom) (6-14 years) Cost: LE 430 mil until year 2012 2.8 Developing new adult literacy curricula and programs Cost: LE 2 mil over two years 2.9 Adult Literacy programs (training, implementing and monitoring implementation carried out by other entities) Cost: LE 1.7 bil over two years</p>	<p>NGOs with education professionals can participate in the development of pre-school curriculum.</p> <p>Conduct a survey to identify out-of-school children and the reasons of drop out or never enrolled.</p> <p>Design of different levels of training programs to meet the different age and/or education needs of citizens in local communities.</p>	<p>Recruit children in the two age groups: 4-6, and 6-10, as well as out-of-school children 11-14 years old (through their parents).</p> <p>Mobilize Parents of out of school children.</p> <p>Target groups are computer illiterate citizens. Outreach and mobilization efforts should focus on the disadvantaged based on their age, sex, education background, economic status, etc.</p>	<p>Coordinate efforts with MOE directorates, local school officials, and administration of the national donation program fund to facilitate enrollment, i.e. reduce paper work, obtain and provide education coupons for those in need of them, accommodate the special two-year program on NGOs' premises if not possible at school, report cases of parents' lack of response to all these efforts and arrange for recruitment of their children in literacy and skill-development special classes for working children.</p> <p>Coordinate and negotiate with the MOC a reasonable cost for receiving different telecom services.</p>	<p>Being accredited by the MOE to provide preschool education services, supervise and accredit other private sector preschool education projects in the community, establishing and operating one-classroom schools for girls based upon the special needs of the community. Supporting parents with paper work needed for enrollment of their children.</p> <p>Provide different levels of computer literacy training.</p>

<p>2.10 Eliminating illiteracy among working children</p> <p>Cost: LE 1.8 bil</p> <p>2.11 Mobilize and assist households with enrollment procedures of their children (6-10 year-olds) in the first primary grade</p> <p>Cost: LE 6.4 mil</p> <p>2.12 Two-year program on school premises after regular school hours for out-of-school children 11-14 years old to qualify them for 3rd primary grade certificate.</p> <p>Cost: LE 574 mil for one round over two years</p> <p>2.14 Funds for IT clubs, and specialized computer literacy training.</p> <p>Cost: LE 841 mil</p>	<p>Take part in deciding on the material taught. For maximum benefit, ensure the material includes awareness-raising messages on a variety of issues (health, nutrition, environment pollution/ conservation, community service, participation, etc.) and a built-in training/skill-development component that allows income generation later on.</p> <p>Design literacy programs for parents of out-of-school children who will participate in programs 2.2 and 2.12 as it is important that education of children and parents go parallel.</p> <p>One- classroom schools should be a last resort only in small and isolated communities.</p> <p>Participate in the design of programs 2.2, 2.12 in terms of program hours, setting, etc, based upon understanding of social and economic constraints to education.</p>	<p>Target groups are illiterate adult females and males age 18+, and illiterate working children 12-17, for whom all efforts made to mainstream them in formal education failed.</p> <p>Also target groups such as workers in the informal sector, and in the private sector.</p>	<p>Coordinate with other institutions in the community such as private schools and, universities to offer the computer literacy trainings on their premises.</p> <p>Coordinate with MOE and other training entities to provide material, equipments, guidance, testing services, certificates, etc.</p> <p>Coordinate with GALAE and with businessmen to establish a special fund for 2.9.</p> <p>Coordinate with GALAE, Ministry of Labor, UNESCO and UNICEF for 2.10.</p> <p>Coordinate with the CCT program to grant families of working children financial assistance, providing the child leaves work and registers in a skill and literacy program or is back in school.</p> <p>Granting credit for those registered in literacy classes in collaboration with SFD.</p> <p>Follow up with school directors on drop-outs and bring them back to school.</p>	<p>Establish IT clubs</p> <p>Provide literacy classes with selected relevant messages and built-in training components to develop particular personal and market skills.</p> <p>Training teachers and facilitators.</p> <p>Establishing evening classes for children who cannot leave their work and providing them with health services and meals.</p> <p>Establishing campaigns for improving skills of reading and writing of students.</p> <p>Establishing group tutoring classes on NGOs' premises to support low-performing students.</p>
<p>4. Vocational Training (4 programs)</p> <p>2.19 Developing TOT programs (for building, sewing and carpet manufacturing).</p> <p>Cost: LE 2 mil for the 2 years</p> <p>2.20 Surveying private sector products that can be used by trainees</p> <p>Cost: LE 1.9 mil (once for 3 months)</p> <p>Cost: 2.21 Qualifying first class trainees in the above professions.</p>	<p>Participate in the design of TOT programs for building, sewing and carpet manufacturing.</p> <p>Develop criteria for the target group.</p> <p>Design surveys of private sector products and their specifications.</p> <p>Design information system concerning needs/demand of labor market.</p> <p>Participate in the design of train-ing programs to qualify first class trainees in specific professions.</p>	<p>Mobilize beneficiaries to ensure package programs include an income generation component. Support and encouragement of self-targeting for this program is</p>	<p>Coordinate with other government and NGOs to make use of information they have on product specifications and relevant training packages.</p>	<p>Implement surveys of private sector products and their specifications.</p> <p>Implement training programs to qualify first class trainees in specific professions.</p>

<p>LE 892.5 mil</p> <p>Cost: 2.22 Micro loans for trainees for purchasing sewing machines.</p> <p>LE 1 mil (ongoing)</p>		<p>essential to provide a chance for those who desire and are willing to join.</p>		<p>Provide micro loans</p> <p>Establish exhibitions and outlets for marketing the products.</p>
<p>3. Health (2 programs) 3.1 Health Insurance for those who are not covered by HIO or any other system.</p> <p>Cost: LE 23.3 bil</p> <p>3.2 Enhancing the School Health Insurance System by providing it bi-weekly on school premises.</p> <p>Cost: LE 510 mil</p>	<p>Design a program for poor households in the community to provide them with vouchers /coupons to utilize services of the HIS.</p> <p>Design a program of rotating health loans to benefit community households not covered by the program but that can afford to pay small monthly installments.</p>	<p>Screen, identify and recruit beneficiaries for the two programs in the community.</p> <p>Mobilize well-off groups in the community to contribute to the rotating health loans program</p>	<p>Coordinate with MOH and HIO to provide services for the beneficiaries of the two programs in the same way as the regular beneficiaries covered currently by the HIS.</p> <p>Coordinate with the "Zakat Fund" to obtain the medical vouchers / coupons for poor households in the community.</p> <p>Coordinate and communicate with school principals and doctors on school premises about health problems in the community and measures that could be taken within the SHIS to manage/solve these problems.</p>	<p>Contract physicians and health workers to provide low-cost medical services on NGO premises.</p> <p>Establish and equip clinics.</p> <p>Providing insurance loans (through rotating health program) for poor patients. In some critical cases, the loan is provided as a grant.</p> <p>Upgrade the infrastructure and equipment of school clinics. Provide these clinics with first aid materials</p>
<p>5. Small and Medium Enterprise (4 programs) 5.1 Finance: Covering the financial needs of the SMEs through long-term credit. Average duration of the loan would be 5 years.</p> <p>Cost: LE 0.8 bil</p> <p>5.3 NGOs: Qualifying the mature NGOs engaged in providing micro credit for receiving international finance.</p> <p>Cost: LE 12 mil</p> <p>5.5 Procedures: Training micro enterprises on dealing with Tax and Social Insurance Authorities.</p> <p>Cost: LE 80 mil</p> <p>5.6 Soft loans: Loans for small households waste collection and recycling projects.</p> <p>Cost: LE 24.3 mil</p>	<p>Specify criteria for eligibility including status (new/ running), sector, type of products, size of credit requested, etc.</p> <p>Participate in the design of this capacity building program based upon experience and knowledge of the training needs of NGOs providing micro credit.</p> <p>Design a set of model waste collection and recycling projects that fit in the local context.</p>	<p>Recruit eligible beneficiaries.</p> <p>Recruit mature NGOs providing micro credit based upon clear criteria for selection and recruitment.</p> <p>Target groups include the self-employed and employers in the informal sector.</p> <p>Identify and recruit beneficiaries in local communities particularly the unemployed, unskilled workers and the illiterate.</p>	<p>Coordinate with SFD and commercial banks to obtain the funds to be disbursed. Disburse long-term loans to eligible beneficiaries.</p> <p>Coordinate with training institutions to tailor programs to needs, train some NGOs to provide the training for other NGOs (TOT), to designate premises of NGOs as training bases, etc.</p> <p>Coordinate with the Tax Authority and Social Insurance Organization to provide trainers to conduct the trainings on CSOs' premises</p> <p>Coordinate with bodies and centers that have expertise in providing training for target groups</p> <p>Coordinate with consumer protection entities, local bodies, Ministry of Environmental Affairs and Ministry of Trade and Industry.</p>	<p>Disburse long-term loans to eligible beneficiaries.</p> <p>Some NGOs can provide the training to other NGOs if they passed successfully the TOT evaluation.</p> <p>Avail premises of the CSO to conduct the training.</p> <p>Provide micro loans.</p> <p>Provide technical and administrative training</p> <p>Train the farmers to recycle agricultural waste for producing organic fertilizers</p>
<p>6. Agriculture (2 programs) 6.1 Husbandry: Supporting animal husbandry extension services and providing micro loans for poultry projects.</p> <p>Cost: LE 80 mil</p>	<p>Design a set of model projects to be adopted and replicated by those applying for the loans.</p> <p>Design packages of extension services for these projects.</p>	<p>Identify and recruit beneficiaries in local communities.</p> <p>Mobilize landholders and agriculture laborers to participate in this program.</p>	<p>Coordinate with nearby medium and large food processing enterprises (in particular poultry, meat and dairy products) to buy the products of the projects initiated by this program.</p> <p>Communicate with the MOA problems in the community and coordinate to provide trainers/agri extension workers</p>	<p>Provide the loans and the extension services for these projects.</p> <p>Provide the youth and women with training and skills to manage these projects</p>

<p>6.3 Extension: Supporting agriculture extension services and expanding automated cultivation.</p> <p>Cost: LE 150 mil</p>				<p>Establishing marketing points for selling the products.</p> <p>Training groups of trainers and advisors to assist the target groups.</p> <p>Avail the premises of the CSO to conduct the extension service sessions.</p>
<p>7. Water and Sanitation (4 programs)</p> <p>7.2 Pollution: Covering canals with concrete pipes or culverts to reduce vaporization and water pollution.</p> <p>Cost: LE 20 bil</p> <p>7.6 Metering: Installing water meters.</p> <p>Cost: LE 28 mil for 100,000 meters.</p> <p>7.8 Loans: Provision of long-term loans through NGOs for household potable water connections.</p> <p>Cost: LE40-60 mil for 100,000 households</p> <p>7.10 Drainage: Government long-term loans through NGOs for household sanitary drainage connections.</p> <p>Cost: LE 30-40 mil for 50,000</p>		<p>Mobilize the local community (particularly opinion leaders) to support the coverage of canals.</p> <p>Mobilize financial resources from local community besides the governmental resources allocated.</p> <p>Mobilize community leaders to support this program.</p> <p>Identify and recruit households in this program</p> <p>Identify and recruit households in this program.</p>	<p>Coordinate with the Ministry of Irrigation and other relevant bodies to implement the program.</p> <p>Coordinate with local potable water companies to have water meters installed and the cost is paid in installments.</p> <p>Coordinate with the local water companies, banks and other lending bodies to avail loans for household connections.</p> <p>Coordinate with the local sanitary drainage companies, banks and other lending bodies to avail loans for household connections.</p>	<p>Provide loans for poor households to pay for water meters and have them installed.</p> <p>Provide loans for households to have the connections.</p> <p>Provide loans for households to be able to have the connections.</p>
<p>8. Housing and Area Development (3 programs)</p> <p>8.3 New villages: Attracting families from densely populated governorates to form nucleus of villages around El Salam Lake in the framework of North Sinai Development.</p> <p>Cost: LE 7.2 bil</p> <p>8.4 Pilots: Integrated development in Siwa: restoration of Sall archeological city, establishing a solar energy power plant, eliminating diesel pumps and contracting with solid waste management and treatment companies.</p> <p>Cost: LE 21.5 mil</p> <p>8.5 Redevelopment: slum upgrading (demolition or rehabilitation).</p> <p>Cost: LE 10 bil</p> <p>Beneficiaries</p>	<p>Design and present to potentially relocated households a model related to the life and feasible activities in the new settlements.</p> <p>Design appropriate models that are environment friendly for economic projects.</p> <p>Survey the characteristics of the slum area population, resources available to them and prevailing activities.</p> <p>Design programs for improving the environment with self-efforts.</p> <p>Design tools to assess the housing needs of slum population.</p>	<p>Mobilize some target groups to leave their governorates and villages and move into the new settlements.</p> <p>Mobilize the businessmen to invest in Siwa in environment friendly projects in Siwa.</p> <p>Mobilize the local community to initiate and implement self-efforts to improve the environment and housing conditions in the slum area.</p> <p>Mobilize for collaboration with governmental bodies.</p>	<p>Coordination with North Sinai Development project to facilitate procedures for relocation of households.</p> <p>Coordinate with officials in North Sinai governorate to build trust and common understanding between the indigenous people of Sinai and new comers</p> <p>Coordinate with all concerned parties to form boards of trustees to manage new settlements.</p> <p>Coordinate with SFD and commercial banks to avail credit for environment friendly projects in Siwa.</p> <p>Coordinate with relevant gov. entities to facilitate paper work.</p> <p>Coordinate with local communities and governmental bodies whether central or local to put plans for developing these slums.</p> <p>Coordinate with entities for priority in new low-income housing projects to households whose houses will be bulldozed.</p>	<p>Providing training for relocated farmers on the modern technology in agriculture.</p> <p>Providing training for relocated unskilled or semi-skilled workers on required skills in carpentry, maintenance, etc.</p> <p>Intervene to solve problems / disputes.</p> <p>Providing the people of Siwa with loans and credits to establish and support their traditional projects.</p> <p>Loans for improving housing conditions.</p> <p>Campaigns for cleaning streets and cultivating trees.</p> <p>Loans for household connections (water and sanitation).</p>



THE STATUS OF HUMAN DEVELOPMENT AND THE MDGs



Chapter Two presents an analysis of Egypt's progress in human development and efforts towards achievement of the Millennium Development Goals (MDGs). This analysis has been carried out at both the national and governorate levels. The poverty map of Egypt presented also examines the regional distribution of poverty. The 55 pro-poor programs proposed by the previous Egypt Human Development Report 2005 were an attempt to rectify geographic imbalances in development levels and poverty alleviation that remain evident in this report, with rural and Upper Egypt governorates identified as still the most vulnerable to poverty. Egypt's Sixth Five Year Plan for 2007-2012 has incorporated a significant number of the EHDR 2005 programs and the final section of this chapter assesses the plan's commitment to implementing these pro-poor initiatives.

Egypt's overall HDI at the national level has consistently improved since 1993. While there have also been improvements in the governorates, the governorate-level analysis reveals persistent levels of poverty in rural areas and Upper Egypt, which calls for intensified policy interventions. Because civil society organizations (CSOs) are often very effective in reaching the poorest and most marginalized households and communities, poverty alleviation strategies will benefit from their involvement and expansion in the governorates most affected.

An assessment of Egypt's progress towards the MDGs indicates that the country is on track to achieving most of the MDGs at the *national* level. However, while the MDGs were initially conceptualized and designed by the UN as national targets, an analysis of the MDGs in governorates is useful in assessing the level and pace of improvement at the subnational level. Governorates starting at a low baseline level below the national average are often able to achieve more rapid progress towards the MDG targets, but their levels of human development indicators still remain far below other governorates that have started at an above-average baseline level.

It is therefore difficult to compare governorates that have or have not achieved the MDGs without understanding their *initial* levels of development at the beginning of the MDG initiative. However, one benefit of governorate-level analysis is its effect in drawing attention to local development programs and activities and to innovative partnerships between the government, non-governmental agencies, and the private sector.

Poverty mapping can also be an effective tool in indicating regional disparities in human development both at the governorate and district level. The Egypt poverty map confirms the regional concentration of poverty in rural areas, particularly rural Upper Egypt. This understanding of the spatial distributions of poverty can be used in the design of poverty reduction programs and policies that target the neediest regions and communities.

BOX 2.1 THE PARADOX OF INCREASING POVERTY AND IMPROVING LABOR MARKET CONDITIONS IN EGYPT

Analysis of two comparable nationally-representative labor market surveys (the 1998 Egypt Labor Market Survey and the 2006 Egypt Labor Market Panel Survey) shows that labor market conditions have broadly improved in the 1998-2006 period, both in terms of increased access to employment and higher earnings. Nevertheless poverty rates as measured by the Income, Expenditure and Consumption Surveys of 2000 and 2005 appear to have increased. This box attempts to reconcile these two apparently contradictory facts.

Nearly all major labor market indicators were pointing upward in the 1998-2006 period. Although labor force participation increased during the period, employment grew more rapidly than either the working age population or the labor force, leading to a decline in unemployment rates. The national unemployment rate fell from 11.7% in 1998 to 8.3% in 2006. Earnings for wage and salary workers have also increased across the board, with an average increase of median real monthly earnings of 4% per annum. The proportion of wage and salary workers whose earnings fall below the threshold necessary to bring an average household above the poverty line has also declined from 62% in 1998 to 45% in 2006.

Despite these notable improvements in labor market conditions, the incidence of poverty has increased from 16.7% in 2000 to 19.6% in 2005 (according to World Bank 2007 figures). A number of explanations can be provided to resolve this apparent paradox.

First, much of the improvement in real wages observed in the 1998-2006 period happened from 1998 to 2000, prior to the period of economic slowdown and high inflation from 2001 to 2005, and thus was not reflected in poverty statistics between 2000 and 2005.

Second, and probably more importantly, the observed improvements in labor market conditions seem to have been limited to wage and salary workers and those seeking such employment (the unemployed). The conditions for self-employed and those working for household enterprises and farms at no wage appear to have deteriorated somewhat during the period under consideration. The evidence available indicates that this segment of the labor market, which constituted over 36% of total employment in 2006, has not only seen a decline in its real earnings over time, but has also expanded in size relative to other segments of the Egyptian labor market. It thus appears that household enterprises, and in particular family farms, have served in recent years as a sort of sponge that absorbs excess labor in Egypt's labor market, with as much as one third of new entrants finding work as unpaid family workers. Nonetheless, this labor absorption role appears to have come at the cost of a higher incidence of marginal employment, lower productivity and therefore lower earnings.

According to the World Bank's recent poverty assessment update (2007), poverty incidence among unpaid family workers, the majority of

workers in household enterprises, was 23% in urban areas and 27% in rural areas in 2005. These poverty incidences are nearly three times as high as those of wage workers in urban areas and about equal to those of wage workers in rural areas, most of whom are casual wage workers. While it is true that casual wage workers, especially those working in agriculture and construction, have even higher poverty incidences than household enterprise workers, their numbers have been declining in both absolute and relative terms in recent years. In contrast, the number of household enterprise workers has grown significantly, at a rate of 7.8% per annum over the 1998-2006 period.

The *third* way to explain the paradox of increasing poverty despite some improvement in labor market conditions is to understand how the inflationary episode of 2003-2004 in Egypt has disproportionately affected the poor. The significant increase in inflation that occurred in 2003-2004 followed a major devaluation of the pound that occurred in January 2003. Food prices tend to be more affected than other prices in exchange-rate induced price shocks and since food constitutes a larger share of the poor's budget, they tend to be disproportionately affected by such price shocks. Poor households are also less able to adapt to these price shocks than the non-poor because they tend to have lower labor force participation rates among adults and higher child dependency ratios.

Source: Ragui Assaad and Rania Roushdy, The Population Council, Cairo, 2008.



The Human Development Index (HDI) was created by the UNDP as a way to move beyond GDP towards a broader definition of well-being

It also provides scientific evidence for the prioritization of poverty programs during the budget allocation process and in administrative reforms to accelerate decentralization to the local government units.

The government's Sixth Five-Year Plan (FYP) has integrated many of the 55 pro-poor programs recommended by the EHDR 2005. The FYP has incorporated a number of projects in the areas of poverty alleviation, basic education, agriculture, water and sanitation, and housing and area development and has allocated budget funds for their implementation. However, policymakers need to ensure that these national programs are well targeted so as to give priority to the poorest

governorates and districts. A comprehensive approach to regular monitoring and evaluation is also needed to measure their developmental impacts at the subnational level. CSOs can be instrumental partners in this process and in its implementation, and also serve an important role in monitoring its effectiveness and impact.

TRACING EGYPT'S HUMAN DEVELOPMENT INDICATORS¹

The Human Development Index (HDI) is a composite of health, education, and income indicators that was created by the UNDP as a way to move beyond GDP towards a broader definition of well-being.² It measures the level and progress of human development in individual countries and allows for comparisons across countries around the world. The UNDP uses the HDI to classify countries as high, medium, and low human development countries.³ According

1. Zenat Tobala, Background Paper for the EHDR 2008.

2. The exact formula for calculating HDI can be found in the technical notes section of this report.

3. High human development countries have a HDI value of 0.8 or more. Medium human development countries have a HDI value between 0.5 and 0.8. Low human development countries have a HDI value that is less than 0.5.

TABLE 2.1 TRACKING HDI AND ITS COMPONENTS IN EHDRs, 1996-2006

Year	HDI	Life Expectancy Index	Education Index	GDP Index	Real GDP per capita (PPP\$)
1996	0.631	0.695	0.599	0.598	3911
1998	0.648	0.698	0.614	0.632	4407
2000	0.655	0.702	0.643	0.649	4878
2001	0.680	0.702	0.682	0.655	5061
2002	0.687	0.752	0.703	0.607	3792
2004	0.689	0.760	0.685	0.622	4152
2006	0.723	0.772	0.718	0.681	5900

Source: Egypt Human Development Report, various issues.

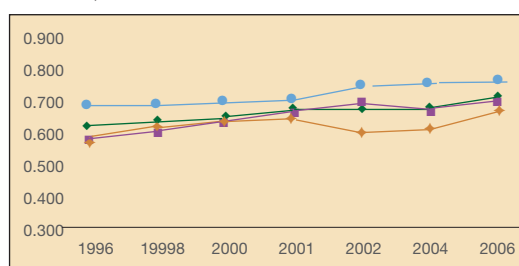
to this classification, Egypt's HDI of 0.723 for 2006 places it in the medium human development category, having graduated from the low category in the mid-1990s. In 2005⁴, Egypt's HDI was 0.708, giving it a rank of 112 out of 177 countries with data available.⁵

The improvement in the level of human development is illustrated by the significant and consistent increase in Egypt's HDI (Table 2.1). However, a closer analysis of the HDI components of health, education, and GDP per capita indices reveal that Egypt's progress in human development has not always been consistent. Trends in HDI and its components can be tracked at the national and at the regional level, the first to identify national trends and, at the regional level, to identify disparities across governorates. In order to investigate disparities in more depth, the general characteristics of the five highest and lowest ranking governorates in terms of HDI during the previous decade are highlighted.

A DECADE OF PROGRESS AT THE NATIONAL LEVEL

Changes in the HDI in Egypt recorded from the mid-1990s to the present were tracked in order to highlight specific trends in human development in Egypt as well as its components during the decade 1996-2006. In addition, the health, education and income components of the HDI were analyzed to highlight trends in the indicators and to assess the strength of correlation between each component and the overall HDI. For this report, the most recent available data from the 2006 Population and Establishments Census was used. Thus, some inconsistency in indicators is to be expected as data from the ten year census differs from annual data used in previous reports.

FIGURE 2.1 TRACKING HDI BASED ON EHDRs, 1996 – 2006



◆ HDI ● Life expectancy index ■ Education index ◆ GDP index

Source: Egypt Human Development Reports, various issues.

The results (Table 2.1 and Figure 2.1) show that there has been consistent improvement in Egypt's overall HDI score since 1996, although the component indicators in the areas of health, education, and income have been less consistent throughout the period. The life expectancy index has steadily progressed with largest improvement during the past 6-7 years, especially after 2001. The education index has also increased from 0.599 in 1996 to 0.718 in 2006, although progress in this index has been uneven. The GDP index has experienced a large improvement, increasing from 0.598 in 1996 to 0.681 in 2006. This index has also experienced a number of fluctuations, but has fully recovered from its decline at the beginning of the decade.

An analysis of the correlation between the three component indices and the composite HDI reveals that the HDI is most strongly correlated with the life expectancy index and the education index while the correlation of the HDI with the GDP index is significantly lower.⁶

Progress in Health Indicators: Table 2.2 presents the 2001-2006 figures for the indicators that are related to health and can therefore influence the value of the life expectancy index. Improvement

4. The latest Global HDR ranks all countries using 2005 HDIs. If we compare Egypt's 2006 HDI of 0.723 with the 2005 HDIs of other countries, it would rank 109 out of 177 countries.

5. Figures for 2005 in *Global Human Development Report*, United Nations Development Program, 2007.

6. Correlation coefficients (R^2) of the three indices are used to analyze the strength and nature of the relationship between the HDI and each of the three indices. R^2 for the life expectancy index is 0.99; R^2 for the education index is 0.98, and R^2 for the GDP index is 0.64. This indicates that the HDI is most strongly correlated with the life expectancy index and education index.

TABLE 2.2 HEALTH INDICATORS

Indicator	2001	2002	2004	2006
Households with Access to:				
Piped water: Urban	91.3	91.3%	91.3%	98.8%
Rural	82.1%	82.1%	82.1%	92.9%
Sanitation: Urban	93.6%	93.6%	93.6%	82.5%
Rural	78.2%	78.2%	78.2%	24.3%
Doctor per 10,000 people (MOHP)	6.0	8.8	8.9	6.5
Nurses per 10,000 people (MOHP)	13.5	14.3	14.7	13.8
Nurses/Doctor ratio (MOHP)	224.4	170.0	165.2	210.6
Maternal mortality rate (per 100,000 live births)	60.7	68.9	67.6	52.9
Beds per 10,000 people: Total	20.0	21.7	21.7	21.5
MOHP	16.7	18.0	12.1	11.1
Health units per 100,000 people	2.4	3.8	3.8	3.8
Public expenditure on health: % of Total	7.2%	2.9%	5.2%	3.8
% of GDP	2.4%	1.9%	1.8%	1.3
Pregnant women with prenatal care	61.1%	61.1%	70.5%	69.6%
Infant mortality rate (per 1,000 live births)	30.0	24.5	22.5	20.5
Under five mortality rate (per 1,000 live births)	39.1	31.4	28.6	26.4
Children ever breastfed	93.3%	95.2%	95.2%	95.2%
Birth attended by health personnel	56.5%	94.7%	71.7%	80.0%
Children 12-23 months fully immunized	97.9%	97.9%	99.6%	88.7%
Underweight children under age 5	8.8%	1.3%	1.3%	6.2%
Life expectancy at birth	67.1	70.1	70.6	71.3

Source: Egypt Human Development Report, various issues; Ministry of Health and Population, National Institute for Health Information and Population.

The government's commitment to upgrading and expanding sanitation networks in Egypt is reflected in the new Five Year Plan



in a few key indicators offers a convincing explanation for the rapid increase in the life expectancy index since 2001. The percentage of households with access to piped water has increased from 91.3% to 98.7% in urban areas and from 82.1% to 92.9% in rural areas. The under five mortality rate has gradually declined from 39.1 (per 1,000 live births) in 2001 to 26.4 (per 1,000 live births) in 2006. The percentage of births attended by health personnel has increased significantly over the 5 year period, from 56.5% in 2001 to 80.0% in 2006. Overall life expectancy in Egypt has increased from 67.1 years in 2001 to 71.3 in 2006.

Despite these notable improvements, a number of important health indicators seem to show a decline. However, the reason for this decline is the adoption of a new definition of sanitation. The percentage of households with access to sanitation declined from 93.6% to 82.5% in

urban areas and from 78.2% to 24.3% in rural areas, mainly due to the new definition of safe sanitation adopted in 2006. Access to sanitation is now measured as the percentage of households connected to a public sewerage system. In fact, the adoption of the new definition of sanitation is a very positive sign which shows that government authorities have followed on the 2005 EHDR's insistence on a new definition of safe sanitation. The government's commitment to upgrading and expanding sanitation networks in Egypt is reflected in the new Five Year Plan (2007-2012), which has allocated LE 43.8 billion for increasing sanitation drainage capacity, capacity of purification stations, and length of sanitation networks.

The Education Index: Table 2.3 presents the 2002-2006 figures for the indicators that may have impact on the value of the education index, which has fluctuated during this period. As mentioned earlier, all 2006 data has been taken from the 2006 Population and Establishments Census. Therefore, there may be some discrepancies between data from the census and annual data for 2002 and 2004 used in previous reports. The education indicators demonstrate the need for a renewed focus on education reform to develop this vital social service sector. An increase in public expenditure both as a percentage of total expenditures and as a percentage of GDP would help to reduce classroom density and increase enrollment at all educational levels and would address the significant challenges of this sector.

The data in Table 2.4 was taken from the 2006 Census and highlights the continuing problems of low educational enrollment as well as high dropout rates, both of which are the main causes of adult illiteracy and low enrolment ratios and thus factor significantly into the value of the education index. According to the data, 14.7% of children between the ages of 6 and 18 nationwide have never enrolled in basic education or have dropped out of school, amounting to over three million children that have not gained basic literacy and numeracy skills.

The GDP Related Indicators: Table 2.5 presents the 2001-2006 figures for the indicators that are

TABLE 2.3 EDUCATION INDICATORS

Indicator	2002	2004	2006
Adult literacy (15+)	69.4%	65.7%	69.5%
Gross enrolment ratio (basic, secondary, tertiary education)	72.1%	74.2%	76.4%
First-year primary enrolment ratio	110.6%	95.9%	91.6%
Gross primary enrolment ratio	99.2%	86.3%	96.7%
Gross preparatory enrolment ratio	95.0%	95.2%	92.5%
Gross secondary enrolment ratio	78.4%	77.2%	71.7%
Gross tertiary enrolment ratio	27.3%	29.2%	38.4%
Primary pupil/teacher rate	21.9	22.1	28.0
Preparatory pupil/teacher rate	20.5	20.1	14.7*
Primary class density	41.1	40.9	45.8
Preparatory class density	43.9	41.8	41.2
Public expenditure on education (% of total expenditure)	19.5%	14.7%	11.5%
Public expenditure on education (% of GDP)	5.2%	5.1%	4.0%
Public expenditure on pre-university education (% of all levels)	72.7%	73.2%	73.2%
Education Index	0.703	0.685	0.718

* Pupil/teacher rate in preparatory education improved after year six was returned to primary, causing the total number of pupils in preparatory to decrease.
Source: Egypt Human Development Report, various issues.

related to GDP per capita index which has also fluctuated during this period. The GDP indicators show that while the overall unemployment rate remained fairly constant, unemployment increased among females from 19.8% in 2001 to 25.1% in 2006 and the number of unemployed females doubled. In addition, the unemployment rate for secondary school graduates increased significantly from 22.4% to 61.8%. The population growth rate and the poverty rate have decreased slightly, but both remain at fairly high levels in 2006; the population growth rate is 2.1% and the percentage of the population that is poor is 19.6%.

It must be remembered that HDI is also a relative measure of human development — Egypt is not aiming for levels of development similar to Sweden and Norway, but is aiming for a modest level of prosperity and to get rid of absolute poverty.

A DECADE OF DEVELOPMENT AT THE REGIONAL LEVEL

The HDI at the governorate level was tracked over the decade in order to identify trends in human development at the regional level and also highlight regional disparity in development progress. Governorates were ranked according to their HDI over the decade using a frequency analysis technique, which calculates the overall ranking of governorates by identifying the governorate with the highest repetition at each rank during the decade. The governorate of Port Said was ranked first every year, and thus is the top ranked governorate during this period. Suez, Cairo, Alexandria, and Damietta are the other

TABLE 2.4 CHILDREN NOT IN BASIC EDUCATION

	Urban	Rural	Total
Dropouts %	391,563 4.5%	493,213 4.0%	884,776 4.2%
Not enrolled %	827,321 9.5%	1,345,027 11.1%	2,172,348 10.4%
Total %	1,218,884 14.0%	1,838,240 15.1%	3,057,124 14.7%

Source: Population and Establishments Census, 2006, CAPMAS

four top ranking governorates. Fayoum, Menia, Assiut, Suhag, and Beni Suef are the lowest ranking governorates during this period.

General Characteristics of Five Highest Ranking Governorates: Table 2.6 presents the composite HDI, the three component indices, and a number of other key indicators for the five highest ranking governorates. The top five governorates have all achieved a medium human development level, ranging from 0.753 for Port Said to 0.739 for Damietta. While the life expectancy and GDP indices are relatively equal for the top five governorates, the education index ranges from 0.794 in Suez to 0.743 in Damietta, thus causing the divergence in HDI levels among these governorates.

Indeed, an analysis of the correlation between the three component indices and the composite HDI reveals that differences in the education index are the main factor affecting the HDI level in the top ranking governorates.⁷ In addition, adult literacy rates in the five highest ranking governorates are significantly higher than the literacy rates in the lowest ranking governorates.

7. The correlation coefficient (R^2) for the education index is 0.90; the R^2 for the GDP index is 0.40, and the R^2 for the education index is 0.30. This indicates that the HDI in the five highest ranking governorates is most strongly correlated with the education index.

TABLE 2.5 GDP INDICATORS

Indicator	2001	2002	2004	2006
Unemployment Rate: Total	9.0%	9.0%	9.9%	9.3%
Female	19.8%	19.8%	24.0%	25.1%
Unemployed persons (15+) (thousands) total	1698.5	1698.5	2153.8	2040.6
Unemployed persons (15+) (thousands) female	571.0	571.0	1211.2	1255.5
Labor force (15+) (% of total population)	28.7%	30.1%	29.8%	30.2%
Females in the labor force (15+)(%)	15.4%	21.8%	23.9%	23.0%
Wage earners (% of labor force 15+) total	63.1%	59.4%	54.1%	30.9%
Wage earners (% of labor force 15+) female	70.1%	67.7%	51.7%	10.5%
Unemployment rate by educational level: Below secondary	1.5%	1.0%	0.9%	2.3%
Secondary	22.4%	20.4%	19.8%	61.8%
University	8.8%	14.4%	14.0%	26.8%
The poor (as % of total population)	20.1%	16.7%	20.7%	19.6%
Annual population growth rate	2.4%	2.3%	2.2%	2.1%
Demographic dependency ratio	69.9	69.9	70.0	69.8
Total GDP at current market prices (LE billions)	361.8	378.9	536.4	617.7
Real GDP per capita (PPP \$)	5060.9	3793.0	4151.5	5899.7
GDP Index	0.655	0.607	0.622	0.681

Source: Egypt Human Development Report, various issues. Data for unemployment and the labor force is from Population and Establishments Census 2006. Economic data from Ministry of Economic Development.

TABLE 2.6 GENERAL CHARACTERISTICS OF THE CONSISTENT TOP FIVE GOVERNORATES

Rank	Governorate	HDI	Adult Literacy Rate (%)	Education Index	Life Expectancy Index	GDP Index	Unemployment Rate (%)	Annual Pop. Growth Rate (%)
1	Port Said	0.753	81.9	0.781	0.778	0.692	11.0	1.9
2	Suez	0.751	81.4	0.794	0.781	0.677	11.8	2.0
3	Cairo	0.737	80.7	0.762	0.773	0.675	11.0	1.3
4	Alexandria	0.738	79.7	0.773	0.776	0.666	10.2	2.1
5	Damietta	0.739	75.7	0.743	0.789	0.688	7.5	1.8

Source: Indicators from the Egypt Human Development Report 2008. Ranking of governorates uses HDI from Egypt Human Development Report, various issues.

TABLE 2.7 POVERTY INDICATORS IN THE CONSISTENT BEST FIVE GOVERNORATES

Rank	Governorate	Poor persons (as % of population)	Ultra Poor persons (as % of population)	Gini Coefficient	HDI	Wages of poor households	
						% of total wages	% of income
1	Port Said	7.6	0.9	34.1	0.753	2.5	51.3
2	Suez	2.4	0.7	28.8	0.751	0.8	60.0
3	Cairo	8.0	1.2	34.0	0.737	3.3	57.3
4	Alexandria	4.6	0.5	37.8	0.738	1.7	65.4
5	Damietta	2.6	0.2	25.3	0.739	1.7	72.9

Source: Indicators from the Egypt Human Development Report 2008. Ranking of governorates uses HDI from Egypt Human Development Report, various issues.

Table 2.7 presents a number of poverty indicators for the five highest ranking governorates. Poverty rates in the five highest ranking governorates range between 8.0% and 2.4%, well below the national poverty rate of 19.6%. The Gini coefficients for the five governorates are high, especially when compared to the five lowest ranking governorates, indicating a relatively high level of income inequality and variation in income levels in these governorates.

General Characteristics of Five Lowest Ranking Governorates: The HDI value of the five lowest ranking governorates ranges from 0.697 in Fayoum to 0.669 in Beni Suef, also placing them all in the medium human development category

(Table 2.8). While the GDP index for five lowest ranking governorates and the five highest ranking governorates is quite close in value, the life expectancy and education indices for the lowest ranking governorates are significantly lower than the top governorates.

An analysis of the correlation between the three component indices and the composite HDI for the lowest ranking governorates reveals that differences in the life expectancy index and the related health indicators are the main factor affecting the HDI level in these governorates.⁸ The annual population growth rate for this group of governorates is also significantly higher than the rate for the highest ranking governorates.

8. The correlation coefficient (R^2) for the life expectancy index is 0.80; the R^2 for the education index is 0.70, and the R^2 for the GDP index is 0.05. This indicates that the HDI in the five lowest ranking governorates is most strongly correlated with the life expectancy index.

TABLE 2.8 GENERAL CHARACTERISTICS OF THE CONSISTENTLY LOWEST RANKING FIVE GOVERNORATES

Governorate	HDI	Adult Literacy Rate	Education Index	Life Expectancy Index	GDP Index	Unemployment Rate	Annual Population Growth Rate
Fayoum	0.669	57.3%	0.609	0.609	0.662	3.4%	2.4%
Menia	0.682	57.0%	0.450	0.623	0.692	5.8%	2.4%
Assiut	0.681	60.2%	0.466	0.634	0.654	9.4%	2.1%
Suhag	0.685	60.5%	0.482	0.650	0.652	9.0%	2.5%
Beni Suef	0.697	58.1%	0.456	0.622	0.697	3.7%	2.1%

Source: Indicators from the Egypt Human Development Report 2008. Ranking of governorates uses HDI from Egypt Human Development Report, various issues.



Table 2.9 presents a number of poverty indicators for the five lowest ranking governorates. Poverty rates in the five lowest ranking governorates range from 12.0% in Fayoum to an alarming 60.6% in Assiut. The Gini coefficients for the five governorates are lower than the highest ranking governorates, indicating a greater level of income equality in these governorates. However, since income levels are quite low in these governorates, the low Gini coefficients also indicate that low income levels and standards of living are widespread throughout the population.

Port Said, the Top-Ranking Governorate. The governorate of Port Said has been the highest ranking governorate in Egypt in terms of HDI value during the period of analysis from 1996 to 2006. In order to understand the outstanding performance of Port Said during this period, an analysis of some key indicators as well as the three component education, life expectancy, and GDP indices was undertaken. While Port Said's HDI value has declined from its peak value of 0.816 in 1996, its level of human development recorded in the HDI has consistently been higher than Egypt's national HDI value. Although Port Said has experienced a general upward trend in all of the indicators and index values shown in Table 2.10, the indicators and indices also indicate that Port Said has experienced a relatively high level of fluctuation in terms of its level of human development. A number of key indicators, including literacy rate, gross enrollment ratio, and real GDP per capita reached their peak levels in 2001 or 2002 and have since declined.

TABLE 2.9 POVERTY INDICATORS IN THE CONSISTENTLY LOWEST RANKING FIVE GOVERNORATES

Governorate	Poor persons (as % of total population)	Ultra Poor persons (as % of population)	Gini Coefficient	HDI	Wages of poor households	
					% of total wages	% of income
Fayoum	12.0	1.1	24.9	0.669	7.8	36.2
Menia	39.4	9.8	23.8	0.682	34.0	48.4
Assiut	60.6	22.7	24.8	0.681	47.2	52.9
Suhag	40.7	9.8	23.9	0.685	31.0	40.4
Beni Suef	45.4	11.8	25.7	0.697	33.5	46.6

Source: Indicators from the Egypt Human Development Report 2008. Ranking of governorates uses HDI from Egypt Human Development Report, various issues.

TABLE 2.10 TRACING PORT SAID'S INDICATORS

Indicator	1996	1998	2000	2001	2002	2004	2006
Life Expectancy at Birth	68.8	68.3	68.5	68.5	71.6	72.1	72.3
Literacy rate %	75.6	77.8	79.1	83.2	88.0	83.3	81.9
Gross enrolment ratio (%)	75.5	71.7	71.9	76.8	71.6	72.1	70.4
GDP per capita (PPS \$)	6228	9629	10658	11057	8287	9070	6317
Life expectancy index	0.730	0.722	0.725	0.725	0.777	0.785	0.788
Education index	0.756	0.758	0.767	0.811	0.825	0.796	0.781
GDP index	0.962	0.762	0.779	0.785	0.737	0.752	0.692
HDI	0.816	0.747	0.757	0.774	0.780	0.778	0.753

Source: Egypt Human Development Report, various issues.

A key variable in Port Said's progress is real GDP per capita, which reached very high levels during the 1998-2004 period. However, the recent decline in GDP per capita from \$9070 in 2004 to \$6317 in 2006 as well as the low correlation between the life expectancy and education indices and the HDI indicates a worrying trend.⁹

EGYPT'S PROGRESS TOWARD THE MILLENNIUM DEVELOPMENT GOALS¹⁰

Egypt has committed to the measurable and time-bound Millennium Development Goals (MDGs) adopted by 147 world leaders in September 2000. The eight goals aim at a minimum level of development by 2015 in the areas of poverty and hunger, health, gender equality, basic education, and environment sustainability.

9. The correlation coefficient (R^2) for the GDP index is 0.68; the R^2 for the life expectancy index is 0.22, and the R^2 for the education index is 0.14. This indicates that the HDI in Port Said is most strongly correlated with the GDP index.

10. Hoda El Nemr, Background Paper for EHDR 2008. This section has strongly benefited from the comments of Hoda Rashed, Social Research Centre, AUC.

TABLE 2.11 MDG TRACKING INDICATORS : PROGRESS AT A NATIONAL LEVEL

Goal	Indicator	Level in 1990 (baseline)	Level in 2005	Target for 2015	Expected level in 2015	Potential for achieving target
Goal 1	Eradicate extreme poverty and hunger					
1	Percentage of population below \$1 per day	8.2	3.4	4.1	0.88	Achieved
1a	Percentage of population under national poverty line	24.3	19.6	12.1	10.8**	Probable
2	Poverty gap (using national poverty line)	7.1	3.6	3.6	2.1	Achieved
3	Share of poorest quintile in national consumption	5.4 ^b	5.1 ^l			-
4	Prevalence of underweight children under 5	9.9 ^d	6.2	5.2	3.8	Probable
5	Percentage of population below minimum level of dietary energy consumption	25.6 ^h	14.0 ⁱ	12.8		Possible
Goal 2	Achieve universal primary education					
6a	Net enrolment ratio in primary education	86.0 ^h	94.0 ⁿ	100.0	96.7	Possible
6b	Net enrolment ratio in primary education, boys	89.0 ^h	93.0 ⁿ	100.0	97.1	Possible
6c	Net enrolment ratio in primary education, girls	82.0 ^h	95.0 ⁿ	100.0	96.3	Possible
7	Percentage of pupils who reach grade 8	83.9	92.0	100.0	-	Possible
8a	Literacy rate of 15-24 year olds, percent	73.0 ^c	86.8	100.0	97.3	Possible
8b	Literacy rate of 15-24 year-olds, male	79.0 ^c	92.7	100.0	99.2	Possible
8c	Literacy rate of 15-24 year-olds, female	66.9 ^c	81.0	100.0	95.2	Possible
Goal 3	Promote gender equality and empower women					
9a	Ratio of girls to boys in primary education	81.0 ^h	93.0 ⁿ	100.0	100.0	Probable
9b	Ratio of girls to boys in secondary education (general secondary)	77.0 ^h	106.0 ⁿ	100.0	99.7	Possible
9c	Ratio of girls to boys in tertiary education (physical sciences)	51.0 ^b	66.0 ^l	100.0	-	Unlikely
9d	Ratio of girls to boys in tertiary education (social sciences and humanities)	65.0 ^b	99.0 ^l	100.0	-	Achieved
10	Ratio of literate women to men, 15-24 years old	84.7 ^c	86.4	100.0	92.7	Possible
11	Share of women in wage employment in the non-agriculture sector	19.2	17.7	50.0		Unlikely
12a	Percentage of seats held by women in People's Assembly	4.0	2.0 ^o	50.0		Unlikely
12b	Percentage of seats held by women in Consultative Council	4.0	8.0 ^o	50.0		Unlikely
Goal 4	Reduce child mortality					
14	Infant mortality rate, per thousand live births ***	37.8	19.1 ^f	14.2	9.9	Probable
13	Under-five mortality rate, per thousand live births ***	56.0	24.6 ^f	20.0	15.3	Probable
15	Proportion of 12-23 months old children immunized against measles	82.0 ^d	96.6	100.0	-	Probable
Goal 5	Improve maternal health					
16	Maternal mortality ratio, per 100,000 live births	174.0 ^k	59.0 ^f	43.5	21.3	Probable
17	Proportion of births attended by skilled health personnel	40.7 ^d	74.2	100.0		Probable
19c	Contraceptive Prevalence Rate	47.6 ^a	59.2	72.0****	66.5	Possible
	Percentage of women who gave first birth at age less than 18	23.7 ^d	15.8			
	Percentage of births whose mothers received regular antenatal care	22.5 ^d	58.5			
	Unmet needs for family planning	19.8 ^d	10.3			
Goal 6	Combat HIV/AIDS, malaria, and other major diseases					
18	HIV prevalence among population aged 15-24 years	Not Available				Achieved
19	Condom use rate among married women using contraceptives	4.2 ^d	1.7			
20	Ratio of school attendance of orphans to non-orphans aged 10-14 years	Not available				
21	Prevalence of malaria	-	0.0			
23	Incidence of tuberculosis	18.6	24.0 ^f			
24a	Proportion of tuberculosis cases detected under DOTS	-	60.0			
24b	Proportion of tuberculosis cases cured under DOTS	-	70.0			
Goal 7	Ensure environmental sustainability					
25	Proportion of land area covered by forest	-				
26	Ratio of area covered by national protectorates	6.5	15.0 ^o			
27	Energy use (metric ton unit equivalent) per \$1000 GDP	3.9	6.3 ^f			
28a	Carbon dioxide emission per capita	0.47	0.52 ^l			
28b	Consumption of ozone-depleting CFCs	2.144	1.335 ⁿ			
30	Proportion of population with sustainable access to an improved water source	83.3 ^b	95.5	91.7	99.4	Achieved
31	Proportion of population with access to improved sanitation	84.3 ^b	93.6 ^e	92.2	99.4	Achieved
32	Proportion of urban population living in slums	14.0 ^e	17.5 ^o			
Goal 8	Develop a global partnership for development					
47	Telephone lines and cellular subscribers per 100 population	8.3 ^h	32.4			
48a	Personal computers in use per 100 population	1.2 ^h	3.6			
48b	Internet users per 100 population	0.3 ^h	6.7			

Note: The measures and formula for calculating each entry use standard UNDP practice. The MDGs included in this section of the report are at the governorate level only. This table includes the revised version of the MDGs for Egypt, according to the draft report "Egypt: Achieving the Millennium Development Goals. A Midpoint Assessment." 2008

a data for 1991

b data for 1995

c data for 1996

d data for 1992

e data for 2004

f data for 2006

g data for 1999

h data for 1990/1991

i data for 1999/2000

j data for 1991/1992

k data for 1992/1993

l data for 2003

m data for 2001

n data for 2005/2006

* The percentage of the population with access to improved sanitation during the aforementioned period is provided in the table based on a general definition of safe sanitation. Updated data using a more accurate definition of safe sanitation (according to the primary results of the Population and Establishments Census, 2006) shows that the percentage of families with access to safe sanitation during the year 2006 was only 50.6 at the national level.

** Heba El Leithy, "Extreme Poverty and Hunger Eradication, Evaluating Governorates' Performance Towards Achieving the MDGs" Ministry of Planning and Local Development and EPDI.

*** Infant and under five mortality rate from vital registration statistics. Estimates of infant under-five mortality based on vital registration are believed to suffer from under-registration, especially in rural areas.

**** Target for contraceptive prevalence rate (CPR) of 72.0 is for 2017, which is an estimate of the needed level of CPR to achieve 2.1 total fertility rate (TFR).

Source: Collected and computed from Egypt Human Development Reports, various issues, and "Egypt: Achieving the Millennium Development Goals. A Midpoint Assessment," Ministry of Economic Development, 2008, Draft. Literacy rates (15-24) from the Ministry of Education. Enrolment rates in primary education from "Achieving the MDGs, Successes and Challenges" Ministry of Planning, 2005. Ratio of girls to boys in primary and secondary education from CAPMAS statistics yearbook 2006. (Data on tuberculosis from Ministry of Health and Population and WHO Egypt TB profile).

TABLE 2.12 MDG TRACKING INDICATORS: PROGRESS IN ACHIEVING MDG INDICATORS AT THE GOVERNORATE LEVEL

Goal	Indicator	Potential for Achieving Target by 2015 at Governorate Level			
		Met	Probable	Possible	Unlikely
1	Eradicate extreme poverty and hunger				
1a	Percentage of population under national poverty line	Suez, Damietta	Port Said, Sharkia, Kalyoubia, Kafr El-Sheikh, Gharbia, Menoufia, Al Behiera, Menia	Alex, Dakahliya, Giza	Cairo, Ismailia, Beni Suef, Fayoum, Assiut, Suhag, Qena, Aswan*
4	Prevalence of underweight children under 5		Lower Egypt governs, rural areas of Upper Egypt governs		Urban governs, urban areas of Lower Egypt governs*
2	Achieve universal primary education				
6a	Net enrolment ratio in primary education	Cairo, Alex, Suez, Port Said, Ismailia, Giza	Qalyobia, Menia, Beni Suef	Damietta, Fayoum, Aswan	Dakahliya, Sharkia, Kafr El-Sheikh, Menoufia, Gharbia, Al Beheira, Suhag, Qena, Aswan, frontier governs
6b	Net enrolment ratio in primary education, boys	Cairo, Alex, Suez, Port Said, Ismailia, Giza	Kalyoubia, Menia, Beni Suef	Damietta, Dakahliya, Sharkia	Kafr El-Sheikh, Menoufia, Gharbia, Fayoum, Al Beheira, Suhag, Qena, Aswan, Assiut, frontier governs
6c	Net enrolment ratio in primary education, girls	Cairo, Alex, Suez, Damietta, Port Said, Ismailia, Giza	Sharkia, Kalyoubia, Menia, Beni Suef, Fayoum, Assiut	Dakahliya, Al Beheira	Kafr El-Sheikh, Menoufia, Gharbia, Suhag, Qena, Aswan, frontier governs
8a	Literacy rate of 15-24 year olds, percent	Ismailia, Aswan	Port Said, Suez, Damietta, Sharkia, Qena, frontier governs	Cairo, Alex, Dakahliya, Kalyoubia, Giza, Menia, Assiut, Kafr El-Sheikh, Gharbia, Menoufia, Fayoum, Suhag	Al Beheira, Beni Suef
8b	Literacy rate of 15-24 year-olds, male	Suez, Ismailia, Aswan	Port Said, Damietta, Dakahliya, Sharkia, Kafr El-Sheikh, Gharbia, Menoufia, Al Beheira, Fayoum, Beni Suef, Menia, Suhag, Qena, frontier governs	Kalyoubia, Giza, Assiut, Cairo, Alex	
8c	Literacy rate of 15-24 year-olds, female	Ismailia, Aswan	Port Said, Suez, Damietta, Sharkia, Qena, frontier governs	Cairo, Alex, Dakahliya, Kalyoubia, Giza, Gharbia, Menoufia, Assiut	Kafr El-Sheikh, Al Beheira, Beni Suef, Fayoum, Menia, Suhag
3	Promote gender equality/empower women				
9a	Ratio of girls to boys in primary education	Cairo, Fayoum, Menoufia, Dakahliya, Sharkia, Luxor, Red Sea, S. Sinai	All governs		
9b	Ratio of girls to boys in secondary education	All urban governs, Lower Egypt governs (except Al Beheira and Ismailia), Giza, Luxor, Aswan, Red Sea, S. Sinai	All governs except Al-Wadi Al Gedid, Marsa Matruh, N. Sinai	Al-Wadi Al-Gedid	Marsa Matruh, N. Sinai
10	Ratio of literate women to men, 15-24 years old	Damietta, Ismailia, Aswan	Qena, Sharkia, frontier governs	Cairo, Alex, Port Said, Suez, Dakahliya, Kalyoubia, Giza, Assiut	Kafr El-Sheikh, Gharbia, Menoufia, Al Beheira, Beni Suef, Fayoum, Menia, Suhag
4	Reduce child mortality				
13	Under-five mortality rate, per thousand live births	Qalyobia, Giza, Red Sea, Al-Wadi Al-Gedid, S. Sinai	All governs except Cairo, Alex, Port Said, Dakahliya	Dakahliya	Cairo, Alex, Port Said**
14	Infant mortality rate, per thousand live births	Damietta, Giza, Red Sea, Al-Wadi Al-Gedid, Marsa Matruh, S. Sinai	All governs except Cairo, Alex, Port Said	Port Said	Cairo, Alex**
5	Improve maternal health				
16	Maternal mortality ratio, per 100,000 live births	Alex, Suez, Damietta, Kafr El-Sheikh, Al Beheira, Ismailia, Giza, Fayoum, Assiut, Suhag, Qena	All governs except Dakahliya, Sharkia, Kalyoubia, Beni Suef, Menia, Aswan	Aswan	Dakahliya, Sharkia, Qalyobia, Beni Suef, Menia
7	Ensure environmental sustainability				
30	Proportion of population with sustainable access to an improved water source	All governs			
31	Proportion of population with access to improved sanitation	All governs except Assiut, Suhag, Aswan		Aswan	Assiut, Suhag

Note: No governorate level data is available for MDG 6 and 8.

* For the poverty indicators, Cairo and the urban areas of Lower Egyptian governorates have already achieved substantial reduction in poverty rates and prevalence of underweight children under 5. Further reducing poverty rates by half (and achievement of these MDG targets) is more difficult for governorates that have already achieved substantial reductions.

** For the indicators on reducing under-five and infant mortality, Cairo, Alexandria, and Port Said have already achieved substantial reduction in child mortality. Further reducing the child mortality rate by two-thirds (and achievement of these MDG targets) is more difficult for governorates that have already achieved substantial reductions.

Source: Derived from calculations of data at the governorate level collected from sources of Table 2.11.



While Egypt is clearly on track to achieve most of the MDGs at the national level, achievement in all of Egypt's governorates is less likely

Egypt has previously pursued the MDGs through its programs and policies of economic reform and its declaration of the document *Egypt and the 21st Century*, 1997-2017. Similarly, the objectives of the Fifth Five-Year Plan of 2002-2007 were compatible with most of the MDGs. A number of policies and strategies, which are supported by many international organizations and donor countries, were adopted in order to realize the objectives of this FYP.

While Egypt is clearly on track to achieve most of the MDGs at the national level, achievement in all of Egypt's governorates is less likely. However, the results should be interpreted carefully across governorates. Governorates starting from a low baseline (e.g. in Upper Egypt) are able to achieve relatively rapid rates of improvement in a short period of time, but their overall levels of poverty and human development remain low compared to the national average. On the other hand, if the baseline level for governorates is above the national average (e.g. Cairo, Alexandria), their rate of improvement is slower.

Analysis of achievement of the MDGs at the governorate level can therefore be a good indicator of the level of progress that has been achieved within the governorate from their baseline level, but should not be used by policymakers in determining regional priorities in development and poverty alleviation programs and policies. The criteria to dictate prioritization should be the level of absolute poverty and deprivation, not the relative speed of improvement. Thus, continued priority should be given to Upper Egypt's rural governorates, for example, even if they are moving faster in achieving the MDGs than the richer and more advantaged urban governorates of the Nile Delta.



MDG 1. ERADICATE EXTREME POVERTY AND HUNGER

Target 1: Reduce by half the proportion of people living on less than a dollar a day

1. Proportion of population below \$1 (PPP) per day
2. Poverty gap ratio, \$1 per day
3. Share of poorest quintile in national income or consumption

Target 2: Reduce by half the proportion of people who suffer from hunger

4. Prevalence of underweight children under five years of age
5. Proportion of the population below minimum level of dietary energy consumption

Target 1. Reduce by half the proportion of people living on less than a dollar a day (PPP). Comparing projections of poverty in Egypt's governorates in 2015 with targeted levels, we can predict which Egyptian governorates will be able to achieve the first MDG target to reduce by half the proportion of people living on less than a dollar a day by 2015. According to this analysis, ten Egyptian governorates are expected to achieve the first millennium target by 2015: Port Said, Suez, Damietta, Sharkia, Kalyoubia, Kafr El-Sheikh, Gharbia, Menoufia, Al Beheira, and Menia. The governorates of Alexandria, Dakahliya, and Giza will reduce their poverty levels by a significant amount, but will not achieve the first MDG target unless additional intensified development efforts are undertaken.¹¹

The remaining 8 governorates will not be able to achieve the first millennium target and projected 2015 poverty levels will be significantly higher than required for the achievement of the target.¹² The

11. Alexandria, Dakahliya, and Giza will need to reduce their poverty rates by an additional 1.3, 0.6, and 0.3 percentage points, respectively, in order to achieve the first MDG target

12. The analysis of the governorates in this paper does not include Luxor or the five frontier governorates.

gap between the projected and targeted poverty levels in these governorates varies. Assiut has the largest gap, followed by Beni Suef and Suhag. The projected poverty rate in Assiut will be 20 percentage points higher than the MDG target. Projected poverty rates in Beni Suef and Suhag will be 16 and 10 percentage points higher, respectively.

Six of the eight governorates that are unlikely to meet the MDG target related to poverty are located in Upper Egypt. These typically suffer from high poverty rates and low levels of human development, specifically in education and employment. The governorates of Cairo and Ismailia are also unlikely to meet this MDG target. While Cairo has a relatively low poverty rate compared to other governorates, poverty projections indicate that the poverty rate in Cairo governorate will increase from 4.6% in 2005 to 7.6% in 2015. This can be attributed to increasing numbers of residents in vulnerable areas and increasing rates of internal urban migration which causes low gross enrolment rates at all levels of education and high unemployment rates.



MDG 2. ACHIEVE UNIVERSAL PRIMARY EDUCATION

Target 3: Ensure that all boys and

- girls complete a full course of primary schooling
6. Net enrolment ratio in primary education
 7. Proportion of pupils starting grade 1 who reach grade 5
 8. Literacy rate of 15-24 year-olds

Indicator 6. Net enrolment ratio in primary education. At the national level, Egypt is not expected to achieve the targeted enrolment ratio of children in primary education by 2015. The targeted ratio for both boys and girls is also not expected to be reached, unless additional effort is exerted.

At the regional level, some governorates are projected to achieve the targeted enrolment ratio for both boys and girls. These include the urban governorates of Cairo, Alexandria, Suez and Port Said as well as the governorates of Kalyoubia, Ismailia, Giza, Beni Suef, and Menia. Sharkia, Fayoum, and Assiut will achieve the targeted enrolment ratio for girls only.

The 11 remaining governorates as well as the five frontier governorates are not expected to reach the targeted ratio by 2015. Nine of the 11 governorates will not achieve the MDG target due to the clear decrease in current net enrolment; enrolment rates in Dakahliya and Menoufia are increasing, but at an annual rate that is too low to achieve the MDG target. In all 11 governorates, a high percentage of rural residents suffer from lack of education services, low levels of income, and lack of awareness regarding the importance of education. Low income levels force children to leave school in search of work opportunities. In addition, high levels of illiteracy among women in rural areas, especially in the governorates of Fayoum, Assiut, and Suhag, contribute to low enrolment rates of children.

Indicator 8. Literacy rate of 15-24 year-olds. If Egypt proceeds at the current rate of illiteracy reduction and puts forth some extra effort in this area, Egypt will approach 100% literacy among the 15-24 year-old age group by 2015. The projected literacy rate for this group in 2015 is 97.3%.

The governorates of Port Said, Suez, Damietta, Sharkia, Ismailia, Qena, Aswan, and the five frontier governorates are expected to achieve the targeted literacy rate, but the 14 remaining governorates are not expected to achieve the targeted rate.

Looking more closely at the 14 governorates that are not expected to achieve the target, Cairo and Alexandria both have high literacy rates of approximately 91% among the 15-24 age group. However, the rate of increase in this indicator during the past period has been low. Assuming that this rate of increase will remain constant in the future, the percentage of people in Cairo and Alexandria who can read and write will be three percentage points lower than the MDG target. In other governorates that will not achieve this target, high proportions of the population living in rural areas (ranging from 72.1% to 81.2%, except for Giza and Kalyoubia) indicate the presence of several factors that hinder an increase in literacy levels. These factors include high poverty rates (especially in Menia, Beni Suef, Suhag, and Assiut), lack of awareness of the importance of education, and inefficiency of literacy programs.



Although literacy among girls in this age group has improved at an average annual rate of 2.4% (during the periods of 1986-2005), Egypt is not expected to entirely eradicate illiteracy among girls ages 15-24 by 2015 with a literacy rate projected to reach 95.2%. Twelve governorates are expected to achieve the target of 100% literacy among girls by 2015: Port Said, Suez, Damietta, Sharkia, Ismailia, Qena, Aswan, and the five frontier governorates.

The governorates of Kafr El-Sheikh, Al Beheira, Beni Suef, Fayoum, Menia, and Suhag are the furthest away from achieving the MDG target for literacy among girls. In 2005, literacy rates among women were less than 50% in these governorates. Low literacy rates in these governorates can be attributed to social culture and traditions in rural areas which hinder women's education.

The 2015 targeted literacy rate among boys is expected to be achieved with some extra effort even though the annual rate of increase in literacy is lower than that for girls. Literacy among boys is increasing by 1.4% every year and is expected to reach 99.2% by 2015.



MDG 3. PROMOTE GENDER EQUALITY AND EMPOWER WOMEN

Target 4: Eliminate gender disparity in primary and secondary education preferably by 2005, and at all levels by 2015

9. Ratio of girls to boys in primary, secondary, and tertiary education
10. Ratio of literate women to men 15-24 years old

The gap between boys and girls in primary education is expected to be eliminated at the national level by 2014

11. Share of women in wage employment in the non-agricultural sector
12. Proportion of seats held by women in national parliaments

Indicator 9. Ratio of girls to boys in primary and secondary education. The gap between boys and girls in primary education is expected to be eliminated at the national level as well as in all of the country's governorates by 2014. At the national level, the ratio of girls to boys in primary education will exceed 99% beginning in 2007. The national ratio of girls to boys in secondary education could reach the same level — with some extra effort — by 2009.

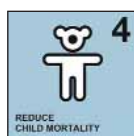
However, at the local level, three governorates will not reach the targeted ratio of girls to boys in secondary education. The governorates of Al-Wadi Al-Gedid, North Sinai, and Marsa Matruh are projected to reach ratios of 98.4%, 77.3%, and 46.5%, respectively, by 2015. Inequality between boys and girls at the secondary education level in Marsa Matruh and North Sinai can be attributed to the insufficiency and inefficiency of educational institutions. In addition, the prevailing culture among Bedouins in these governorates prevents women from attaining their educational and property rights, leading to high illiteracy rates and lack of awareness regarding the importance of education.

Indicator 10. Ratio of literate women to men 15-24 years old. At the national level, the gap between literate females and males in the 15-24 age group will not be completely eliminated by 2015; the projected ratio of literate females to males in this age group is 92.7%. At the local level, Damietta, Ismailia, Qena, Aswan, Sharkia and the frontier governorates will achieve this targeted ratio by 2015.

Indicator 11. Share of women in wage employment in the non-agricultural sector. The share of females in non-agricultural wage employment is

small and growing at a very slow pace. During the period from 1997 to 2004, the share of females in non-agricultural wage employment grew by less than 1% per year, which indicates that there will be negligible improvement in female wage employment in the near future.

Indicator 12. Proportion of seats held by women in national parliament. Women occupied no more than 2.6% of seats in parliament in 2005, compared to 2.4% in 2000. The proportion of women in the Shura Council increased from 5.7% in 2000 to 8% in 2005. Women's representation in local councils across the nation is 1.8%, with women occupying 1.3% of local council seats in rural areas and 2.9% of local council seats in urban areas. This low proportion of women's political representation at both the national and local levels indicates that this target will not be achieved.



MDG 4. REDUCE CHILD MORTALITY

Target 5: Reduce by two thirds the mortality rate among children

under five

13. Under-five mortality rate
14. Infant mortality rate
15. Proportion of 1 year-old children immunized against measles

Indicator 13. Under-five mortality rate. At the national level, the targeted under-five mortality rate of 20 deaths per 1,000 births by 2015 is expected to be reached in Egypt based on the current annual rate of decline in deaths among children under five. The projected under-five mortality rate for 2015 is 15.3 deaths per 1,000 births. At the local level, all governorates are expected to reach the targeted under-five mortality rate with the exception of Cairo, Alexandria, Port Said, and Dakahliya. The slow progress of these governorates can be attributed to their high baseline level, which makes incremental improvements more difficult to achieve.

Indicator 14. Infant mortality rate. The national infant mortality rate is projected to reach 9.9 deaths per 1,000 live births by 2015, which means that Egypt's infant mortality rate is expected to reach and decline more than the targeted rate of

14.7 children per 1,000 live births by 2015. The 2015 target rate is projected to be achieved at the national level by 2011. At the local level, infant mortality rates in all governorates will also fall below the targeted rate except for the governorates of Cairo, Alexandria, and Port Said. Again, these governorates have started at an above average baseline, making improvements in this indicator more difficult to achieve.

The governorates of Cairo, Alexandria, and Port Said are not expected to achieve the MDG targets for infant and under-five mortality for two reasons. First, data on these indicators is more accurate due to the large number of hospitals which record this data. In addition, hospitals currently keep records according to the location of childbirth or mortality rather than the child's place of residence. A large number of people living in rural areas, small towns, and Upper Egyptian governorates travel to larger towns and Lower Egyptian governorates where health services are of higher quality. As a result, infant, childhood, and maternal mortality rates are higher in these areas, making it difficult to achieve the MDG target in these governorates.



MDG 5. IMPROVE MATERNAL HEALTH

Target 6: Reduce by three quarters the maternal mortality ratio

16. Maternal mortality ratio
17. Proportion of births attended by skilled health personnel

Indicator 16. Maternal mortality ratio. The 2015 targeted maternal mortality ratio is 43.5 deaths for every 100,000 live births while the national ratio in Egypt is projected to be 21.3 deaths for every 100,000 live births by 2015. If Egypt maintains its current rate of declining maternal mortality, it will decline more than the targeted ratio at the national level with a few regional exceptions: Dakahliya, Sharkia, Kalyoubia, Beni Suef, Menia, and Aswan.

The governorates of Sharkia, Kalyoubia, Beni Suef, and Menia are not expected to achieve this MDG target due to inequality in the distribution of medical services. In these governorates, there are 2.6-3.2 hospitals and health units for every 100,000 persons and the number of Ministry of

Health and Population physicians ranges between 3.7-5 doctors for every 10,000. In addition, hospitals and health units are concentrated in urban areas within these governorates. High rates of illiteracy among women (ranging between 44.7% and 55.4%) also lead to low levels of health awareness, contributing to high maternal mortality rates.

Indicator 17. Proportion of births attended by skilled health personnel. Births attended by skilled health personnel increased by an average annual rate of 3.4% during the two periods 1992-1997 and 2000-2005. If this rate continues, Egypt will come close to achieving the 2015 target for this indicator. It is worth mentioning that the rate of increase in the number of births attended by skilled health personnel took a leap of 9.2% between 2000 and 2005 due to tangible efforts exerted in this area.



MDG 6. COMBAT HIV/AIDS, MALARIA, AND OTHER DISEASES

Target 7: Halt and begin to reverse the spread of HIV/AIDS

18. HIV prevalence among 15-24 year-old pregnant women
19. Condom use rate of the contraceptive prevalence rate and population aged 15-24 years with comprehensive correct knowledge of HIV/AIDS
20. Ratio of school attendance or orphans to school attendance of non-orphans aged 10-14 years

Target 8: Halt and begin to reverse the incidence of malaria and other major diseases

21. Prevalence and death rates associated with malaria
22. Proportion of population in malaria risk areas using effective malaria prevention and treatment measures
23. Prevalence and death rates associated with tuberculosis
24. Proportion of tuberculosis cases detected and cured under directly-observed treatment short courses

Target 7: Halt and begin to reverse the spread of HIV/AIDS. The prevalence of HIV/AIDS in Egypt is very low, with approximately 5,300 cases in 2005,

or less than 0.01% of the population.¹³ HIV prevalence among pregnant women is low, mother to child transmission is rare, and the number of children orphaned by HIV/AIDS is very small. In order to maintain these low prevalence rates, a number of risk factors need to be addressed. According to a 2004 UNAIDS report, public awareness of HIV/AIDS and modes of transmission are low and there is a risk of increase in the prevalence of HIV/AIDS due to intravenous drug injections, use on non-sterile syringes, and low prevalence of condom use. Prevention and control programs, especially targeting youth and high risk groups, should be prioritized to mitigate these risk factors. Focused policies and strategies are also needed to provide care and low-cost antiretroviral therapy for infected individuals and counseling to their families.

Target 8: Halt and begin to reverse the incidence of malaria and other major diseases. Efforts towards halting and reversing the incidence of TB and malaria have been successful in Egypt.¹⁴ According to data from the Ministry of Health and Population, incidence of new cases of tuberculosis was 24 cases per 100,000 population in 2006. Prevalence of TB in 2005 was 32 cases per 100,000 population.¹⁵ The proportion of tuberculosis cases detected under directly-observed treatment short courses (DOTS) was 60% in 2005 and the DOTS treatment success rate was 70% (2004 cohort).¹⁶ No cases of malaria have been reported in Egypt since 1998 and the government continues efforts to preserve this progress.

Other major diseases that affect the Egyptian population include Hepatitis C and schistosomiasis (Bilharzia). Achieving the goal of halting and reducing the prevalence of Hepatitis C requires coordinated efforts to raise public awareness and guarantee a strong infection control program at the national level. Schistosomiasis is another commonly prevalent disease in Egypt, but its prevalence has been in decline due to widespread curative, preventative, educational, and environmental efforts. According to the Ministry of Health and Population, prevalence of intestinal schistosomiasis declined from 14.8 per 100 population in 1990 to 2.7 in 2000. The prevalence of urinary schistosomiasis declined from 6.6 to 1.9 during the same period.

13. UNAIDS (2006). "Egypt: Epidemiological Fact Sheets on HIV/AIDS and Sexually Transmitted Diseases."

14. However, recent data from different sources indicate a slight resurgence in the incidence and prevalence of tuberculosis in the past three years. According to MOHP data, incidence of tuberculosis was 14.0 cases per 100,000 in 2003.

According to WHO, incidence of tuberculosis was 24.0 cases per 100,000 in 2006. Possible reasons for this increase include decreased protein intake (due to avian flu and increasing food prices), causing lowered immunity and resistance.

15. WHO. 2006. Egypt TB Profile.

16. Ibid.

Improved sanitation requires connection of sanitation networks to a treatment plant as a requirement for basic sanitation



MDG 7. ENSURE ENVIRONMENTAL SUSTAINABILITY

Target 9: Integrate the principles of sustainable development into country policies and programs; reverse loss of environmental resources

25. Forested land as a percentage of land area
26. Ratio of area protected to maintain biological diversity to surface area
27. Energy supply (apparent consumption; kg oil equivalent) per \$1,000 (PPP) GDP
28. Carbon dioxide emissions (per capita) and consumption of ozone-depleting CFCs (ODP tons)

Target 10: Reduce by half the proportion of people without sustainable access to safe drinking water

29. Proportion of the population with sustainable access to an improved water source
30. Proportion of the population with access to improved sanitation

Target 11: Achieve significant improvement in lives of at least 100 million slum dwellers by 2020

31. Slum population as a percentage of urban population (secure tenure index)

Indicator 29. Proportion of the population with sustainable access to safe drinking water and an improved water source. If Egypt sustains the current rate of increase in access to safe drinking water, it will achieve a higher ratio than the targeted proportion of the population with sustainable access to safe drinking water. Beginning in 2008, more than 99% of households will have

access to safe drinking water. Most governorates will have 100% access with the exception of the seven governorates of Alexandria, Port Said, Suez, Kafr El-Sheikh, Al Beheira, Fayoum, and Aswan.

Indicator 30. Proportion of the population with access to improved sanitation. Achievement of this MDG target depends on the definition used for improved sanitation. Using the old definition of improved sanitation, 97% of Egyptian households will have access to improved sanitation and a safe sanitation network (that either leads to a treatment plant or an alternative drainage system) at the national level by 2015. According to the new definition, access to safe sanitation by all Egyptian households is not expected by 2015. At the regional level, all governorates will have access to full sanitation network coverage except the three governorates of Assiut, Suhag, and Aswan by 2015. The new definition of improved sanitation requires connection of sanitation networks to a treatment plant as a requirement for basic sanitation. Using the new definition, both full coverage and the MDG target for this indicator, which is to halve the population without access to sanitation by 2015, will not be achieved. Only Cairo will have achieved the millennium target for this indicator and both Port Said and Suez will be close to reaching it.



MDG 8. DEVELOP A GLOBAL PARTNERSHIP FOR DEVELOPMENT

Target 12: Develop further an open trading and financial system that is rule-based, predictable and non-discriminatory. Includes a commitment to good governance, development and poverty reduction— both nationally and internationally.

BOX 2.2 INTERNATIONAL AID TO HELP ACHIEVE THE MDGs IN EGYPT

In 2004, Egypt received about US\$741.9 million in international aid to help achieve the MDGs, which is 14% less than the 2001 amount of US\$861.9 million. The distribution of international aid by sector and geographical region in Egypt in was as follows:

- **MDG 1: Eradicate Extreme Poverty and Hunger.** Approximately US\$134 million in international aid was directed towards programs designed to eradicate extreme hunger and poverty in 2004, representing 18% of total foreign assistance. The agricultural sector received 34% of the aid, industry received 21%, and infrastructure services received 13%. This sectoral distribution was appropriate as poverty is concentrated in rural areas where agriculture is the main economic activity. However, international aid was not geographically distributed in proportion to the regional distribution of poverty. The five poorest governorates of Assiut, Beni Suef, Suhag, Menia, and Qena have poverty rates ranging between 61% and 33%, but received between 5.6 and 2.2% of aid directed at eradicating poverty. On the other hand, Al Beheira and Damietta governorates have lower poverty rates (20% and 4.4%, respectively) but received proportionately more foreign aid for poverty alleviation (10.8% and 2%, respectively).
- **MDG 2: Achieve Universal Primary Education.** Approximately US\$41.2 million in international aid was directed towards programs designed to achieve universal primary education in 2004, representing 5.6% of total foreign assistance. The geographical distribution of aid directed towards universal primary education was not in proportion to illiteracy rates of youth aged 15-24 or enrolment ratios. The governorates with the highest illiteracy rates and lowest net enrolment ratios in primary education – Suhag, Fayoum, and Beni Suef – received modest shares of the aid: 2.7%, 4.2%, and 3.5%, respectively. Meanwhile, Cairo governorate received 11.4% of the aid in this category despite having a literacy rate of 100% and a net enrolment ratio in primary education of more than 90%.
- **MDG 3: Promote Gender Equality and Empower Women.** Approximately US\$42.2 million in international aid was directed towards programs designed to promote gender equality and empower women, representing 5.7% of total foreign assistance. Educational programs received 47% of this aid while the health sector received 7%. Geographical distribution of aid in this category was largely proportional to the needs of different governorates, according to the indicators for this MDG. The neediest governorates – Assiut,

Suhag, Menia, Qena, Fayoum, and Beni Suef – received shares between 3.2% and 7.1%.

- **MDG 4: Reduce Child Mortality.** Approximately US\$60 million in international aid was directed towards programs designed to reduce child mortality, representing 8.1% of total foreign assistance. The water and sanitation sector received 44% of this amount, health programs received 34%, and educational programs received 8%. In general, governorates with high child mortality rates received larger proportions of aid in this category as Fayoum, Beni Suef, and Menia each received 8.4% of this aid while Suhag received 5.6% and Qena received 3.3%. However, Assiut only received 1.9% of the aid while it suffers a high under-five mortality rate of 50 deaths per 1,000 live births and Alexandria received 13.6% while its under-five mortality rate is only 26.8 deaths per 1000 live births.
- **MDG 5: Improve Maternal Health.** Approximately US\$58 million in international aid was directed towards programs designed to improve maternal health, representing 7.8% of total foreign assistance. The health sector received 39% of this aid, the water and sanitation sector received 37%, and educational programs received 9%. Aid to improve maternal health was not distributed geographically according to need. The six poorest governorates of Upper Egypt received 36% of this amount while Alexandria alone received 14.4%.
- **MDG 6: Combat HIV/AIDS, Malaria, and Other Diseases.** Approximately US\$36 million in international aid was directed towards programs designed to combat HIV/AIDS, malaria, and other diseases, representing 4.9% of total foreign assistance. About half of this amount was directed towards programs in the health sector.
- **MDG 7: Ensure Environmental Sustainability.** Approximately US\$346.7 million in international aid was directed towards programs designed to ensure environmental sustainability, representing 46.7% of total foreign assistance. Geographical distribution of this aid was also uneven. The governorate of Assiut, whose population has the lowest access to safe sanitation at 73% of the population, received 12.8% of this amount. However, Suhag, Menia, and Qena also suffer low access to safe sanitation and safe drinking water but they each received less than 1% of the aid in this category. Meanwhile, Alexandria, where over 99% of households have access to safe sanitation and drinking water, received 14% of the aid.

Source: Hoda Al Nemr, Background Paper for EHDR 2008.

A global partnership for development is not a direct one way responsibility either of the developed or the less developed countries alone

Target 13: Address the special needs of the least developed countries. This includes tariff- and quota-free access for least developed countries' exports; enhanced program of debt relief for heavily indebted poor countries (HIPC); cancellation of official bilateral debt; and more generous official development assistance (ODA) for countries committed to poverty reduction.

Target 14: Address the special needs of landlocked and small island developing States

Target 15: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term.

Target 16: In cooperation with developing countries, develop and implement strategies for decent and productive work for youth

BOX 2.3 HOW REALISTIC ARE THE MILLENNIUM DEVELOPMENT GOALS?

According to UN calculations, the estimated costs in terms of additional development aid of meeting the MDGs in all countries vary from US\$121 billion in 2006 to \$189 billion in 2015. But how realistic are these levels of funding for the achievement of the goals?

What Is Overlooked in the Estimates The calculations of MDG investment needs in health, transport infrastructure, and education (close to 60% of the total investment needs in the report) highlight that actual budgeting omits many items and makes optimistic assumptions about the quality of governance.

Health. The MDGs on health cover a broad range of topics, such as reducing the under-five mortality rate by two-thirds and the maternal mortality rate by three-quarters, and halting and having begun to reverse the spread of HIV/AIDS, malaria, tuberculosis, and other major diseases. The report estimates that per capita investments of US\$13–25 in 2005, \$19–33 in 2010, and \$30–48 in 2015 will be sufficient to achieve these

goals. Such statements, however, neglect the costs for treatment and vaccination for many non-major diseases that together burden a sizable share of the population.

Since the MDGs on health also include a well-functioning health delivery system in general, costs of achieving this should also be factored into the total. Additional resources are needed for treatment and prevention, including training teachers, strengthening outreach programs, and training of health care workers to provide advanced treatment. Finally, infrastructure should be expanded to offer a larger percentage of the population access to schools and health facilities.

Education. The MDG on education is to achieve universal primary education for boys and girls in 2015. The estimated per capita requirements mentioned in the report also include secondary education. The estimated annual per capita investments needed to achieve this goal are US\$11–17 in 2005, \$13–19 in 2010, and \$17–25 in 2015. The estimates seem particularly low because achieving

universal primary education in many countries requires major up-scaling of the number of teachers. While the United Nations Educational, Scientific and Cultural Organization estimates that about US\$7–8 per capita would be required to pay the salaries of the additional 18 million teachers, the costs of educating these teachers should also be taken into account. A low estimate of the cost of training only new teachers results in figures in the range of US\$10 per capita. In addition, expanding the education sector also requires investments in buildings and educational materials.

Conclusion. The cost calculations associated with the MDGs generally convey the message that a relatively minor financial effort over the next 15 years will suffice. The shopping-list approach pursued by the Millennium Project carries, among other factors, the danger of omission and underestimation of costs related to health, transport infrastructure, and education.

Source: Michiel Keyzer and Lia van Wesenbeeck. 2007. The Millennium Development Goals: How Realistic Are They? 2020 Focus Brief on the World's Poor and Hungry People. Washington, DC:

Target 17: In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries

Target 18: In cooperation with the private sector, make available the benefits of new technologies, especially information and communications technologies

While MDG 8 was designed to measure international commitment to a global partnership for development, recent attention has been focused on localizing MDG 8 in order to examine national integration in this global partnership and national commitment to the targets. These efforts recognize the fact that developing a global partnership for development is not a direct one way responsibility either of the developed or the less developed countries alone. A localized analysis of MDG 8 requires a comprehensive examination of national economic, trade, and social policies that promote regional cooperation and integration in the global system and enhance the enabling environment for achieving the MDGs.

Target 12: Under target 12, an analysis of the disbursement and distribution of official development can indicate the commitment of developed countries to achievement of the MDGs in devel-

Rates of personal computer use are still low



oping countries, but can also highlight the role of national governments in this partnership, by coordinating and managing official development assistance and guiding donor funds towards national development priorities. Box 2.2 describes the distribution of overseas development assistance in Egypt for each of the MDGs according to sector and geographical region.

Target 18: Target 18 addresses access to the benefits of new technologies, especially information and communication technologies (ICT), in developing countries. The chosen indicators reflect the level of connectivity using telephone lines, cellular phones, and the internet. At the national level telephone lines and cellular phone subscribers per 100 population increased from 10.8 subscribers in 2000 to 32.4 in 2005. Rates of personal computer use are still low, reaching 3.6 computers per 100 people in 2005. Internet users per 100 population was approximately 6.7 in 2005.

MDGs are interrelated and mutually dependent, meaning that the achievement of one MDG is bolstered by achievement of the other MDGs.



While these indicators assess the availability of the benefits of new technologies and how much a population consumes technology products, they do not necessarily reflect their impact on improving life standards and conditions. Equally significant for human development is determining how much a country contributes to the production of new technologies or uses them to improve governance at the national and local levels through e-government.

ACHIEVING THE MDGS

The MDGs are interrelated and mutually dependent, meaning that the achievement of one MDG is bolstered by achievement of the other MDGs. For example, improving maternal health (MDG 5) and reducing child mortality (MDG 4) depends on reducing poverty (MDG 1), increasing education levels (MDG 2), promoting gender equality (MDG 3), and improving access to water and sanitation connections (MDG 7). The interdependent nature of the MDGs highlights the need for a variety of policy measures implemented in parallel to comprehensively address the different aspects and exploit synergies.

Eradicating Extreme Poverty. An integrated package of policies and methods is required in order to address the economic, social, and environmental factors related to high levels of poverty and malnutrition. Economic policies to reduce high levels of poverty should include a continuation of current economic reform policies (especially those that control the rate of inflation), increased governmental incentives for job creation in the private sector, and support for agricultural activities to increase agricultural output. Increased provision of microfinance and business

development services, with a special emphasis on loans and marketing support for entrepreneurs, will support income-generating activities, especially among the poor and marginalized (see Chapter Seven).

Social security and social protection programs are another essential part of any policy package to meet the basic needs of the poor and lift people out of poverty. These social protection measures should include subsidies for consumer goods and education expenses that are targeted to the neediest families. Social protection measures should also include extension of health insurance to the poor and uninsured as well as the enhancement of health insurance within schools.

An integrated package of policies designed to develop Egypt's human capital will also help to eliminate high levels of poverty and malnutrition. These policies should include measures to expand access to and improve the quality of education, literacy programs, skills training, and health care, especially in remote, rural, and informal areas.

Achieving Universal Primary Education. A number of education reform initiatives are needed in order to promote progress towards achieving universal primary education. Increased school construction should target poor and highly dense areas to ensure access to education for all, including the poor and marginalized. Successful partnerships between government and civil society can advance efforts to eradicate illiteracy, promote single-classroom and community schools, and expand girls' education initiatives. Improving quality of education through upgrading facilities, updating curricula to include training on skills rele-

BOX 2.4 SAILING THE NILE FOR THE MILLENNIUM DEVELOPMENT GOALS

Egypt's MDG campaign, "Sailing the Nile for the Millennium Development Goals," was adopted as a creative way to transplant dialogue on MDGs from Cairo to Upper Egypt, where the most serious development issues are concentrated.

The campaign kicked off in Aswan on 17 October 2007 to coincide with the International Day for the Eradication of Poverty and culminates in Cairo on December 10th, International Human Rights Day. During the campaign, eight *feluccas* (Egyptian sailboats), each with an Egyptian-styled MDG symbol on its sail, stopped in eight cities as they sailed between Aswan and Cairo. These stops were used to launch events celebrating human rights, development and youth volunteerism as they relate to the MDGs. The aim of this initiative was to raise awareness, trigger local action, and promote participation of communities and civil society in efforts to achieve

the MDGs. The main target population was youth and children in Upper Egypt who are traditionally excluded from development programs. Building on the social contract concept outlined in the 2005 EHDR, Sailing the Nile's main message was for people to know their rights, understand development issues in their governorate, and play their part.

"Sailing the Nile" involved a partnership between 18 United Nations Agencies, the Egyptian Government, NGOs, civil society and the private sector. In each of the eight participating governorates, a local committee with a local coordinator is established in an NGO or CSO. They were responsible for organizing and implementing campaign activities in their location in a participatory way, mobilizing youth to actively participate, and liaising with other NGOs, local media and the government. In 2006, hundreds of young people took

part in the preparation and implementation of local events, ranging from conferences and seminars to artistic, cultural and sports activities, which integrated main messages related to the MDGs. Local coordinators were managed by a national coordinator who provides support and guidance. At the central level, an executive committee consisting of partners and development practitioners provided strategic guidance to ensure the project's relevance to Egypt's overall framework for achieving the MDGs.

The 2006 campaign was covered extensively by Egyptian media and earned international attention for its creativity and decentralized approach. The 2007-2011 UN programming cycle includes a long term vision of creating an annual MDG campaign based on youth action and managed and implemented by a network of Egyptian CSOs.

Glimpses of the MDG Campaign in the Governorates



- Aswan, Goal 7: Environmental Sustainability: Daytime conference on water conservation and sources of pollution. Evening football matches between teams representing different MDGs.



- Assiut, Goal 1: Eradicate Extreme Poverty and Hunger: Cross-cutting nature of Goal 1 was highlighted. Voluntary action was planned to mobilize medical caravans and offer free consultancies in rural areas.



- Luxor, Goal 4: Child Mortality: Youth Marathon raised awareness about child mortality. Local schools participated in theater and dance performances on key messages of Goal 4.



- Menia, Goal 3: Gender Equality and Women's Empowerment: Coinciding with the International Day for the Elimination of Violence against Women, this stop collaborated NGOs working to stop FGM.



- Qena, Goal 5, Improve Maternal Health: Big youth parade, life size puppets moved to the sound of local rhythms and clear messages on Goal 5 and civil society engagement.



- Beni Suef, Goal 6: Combat HIV/AIDS, Malaria and other Major Diseases: Coinciding with International AIDS Day, this stop collaborated with religious leaders to integrate messages on HIV/AIDS prevention.



- Suhag, Goal 2: Achieve Universal Primary Education: Young volunteers from a "girl-friendly school" presented plays highlighting constraints and obstacles that girls face to achieve an education.



- Cairo, MDG 8: Develop Global Partnership for Development: On International Human Rights and Volunteer Days, 22 booths set up by UN Agencies and NGOs and 8 workshops for Egyptian youth organized by the UN Millennium Campaign.

Source: Layla Saad, Sailing the Nile Program Officer, UNDP, Cairo.

vant for the job market, and training teachers should be a key component of any educational reform program (see Chapter Eight). Awareness programs on the importance of education, school meal programs, and education subsidies can also help to increase enrolment rates and reduce dropout rates.

Promoting Gender Equality and Empowering Women. A variety of programs and policies to promote gender equality and empower women should continue to address the specific education, health, and employment needs of women and girls. Girl-friendly schools that are designed to overcome

barriers to girls' enrolment should be promoted throughout Egypt, especially in rural areas of Upper Egypt. Other policies should increase economic opportunities for women and encourage women to enter the labor force and job market. Initiatives such as the Women's Political Rehabilitation Center, spearheaded by the National Council for Women, are needed to promote greater participation of women in political, social, and economic decision-making processes (see Chapter Four). This center provides women with training to develop their political skills, and coordinates with political parties to increase women's representation among their members.

Improving Healthcare. An integrated package of healthcare initiatives is needed to address the interconnected issues of child mortality and maternal health. In order to address the shortage of health care services, an incentive system is needed to motivate physicians to work for clinics in rural and remote areas. It is also necessary for the government to increase access to maternal health services and medication at affordable prices in poor areas. Cooperation and collaboration between the government and civil society is needed to administer media awareness campaigns to inform women about maternal health and birth control and promote general health awareness and practices related to nutrition and hygiene. An integrated healthcare initiative should also include programs to eradicate illiteracy, particularly among young females, and improve access to safe sanitation and drinking water (see Chapter Nine).

Environmental Sustainability. Environmental sustainability issues must be integrated into all government development programs (see Chapter Nine). Effective partnerships between CSOs and governmental authorities are needed to expand accessibility of vital water and sanitation infrastructure at the community level. Programs and policies to expand sanitation and water infrastructure can be facilitated by the development of inexpensive and environment-friendly sanitation methods by scientific research centers and by micro-credit programs to finance installation of water and sanitation connections. Improvement of the environmental, social, and economic conditions of informal settlement areas should be a priority of environmental policies.

Planting trees and creating clean, green spaces are activities that can mobilize community residents to make their neighborhoods more attractive. In addition, the development of new urban communities with affordable, low-cost housing for the poor can also help to relieve the pressures of population density within many poor urban communities.

Advocacy Campaigns. Advocacy campaigns can be an important tool to generate widespread awareness and support for achieving the MDGs among policymakers and the general public (see Chapter Ten). In several countries, creative MDG

campaigns involving partners from the government, the private sector, and civil society have been very effective in mobilizing support and encouraging local ownership of the MDGs, leading to their incorporation in community development initiatives. Box 2.4 presents an overview of the main activities of Egypt's MDG campaign, "Sailing the Nile for the MDGs."

Costing the MDGs. Estimations of the additional costs of these policies are needed. The 2005 UN Millennium Project has provided an independent assessment of the costs of policies to achieve the MDGs for a number of countries. According to UN calculations, additional budget funds required generally rise from US\$77.5 per capita in 2006 to \$140.5 per capita in 2015. Half of the additional costs are expected to be obtained from household contributions and domestic government expenditure and the financing gap is to be covered by official development assistance. Box 2.3 explores a number of issues related to costing the MDGs.

It is important to remember that some governorates may show signs of low levels of development despite their achievement of the MDG targets. This is especially true in the cases of poverty and health. One way to address this situation is for governorates to be divided into groups according to MDG indicators and assigned unique and achievable targets based on their current level of development. Governorates that are close or have already achieved the MDGs can be given new development targets that will help them achieve even higher levels of human development.

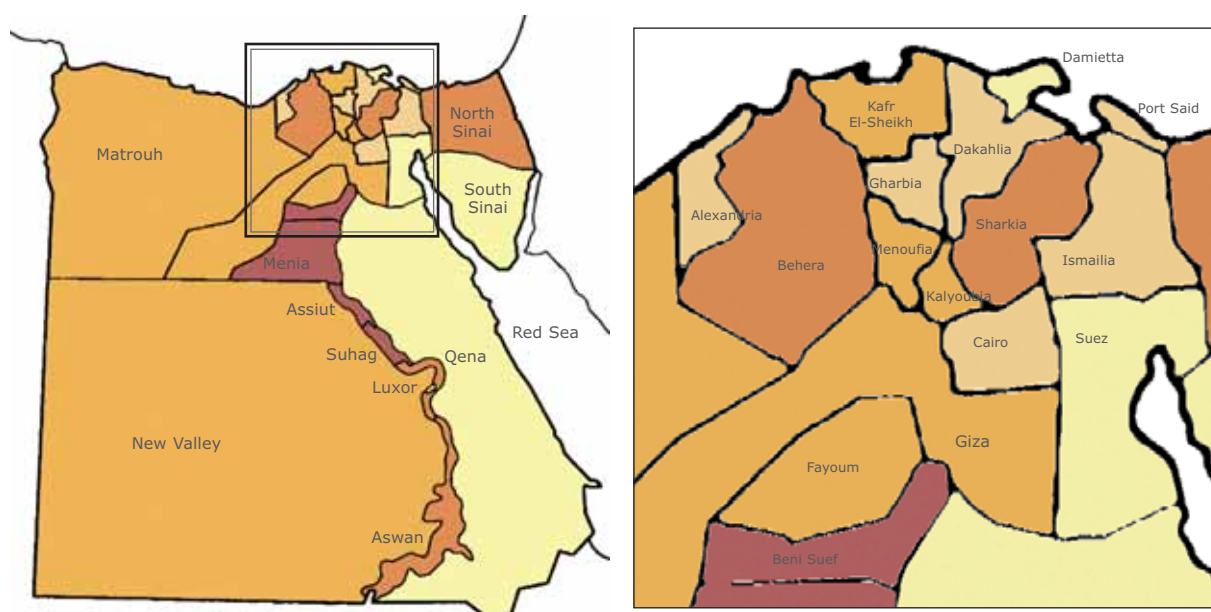
MAPPING WHERE THE POOR LIVE¹⁷

The poverty map for Egypt confirms that poverty is concentrated in rural areas, particularly rural Upper Egypt, based on reliable data and objective and transparent analyses. It depicts a larger number of characteristics of poor households at a far more disaggregated level of village or community than national statistics or MDG indicators. This new approach thus enables the user to better understand the spatial distribution of the poor and to investigate the relationship between poverty and other geographic factors.



17. Todd Benson, Michael Epprecht, and Nicholas Minot, (2007), *Mapping Where the Poor Live. 2020 Focus Brief on the World's Poor and Hungry People*. Washington, DC: IFPRI. This section has strongly benefited from the comments of Heba F. El Laithy, Cairo University.

FIGURE 2.2 A POVERTY MAP OF EGYPT



WHY DO WE NEED POVERTY MAPS?

- *To highlight geographic variations.* Poverty maps reveal disaggregated information on poverty and its related indicators at the smallest administrative local units. They can synthesize a large amount of complex information on the key characteristics of poor households and summarize multiple dimensions of poverty in a simple visual format that is easy to understand. Disaggregation by geographic area may be used to simultaneously display two or more indicators, for instance by presenting poverty headcounts and employment characteristics. Maps encourage visual comparison and make it easy to look for spatial trends, clusters, or other patterns.
- *To understand determinants of poverty.* A poverty map can be used to deepen our understanding of the determinants of poverty by simultaneously displaying an outcome of interest (income poverty, incidence of disease, school enrollment) and its determinants (school location, infrastructure, health center location, natural resources endowment, access to markets). Poverty mapping can be used to analyze the relationships between poverty and transportation, industrial hazards, exposure to

Poverty Rate	No. of Villages			
0-3%	Menia	319	Dakahlia	17
3-8%	Suhag	243	Sharkia	7
8-18%	Assuit	200	Qena	6
18-33%	Beni Suef	80	Kafr El-Sheikh	4
33-61%	Giza	76	Meoufia	3
	Aswan	22	Behera	1
	Damietta	22		

air and water pollution, access to natural resources (wildlife forests, grasslands, coastal and mineral resources), and natural hazards (flooding, storms, drought, and climate change). Incorporation of data from a wide variety of sources by means of Geographical Information Systems (GIS) reveals poverty's multidimensional aspects.

- *To select and design interventions.* Poverty maps can be used to identify areas in which development has been lagging behind, and which can benefit most from additional resources such as additional infrastructure, increased government services (credit, food aid, health care, education), or transfer programs such as subsidized credit and funds for public works. They help to improve targeting of public expenditures and other development efforts by identifying the neediest populations at the smallest local administrative unit.
- *To design better targeting mechanisms.* It is possible to combine the location crite-

rion with other criteria based on individual or household characteristics for determining eligibility. Other mechanisms can be combined with geographical targeting, such as direct targeting, characteristic targeting and self-targeting approaches. Examples of these combinations include programs for school-age children in rural areas, food rations for pregnant and lactating women in certain regions or states, public work programs that are restricted to the poorer districts, and so forth.

- *To inform decentralization measures.* Poverty maps can also help inform decentralization. For instance, they can help inform the level at which a certain type of intervention or service is best managed and controlled. They can also be used to inform formula for fiscal transfers that accompany decentralization of responsibilities.¹⁸
- *To monitor progress.* Poverty maps can be used as baseline information and hence are useful in monitoring progress in addressing poverty and regional disparities.

HOW ARE POVERTY MAPS GENERATED?

Until recently, maps of the incidence of poverty were generated from household survey data. Researchers then developed a method to produce more detailed poverty maps by combining census with household survey data. Poverty mapping analysis thus generally does not involve the collection of new data.

The new approach involves two steps. First, household survey data are used to econometrically estimate the relationship between per capita expenditure and household characteristics such as age and sex composition, educational attainment, occupation, housing characteristics, and asset ownership. Second, census data on those same household characteristics are inserted into the regression equation to generate estimates of per capita expenditure for each household in the census. These estimates are compared to the relevant poverty line to classify households as poor or non-poor. The estimates for each household are unreliable, but when aggregated over several thousand households, they yield relatively precise estimates of various measures of poverty and

inequality. These estimates are then mapped using geographic information systems software.¹⁹

USING POVERTY MAPS FOR POLICY AND PROGRAM DESIGN

It is important to note the observed difference between areas where the *prevalence* of poverty is high and areas where the *density* of poverty is high. The finding that much of the income inequality in developing countries exists within small administrative units such as villages and towns is common across mapping studies. Programs that concentrate exclusively on areas with high poverty rates will not reach the majority of the poor, since the majority live in areas in which there are also many non-poor households. In almost every country where it has been examined, the incidence of poverty is highest in areas with low population density, implying that, in many countries, the majority of the poor do not live in the poorest areas.

Poverty maps have also been used to investigate the geographic factors associated with poverty in several countries. In rural Malawi, for example, spatial regression models were used to estimate the incidence of poverty for about 3,000 small, spatially defined populations as a function of about two dozen independent variables. The results indicated that the poverty rate is positively related to the dependency ratio and is an indicator for matrilineal inheritance patterns, and is negatively related to the average maximum educational attainment in households, crop diversity, and non-farm employment.

Finally, poverty maps have also been shown to be valuable for prioritizing the allocation of resources across local government units. The maps provide governments and their development partners with necessary information to ensure that those areas that most need resources receive the highest priority. One way in which this was done for Mozambique, for example, was to calculate the aggregate poverty gap between current conditions and a hypothetical state in which poverty is eliminated. The size of the aggregate increase in income that would be necessary was perfectly targeted to the poor so that each person currently below or at the poverty line was calculated.

18. Norbert Henninger and Mathilde Snel, (2002), *Where are the Poor? Experiences with the Development and Use of Poverty Maps*. Washington, D.C.: World Resources Institute.

19. The World Bank software program *PovMap* automates much of the analysis, reducing the time and technical skills needed to carry out this type of study. (See <http://iresearch.worldbank.org/PovMap>).



Poverty maps provide governments and their development partners with necessary information to ensure that those areas that most need resources receive the highest priority

TOWARDS BETTER GEOGRAPHIC TARGETING IN EGYPT²⁰

In the last two decades, several attempts to use the “poverty map” technique have been undertaken in Egypt. The first one was conducted by the Social Fund for Development (SFD) in the early 1990s. It used the 1986 census and principle component technique to calculate two indices at the district level, namely a “poverty index” and an “employment index.” Both indices were composed of different indicators that measure several dimensions of poverty such as educational status, housing conditions, and access to basic services. The second poverty map was made by the Institute of National Planning and the United Nations Development Program in 2003 based on the values of the HDI at the village level. The SFD, in collaboration with the Population Council, made another attempt at poverty mapping in 2006 based on the 1996 census the 2000 HIECS data. Estimates of per capita expenditure at the village level were used as proxy of poverty level to draw the poverty map.

THE 2007 POVERTY ASSESSMENT REPORT

A recent Poverty Assessment Report published by the Ministry of Economic Development and the World Bank (WB) in 2007 has produced another set of poverty maps. The maps adopted the WB methodology and used the successive Censuses 1996 and 2006 and their relevant HIECS of 1995/96 and 2004/2005 to determine the poorest areas in the country, not only at the governorate level but also at the district and village levels. Household survey data are first used to estimate a prediction model for consumption and then the parameters are applied to census data to derive an imputed value for consumption,

employing a set of explanatory variables which are common to the survey and the census. This allows defining a set of welfare indicators based on consumption such as headcount poverty. Finally, the welfare indicators are constructed for geographically defined subgroups of the population using these predictions.²¹

The 2006 poverty map utilizes various indicators in addition to human development indicators. Unemployment rate, household size, dependency ratio, percentages of households connected to public networks for water, sanitation, electricity, permanent or casual working type, education status of household members, and enrollment in basic education are just few examples.

The map shows that poverty is concentrated in rural areas. While 56% of the population lives in these areas, more than 78% of the poor and 80% of the extreme poor lives there.

The map shows that poverty is highly concentrated in Upper Egypt. While this region represents 25% of total population, its share in the extreme poor is almost 66%. Moreover, almost 95% of the poorest villages are located in Upper Egypt. 762 villages of the poorest 1000 are located in Menia, Suhag, and Assuit whereas 59 villages out of the poorest 100 belong to Suhag alone. The average poverty rate in the poorest 1000 villages is 52%, while the corresponding figure in the poorest 100 is 77%. Higher rates of poverty are associated with higher unemployment rate, higher illiteracy rate, greater dependency ratio, and lack of basic services.

The map shows that education and services impact on poverty. In the poorest 100 villages

20. Ashraf Al-Araby, Background Paper for the EHDR 2008.

21. MOE and WB, *Arab Republic of Egypt: A Poverty Assessment Report*, Volume II, Cairo, June 2007, p. 13.

41% of the people are illiterate, where the enrolment ratio (6-18 years) is about 85%. Most of these villages lack basic services such as health care centers, family planning units, governmental hospitals, ambulance centers, police and fire stations, post offices, youth clubs, village banks, cinemas, and culture centers.

The Government has taken these results seriously. Several high-level meetings have taken place and the Ministries of Economic Development and Local Development have been officially assigned to prepare an operational plan to alleviate poverty in the poorest 100 villages as a first stage. Comprehensive and integrated development programs for the poorest 1000 villages are expected to be included in the government plan of 2008/2009.

Providing basic infrastructure, facilitating micro credit, food programs, family planning services, and illiteracy eradication programs are examples of what these villages need. Government alone will not be able to fulfill all these needs and participation of civil society is extremely important.



A word of caution: Poverty mapping is just one important step that should be followed by similar serious steps to guarantee the achievement of the MDG of reducing the poverty rate to 10% by year 2015. In the poorest 1000 villages, almost 5 million people live under poverty line, representing about 37% of the total number of absolute poor in Egypt (13.6 million). This indicates that almost 63% of the Egyptian poor live outside these villages, which highlights the importance of complementing poverty mapping methodology with other developmental policies and targeting techniques.

The government has committed itself to the goal of "good governance" through community participation and decentralization in decision-making, transparency, monitoring and accountability, promoting private initiatives, supporting the civil society, administrative development, institutional building, and other reform mechanisms. These reforms resulted in achieving high growth rates

in the last two years. Higher economic growth rate is a prerequisite for poverty alleviation. Recent information proves this income- development nexus; with higher income growth during the past two years, poverty declined from 19.6% in 2004/2005 to almost 15% in 2006/2007 and unemployment lowered from 11% to less than 9% in the two mentioned years, respectively.

Higher growth rate is necessary but not sufficient for alleviating poverty. Allocating more resources and investments to the most vulnerable areas, empowering women and most vulnerable groups, and helping the poor to help themselves through better access to quality education, training services, micro credit, and other productive resources are complements to economic policies that guarantee its success in achieving the ultimate goal of the development process; poverty reduction and better quality of life for all people.

ASSESSING THE GOVERNMENT'S COMMITMENT TO THE 55 PROGRAMS²²

Official documents of the government's Sixth Five-Year Plan (FYP) (2007/2008-2011/2012) for economic and social development reveal the degree to which the government has integrated the recommendations for a new 'social contract' outlined in the EHDR 2005, and which recommended 55 specific programs distributed across eight main sectors: poverty, basic education, health, social security, small and medium enterprises, agriculture, water and sanitation, and housing and area development. The EHDR estimated total costs for the proposed programs at LE 182 billion in constant prices.

The following are the stated targets of the government's Sixth FYP that are directly related to the recommendations of EHDR 2005:

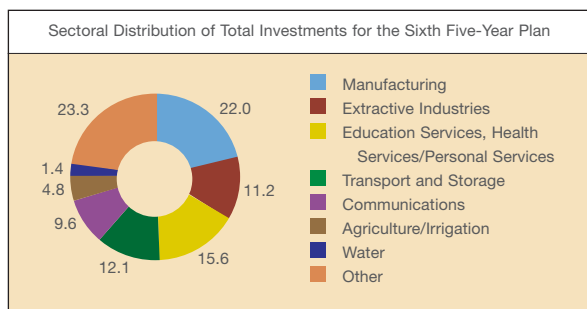
EDUCATION AND VOCATIONAL TRAINING

Basic Education

- Supporting early childhood development (among 4-5 year olds) and expanding kindergarten classes to reach 60% of pre-school aged children;

22. Ashraf Al-Araby, Background Paper for the EHDR 2008.

FIGURE 2.3 SECTORAL DISTRIBUTION OF TOTAL INVESTMENTS FOR THE SIXTH FYP



Source: Socioeconomic Development Five Year Plan (2007/2008-2011/2012.)

- Enrolling a cumulative total of 265,000 children in kindergarten classes in a five year period. The target for the first year (2007/2008) is to enroll 51,000 children. This figure will increase by 1,000 every year to reach a target of 55,000 children by 2011/2012;
- Operating a total of 1,290 classrooms of 'foreign language nurseries';
- Operating 933 one-classroom schools;
- Improving classroom density from 39 to 36 children per class in regular schools by the end of the Five-Year Plan. Experimental schools and schools in remote areas are targeted to reach a classroom density of 25 children per class.

Adult Literacy

- Reduce illiteracy to 27.5% in the first year and to 20% in the last year of the Five-Year Plan. Urban illiteracy is targeted to fall from 20% in 2006 to 15% in 2012. Rural illiteracy is targeted to fall from 36.6% to 25%.

The Sixth FYP has allocated LE 8.3 billion to the Ministry of Education out of which LE 5.8 billion is allocated to construction and furnishing of schools and about LE 617 million is allocated to school operating expenses and technical education workshops.

The FYP has also stressed the importance of raising the standard of vocational training through modernizing training centers and their training programs and developing new vocational training centers in governorates where none yet have been introduced.

Allocating more resources and investments to the most vulnerable areas are complements to economic policies in achieving the goal of development



HEALTH²³

The sixth FYP has targeted a gradual expansion of health insurance allowing it to cover new segments of the population until 100% coverage is reached by the end of the sixth five year plan (2011/2012) within a framework of a unified health insurance law. Thus the plan aims to increase the number of people covered under health insurance from 39.7 million or 54% of the population in 2006/2007 to full coverage for all Egyptians by 2011/2012.

Total allocations for health sector investments during the five-year period are LE 28 billion, of which LE 10 billion will be allocated to the Ministry of Health and Population. Table 2.13 shows the targeted development in healthcare services during 2007-2012.

POVERTY AND SOCIAL SECURITY²⁴

The government's FYP has set a target for reducing the percentage of the population living in poverty from 20% to 18% in 2006/2007 and to 10% by 2012. The following are programs of the FYP that are directly related to the recommendations of EHDR 2005:

- Doubling the number of households benefiting from cash support to reach two million households during the five year period, while gradually introducing a shift in social protection measures for the poor from commodity support to cash support. A study is to be carried out on expanding the Conditional Cash Transfer system. Cash support for beneficiaries would be conditional on the achievement of a number of important social objectives such as enrollment of the household's children in school;

23. See Chapter Nine.

24. See Chapter Six.

BOX 2.5 SOCIAL SECURITY: WHAT DEVELOPING COUNTRIES CAN LEARN FROM DEVELOPED COUNTRIES?

In developed countries, social security and social insurance covers workers and their dependents against old age, unemployment, health, and other risks. Cross-country studies show that social security has helped reduce poverty drastically, by at least 40% in Europe — in heavily insured countries like Belgium and Sweden by more than 70% — and by 28% in the United States.

Could Developing Countries Adopt the OECD Model? In developing countries, policymakers are considering emulating OECD models of universal social insurance and social protection systems that protect the population against various economic risks and are financed by taxes or mandated contributions. However, they differ structurally from developed countries in several respects. Poverty levels are much higher, mean income levels are lower, and the overall GDP share of social expenditures is lower. Labor markets are fragmented, and the informal sector is large. All countries, to varying degrees, devote public resources to health care, social assistance, and pensions, but few devel-

oping countries have social insurance. Where it is available, coverage is partial and limited to wage workers in the formal sector of the economy. Existing systems of social protection are fragmented.

Further, universal social insurance requires a tax base and a level of general taxation above what is currently in place in most developing countries. Fiscal constraints are particularly strong in low-income countries in which public spending — averaging 15% of GDP — is about half of what it is in developed countries. Administrative constraints include the lack of official records of income, low government capacity to test for means, and the potential for misuse of funds through graft, corruption, and capture by non-poor beneficiaries.

Moving toward more universal forms of social security in developing countries would require that countries increase financing from general taxation. This would decouple social security from labor-market status. When coverage is based on residence (or citizenship), not on labor-market status, the distinction

between a formal and informal worker becomes irrelevant. Developing countries must also improve revenue collection capacity and more effectively sanction tax avoidance. This would expand the tax base so that the system could be financed from general taxation as much as possible.

In providing social insurance to informal workers, it is important to avoid giving workers incentives to be informal. In other words, benefits provided should hit the antipoverty target without being more generous than formal-sector benefits. Portability of benefits across institutions is also required so that workers can move between jobs without losing coverage. It is also important to unbundle health and pension benefits to better align the system with workers' preferences. Recent reforms in several middle-income developing countries have often been based on some combination of the above policies, which are complementary.

Abridged from: Jean-Jacques Dethier. 2007. Social Security: What Can Developing Countries Learn from Developed Countries? 2020 Focus Brief on the World's Poor and Hungry People. Washington, DC: IFPRI.



TABLE 2.13 TARGETED DEVELOPMENT IN HEALTHCARE SERVICES, 2007-2012

Description	Unit	Projected 2006/2007	Targeted 2007/2008	Target 2007-2012
Number of beds	thousand beds	185	198	260
Public and central hospitals	hospital	381	412	600
Rural healthcare units	unit	4452	4700	7200
Persons covered by health insurance	million	38.7	48.0	80.0

Source: Socioeconomic Development Five Year Plan (2007/2008-2011/2012)

- Expanding social security coverage gradually and securing a minimum allowance for uninsured female heads of households. An insurance fund is also to be established to serve women working in the field of SMEs.

The government's plan includes a number of strategies aimed at supporting the role of women in SMEs and expanding micro credit for women. These initiatives involve the SFD, the MOSS and CDAs. Total investments allocated to the MOSS during the sixth Five-Year Plan amount to LE 608.5 million.

The plan also includes the National Upper Egypt Development Project which has allocated considerable resources to development in Upper Egypt as it is the country's poorest and least developed region.

4. SMALL AND MEDIUM ENTERPRISES²⁵

The Sixth FYP includes a number of programs of strong relevance to the recommendations of EHDR 2005 related to the SME sector (see Table 2.14). These include:

- A technical assistance program that includes projects to enhance the capacity of local industrial zones, establish permanent popular markets in the governorates to market SME products, and facilitate and support the export of SME products. This program will also provide technical assistance to the local development fund, modernize historical rural industries, and provide needed business development support;

25. See Chapter Seven.

TABLE 2.14 COSTS OF THE SME COMPONENT OF SIXTH FYP 2007-2012 AND FIRST YEAR 2007/2008 (LE MILLIONS)

Program	Governorate		Ministry of Local Development		Local Development Fund		Social Fund for Development		Total	
	Five-Year Plan	First Year	Five-Year Plan	First Year	Five-Year Plan	First Year	Five-Year Plan	First Year	Five-Year Plan	First Year
Infrastructure	489.0	108.7	1614.5	322.9			35.0	35.0	2147.5	466.6
Technical Assistance	38.0	7.6	1.2	0.2					39.2	7.8
Human Capacity Building	13.3	3.2	2.5	0.5	65.0	13.0	1625.0	333.0	1705.8	349.8
Marketing Support	58.0	12.7	87.1	17.4					145.1	30.1
Financing	1123.9	242.2	1.7	0.4			3336.0	460.0	4461.6	702.5
Women's Capacity Building	3.4	0.6							3.4	0.6
Total	1734.6	375.0	1707.0	341.4	65.0		4996.0	828	8502.6	1557.4

Source: Socioeconomic Development Five Year Plan (2007/2008-2011/2012)

- An infrastructure program that includes a project to develop SME service units in the governorates for the registration and issuance of licenses and approvals. Another infrastructure project will assign 10% of the land available for investment to SME projects and supply them with facilities;
- An integrated program to facilitate all formal registration procedures for SMEs and procedures to attain land and obtain financing and guarantees for credit risks. This program is expected to benefit 1.6 million SMEs in the formal sector and about three million enterprises in the informal sector;
- A skills development program that includes training in production, management, and local and international marketing;
- A financing program that includes a number of micro-lending funds and projects.

5. AGRICULTURE

The Sixth FYP includes a number of detailed targets for agriculture including an increase of agricultural land by 900,000 feddans by 2011/2012. Total agriculture investments allocated for the agriculture and irrigation program are estimated at LE 13 billion.

6. SANITATION AND WATER²⁶

The Sixth FYP has allocated LE 61 billion to projects in sanitation and water. Of this amount, LE 30 billion is allocated to completing projects already in progress, LE 5 billion is allocated to replacing and restoring existing stations and sanitation networks, and LE 16.5 billion is allocated for implementing the first phase of the national project for sanitation in villages (about 1,108 villages). The value of

TABLE 2.15 SIXTH FYP INVESTMENTS IN SANITATION AND WATER

Activity	LE Billion	(%)
A. According to project nature		
Completing work in progress		
Sanitation and water from previous plans	30.0	48.9
Replacing and restoring existing stations and networks	5.0	8.2
Phase one of national project for sanitation in villages	20.0	32.6
New Urban Cities sanitation and water projects	6.3	10.3
Total	61.3	100.0
B. According to activity		
Water projects	17.5	28.6
Sanitation projects	43.8	71.4
Total	61.3	100.0

Source: Socioeconomic Development Five Year Plan (2007/2008-2011/2012)

projects to be carried out by the New Urban Cities Authority amounts to about LE 9.8 billion.

The stated targets directly related to recommendations of EHDR 2005 are:

Water

- Increasing capacity of potable water from 21.9 million m³ /day in 2006/2007 to 27.8 million m³ /day in 2011/2012;
- Increasing water per capita from 301 liters/day in 2006/2007 to 310 liters/day in 2011/2012;
- Increasing lengths of water networks from 29,200kms in 2006/2007 to 36,100kms in 2011/2012.

Sanitation

- Increasing sanitary drainage capacity from 14.91 million m³ /day in 2006/2007 to 24.8 million m³ /day in 2011/2012;
- Increasing capacity of purification stations from 12.5 m³ /day in 2006/2007 to 21 million m³ /day in 2011/2012;
- Increasing lengths of sanitation networks from 23,600kms in 2006/2007 to 32,000kms in 2011/2012.

26. See Chapter Nine.

TABLE 2.16 SIXTH FYP TARGETS FOR WATER

Description	Unit	Projected 2006/2007	Targeted 2007/2008	Targeted 2011/2012	% Increase	
					2007/2008	2011/2012
Greater Cairo		7.4	7.4	9.1		23.0
Available capacity of stations	million m ³ /day	8.6	9.0	10.1	4.7	17.4
Lengths of networks	'000km					
Alexandria		3.2	3.4	3.8	7.5	17.2
Available capacity of stations	million m ³ /day	6.4	6.5	8.0	2.4	26.0
Lengths of networks	'000km					
Remaining Governorates		11.3	11.7	15.0	3.2	11.7
Available capacity of stations	million m ³ /day	5.1	15.0	18.0	5.3	26.3
Lengths of networks	'000km					
Total						
Available capacity of stations	million m ³ /day	21.9	22.5	27.8	2.7	26.9
Available capacity per capita	liters/day	301.0	303.0	310.0	0.7	3.0
Lengths of networks	'000km	29.2	30.5	26.1	4.5	23.6

Source: Socioeconomic Development Five Year Plan (2007/2008-2011/2012).

TABLE 2.17 SIXTH FYP TARGETS FOR SANITATION

Description	Unit	Projected 2006/2007	Projected 2007/2008	Projected 2011/2012	% Increase	
					07/2008	11/2012
Greater Cairo						
Available capacity of sanitation	million m ³ /day	4.9	4.9	6.6		34.7
Available capacity of purification	million m ³ /day	4.3	4.3	5.8		34.9
Lengths of networks	'000km	10.1	10.4	12.5	3.0	23.7
Alexandria						
Available capacity of sanitation	million m ³ /day	1.7	2.0	3.8		52.9
Available capacity of purification	million m ³ /day	1.4	1.5	3.2		125.4
Lengths of networks	'000km	2.9	3.0	3.5	3.5	22.8
Remaining Governorates						
Available capacity of sanitation	million m ³ /day	8.3	8.6	14.4	3.5	73.3
Available capacity of purification	million m ³ /day	6.8	7.2	12.0	5.9	77
Lengths of networks	'000kms	10.7	11.8	16.0	10.8	50.2
Total						
Available capacity of sanitation	million m ³ /day	14.9	15.5	24.8	1.9	66.3
Available capacity of purification	million m ³ /day	12.5	13.0	21.0	3.2	68.0
Lengths of networks	'000km	23.6	25.2	32.0	6.6	35.8

Source: Socioeconomic Development Five Year Plan (2007/2008-2011/2012).

TABLE 2.18 SIXTH FYP TARGETED HOUSING DEVELOPMENT

Description	Projected 2006/2007		Projected 2007/2008		Sixth Five-Year Plan	
	Number	Relative importance %	Number	Relative importance %	Number	Relative importance %
Urban housing						
Economic	140	50.0	145	47.5	650	50.0
Average	40	14.3	45	14.8	160	12.3
Above average	15	5.3	15	4.9	90	6.9
Urban Total	195	69.6	205	67.2	900	69.2
Economic housing/rural and reclamation areas	85	30.4	100	32.8	400	30.8
Grand Total	280	100.0	305	100	1300	100.0
Public sector	14	5.0	16	5.3	150	11.5
Private sector	266	95.0	289	94.7	1150	88.5

Source: Socioeconomic Development Five Year Plan (2007/2008-2011/2012).

BOX 2.6 INVESTMENT PRIORITIES FOR POOR RURAL AREAS

Public investments in rural areas have contributed significantly to agricultural growth and rural poverty reduction. Several case studies conducted by the International Food Policy Research Institute (IFPRI) and its national collaborators quantify the effects of government spending on both growth and poverty reduction in countries representing different stages of economic development and, hence, the need for different spending priorities.

India: Using state-level data spanning 1970 to 1993, the India study clearly shows that additional government expenditure on roads has the largest poverty-reducing impact, as well as a significant impact on productivity growth. For every 1 million rupees spent on rural roads, 124 poor people could be lifted above the poverty line — the largest rate of poverty reduction among all types of investment. Furthermore, additional government spending on agricultural R&D and extension has the largest impact on production growth; 1 rupee invested in agricultural R&D would generate more than 13 rupees in returns from agricultural production.

China: The Chinese case studies indicate that government expenditure on education had the largest

impact on reducing rural poverty and regional inequality and had significant impact on production growth. Increased rural non-farm employment was responsible for much of this poverty- and inequality-reducing effect. Government spending on agricultural R&D had the largest impact on agricultural production growth. Another study found that low-grade (mostly rural) roads have cost-benefit ratios for national GDP that are about four times larger than the cost-benefit ratios for high-grade, mostly urban, roads. Equally important in terms of poverty reduction, low-grade roads raise far higher numbers of rural and urban poor above the poverty line per yuan invested than do high-grade roads.

Thailand: The Thailand case study found that investments in rural electrification have the largest impact on rural poverty and the second largest impact on growth. Additional government spending on agricultural R&D improves agricultural productivity the most and has the second-largest impact in reducing rural poverty. Disaggregating the investments by region shows that there is no evident trade-off between investments for growth and investments for poverty reduction.

Implications. Increasing public rural investment significantly is difficult and requires improved tar-

geting of investments to achieve both growth and poverty-alleviation goals. Reliable information on the marginal effects of various types of government spending is crucial for governments to be able to make sound investment decisions. Also, regional analysis conducted for China, India, and Thailand, suggests that more investments in many less-developed areas not only offer the largest poverty reduction per unit of spending, but also lead to the highest economic returns.

The case studies also indicate that different spending priorities are needed during different stages of development; “one-size-fits-all” strategies do not work. During the first phase, strategies should focus on reducing widespread poverty through broad-based economic growth that reaches rural areas. In subsequent phases, attention should be focused on lagging sectors and regions, as well as on poverty at the community and household levels.

Abridged from: Shenggen Fan, Joanna Brzeska, and Ghada Shields. 2007. Investment Priorities for Economic Growth and Poverty Reduction. 2020 Focus Brief on the World's Poor and Hungry People. Washington, DC: IFPRI.

7. HOUSING AND AREA DEVELOPMENT²⁷

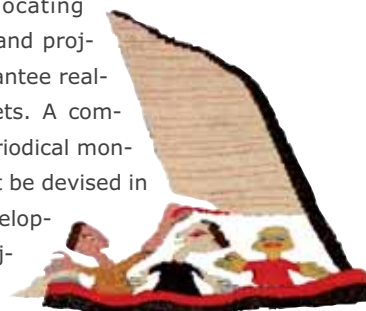
The Sixth FYP has set a target for the development of 1.3 million residential units, of which 500,000 are reserved for young low-income individuals. Within this program, a subsidy of LE 15,000 from the apartment's value will be granted to each beneficiary. Beneficiaries will be expected to pay the remaining cost of the apartment through an easy-term loan. Other government plans include offering free plots of land to the private sector for the development of low-income housing and legislative procedures aimed at developing insurance and mortgage laws as well as reducing real estate registration fees and other activities in order to make affordable housing more accessible. Table 2.18 illustrates the targets of the programs for housing and area development within the FYP.

CONCLUSION

This overview makes it clear that the government of Egypt is considerably committed to the recommendations of the New Social Contract. This commitment has been revealed through the

specific projects that the Sixth FYP 2007-2012 has included. Extra allocations for water, sanitation, and SMEs strongly support this claim.

However, merely allocating investments to programs and projects is not enough to guarantee realization of the stated targets. A comprehensive approach of periodical monitoring and evaluation must be devised in order to assess the developmental impact of these projects and allocations.



Finally, it should be noted that despite the apparent commitment to the vision of a ‘new social contract’ in the EHDR 2005, there are several specific projects in each program that were not directly and clearly integrated in the official documents of the FYP. The roles of different partners (the government, CSOs, NGOs, private sector) in conducting these projects should be clearly specified in order to better guarantee achievement of the ‘new social contract’.

27. See Chapter Nine.



A MAPPING OF CIVIL SOCIETY IN EGYPT



THE ORGANIZATIONS OF CIVIL SOCIETY

A commonly accepted definition of civil society is that it occupies the social space between the market and the state. A broad range of institutions occupy this space which, despite their diversity, share features that make them an identifiable 'social sector' of private institutions serving essentially public purposes.¹

With the rise and increase of these civil society organization in recent years, a large number of definitions have emerged in the development literature in an attempt to operationalize the concept. Regardless of the differences among them, they generally agree on a number of features and components, and these can serve as a basis for review of this social sector in Egypt. Broadly, these features are:

- that civil society organizations (CSOs) are a group of *voluntary* organizations, freely created;
- that they occupy the public space between the family, the market and the state;
- that they are not-for-profit;
- that they seek to achieve the 'collective benefit' of society as a whole, or that of some marginalized groups;
- In some cases, these organizations represent and advocate for their members' interests and defend their professions.

In addition to the features they hold in common, CSOs are also distinguishable by their value dimension. This includes peaceful resolution of disagreements, dialogue, and tolerance of different viewpoints — in short, they demonstrate what we call civic culture.²

The Comparative Non-Profit Sector Project of Johns Hopkins University (1989-2005), has agreed on a general classification of civil society organizations.³ This seminal study lists the following classes:

- Non-government organizations (development, welfare and services delivery organizations);
- Advocacy organizations to promote the 'collective benefit', including human rights organizations, which seek to influence legislation and public opinion on various issue;
- Associations reflecting business interests;
- Professional groups or labor unions — which would include physicians, engineers, teachers and other professions, in the case of Egypt.⁴ Syndicates are considered a special case by scholars, because membership is a prerequisite for practicing these professions, and is not open to choice (See Chapter Five). Further, in Egypt and in a number of other Arab countries labor unions experience government interventions that reduce their autonomy.

The question has been raised as to whether *political parties* should be included in an under-

1. Salamon, Lester M, S. Wojciech Sokolowsky and Regina List (2003), *Global Civil Society: An Overview*, The Johns Hopkins Comparative Nonprofit Sector Project, Center for Civil Society Studies, Baltimore.

2. Based on accumulated evidence from the Comparative Non-Profit Sector Project of the Centre for Civil Society Studies, Johns Hopkins University (2003). Reference has also been made to work by CIVICUS and the UNDP.

3. Ibid. Lester M. Salomon, and Associates, (2004), pp. 8-10.

4. By 2007, there were 23 such professional groups in Egypt. The Johns Hopkins project regards them as 'marginal' civil society organizations, because membership is compulsory to practice a profession.

BOX 3.1 UNDP: DEFINING CIVIL SOCIETY AND ITS ORGANIZATIONS

UNDP takes a broad view of civil society organizations (CSOs), of which non-governmental organizations (NGOs) are an important part. In this perspective, civil society constitutes a third sector, existing alongside and interacting with the state and profit-seeking firms.

Until 1993, UNDP used the term non-governmental organization (NGO) to describe all the non-state/non-business organizations it worked with. The term *civil society* organization (CSO) is now the term of choice, as it encompasses a wider variety of organizations engaged in development work. CSOs comprise the full range of formal and informal organizations within civil society: NGOs, community based organizations (CBOs), indigenous peoples' organizations (IPOs), academia, journalist associations, faith-based organizations, trade unions, and trade associations, for example.

UNDP defines civil society organizations in its policy of engagement with CSOs (2001) as follows:

CSOs are non-state actors whose aims are neither to generate profits nor to seek governing power. CSOs unite people to advance shared goals and interests. UNDP collaborates with CSOs whose goals, values and development philosophies accord with its own.

In general, UNDP engages with CSOs concerned with (inter)national public policy and governance as well as those with expertise in service delivery.

Source: <http://www.undp.org/oslocentre/docs06/UNDPSCOPolicy.pdf>.

UNDP tends to work with NGOs that have sufficient capacity to handle large development projects. Increasingly, however, UNDP is working with a wide variety of CSOs, including grass-roots organizations, faith-based organizations and IPOs, on a smaller, localized scale. Over the last decade there has been a considerable increase both in the number of CSOs and in the scope of their activities. Development CSOs work in a variety of roles and perform a wide range of functions, including:

- *Advocacy*: change public opinion with regard to a given issue.
- *Watchdog*: measure progress towards commitment made at United Nations world conferences and to assess the current state of aid and development cooperation programmes.
- *Networking*: coordinating other CSOs that work in a particular sector.
- *Research*: research issues which are important to the CSO, often linked to an advocacy function.
- *Umbrella CSO*: perform a coordinating and representative function.
- *Federations*: CSOs in one area or sector federate together for goals they can best achieve through greater numbers. CSOs interested in a particular issue also federate together with specific joint objectives.

CSOs play an increasingly influential role in setting and implementing development agendas throughout the world. Although in practice, civil society is an arena of both collaboration and contention whose configurations may vary according to national setting and history, however, many CSOs have been in the forefront of advocating principles of social justice and equity.

standing of civil society. Two considerations have dominated the rationale for excluding political parties. The *first* is that political parties pursue power — which is banned in the legal definition of civil society organization activity in Egypt: that is, CSOs must not advocate in support of political parties. In fact, some advocacy CSOs in Egypt are restrained in their activities because they are seen to cross the red line between civic and political freedoms. The *second* is that not all political currents or ideologies recognize the values of civic culture. For these reasons, it is believed that a political party — if in a position of power — may in some cases actually bring about the retreat of CSOs.

One international criterion on voluntary civil organizations is that they are not-for-profit (although this qualification is interpreted flexibly if profit is seen to serve the goals of the organization itself). This rule has put the brakes on including the *private sector* in an understanding of civil society because it is profit-seeking for private benefit.

Additionally, and despite their importance, *social movements* are not included as part of civil society

organizations in Egypt — as frequently elsewhere — because they lack internal regulations, legal status or sustainability, and are often a collective reaction to an event at a specific point in time (such as meetings on globalization or consultations of the G7), and they generally end after the event has occurred. Nevertheless, it is impossible to disregard their importance and their interaction with civil society since their interests sometimes overlap. Recent public demonstrations and strikes in Egypt, although officially banned, attest to the thin line between spontaneous movements and organized activity of CSOs.

THE PROBLEMATIQUE FOR EGYPT'S CSOS

An operational mapping describing the size and conditions of Egypt's CSOs is difficult to draw, given that information, data and research is lacking and that an accurate and more discriminating official classification system is yet to be developed. Under Law 84 of 2002, and in the relevant ministries CSO activities are grouped together under broad categories. Classification is also blurred by the tendency of some CSOs to list

numerous activities as part of their mission. Law 84 of 2002 governing CSO operations remains in some of its articles an obstacle to full freedom of activity (see Chapter Four), and it is often professional and advocacy organizations that tend to bear the brunt of restrictions and remain, in official eyes, poor cousins to the more traditional and less contentious philanthropic and service-orientated NGOs.

Egypt's civil sector today can be said to be in a period of transition. The continued existence of Egypt's Emergency Law, and the application of the penal code to infringements of the Association Law are significant legislative barriers to effective civil society activity. Lack of good internal governance practices in many CSOs are still an inhibiting factor to effective work. Nevertheless, numerous declarations by Egypt's President Mubarak and by the government today suggest that Egypt is at the dawn of a new era, and that the time is ripe for new social practices that would match the liberalization of the economic regime in force today (see Chapter One).

A BRIEF HISTORICAL FRAMEWORK

The impulse to create civil society organizations is deeply rooted in Egypt, dating back to the early 19th century, with a rich history grounded in faith-based practices such as the *Wakf* or Endowment Fund for a particular social cause. Egypt's feminist movement at the turn of the 20th century was closely paralleled with the creation of CSOs where women were major contributors both in their voluntary time and in their material donations. This is why it is useful to apply a historical perspective because it highlights those features that exhibit continuity over the years and those that have been disrupted at a particular historical moment. One specific interruption came with the introduction of state domination and centralization under Egypt's Revolutionary government of the 1950s, some sequels of which still impact upon civil society organizations. One example is the continued presence of largely ineffectual state-created Community Development Associations (CDAs) in most mother villages and neighbourhoods — that neither represent the state nor are independent from it. Unless revitalized, they are likely to remain of very little

added value to development efforts (see Annex 3.3 of this chapter).

One feature has remained constant in state-CSO relations across the years: that is the central role — based on culture and religion — of philanthropic and welfare work. On the other hand, the presence of a liberal climate or the lack thereof, and the role played by different social groups, as well as voluntary participation in CSO activities — particularly from women and youth — have varied over time.

A brief review of the development of CSOs in Egypt over almost two centuries suggests that, broadly speaking, six historic periods can be identified, each related to major national events:⁵

- *Sowing the Seeds of CSOs*: The earliest manifestation of civil society organizations begins in the reign of Mohamed Ali Pasha (1805-1854) when the focus was on political, economic, and social modernization with the emergence of modern institutions and contacts with the West. This period is characterized by the cultural influence of foreign minorities. The first NGO in Egypt was the Greek Association, which was established in 1821 to service an influential Greek minority. The Egyptian Geographical Society was founded in 1875. Also, a series of philanthropic associations (Islamic and Christian) were created to counter Western evangelical missionary activity or to support a growing nationalism. Prominent among these were the Al Agouza (Islamic) Hospital set up in 1878, and the Coptic 'Al Mase'ee al Mashkoura' school in Menoufia in 1881, both benefiting from *wakf* donations.
- *The Growth of Special Interest Groups*: The second period of CSO growth extends from the beginning of the 20th century until the declaration of the 1923 Constitution. In this short time span, 165 organizations and associations became active, many of which were sponsored and led by Egypt's social elite. Cairo University was founded in 1908, mainly under a *wakf* from one of Egypt's Royal Princesses. Civil society also saw the beginnings of advocacy for Egyptian women through a series of NGOs.



5. Adapted from Amany Kandil, (2006), *Civil Society and the State in Egypt*, El Mahrousa Publishing House, Cairo, pp. 25-42 (Arabic).

BOX 3.2 PHILANTHROPY IN EGYPT

The Gallup 2005 survey confirmed that, compared to international levels, voluntary (unpaid) CSO activity is relatively low in the Middle East (14%), including Egypt, but the proportion of individuals who give material support for charity is quite high. According to a 2004 survey conducted by the Center for Development Services (CDS), 62% of adult Egyptians contribute some amount of money or gifts to a social cause. Because of a tendency to keep giving anonymous, the percent of those who actually give is probably much higher. Even among Egyptians with relatively modest incomes, charitable giving is widespread.

Muslims in Egypt give in a variety of forms, the most common of which is *zakat*. This is an obligatory distribution of disposable income available after one's basic needs have been fulfilled. As one of the five pillars of faith, all Muslims are expected to give *zakat*; elaborate systems have developed for calculating how much is owed and how *zakat* may be distributed. *Zakat al mal* is of particular interest for the potential promotion of philanthropy as it is a contribution incumbent on Muslims who have achieved a certain level of personal wealth, traditionally set at the equivalent of 85 grams of gold. This type of giving is targeted largely to charitable causes and is usually monetary rather than in kind in nature. Over 40 percent of Muslim Egyptians who report any philanthropic giving report that they pay *zakat al mal* according to the CDS survey.

For centuries, the *wakf* system prevailed, whereby property or other assets were withdrawn from commercial circulation and dedicated to the support of a public cause or the welfare of a family over time. *Waqf* endowments played an important role throughout the Muslim world in maintaining hospitals, orphanages, schools and other public institutions. This continues to be the case today in countries such as Turkey and Indonesia, but the practice, once flourishing, has all but disappeared in Egypt, a combination of government interference and lack of contemporary understanding of this form of endowed giving.

The demise of endowed giving has had the consequence of making most contemporary philanthropy in Egypt charitable in nature---by this is meant that giving is short-term in its benefits rather than sustained and capable of supporting developmental improvements in society. Typical of this kind of philanthropic giving is food during Ramadan, clothing, blankets, and medicines for the poor, toys for orphans, and so forth. The distribution of consumable goods meets the requirements of *zakat* for the Muslim giver and assuages some of the immediate needs of disadvantaged people. *Zakat* is organized in Egypt through *Al Azhar* and tens of thousands of individual mosque committees. It is a huge sector comprising large resources and literally millions of individual donors.

In the CDS survey, Muslims expressed lack of trust in the transparency of government bodies like the Ministry of *Awqaf*, responsible for overseeing *wakf* property, distributing *zakat* as well as other donations left in mosques (*nuzur*). For this reason, only 8 percent of Egyptian Muslims prefer to make their donations through a philanthropic institution. Since the government exercises less control over Christian churches and NGOs, 20 percent of Christians in the survey said that they prefer to give through a philanthropic institution. Lack of transparency and accountability are serious problems that will need to be addressed in order to restore trust in philanthropic organizations in Egypt.

While religion is stated as a major motivation for giving in Egypt, not all of the forms that such giving takes are themselves religious in nature. Dissatisfied with purely interpersonal or mosque-based giving, a growing number of Egyptians have channeled their philanthropy through NGOs or have themselves created new organizational structures that promise to offer more permanence and effectiveness. Philanthropic foundations, defined as asset-bearing agencies that serve a public cause are increasing rapidly in Egypt. From less than 10 in 1990 there are now over 400 foundations (*moasasa*) as opposed to associations (*gamayat*) registered with the Ministry of Social Solidarity.

Source: Adapted from a paper by Barbara Ibrahim, John D. Gerhart Center for Philanthropy and Civic Engagement, American University in Cairo, 2007.

Egyptian feminist Hoda Shaarawi helped to organize *Mubarrat Muhammad Ali*, a women's social service organization in 1909, and the Union of Educated Egyptian Women in 1914. In 1923 Shaarawi also founded and became the first president of the Union of Egyptian Feminists. The Syrian and Lebanese Women's Association was also created in 1923. In addition, professional syndicates were beginning to appear (for example, the Lawyers' Syndicate in 1912). These various organizations all showed a high degree of organizational maturity, in a period when nationalist issues (including politics) were addressed by all players under a common national agenda.

- *The New Discourse of the Liberal Era*: The third period started in 1923 and ended with the 1952 Revolution. In this period under a constitutional monarchy, voluntary work extended to the middle class in Egypt. Institutionalized bodies represented a variety of political and intellectual move-

ments espousing liberal, communist and Islamic ideologies, promoting the many faces of nationalism (Arab, Islamic, and a return to the roots of Ancient Egypt), with debates on the constituents of the Egyptian identity and citizenship. This period witnessed the introduction of an enabling legislative framework to form associations (Article 69-78 in Civil Law). Over one thousand civil associations are estimated to have been created during this period, not counting the strong presence of the Islamic movement (Muslim Youth, Muslim Brotherhood, and Muslim Sisterhood groups and the Muslim Women's Association). Several leagues and professional syndicates came into existence, notably the Syndicate of Physicians (1940), the Press Syndicate (1941) and the Syndicate of Engineers (1946).

- *State Hegemony*: The retreat of civil society came after the July 1952 Revolution, when the dominant ideology



— socialism — imposed state domination and centralization in what became known as the 'bureaucratic state' which dominated all sectors, social and economic. During this period, a comprehensive policy to control civil society institutions was adopted and laws that restricted freedoms were issued to repress dissent. The most well known was Law 32 of 1964 which restricted the creation of CSOs and gave the state the right to dissolve CSOs and to interfere in CSO activities. As a result, the number of independent NGOs fell sharply and many were incorporated into quasi state organizations as where the welfare state replaced individual welfare initiatives with grassroots associations, tied closely to itself. These semi-official development associations (CDAs) were created to provide mainly health and education services at the community level. On the other hand, faith-based NGOs involved in service provision were given leeway and the freedom to flourish, representing about a quarter of all independent organizations.

- *The Early Reforming Period:* Starting in 1971, a new political current began to favor a limited degree of political pluralism, and a more liberal economic system was introduced, adopting an 'open-door' policy that increasingly saw over a twenty year period a gradual insertion of many of the political, economic, and technical features of a globalizing world. During this time, donor funding — especially for educational, infrastructure and business activities — became acceptable and was channeled through the government, opening the way for the emergence of advocacy organizations, particularly to promote business. Egypt was now grappling with a number of contradictory trends. On the one hand, internal and external pressures arose for more social and economic liberalization, with a growing demand for a reform of the relationship between society and the state. On the other hand, a rearguard movement materialized to oppose any changes

likely to do away with perceived political, social or economic gains achieved by the state during the socialist era. This can be called a transition phase, when the need for sociopolitical change became apparent to accompany the move to economic liberalization, but where little actual change took place.

- *From the Mid 1980s to the Present:* Starting in the 1980s, a gathering momentum in civil society activity resulted in the multiplication of CSOs, frequently in response to the services gaps created by a retreating and financially constrained state. During the fifteen years before the millennium, this period witnessed:⁶
 1. The number of civil associations rising from 7,593 in 1985 to 16,000 by 1999;
 2. The number of active associations operating in health and social welfare doubling;
 3. Indications of a trend — away from pure philanthropy — with international donor agencies focusing on partnerships with local development-orientated organizations;
 4. Associations aimed at citizen empowerment standing at about 25 percent of the total number of organizations in Egypt by the late 1990s.
 5. Numerous advocacy organizations emerging to promote respect of human rights and civic culture (about 30 organizations by the end of the 1990s);
 6. Notable activity in supporting women's issues and empowerment, rising from 19 organizations to about 2004 after the Beijing Conference in 1995;
 7. The growth of business associations — present since 1975 — from 21 business organizations by the end of the 1980s to an estimated 64 such associations today.

A QUALIFIED SUCCESS FOR CIVIL SOCIETY TODAY

Seen from a human development perspective, the outcome of these developments can be qualified as only a partial success. Significant areas of difficulty remain as Egypt moves further into the new millennium. Civil society institutions continue to be restrained in their ability

6. Amany Kandil, Background Paper to EHDR 2008. Figures quoted are not definitive, given the lack of a fully reliable database.



to operate freely. A small window of hope was seen in the introduction of the more liberal Association Law 153 of 1999, but a ruling on its unconstitutionality was followed by the more restrictive Association Law 84 of 2002.

Additionally, CSOs are subject to mixed signals from the state on its level of tolerance of their activities, especially those of advocacy and professional organizations, or those receiving funding from abroad. Interventions — notably from the state supervising and monitoring authorities — continue to obstruct full freedoms for activities, and state security measures appear at times to be more influential than the law itself.⁷

NGOS AND CDAs: SUBSECTORS OF CIVIL SOCIETY ORGANIZATIONS

Traditional philanthropic and welfare services remain the least contentious and preferred arena of many voluntary organization's activities as civil society organizations. This is the area where most registered non-governmental organizations (NGOs) are found. NGOs are not bound by local administrative boundaries, have no direct relation to local government, and operate across Egypt.

State development efforts, in the past, had relied mainly on an extensive network of Community Development Associations (CDAs) which are registered civil society bodies whose coverage does not extend beyond the administrative limits of a village or neighborhood. Because these often have financial and administrative support from MOSS and have appointed members on their boards, they qualify as 'marginal' civil society organizations, although they continue to hold great development potential if re-invigorated (see Annex 3.2 and 3.3 of this chapter).

There is no correlation between the requirements of human development in the poorest governorates and the distribution of development organizations

For this reason, the focus here is on NGOs, for both welfare and development services. Nevertheless, it is evident that greater partnerships and alliances between government, NGOs and CDAs, with participation from the private sector would boost Egypt's efforts and impact more substantively on any 'new social contract' for development

NGOS AND HUMAN DEVELOPMENT INDICATORS

There is no simple or direct link between HD indicators and the number and state of non-government organizations in Egypt. Too many factors intervene to encourage or discourage their establishment in the first place. These vary from the historical tradition behind philanthropic social solidarity, to the presence of 'semi-official' community development associations, to the support given by donors for local development partnerships with NGOs as the main intermediary in delivering services. It is therefore complex to relate the state of independent organizations nationally — or more specifically, at governorate level — to HDI.

But while a comparison may not necessarily reveal any direct causality, the exercise is useful insofar as it highlights potential areas of divergence or congruence between the current (2007) map of civil society organizations in Egypt, (their geographical distribution, methods and approaches), and the map of human deprivation:

First, results of the preliminary stages of the Johns Hopkins research project confirm that there is a positive relationship between indicators of human development and the performance of civil society organizations. Countries scoring positively on the UNDP's annual report on human development also head the list with regard the expansion

7. See Mohamed Agati (2007), "Egypt's NGO Law and Its Impact on the Transparency and Accountability of CSOs", *The International Journal of Not-For-Profit Law*, Vol 9, No 2, April.

of civil society organizations based on recognized and reputable benchmarks.⁸

Second, there are tools with which to measure performance in terms of contribution to human development.⁹ But a precondition of good measurement is a reliable and developed data base, a transparent information system and a timely information flow. Egypt, as yet, has not fully achieved any of these three conditions. There is no unified, integrated and scientifically based classification system for CSOs; different agencies have different data, depending on their own criteria for CSOs. Further, numerous areas of activity are often listed by CSOs in the licensing process alongside the main endeavor, in the belief that this gives flexibility without the need for recourse to further bureaucratic procedures. The result is a lack of accurate information on the real rather than the potential pursuits of any one organization. Finally, when information is made available by the various state bodies, this is often contradictory and time-lagged.

THE CASE OF EGYPT

A basic discrepancy exists as to the actual number of non-government organizations possibly due to classification problems. At the beginning of 2007, official figures provided by the Ministry of Social Solidarity stated that the total NGOs stood at 21,500. In the same year, Egypt's General Federation of Associations (GFA) published the results of a survey conducted through the social solidarity departments in all of the country's governorates. This identified 15,151 organizations (noting that 500 others were in non-conformity with Egypt's current Association Law 84 of 2002).¹⁰ These two divergent figures point to a gap of almost 6,000 organizations between the statement of the Ministry and that of the Federation, a breakdown of which is provided in Table 3.1.

As can be seen from Table 3.1, the distribution across Egypt favors urban areas found mainly in the more populated north of the country.

DOES LOCATION INFLUENCE HD INDICATORS?

According to the General Federation of Associations, associations in Egypt, that work specifically at 'empowerment of the citizen through

TABLE 3.1 GEOGRAPHICAL DISTRIBUTION OF NGOs IN 2007

Distribution	No of Associations	% Share
Cairo	2,788	18
Upper Egypt	3,465	23
Giza	1,399	9
Lower Egypt	6,894	46
Frontier Govs	608	4
Total	15,154	100

Source: Results of the survey conducted by the General Federation of Associations, 2007. Note: Statistical analysis was conducted by the Arab Network for NGOs in 2007.

economic and social means' do not exceed 26 per cent of the total number of organizations registered under Law 84 of 2002. The question is whether there is a relationship between the geographical distribution of development or services NGOs and human development indicators (HDI) in view of the fact that those seeking to empower citizens or to improve their quality of life are most critically needed in the least favored geographic, social and economic environments. The concept of social justice is often used to evaluate the performance and impact of civil society organizations worldwide.¹¹ Yet, there appears to be no correlation between the requirements of human development in the poorest governorates of Egypt and the geographic distribution of development organizations.

However, the agendas of most service and development NGOs are usually fashioned and adapted to human development priorities, such as poverty, unemployment, health, education, and social inequalities. There is always a close relationship between civil voluntary initiatives and a perceived need where the ability to respond flexibly and opportunely is a great relative advantage when compared to the more burdensome response of the state bureaucracy or state-controlled social agencies.

Table 3.2 provides a ranking of governorates according to their Human Development Index (HDI) and number of associations per thousand population. It is clear that, by and large, the poorest governorates with lowest HDI have the lowest share of NGOs or development organizations and, by inference, are least likely to empower citizens, which is a principal mechanism in meeting development challenges.¹² Moreover, the least advantaged governorates are most frequently serviced by traditional philanthropic or welfare associations which only provide funds or

8. *op.cit.*, Johns Hopkins Comparative Nonprofit Sector Project (2003); and UNDP Human Development Report, various issues.

9. Amany Kandil, (2007), *Evaluation of the Arab Civil Society Organizations*, the Arab Network for NGOs, Cairo, (Arabic).

10. Cited in Amany Kandil, Background Paper to EHDR 2008

11. *Encyclopedia of Evaluation*, (2005), Sage Publications, London, pp 116-117, 415-451.

12. The seeming anomalies relate to the exceptionally underpopulated regions with dispersed communities, such as the Red Sea, Sinai and Wadi al Gedid governorates.

TABLE 3.2 GOVERNORATE RANKING BY HDI AND SHARE OF NGOS

Rank by HDI	Rank by share per 10,000 citizens	Number per governorate	Number per 10,000 citizens	Population in 1,000
1. Port Said	2	212	4.00	529
2. Cairo	4	2788	3.65	7630
3. Suez	1	280	5.85	479
4. Alexandria	3	1467	3.91	3756
5. Damietta	9	252	2.39	1056
6. Ismailia	6	262	3.10	844
7. Gharbia	16	513	1.33	3859
8. Aswan	5	355	3.23	1099
9. Qalyobia	12	682	1.79	3804
10. Giza	7	1399	2.53	5536
11. Dakahliya	13	761	1.56	4893
12. Menoufia	8	791	2.49	3171
13. Sharkia	11	1109	2.21	5010
14. Kafr El-Sheikh	20	262	0.74	3541
15. Qena	10	641	2.23	2877
16. Beni Suef	18	250	1.13	2208
17. Menia	19	976	1.04	9361
18. Suhag	17	469	1.26	3731
19. Assiut	14	456	1.36	3351
20. Fayoum	15	318	1.34	2372

Note: Statistical analysis was conducted by the Arab Network for NGOs in 2007. The Frontier governorates are excluded because of missing information on their HDI ranking.
Source: Egypt Human Development Report 2005 and results of the survey conducted by the General Federation of Associations, 2007.

in-kind support for the poor and the needy. They promote social solidarity, but are more of a palliative to the pressures of poverty than the means by which beneficiaries can achieve sustainable economic capability or social voice. In other words, they are not development orientated. The 2007 GFA survey indicates that there are 10,125 philanthropic associations to date.

Table 3.2 highlights several key features of Egypt's NGOs:

- Their geographic distribution demonstrates that 70 percent are concentrated in urban areas, operating in development, service delivery, or social welfare;
- The governorates of Port Said, Cairo, Alexandria and Suez enjoy a high density of NGOs to population as well as the top ranking positions on the HDI;
- Upper Egypt has the poorest rural communities but less NGO density than Lower Egypt. This suggests that poorer rural areas are being neglected, although they have the greater need for civil initiatives and the greater human development challenges;
- In absolute terms, however, the governorates of South Sinai (107 NGOs), Al Wadi Al Gedid (147 NGOs), the Red Sea (111

TABLE 3.3 TRENDS IN THE GROWTH OF NGOS

Time Period	No. Established	Average/year
1964-1973	3,161	316
1974-1983	2,304	230
1984-1993	2,441	244
1994-2003	4,788	479
2004-2006	1,694	850

Source: Various reports and statements by the Ministry of Social Solidarity.

NGOs), and Marsa Matrouh (141 NGOs) do not enjoy a privileged position; Given the very low population density in these areas, the share of associations seems high;

- The exception to this poor distribution of NGOs is observed for the (desert) governorates of Sinai and the Western Desert (not in Table 3.2).

TRENDS IN THE GROWTH OF NGOS

Available data suggests that there has been an increase in the number of associations in non-traditional fields of activity under Law 84/2002, growing at a rate of about 600 new organizations yearly since 2002, and, significantly, largely in development and advocacy.

Table 3.3 indicates that the decade following the introduction of Law 32 of 1964 in Egypt's socialist era saw the establishment of a high number of associations. This was not surprising since this law set the conditions for the legal existence and registration of government sponsored Community Development Associations for rural development and family planning.

Between 1974 and 1983, with the introduction of the new open door economic policy, a relatively larger space for associations was created. This decade and the following one between 1984 and 1993 saw a doubling in number of established NGOs from 244 to 479 per year.

Following Law 84/2002 and international trends, aided by an inflow of external funds, support for civil society became the official public position. Between 2004 and 2006, as many as 1,694 civil associations and institutions were created — that is, on average, about 850 associations each year. This was a significant Leap forward.

While the contexts are different, if nevertheless we contrast Egypt to Morocco in 2004-2006, when both countries were undergoing a transitional process into democracy under a free market economic regime, and shared similar levels of achievements on the UN human development indicators, the difference between the two countries in their civil society growth trajectory is striking. In Morocco 14,000 new organizations were created over this three year period — compared to Egypt's 1,694 — most of them operating in development, women's issues, and advocacy work, as documented in the annual report of the Arab Network for NGOs.¹³

It is of course important not to be misled by absolute numbers on a rapid growth in associations. The yardstick that determines success is not numerical but qualitative. This takes into account the relevance of each field of activity to national needs and priorities, the efficacy and competence of associations according to salient benchmarks, and the presence of good governance practices.

NGO ACTIVITY FIELDS AND HUMAN DEVELOPMENT

There have been a number of classifications under which the activities of NGOs are identified under American, European and UN systems.¹⁴ The Johns Hopkins project, as well as the UN and a group of experts have developed systems that draws a relationship between CSO and human development activities.

As indicated earlier in Egypt, it is common practice to list a number of diverse activities for any one organization and there is some confusion between stated beneficiaries and type of activities. This makes it difficult to accurately classify organizations by area of activity since there is considerable double counting. Further, international indices are not followed. It is therefore not surprising that data from either the General Federation of Associations (GFA) Survey or the Ministry of Social Solidarity (MOSS) provide only a rough estimate of NGOs under each of their classifications for Egypt: At the moment, registration figures and results from surveys give the only broad picture available on some types of association in Egypt, as follows:

1. *Service delivery and welfare organizations* that provide care for the family, the elderly, special groups or needs, and motherhood/childhood care. Together, these represent the majority of civil society association activities today. The GFA survey indicates that there are 14,362 such associations providing diverse services for targeted beneficiaries. However, it is difficult to determine the precise significance of their delivery to specific fields such as health care, for example — which is a major area of concern — the survey mentions only 1,122 associations working specifically in family planning or reproductive health. There is, typically, no record of all the organizations that specifically identifies their type of health services, given the lack of clear mission statements by most welfare organizations.
2. *Development organizations* that focus on raising the quality of life of citizens and families, including their economic wellbeing through activities for income generation, or by participating in local development projects. These areas reflect the activity fields of 7,204 associations of which 730 are involved in economic development and income generation, according to the GFA survey. Most register several activities but do not necessarily comply with this listing, suggesting once more that a gap exists between legally registered and true activities on the ground. There is an obvious need to begin to register actual activities, preferably using internationally recognized criteria and in parallel with a survey to identify the main mission of each association already in operation, according to its use of funds and type of project.
3. *Advocacy organizations* that are non-service and address civic, economic and social issues; or issues that target marginalized social groups. Activities are based on the provisions of international agreements and on declarations to protect human rights. Advocacy groups provide a 'collective benefit' to society by seeking to affect government and legislation and by influencing public opinion through their agenda.



13. Arab Network for NGOs, *Annual Report 2006*.
14. A Not-for-Profit Institutions Index was issued by the United Nations in 2005. The system developed by Johns Hopkins University in cooperation with the UN and a group of international experts is particularly useful in that it give emphasis to the relationship between CSO activities and human development.

BOX 3.3 ADVOCATING FOR WOMEN THROUGH LEGAL ASSISTANCE

The Association for the Development and Enhancement of Women (ADEW) aims at the legal, social, cultural, and economic empowerment of women in addition to raising their awareness of their rights and duties. The association has about 230 permanent employees in 12 branches of the association located in the governorates of Cairo, Kalyoubia, and Gharbia. It is the first Egyptian civil association to work with female household heads in informal settlements and was established in 1987.

A legal empowerment program, *Legal Assistance and Women's Awareness*, is an example of partnership between ADEW association and local administration. The program was launched 15 years ago and was designed to strengthen women's legal identity in the informal settlements of Old Cairo, Manshiet Nasser, Helwan, and Manial.

The Objectives of the Program Include:

- Assisting women in issuance of official documents such as identity cards and birth certificates;
- Raising women's awareness of their legal rights and duties;
- Providing legal advice to women regarding the laws of marriage, divorce, alimony, and employment;
- Providing a link between women and government authorities;
- Creating networks between CSOs and government agencies, leading to integration of these programs into government plans.
- Raising general awareness as to the legal status of women;

The project can be considered an example of CSO best practice because:

The Program is Innovative: The program is innovative in the partnerships it has employed. In order to implement the program, ADEW created a link between the association and government agencies in order to devise solutions for the obstacles women face in obtaining their legal rights. This occurred through a number of mechanisms.

Involvement of volunteers: ADEW created a fieldwork team to survey targeted beneficiaries of the program. In order to gain the trust and cooperation of the local community, ADEW identified natural leaders of each area and trained a large number of male and female volunteers and employees from the area to work in the program. The volunteers provided ADEW with knowledge and information regarding the needs of community residents and identified ways to fulfill these needs. These mechanisms contributed to the sustainability of the project.

- *Coordinating committees:* Coordination committees with governmental agencies at the district level were formed. These include the district chief, officials from civil registration offices and the health administration, and representatives of lawyers and ADEW. Committees facilitated procedures and overcame obstacles concerning provision of services needed for women to obtain their rights. The local administration also provided ADEW with the required applications for issuing official documents and employees of the civil registration offices provided information on how to obtain official documents.

- *Networks with other CSOs:* ADEW built networks with other CSOs and local CDAs working on behalf of marginalized women. Organizations in this network worked together and exchanged data and information about their experiences in the field.
- *Conferences and seminars:* ADEW hosted several conferences and seminars in partnership with legislators and state executives. These were to raise awareness regarding female household heads and women with special circumstances (such as Egyptian mothers of children with a different nationality) and identified important recommendations on advancing the legal empowerment of women. ADEW also conducted a series of seminars and programs to raise women's awareness about their legal and constitutional rights.

The Program has Tangible Impact: In the last three years, ADEW has conducted over 700 seminars on legal awareness for more than 14,000 women. Over 6,500 women have benefited from legal consultancies offered by the association. In addition, the program has created a link between marginalized women and government authorities. ADEW's conferences have played a large part in promoting the issue of nationality and reaching consensus on supporting the rights of a woman in obtaining official documents and her right to give her children her nationality. The issuance of personal IDs and the legal status of women have been included in the political agenda of the government and the National Council for Women.

Source: Hoda El Nemr, Background Paper to the EHDR 2008.

THE SPECIAL CASE OF ADVOCACY

Advocacy organizations can be listed according to their areas of activity:

- *Human Rights:* There were 61 advocacy groups operating in the field of human rights at the beginning of 2007 according to GFA. Some of these are registered under Law 84 of 2002; others are registered as civil non-profit companies. They work mainly in three domains:
 - (i) the observation and monitoring of human rights violations;
 - (ii) the promotion of a human rights culture (through awareness raising, seminars, research, conferences and reports);
 - (iii) providing direct legal assistance to the victims of human rights violations.

Advocacy groups argue that human development is about securing a better

quality of life for all citizens. Human rights, as defined by the Universal Declaration of Human Rights, either in the political realm, or in the civil, economic or social arenas are therefore a basic component of human development and a goal of civil society. The majority of first generation advocacy organizations in Egypt focused on civil and political freedoms and citizenship rights. A second generation has concentrated on the rights of women, workers and farmers. And now, advocacy groups have started to focus on other social issues — for example, the right to education and housing — or to censure any form of malpractice. The Egyptian Center for Housing Rights, the Egyptian Association for Defending Victims of Malpractice, and the Association to

BOX 3.4 THE EMERGENCE OF FOUNDATIONS IN EGYPT: THE SAWIRIS FOUNDATION

A foundation is a special legal category in nonprofit organizations, often set up for charitable purposes. This type of nonprofit organization may either donate funds and support to other organizations, or provide the sole source of funding for their own charitable activities. In Egypt, foundations — created most frequently by families — are a relatively new phenomenon, dating back to the late 1990s. A pioneer has been the *Sawiris Foundation for Social Development* (SFSD), established as the first private family foundation in Egypt with an endowment from the Sawiris family whose members are Egyptian business entrepreneurs in construction, telecommunication and tourism.

The mission and purpose of the *Foundation* is to promote social development through projects geared towards job creation, improved access to training and education and funding micro and small enterprises. The Foundation which is registered with the Ministry of Social Solidarity provides grants to implementing partners.

The grants established by the *Foundation* have created a portfolio that is varied and responsive to community needs. The sectors which the *Foundation* covers were not pre-conceived, and are: Health, Education and Professional Development, Vocational, Micro and Small Business, and Scholarships and Artistic Excellence.

During the years ending December 2007, the *Foundation* has disbursed a total amount of L.E. 20.75 million distributed between different sectors, out of which L.E. 12.18 million was disbursed to 27 implementing partners in 13 governorates creating 5,402 beneficiaries from newly created jobs and micro-business. L.E. 7.25 million has been disbursed in scholarships serving 59 beneficiaries and L.E. 0.7 million was disbursed for literary awards.

The *Foundation's* board of trustees consists of leaders of the Egyptian society and experts in their field who volunteer their time to oversee the *Foundation's* activities. Of the eleven members, four are from the Sawiris family and five are women. The Board meets a minimum of four times per year.

Its responsibilities include setting the strategic vision, assisting in selecting and monitoring projects, ensuring adherence to all legal and ethical norms, and maintaining a high degree of accountability. The founding executive director, as well as, its executive director till 2007 have both provided their services pro bono.

Since its inception, the *Foundation* to fulfill its mission, has used what it calls the Backward Model for job creation. It first identifies job opportunities that remain vacant due to a lack of qualified individuals to fill them. It then proceeds to train the unemployed for these jobs. A prior commitment to hire successful trainees is obtained from employers. Even though this model integrates well with market-driven economies, it is not widely applied. The vital key to this "backward" model is that all recruited trainees have a guaranteed job upon graduation. In the years of the *Foundation's* work, it has helped create over 5,400 quality jobs.

Striving to ensure job creation, the *Foundation* concentrates on providing technical assistance to help NGOs make the important link between education, training, and jobs. Moreover, every two years the *Foundation* holds an 'Employment Projects Competition' that calls on NGOs to propose employment projects targeting innovative job creation. Informational meetings, application workshops, and field visits all help to ensure that applicants design projects that are more responsive to both community and market needs. To date, the *Foundation* has held two competitions and funded 12 projects amounting to LE 3.6 million.

The work of the *Foundation* could not be carried out without counterparts "on the ground." It has been encouraged and inspired by the NGOs, community groups, local and national entities, and the many social entrepreneurs and individuals who have made a difference in project initiation and implementation. Without its partners, the *Foundation* would be less able to identify the kinds of solutions that break through barriers, harmonize challenges, and forge new methods and ways of thinking.

Source: Hoda Saforim-Sawiris, Former Executive Director, SFSD.

Defend the Rights of Informal Communities are some examples of these recent efforts to secure basic social rights.

- **Consumer Protection:** Advocacy organizations that operate in this domain are officially estimated to number 671 according to data from the General Federation of Associations. Although their activities are essential — given shoddy goods, rising prices of essentials such as foodstuff and medication, as well as the alarming spread of fraud and corruption embedded in ordinary transactions — almost nothing is known on their role and effectiveness. This appears strange, given their large official number, and is an area where reliable research is needed.

- **Protection of the Environment:** These organizations are internationally classified under the advocacy umbrella. Although a specialized study in the early 2000s has estimated the number of active organizations in environmental protection at about 76, a large number of associations (about 4,416 at the beginning of 2007) officially register one of their activities with the Ministry of Social Solidarity as related to the environment. This figure is virtually meaningless since unsupported by evidence that such an activity does indeed take place.
- **Women's Organizations:** These aim at defending women's rights and progress by attempting to influence policy and legislation and by raising awareness on the

political, social, economic and cultural rights of women (see Box 3.3). Two types of women's organizations exist:

1. those that are created by women whose executive positions and membership structure include only women, and who service only women; and
2. those that target women and women's empowerment through national political, economic, social and cultural mechanisms, and who have opened their membership to men, based on the perception that women's issues need the strong support of society as a whole, and of men in particular.¹⁵

CURRENT TRENDS IN CSO ACTIVITY

First, a growing number of NGOs that focus on poverty are officially registered as developmental organizations. Most operate in poverty reduction, provide training and rehabilitation, and sometimes make available employment opportunities or small loans in cooperation with the private sector. In 2002 alone, 600 such development NGOs were registered following the introduction of Law 84/2002.

Second, the participation of private sector companies as partners in poverty reduction campaigns is a novel trend that reflects a growing acceptance of the notion of Corporate Social Responsibility (CSR). Egyptian businessmen have, for example, created a food bank through an NGO launched in 2004 to provide regular basic foodstuffs to an estimated two million poor families. However, this traditional method of disbursing direct welfare benefits is slowly becoming replaced by attempts to develop the means for sustainable self-reliance amongst poor communities. Chapter Seven provides detailed analysis of private sector support to SMEs via a number of forms of CSR.

Third, there has been an unprecedented interest in helping female heads of households (an estimated 22 percent of Egypt families are supported by women according to a 2004 study for the National Council for Women). NGOs are providing micro credit or charity cash payments. It must be noted that female headed households will be key beneficiaries of the new government program — Conditional Cash Transfers — which target these families in extreme poverty.

Fourth, more attention is being given to development in informal communities, particularly in Cairo — which has 86 informal neighborhoods. Associations in the Governorate of Suez have launched initiatives to promote development in informal communities in the town of Suez, and Alexandria, and other governorates are seeing similar activities following the principles of 'the right to housing', 'the right to a healthy environment', 'the right to education' and 'the right to medical care'.

Fifth, the introduction of small loans through both NGOs and government-dependent social agencies to assist small businesses is a welcome mechanism in creating entrepreneurial and employment opportunities for technical and university educated youth, encouraging them to engage in work outside of the public sector (see Chapter Six). However, there is a lack of accurate data on the number of beneficiaries or the volume of funds available, and nor is there any comprehensive evaluation of the impact of these programs on the national or HD levels. More monitoring and follow up are required in this area (see Box 3.5).

Sixth, there has been an expansion in the scope of business associations in number, fields of activity and membership. The first Egypt-U.S. joint business council was created in 1975 as an outcome of new *infitah* economic policies, as was the Egyptian Businessmen's Association created soon after. In 2007, the number of business associations stands at 58, almost half of which are in Cairo and Giza. In addition, there has been a rise in the number of businesswomen's associations, estimated at 16 in 2007. Associations accredited in 2007 by the Ministry of Social Solidarity as 'investors associations' add up to 23. In total, 97 associations for business groups became operational in 2007, reflecting a variety of interests, location and foreign investors.

Seventh, a number of studies have indicated that young people have been disinclined to participate in CSO activities and development efforts,¹⁶ partly as the result of traditional management attitudes that have downplayed the value of youth's potential contributions.¹⁷ To channel these idle productive energies, and in addition to

15. In 2006, Amany Kandil developed and implemented a survey of 370 organizations that aim at empowering women. In a follow-up and with the NGO Committee of Egypt's National Council for Women, a comprehensive database of organizations for and by women has been prepared, covering two elements:

(i) organizations operating in the field of women only, and
(ii) developmental organizations targeting women as part of other sectors. The total number came to 2,400.

16. Amany Kandil, (2007), *Youth in the Egyptian Civil Society System*, a study in association with UNFPA and the Arab Network for NGOs, Cairo, pp10-16 (Arabic).

17. Ibid

BOX 3.5 MOVING FROM CHARITY TO DEVELOPMENT: AL TADAMUN MICROFINANCE PROGRAM

The Women's Health Improvement Association (WHIA) was established in Cairo in 1936 to provide health care to TB patients and their families with a capital of L.E.0.70 raised by seven young girls through cooking and selling lentil soup. WHIA has since then expanded all over Egypt and has now 27 branches in almost all the governorates of Egypt which provide a myriad of social development services, including boarding schools for disadvantaged children, illiteracy classes, health care facilities, nurseries, homes for the elderly, computer training centres and finally micro-credit services for poor women.

The link between health and poverty has always been part of WHIA's strategy. Empowering the poor economically, especially women, has consistently proven to be the fast track method to improve the quality of health care provided to all the family members, particularly the children. The dream has been to empower one million poor women through microcredit. The experiences of Grameen and BRAC in Bangladesh, provided good models. However, WHIA needed technical assistance and help was sought from Save the Children, USA, Egypt Country Office, (SC/ECO) as Save the Children had similar programs in several other countries around the world.

Jointly began a Group Guaranteed Lending and Savings (GGLS) pilot program was begun in 1996, in the disadvantaged Cairo neighborhood of Abdeen, where WHIA's head office is located, using a grant of around L.E.250,000 from SC/ECO. As the GGLS Program developed well beyond the pilot phase in WHIA's Abdeen Branch, SC/ECO expanded into the poor neighbourhoods of Imbaba and Dar El Salam as well.

In July 2003, the three branches were merged as a partnership between SC/ECO and WHIA into a fully autonomous and sustainable program, *Al Tadamun Microfinance Program*, under the legal umbrella of WHIA. Currently, the Program has 11 operating branches in three governorate (Cairo, Guiza and Kalioubeya) being: Abdeen, Boulaq, Banha, Dar El Salam, Imbaba, Helwan, Mansheyet Nasser, Matareya, Shobra El Kheima, Shobra Misr, El Waraq and Banha, and serves more than 25,000 active borrowers, with a business plan to reach 20 operating branches and about 125,000 active borrowers by the end of 2011. Loan capital funding comes from donations from Egyptian businessmen and loans from the Social Fund for Development and Grameen Foundation. Rockdale Foundation funded training and capacity building. Bank commercial loans to create a track record for expansion purposes are starting to be obtained.

Al Tadamun's target client group is women microentrepreneurs, below, at and just above the poverty line in Egypt, who have existing economic activities, including home-based ones. The entrepreneurial poor are defined as disadvantaged individuals with existing economic activities and skills, rather than those with no business experience.

Solidarity Group Lending Methodology

Peer groups of women microentrepreneurs from the same geographical area receive loans and then make regular payment (twice a month). Groups are small and their members share collective responsibility and provide mutual guarantee of loan repayment.

Al Tadamun currently offers two loan products:

- *The Solidarity Group Loan* provides groups of women microentrepreneurs with small, individual, and multiple cycle working capital loans for the improvement of their enterprises.
- *The Seasonal Loan* aims to provide credit to female microentrepreneurs prior to major events (e.g. Religious Feasts, Ramadan, beginning of school, etc.).

Since July 2003, until the end of June 2007, *Al Tadamun* has achieved the following:

Total Value Loans Disbursed	LE 94,99,500
Total Clients / Groups Served	97,571/14,237
Number Active Clients / Groups	22,453/3375
Outstanding Portfolio	LE 13,271,747,91
Repayment Rate	100 %
Repayment Rate (Total)	100 %
Default Rate	0 %
Operational Sustainability	276,24 %
Financial Sustainability	105,66 %

Financial Indicators to end of 2011 are:

Total Value Loans Disbursed	LE 162,000,000
Total Clients / Groups Served	993,770 / 124,221
Number Active Clients / Groups	125,000 / 20,850
Outstanding Portfolio	LE 72,000,000
Repayment Rate	100 %
Repayment Rate (Total)	98 %
Default Rate	2 %
Operational Sustainability	120 %
Financial Sustainability	112 %

So far the borrowers of *Al Tadamun* generally use their loans in financing trade projects (approximately 85%), industrial projects (approximately 9%), agricultural projects (approximately 4%) and service projects (approximately 2%). The program also has an impact on the decision-making role of women within the family. Access to credit and increased income empower women to take a more pro-active role in decisions regarding household expenditure & children's education, health and nutrition.

Many micro-credit programs around the world have noted that women are more likely than men to spend their income on improving the quality of life of their children. *Al Tadamun* Microfinance program is based on working capital loans and provides for a small steady stream of income that encourages women to invest in their children, as opposed to economic activities which provide less frequent but larger returns which are often directed to the purchase of capital goods or consumer durables.

The borrowers of *Al Tadamun* also have access to the health care, education and other services provided by WHIA.

Source: Mona Zulficar, Chairperson, WHIA, Cairo and *Al Tadamun* Microfinance Program.

recreation and sport facilities, there has been a visible effort by CSOs to set up associations for the youth of Egypt for the acquisition of computer or business skills or for providing vocational training in income-generating semi professional activities. A 2007 UN study in cooperation with the Arab Network for NGOs shows that 303 NGOs now exist in Egypt — in addition to eight central associations with regional branches that focus on

youth. Of these, 167 associations or more than 50 percent were created in the last few years.¹⁸ Their number is higher in Upper Egypt — where there is a greater concentration of poverty and fewer opportunities for work. However, generally, youth organizations face major obstacles to becoming more effective, the most important of which are limited funding, poorly qualified cadres, and difficulty in attracting unpaid volunteers.



18. Figures provided by Amany Kandil, Background Paper to EHDR 2008.

BOX 3.6 THE NATIONAL COUNCIL FOR CHILDHOOD AND MOTHERHOOD AND CIVIL SOCIETY

The mission of the National Council for Childhood and Motherhood (NCCM) is to develop childhood and motherhood from a right-based approach. NCCM was established in 1988 through a Presidential Decree as the highest national authority in charge of the protection of the rights of Egyptian children. In addition to monitoring and follow up, NCCM is mandated with policy formulation, coordination and data collection. With the support of the UN agencies and different donors, the NCCM works in various development areas focusing mainly on children and mothers with special attention to the most marginalized and vulnerable groups. NCCM is not an implementing agency: its pilot projects are carried out by partner NGOs and CSO to demonstrate models that can influence policy and reform in the field of Female Genital Mutilation (FGM), Girls' Education, Tobacco and Drugs, Child Labor, Street Children, Children with Disabilities and Violence against Children.

NCCM does not have branches established at local level. Indeed NCCM established its entry point in the communities through a strong network of civil society composed of NGOs, students, volunteers, community leaders, academia, youth centers, schools, media and private sector. Significant examples demonstrate the use of volunteers and youth network as an essential tool in reaching out the most marginalized target groups and the engagement of NGOs as catalysts to activate the local communities.

Amendments to the Child Law. NCCM guided and coordinated a participatory exercise for strengthening legal protection to the rights of the child through amendments to the 1996 child's law. The child protection network and a number of other NGOs have been involved in the draft of the amendments and in the lobby campaign at local level and national level.

Through the **Drug Project** NCCM has built a strong network of youth leaders able to resist negative peer pressure. 300 social workers and 12,000 youth leaders are now moving around their communities to raise awareness against drugs; a manual to empower youth was merged within the formal schools' activities with the endorsement of the Ministry of Education; a

National Strategy for protecting youth for substance abuse was developed in a participatory manner and was launched by Her Excellency the First Lady of Egypt. The project was also able to activate the role of NGOs working in the field of prevention where 49 community mobilization projects were implemented in collaboration with 24 NGOs in 14 Governorates. The first Union of NGOs working in the field of Drug prevention was established presenting a successful model of coordination.

Within the **FGM-Free Village Model Project**, 20 NGOs and 40 UNVs have partnered with NCCM to reach out local communities providing health and educational services while increasing awareness of FGM within a child rights framework. The project represents an initiative towards the elimination of Female Genital Mutilation in Egypt. The NCCM innovative approach targets communities at large and creates an environment conducive to dialogue where influential groups (community leaders, teachers, mothers, midwives, and men) can support families to eventually abandon the practice. NGOs and volunteers also respond to the increasing numbers of calls to the Child Helpline, and provide counseling and follow up on cases reported. Recent developments scaled up the pilot project setting the bases for the development of a national strategy and action plan that will involve all the key partners in Egypt in a coordinated manner.

Ten different NGOs and 120 youth work with the **Think Twice Project** to communicate clear and meaningful messages intended to eliminate prejudices, enrich policy dialogue, empower youth and influence behavioral changes on a wide range of issues related to youth and children rights. The project developed integrated communication campaigns at national level and created communication centers at local level offering new opportunities for the youth and children advocating for child rights through art and media.

Under the guidance of NCCM, many other initiatives involve NGOs and youth: Family Justice, Child Labour, Street Children, Poverty Reduction and Birth Certificates and Disabled Children.

Source: Simona Galbiati (2008), UNDP Egypt.

Eighth, protecting children and their rights has—since the beginning of the century — been an area of vital concern for associations in Egypt, reflecting values that are deeply embedded in the culture. What is new today is the emergence of an advocacy approach — away from the previous concentration on service delivery and social or medical care. There has been a rise in the networks that effectively address children's rights and observe and monitor activities that relate to children (see Box 3.6). In Egypt, an estimated 2.5 million children work. An important initiative activated in 2006 and called "Children at Risk" with the partnership of CSOs, the National Council for Childhood and Motherhood and the EU addresses the problems of child labor, street or

homeless children, or those with special needs. Similarly, the education of girls is linked with initiatives and partnerships between civil society associations (especially in Upper Egypt), the National Council for Motherhood and Childhood and international donor agencies or institutions.

ESTIMATING ECONOMIC CONTRIBUTIONS

Utilizing international quantitative indicators that are recognized by Egypt make it possible to measure some of the economic and social contributions of civil society organizations. Survey figures from the GFA and the Ministry of Social Solidarity are used to estimate financial contributions in Egypt.¹⁹

19. *ibid*, Amany Kandil (2008).



Protecting children and their rights has been an area of vital concern for associations in Egypt

Size of revenues: The first indicator deals with the size of revenues and expenditures of civil society organizations. Available 2007 data from analysis of the GFA Survey shows that the total revenue of 15,150 associations is LE 1.928 billion (almost 2 billion pounds). These revenues include: membership fees (very limited), gifts, donations, grants, government financial support (to about 30 percent of the associations), and foreign funding. Average revenue for each association is about LE 127,239, with variations in revenue levels according to size of association (large, medium, and small).

Expenditures: The second indicator is the expenditures of associations as a whole. Expenditure of all NGOs in Egypt amounts to nearly LE 1.471 billion. Average expenditure for each association is LE 97,078. The difference between expenditures and revenues represents an income that could support the activities of the association since they are non-profit entities. This amount is about LE 458 million according to GFA.

Foreign funding: According to official data from the Ministry of Social Solidarity in 2006, a total of 249 NGOs acquired foreign funding as stipulated by Law 84 of 2002. Cairo and Giza associations head the list with 65 and 21 associations respectively. Cairo alone represents almost 56 percent of total foreign funding. The lowest share for foreign grants was in all the frontier governorates, Fayoum, Port Said, Wadi El Gedid, Sharkia and Damietta. It has increased relatively in Menia and Suhag governorates. It is remarkable in this context that the total value of foreign grants is LE 300 million as registered by the Ministry of Social Solidarity (almost US\$51 million). This total does not correspond to significantly larger figures cited

in studies of the actual value of grants announced and documented by foreign institutions to some of the civil society organizations in Egypt for the same year.²⁰

Employment: Another indicator is the employment opportunities provided and the percentage value of these compared with opportunities at the national level. The total association workforce in 2006 was 100,761, which indicates limited employment in the civil society sector, especially when the Ministry of Social Solidarity assigns two workers to each association. The total number of workers assigned by MOSS to CSOs was 12,889 in that year. On the other hand, the permanent employees of associations excluding volunteers and contract-based employees is placed at 44,731 with the highest share in Cairo (13,864).

If compared to those of developed or developing countries, the previous indicators relating to funding and employment are extremely modest.²¹

GLOBAL CIVIL SOCIETY AND NETWORKS

GLOBAL CIVIL SOCIETY: THE CONCEPT

The simplest definition of 'Global Civil Society' is that it is the interaction of a number of civil society organizations, each in a specific country context, and which together are able to consolidate or dissolve in a dynamic process at the regional and international level. The purpose is to promote mutual causes — such as promoting democratic practices or fighting HIV/Aids.²² Groups of global organizations are often referred to as transnational civil society, or non-govern-

20. Kandil (2008), op.cit.

21. Johns Hopkins Comparative Study, (2003) op.cit.

22. For example, a specialist group meeting at Harvard University Institute for International Development focused extensively on the exercise of democracy in the developing country networks.

BOX 3.7 SUCCESSFUL EXPERIMENTS IN PARTNERSHIP

A great deal of work is still needed to understand the forms of representation and legitimacy that are emerging in participatory governance processes, but some countries have already engaged in joint government/civil society partnerships with promising results.

Brazil's "Citizen's Constitution" of 1988 established public participation in the delivery of local services as a right, with a vast number of municipal-level councils created across this large country to link elected officials, neighbourhood representatives, and service providers in almost every sector, notably health, education, and youth. Councils were mandated to bring together representatives of neighbourhoods, social movements, and civil society organizations with service providers and government representatives to govern the relevant policy at the local level. Local-level participatory planning was often accompanied by a process of participatory budgeting.

In India, Constitutional Amendments 73 and 74 gave local governments the task of planning for development beginning at the village level. As a result, grassroots planning processes were carried out in thousands of villages that were then approved by direct vote in popular village assemblies on budgeting, levying taxes, agriculture, natural resource management, village security, infrastructure, education, and social justice. While local councils are not always granted adequate financing from central government, in some states, they have received up to 40 percent of the state budget allocation for local services. Constitutional Amendments have also mandated that one-third of local council seats should be reserved for women, with similar reservations made for those of the lower castes and tribes.

Source: John Gaventa, "Strengthening Participatory Approaches to Local Governance: Learning the Lessons from Abroad" <www.ids.ac.uk/logolink>.

International networks and alliances are a valuable means to activate the role of local civil society organizations

mental multinational organizations — depending on the nature of the activity that brings them together.²³ Some also exhibit the characteristics of global social movements.²⁴

Following the events of 11 September 2001 there has been a reappraisal of the idea of a uniform global civil society as a homogenous entity.²⁵ The presence of diverse material and human capacities within global networks, different agendas, and disagreement over goals and means has raised the suspicion that global civil society might be nothing more than a fashionable catch-all concept. After all, the coalition of a few organizations cannot represent all sectors of civil society, and in extreme cases, may actually dispossess national representation in certain sectors rather than help upgrade local performance. The concept must then be treated with caution, and raises the issue of the democratic representation of organizations that are said to be part of global civil society, and their sources of legitimacy on the national and international levels.

However, practical experience argues that international actors on the national and international level are in fact, already present in today's globalized world, and have led to changes in the traditional understanding of sources of influence. Partners most frequently represent reliable international and

national agencies, and have both voice and credibility with the policy community and decision makers. Global civil society, the argument goes, is a phenomenon that goes beyond boundaries, where citizens from every nationality and belief come together to defend internationally accepted values and whose ambition is to fight global poverty, raise the quality of life of the world's dispossessed, expand and improve the educational opportunities of the underprivileged, provide quality medical care for all who need it, conserve the environment, raise the profile and conditions of women, and defend human rights. There may be disagreement over the means, priorities, or other secondary issues but there is consensus over these key development tasks.²⁶

The UN estimated the number of international networks at more than 60,000 at the beginning of 2000. These networks include non-governmental organizations and represent members from civil society organizations all over the world. A large number play an advisory role in the United Nations Economic and Social Council. These networks are now classified as regional, continental, and global, and their activities either focus on issues such as women, children, human rights, democracy, or development, or are based on membership in a specific professional field (lawyers, doctors, researchers, specialists). All of these developments suggest that a movement is now well underway, where coalitions from civil society across the globe are taking on an increasingly vibrant role, promoting communications and cooperation beyond the geographic boundaries of the state.

23. Johns Hopkins Comparative Study, *op.cit.*

24. Examples are given by Mary Kaldor in *Global Civil Society* (2003, Polity Press, London) of global civil society that take the phenomenon back to 1970s and 1980s' social movements, think tanks and commissions, transnational civic networks of the 1990s, new nationalist and fundamentalist movements of the 1990s and anti capitalist movements of the 1990s and beyond.

25. Group of experts and researchers, CIVICUS: World Alliance for Citizen Participation, in cooperation with the Arab Network for NGOs, Cairo, 1996, p. 5. (Arabic)

26. Kaldor, *Ibid.* While the cold war offered some peace via deterrence, the end of the cold war opened new spaces for violence in many countries where poverty and radicalism fester. Hence the emphasis on human rights, sustainable poverty reduction.

BOX 3.8 WEAVING NETWORKS FOR COORDINATED CSO ACTION

As processes of globalization advance and information and communications technology rapidly develop, networks have emerged in the last two decades as an effective organizational mechanism for civil society organizations to advocate for and implement change. By combining their efforts, CSOs working through networks, coalitions, and partnerships can achieve greater impact, scope, and scale and enjoy greater weight and success than a single organization or individual. Regional and national networks of organizations can also experience benefits in increased influence on policy processes involving a multitude of actors from government, private, and civil society sectors. International or global coalitions of CSOs are also on the increase, but participation in these is often regulated by national governments wary of untoward interference in domestic affairs by foreign actors.

However, the trans-national nature of problems such as environmental protection and HIV/AIDS presents opportunities for networks to expand into international or global coalitions, so as to facilitate and promote coordinated responses. Also, donor agencies involved in technical assistance or service provision understand that working with CSO networks with similar goals can create greater synergy and harmonization of efforts. Further, coalitions of CSOs can have an important role in helping governments formulate policies as well as monitoring and evaluating their implementation. Often this increased involvement requires them to adjust their roles

and functions and adopt a broader vision of their potential impact and influence beyond service delivery and program implementation.

Strengths and Advantages of Networks

- *Knowledge creation and sharing:* Networks can serve as effective channels to generate and distribute credible and high quality research and knowledge about an issue to inform policy debates. Often networks include scholars and academics and research collaboration among a range of partners can produce comparative studies by proposing solutions based on the successful experiences of other countries.
- *Creativity:* Networks facilitate the gathering and exchange of ideas among a diverse range of organizations. CSOs can discover links between different issues; observe similarities and differences in the scope and scale of problems; and learn about management strategies and tactics of others.
- *Complementary work:* Networks combine the diverse talents, capabilities, skills and expertise of a wide range of persons and organizations to assign roles and tasks according to the strengths and areas of expertise of partners.
- *Solidarity and socialization:* As networks reach consensus on specific goals, they produce common messages that can be disseminated through a variety of avenues and channels and thus build a stronger platform.
- *Relevance:* Membership in a well-regarded network can improve the reputation and credibility of CSOs.

- *Political weight:* Networks that include organizations that have experience in engaging decision-makers are more likely to be viewed as legitimate and effective. This is especially true when networks are highly visible within the international arena.
- *Laboratories for citizenship and democratic practices:* Networks that are able to promote internal democratic practices of inclusion and openness will be viewed more favorably by policymakers as legitimate representatives of a wide group of organizations.

Constraints Within the Political Environment

- Governments that do not have the political will to open up to CSO networks can be one of the most challenging constraints to network activities, particularly in the area of policy formulation.
- Networks must take care that cooperation with government officials does not compromise their status as independent and representative coalitions of CSOs with broad social support.
- In countries with authoritarian institutions, networks might find it difficult to approach regional or global institutions in their efforts to solve national problems.
- While 'going global' might have a positive effect on domestic policies, there is a danger that this could increase the influence of multi-lateral institutions at the expense of processes of domestic coalition building.

Source: Adapted from "Weaving Global Networks: Handbook for Policy Influence" Vanesa Weyrauch, Centre for the Study of Globalisation and Regionalisation, CSGR Working Paper 219/07, February 2007, University of Warwick, UK.

BUILDING NETWORKS IN EGYPT

In the 1990s, in the Arab region, international networks and alliances became identified as a valuable means to activate the role of civil society organizations, increasing the reach of these to influence public policies and legislation and speeding the process of human development. In Egypt, they were seen as an essential component to capacity building, in providing knowledge and experience, in amplifying good management practices, and frequently, in ensuring financial sustainability. Further, the high status and professional reputation of some international partners gave great weight to their policy recommendations.

Although international networks have been perceived as a mechanism to achieve development goals, they face a number of obstacles in Egypt. Experience indicates that for Egypt's CSOs, there is a general lack of familiarity with collective work as well as poor negotiating skills, not only among organizations but often within one

organization. Weak exposure to the culture of democracy has also narrowed the ability to participate as equal partners. This is unfortunate, since good networking management requires a degree of compatibility in the skills of local and international actors.²⁷ A further disincentive to networking is built into the legal terms of Law 84/2002. This requires permission from the Minister of Social Solidarity for membership in an international network, thereby imposing a number of time-consuming bureaucratic hurdles, with no guarantee of success at the end of the long process.

Additionally, the institutionalization of the network may run up against inflexibilities inherent to the legal framework. Membership appointments imposed by the authorities may not have the requirements and qualifications needed, and could be detrimental to efficiency even though necessary for the survival of the network. Effective leadership, able to articulate a vision, set targets and define priorities is a challenge if

27. For further details, refer to Rajesh Tandon, *Networks of Development, Society for Participatory Research in Asia*, New Delhi, (1998) pp 3-4.



Cultural norms can impede the practice of good governance

the network is to transform into a model of democracy and collective work. Cultural norms can impede the practice of good governance; authoritarian leadership, lack of transparency as well as the inequitable sharing of partnership benefits are some of the risks intrinsic to poor management, as is the inability to bridge the gap in status and experience between leadership cadres and lower echelon volunteers.

Cooperation based on commonalities is important in Egypt and the Arab region where network member organizations frequently compete amongst themselves, or when there is friction between the network (as an institutionalized body) and its diverse members, or indeed, between members within one organization. A related concern is commitment to a common code of ethics which does not offend faith-based beliefs or culture. However, eighty six ethical guidelines for civil society organizations were thrashed out by the United Nations in 2001 (including the code of conduct of the Arab Network for Civil Societies and NGOs and the Arab Declaration for Transparency), and these serve as a baseline for ethical conduct.²⁸

‘UNOFFICIAL’ NETWORKS IN EGYPT

‘Unofficial’ networks are defined as open to all interested parties, do not have a legal status, have no subscription fee or standard structure, system or governance framework. There is however a mutually accepted working framework, usually initiated by the main or support organization. An example is the initiative of the Coptic Evangelical Organization (CEOSS) together with 180 other organizations that operate in many areas of development.²⁹

In the 1990s, a variety of CSO networking activities from ‘unofficial’ Egyptian organizations took place during several international conferences such as the World Conference on Human Rights (Vienna, 1993) and the International Conference on Population and Development (Cairo, 1994). This last event prompted the most networking activity during preparations for the international event and at the implementation stage of conference recommendations.

Additionally, the World Summit for Social Development (Copenhagen, 1995) and the Fourth World Conference on Women (Beijing, 1995) followed by a number of international NGO seminars associated with these conferences drew much attention from activists in Egypt. The outcome was the creation of several networks, the most effective of which focused on the following areas:

- *Women’s Empowerment:* The main example is the Alliance for Arab Women (AAW), which led in the preparation for and participation in the Fourth World Conference on Women (1995) and also in the follow-up to the recommendations of this conference. To-date, the AAW plays a powerful and effective role in helping women’s organizations start up, network, and expand, particularly at the governorate level. It contributes towards raising awareness for women’s rights and helps prioritize other gender issues in the public eye by aiding projects related to women.

With the participation of more than 200 NGOs, the AAW agenda has promoted political and civic rights for women (such

28. Amani Kandil, Background Paper for EHDR 2008. See World Association of Non-Governmental Organizations, Code of Ethics and Conduct for NGOs: <http://www.wango.org/codeofethics.aspx>
29. www.ceoss.org.eg

as activating the right to vote and be nominated to run for Parliament); it has been instrumental in raising the pressure to open up positions in the judicial system where women judges have since played a distinguished role; it has participated in efforts to reduce poverty, especially among female headed households and battered women.

Noticeably, the AAW does not rely on legal registration for this women's network of civil associations and institutions. Rather it acts within the framework of flexible networking without an official membership system or any legal status for the groups working 'unofficially' together. This may well be one of the reasons for its successes.

- *Human Rights*: Most coalitions, and alliances among human rights organizations in Egypt (nearly 61 organizations in 2007) are also 'unofficial'.³⁰ They usually emerge as a response to major rights-related concerns, or to state-sourced challenges (such as provisions in Law 84/2002 seen as a threat to freedoms, or state monitoring of foreign funds). They also dispute the state definition of 'acceptable political activity'.

In monitoring the national elections of 2005, the existing 43 human rights organizations at that time operated under three main coalitions or alliances characterized by a high degree of coordination. This well-executed intervention gained the respect of much of the media and public opinion.

OFFICIAL NETWORKS IN EGYPT

Law 84/2002 provides the right to civil associations operating in the same activity to establish a union of at least 10 civil associations. These specialized unions or networks have to be registered at the Ministry of Social Solidarity. According to official 2007 data from the MOSS, the last five years have seen the creation of an estimated number of 87 such networks across Egypt, representing a variety of interests. No evaluation studies are available on these unions because they are fairly new.

EGYPT'S CSOS AND ARAB AND GLOBAL NETWORKS

The number of official Egyptian networks that operate legally in human development and capacity building is low compared to total association numbers and population. In consequence, membership of Egyptian CSOs in regional or international networks is also low. A study conducted by the Arab Network for NGOs on Egypt and the Arab region indicated that there is still some confusion about the role and value of partnerships and the role of global donor agencies.³¹ The fact that partners will not necessarily provide funding often weighs heavily in situations where financial resources are limited. Additionally, the Arab Network database shows that in 2000 only five percent of 4,300 Egyptian civil associations operating in development were members of Arab or global networks. This number may have increased since then. In a second study of 2,800 women's organizations analyzed in the Arab Network database, membership in global networks rose to eight percent.³² Reasons include the heightened global profile of gender issues and the growing awareness of network contributions to securing basic human rights in Egypt and the Arab World.

In cases where membership fees are required, again, only a small number of civil society organizations from Egypt can afford to join global networks. For example, the highly respected International Alliance for Citizen's Participation CIVICUS has a total membership of 86 organizations from the Arab region, only 17 of which are from Egypt. Similar low figures apply to the International Association for Voluntary Efforts (IAVE) and the International Society for Third Sector Research (ISTR), where membership of Egyptian organizations is 16 and 13 respectively. Another reason for low participation figures obtained through polls suggests that civil society organizations are primarily concerned with ensuring foreign funding to complement their often meager resources, and tend to withdraw when funding runs out.³³

It is clear then — the case of human rights and women's organizations notwithstanding — that the concept of networks is still relatively new to the

30. Figures from Kandil, Background Paper to EHDR 2008.

31. Arab Network for NGOs (2007) Evaluation of the Arab Civil Society Networks, Cairo.

32. Ibid.

33. Mentioned by Adel Zaher (2004) in polling conducted on behalf of the National Council for Women, Egypt.

Egyptian experience, and that the preconditions for successful participation, notably management skills and resources, are often missing. There is also low awareness of the capacity building value added of networking with both local and international bodies, and the benefit of collective influ-

ence on the policy process. Networking has historically been closely tied to large international events although recent trends suggest a growing recognition of its advantages to local interest and service groups.

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ANNEX 3.1 A STUDY ON GOOD INTERNAL GOVERNANCE AND CSOS IN EGYPT

A small 2007 survey attempt by the Arab Network for NGOs was conducted on behalf of the EHDR 2008 to monitor and analyze the features of good internal governance in civil society organizations using a small sample group consisting of 120 NGOs. Two tools were designed, the first a forty-item questionnaire which covered the rule of law, the practice of democracy, transparency and accountability, partnership with other actors, the extent of performance evaluation, as well as other dimensions of good governance. The second tool used focus group discussions to allow participants the freedom to criticize and speak openly on sensitive issues not covered in the questionnaire.

The sample represented a variety of the organizations, in size, diverse areas of activity such as advocacy, developmental, services and welfare delivery, and in geographical distribution (including Cairo, Lower and Upper Egypt). The questionnaire was followed by two focus group discussions based on questionnaire results. The first group included members of boards of directors, organization members and executive directors in Cairo, Giza, Kalyoubia, and Fayoum. The second group included representatives of organizations from Sohag, Qena, Damietta, Alexandria, Arish, and Wadi El Gedid. Each discussion session lasted for about three and a half hours and included 15-18 participants.

Study results indicated the following:

- Statistical analysis of the basic data revealed that 67% of the sample had 5-10 members on their boards of directors.
- A very limited number of women (five or less women overall) were in decision-making positions or on boards of directors in 79% of organizations. A quarter of the sample had no women at all on their boards of directors.
- Although the sample group was selected from organizations with a dominant activity, the analysis confirmed the general observation that specialization was rare and a number of different activities were taking place.
- Almost half (44%) of the respondents identified the board of directors as solely in charge of internal regulations, less than one quarter of the sample said that they consulted with the general assembly on these, and 4% said that it was the chairman of the board's responsibility. Some respondents wrongly believed that the Ministry of Social Solidarity set all internal regulations.
- Over 60% of the sample said that there were no time restrictions on occupying executive positions in the association, meaning that the time limit of occupancy rotation is not enforced. 46% of the respondents acknowledged that the same person had headed of the board of directors over a period as long as ten years, or since the creation of the association, 30% said that the chairmanship had rotated twice, and the remaining associations had experienced three or more chairmen.

- 50% of the sample did not provide an opinion on the provisions of Law 84 /2002, possibly due to caution or lack of knowledge. Focus group discussions, on the other hand, showed great enthusiasm in criticizing Law 84/2002 and offered suggestions to amend the Law including:

Amending the provision on the requirement of administrative entity approval to receive foreign funds;

1. Abrogating the article requiring administrative entity approval for membership in Arab and international networks;
 2. Abrogating the administrative agency's right to reject any founders of the organization;
 3. Strengthening and promoting the role of the association's general assembly in supervising the board of directors;
 4. Amending the article on the right of the administrative agency to dissolve an association without resorting to law;
 5. Requesting exemption of all kinds of taxes for associations;
 6. Appointing boards of directors for five rather than two years;
 7. Amending the article that allows boards of directors to appoint a board member as manager of the association;
 8. Clearly spelling out the prerogatives of and limitations on the chairman and board members in their financial and managerial duties;
 9. Implementing legal amendments to encourage youth volunteers.
- Fifty-nine% of the sample said that management of work was done collectively, but 30% said 'sometimes' and 6.6% answered 'never'. Focus group discussions exposed, however, the frequent monopoly of a small number of board members in decision-making. They also said that 'individualism' was predominant at work.
 - Disputes and differences were always dealt with inside the organization first through personal efforts and connections, then by using arbitration based on internal regulations and laws. In a few cases, arbitration was conducted through the general assembly.
 - On the general assembly, 80% of the questionnaire responses indicated that this body takes part in discussing programs and policies. In focus group discussions, however, there was general agreement that the general assembly was most frequently marginalized. Focus group participants referred to individual or 'gang' approaches to policy and program-making.
 - Obstacles that impede the practice of democracy were referred to in the questionnaire (with a 50% abstention) but more clearly vocalized in the focus groups. These included:
 - An individualistic cultural legacy which obstructs collective work (25%);
 - Authoritarianism in decision-making within the organization (17.4%);
 - Law 84/2002 that encourages 'bureaucratic' administration and state interference in the associations' work (6.6% of the questionnaire respondents, and the majority in the focus group discussions);
 - The absence of a culture of democracy, domination of the chairman of the board of directors, and marginalization of the general assembly (responses mainly from the focus groups).
 - Seventy percent of the sample organizations suffer from the limited number of volunteers, relying on personal connections and relationships. The most cited obstacle (one quarter of the sample) was the absence of material incentives or salaries, followed by no culture of voluntarism, time constraints and economic burdens, and the absence of preparation and training for volunteers.
 - Partnerships were weak and unsustainable, especially where partnerships with government or international organizations were tied to financial support or to specific time-bound projects (36% of sample). There were also very limited partnerships with the private sector (5 percent).
 - Only 15% of organizations relied on needs assessments, field observations, and opinion polls. However, the majority of the sample spoke about consultation with the local community.
 - Eighty-eight percent of the sample said they openly declare their sources of financing (33% in the General Assembly, 12% in printed materials, 4% on their website, and 14% in seminars and meetings). Fifty two percent of the sample made reports on board meetings available to general assembly members, 58% indicated the possibility of making information about the organization's activities and budgets available to the public, while 11% declined to make information available on source and size of their finances.

It is clear that the focus group discussions revealed a lack of understanding of the concept of good governance. Most of the participants responded with irrelevant definitions, which indicates a degree of ambiguity over the concept. Clearly, more knowledge and information is needed, especially by those organizations in the governorates, possibly coupled with training workshops for capacity building. Preferably, these should be planned interventions to raise performance. This process would include the free flow of information, upgrading skills in information technology, with support for more research on the NGO sector.

ANNEX 3.2: BEST PRACTICE CDAs IN PARTNERSHIPS

Partnerships between the state and civil society have become more tangible, and this perhaps is best seen in relationships with associations that have traditionally had closer ties with government. Engagement has been particularly fruitful

between local administrations and those community development associations (CDAs) that have remained active or that have recently become reactivated through alliances with local government, NGOs and community residents..

CDAs, strictly speaking, fall into a grey classification area, given that they are neither fully voluntary, nor fully independent. Many today have become dysfunctional but this does not refute their potential usefulness. By virtue of their mandate to service areas whose coverage does not extend beyond the administrative limits of a village or neighborhood, they are positioned to respond rapidly to community needs. In addition, CDAs are geographically spread; they exist in villages, cities and districts across most of Egypt's governorates. Their links to local government and administration enables them to network more closely with the bureaucratic apparatus, while the elected members on their boards give voice to the community. It appears therefore wasteful to consider that they have become obsolete.

It would therefore seem more productive in development terms to rehabilitate those CDAs that are stagnant or inoperative, with help from partnerships, to fulfill social service and basic infrastructure needs, as well as environmental improvements. These partnerships could include planning, identifying priorities, execution and implementation in a sustainable manner.

To identify the trends and dimensions of partnerships between local administration, CDAs and civil associations, three successful experiences representing a variety of locations have been selected. These are:

Atwany CDA: Health and Environment

The CDA of Atwany village (Edfu, Aswan Governorate) engaged, from 1995 until 2005, a program of improving health and environmental conditions and is an example of partnership with the local administration of the village. The program consisted of environmental and health awareness raising; completion of the sanitation network in Atwany village in coordination with the Sanitation and Drinking Water Authority (SDWA) of Aswan; tree planting on 50 acres of desert land irrigated by treated sanitation water; planting of 3,000 shade trees on village streets; and collection and disposal of garbage and solid waste.

Atwany was responsible for coordinating activities of the executing agencies and devising solutions for overcoming obstacles in program implementation. The CDA researched priority needs and collaborated with SDWA in studies and designs for the sanitation project, in preparing technical bids and providing technical supervision of the sanitation upgrading project. It also combined efforts with relevant agencies to implement awareness raising, tree planting, land reclamation, and garbage collection and disposal.

The local administration provided technical consultancy during execution as well as technical supervision, approving licenses required for accessing local utilities, allocating public land for a garbage disposal site and the tree 'farm', participating in the contracting process and in awareness raising.

Village residents supported activities through cash and in-kind contributions. Each resident paid the cost of their household connection to the sanitation network. Residents also contributed to planting trees throughout the village, with support from the local Agricultural Association and the Agricultural Administration of Edfu. Edfu SDWA supervised execution of the sanitation project. The Atwany medical unit contributed to health and environmental education awareness. The General Electricity Authority of Edfu provided electricity converters and generators.

Mechanisms of project partnership included a supervising committee responsible for overcoming financial, technical, and legal obstacles. This included representatives of all stakeholders. An executive committee included Edfu mayor, town and district representatives, members of the project's executing agencies, funding agencies, and beneficiaries. A monitoring committee included technicians and specialized village residents to monitor operation components and an executive project manager to coordinate activities of partners, manage funding, and ensure completion of required procedures.

The project is a pioneer in Aswan governorate. CDAs from surrounding villages and other governorates have sent representatives so as to replicate this experience. The project also contributed to the registration of other civil associations in Aswan. Among other positive impacts, local administration issued orders to strengthen cooperation between the governorate's civil associations, the environmental affairs agency and academic institutions in the governorate. The project also drew the attention of the governorate's local leadership and administration to environmental problems, which were previously not among their priorities. Atwany CDA has received numerous local and international certificates of appreciation.

Dandara CDA: Sanitation

In Qena governorate, the village of *Dandara's* CDA's integrated environmental sanitation project included clean drinking water connections to deprived families, establishing a system for garbage disposal and emptying septic tanks, and filling in an open pond in the village to transform it into a public park. The CDA recruited local community members as volunteers and provided them with capacity building and training in communication skills and environmental awareness. Rural female leaders visited households to discuss village problems and encourage participation in the environmental projects.

The local administration was the main partner in the project. It obtained Qena Governor's approval and provided technical, consultative, and financial support for implementation. Specifically, the local administration allocated two pieces of land from state property to establish a park and a dumping ground for solid and liquid waste. It extended water mains to connect houses

deprived of clean drinking water to the water network, and was also responsible for monitoring the operation and maintenance of the sanitation project. Awareness raising was conducted on environmental regulations and laws and the risks of pollution to health and well-being.

The private sector took an active part in executing and supporting the project's activities. Village businesses provided cash and in-kind contributions and the contractor that filled in the pond donated loads of pebble and soil. Village residents contributed time and effort during all stages. They assisted in filling in the pond by lending water pumps and leveling the pebble soil that filled in the pond. The Integrated Health Hospital also conducted awareness campaigns to inform on the dangers of pollution on health.

Dandara CDA networked with a number of civil associations during the implementation phase, networking with El Tramesa CDA, Yosef Village Environmental and Community Development Association, and Al Gebeil CDA to exchange experiences and encourage replication of the project.

The main source of funding was a grant offered by ESDF during execution of all stages. Financial sustainability was also supported through use of a revolving loan for the installation of water connections, and the collection of symbolic fees for garbage collection and septic tank evacuation. Income generated from the library, cafeteria, and wedding hall in the newly-created park helped to cover some expenses. A portion of the proceeds from the water connection loans was used to finance awareness activities. There were continuing capacity building activities for employees and volunteers. In addition, bestowal of the project's maintenance and monitoring operations on the local unit ensured sustainability of newly installed water connections.

El Shaeer Island CDA: Drinking Water and Fire Fighting

In Qalyubia governorate, El Shaeer Island CDA project was executed during 2005/2006 and aimed at improving the health and environmental conditions of 3,800 low income families through proper clean drinking water and an efficient fire fighting system. The project was supported financially and technically by the ESDF due to the limited resources of local administration and difficulties in incorporating the project into the governorate's investment plan.

Local administration supervised the execution of the project, monitored all of the project's technical operations and provided licenses and approvals for digging and execution operations. It participated in the contracting process and determined technical specifications. After completion of the project, local administration took on supervision of the water network, the operation and maintenance processes, and future replacement and renewal operations.

The CDA appointed a manager, an administrative team, and an accountant, and contracted with an executive consultant. It also coordinated the participation of community residents and the local administration in the implementation of the project. Training sessions improved the capacities of community members and promoted environmental awareness and the economic use of water. The CDA also employed 25 male and female health and environmental leaders to maintain and monitor use of the water network.

Mechanisms of project partnership included a popular committee with representatives of community residents, community leader, and executives of the local unit. The committee was responsible for identifying families in need of drinking water connections and specifying locations for installation of fire hydrants. It also determined ways in which residents could participate in the project through cash or in-kind contributions and recruited female environmental leaders to raise people's awareness. An executive committee included representatives from El Shaeer Island CDA, the local unit, and the project's funding agency. Its role was to monitor implementation, develop solutions to obstacles, set a time frame, and follow up on the work plan.

In addition to providing drinking water and a fire fighting system for residents, the project had a significant impact in enhancing local community capacities to assess needs and to work towards addressing them. El Shaeer Island CDA took a number of steps to ensure project sustainability. These include recruitment and training of volunteer health and environmental education leaders, using consultants on the contracting process and ensuring legal protection of the CDA. Sustainability was also guaranteed by delegating operation, maintenance, and renovation of the water network to the local administration and by giving responsibility for project monitoring to the popular committee supervising the project. Periodic opinion polls to project beneficiaries regarding service quality were also used as a mechanism for guaranteeing sustainability.

Why Best Practices?

These experiences widened the scope and diversity of partnerships, creating new developmental roles such as in the infrastructure sector. They promoted the idea of joint social responsibility and on the need to utilize capacities and social resources in a more organized manner. Moreover, the scope of benefits of some projects extended to include potential replication in surrounding areas, raising awareness of CDA's development role and consequent cooperation from governmental agencies, hospitals, and, in some cases, the private sector. Joint working groups, partnership agreements and cooperation protocols helped institutionalize the role of CDAs.

Drawing in the local population on decisions and procedures — from identifying and setting priorities to evaluation of the projects and sharing in the responsibility of their administration and monitoring — resulted in behavioral changes as these adopted a participatory development approach. It also highlighted the values of democracy, and built trust between government and citizens, creating more transparency.

On a national level, these and other experiences influenced public policies. The governor of Aswan replicated the El-Atwany initiative in another village in the governorate in partnership with an NGO. Similarly, the governor of Qalyubia is replicating the El Shaeer Island potable water project in other villages in the governorate.

It is important to add that best practice NGOs, either in partnership with successful CDAs or independently, have also benefited from the executive and technical experience of the staff of local authorities, particularly with regard to project implementation and the legal and financial procedures related to such activities.

The success of joint development experiences between local authorities and civil society enhances their capacity to influence decision-makers to adopt citizen demands and needs to replicate the experience. One major benefit of partnership is the creation of communication channels with the executive authorities to transform the poor and marginalized into empowered citizens.

Contributed by Hoda el Nemr, Institute of National Planning.

ANNEX 3.3 NARRATIVE ON HOW A COMMUNITY DEVELOPMENT ASSOCIATION WAS REACTIVATED

In an unusual breezy evening, the staff of the Alliance for Arab Women (AAW) were meeting with a group of village leaders in the Mayor's guest house in Becht Ammer — a village in the Menia el Kamh *markaz* of Sharkeya governorate. A project for empowering women through community development was to be launched and the meeting was to discuss the project's goals and objectives, methodology, partners, roles, resources and so forth.

The villagers expressed great interest in the endeavor and started listing a variety of problems which the project should address. To their surprise, the AAW staff suggested that the start should be with the assets and the resources, which the village already had, rather than starting with the difficulties and the problems. A pause of some minutes, and the villagers picked the discussion again. They gave information about the existing services and programs. These included the health unit, the primary school, the religious institute, the post office, the cooperative society and the el Shareiah Association.

A week later when AAW and two village leaders were taking an observation walk in the narrow alleys of the village a sign with *Community Development Association of Becht Ammer* was noticed at the top of a building. The door was closed and the dust on the sign indicated that the association has not been functioning for sometime. The villagers explained that the association had been closed for about two years by the directorate of the Ministry of Solidarity in Menya el Kamh *markaz*.

The issue was further discussed with the villagers. It indicated that the Association violated some official procedures among which were incomplete reports and documents. Besides, the board of directors was not meeting regularly as required by Law 84/2002 which regulates NGO operations. The situation was exacerbated by the shrinking of the Association's financial resources and the difficulty of paying rent on the premises. During the discussion and between the lines it appeared that the two local NGOs, namely the Community Development Association and the el Shareiah Association were competing for local resources and the latter had a vested interest in keeping the former closed.

After several meetings the villagers decided that it was worthwhile to get the CDA functioning again. AAW was enthusiastic to work with them towards that end for two reasons; first it was wasteful for an NGO to remain inactive while there was a great need for the services it could provide; second, the process of reactivating the association could be used as a training experience for the villagers to acquire the knowledge and the skills of problem solving. Through such participatory training they could learn how to deal with this particular situation, but could also apply what they learnt when dealing with similar situation in the future. It was thus agreed with the villagers to establish a small group from the community and with AAW staff to find solutions to get the association functioning again.

A strategic plan was formulated by the group and implemented as follows:

A. Conducting a situation analysis:

A situation analysis was the first step taken by the group in order to analyze — on basis of facts — the reasons underlying the problem behind closing the association. This involved collecting information about the structure and function of the association which included the services it used to provide, its beneficiaries, its yearly budget and its resources, the expenditures and the human resources. The group also looked at the registration document of the association, its bylaws and Law 84/2002 which governs their work. Reports, documents and association letters were reviewed particularly those sent to or received from the Ministry of Social Solidarity. A meeting was held with those who used to be on the board of the association to get their perceptions on problems and underlying reasons.

Some interviews were also held with those who used to receive services from the association and those who knew about its work.

The information collected from this variety of sources indicated a number of variables that contributed to the closure of the community development association. These can be summarized as follows:

- The board did not meet regularly every six months;
- The chair of the board who was the dynamo of the association was replaced with another who was less dynamic;
- Some of the association activities were stopped completely;
- Some documents were not signed by the secretary and the chairman of the board;
- LE 12 were not documented as expenditures.

The most important factor however, was the inability of the association to raise funds. In consequence, it was unable for several months to pay the rent for its premises or to cover other running costs. A new local NGO (el Shareia) was able to use religious motives to raise a great deal of funds from the villagers. It was able to convert donors to the CD association to itself.

B. Setting the goal and objectives:

To deal with these factors leading to closing the CDA so as to revitalize it again, the CDA had to correct its financial documents, upgrade its board of directors and, last but not least, improve its fundraising capacity.

C. The action taken:

A series of activities had to be taken by the group to get the CDA functioning again:

- The group identified its target groups as the directorate of the Ministry of Social Solidarity, the board of directors of the association and its general assembly and new partners and allies who could contribute financial or non-financial support to the association;
- An agreement was reached with the Ministry of Social Solidarity to get the association reopened after sending one of its staff to reorganize the association's records and train the treasure on good finance procedures;
- Half the members of the board were replaced by strong respected figures from the community;
- The new board with the assistance of AAW was able to establish a computer class from the Ministry of Communication. The fees collected from the users of the facility provided resources for the association;
- The Ministry of Social Solidarity provided six sewing machines, which were used for training women villagers. Two women volunteers trained the women in knitting and sewing and the association was able to generate funds through selling the products;
- A revolving fund was established by the association with the help of AAW. Poor women obtained loans with low interest to start micro-enterprises. Loaned LE 500 each they were able to invest in breeding livestock and earn income.
- Finally, a meeting was held with the mayor and the staff of the local council and a coordination system was agreed upon between the two local NGOs.

The outlook looks very promising. Becht Ammer now has two associations to meet grassroots needs, community members have been exposed to problem solving that involves partnership with facilitator NGOs and the state, and opportunities for funding resources other than government provisions have been explored. There remains the will from other NGOs and the state to scale up and to apply similar measures to the extensive network of CDAs across Egypt, many of which are near defunct but that could once again become revitalized centers of development through NGO and community efforts.



CIVIL SOCIETY IN EGYPT: EXTERNAL AND INTERNAL OBSTACLES



ARE CSOs ABLE TO BRING ABOUT CHANGE?

A number of development studies suggest that society's level of development correlates with the level of activity of its civil society. But civil society and its organizations are influenced by both the external and internal environments within which they operate, and in turn, to which they contribute. The enabling environment can be seen as a set of inter-related conditions that impact on the capacity of citizens and CSOs to engage in development processes in a sustainable and effective manner, whether at the policy, program or project level; and means to assess the current state of a civil society have been developed by several international bodies.¹ These measurements cover legal, regulatory and policy frameworks; political factors; socio-cultural characteristics; and economic factors (see Box 4.1).

It is therefore not easy to isolate the determinants of the effectiveness of the organizations of civil society. Broadly, one can speak of four groups of challenges that face them: the first relate to the social and cultural environment; a second cluster refer to the political and legislative environment; a third group concerns internal challenges, whether in their internal practices or in their relations with other CSOs. Once these challenges have been met, then CSOs can move forward to 'scale up', that is, expand, adapt, and become sustainable, for

greater development impact. This chapter will discuss each of these four challenges in turn.

CHALLENGES OF THE SOCIAL AND CULTURAL ENVIRONMENT

Based on the guidelines provided by the ARVIN Framework (see Box 4.1) a group of challenges relate to the accumulated heritage, values, customs and traditions that impact upon Egypt's civil society. In this respect, a number of observations have been made, based on local studies:²

- A centrist cultural and political heritage in Egypt leads to low citizen participation in challenges of a social nature. Present legislation also places barriers on the ability of some civil society organizations to freely associate and act in consequence. There is a commonly held perception that development issues fall largely within the purview of the government and its agencies;
- Civil society organizations are concentrated among the educated and more prosperous elite, and these organizations are predominantly located in the largest cities of Cairo, Giza, and Alexandria. This also impacts on the geographical distribution of CSOs — higher in urban and lower in rural areas;
- The preponderance of traditional cultural and social mores is demonstrated in the dominance of philanthropic over development associations. Faith-based CSOs (Islamic and Christian) represent about 33 percent of the total number of associations

1. World Bank (2007), *Enabling Environment for Civil Engagement* <http://web.worldbank.org/webside/external/topics/extsocialdevelopment.extpcen>. See also CIVICUS (2006), *Civil Society Index Report for the Arab Republic of Egypt*, Center for Development Studies, Cairo, Egypt.

2. As observed by Amany Kandil, Background Paper to the EHDR 2008.

BOX 4.1 MEASURING AN ENABLING ENVIRONMENT FOR CSOS: THE ARVIN FRAMEWORK

Assessment of the enabling environment for CSOs and their performance can be accomplished relying on various analytical tools or frameworks including the ARVIN framework. This focuses on CSO ability to achieve the five desired outputs of:

- Association – or freedom of citizens to associate;
- Resource mobilization;
- Voice – or ability to formulate and express voice;
- Information – or access to official information;
- Negotiation – or the existence of spaces for negotiation.

This analytical tool allows us to gain understanding of the institutional, political, socio-cultural, and economic constraints to civic engagement, as well as to facilitate policy reforms and capacity building. Details on the application of ARVIN can be found in Annex 4.1 and Annex 4.2 to this chapter.

The first step in creating an enabling environment for CSOs, according to ARVIN, is the introduction of legal reforms. Legal reforms are expected to result in a more enabling environment for CSOs in all five domains, but they are not the only reforms required. They may be just the starting point. Legal reforms impacting CSOs must not be focused on one set of laws regulating their work, but should consider all different laws that may have an indirect impact on their environment, and which may be widely dispersed in the legal system.

Source: The ARVIN Framework was developed by the World Bank's Participation and Civic Engagement Group and adapted in Background Paper for the EHDR by Laila el Baradei (2008). See Annex 4.1 and 4.2.

with 10 percent representing Christian denominations. It also appears that philanthropic associations that are based on affiliation to a faith are generally more active;

- Gender divisions remain. In advocacy organizations, for example, national groups have few women members while women participate most frequently in organizations that provide traditional services. Segregation of the sexes can have both cultural and religious roots;
- Gender matters where leadership is involved. The number of male members in CSO general assemblies is double the number of females; a higher percentage of females is found in Lower Egypt (about 54 percent), with Frontier governorates followed by Upper Egypt coming last;³
- The culture of voluntarism is limited, a visible manifestation being low participation rates in the 18-35 age bracket. Documented data from Egypt's Ministry of Social Solidarity confirms the findings of a field study that reveals a serious

reduction of registered youth organizations over the past decade;⁴

- Active philanthropic organizations solicit and receive gifts and donations from society. These are their main sources of finance, while the newer development organizations rely mainly on donor funding and government support. The role played by membership fees differs according to type of organization;
- Observation suggests that there is very little experience with networking. This reflects on voice and ability to negotiate from a position of collective strength. Group ventures are not highlighted, and there is much greater emphasis on individual contacts and achievements in the social or political arena and in the media.⁵

All of these remarks confirm weaknesses identified in a CIVICUS Civil Society Index (CSI) Report for Egypt.⁶ This concludes that a history of state centralization of power has meant that CSOs have functioned in an highly inhibitative environment that is not conducive to unrestricted civil action. Further, CSOs are not equally accessible to all Egyptian citizens. Many suffer from being elitist institutions. CSO membership remains low, and these organizations cater largely to the immediate practical needs of (poorer) citizens. As yet, few organizations address the structural causes behind problems faced by citizens, assume the role of watchdog, or influence public policy.

The CSI Report also points to a number of strengths. Because CSOs in Egypt have strong indigenous roots that predate government attempts at institutionalizing social work, civil society is an arena where positive values continue to thrive, and where the number of diverse CSOs, particularly NGOs suggests that there is significant interest from citizens in forming organizations to enable them to play a civic role in society. However, there is yet a need for proportional representation and a fair distribution of power in leadership. The Report concludes that there has been an increased interest in supporting civil society initiatives, visible in universities, research institutions, the media and public opinion makers.⁷

3. Ibid. Kandil suggests that trends, based on a comprehensive survey of NGOs by Egypt's General Federation of NGOs, require more conclusive analysis.

4. Reported in Amany Kandil, *A Vision of Volunterism*, forthcoming.

5. Amany Kandil, Background Paper to EHDR 2008.

6. CIVICUS (2005), *An Overview of Civil Society in Egypt*, Civil Society Index Report for the Arab Republic of Egypt, Infonex Corp. PDP, CIVICUS and Service Centre for Development, Cairo.

7 Ibid.

BOX 4.2 FOUR ISSUES OF CRITICAL IMPORTANCE TO THE DEVELOPMENT OF CSOS

<p>Though countries vary widely in their legal frameworks regulating civil society organizations, according to the Johns Hopkins International Fellows in Philanthropy Conference in 2004, there are general principles or rules of good practice that can usefully guide the development of civil society law around the world. Governments are responsible for creating the legal conditions that enable CSOs to perform their missions.</p>	<p>2. Tax Treatment of CSOs and Philanthropy:</p> <ul style="list-style-type: none"> • All types of CSOs should be eligible for tax relief; • All forms of CSO income should be exempt from income taxation; • Special provisions should be made to allow tax deductions for charitable contributions to such organizations; • Tax deductions for charitable contributions should be made available to both corporations and individuals; • Charitable tax concessions can be limited to a reasonable share of the income of affected taxpayers, reasonable being in the range of 20-50 percent; • Charitable tax concessions should apply to both cash and property contributions; • Charitable tax concessions should be available for a wide variety of charitable giving mechanisms; • The administration of tax concessions should be clear. <p>3. Transparency, Disclosure, and Accountability Standards for CSOs:</p> <ul style="list-style-type: none"> • Reporting requirements should not be burdensome and should serve valid public purposes; • Government should establish procedures for 	<p>receiving and storing required reports from CSOs;</p> <ul style="list-style-type: none"> • Coordinating bodies, such as NGO Councils, should assist CSOs in meeting public registration and reporting requirements. <p>4. Involvement of CSOs in Advocacy and Civic Engagement:</p> <ul style="list-style-type: none"> • The right of CSOs to engage in advocacy should be confirmed in legislation; • Governments can restrict CSOs from engaging in political campaign activities on the part of particular parties or candidates; • No limits should be placed on the resources that CSOs can devote to advocacy and lobbying activities; • To facilitate CSOs advocacy, they should be ensured access to government decision making processes and information; • CSOs should have the power to challenge government authorities in courts of law over access to government information and to the processes of policy decision making.
<p>1. Basic Legal Standing and Registration Procedures that Help Define It:</p> <ul style="list-style-type: none"> • Legal provisions allowing CSOs to incorporate should be made easily available; • These provisions should not be mandatory since informal unincorporated CSOs make important contributions; • If governments, as a condition of incorporation, choose to register CSOs, such registration: should be conducted by an independent organization; the procedures for registration should be uniform and publicly available; fees should not be prohibitive; and any denial of registration must be subject to court review; • By-laws may be required to specify the governance structure of the organization, and governmental records of registered CSOs should be publicly accessible. 	<p>Source: "Toward an Enabling Legal Environment for Civil Society". IJNL The International Journal of Not-for-Profit Law (2005), Volume 8, Issue 1, November..</p>	

CHALLENGES OF THE LEGISLATIVE AND POLITICAL ENVIRONMENT

THE ENABLING CLIMATE

When considering the challenges that civil society organizations experience as a result of government policies, it is important to understand the legal and political context in which CSOs have developed. The official position of the State today is to promote the value of civil society and pay tribute to its role in social and political reform. In 2000, Egypt's President Mubarak used the term 'civil society' for the first time, thereby identifying this sector as a partner in development. Nevertheless, there remains a huge gap between the intentions stated in the political discourse and the reality on the ground.

The concept of 'partnership' between the various national sectors is thus biased towards a role for civil society that implements services projects and public policies. Even so, civil society is rarely, if ever, considered an equal partner in the initial planning, in the implementation process or in monitoring of many such activities.⁸ While successive national plans have clearly stated

that civil society is a partner in the drafting of plans, participation is usually limited to consultation sessions or to hearings, with contributions solicited from just a limited number of civil society organizations.

This paradoxical stance is mirrored in a number of official attitudes to CSOs. The State focuses great attention on public service provision, and on assistance from NGOs or CDAs. On the other hand, advocacy organizations that support civic and democratic development are viewed with suspicion, and perceived as potential centers of sedition or opposition.

THE EVOLUTION OF CIVIL SOCIETY LEGISLATION

The legal framework governing civil society organizations is a crucial dimension that impacts powerfully on their effectiveness. It specifies the nature of the relationship between the state and civil society, and specifically, the relationship between civil society and society at large in terms of freedoms and rights on the one hand and responsibilities and roles on the other hand (see Box 4.2). In Egypt, the current legal framework is provided mainly by Law 84/2002,



8. See *Building Partnerships*, Sixth Annual Report of the Arab Network for NGOs, Cairo.

The legal framework governing civil society organizations specifies the nature of the relationship between the state and civil society, and the relationship between civil society and society at large



although articles in other legislation such as the Emergency Law retain clauses that set boundaries to the freedoms of civil society.

The current composition of civil society in Egypt is relatively recent. When considering the challenges and obstacles it faces today, it is useful to place these within the context in which CSOs have developed. Observers have proposed that Egyptian civil society saw three major stages of development over the last century:⁹

The first stage consists primarily of philanthropic organizations that were under the auspices of Egypt's royal elite. There was need only for individual laws for fundraising, such as the 1905 Lottery Law and the Sport Clubs Law of 1929. In 1945, the government issued the first public Charities and Social Institutions Code to coordinate charities, whose objectives were philanthropic, with the work of social institutions providing humanitarian services.

The second stage of civil society development began under President Nasser and continued until the early 1980s. During this stage, the State exerted totalitarian control over society in a way that might be described as a "social pact for development." As long as the State was developing economically and providing for its citizens in a basic way, citizens did not demand democracy. The Civic Association Code, Law No. 32/1964 gave government officials the authority to reject the formation of organizations. In addition, the government had discretion to amalgamate or dissolve groups at any time it judges appropriate.

The Emergency Law (Law No. 162/1958) has been in application since 1967, except for an 18-month break in 1980. It was imposed during the 1967 Arab-Israeli War, and re-imposed following the assassination of President Sadat. The law sharply circumscribes any non-governmental political activity: street demonstrations, non-approved political organizations, and unregistered financial donations are formally banned. In 2005, the Emergency Law was extended two more years or "until anti-terrorism measures are passed and enacted," according to Egypt's upper house, a stipulation giving the State the right to renew the law beyond the two-year period suggested by President Hosni Mubarak.

In the most recent stage of civil society development beginning in the 1980s, the Egyptian government has focused on economic development. To achieve economic progress, the government has made strides in instituting liberal, market-oriented economic reforms, but laws did not change to allow explicitly more freedoms for civil society organizations. Rather, there has been a gradual and selective recognition of certain civil and political rights.

CENTRALITY OF LAW 84 OF 2002

Egypt passed a new law governing civil society organizations, Law No. 84, issued on October 23, 2002. This law allows greater recognition of civil society organizations than any previous law, but it also restricts civil society. This development represents a part of what the government has propagated as "step-by-step democracy." The Administrative Authority for registration and oversight of NGOs is the Ministry of Social Solidarity.

9. For a fuller presentation, see Abdel Samad, Ziad (2007), "Civil Society in the Arab Region: Its Necessary Role and the Obstacles to Fulfillment," *The International Journal of Not-For-Profit Law*, Vol 9, Issue 2, 2007.

BOX 4.3 BENCHMARKS FOR LEGISLATION

International benchmarks have been created for evaluating legislation and its effects on civil society organizations. These include:¹¹

- The definitions of the legal personality of the organization;
- The provisions for launching activities;
- The provisions to ensure CSO autonomy;
- The requirements for good governance;
- The requirements for transparency and counter-corruption;
- The role of taxation and available exemptions and privileges for CSOs;
- The prohibitions on political activity;
- The guarantees of non-profit status;
- The designated areas of conflict of interests;
- The rights to dissolve the organization.

This yardstick has been matched against provisions of Egypt's Association Law 84/2002:¹²

- Acquiring the legal personality of the association immediately after notification is a new dimension that has been included in civil society legislation in Egypt for the first time. This is provided in Article 6 (and Article 8) of Law 84/2002.
- Law 84/2002 allows the launch of activities in all fields with no requirement to specifically state them, unlike Law 32 of 1964 which enumerated 17 fields of activities and where human rights, women's issues and advocacy activities were not included. The new law thus applies the general rule that granting permission should precede prohibition.
- Law 84/2002 specifies the limit of personal benefits and provides regulations to avoid conflicts of interest between members of boards of directors and the associations,

which concurs with international laws governing civil society organizations.

- Law 84/2002 allows registration and activity of international and regional organizations or their branches in Egypt.
- Law 84/2002 provides for a series of tax and customs exemptions for the associations (Article 10/3) in addition to exemptions for the donor. However, sales taxes remain in effect (as approved by Egypt's Shoura Council in Parliament, a limitation contested by CSOs).
- Law 84/2002 organizes and guides the monitoring process of CSOs through those officials with the judicial authority to prosecute, on the decision of the Minister of Social Solidarity.
- Law 84/2002 allows an economic role to associations, in line with international trends, to encourage non-profit economic activity and support service and production projects.
- Law 84/2002 permits the formation of specific professional/sectoral unions via approval to at least 10 associations to form one union in one governorate.
- Law 84/2002 asserts the importance of transparency by establishing the right of every citizen to access the documents of an association.
- Law 84/2002 states specific mechanisms for conflict resolution between administrative agencies and associations through the creation of a joint committee or more for this purpose in every governorate of Egypt. The Minister of Justice issues instructions to form such a committee annually, chaired by a counselor nominated by the Courts (Article 7).

Sources: Salomon (1999) and Kandil (2008).

Law No. 84 is very similar in content to NGO Law 153 of 1999 which in 2000, the Supreme Constitutional Court declared unconstitutional, on the grounds that it was not discussed and voted on in both houses of the parliament.

Law 84/2002 was passed by both houses of Parliament on the grounds that it "balances freedom and social peace." There was no coverage in the press, and civil associations and institutions were not consulted, although the law was preceded by a meeting held by the Ministry of Social Solidarity, in which NGOs and donor institutions were invited to discuss the draft.

The law has been opposed by human rights organizations and political parties, which have since issued a joint statement titled "Civil Associations Law Assassinates the Voluntary Civil Society." NGOs and political parties have demanded more discussions about the law with all segments of society involved, and identified certain articles as "freedom restraining" and unconstitutional. Nevertheless, it is Law No. 84/2002 on Non-

Features of Law 84/2002 are constructive and supportive of CSO activities including exemption from contract registration fees and various taxes

Governmental Organizations and the Executive Statute on Law 84 of 2002 that sets the legal parameters for the operation of NGOs in Egypt.¹⁰

Many features of Law 84/2002 are constructive and supportive of CSO activities. Some aspects are praised, including the ability to found human rights organizations. Benefits include exemption from contract registration fees and various taxes such as postal and customs taxation; reduced traveling costs; a special telephone tariff; reduced water, gas, and electricity tariffs; and income tax deductions. Exemption from customs taxes on foreign donations and gifts are granted by a decree of the Prime Minister based on recommendations from the Ministry of Social Solidarity and the Minister of Finance.

10. Ibid. See also Agati, Mohamed, "Undermining Standards of Good Governance: Egypt's NGO Law and Its Impact on the Transparency and Accountability of CSOs," *The International Journal of Non-Profit Law*, Vol 9, Issue 2, 2007 for greater details.
11. Salomon, Lester (ed), (1999), *The International Guide to Non-Profit Law*, John Wiley and Sons, New York, pp 8-40.
12. See Amany Kandil, Background Paper to the EHDR 2008.

However, controversy has risen on the perception that certain articles and clauses in Law 84/2002 increase state control over civil society organizations, are in violation of international covenants and agreements to which Egypt is party, and inconsistent with international legislation governing their freedoms. The viewpoint of Egypt's government, echoed in Parliamentary debates, is that constraints are necessary to protect the country's greater interests.

While the present report was being drafted, the Ministry of Social Solidarity (MOSS) launched a series of consultative meetings with civil society organizations, the first of which was held in Cairo in June, 2007, to agree on the intended amendments to this law (see Box 4.5). This in itself is an indication that there is the will to address those articles that have created opposition, although it is possible that new restrictions may also be introduced.

MAJOR AREAS OF FRICTION OVER LAW 84/2002¹³

The *first* area of friction is the requirement that all civil society organizations 'adjust' their legal status and become registered with the Ministry of Social Solidarity (MOSS). Some organizations, particularly human rights groups, have preferred to maintain the status of 'civil companies' given the greater freedom of activity that this would bring. Under the jurisdiction of MOSS, organizations can be seriously penalized for a number of infringements. This power to criminalize CSOs and their leaders is predicated on the basis of vaguely worded provisions: thus, creating or managing an organization or group whose purpose is to 'call for obstructing the provisions of the Constitution' can result in a prison term. Board members are punishable by a sentence ranging from three to fifteen years, as are a head of an NGO or a person who knowingly provides it with material or financial aid for a banned activity. In this respect, civil society activists argue that civil society should be subject and accountable only to civil law and not the penal code as well.

A *second* controversial provision is the right of the state to dissolve a civil organization under Law 84/2002. Article 42 lists justifications, including

spending funds for purposes the organization is not established for, acquiring foreign funds without obtaining permission of the administrative agency, and committing major violations of the law. However, bypassing the justice system in dissolving associations has raised fierce protest, particularly given that Association Law 153/1999 — subsequently declared unconstitutional by the courts — had required arbitration through the judiciary system in such a process. The state and Parliament counter that Law 84/2002 requires several procedural steps before dissolution and gives the right to oppose the decision to dissolve and to raise a lawsuit to stop execution of this.

The *third* controversial area is over the prohibition of political activities according to Article 11 of Law 84/2002. Executive regulations prohibit CSOs from practicing any political or syndical activity that is restricted by law, but the terminology is broad enough to potentially include many borderline cases. It is not clear, for example, that it is a prohibited political activity to raise awareness about the importance of voting or for an NGO to help women to register as voters. However, in most international legislation, enhancing democracy and civic culture are not classified as political activities.

The *fourth* controversy triggered by Article 17 of Law 84/2002 revolves around the sensitive issue of funding. Associations have the right to receive donations only following the approval of the MOSS. Permission from the Ministry is required for all funding from foreign sources. Fund raising campaigns such as organizing fairs and public events to collect money also require prior approval and complex procedures that are controlled by the Ministry of Social Solidarity. NGOs must obtain prior permission from the competent administrative authority before they can accept donations, receive funds or give grants. The administrative authority is also entitled to confiscate the NGO funds and can transfer the funds of one NGO to another. The law gives the Ministry exclusive authority to control NGOs' management of finances. This provision raises the question of credibility. CSOs argue that proper registration of an NGO and the Ministry's yearly financial monitoring is enough to control any misuse of donations.

13. Ibid. See also *Arab Directory of Legislation for Civil Society*, Arab Network for NGOs, (Arabic).

The Ministry of Social Solidarity has launched a series of consultative meetings with civil society organizations to agree on the intended amendments to NGO Law 84/2002



Further, CSOs point out that sources of income are a matter of survival. Membership fees and revenue from services provided by NGOs are generators of income, but frequently they are not enough to fully support activities or to allow for long-term planning. Government funding is said to be the largest funding source of all finances available to many NGOs.¹⁴ However, it is generally made available to NGOs that have government approval. Some NGOs are reluctant to rely on state assistance because they fear becoming co-opted.

The same reluctance is expressed in regard to joint programs or partnerships between state and civil associations. Additionally, since donations from the private sector are few, there is now a strong lobby for creating incentives granted to business support of NGOs through tax exemption, for example, which could range from 10 to 20 percent of their net profit.

Funding, whether foreign or local is an important resource option, albeit through the authorization of the MOSS. However, CSOs argue that the process of approval and allocation of such funds, should be placed rather under the supervision of the General Federation of NGOs, and that the Federation should be upgraded to enable it to play such role. Such a move could also mitigate accusations that associations are following a foreign agenda when supported by foreign donors, or to waste such funding that they do receive.

OTHER PROBLEMATIC ISSUES IN LAW 84/2004

In addition to these major divisive issues, other elements of Law 84/2002 appear incompatible with international legislation and covenants:¹⁵

- Law 84/2002 frequently uses terminology that is open to interpretation. This includes terms such as 'the public order', 'public ethics', 'decorum', and 'threat to national unity.' Explanations can vary according to time, place and circumstance, allowing the authorities a range of responses to CSO activities, and the tools to censor and oversee activities;
- Law 84/2002 allows for the exclusion of individuals from the creation of or membership in associations, or nomination to CSO boards if the administrative agency disapproves (Article 8/2, Article 33/2 and Article 34/2).
- Numerous provisions designate internal governance regulations for CSOs including specifications on internal structure (including a manual of internal regulations), elections system, number of board members, and allows state access to the records and documents of the association. Law 84/2002 also gives MOSS the right to inspect CSOs without prior notice.
- Law 84/2002 includes a provision that encourages governmental agencies to outsource implementation of projects or the task of managing an institution attached to a Ministry or local government unit to the

¹⁴ CIVICUS, Cairo (2005), op.cit.

¹⁵ Kandil, (2008), op.cit.

Association for Public Benefit. The MOSS has the ability to withdraw the outsourced project and remove an NGO's board of directors if the NGO fails to accomplish the assigned activities or projects.

- MOSS must be provided with details on the decisions issued through the board of directors or the general assembly within 30 days of issuance (Article 83/2). It has the right to intervene in decisions when it perceives these to be incompatible with the law, and can request that the decision be withdrawn (Article 22/2).
- MOSS, the administrative agency, must be informed about membership or affiliation with any international or Arab network or association (Article 16/2). Affiliation without permission is a justification to dissolve the association.

THE LAWS AND WOMEN IN EGYPT¹⁶

The status of women in Egypt is complex and contradictory. In many regards, women have made a number of significant achievements in the recent decades. High-level positions in government and the private sector are now occupied by women. Women have joined the labor force in the private and public sectors in increasing numbers and constitute half of the student population in Egypt's public universities.

Civil society organizations and women's rights activists have enhanced the status of women by advocating for changes in family and personal status laws. These include enactment of the *Khul'* Law, which allows a women to divorce her husband; the establishment of a family court, which is expected to protect the rights of women and children; and the amendment of the nationality law,

which enables a woman to pass her nationality on to her children.

Despite these advances, a number of challenges and obstacles frustrate efforts of women's rights advocates and civil society organizations to further achievements made on behalf of Egyptian women. The Egyptian constitution incorporates the principle of gender equality, but this aspect of the constitution is rarely translated into straightforward laws and policies that are responsive to women's rights.

Similarly, the ratification of international conventions calling for gender equality has not resulted in legislative reform needed to guarantee equal rights for women. The religious and patriarchal culture and social environment in Egypt is sometimes used to justify discrimination against women and legal protections for women are often not enforced by government officials, preventing women from experiencing equal treatment and equal opportunity under the law.

However, regulations in Law 84/2002 have imposed a number of bureaucratic impediments which allow the Ministry of Social Solidarity to control and restrict NGO activities. The Law's prohibition on the political activities of associations has been used by the authorities to politicize women's issues and arrest activists advocating for women's equality. For example, three female activists were arrested in May 2006 during a peaceful demonstration for greater political participation of women. By equating women's rights issues with political activities, government authorities have justified canceling NGO awareness raising activities such as a 2006 multi-NGO Women's Day Celebration.

Other provisions of the NGO Law give discretion to the Ministry of Social Solidarity over key administrative decisions of NGOs and was used by the Ministry to prevent a feminist lawyer and human rights advocate, from serving on the board of the Arab Women Alliance (AWA). Although she had



16. Extracts from N. Nof-Steiner, (2007), "The Multi Faces of Islam: A Comparative Report on Women's Associations and Association Laws in Muslim Countries," *International Journal of Civil Society Law*, 5(2): 23-53.

served as an AWA board member since 1997, the Ministry, citing "security reasons", removed her name from the board election list because she campaigned against the US war in Iraq in 2003.

OVERSIGHT AND PENALTIES HOLD BACK CSOs¹⁷

State Security: Although the NGO Law designates the executive authority as the Ministry of Social Solidarity the Office of State Security maintains a presence within the Ministry of Social Solidarity and plays a significant role in CSO oversight. The reason given is that the Office of State Security sees itself as responsible for preserving social peace and general security of the state. However this role is not authorized in the law or in the Constitution. At times, State Security has directly issued denials of registration. At other times, rather than explicitly issuing orders, it has recommended that the Ministry delay approvals. These tactics result in an interruption of activities or slowly starve an organization out of existence via procedural and bureaucratic matters.

Criminal Penalties: Further, as mentioned elsewhere, direct violation of the law can result in criminal penalties, including imprisonment, fines, and the involuntary dissolution of the association. Setting up an association whose activities are determined to be "clandestine" is punishable by up to a year in prison and up to LE 10,000 in fines. However, activities that are prohibited in Article 11 are not clearly defined, leaving the MOSS discretion to determine whether a violation has occurred. For example, activities are prohibited if they are deemed to threaten national unity or violate the public order or morals.

Collective Punishment: Similarly, the law can impose collective punishment on CSO General Assembly members by permitting dissolution of an association based on transgressions of a single member. The policy of punishing all members of an association for the transgressions of one member deters citizen participation in the governance of CSOs and is inimical to democratic practices. Expanding democracy within an association, including delegation of authority, but increases the risk that someone will act improperly, thus exposing the organization to penalties.

The threat of penalties also causes some associations to keep certain activities unpublicized and therefore lacking in transparency.

Lack of Democratic Practices: Good governance practices can only take place when the three main features that impede NGOs are addressed. These are excessive power of the regulatory authority, the ambiguities in the law, and criminal penalties. This is essential to CSOs' ability to conduct their affairs successfully, earn credibility, participate successfully in networking, and scaling up activities. In addition, individual empowerment, as a principal component of good governance, is an equally important goal.

Harsh penalties represent a real obstruction to transparency, accountability, and participation as a component of good governance. Lack of democratic practices limits the ability of civil society organizations to be effective, and non-democratic systems discourage citizens' participation. Both the Emergency Law in Egypt and the new draft Anti-Terrorism Law limit indirectly the activities of the civil society sector. The Emergency Law restricts many basic rights: its provisions allow for arresting citizens without charge. It also restricts the right to freedom of assembly. Organizers of public demonstrations, rallies and protests must receive advance approval from the Ministry of Interior. In the majority of cases such approval is denied. Such harsh measures discourage citizens from taking part in activities perceived as hazardous.

Excessive Regulation: Laws and practices that regulate the exercise of freedom of association, freedom of expression and freedom to obtain information also represent constraints to CSOs. This is above all true for advocacy CSOs, especially Human Rights groups. Their members can be under risk of prison if the activity is deemed 'defamatory' or 'slandorous' under Articles 302, 303 or 306 in the Penal Code. Other prohibitions under this Code include insulting public figures or bodies, spreading rumors aimed at instigating terror, and harming the public welfare. These violations — as spelt out in the law — are open to some interpretation, and are frequently used to suppress voices critical of government.

17. See Fatma Khafagy Background Paper to the EHDR 2008. Refer also to www.icnl.org/knowledge/ijnl/vol9iss2/special_4.htm

BOX 4.4 EXPECTED REFORM OF NGO LAW 84/2002: A MOSS PERSPECTIVE

There are plans to change current Law 84/2002 according to the Ministry of Social Solidarity (MOSS). At a meeting in February 2008 with the legal advisor to the Ministry, it was acknowledged that the law must be revised to accommodate the changing nature of civil society work and to make various processes less bureaucratic. While a few decades ago, the government viewed NGOs as local organizations under the full supervision of the government, a current revision now in process aims to shift to less involvement from the government, while maintaining the regulatory role.

An evaluation of Law 84/2002 concluded that it had many advantages that should be preserved. In consequence, MOSS has opted for a process of revision rather than to create an altogether new law.

The Process of Changing the Current NGO Law

The MOSS process to revise Law 84/2002 has involved a series of seven consultation workshops with a total of 700 NGOs in diverse fields — the latest of which took place in November 2007. The MOSS position has been that its role is to supervise and regulate NGOs and not to disable them from doing their work. It is looking into the following changes:

1. Establishing an NGO:

Fields of work:

- The law will no longer restrict the fields of work to a predefined list. This is because new fields of NGO activity continuously emerge, for example, NGOs which work on internet awareness, etc... Instead, NGOs can choose their fields of activity without a predetermined list.
- Any restrictions will be towards those initiatives whose objectives go against the law or against morality (*adab*) as well as any initiative with political objectives. For example, *Al Shobban Al Moslemeen*: is an old NGO but has engaged in political activities so the MOSS has disbanded its board. Political work should be the domain of political parties or syndicates.
- NGO objectives should be limited to 3 or 4 related objectives only rather than a long list of objectives.. The current format for registration encourages NGOs to tick many activities just in case they decided to carry them out them some day.

Number of founders:

- Currently the minimum number of founders required to establish an NGO is 10 people. MOSS believes 10 is a reasonable number and will look into their background to ensure that the NGO has a chance of remaining active and functional.

Bureaucratic process:

- The bureaucratic process will be simplified. For example, currently 20 copies are required of some documents. This will be reduced to 2 copies.

Security approval:

- In the current law, the NGO submits its papers for registration. If no objections are received within 60 days, the NGO can assume that it was registered. This process will be reduced to 45 days.
- Security clearance is currently made through a committee convened by the Minister of Justice once a year. This committee will no longer have a role in the registration of NGOs. Instead, if the NGO is refused registration it will have to resort to the justice system instead of this committee.

2. Cost and Tax Exemptions:

NGOs used to be exempt from or required to pay a small percentage of some costs. These included utility bills, property taxes and custom duties on imported equipment relevant for their work. Given that today many of these utilities (e.g water, electricity, etc..) have been or are being privatized the MOSS has no authority to grant exemptions. This will be revised with the finance ministry. There are still no clear plans for this change.

3. Foreign Funding:

The current process for getting foreign funding involves asking the MOSS for a permit to accept the funds. This will no longer be required. Instead, the ministry will ask NGOs to inform the ministry. If no objection is received within 45 days, the funds can be accepted.

This shifts the responsibility to the MOSS to respond in time, otherwise it cannot raise objections. Some NGOs have wanted to cancel this requirement altogether. However, the Ministry retains the right to know what funds are being spent on what kind of activities.

4. On Disbanding NGOs:

- Previously the MOSS could disband an NGO if it was found engaging in functions that were unacceptable to the MOSS — such as political activities. The new approach will be to remove the board of such an NGO.
- In arresting a member of the board rules will be revised to ensure that arrests will only be due to a criminal offence and that this would be decided through the legal system.

5. Institutional issues:

- Some NGOs currently have boards that do not meet. MOSS plans to ensure that by law, boards must meet.
- If boards have major conflicts MOSS will retain the right to intervene to remove members from the board.
- With regard a time limit on board membership, no limits will be imposed as MOSS finds it to be unnecessary, except on account of corruption or unacceptable activities.

6. Financial Issues:

- NGOs will be required to appoint auditors if their budget is over L.E 50,000. Previously, this amount was L.E 25,000.
- Auditors will be responsible for any errors in the budget. Furthermore, they will be responsible to provide MOSS with an estimated budget for the next year of operation.
- MOSS is looking into taxing projects such as the Productive Family Project.
- Fundraising permits are still two per year.

7. Federations:

- In the new law NGOs will have to join federations, the purpose being for NGOs to coordinate their work better.

8. Non profit companies:

- Many organisations, particularly in human rights, have registered as non profit companies. The MOSS plans to look into this and register them as NGOs.

Other Remarks

According to the MOSS advisor, of all registered NGOs, approximately 70% are entirely inactive. Of the 30% which are active, 10% are very effective, 10% are average and 10% are mildly active. The ministry representative said that the measures used for "active" were very lenient, meaning that those that are mildly active are very close to being too small and ineffective. Of the most successful NGOs Resala is one of the biggest. *Al Orman* in Giza, and 'Friends of Cancer Patients' are other examples of success.

Religious NGOs pose a problem to MOSS in monitoring their fundraising activities. For example, they have collection boxes for fundraising after Friday prayers. Donations to NGOs to upgrade a mosque will be spent directly and will go unrecorded in the books. Undoubtedly many funds are not known by MOSS. While MOSS has inspectors to monitor these activities, it is impossible to monitor all of them. Instead the Ministry audits spending and not fundraising.

The MOSS advisor suggested that there is a danger that some large religious NGOs use undeclared resources to promote their particular views on Islam as a discourse to pursue their own ends. Further, there is trading in Hajj permits. Currently each NGO which applies for Hajj permits gets around 2-3 permits. Then NGOs buy these permits from each other. This kind of trading will be stopped with the revisions of the new law.

Many members of parliament are NGO leaders so there are no problem with members engaging in political activities — as long as it is not via the NGO itself. This is nevertheless an ambiguous situation. Overall, MOSS tries to control activities that could negatively affect social harmony or security. It is working on training the bureaucrats who deal with NGOs to improve how they work.

BOX 4.5 SOME PROPOSALS ON AMENDING LAW NO. 84/2002

Law No. 84/2002 represents a transition to a legislative framework regulating civil work in Egypt, compared to Law No. 32/1964. It sets forth procedures for the approval of the establishment of associations by notification. It also confines the right of the administrative authority (MOSS) to reject establishment of associations only in cases where the associations' goals include unconstitutional activities enumerated in Article 11 of the Law. Law 84/2002 has also waived most of the restrictions and administrative burdens of associations and has approved many privileges and exemptions. However, Law 84/2002 still contains some restrictions to be reconsidered; it is also recommended to grant additional privileges to civil associations and institutions according to the following:

- Amending Article 13 to exempt products and services of civil associations from sales tax in order to promote productive and service projects of associations and encourage participation in development, taking into account the fact that civil associations are non-profit entities and they use any profit from their productive activities to fund social projects. Exemption from sales taxes achieves two fundamental goals:

Encouraging associations to establish developmental productive or service projects and create work opportunities;

Enabling associations to accomplish their mission of delivering products and services at affordable prices to people of limited incomes, which in turn reduces their need for governmental support.

- Amending Article 16 which grants the administrative authority the right to reject and forbid an association from subscribing to or joining a club, association, network, or organization from abroad, provided that the activities of those entities are similar to those of the association. According to this Article, if an association violates the decision of the administrative authority, the administrative authority shall have the right to dissolve the association (Article 42).

Furthermore, if an association joins such networks or international or regional civil associations without notifying the administrative agency or in spite of the authority's decision, members of board of directors of the NGO shall be sentenced to prison or issued a fine. It is recommended that this Article limit the obligations of the association to notifying the authority and to limit the penalty of violation to a fine. This should be done in order to encourage civil associations to keep up with international and regional counterparts and promote cooperation and coordination among

civil society institutions whose importance and role at the global level increases by the day. Therefore, Egyptian civil society should have a pioneering role in international circles, expressing the voice of Egypt, the Arab world, and developing countries in general.

- Reconsidering Article 32 of the Law concerning forming the Board of Directors (BOD). This Article should stipulate the necessity of nominating and electing at least 20 percent of youth (under the age of 35) in order to encourage youth engagement in the election process, involve them in decision making, and prepare them for the practice of democracy as a second tier of leaders. Renewing the BOD membership for more than two consecutive terms may also be reconsidered in order to enhance the exercise of democracy and to enrich the leadership of the BOD. This suggestion neither stops BOD members who spend 12 consecutive years in the BOD from being re-elected to the BOD after six years outside the BOD nor stops him/her from working or volunteering in the association.
- Amending Article 42 and Article 63 which grants the Minister of Social Solidarity the right to dissolve an association through a causative decision after inviting the association for a hearing and consulting the General Federation of Associations (GFA). According to the Law, associations can be dissolved if they disburse the association's funds for purposes other than those designated; collect contributions from abroad without the approval of the administrative authority; commit a gross violation of the law, public order, or morality; join or become affiliated with a club, organization, or authority domiciled outside of Egypt in violation of the provision of Article 16; or practice an activity prohibited under Article 11. The Law allows the competent minister to limit the penalty to the association's activity, abrogate the activity that is in violation or eliminate the cause of contravention, or discharge the BOD. However, granting the administrative authority the right to dissolve an association is a violation of the Constitution which states that forming an association is a constitutional right. The legal commitment to such a right is measured by the extent of administrative intervention in the establishment and dissolution of associations (i.e. birth and death of civil associations).

Therefore, It is proposed that the Article be amended to give the Minister the right to issue a causative decision, after the association's hearing and consultations with GFA, to suspend the activity in violation or discharge the BOD and appoint a commissioner to call for

new BOD elections in the case of gross violations. We also recommend re-examining the list of violations stated in Article 42 and granting the association or the concerned bodies the right to challenge the decision before the court of administrative law. Such resolutions guarantee the administrative authority an express injunction to stop violations of the law without unconstitutionality.

- Amending Article 62 which prohibits NGOs from receiving funds from third parties without approval of the Ministry of Social Solidarity. It is proposed propose that this Article be abrogated, given that Article 55 stipulates that all provisions governing associations shall be applied to NGOs, including the provision on the necessity of obtaining approval from the administrative authority to receive funds from abroad or to collect donations within the country with no restrictions.
- Re-examining Article 76 on penalties so that fines or civil penalties are issued rather than freedom-restrictive penalties, regarding violations of BOD who originally are volunteers. Also, the Article should be amended to abrogate criminal penalties for violations prescribed as crimes according to the active provisions of the penal code. Any criminal penalty in this law should be limited to the practice of prohibited activities according to Article 11 or to the establishment of associations with secret activity or financial violations not included in the provisions of the penal code. The objective of this proposal is to enhance voluntary work and protect volunteers from being exposed to criminal penalties resulting from administrative errors with the assurance of applying the general legal rules of the penal code guaranteeing punishment in the case of violations.
- Adding an Article to provide associations and NGOs the right to file lawsuits or join active lawsuits to advocate for social, cultural, and national issues within the scope of their work. For example, such an amendment would allow associations operating in the health care field to file lawsuits to stop damage resulting from issues like water polluted with raw sewage or negligence in public hospitals. The proposed amendment also officially provides for human rights organizations to advocate for human rights issues in general. Notably, such a provision was proven effective in Law No. 4/1994 on the environment and was approved as part of Law No. 67/2006 on consumer protection.

Source: Mona Zulficar, in A Working Paper on Amending Law No. 84/2002 on Civil Associations and NGOs, October 2007.

Limited Freedoms: Respect for freedom of association is a key element for civil society organizations to thrive. Complicated bureaucratic procedures for licensing organizations, tight control on daily activities of NGOs, powers to confiscate funds, dissolve organizations, supervise details of budgets, limit access to information — all of these restrict freedoms. It is true that not all NGOs suffer from the full weight of these restrictions. CSOs that have international links are more liable to scrutiny, as are human rights organizations.

Some associations have devised informal ways to deal with limitations. They try, for instance, to rely on high level personal connections, or to establish friendly relations with the staff of state or ministry security departments. Conferences or meetings are held without informing the authorities to evade the risk of interference or cancellation; some CSOs go further and register their status as ‘companies’ under commercial law, to escape restrictions.

Restricted Access to Information: Currently there is no Right of Information Law in Egypt. Human rights organizations, the media as well as researchers and academics are lobbying the government for the promulgation of such a law. Legislation restricts freedom of information and speech in the current Press and Publications Law as well as the law on Libel. CSOs publish journals or newsletters on an irregular basis to avoid applying for a government permit which is usually very difficult to obtain. They have also started to rely heavily on the internet, although this outlet is also coming under increasing official observation, and penalties including prison sentences applied to perceived offenders.

CSOs generally avoid the topic of reform, with the exception of some advocacy organizations. To date, there are few if any legal challenges to Law 84/2002 or any of its articles; networks or assemblies to work on changing the law are rare, and proposed alternative legislation still embryonic. But it is clear that CSOs will only be successful at advocating for their individual causes once they take on the task of modifying the environment within which they operate.

DECENTRALIZATION AND AN ENABLING ENVIRONMENT

Decentralization is a complex issue and needs to be perceived within a conceptual framework linked to the nature of the political system and institutions in Egypt.¹⁸ The political will exists, with the increasing acceptance of good governance as a pre-requisite for development. Egypt’s National Democratic Party is presently working towards identifying the prerequisites and requirements needed to successfully introduce new decentralized structures across the nation.

The need, having been acknowledged for greater decentralization, requires both top down and bottom up processes:¹⁹

On the one hand, the transfer of power and authority to lower levels in society involves three dimensions:²⁰

- *Political decentralization* relates to a greater degree of democracy at local levels and involves the transfer of policy and legislative powers from central governments to lower level assemblies and local councils to ensure a high degree of community participation in decision making;
- *Administrative decentralization* shifts the planning and implementation authorities to lower levels in the administrative hierarchy, to respond to the needs of citizens at the grassroots;
- *Fiscal decentralization* provides greater discretion in the mobilization and spending of funds to make better use of resources.

On the other hand, empowerment and autonomy are required at the local level. This can be defined as the transfer of planning, decision making or management functions from the central national government to four types of organizations at the regional or local levels:

1. government agencies and departments in the field;
2. semi-autonomous public corporations;
3. legal authorities; and
4. nongovernmental, voluntary organizations.

Each type of organization performs functions to implement local development programs and

18. See *Egypt Human Development Report 2004: Choosing Decentralization for Good Governance*, UNDP and Institute of National Planning, Cairo.

19. In Laila Baradei, Background Paper to the EHDR 2008.

20 Ibid. see also EHDR (2004), op.cit.

Fiscal and administrative decentralization could mean that more room is given to CSOs to participate in diverse activities



projects that frequently involve CDAs and civil society associations either directly, as service providers, or as intermediaries, facilitators or advocates at these subnational levels. For example, fiscal and administrative decentralization could mean that more room is given to CSOs to participate in diverse activities. This would include direct service delivery; acting as interpreters of complex fiscal and legal requirements; becoming facilitators in bureaucratic procedures; giving voice as advocacy organizations to the interests of the grassroots majority. Thus, a potentially rich reciprocal relationship can be created but requires a readiness by all the parties involved to reassign roles and responsibilities.²¹

PARTNERSHIPS WITH GOVERNMENT INSTITUTIONS

A study by the United Nations Research Institute for Social Development (UNRISD) indicates that CSOs are not necessarily more effective, or more efficient, or provide better quality services than the government sector; the only conclusive evidence was that they lack in sustainability.²² It is the view of this report that CSOs should in no way replace the competent authorities of government in the delivery of basic public services. Rather, CSOs, and NGOs in particular, complement and add to existing service provision so as to fill gaps on access.

Indeed, the UNRISD study suggests that the only way to guarantee enhanced and improved performance on all levels is to engage in more effective partnerships arrangements with the state in service provision. This partnership should be based on the respective strengths of each party in service provision. The most obvious expected advantages of State-CSO partnership are improved coordination, so that duplication and concentration in certain areas could be reduced; improved effectiveness if CSOs work within a

national framework rather than following ad hoc approaches; improved efficiency through improved economies of scale; and improved sustainability through establishment of long term funding arrangements with government.

Other studies indicate that there is always room for interaction and overlap between the functions performed by both local governments and NGOs (as an important group of CSOs). When strong local governments interact with strong NGOs different types of positive outcomes ensue that may have a significant impact on fostering community development. When the functions of strong local government institutions — that have been strengthened through the devolution of authorities from higher levels — overlap with enabled NGOs, there is a great potential for synergies to occur at the grassroots levels.²³

Local governments and NGOs may complement each other's work although there is always a possibility that their interactions may involve conflicts as well as cooperation. Areas where their mutual effort may result in positive outcomes may include public policy formulation and implementation. They may also include administrative and economic activities.

An example of overlapping functions in policy implementation is how NGOs complement governments work in service delivery usually by experimenting with new creative ways and utilizing non-bureaucratic systems. Around the world governments collaborate with NGOs in providing healthcare services, senior citizens' services, emergency shelters, etc. Meanwhile, collaboration in economic activities may include

21. Rondinelli, Dennis A. (1983) "Implementing Decentralization Programs In Asia: A Comparative Analysis," *Public Administration and Development*, Vol 3, issue 3, pp 181-207.

22. In Clayton, Andrew et al (2000), "Civil Society Organizations and Service Provision," UNRISD: Civil Society and Social Movements Programme Paper Number 2, October.

23. Snavelly, Keith and Uday Desai (2001), "Mapping Local Government-Nongovernmental Organization Interactions: A Conceptual Framework," *Journal of Public Administration Research and Theory*, Vol 11, Issue 2, pp 245-263.

BOX 4.6 THE GRAMEEN BANK OF BANGLADESH: DECENTRALIZED MOBILIZATION OF LOCAL RESOURCES

The Grameen Bank, one of the largest NGOs in Bangladesh, has received national and international acclaim for its poverty alleviation activities. Initiated by Mohamed Yunus, Nobel Peace Prize Laureate in 2006, it started as an Action Research Project in a small village then developed into a full fledged bank in 1983. The Grameen Bank has reversed conventional banking practice by removing the need for collateral and creating a banking system based on mutual trust, accountability, participation and creativity. It provided micro-credit to the poorest of the poor utilizing an innovative system of offering loans without collaterals, but depending on a creative system of organizing people into homogenous groups of five and relying on peer group pressure to ensure repayment.

As of 2007, Grameen Bank has 7 million borrowers in Bangladesh, 97 percent of whom are women. Through its 2381 branches it provides services in 75,950 villages covering more than 90 percent of the total villages in Bangladesh. Borrowers, the rural poor of Bangladesh, became the Grameen Bank owners and their cumulative lending reached about \$2.1 billion. The Grameen Bank model is being replicated in 40 developing countries.

Source : <http://www.grameen-info.org/bank/index.html>

the role of NGOs in provision of both producer services, such as job training; or consumer services such as education, recreation, or healthcare, and together with local government their efforts lead to the economic development of the community they are in.²⁴

THE OPPORTUNITY SPACE ANALYTICAL FRAMEWORK

A useful way of analyzing the scope for potential interaction between the two types of institutions — government or civil society driven — is the 'Opportunity Space Analytical Framework'. This was developed recently by the World Bank.²⁵ It refers to the scope for partnerships between Community Based Organizations (CBOs) with local governments (LGs) in a community driven development and the range of possibilities offered by the enabling environment without altering the fundamental institutional structures in a given context.

The 'Opportunity Space' framework was applied in a study to characterize different countries' decentralization frameworks and used to predict the types of collaborative relations that would be possible between LGs and CBOs, for example in co-production of goods and services.²⁶

Three important findings emerged:

- *First*, that there is a need to build on already established decentralization reforms;
- *Second*, that there is a need to create additional space for partnerships between CBOs and existing local government institutions;
- *Third*, based on the existing opportunity space, there is a need to try to integrate the LG-CBO partnerships into future program design.

Among the most important conclusions of the study was that the weaker the decentralization framework, especially fiscal decentralization, the weaker the partnership possibilities. Therefore, partnerships between LGs and CBOs should not be designed without detailed analysis of the decentralization framework, including the intergovernmental fiscal system, and of LG capacities and constraints. Moreover, inserting the partnership approach into a decentralization dialogue is critical.

SUCCESS STORIES OF CSOs IN PROMOTING DECENTRALIZATION

Internationally, CSOs have shown they can play many roles in facilitating decentralized development. These roles can be performed simultaneously, or the CSOs can play each of those roles at different times. Among those roles are the following:

- Acting as vehicles for popular participation and mobilization and the extent to which they are successful in this influences the success of decentralization;
- Facilitating local planning and goal setting by potentially identifying local priorities and assisting in the allocation of local resources;
- Contributing directly to service provision;
- Mobilizing local resources;
- Defining and expressing local needs and demands;
- Ensuring greater responsiveness of local administrations to citizens' needs, especially the needs of the rural poor and the disadvantaged groups.

With the adoption of good governance principles and the move towards decentralization the role of CSOs in service delivery has been greatly enhanced over the past decade. They are no

24. Ibid.

25. McLean, Keith et al (2006), "Exploring Partnerships Between Communities and Local Government in Community Driven Development," Social Development Papers No. 96, IBRD, Washington DC.

26 Ibid.

BOX 4.7 THE FAITH AND JOY SCHOOLS IN VENEZUELA: DECENTRALIZED EDUCATION THROUGH COMMUNITY PARTICIPATION

Fe y Alegria (FYA) or 'Faith and Joy' is a non governmental organization controlled by the Jesuit Order of the Catholic Church that operates formal pre-school, primary, secondary and technical education programs in the poorest communities in Latin America.

The FYA initiative in Venezuela started under a tree, or in a rented shack through the individual efforts of its founder, a Jesuit priest. The initiative aims at providing quality education to disadvantaged and poor children, to ensure that students complete at least the basic cycle of schooling and to establish schools that operate on behalf of community development. It is now a non-governmental organization that provides both formal and informal schooling to 14 different countries in Latin America as well as Spain and has suc-

ceeded in forging a partnership between governmental, non-governmental and international agencies to deliver education services to disadvantaged communities. In Venezuela alone it operates 631 centers and has 215 thousand students. The schools teach both regular curricula plus provides vocational training.

Under the FYA model, the ministries of education pay the salaries of teachers and the principal; foundations, international agencies and voluntary fees from the local community pay for the land, construction and maintenance of schools; the community invites FYA to open a school and builds the school; and FYA trains and supervises teachers, manages the school and assists the school in its operation as a community development center.

Once a community elects to invite FYA to establish a school, it becomes closely involved with the school. The school uses programs to draw in the community and families. Activities include workshops, awareness campaigns, and programmed home visits to get parents to better understand the problems that their children face at school. An evaluation of the FYA schools in nine Latin American countries has found that although unit costs in FYA schools are higher than in public schools, yet FYA schools are successful in reducing repetition rates and dropouts; progression and retention rates were 44 percent and 11 percent higher respectively in FYA schools than in other public schools.

Source: Podsiadlo, John J. (1998). "A School for the Poor in Venezuela". *America*. 23/5/1998, Vol. 178, Issue 18, pp. 8-13, and Torrens, James S. (1995). "A Jesuit Experiment in Faith and Joy". *America*. 27/5/1995, Vol. 172, Issue 19, pp. 22-6.

longer only involved in the provision of services but have moved to the mainstream of development activities. The case studies presented (see Boxes 4.6 and 4.7) started through indigenous capacities, all targeted poverty alleviation, and all started small and ended up having their development experience modeled and replicated in many countries all over the world.²⁷

INTERNAL CHALLENGES THAT IMPEDE PROGRESS

The provisions of Law 84/2000 authorizing the state to interfere in the internal management of civil society organizations suggest that the purpose of government is to control rather than to enable civil society organizations to function effectively. However, legal restrictions and bureaucratic impediments on key administrative decisions are just one factor in the challenge for many organizations to fully contribute to development.

The other challenge is internal organization. These include vague and multiple mission goals, lack of democratic practices inside organizations, poor technical capacity of staff, and top down relationships between CSOs and their constituencies. Frequently, they are symptoms of inexperience, but they result in a low level of public trust in CSOs

and also limit their ability to influence government policies. While there is evidence of much greater professionalism, especially within business associ-

A study indicates that the weaker the decentralization framework, especially fiscal decentralization, the weaker the partnership possibilities.

ations, development-oriented NGOs and advocacy groups, there is a need, overall, to upgrade skills.

There are several general recommendations that might help address these shortcomings:²⁸

- A formal review of present CSO legal categories and the creation of categories that define more closely the thematic activities of CSOs, that is, for philanthropy, for diverse services, advocacy, etc;
- Legislation could also help by defining clear requirements for registration. This would include one clear mission statement with limited rather than broad subsidiary goals;
- A demonstration of management and financial skills, shown in a mandatory and yearly annual report and budget statement;
- The Ministry of Social Solidarity has a role to play in making available guidelines on basic organizational skills, to be presented as a contractual guarantee of good governance practices upon registration of an association.



At the level of the internal practices of the organization itself, several recommendations target poor practices that remain prevalent today:

27. Baradei, (2008), op.cit.
28. The sections on challenges and recommendations have strongly benefited from Fatma Khafagy, (2008) op.cit.

- Association General Assemblies, in theory, play an important consultative role. In practice, they are rarely consulted in the work of the organization, meeting once a year to approve the budget and to vote for new members of the Boards of Directors. Their consultative role should be enhanced, and their potential exploited in creating strategic relationships with decision makers, donors, business and the general public.
- It is in fact the Association Board of Directors with the General Manager that actually take all decisions. However, CSOs in Egypt are characterized by an individual rather than a collective management style, and the bulk of the work is most frequently shouldered by the General Manager or head of an organization. This might explain the fact that he/she seldom relinquish their position because it could mean the end of the organization.²⁹ Wider participation, consultation and inclusion can only become effective if General Managers commit to fixed term appointments, are mandated to appoint and consult with a formal deputy, and staff members are given incentives like capacity building to participate in decisions.
- Membership of Boards of Directors usually consist of influential families in rural areas, while in urban areas, as evident from their educational and professional background, they comprise mainly the prosperous, or civil servants. A mandatory requirement that a proportion of the Board should be selected from the communities themselves could help lessen the undue influence original founding members exert.³⁰
- Many NGOs consider the groups they serve as beneficiaries and not as their constituencies. The beneficiaries are not expected to hold the CSO management accountable, nor are they able to influence decisions made inside the organization. Frequently, there is very little focus on outcomes of funding. One way to ensure transparency is to require an annual report from all active organizations, listing goals, accomplishments, donors or finances and budget. This should be made available in the public domain. It is believed that some CSOs, especially those that are funded by foreign donors are, in fact, more accountable to their donors than to their beneficiaries or to the public at large.
- Very rarely do CSOs evaluate and measure the overall impact of their work – often short- term and amateur – and if they do, it is seldom that findings of the evaluation and impact assessment inform future strategy. This lack of vision for the future is also due to financial hardship which impacts on the ability to assess achievements and plan forward. These issues are strongly related to a need to find continuous and sustainable funding sources for CSOs other than membership fees or government stipends. Local Foundations set up by the Egyptian private sector could provide funds to applicants in specific fields of endeavor, or donate to endowments whose interest earned covers running costs and salaries. Some donor agencies are also interested in the idea of providing endowment funds, given approval from the government. Bureaucratic hurdles to specific fundraising activities such as charity bazaars, or sale of artisanal work could be lightened or removed.
- Because there has, in some cases, been incidents of corruption and mishandling of funds with criticism directed by parliamentarians and by the media, activists are advocating that CSO finances should be under the close monitoring of the Central Agency for Accounting and not under the Ministry of Social Solidarity.
- With regard human resources, many CSOs find it difficult to recruit and retain efficient staff or volunteers. Paid staff receive less than for work in the private sector, and jobs are more insecure than those in government. The MOSS sometimes seconds employees to NGOs in shared projects. The salaries, pensions and insurance of these are fully paid by the Ministry. Such a package is generally not available to CSO staff leading to a feeling of frustration and instability and a high turnover of staff. Further, volunteers must be self-

29. See Abdel Rahman, Maha (2004), *Civil Society Exposed: The Politics of NGOs in Egypt*, Library of Modern Middle East Studies, Taurus Academic Studies, London and New York.

30. Ibid

supporting — that is, privileged — since the majority of the population is fully occupied, working at one or more jobs in order to survive. Lately young graduates have found it useful to work with CSOs as volunteers until they can find a steadier paid job.³¹ Being trained in one of the well reputed CSOs is considered a good incentive for future employment, especially in the field of development. Egypt can also benefit from the experience of developed countries that encourage voluntarism through community work in lieu of prison or fines for minor offenses punishable by law such as traffic violations.

A gender gap in CSO decision making positions is common. One study indicates that women's membership in association General Assemblies is at about 20%, but only at 10% for Boards of Directors. Women's participation in Cairo and other urban areas is significantly higher (at over 59%) than in rural areas, especially in Upper Egypt. However, they are mostly engaged in conventional care services: as teachers in literacy classes or supervisors in day care centers. Surprisingly, they represent 68% of the boards of associations for the environment. Overall, low representation reflects the still prevailing patriarchal values and traditions that favor men to be leaders. It could also be explained by the fact that women are entirely held responsible for childrearing and homemaking, and this leaves them little time to participate in public life especially if they are also engaged in paid work.³² There is a clear need to directly address prejudice through the media and through application of an anti-discrimination law; there is also an argument for affirmative action or quotas for women.

- CSOs and NGOs are permitted to network legally only through regional or thematic federations. Only one regional federation can exist in each governorate and there is only one specialized federation for each specific field. Federations are controlled from the centre, which makes it difficult to service or to coordinate the work of local

associations. This has led to the spread of informal networking among CSOs, which has increased in recent years, in part as communications become faster and easier. Interaction occurs when there is an issue or cause of joint interest and impact. Women's NGOs, for example, communicate on and collaborate in a number of activities, as do Human Rights and environmental organizations. A very small proportion of Egyptian CSOs have linkages with like organizations abroad. These are realities on the ground and suggest a review is needed of the regulations governing interaction between federations and their constituencies.³³

THE RELATIONSHIP BETWEEN CSOS AND THE STATE

There are few formal channels for maintaining dialogue between the government and civil society. Not all CSOs are given an equal opportunity to take part in dialogue when this (rarely) occurs. Often, dialogue is more of a window-dressing to satisfy international, multi and bilateral donor organization's appeals for a strong and free civil society in Egypt. One of the preliminary conditions for a fruitful state-civil society dialogue is to establish mutual trust between the two parties. The creation of a mixed committee of parliamentarian and CSOs to discuss issues related to the development of civil society has been suggested as a useful step in the right direction.³³

CSOS AS MONITORS OR WATCHDOGS

The majority of CSOs in Egypt see their role confined to addressing the immediate practical needs of citizens. Their function as monitors of government or private sector activity is still very limited. Some CSOs prefer not to engage in open confrontations. In the present climate they believe that it is more effective to raise issues and eliciting results indirectly, especially if their leadership has cordial but informal relations with the press, or with officials in various capacities. On



31. The experience of *El Ressala* an NGO dedicated to student volunteers indicates that restrictions and bureaucratic procedures have meant that only one tenth of volunteers registered with it are able to become active.
32. Issues of gender more thoroughly discussed in El Baz, Shahida (2005), *Gender, Citizenship and the Role of Selected Arab Countries: The Case of Egypt*, UNESCWA, Beirut, (Arabic).

33. Ibid

BOX 4.8 SOME RECOMMENDED POLICY CHANGES AND PROGRAMS

Experience has proved that — in spite of the substantial weight of the Law — changing or amending the legislative framework is not enough. Effective enforcement of Law 84/2002 requires a political and social atmosphere that supports CSO activities, movement, cooperation, growth, and development.

In this respect, the following is proposed:

- Supporting GFA and regional and specific unions, and calling on them to adopt the idea of consultation on the national priorities of civil associations in all governorates of Egypt. Annual general meetings could adopt one or two fundamental development issues such as poverty reduction, unemployment, economic empowerment of the citizen, encouragement of participation in the development processes, or exercise of rights in general.
- Tackling the problems of funding for association activities as follows:
 - a. re-examine and increase aid budgets for civil associations and restore the assistance fund for civil associations. This would activate their access to resources and enable the fund as a source of financing for civil associations' activities.
 - b. call on private funds (eg. The Egyptian-Swiss Development Fund, or the NGO Support Center) to focus on funding economic empowerment projects (poverty and unemployment issues) through projects, vocational training, small loans, and political empowerment (legal awareness and assistance and support for the culture of volunteerism, democracy, and human rights especially women's and children's rights).
 - c. encourage the Egyptian private sector to establish NGOs as funding agencies to finance and monitor implementation of civil association projects within a framework that guarantees using funds for social projects which are based on economic principles that ensure sustainability.
- Create a national plan to upgrade Community Development Associations (CDAs) and support their activities in the governorates. CDAs should be consulted regarding their recommendations for development programs. This would enhance their activities in the field of economic empowerment of the citizen. These associations can also initiate development projects to generate job opportunities like garbage recycling or the silk industry.
- Devise policies and programs to support the institutional and democratic structure of civil associations. Under these programs, successful associations could provide technical expertise and training. A system for incentives like grants and aid should also be designed to encourage mobilization of a second tier of volunteers and selection of BOD members from women and youth.
- Introduce policies and programs to train middle tier leaders of the Ministry of Social Solidarity and activate their role in supporting civil associations and facilitating their work without guardianship or intervening in their administration. Systems should also be introduced which guarantee that associations obtain required approvals quickly and efficiently.
- Re-examine the right of the Security Agencies to approve civil associations' activities and regulate their opposition to the establishment of civil associations and NGOs and their appointment of some leaders to BOD membership. The right of the Security Agencies

d. reconsider some provisions of the executive regulations of Law 84/2002 to ease restrictions on acquiring funds from all foreign and international institutions licensed to work in Egypt by the Egyptian government. Acquiring funds from foreign institutions should occur through notification to the competent authority rather than through obtaining prior approval.

should be limited to the exceptions provided for by law to protect the country's interests and national security.

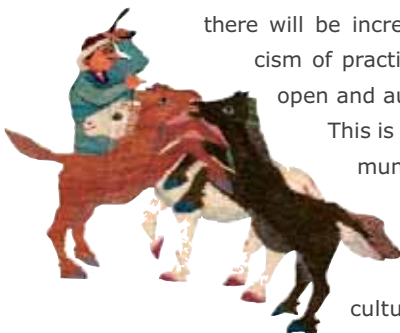
- Devise a program to promote the culture of voluntarism and participation in cooperation with GFA and student unions in universities and schools and encourage youth to establish civil associations and to volunteer. In this respect the following is proposed:
 - a. highlight the idea of a national project for youth volunteer employment, adopted by GFAN in cooperation with the political parties. This project could operate during summer vacations and all year for youth in search of work opportunities. Examples of projects include building a new road parallel to the Nile River from north to south, a national project for planting trees and cleanliness within the framework of a national campaign to protect the environment, a national campaign to eradicate illiteracy, or similar projects.
 - b. A call for a national program to restore the culture of volunteering and enhance patriotism, implemented by GFAN and regional unions. This program would systematically coordinate and match the need for volunteer services from all age groups with the different areas of expertise of volunteers. This volunteer corps could include youth, employees and retired persons and their capabilities, circumstances, and availability would be matched with specific volunteer projects.
- Reward participation in development processes among civil associations, the private sector, and the government. Selected successful participatory projects should be highlighted and honored to set an example for developing participation.

Source: Mona Zulfikar, in A Working Paper on Amending Law No. 84/2002 on Civil Associations and NGOs, October 2007.

the other hand, and in recent years, a small number of CSOs have openly contested government policies and have sought greater accountability, especially for human rights violations.

The current situation suggests that in the future, there will be increasing scrutiny and open criticism of practices that are detrimental to an open and autonomous social environment.

This is likely to come at a cost to community organizers and their constituencies as they challenge more openly vested interests, established authority and cultural norms.



THE ADDED VALUE OF SCALING UP

Confronted with the challenge of meeting the Millennium Development Goals, the development community has recently begun to focus on the need to scale up interventions. Scaling up means taking successful projects, programs, or policies and expanding, adapting, and sustaining them in different ways over time for greater development impact. This emphasis on scaling up has emerged from concern over how to deploy and absorb the substantially increased levels of official development assistance that were promised, either by the GOE, by CSOs or by the wealthy countries at recent G8 summits.

BOX 4.9 THE BUILDING BLOCKS OF SCALING UP

There are three building blocks for designing scaling-up strategies and instilling them with the basic values and incentives of vision, drivers, and space to grow:

- *Vision*: Ideally, a vision for scaling up should be developed as the first phase of a program, frequently called a pilot. Pilots should be designed in such a way that they can be scaled up if successful.
- *Drivers*: Scaling up is a dynamic process requiring a force — or driver — to propel it forward. First, there has to be an idea, an innovation that meets a need or creates a demand among people. Second, there has to be a leader or champion. All successful programs that have expanded from small beginnings have benefited from charismatic leaders who are endowed with a vision, are persistent in their efforts, are often well connected to major stakeholders and constituencies, and have the ability to command respect and guide people.
- *Space to Grow*: Ideas, champions, and external catalysts are not enough, however. For interventions to be scaled up, they need space in which to grow. Sometimes, such space already exists, but more often than not it has to be created. A number of interrelated spatial dimensions must be available if interventions are to be replicated and scaled up successfully. These are:
 - *Fiscal Space*. Most budgetary decisions need endorsements by parliaments, however, creating fiscal space also involves determining whether there will be political support for curtailing certain activities.
 - *Political Space*. Scaling up requires political commitment. Creating political space is a long-term process that must be started early on in the scaling-up journey. It requires advocacy and the legitimization of the programs. This goes beyond simply informing decision-makers about the benefits of the program. It requires creating constituencies

and mobilizing stakeholders who are willing to place the expanded programs on their political platforms.

- *Economic Space*: Scaling up requires that sufficient demand must exist for the services offered by the larger program, or that this demand can be readily created. A realistic assessment of demand and of the factors needed to create it is therefore an essential step.
- *Capacity Space*: The inertia of institutions, especially in the public sector, is a significant impediment. Therefore, it is essential to provide incentives for change, as well as to build a constituency within the institution — not only at the highest level of management, but also at the middle-management and staff levels. Training is one component, but it is by no means sufficient. Improving organizational capacity, incentives, and commitment are equally important.
- *Cultural Space*: Programs often need to be adjusted as they are being extended or replicated to accommodate other values or social-interaction patterns, especially in multicultural communities and countries, or when successful interventions are transferred to another country or continent.
- *Partnership Space*: In most successful scaling-up operations, partners were a key factor in helping to maintain the momentum and focus. They can support the drivers and provide financial support in the scaling-up process. Effective cooperation among aid agencies remains a special challenge, even as official agencies have pledged to coordinate their activities under the Paris Declaration.
- *Space for Learning*: Scaling up is not a linear process; it extends over many years and navigates much uncharted territory. Monitoring, evaluation, and feedback loops are important for learning and adaptation.

Source: Abridged from Arntraud Hartmann and Johannes F. Linn (2007).

THE CHALLENGE TO NGOS

NGO interventions were (and are) typically small in scale, but frequently apply pilot or experimental approaches. When successful, the question arises on how to replicate and scale up these models to achieve sustainable development. For example, attaining universal primary school enrolment, and providing clean water to all are explicit targets under the MDGs, and it is important to be able to achieve these goals using the experience and practice of initial smaller pilot schemes. It is especially in the areas of social policy — education, health, poverty reduction programs, rural and urban community development, and so on — that scaling up is of particular concern.

If greater outreach is sought — on a regional or global scale — a 'franchise model' may be suitable — to combat epidemics, for example. In this case, basic principles are transferred, with space left for context-specific interactions among community members. A good example of an organization

Scaling up means taking successful projects, programs, or policies and expanding, adapting, and sustaining them in different ways over time for greater development impact

that successfully transferred activities is the Grameen Bank in Bangladesh; some of its micro-credit programs are being replicated in other countries. In a very different field, Transparency International, the global anticorruption NGO, scaled up across countries via a franchise model.

Scaling up requires a long horizon; it is a systematic effort with long-term commitment on the part of institutions, donors and individuals because it involves three dimensions:

1. expanding coverage of a program or policy across more people and greater space;
2. creating the organizational and political framework needed to permit going to a larger scale;

3. going beyond one function (for example, health or education) to include others.³⁴

THE FIVE LESSONS TO LEARN ON SUCCESSFUL SCALING UP

Pulling together the various elements of the scaling-up story, five key lessons emerge for scaling up most development interventions:³⁵

1. *Scaling Up Needs Leadership and Values.* If leaders don't drive the process of scaling up, if institutions don't embody a clear set of values that empower managers and staff no scaling-up manual, no checklist, and no compilation of case studies will make a lasting difference.
2. *Scaling Up Needs Political Constituencies.* Social change needs to be embedded in a society and needs to be supported by political constituencies. These constituencies generally do not emerge by themselves; they need to be created. Political constituencies need to become actively engaged in the process, and political leaders need to find that it is in their interest to place the concerns to be addressed by the scaling-up process on their agendas.
3. *Scaling Up Needs Incentives and Accountability.* Scaling up is a change process, but changes are often stalled by unwilling players. In social delivery programs, these players are often public bureaucracies where inertia, combined with inadequate skills and human resources, prevents change from happening. Accountability is important and its importance increases as programs become larger, and the visibility of and political attention to the programs increase. Citizen report cards, beneficiary surveys, and results-based monitoring are all ways to ensure accountability.
4. *Scaling Up Needs Systematic Monitoring and Evaluation.* Monitoring and evaluation will be necessary on two levels: first, for the original limited-scale or pilot operation and, second, during the scaling-up process. The successful scaling up of the BRAC operation in Bangladesh depended crucially on regular feedback from monitoring and evaluation systems. This allowed the programs to be adjusted as they expanded.

5. *Scaling Up Benefits from an Orderly and Gradual Process.* Social process innovations — which rely on political processes; public-sector bureaucracies and often, participatory, bottom-up community engagement — generally do not spread instantaneously or spontaneously. An orderly and gradual process, careful logistical planning, a clear definition of partners' roles, and good communication are important ingredients to scale up development interventions.

GENERAL RECOMMENDATIONS

A number of recommendations can be gleaned from the contents of this chapter. These are confirmed by the CIVICUS, and can be summarized as follows:³⁶

- The first is the need to promote collaboration between government, universities, research centers and CSOs on the requirements of reform of the legislative environment. The link between effective policy and effective practice must become more widely disseminated. Advocacy organizations can help by increasing the public's understanding of the root — or structural causes behind inefficiency, or behind community problems;
- The second is the need to promote data sharing; documentation of all work is necessary at all levels in order to build a national database on CSOs;
- The third is the requirement to ensure greater organization within and among CSOs. At one level, CSOs must address the efficacy of their internal practices; at a second level, more networking and coalition building are needed in order to identify and emulate best practice CSOs, and collectively, to impact more forcefully on public policy;
- The fourth is the need to create mechanisms for sustainable CSO funding. The means to make charitable donations become regular must be explored as well as ways to raise longer term commitments for development-oriented activities. In both cases, awareness-raising is necessary, and legal restrictions on fundraising amended;

34. See Binswanger, H & Swaminathan, S (2003), "Scaling Up Community Driven Development," Policy Research Working Paper Number 3039, The World Bank, Africa Regional Office; and Gillespie, Stuart, (2004), *Scaling Up Community Driven Development: A Synthesis of Experience*, Washington, IFPRI.

35. Ibid

36. CIVICUS, *Civil Society Index Report (2006)* op.cit., pp 80-81.

- The fifth is to raise the profile of volunteer work. Successful CSO case studies may help identify ways to recruit and keep volunteers, and indicate means by which paid assistance can become viable.

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**ANNEX 4.1 TABLE (1): THE ARVIN FRAMEWORK:
A WAY TO ASSESS THE ENABLING ENVIROMENT FOR CSOS**

	Legal & Regulatory Framework	Political Governance Context	Socio-Cultural Characteristics	Economic Conditions
Association	Freedom of Association	Recognition and accreditation policies and procedures	Social capital Gender barriers Illiteracy	Cost of Legal registrations and accreditations. Cost of convening meetings and forums
Resources	Tax systems, fund raising and procurement regulations	Government grants, private funds, contracting, other transferences	Social philanthropy (the culture of giving) History of associational life, Self-help and gap filling	Size of and stresses in the economy. Impact of economy on contribution by members. Infrastructure and cost of communications
Voice	Freedom of expression, Media and ICT related laws	Political control of public media	Communication practices (use of media by different social groups)	Fees associated with expressing views in media (ads vs. op-ed) present/publish/distribute views (petitions, newsletters, radio stations)
Information	Freedom of information. Rights to access public information	Information disclosure polcies and practices. Ability to demystify public policy and budget	Information networks, Illiteracy The use of the word of mouth	Costs/fees for access to information
Negotiation	Legally established dialogue spaces (referendums, lobby regulations, public forums, etc.)	Political will. Institutionalised dialogues and social accountability mechanisms. Parliaments', and local national governments capacities to engage	Social values and hierarchies that set who can speak on what subject in what context and when	Bargaining power Impact of economic constraints on autonomy and advocacy

Source: Jeff Thindwa et al (2003), "Enabling Environments for Civic Engagement in PRSP Countries, Social Development Notes, Environmentally and Socially Sustainable Development Network, Note No. 82, March. Beck, Linda (2004). "Application of the ARVIN Framework to Assess Civic Engagement in the Decentralization in Senegal", Meetings of World Bank External Advisory Group on the Enabling Environment for Civic Engagement Initiative, June 7-8. <http://siteresources.worldbank.org/INTPCENG/>

For each of the five domains a set of questions may be used for assessment of the situation in practice in any one nation or community.

Association:

- Is people's associational life spontaneous and free both formally and informally, or is it highly circumscribed and subject to political and security control?
- How are CSOs distributed over different social groups and purposes?
- Are certain groups excluded or under represented?
- What are the reasons for associational restraint: lack of political tolerance and space, legal restrictions, administrative obstacles, costs, social norms?
- Who holds power over limiting conditions and why?

Resource Mobilization:

- Do people have the time, energy, materials, assets, financial surplus and mobilization skills required to make CSOs viable with continuous creation of benefits?
- How reliant are CSOs on discretionary external – as opposed to self generated- resources to continue to function?
- How autonomous is their resource base from government?
- How does compliance with taxation, employment and social security laws affect CSO income and cost structures?
- What is the primary constraint: legal restrictions, lack of economic potential, no cultural disposition towards private philanthropy, inadequate financial infrastructure?

Voice:

- Are any groups or ideas blocked from expression and if so on what grounds?
- Are all CSOs that wish to do so able to articulate their positions and ideas in the public realm?
- Are any groups excluded from participating in the public arena?
- Is public media open to projecting a diversity of expression?
- What is limiting a capability of voice?
- What is causing exclusion of certain voices to recognized and heard?
- Information and Communication:
 - Is access to information accessible, plentiful and suitable for non-literate as well as literate users, or is information inaccessible, censored and controlled?
 - Is communication easy, free, intense and low cost or difficult, restricted, and expensive?
 - What is the major constraint: poor physical infrastructure making travel and access difficult, gender differentiated cultural restrictions limiting communication to and by women, technology limitations or costs?

Negotiation:

- Are there effective ways for civic interests to be continuously expressed, claims to be made, rights asserted and differences negotiated within the CSO community as well as with government and business?
- Are there known and well used institutional mechanisms or respected 'places' for dialogue within and between civil society and with other sectors?
- What is the major constraint: government aversion, deep social mistrust, lack of CSO capacity to articulate and present interests?

The ARVIN framework can be applied to assess the degree of civil engagement in decentralization. In Senegal in 2004, a study (Beck) was performed based on the ARVIN framework to analyze conditions in the institutional context of civil society that undermined their capacity to demand effective decentralization. Through the study a number of problem issues were identified and parallel policy recommendations were formulated

ANNEX 4.2: APPLICATION OF THE ARVIN FRAMEWORK TO EDUCATION DECENTRALIZATION IN EGYPT: A WAY TO ASSESS THE ENABLING ENVIRONMENT FOR CSOs IN EDUCATION DECENTRALIZATION IN EGYPT:

The following is a preliminary application of the ARVIN framework to assess the enabling environment for CSOs potential role in Education Decentralization in Egypt; a more detailed application requires a more rigid collection of data and an assessment of various stakeholders' perspectives. For each of the five ARVIN indicators, there are legal, political, socio-cultural and economic aspects to be taken into consideration.

	Legal and Regulatory Framework	Political Governance Context	Socio-Cultural Characteristics	Economic Conditions
Association	Freedom of Association The laws allow for the free association of people with NGOs working in the field of education. However, there is only one teachers' national syndicate mostly dominated by the ruling government and not totally representing teachers' interests.	Recognition and accreditation policies and procedures There may be some political and security restraints on the association of NGOs with foreign donor agencies. Security permissions have to be obtained for any public gathering or meeting whether including donors or not	Social capital. Gender barriers. Illiteracy. Association life of people in Egypt limited by virtue of the high illiteracy rate and lack of wide spread volunteerism spirit.	Cost of legal registrations and accreditations. Cost of convening meetings and forums Although costs of registering an NGO may not be an impediment, other associated impeding costs include the cost of renting or purchasing an office for the NGO – a huge obstacle- plus the cost of convening meetings and forums.
Resources	Tax systems, fund raising and procurement regulations NGOs are tax exempt. Fund raising from external donor agencies have to gain prior approval from the Ministry of Social Solidarity and later monitoring of disbursement.	Government grants, private funds, contracting, other transferences Government grants to NGOs in the field of education are limited and so are private funds.	Social philanthropy (the culture of giving) History of associational life, Self-help and gap filling The culture of giving is associated with religious motives (alms and zakat) but usually does not focus on educational purposes. Although Egypt has known a history of generous educational endowments	Size of and stresses in the economy. Impact of economy on contribution by members Infrastructure and cost of communications Economic problems and low economic standards of living act as an obstacle to resource mobilization from communities, especially in poor rural areas.
Voice	Freedom of expression, Media and ICT related laws Government controls national newspapers, national T.V. and radio. However, some room is available for free expression in opposition papers. Still journalists, reporters and media people opposed to the government may be subject government may be subject to harassment and even prosecution under Emergency Laws and for National Security reasons. There are also cases of bloggers being arrested because of their presenting views in opposition of the government.	Political control of public media Although national T.V. and national newspapers are controlled by the government, yet more and more there is room being made available in opposition papers and non-government dominated papers to present different view points.	Communication practices (use of media by different social groups) Not all groups have equal access to the media, especially national T.V. and national newspapers. On a local level, there are limited effective newspapers covering local and community news and interests	Fees associated with expressing views in media (ads vs. op-ed). Costs to present/publish/distribute views (petitions, newsletters, radio stations) Cost of posting ads in national newspapers or on national T.V. may represent an obstacle to educational NGOs wishing to disseminate certain values or ideas.
Information	Freedom of information. Rights to access public information NGOs working in the field of education may find difficulty in accessing official information about government educational policies and records achievements. Moreover, official records of educational sector achievement (for example enrollment and access rates) are usually exaggerated.	Information disclosure policies and practices. Ability to demystify public policy and budget Very limited information disclosure regarding public policies, practices and budgets. When national budget is presented in People's Assembly, even MP's may not be able to decipher and analyze education allocations.	Information networks, Illiteracy. The use of the word of mouth Communication of information to the illiterates –for example parents- is non-existent	Costs/fees for access to information Data and information available about the education sector at CAPMAS is provided to researchers at a high cost.
Negotiation	Legally established dialogue spaces (referendums, lobby regulations, public forums, etc.) Teachers' syndicate is government dominated and does not provide the required space for negotiation with government.	Political will. Institutionalized dialogues and social accountability mechanisms. Parliaments', and local national governments' capacities to engage Democracy and democratic practices are relatively new to Egypt and this is reflected on the capacity of educational CSOs to utilize, let alone institutionalize, accountability mechanisms	Social values and hierarchies that set who can speak on what subject in what context and when Similar to the Egyptian societal culture and prevalent norms, dominance in negotiation processes are usually dominated by elderly figures, who are perceived with a greater degree of respect, and dominated by people affiliated to the National Democratic Party who are perceived to be more powerful.	Bargaining power. Impact of economic constraints on autonomy and advocacy A dire economic situation may have different impacts; for teachers obtaining very low salaries it may represent a spur to their activism and call for change of compensation scales; but for parents who are busy making ends meet, it may deter their activism and participation in school governance.



THE CRISIS OVER SYNDICATES AND INTEREST GROUPS



This chapter is based on the proposition that economic development is a complicated process based on partnership between the state and civil society. It argues that syndicates and professional unions — other than the private sector — are the closest civil society institutions to development since they stem from within the economic arena itself. The chapter shows the indicators of syndicates' weakness, and attempts to explain this through a number of factors relating to the framework regulating syndicates, the state-syndicate relationship as well as syndical relations with political society.

Syndicates are facing great challenges with regard state inability or unwillingness to assist them. Reform requires that syndicates should maintain self-dependence by restructuring and transforming relations with members to participate more actively in their organization and development as representatives of group interests. The legal framework should promote independence, competitiveness and negotiation with all parties in defense of membership professional interests.

Reforming the syndicate movement in Egypt requires a complete package of policies and procedures to be developed in consultation with all parties. It will not be achieved without placing reform within a wider and more general framework to regain citizen's trust in organized collective work undertaken on their behalf and securing their interests.

APPROACHES TO MODERNIZATION

The social sciences are seeing an ongoing debate on the factors that lead societies to modernize and to develop. Two key approaches can be identified: one focusing on the role of society and the other on the role of the state.

The society-centered approach: This is based on a deep-rooted heritage of the social sciences which explains progress, industrialization and modernization in terms of society-related factors, following the theories of German sociologist Max Weber, for instance, or of those claiming that individuals contribute to the process of development by pursuing the maximization of personal benefit in a rational process. Others, such as the Austrian political scientist Joseph Schumpeter, place the emphasis on the genius of the organizer/manager, who leads social change.

The state-led approach: This believes that the role of the state is a decisive element in leading and stimulating the process of development, particularly in Third World societies that are characterized by stagnancy and that lack coherent social forces able to contribute towards modernization and progress. Countries such as these cannot develop without an active and effective role by a mature developmental state that would not necessarily interfere in or monopolize the production process, but rather, would play a pivotal part in creating an environment conducive to growth.

This Report takes the view that a successful process of development involves *both* social and state actors. It argues that all balanced development is an outcome of the interactive and reciprocal relations between the state and social forces. To understand whether a state's development path is vibrant or lethargic, and whether citizens are vigorous or apathetic participants in the growth process, it is necessary to recognize the interplay between state and society, and the extent to which such a relationship either enhances or impedes progress and change.

CIVIL SOCIETY IS NO ALTERNATIVE TO THE STATE

The concept of civil society has a long history. However, in the 1980s and 1990s, it took center-stage within a political and economic context skeptical of the state's ability to effectively contribute to the economic life of a society. Contributing to the skepticism were the crises of many welfare systems in the developed industrial countries, and the breakdown of state communism in Eastern Europe.

In this context, the concept of civil society came once more to the surface. It was believed that civil society would be capable of filling the gap resulting from the relative withdrawal of the state from economic activities and from adequate provision of public goods and services. State withdrawal became coterminous with civil society expansion, and this expansion meant, in turn, limiting the space allocated for the state. A major polarization emerged between the society-centered and the state-led views. This was the case in Egypt.

In hindsight, this debate resulted in the negligence of many other development issues. It is clear that no matter how much it expands, civil society is incapable of replacing the state in its major and sovereign functions. The state, likewise, no matter how expanded, cannot dispose of civil society without society descending into stagnation and rigidity.

Several misconceptions have proliferated. There has been the mistaken belief that a strong state ultimately results in a weak civil society and that weakening the state is by default strengthening civil society. This has given rise to the overlap in under-

standing between what constitutes a large state and a strong state. A large state is one that occupies a large area in the economy and in society. It mostly dominates the economic resources of society and employs a considerable number of the population. A strong state, however, is one that is effectively performing its chief functions, most important of which is drafting the legislative and legal framework suitable for civil society to flourish, and implementing such a framework, fairly and strictly, in a developmental partnership that exploits all of the resources of a nation.

In this respect, a strong state is a prerequisite for a strong and prosperous civil society. In other words, growth and progress are conditional on the efficiency and effectiveness of the state, which in turn depend on the emergence of an active civil society within an enabling environment that helps monitor and maintain the accountability of all concerned.

UNIONS AND SYNDICATES: AN INTEGRAL PART OF CIVIL SOCIETY

All definitions of civil society assume the existence of a number of institutions outside of state agencies and the family institution that play specific roles in providing care for members or services for the society. Syndicates or interest organizations are one such case of significant civil society organizations, since they serve as assemblies for professional and social groups, voluntarily organized to provide care for members and defend a particular profession's interests.

However, a review of the civil society literature in Egypt illustrates that the focus has been, rather, on non-governmental, service and charity institutions as the key components of civil society organizations. On the one hand, the exclusion of syndicates and associations as constituents of civil society by some scholars has largely been due to the suspicion that the state has co-opted these organizations; Egyptian syndicates, it is believed, work on tasks assigned by the state and are subject to various degrees of state domination, including, in some cases the appointment of their cadres or leadership. On the other hand, there is indeed evidence that some organizations have been used as platforms by certain groups to advance a

BOX 5.1 A BRIEF REVIEW OF TRADE UNIONISM

In the common understanding of the word in Western countries, a union is an organization of usually blue color workers. The most common, but by no means only, purpose of these organizations is "maintaining or improving the conditions of their employment" according to Sidney and Beatrice Webb, who, in 1920s, published the first comprehensive 'History of Trade Unionism'. Since then, trade unions have developed into a number of forms, influenced by differing political and economic regimes. In Western Europe, professional associations or syndicates (from the French word *syndicat* which means union) often carry out the functions of a trade union. In these cases, they may be negotiating for white-collar workers, such as physicians, engineers, or teachers.

Generally, a union, through its leadership, bargains with the employer on behalf of union members and negotiates labor contracts with employers. This may include the negotiation of wages, work rules, complaint procedures, rules governing hiring, firing and promotion of workers, benefits, workplace safety and policies. The agreements negotiated by the union leaders are binding on the rank and file members and the employer.

Unions are delineated by the service model and the organizing model. The service model union focuses more on maintaining worker rights, providing services, and resolving disputes. Alternately, the organizing model typically involves full-time organizers, who work by building up confidence, strong networks, and leaders within the workforce; and confrontational campaigns involving large numbers of union members. Many such associations are a blend of these two philosophies, and the definitions of the models themselves are still debated.

Although their political structure and autonomy varies widely, leadership of unions and syndicates are usually formed through democratic elections. In Western Europe, professional associations or syndicates, typically, refrain from politics or pursue more liberal politics, unlike blue-collar counterparts in many countries.

Many unions and syndicates claim a right of exclusivity. They have the authority to determine who may be a member and who may not. Many in the West assert a right to mandate that only their members, and no others, may be permitted to work at certain jobs, and an employer contractually is generally not permitted to seek out the services of another association even if he or she is dissatisfied with the performance of the current one.

Typical Activities:

- *Provision of benefits to members:* Early such associations in Europe and the US often provided a range of benefits to insure members against unemployment, ill health, old age and funeral expenses. In many developed countries, these functions have been assumed by the state; however, the provision of professional training, legal advice and representation for members is still an important benefit of membership.
- *Collective bargaining:* Where such associations are able to operate openly and freely, and are recognized by employers, they may negotiate with employers over wages and working conditions.
- *Industrial action:* In many countries, unions in particular may organize strikes or resistance in furtherance of particular goals.
- *Political activity:* In the West, trade unions may promote legislation favorable to the interests of their members or workers as a whole. To this end they may pursue campaigns,

undertake lobbying, or financially support individual candidates or parties (such as the Labour Party in Britain) for public office.

Diversity of International Unions

As labor law varies from country to country, so does the function of unions or syndicates. For example, in Germany unions have played a greater role in management decisions through participation in corporate boards and co-determination than have unions in the United States. In Britain a series of laws introduced during the 1980s by the Thatcher government restricted union activity. All agreements requiring a worker to join a union are now illegal.

Relations with political parties vary. In the Soviet Union, for example, such associations have typically been de facto government agencies devoted to smooth and efficient operation of enterprises. In other countries some are tightly bonded, or even share leadership, with a political party intended to represent the interests of their constituency. Additionally, the structure of employment laws affects how business is carried out. In many Western European countries for example, wages and benefits are largely set by governmental action.

Worldwide and International Cooperation

The largest such organization in the world is the Brussels-based International Trade Union Confederation, which today has approximately 309 affiliated organizations in 156 countries and territories, with a combined membership of 166 million. Other global organizations include the World Federation of Trade Unions. National and regional organizations in specific industry sectors or occupational groups also form global federations, such as Union Network International and the International Federation of Journalists.

Source: http://en.org/wiki/trade_union.

particular political agenda inimical to what the state considers to be in the national interest. The absence of mainstream membership participation in many syndicate and association election processes has, in part, contributed to this polarization.

The result has been that when a larger role for civil society in Egypt was proposed as a solution to the dilemma of slow-moving development and modernization, syndicates have been excluded on the grounds that a true civil society is one free of the state controls which, in turn, have inadvertently contributed to manipulation by some groups. Reluctance to include the Egyptian syndicates and associations in civil society has been based on two other considerations:

- *Firstly*, some syndicates are not founded on voluntary or selective membership. That is, membership of a syndicate is a prerequisite to practice the profession. Thus, a doctor, for example, must belong to the physicians association. In such cases, the syndicates play a role similar to that of the state in granting license to practice the profession.
- *Secondly*, many syndicates and representation groups in Egypt are subject, one way or the other, to state supervision and interference. For instance, the Ministry of Trade, by virtue of the law, directly oversees the General Federation of Chambers of Commerce, representing traders' interests. Supervision goes as far as the



delegation of the Minister of Industry to appoint some of the members of the Board of Directors as well as the Chairman of the Federation.

These two considerations are significant. However, exclusion of the syndicates from civil society in Egypt discards other issues:

To begin with, the state assigns Egyptian syndicates to fulfill certain functions such as licenses to practice a certain profession, as well as the supervisory role as regards these professions is not an exception worldwide. Many syndicates in other countries have used corporatist models of organization within definite political and social contexts. The term 'corporatism' was first used to refer to trends prevailing in Italy under Fascist rule prior to World War II, by virtue of which there was a sole syndicate representing each professional and social group, the membership of which was obligatory. These syndicates worked on implementing state-dictated policies.

However, the adoption of a corporatist orientation to regulate syndicates — while in some cases justified on ideological grounds — should not result in excluding the syndicates from civil society. The fact that certain organizations are subject to state control does not totally deny these organizations their popular or societal nature. Political parties, for instance, may be subject to state control under certain political circumstances, but this should not justify considering them part of the state apparatus. The domination of certain social groups of state agencies should not, likewise, justify analyzing these agencies apart from the state. Areas of state control as well as civil society evolve and change continuously to meet new circumstances. The corporatist form adopted by several authoritarian political regimes in Europe, for example, was later revoked and syndicates were liberated from the domination of the state.

Further, the application of the standard of 'independence from the state' as an absolute prerequisite for civil society organizations would lead today to the exclusion of most, if not all, of Egyptian civil society institutions from the definition of civil society. These institutions are subject one way or

the other to state interference, as can be seen from the legislation which governs their activities.

While some organizations, unions and syndicates operating under state supervision — such as the Federation of Egyptian Industries — were established by an initiative from society and at their beginning enjoyed considerable independence from the state, they, at a later stage, were subjected to state interference within a particular political context in the 1950s. The tendency then was to end social plurality in the interest of 'the common national goal' by dominating all popular organizations under a corporatist system of governance.

Today, the presence of the state in organizations, unions and syndicates does not detract from the growing tendency within these organizations to reform their relations with the state and to win greater independence from it. This process can be speeded up if there exists the political will. However, at present, it is more realistic to perceive syndicates that perform state roles and are subject to the domination of state as belonging to "semi-civil society", a hybrid category that reflects some form of transition. The term allows the consideration of the dual nature of these organizations as semi-popular and semi-governmental organizations.

REPRESENTATION GROUPS IN EGYPT

Representation groups and syndicates in Egypt are divided into three kinds: business associations, professional associations and those under the Egyptian Federation of Trade Unions.

BUSINESS ASSOCIATIONS

It is the usual practice in Egypt to use the term syndicate to refer to the organizations representing professionals and workers only, and not organizations of businessmen and traders. However, these are in fact syndicates because one of their main roles is representing the interests of their members —businessmen and traders.

Business organizations include corporatist entities directly supervised and regulated by the state and those regulated mainly by themselves. The former include the "Federation of Egyptian Industries"

The presence of the state in organizations, unions and syndicates does not detract from the tendency within these organizations to reform their relations with the state and to gain greater independence from it



(FEI) and the "General Federation of Chambers of Commerce" (GFCC). Both were established in the 1920s, and prior to the 1952 Revolution, were independent from the state. In 1958, a new law was enacted for the Federation of Egyptian Industries, rendering it under the direct supervision of the Ministry of Industry.¹ The Minister of Industry is entitled to appoint one third of the Board of Directors of the Federation as well as its Chairman. The same applies to the General Federation of Chambers of Commerce which was brought under the direct supervision of the Ministry of Supply and the Minister of Supply was thereupon authorized to appoint 6 of a total of thirty-twomembers.

Today, both the FEI and the GFCC still maintain their close relationship with the state apparatus. However, starting in the 1990s, the state began to honor a degree of relative independence for both federations by ceasing to appoint managers of public enterprises to chair them, moving the chairmanship to private sector businessmen.²

Business-representation organizations, unlike trade unions and professional associations, in addition to state-controlled corporatist unions, include other organizations with larger margins of independence.³ The 1970s saw businessmen establishing independent organizations, the first and best known being the "Egyptian Businessmen Association" (EBA). Following this, numerous organizations were set up such as chambers of commerce such as the American Chamber of Commerce and investors associations in the new industrial cities. It can be argued, therefore, that the free representation of businessmen in Egypt is more viable than for any other social group.

PROFESSIONAL ASSOCIATIONS

There are a total of 23 syndicates and associations comprising more than 4 million professionals⁴ some of which have a membership of close to a million members, such as the Teachers Association. Thousands belong to other syndicates such as the Journalists Syndicate. These bodies were created at various historical stages, starting early in the 20th Century while others did not appear until the 1990s. The pre-revolution era witnessed the establishment of ten syndicates, namely: the Bar Association (1912), Shari'a Lawyers (1916), Judges Club (1939)⁵, Physicians (1940), Journalists (1941), Engineering Professionals (1946), Dentists, Pharmacists and Veterinarians (1949), Agricultural Professionals (1949) and Educational Professions (1951).

Following the 1952 Revolution, the syndicate of Shari'a Lawyers was abolished in 1955, as an outcome of the closing down of Shari'a Courts. Five new syndicates were created, namely Actors, Cinema Professionals and Musical Professionals, all established in March 1955, the Accountants and Auditors Syndicate in August 1955 and Scientific Professionals in 1964. Five other professional syndicates were established in the 1070s, for Social Professions (1973), Applied Arts Professionals (1974), Plastic Artists (1976), Applied Art Designers (1976) and Nursing Professionals (1976). Two syndicates were created in the 1980s, Tour Guides (1983) and Sports Professionals (1987). Finally in the 1990s, the syndicates of Customs Officers (1993) and Physiotherapy Practitioners (1994) were set up.⁶

1. Federation of Egyptian Industries:
<http://www.fei.org.eg/>

2. Soliman, Samer (1998), *State and Industrial Capitalism in Egypt*, Cairo Papers in Social Sciences, AUC Press, Cairo.

3. Bianchi, Robert (1989), *Unruly Corporatism: Associational Life in Twentieth Century Egypt*. Oxford University Press, Oxford.

4. Ahrum Center for Political and Strategic Studies, *The Arab Strategic Report, 2002-2003*, Egypt.

5. The Arab Strategic Report did not include the Judges Club among syndicates though it is one.

6. Ibid, Center for Political and Strategic Studies.

BOX 5.2 REFORM OF LABOR LAW ALLOWS FOR VOICE

The longest and strongest wave of worker voice since the end of World War II is rolling through Egypt. The newspaper *al-Masry al-Yom* has estimated that approximately 222 strikes and work stoppages occurred during 2006. In the first five months of 2007, the paper has reported a new labor action nearly every day. The citizen group Egyptian Workers and Trade Union Watch documented 56 incidents during the month of April, and another 15 during the first week of May.

Since the enactment of Egypt's Unified Labor Law of 2003, it has technically been legal for workers to strike, but only if approved by the leadership of the General Federation of Egyptian Trade Unions. However, all actual strikes since 2003 have been "illegal". From their center of gravity in the textile sector, the strikes have spread to mobilize makers of building materials, Cairo subway workers, garbage collectors, bakers, food processing workers, tax collectors, and many others. Unlike upsurges of working-class collective action in the 1980s and 1990s, which were confined to state-owned industries, the wave that began in late 2004 has also pushed along employees in the private sector.

In December 2006, strikes among workers in state-owned textile firms began when workers did not receive the increase in annual bonuses promised to all public-sector manufacturing workers. Protests started among workers at Misr Spinning

and Weaving in Mahalla al-Kubra. Production ground to a halt and around 20,000 workers gathered to assert their claim to the promised bonuses. On the fourth day of the protest, government officials offered a 45-day bonus and the strike was suspended.

The victory achieved by the Mahalla strikers reverberated among workers in a number of sectors. In early 2007, about 30,000 workers in more than ten textile mills in the Nile Delta and Alexandria participated in strikes and protests and received the same deal offered to Mahalla strikers. In December 2006, cement factories in Helwan and Tura and auto workers in Mahalla al-Kubra went on strike. In January 2007, railway engineers went on strike, blocking the first-class train from Cairo to Alexandria. There were also wildcat strikes by truck and microbus drivers, poultry farmers, garbage collectors, and public gardeners and sanitation workers.

In September 2007, 24,000 Mahalla workers went on strike again in response to unfulfilled promises made at the conclusion of its December 2006 strike. After halting production for less than a week, they won a bonus equivalent to 90 days' pay. As with many of the work stoppages of the three-year wave of strikes in Egypt, the immediate causes of the Mahalla workers' discontent are local and economic: unpaid bonuses and charges of corruption on the part of management.

However, the underlying economic grievance of the strikes is the deteriorating standard of living of most workers and civil servants due to rising inflation. In addition, strikers in Mahalla and elsewhere around the country have started to directly challenge the government's economic and privatization policies. Workers fear that the new investors of privatized firms will not provide them with the job security or benefits that public-sector workers have enjoyed since the 1960s.

Recent strikes among workers in privatized factories reflect these concerns. In April 2007, repeated work stoppages by 284 workers occurred at the Mansura-Spain Company, at which a 75 percent female work force produces quilts and ready-made clothes. They protested the sale of their enterprise without a commitment from the prospective new owner to pay supplemental wages and profit share due them since 1995. One of the largest private-sector strikes to date occurred at Arab Polvara Spinning and Weaving in Alexandria. On March 24 and April 2, 2007, nearly half of the firm's 12,000 workers struck to protest discrimination between workers and managers in the allocation of shares when the company was privatized in the mid-1990s, failure to pay workers dividends on their shares, and the elimination of paid weekends and sick leave.

Source: Abridged from articles by Joel Beinin and Hossam el-Hamalawy. (2007): "Egyptian Textile Workers Confront the New Economic Order," March 25; "Strikes in Egypt Spread from Center of Gravity," May 9; and "The Militancy of Mahalla al-Kubra." September 29. Middle East Report Online.

Many syndicates and representation groups in Egypt are subject, one way or the other, to state supervision and interference



THE EGYPTIAN FEDERATION OF TRADE UNIONS

Trade unions in Egypt were not legally recognized till 1942. During the Nasser era, it was decided to host all trade unions within one framework, the "Egyptian Federation of Trade Unions (EFTU).⁷ Formed in 1957, it comprised the many and various trade unions that previously were independent from the state; the purpose was to impose state control under the vertical corporatist system then in application. By 1962, the government was in almost complete control of syndicates in general and the EFTU in particular, when leading positions were available only to members of the unique political organization in the country, the Arab Socialist Union. This rule was abolished in the seventies, but the State continues to exercise a firm control over the Federation.

AGRICULTURAL COOPERATIVES

Membership of agricultural cooperatives amounts to 5 million farmers, land owners or tenants, and these oldest of cooperatives date back to the early 20th Century after prominent public figures behind Egypt's economic development such as Talaat Harb pacha supported the movement. Falling under state control in the 1950s, cooperatives played a key role in providing farmers with necessary agricultural inputs. However, with the economic transformation under the Open Door or *Infitah* policies in the 1970s, these cooperatives collapsed especially after the decision of the authorities to transfer their funds to the Development and Agricultural Credit Bank, established by Law No. 117 of 1976. Since then, the role of agricultural cooperatives diminished.⁸ Nevertheless, cooperatives are the only representation for land owners and tenant farmers in Egypt, and as such should not be excluded from our understanding of civil society, despite their domination by the state. But agricultural workers do not have any syndicate formations.

7. Egyptian Federation of Trade Unions:

<http://etufegypt.com/>

8. Awlad El Ard Center:

<http://www.hrinfo.net/egypt/ae/2005/pr0312.shtml>

SYNDICATES AND DEVELOPMENT

Syndicates are usually approached in terms of politics or human rights, since all international human rights instruments, headed by the Universal Declaration of Human Rights, highlight the right to form syndicates and voluntary organizations. However, this Report has chosen to underline the significance of syndicates from a developmental rather than a human rights perspective, since they are the closest of all civil society institutions to the process of economic development.

While membership of non-governmental organizations in districts or place of residency, or those that provide charity activities usually do not impact directly, if at all, on broader economic processes, syndical institutions are based on interactions at the heart of the economic process itself. They are characterized by the fact that their creation and membership are based on group interests developed and materialized by assemblies of people participating in the same economic activity or in the same workplaces. Their impact on economic development can be positive or negative or a mixture of both.

POSITIVE IMPACT ON ECONOMIC DEVELOPMENT

The positive impact of syndicates on economic development is manifested in a number of roles:

Promotion and development of profession: Syndicates are assemblies of professionals of a certain activity and producers of goods. The interests of professionals, in fact, are not maintained unless the profession itself is maintained and promoted. Therefore, syndicates play a pivotal role in enhancing the profession of their members, either through participation with the state in drafting the policies regulating the practice of the profession or through efforts to enhance the capacities of their members and set standards, providing new knowledge and new experience in and rendering such information available to their members in meetings, publications, training workshops or by other means.

Defending group interests: Syndicates are interest groups for their members, through which

they can defend their legitimate concerns. The interests of professions are usually not separated from the interests of their respective professionals. Promoting the financial conditions of teachers, physicians, lawyers and workers, for instance, and improving their working conditions should help promote these professions and in some cases raise their status by allowing for professional development.

Provision of care and services to members: Since syndicates and professional unions are gatherings of economic actors in a certain field, they can play a significant role in maintaining forms of solidarity among themselves such as collective projects for health care, housing, and so forth. The service role of syndicates could well be increased to help members facing financial troubles or when the role of the state in providing services is a limited one.

Helping draft laws and rules regulating the practice of the profession: Syndicate leaders enjoy the recognition and representation of their members. Their effective presence facilitates negotiations with other parties, whether the state or other syndicates, on behalf of their own membership. In other words, the existence of syndicates in representing certain professions and in regulating their respective professionals significantly increases the capacity to identify and voice the collective interests of thousands of economic actors.

NEGATIVE IMPACT ON ECONOMIC DEVELOPMENT

Syndicates can and do play a positive roles for the benefit of economic development, but at times, they can have a negative impact either due to shortcomings of the syndicates themselves and their internal regulations or due to defects in the legislative and legal framework which provide the climate in which they operate. These regulate intra-syndicate as well as state-syndicate relationships. But syndicates may also have negative impacts on the process of economic development:

Defending limited interests of their members contrary to the interests of society: Syndicates contribute in the same manner as their members to the process of development. If a certain profes-

BOX 5.3 UNIONS AND PRODUCTIVITY IN THE US

In a study by Lisa M. Lynch of Tufts University and Sandra E. Black of the Federal Reserve Bank of New York, the average unionized establishment recorded productivity levels 16 percent higher than the baseline firm, whereas average non-union ones scored 11 percent lower.

Lynch and Black correlated the survey data of the U.S. Census's Educational Quality of the Workforce National Employer Survey, first conducted in 1994, — which collected data on business practices with a nationally representative sample of more than 1,500 workplaces — with other statistics that detailed the productivity of each business in the sample. They took as their "typical" establishment a non-union company with limited profit sharing and without Total Quality

Management or other formal quality-enhancing methods. (Unionized firms constituted about 20 percent of the sample, consistent with the waning reach of organized labor in the U.S.)

One reason given for higher productivity of unionized establishments is that most of the union shops had adopted so-called formal quality programs, in which up to half the workers meet regularly to discuss workplace issues. Moreover, production workers at these establishments shared in the firms profits, and more than a quarter did their jobs in self-managed teams. Productivity in such union shops was 20 percent above baseline. That small minority of unionized workplaces still following the adversarial line (autocratic bosses and regimented workplaces) recorded produc-

tivity 15 percent lower than the baseline, even worse than the non-union average.

Are these productivity gains the result of high-performance management techniques rather than unionization? No, Lynch and Black say. Adoption of the same methods in non-union establishments yielded only a 10 percent improvement in productivity over the baseline. The doubled gains in well-run union shops, Lynch contends, may result from the greater stake unionized workers have in their place of employment: they can accept or even propose large changes in job practice without worrying that they are cutting their own throats in doing so.

Source: Paul Wallich, From The Scientific American, News and Analysis-Economics, August 1998, p. 36.

sion collapses or if corruption mushrooms among its members, then the syndicate's role is an impediment to economic development. Syndicates in these instances may not only turn a blind eye to deviations by their members; but they may sometimes go as far as protecting them and creating blocks aimed at sustaining corrupt conditions.

Defending monopoly of syndicate members of the respective profession: Syndicates are originally assemblies for the practitioners of certain professions. If such assemblies turn into closed communities and hinder the accession of new members in order not to share in the pie, they become more like the guilds of the Middle-Ages where no individual was allowed to join if he posed a threat to the interests of the existing or dominating members. A monopoly implies lack of competition which, in turn, leads to a deterioration in the quality of products and less control over fees or prices, which are likely to be hiked up.

PERFORMANCE ASSESSMENT OF REPRESENTATION ORGANIZATIONS IN EGYPT

While the history of modern syndicates and associations in Egypt precedes that of most other developing countries, having started early in the 20th century, it is manifest that today, performance lags behind that of other syndicates in the developing world. This negative assessment rests on their poor performance in terms of their primary functions (excluding, in some cases, their active service role).

Providing care for members: One syndicate role is to provide care for all its members, or to some members in times of crises. In Egypt, this is a primary function. The health care provided by many syndicates such as the Bar Association and the Syndicate of Journalists, as well as the pensions paid by syndicates to their members after retirement testify that Egyptian syndicates are capable of successfully assuming this service role. It is true that their ability to provide these services does not always meet the expanding and increasing needs of members — often due to precarious employment opportunities in particular professions. It is also true that syndicates would not have been able to meet these demands without the financial and moral assistance provided by the state. However, the fact remains that syndicates have achieved noticeable success in service delivery.

The fact remains that a service role cannot continue to be efficiently maintained because state capacity or state interest in providing assistance to syndicates has decreased. A second problem arises in the fact that state assistance to syndicates is politically conditioned, and that at times it may not be in the interest of syndicates to accept conditional assistance. Finally, services have become the only obligation expected by syndicate members, based on which they select candidates in elections. The landslide success of the Muslim Brotherhood in the elections of many professional syndicates and the retreat of other currents is due to the advanced capacities of the



Brotherhood in the area of services provision. The Muslim Brotherhood, a religious advocacy group, has, to begin with, acquired these service skills in the context of charity and welfare work.

Promoting professions: The promotion of a profession is a major task of a syndicate, since it gathers practitioners and producers together as a representative body. If standards are not met a profession collapses and this will accordingly affect the practitioners by casting doubt on their abilities. For instance, a noticeable deterioration in the quality of journalism in Egypt over the last few decades led to a deterioration in the conditions of journalists themselves, in a country where over half the population is literate and, in most cases, with incomes rendering them potential readers of subsidized dailies.

The Syndicate of Journalists has not played a significant role in enhancing professional capacity. If the press market has witnessed considerable quality development recently, this has come with the issuance of independent privately owned daily newspapers, such as *El Masry El Yom*, or a variety of independent magazines, many of them registered outside of Egypt to avoid official or bureaucratic impediments. Any tribute in this regard can hardly be paid to the Syndicate of Journalists. This is further manifested by the fact that when distinguished veteran journalist Mohamed Hassanein Heikal — editor-in-chief for many years of the official *Al Ahrām* newspaper — set up an institution for the training and capacity building of journalists, its headquarters were pointedly located outside of Syndicate premises.

Collective bargaining: To enhance a profession requires the participation of practitioners in drafting the necessary standards and conditions that are a pre-requisite of professional quality. Practitioners cannot participate in the drafting process unless they do so through organizations representing them in discussions on the laws that regulate the profession. Egyptian syndicates engage in collective bargaining in very few instances only. Business associations are probably the foremost groups that engage in the bargaining process. These have become key partners in negotiation with the state on draft laws or policies, evident in the enactment

of Taxation Law/2005 which was preceded by major consultations between the Ministry of Finance and numerous business societies.

However, collective bargaining in Egypt is rare. The Syndicate of Journalists, for instance, has no presence in the contracts drawn between journalists and their workplaces; the same applies to the associations of physicians, engineers, and other professions. Lack of collective bargaining is, in fact, a major reason behind the weakness of certain professions, since individual negotiations are more costly to efficiency and equity in the long run. Employers, either from the state or the private sector, may benefit in the short term, setting their own conditions and standards and imposing them on unorganized employees, but the eventual losers are society at large and the process of development. Chaotic labor relations are an outcome of disrespect for the law and short-term management or financial gain.

WHY IS THE EGYPTIAN SYNDICAL MOVEMENT WEAK?

The weakness of syndicates in Egypt may be attributed to several factors. Some relate to the syndicates themselves and their relations with the social and professional groups on which they are based, and others have to do with relations with the state and the various political trends in Egypt, as well as with the legislative and legal framework through which they operate.

RELATIONS WITH THE GROUPS THEY REPRESENT

There are two types of syndicates in Egypt, the first comprising all or most of the respective professions — where syndicate membership is obligatory, being a condition for practicing the profession (for example, associations of physicians and pharmacists). Membership of the Federation of Egyptian Industries and the General Federation of Chambers of Commerce is also obligatory for anyone working in industry or trade. Members pay subscription fees in the same way they would pay their taxes. Thus, large memberships in the first type is not an indicator of their strength nor does it reflect membership trust, since membership is not voluntary.

The second type of syndicate comprises some but not necessarily all practitioners of a given profession, since syndicate membership is not a prerequisite for practicing the profession. An example is the Syndicate of Journalists which had accepted only some journalists, posing strict conditions for membership that exclude many journalists from either state-owned or private publications. Opening up membership would have entailed larger numbers of journalists sharing in the benefits monopolized by the already existing members. The decision to restrict membership was, in part, based on the syndicate's limited service capacity, which, nevertheless, was facilitated by assistance provided by the state. After a major drop in state assistance, the strict conditions for membership were relaxed somewhat.

Relatively low membership also applies to the Federation of Trade Unions, comprising 3.5 million members, while the estimated number of workers in Egypt largely exceeds this figure. The problem here is not strict membership conditions but the relative absence of private sector workers in the Federation. There are an estimated 10 million workers in the formal and informal private sector, but most of private business rejects the creation of syndical committees within companies. Further, employees, whether from the public or private sector, are frequently not told the purpose of a federation or a syndicate, or what to expect from it.

In all cases and irrespective of the volume of membership in syndicates and federations, participation of members in the affairs of their syndicates is limited. The state's tool to diminish the influence of groups such as the Moslem Brotherhood has been to enact Law 100/1993, determining the minimum voter participation rate for the first round of elections of boards to 50 percent of total membership and to one third in the second round, otherwise declaring the elections invalid. Effectively, most professional syndicate and association elections are blocked since the percentage of participating voters never reaches 50 percent or one third. This is clear evidence of membership apathy, with members caught between cancelled elections, forgone election results or representation by organized minorities.

THE NATURE OF SYNDICAL SYSTEMS

The weakness of the syndicate system in Egypt is largely due to the nature of the corporatist arrangement governing syndicate relations with the state and the professional group they represent. Syndicates are divided into two main types:

The pluralist type: This type allows each professional group to voluntarily and freely organize itself into interest groups. The advantage of pluralism for economic growth and development is that the syndicates created truly represent members and their interests, since membership is not obligatory. Therefore, when these groups reach agreements with the state or with other economic actors, they have the legitimacy and the capacity to obligate their members to respect the terms of such agreements, which reflect their collective interest. The disadvantage of the pluralist model is that reaching agreements is sometimes a tiresome process since each professional group is often an amalgam of different orientations. Reaching consensus requires high consulting skills and an ability to confer and then to bargain for the collective interest.

The corporatist type: In this model, the state establishes a *sole* organization to represent each social group, where membership is obligatory or semi-obligatory and where non-members could be discriminated against and prosecuted. Organizations such as these are subject to state control either legally or formally though this is not necessarily enshrined in the constitution or laws. The advantage of this type of syndicate for the state is that it is extremely centralized, with communications taking a vertical and hierarchical route from top to bottom, minimizing the burden of negotiating with multiple parties. Further, state control over disparate groups under one umbrella enables it to impose its policies on all groups. The disadvantage of corporatist organizations is that these do not reflect the voluntary and free representation of diverse interests. Hence, agreements reached do not express the real position of all syndicate members, rendering agreements ineffective, often just ink on paper. Moreover, this system relies on a degree

of suppression to force the various interest groups to follow the dictates of their respective corporatist organizations.

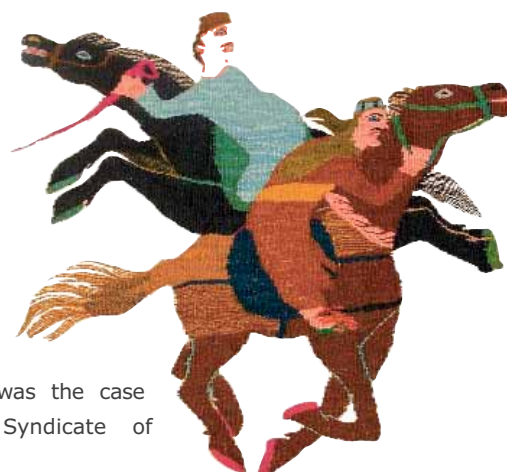
Corporatism, under diverse political systems, was based either on the principle of nation unity and a rejection of division, diversity and social conflict, or on the fact that the ruling party in fact represented the workers and therefore ruled in their name. Thus, fascism and communism, for example, achieved relative economic success through a corporatist system, imposing state plans and projects without significant opposition. However, as a coercive structure enforced by the authorities, it could only be maintained through intimidation, eventually leading to conflict or to stagnation and decay. The weakness lay in the absence of a true representation of interests and a lack of the driving forces of competition and innovation.

CORPORATISM IN EGYPT

A form of syndical corporatism was introduced in Egypt in the 1950s, based on the limited practice of suppression, since it was created in the absence of strong syndicates. Interest groups in Egypt were historically very young and some had existed for only a few decades. In some cases, syndicates did not have history or a record of any major achievements before state domination, and their membership gathered very few of the social group they claimed to represent. Under these conditions, there was very little resistance to the state, which had also taken control of the major economic establishments, organizations and institutions and the modern industrial sector. The state in this case was thus both the employer and the negotiator with the social groups it dominated.

The corporatist pattern started to collapse beginning in the 1970s. The reasons were varied:

- *First*, corporatism is based on the idea of social groups organized each in one syndicate. But many syndicates have only included a segment of their respective social group. This is the case, for instance, of the Federation of trade unions and the syndicates of journalists. In other cases, membership became a prerequisite for practicing



the profession as was the case with the Syndicate of Physicians.

- *Second*, when the state reduced its grip over social groups, these often started to organize themselves independently. A good example is business associations— for example, the Egyptian Businessmen Association and the joint chambers of commerce such as the American or the British Chambers of Commerce. These were initiated the 1970s, were developed in the 1980s, and have taken on a growing role since the 1990s, working in parallel to corporatist organizations such as the Federation of Egyptian Industries and the Federation of Chambers of Commerce.
- *Third*, the capacity of corporatist organizations to regulate the practices of their respective members is weak. The Federation of Chambers of Commerce, for instance, was never able to force its members to abide by pricing ceilings or price levels — a request made continuously by the state. The Federation was never able to impose such regulations because its assigned role did not include implementing policies, as would a state agency.
- *Fourth*, Some groups see their organizations as part of the state apparatus, notably, the Federation of Trade Unions — and are criticized as such. Members of syndicate committees are frequent targets of criticism. For example, in January 2007, around thirteen thousand workers at Mahalla al-Kubra's Misr Spinning and Weaving complex signed a petition addressed to the General Union of Textile Workers, demanding the impeachment of

Competition between economic actors is the driving force behind the production of quality goods at competitive prices



the Mahalla local union committee and the holding of new elections. The Misr workers gave the General Union a February deadline, by which they should sack the local union officials or face mass resignations from the General Federation. This was the workers' first step toward building an independent labor union. Since the General Union did not respond positively, workers mailed their resignations to the General Union of Textile Workers on a daily basis so that by early March, an estimated 6,000 resignations had been dispatched.⁹

COMPETITION IS A CONDITION FOR GROWTH AND DEVELOPMENT

The open and liberal economic path adopted by the state for almost three decades now depends on the competition paradigm. Competition between economic actors — whether businessmen, traders or workers — has become equivalent to efficiency and productivity. It is the driving force behind the production of quality goods at competitive prices. It creates the need for good support and marketing services at compelling market prices and enables employees to practice jobs that develop their efficacy and experience. The state in Egypt has responded to calls for the importance of creating an environment conducive to sound competition and combating monopoly, leading eventually to the establishment of the Anti-Monopoly Agency. As a monopolistic entity, with no competitors in its sovereign functions, namely defense, security, justice and public utilities, the Egyptian state is suspicious of social plurality which, it judges, can result in fragmentation and dissent. In this sense, numerous syndicates have acceded to the state and themselves become monopolistic. So while there is a

consensus on the significance of competition in economic activities, this is not yet reflected in civil society activities generally, nor in syndical practices in particular, where the term "competition" has no real positive connotation.

However, syndical organizations emerged, originally, not from state agencies but from civil society which is plural, and plurality is a major condition for competition. Monopolistic syndicates are less likely to perform well in representing members or in setting high standards of performance when there is no competition. To improve syndicate capacity presupposes the ability to gain the confidence of the professionals it represents, better defend their interests, negotiate successfully on their behalf, raise standards to expand competitive advantage and improve syndicate operations other than service delivery.

Drawing a line between the various functions of syndicates is an important prerequisite for the creation of civil society institutions performing non-sovereign national activities. The provision of a license to practice a profession, for example, is arguably better left to syndicates with some state functions such as penalizing those who break the rules — notably the Syndicates of Physicians, Pharmacists and the Bar Association. On the other hand, trade unions do not perform these sovereign functions and may be better suited to a pluralist mode. Alternatively, certain corporatist bodies could practice monopoly only when it comes to sovereign functions, namely licensing and accountability, with plurality allowed for the rest of related syndicate activities. The state has in fact implemented this strategy for the business community. In addition to the Federation of Egyptian Industries and the General Federation of Chambers of

9. *Middle East Report Online*.
<http://www.merip.org/mero/mero032507.html>.

Commerce with compulsory membership and sovereign responsibility, the state has, since the 1970s, allowed a number of other associations to move and defend the interests of the business community. This largely explains the vibrant representation of this sector. This vitality is increasingly no longer limited to new business organizations independent from the state, but is becoming a characteristic of those corporatist bodies competing with business groups in some areas.

The prospect of applying the plurality model to employee or labor rather than to professional syndicates is based on commentaries to the legislative framework for syndicates. Decision No 88/1/56 issued by the General Assembly for the Legal Opinion and Legislation Departments at the State Council on July 20, 1994 states that:

"By virtue of the laws of professional syndicates, the term professional does not apply to any of those organizations which, by virtue of their composition defend the rights and interests of their members as is the case with trade unions. They are not deemed professional for the simple fact that the syndicate's efforts are to assist members to raise their skills and improve their incomes, or to allow for new channels to raise their standard of living as is the case with associations and societies."

Professional syndicates, on the other hand are those on which a law is passed regulating the relevant profession and organizing supervision of practice and limiting professional performance to members with the necessary legal requirements and qualifications. Professional syndicates monitor performance and impose penalties on those who do not abide by their rules. Practicing a profession is allowed only through license from the syndicate. This is part of the core competencies of the State Council and part of the regulations of the Bar Association and the syndicates of Physicians, Engineers, Commercial Professions, Journalists, Agrarians and others.¹⁰

The Supreme Administrative Court makes a distinction between trade unions and professional syndicates. It considers the free professions such as those of physicians, engineers, or attorneys,

as providers of public services. Trade Unions, in contrast and according to the Court, are established by the free will of the founding workers. The court therefore, gives professional syndicates the right to monopolize the profession, a right not given to trade unions.

The benefits of syndicate plurality in Egypt would not necessarily be restricted to the promotion of syndicates, but rather could help eliminate the contradictions between the constitutional and legislative frameworks regulating syndicates.

SYNDICAL RELATIONS WITH POLITICAL SOCIETY

In Egypt, the overlap between civil and political society gives rise to a number of problems for syndicates. Mainly, there is a concern over their potential to politicize. Such qualms, regardless of their source and validity, require further examination, since, at a fundamental level, syndicates originally aim at promoting professions and members' interests, while political activities aim at competition over political power, either by assuming rule or by influencing the ruling group.

Interaction between syndicate and political activity results not necessarily from malpractices by syndicate and political parties but from the objective fact that they are expected to ensure that the state's general policies are such that the interests of a profession and its members are met. This often requires interaction and negotiation with political parties, bargaining with the state apparatus, or influencing those involved in the process of making legislation in the People's Assembly. On the other hand, the overlap with political society results from the fact that in order for political groups to have any influence, they must have a supporting social base. Building this base involves, in some instances, representing the interests of professional groups.

In many developed countries, the natural interface between civil and political society is usually based on a national consensus on how to organize interaction for the good of both and how to maintain the lines of separation between them. Managing any overlap assumes a comprehensive

10. Khaled Ali, (2005), *Understanding Professional Syndicates*, Hisham Mubarak Center for Human Rights, Cairo.

BOX 5.4 RESPECTING INTERNATIONAL CONVENTIONS

Egypt has ratified international conventions on voluntary right of individuals and groups to form associations. It is party to:

- Article 8 of the International Covenant for Economic, Social and Cultural Rights states that: "The States parties to the present Covenant undertake to ensure:

The right of everyone to form trade unions and join the trade union of his choice, subject only to the rules of the organization concerned, for the promotion and protection of his economic and social interests. No restrictions may be placed on the exercise of this right other than those prescribed by law and which are necessary in a democratic society in the interests of national security or public order or for the protection of the rights and freedoms of others;

The right of trade unions to establish national federations or confederations and the right of the latter to form or join international trade-union organizations;

The right of trade unions to function freely subject to no limitations other than those prescribed by law and which are necessary in a democratic society in the interests of national security or public order or for the protection of the rights and freedoms of others;

- Article 22 of the International Covenant for Civil and Political Rights states that: "Everyone shall have the right to freedom of association with others, including the right to form and join trade unions for the protection of his interests."¹¹

Source: Khaled Ali, Hisham Mubarak Center for Human Rights

package of policies and regulations that meet specific national conditions, and that will allow each to function freely within the rules of their particular mission. This, however, is easier said than done in cases where citizen's political freedoms are restricted such that civil society becomes a substitute through which to channel political activism.

The history of Egyptian syndicates has been characterized by interruptions arising from overlap. In the Royalist era, the board of the Bar Association was dissolved in 1934 after a protest by the Association on the elections of 1933. More recently, interaction within Egyptian syndicates has been exceptionally politicized, especially over the last decades. Syndicates have been implicated in partisan and semi-partisan conflicts leading to the destruction of several professional syndicates. Indeed, the conflict between the government of Egypt and the Muslim Brotherhood has transformed syndicates into a real battlefield, because the Brotherhood has focused on syndicates to extend its area of political and social influence. Its domination on the boards of several syndicates in the late 1980s and the 1990s resulted in the enactment of Law No. 100 of 1993 on professional associations which imposed harsh conditions governing the legal quorum necessary

for syndicate elections — voiding elections in several syndicates that are today still managed by boards that have exceeded their terms of tenure.

The enforcement of Law 100/93 has unfortunately resulted in a stagnation that affects most professional associations and has deprived many thousands of professionals from exercising their democratic rights for elections. Since its enactment, elections have not been held in 11 syndicates over a period of up to 13 years. Law 100/93 has been challenged on the grounds of unconstitutionality. While the Administrative Court responded to the challenge against Law 100/93 (amended by Law 5 of 1995) the issue was referred to the Supreme Constitutional Court for a decision which was not given at time of writing.¹¹ The Law, uniquely, prescribes restrictions that are not applicable to other elections in Egypt, including for the position of President of the Republic, parliament and the municipal councils, who win by majority vote of any number of those taking part in the elections.¹²

DISENGAGEMENT BETWEEN CIVIL AND POLITICAL SOCIETY

In order for syndicates in Egypt to play an effective role in the process of development, reform could address two major and controversial issues:

Moving direct political action from syndicates to political parties: In other countries, partisan conflict is conducted in its natural venue, that is, through political parties. In Egypt, the process of partisan politics is weak. This is either for reasons related to the political parties themselves or due to restrictions imposed by the government. For these reasons, partisan politics escape their natural boundaries to resort to civil society channels, characterized by lesser governmental control, and greater access to a 'ready-made' constituency. Reform presupposes an end to the custody imposed on political parties to allow more freedom of action so as to absorb the various trends that require a voice. Otherwise, syndicates will remain an arena of action for partisan groups, pulling syndicates into conflicts that are not in their interest nor in that of their members or their respective professions.

In order to move inappropriate political action out

11. Ibid.

12. Ibid

of the syndical movement, there is a need to create the means by which political currents can transfer from the civil to the political arena. However, there is a barrier to directing political currents into the more appropriate political groupings since Law 40 of 1977 on political parties prohibits the establishment of political parties on a social or class or professional basis¹³ unlike laws governing politics in more liberal societies. Many of the major political parties in democracies or emerging democracies were begotten by syndicates, the most well known examples of which are the British Labor Party or Poland's Solidarity movement.

Removing partisan politics away from syndicates is a prerequisite for creating both a strong political environment and a separate but sound syndical system. While syndicates could provide political parties with active members as an added value, they would also free syndicates from highly politicized members who distract and subvert them from their original *raison d'être*.

Syndicate disengagement from non-professional political action: Syndicates have a duty to interact with politics if this stems from the need to defend professional or group interests. However, the objective to achieve public or national goals, as falls to political parties. Nevertheless, the tendency towards syndical political activism has been a natural outcome of directives established in the socialist era. The laws regulating syndicates in Egypt testify to this proposition:

- Article 3 of Law No. 76 of 1970 on the Syndicate of Journalists stipulates "...the dissemination and promotion of socialist and nationalist thought among its members and enhancement of advocacy inside the press institutions and among the audience ... and working on maintaining relations with the Federation of Arab Journalists and similar organizations in the Arab states, participation in international press organizations advo-

cating the Arab cause and maintaining close relations with the similar organizations."¹⁴

- Law No. 17 of 1983 on the Bar Association, Article 12, sets the following objectives for the Association as per the provisions of same Law, namely: "cooperation with professional syndicates and the similar organizations in the Arab and African states and working on serving the nationalist purposes of the Arab nation and advocacy for the causes of freedom, peace and progress."¹⁵
- For the Syndicate of Physicians, Law No. 45 of 1969 states that the Syndicate should work on promoting and enhancing socialist values among physicians and express the opinions of physicians in social and economic issues.¹⁶
- Law No. 47 of 1969, Article 2 concerning the Syndicate of Pharmacists states that "The Syndicate works for the following objectives: mobilizing the potential of Syndicate members and organizing their efforts to achieve the nationalist and economic development objectives; facing the challenges of socialist transformation and maintaining democratic interaction within the framework of labor forces to allow the possibility of revolutionary advancement for the good of the people."¹⁷

The question arises as to whether the state has the political will or the inclination to create a model for syndicates that would allow the recognition that these associations are there to express group interests. From the perspective of the syndicates themselves, recent attempts by some bodies to politicize their leadership and to create links to partisan political groups has impacted negatively on performance. This trend misrepresents the proper role of syndicates and exposes the whole syndical movement to tensions by triggering official barriers to their activities.

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13. State Information Service.

14. Ibid, Khaled Ali.

15. Ibid.

16. Ibid.

17. Ibid.



STATE AND CSO PARTNERSHIPS IN POVERTY ALLEVIATION



THE LANDSCAPE OF WELFARE

This chapter will describe the landscape of welfare provision in one small Cairo suburb and the roles and relationships that determine this landscape. The chapter focuses specifically on the Ministry of Social Solidarity as the state apparatus mandated with welfare, poverty reduction and social protection; it investigates the range of programs that are offered by the Ministry and by CSOs active in these areas. The purpose of presenting this empirical case study is to understand the dynamics of the relationship between the state and civil society so as to suggest mechanisms for coordination, mutual accountability and more effective welfare provision to better address poverty alleviation and social protection. The case study considers the ideals and norms of each player — the state and civil society — their perceived mission statements and the objectives of their programs so as to understand the dynamics of their power interplay.¹

The tradition of philanthropy has always been strong in Egypt. It is in part because charitable giving to the poor is one of the five pillars of Islam, and a culturally embedded value amongst Egypt's large Christian community. But with the 1952 Revolution came promises of inclusion and social equity and a centralization of welfare services and provision. The redistribution of wealth and the confirmation of citizen-

ship and social rights were the mainstays of the moral, social and political agenda of the new order installed by the revolution. The right to health, education, and productive employment as well as to full citizenship was guaranteed by the then new constitution. But along with those rights a strong and centralized state was created which discouraged the participation of a large segment of civil society in the development process. Analysts of the period have noted the disappearance of all but a small number of philanthropic associations.²

THE EMERGENCE OF COMMUNITY DEVELOPMENT ASSOCIATIONS

To adopt a modicum of civic participation, and to pursue — to some degree — the principle of inclusion, the leaders of the 1952 revolution found it useful to create 'community development associations' in villages and neighbourhoods. These Community Development Associations (CDAs) were intended to provide services for local communities and were run by a board on which sat community representatives. CDAs are neither representatives of the state nor are they independent from it. Most mother villages and urban districts in Egypt have one. Although CDAs have elected boards, these elections do not preclude the appointment by the state authorities of board members (See Chapter Three). These associations are increasingly dysfunctional, a product of a time when civil society had not been recognized as an active and equal partner in development.

1. The author of this chapter would like to acknowledge colleagues' help including those involved in the Ain el-Sira Study: H. Rashad, B. Ibrahim and her team, M. Hassan, N. Boghdady and her team, R. Hamed, M. Bakr, K. Hallaz, the MOSS, as well as the data collectors.
2. Ener, M. (2003), *Managing Egypt's Poor and the Politics of Benevolence 1800-1952*, Princeton University Press, New Jersey.

BOX 6.1 TOWARDS AN INTEGRATED SOCIAL POLICY IN EGYPT

The Ministry of Social Solidarity has initiated a process of consultation and discussion aimed at drafting a concept note on an integrated social policy for Egypt. After a February 2007 conference the Ministry invited the reporters and chairs of the working groups and other persons of known expertise to draft this concept note. Over a one year period the members of this group have met and debated the components of this policy paper and arrived at a draft that has been taken to the Egyptian Cabinet.

The paper notes the success of economic reforms but also notes the frustration faced by attempts to ensure that economic policies do not yield social problems. The focus now is to integrate social objectives as the ultimate aim of economic gains.

The paper suggests the following as the three main objectives of social policy:

1. Social protection and safety nets;
2. Equitable distribution of the dividends of economic growth to ensure that all citizens have access to gains and have a vested interest in guarding those gains;
3. Creating opportunities and enriching human capital through the provision of quality public goods.

To meet these objectives the paper suggests a policy that recognizes that:

- Economic growth alone does not guarantee social well-being and development;
- Human development is the real motor of growth;
- Some individuals will remain vulnerable and marginalized in the context of growth and development and these individuals require special protection and enhanced entitlements.

The paper then suggests concrete changes at the level of:

- *Economic policies*: Ensuring that policy and reforms are not harmful to the poor, for example noting that inflation harms the poor more than it does the rich so interest rates need to be considered not only as a tool of fiscal policy but also as a decision that has social consequences;
- *Services and public goods*: By transcending the current focus on access to services and coverage to consider questions of equity and quality. Services need to be effective since education, health, water and sanitation and housing are anti-poverty interventions and are tools to forge social integration and equity;
- *Social protection programs*: By improved targeting, introducing better and more effective

protection, and securing entitlements to rights and property.

The mechanisms suggested to make operational this policy are:

- Initiate a public process of consultation and information sharing to create a momentum and amass a critical public opinion and consensus around a new integrated social policies agenda. Mechanisms suggested include a social observatory to monitor and research social changes and the efficacy of services, an annual forum that brings together stake holders from civil society and government and local level councils that craft social agendas for intervention;
- Revisit the current institutional framework and infrastructure for social policy and services through the creation of a cabinet level task force to ensure political will and remove political obstacles to change. The paper also recommends creating better capacity at the level of the executive in various ministries to insure more effective quality services and enhance the policy making and monitoring capabilities in government.

Source: Ministry of Social Solidarity, Drafting Committee on Integrated Social Policies.

CSOs and the state can create a complementary and mutually beneficial relationship that establishes autonomy and accountability, ensuring that partnership is in the service of national developmental

Nevertheless, the CDA model has persisted for decades and remains active to this day. However, it has been compromised by the chronic problems of the Egyptian welfare state which came to be increasingly under-funded, weakly managed, static, and stretched by the demands of an explosive demographic transition. In addition, real rising rates of poverty have undermined social integration in a context where class stratification is becoming increasingly apparent as the gap between income groups grows with the liberalization of the Egyptian economy. Together, these factors have created a gap in welfare services and/or in their efficacy into which have stepped civil society organizations.

THE STATE AND CIVIL SOCIETY: FRIENDS OR FOES?

According to official figures from the Ministry of Social Solidarity, in 2002 there were 7.5 million Egyptians who were members of the 27,000 CSO that are recognized and incorporated in Egypt,

including CDAs.³ Added to this are unknown numbers of civil not-for-profit organizations which are effectively CSOs that have been denied registration. There are also many faith based groups and charities who provide services to their constituencies and which are registered and incorporated under the rules and regulations of religious authorities/institutions (See chapter Three).

The legal and political contexts and regimes that determine the rights and responsibilities of CSOs as provided for by Egyptian law have been addressed elsewhere in this report. While the restrictions placed on CSOs are antithetical to many citizenship rights and to participatory development yet the regulation of civil society remains an essential ingredient in any state's ability to nurture civil society and protect its own citizens. Civil society institutions and initiatives need clear, transparent rules and regulations that hold them accountable. But they also need liberal and progressive boundaries that will enable them to thrive.

The literature is replete with monographs and analytical pieces that have critically described CSOs and more specifically, non-governmental

3. CIVICUS (2005), Civil Society Index Report for the Arab Republic of Egypt, p. 25.

BOX 6.2 SERVICES PROVIDED BY THE MINISTRY OF SOCIAL SOLIDARITY

<p>A recent (unofficial) memo has classified the current services provided by the Ministry of Social Solidarity as follows:</p> <p>Financial or Monetary Payments</p> <ul style="list-style-type: none"> • Welfare payments • Child support • Monthly family support • One off payments for critical needs (minimum two year intervals) • Payments to support public sector workers and their families • Payments for emergency needs due to catastrophes • Payments for families of conscripts • Payments for families in specific marginal or troubled communities (Shalateen & Halyeb, Nuba, victims of the Nag' Hammadi dam) • Compensations (short and long term) • Urgent needs payments • Social credit (<i>el-qard el-hassan</i>) • Financial aid via Nasser bank • Family insurance scheme of Nasser Bank • <i>Zakkat</i> payments via Nasser Bank <p><small>Source: Ministry of Social Solidarity, internal memo.</small></p>	<p>In Kind Aid and Services</p> <ul style="list-style-type: none"> • Food aid, blankets, some clothing and other items that are distributed in times of crisis to victims of natural or man-made disasters and to communities that are suffering from drought, desertification etc. <p>Developmental Services</p> <ul style="list-style-type: none"> • Income generating activities • Bank Nasser schemes to distribute inputs of production to promote small businesses • Productive families project • Skills and professional training centres • Rural women's development centres • Development of Native Nubians project • Marketing for family production and other income generation schemes • Service for residents of new settlements and cities. <p>Social Protection and Development</p> <ul style="list-style-type: none"> • Shelters and nurseries • Working Children's centres • Centres to protect delinquents and children at risk • Centres of observation • Centres of classification • Host and guest centres
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organizations (NGOs) in Egypt, illustrating their limitations and the limits placed upon their activities (see Chapters Three and Four in this report). The conflict and competition with state institutions have also been noted and recorded.⁴ This chapter will not reiterate what has been documented and studied. The work at hand will 'speculate' on how CSOs and the state can create a constructive, complementary and mutually beneficial relationship that establishes autonomy, accountability and assures that partnership is forged in the service of a national developmental vision. In fact, such a partnership has been forged on paper. Most donor-funded programs stipulate a form of partnership between state and civil society bodies. However many observers have viewed these as para-state bodies and not as autonomous representatives of civil society.

A more objective view would need to put theory and opinion aside and look at tangible practice on the ground. To achieve this, an actual case study is presented of welfare alleviation efforts and social security regimes. This chapter presents an authentic case of partnership in one small part of Cairo —Ain el Sira—to present a slice of life at a moment when the Ministry of Social Solidarity is reforming from within and attempting to restructure its services. The case study proposes a mode of collaboration that could serve towards a vision for integrated developmental services for poor families through partnerships.

MINISTRY OF SOCIAL SOLIDARITY SERVICES

The alleviation of poverty, the eradication of social inequities, the protection of vulnerable individuals and groups and the quick responses to crises that threaten the livelihood and well-being of Egyptians are all facets to the mandate of the Ministry of Social Solidarity (MOSS). The Ministry is to produce a draft document that outlines its vision of an integrated social policy (see Box 6.1). At time of publication of this report, the document had not yet appeared. However, MOSS is conscious of the importance of integrated social policies and is working to develop a comprehensive framework that identifies the goals and objectives of the Ministry and the government as a whole, and the mechanisms to achieve these ends (see Box 6.2)

The MOSS has rigid rules of eligibility for each non-universal service (that is, eligibility is for targeted groups only). It is the responsibility/duty of social workers to insure that beneficiaries comply with these rules of eligibility. The welfare services of the Ministry rely almost completely on the abilities of these front line workers. However, according to a senior and now retired source from within the Ministry, social workers in the past had to be graduates of the Higher Institute for Social Services and could



4. See, for example, Abdel Rahman, M. (2005), *Civil Society Exposed: the Politics of NGOs in Egypt*, Taurus Academic Press, London; and Assad, R. & Rouchdy, M., (1999), "Poverty and Poverty Alleviation Strategies in Egypt" American University in Cairo, *Cairo Papers in the Social Sciences*, Vol. 22, No. 1.



The challenges of poverty are formidable for Egypt. They demand a vigorous, purposeful, and dynamic approach

only be appointed after a prolonged in-service training period. This she explains is no longer the case.⁵ There has been little investment in social workers or in the infrastructure that facilitates and determines their work. In the course of researching this chapter various persons interviewed at the Ministry re-iterated that there was a glaring lack in investment and training of social workers in this vital organ of the state.⁶

But the challenges of poverty are formidable for Egypt. They demand a vigorous, purposeful, and dynamic approach. The MOSS is now attempting to rise to this challenge. The proliferation of CSOs providing welfare, protection for vulnerable groups and poverty alleviation services began at a time when the state, knowingly or not, had neglected social policy and devoted its efforts to restructuring the Egyptian economy. In the decades since, some reforms have been introduced to social and welfare policy but the task requires a paradigm shift and not only improvements and revisions. Changes have been introduced such as increases to the amounts of cash transfers made to those eligible for state welfare, the introduction of new categories of eligibility such as female-headed households, and the passing of new protection laws such as that which supports poor children.

With the structural adjustment programs came some new institutions such as the Social Fund for Development and an initiative to encourage micro-credit and support for small businesses.

But the very poor have not been addressed by any policy per se. The maintenance of food and energy subsidies, the increase in state funded health care, and the continuation of free public schooling are by and large the mainstays of the governments' social policy along with the listed services (Box 6.2).

SOCIAL SPENDING, SOCIAL SAFETY NETS AND POVERTY

Poverty assessments for Egypt are plentiful and the plans made to counteract the expected effects of structural adjustment have been amply documented. The latest assessment issued by the World Bank puts social spending (broadly defined to include all universal services including health, non-energy subsidies, education, cash transfers, transportation as well as community and other social services) at 9.8% of GDP in the 2000-2005 period.⁷ The same document reports remarkable increases in poverty levels despite the now energized and growing Egyptian economy, citing 3.8% of the population (2.6 million persons) who cannot afford minimum nutritional and other basic requirements and are living in extreme poverty. A further 19.6% of Egyptians are poor and another 20% are near poor. Despite half a century of edicts that prioritize citizenship and the equitable distribution of wealth, and concomitant to safety nets devised to ease the pain of structural adjustment programs, and despite the fact that some have nevertheless done well, the gap between rich and poor remains wide.⁸

It is true that social spending increased but only after the crisis precipitated by the floating of the Egyptian pound. Between FY03 and FY06 social protection expenditure increased to form 25% (up from 15%) of government expenditure (and from 4.5 to 7.6% of GDP) but most of that increase is accounted for by increased in-kind subsidies for food (1.7 % of GDP) and energy (5.4% of GDP). Both are universal subsidies that do not discriminate between levels of need. Only 0.1% of GDP were spent in 2005 on cash transfers and 0.2% on the Social Fund for Development programs.⁹

The Ministry of Social Solidarity is mandated with food subsidy and cash transfer programs as the

5. Laila Abdelwahab, Special Adviser to the Minister and previous Director of Social Services.

6. Interviews by Hania Sholkamy. February 2007

7. World Bank, (2007), *Arab Republic of Egypt: A Poverty Assessment Update*, Report No. 39885-EGT, World Bank, Washington D.C p 59.

8. Ibid.

9. Ibid, pp 59-60.

BOX 6.3 FOOD PROGRAMS FOR THE POOR: THE WORLD FOOD PROGRAM IN EGYPT

Egypt's food insecure and poor households have been the focus of the World Food Program (WFP) assistance since the program's establishment in 1963. Over the years WFP has assisted the GOE in improving food-based safety nets and developing a reform and poverty reduction agenda.

WFP provides two kinds of support: technical assistance to strengthen institutional capacity and small-scale demonstrations of 'best practice' models in Food-for-Education and Food-for-Assets Creation activities that can be mainstreamed. The latter is strictly targeted towards civil society in the most vulnerable and disadvantaged segments of population in the poorest parts of the country, mainly Upper Egypt, Sinai and Red Sea governorates, with special focus on women and children.

Meeting the needs of the beneficiaries. WFP collaborates with NGOs that are strongly engaged in local communities in the poorest and most food insecure governorates of Egypt. The close contact between WFP and NGO partners allows local civil societies to play an active role in defining development needs, particularly in Food for Education and Assets Creation activities. Small-scale, targeted, 'best practice' programs in school feeding and vulnerable group asset creation have been established to promote development of human capital, physical assets, and sustainable livelihoods in rural communities. Projects aim to increase individual and community assets through access to land, housing, training on income generating activities, education, health and sanitation, and micro credit. WFP's continued engagement in small-scale projects provides a platform for its active role in policy advocacy at the national level. WFP provides the Government with technical support needed to scale up and replicate these best practices in national programs as appropriate.

Improved targeting. WFP has actively supported the Ministries of Social Solidarity, Education, and Manpower, to improve their social policy interventions through more effective targeting tools. In 2005, WFP and the Government conducted an extensive national survey of the food subsidy system which found

that an estimated 7 million vulnerable people do not have access to ration cards and are not supported by food subsidies. WFP is assisting the Government to reform the National Food Subsidy System by introducing a more efficient targeting system based on vulnerability and food insecurity information systems. WFP is also supporting the Government in adopting the National Fortification Project to improve nutritional content of subsidized food commodities. In 2006, WFP concluded a large scale National School Feeding Review. Based on this study and WFP's targeting recommendations, the Ministry of Education agreed to implement a more targeted school feeding program (SFP) for the 2007/2008 school year. Using the study's findings, the MOE requested increased budget funds from Parliament in order to improve quality and coverage of the SFP. In June 2006, Parliament authorised an additional L.E. 500,000,000, doubling the annual budget of the national SFP for the 2007/2008 school year. WFP will assist governorates to implement improved targeting by matching available school data with current vulnerability data.

Children & Gender. The aim of WFP's Food-For-Education activities in Egypt is to increase access and participation of the most vulnerable children, especially girls, in schools and non-formal education centers, and improve children's capacity to concentrate and assimilate information by relieving short-term hunger. WFP is currently providing limited, targeted food support to girl-friendly community one-classroom schools, primary schools and pre-schools in select vulnerable governorates to demonstrate 'best practice' that can be replicated and mainstreamed into national Food-For-Education activities. In addition, WFP has implemented a project to eliminate exploitative child labor in Egypt through rehabilitation and integration of child laborers into formal and non-formal education programs. The Girl Education Enhancement project and the Child Labor project rely on NGO partners to implement various activities. WFP benefits from the field presence and knowledge of NGOs to ensure effective and appropriate activities.

Source: Ayoub El Jawaldeh, Egypt Deputy Country Director, World Food Program

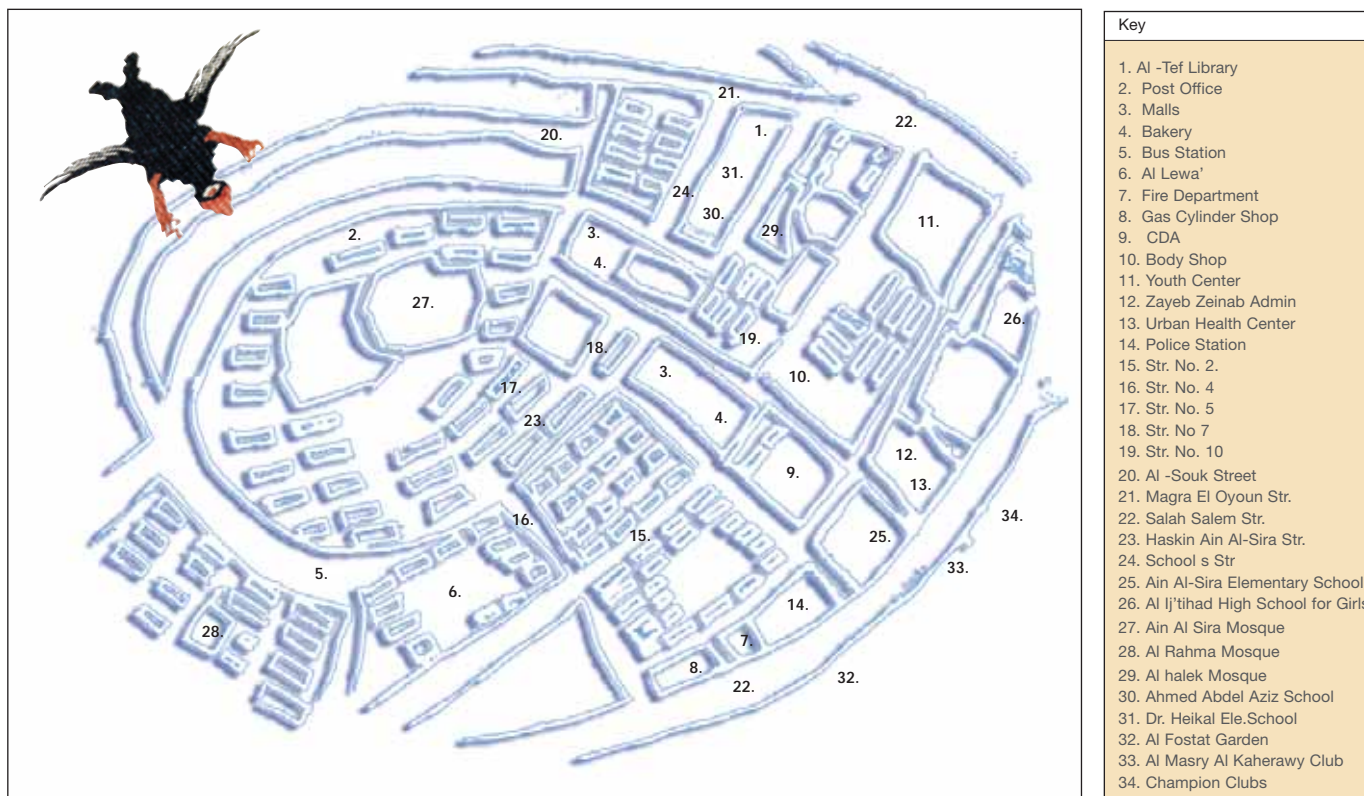
main tools for its poverty alleviation strategy. There is increased pressure on the Ministry to come up with full-proof targeting criteria to make these tools effective and less wasteful. Less is expected from the Ministry in terms of a social policy for Egypt that integrates various programs and creates a balanced strategy that weighs the needs of different social classes and groups. The dire need for a more comprehensive strategy was recently confirmed during a meeting (February 2007) that was organized by the Ministry in association with ESCWA on integrated social policies for Egypt. A draft concept note was prepared under the auspices of the Ministry and presented to Cabinet. A committee to support the Ministry has also been formed and an ESCWA mission has reviewed the outputs and deliberations of the Ministry and strongly supported the vision and process that are underway.

The literature on poverty and services spending has bestowed on civil society a vital role in poverty alleviation. Civil society and CSO are assumed to be community based and community-driven, close to the grass roots and able to express their needs, trusted by their clients and able to deliver better quality services at lower costs in a decentralized and therefore more responsive manner.¹⁰ Thus, a successful partnership between MOSS and CSOs could realize a more successful poverty eradication campaign in Egypt. This partnership is not in place and its absence is the source of acrimony in CSO/MOSS relations as resources and efforts are duplicated or dissipated in a pointless competition in the battle for the welfare of the poor.



10. PRAP (2004). Since 2000 UNDP has been collaborating with government to support the preparation of Poverty Reduction Papers to put poverty reduction at the heart of national development through support of civil society participation.

A ROUGH MAP OF AIN EL-SIRA

THE AIN EL-SIRA
STUDY IN PERSPECTIVE

The previous Egypt Human Development Report (EHDR 2005) suggested the adoption of a program for the 3 million families living in dire poverty in Egypt, modelled on the successful Chilean program, *Chile Solidario*. A similar proposition appeared in the literature of Egypt's National Democratic Party and indeed preceded the appearance of EHDR 2005, in which this program was adopted. These proposals have been adopted by the GOE in 2006 and is being piloted in two governorates, Assiut and Sharqia. In this 2007 EHDR, the proposal to introduce this program to Egypt is developed further and on the basis of a study conducted by a team of researchers from the Social Research Centre of the American University in Cairo in partnership with the Ministry of Social Solidarity. This study focused in one small part of Cairo, the area of Ain el-Sira.¹¹ The study team undertook a mapping of social services and needs in the area in an attempt to gauge the interplay of CSOs and MOSS

in the field of welfare and its provision. The objective of so doing was to propose an evidence-based model for a program for ultra-poor families which joins the MOSS and CSOs together in a creative and effective partnership — perhaps even an alliance — against poverty.

Primarily, this study sought to understand and describe the landscape of social services in an underprivileged part of urban Egypt. It could have been conducted in any community with defined border and would, of course, have yielded different results accordingly. Regardless of location however, this study assumes that to understand how CSOs function and what they contribute in terms of poverty alleviation and social assistance, in-depth work that is located in a specific context is necessary to estimate the degree to which the community needs of families are addressed by CSOs and by the welfare services of the MOSS. Moreover this study attempts to revisit questions of targeting and locating the poor by questioning current attempts to define poverty in terms of income deficit and not by developmental needs.

11. This study was funded by a grant from the American University in Cairo Social Research Centre Program. See <www.pathwaysofempowerment.com>

The Ain el Sira Research Methodology

The Ain el-Sira study undertook four distinct activities:

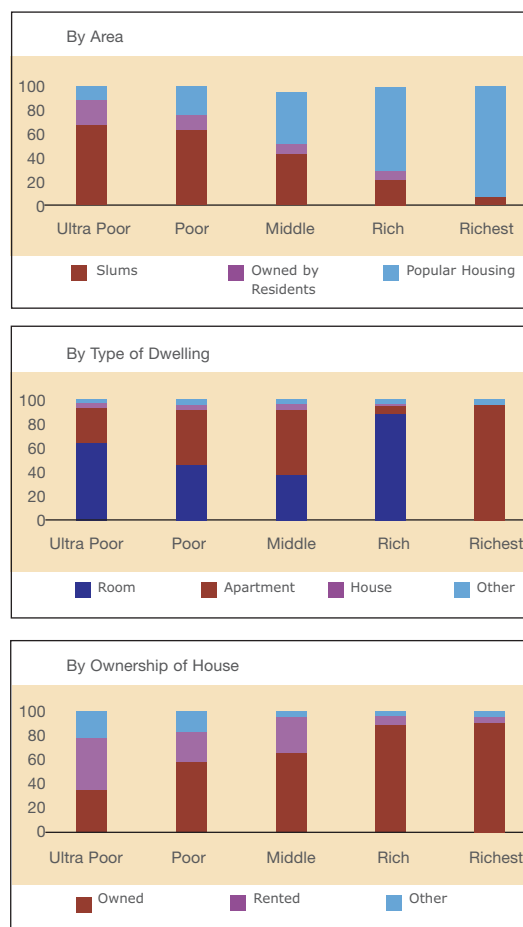
- Mapping the area to identify existing services, geographical divisions, and resources;
 - A survey questionnaire with a representative sample of households to acquire basic information on current demographic, social and economic characteristics of the area and which asked about the social needs and access to social assistance of families;
- Participant observation and interviews with slum dwellers in the area;
- Interviews with CSO and MOSS workers located in Ain-el-Sira.

1. THE MAPPING EXERCISE: DESCRIBING AIN EL-SIRA¹²

Ain el-Sira is a *shiyakha* or district located in Old Cairo or *Misr el Qadima*. It is an area defined by the historic wall of *Magra el Ouyoun* to the North, the Salah Salem highway to the South and East and *el-Madabegh* and *Abu el-Sououd* to the West. The *shiyakha* is home to approximately 29,349 individuals and covers an area of 0.71 km². It is a low income neighbourhood and home to the infamous tanneries of Cairo. It is also the location of several slums and shelters set up in the 1980s and 1990s. The inhabitants are not exclusively poor, but the area has deep pockets of extreme poverty. Consequently it has been the site of choice for several civil society organizations that have been active in poverty reduction alleviation efforts there for decades.

The area was originally the site of the first low income housing project in Cairo. Popular accommodations or *Masakin Sha'biya* were built between 1958 and 1960 and comprised of four or five storey building blocks. for low income families eligible for subsidized housing. They were gradually sold to their inhabitants as of the 1980s. Adjacent to this nucleus of buildings, private homes began to appear, some of which were connected to the *masakin*. Other types of dwelling also sprang up in Ain el Sira during that same period. Little more than urban slums, they comprised shelters built from corrugated iron, wood and mud brick. In some areas these were originally temporary shelters built for earthquake

FIGURE 6.1 AIN-EL-SIRA HOUSEHOLD CHARACTERISTICS



Source: Social Research Center, American University in Cairo, Ain El Sira Survey 2007.

victims and victims of other natural disasters. They have become permanent features of the area, with electricity and running water connected, and house approximately 1000 families. Moreover, many of these dwellings have been sold or rented to their current occupants. Some have paid up to L.E.11,000 for a two-room shack. These sales are informal and unregistered so that there is no legal entitlement to homes.

The area is central and close to downtown Cairo. Its tanneries are at the root of much environmental degradation through their use of toxic dyes and malodorous, poisonous effluents. Tanneries are also the main employers of children. Although they provide employment, they present grave health risks to those working in the industry. Tanning is a hazardous process that involves the use of toxic materials to strip and dye leather and the preparation of the hides puts tanners at risk of biological contamination. The

12. The mapping exercise was conducted over a period of four days and involved three researchers going on walk-about in the area to determine boundaries, physical description services and resources available in Ain el-Sira.

BOX 6.4 ACTIVE CSOS IN AIN EL-SIRA

There are over 12 registered organizations with offices located in and around the study area, some inactive, as well as two community service centres. Other active CSOs are located outside the vicinity of the study area (see map). Most of these associations are geared towards servicing the poor and providing philanthropic as well as developmental programs for families.

Community Development Association: Founded in 1975 this organization is the oldest in the area and is supported by the MOSS. It is headed by a respected community figure who is recognized as one of the leaders of the community. The association owns large areas of land which it has used for its services and parts of which are leased as shops to micro-entrepreneurs. The CDA runs a kindergarten, a medical centre, sports activities for youth including a soccer field. One of the community centres in Ain el Sira, the *Al Jeel* Centre founded by the late Ahmed Abdallah, one of the first social researchers and activists to draw attention to child labour in Egypt, is built on land rented from this CDA. The CDA receives funds from the MOSS, zakat money and donations, as well as its own revenue from rents.

Al Baraka Al Muhammadiyah Association: Another well established organization founded in 1982. The association has its headquarters adjacent to a mosque that it has built. It provides religious and community development services, and runs a kindergarten and several poverty alleviation programs. One program was held in association with the Catholic Relief Organization and provided vocational training for young people. Another, with the Social Fund for Development (SFD) provided households in masakin buildings with loans to fix their drainage and sewage systems. The association also benefits from zakat money and personal donations which it uses to pay monthly support to families in need. These payments are usually in the range of LE 20-25/month and served over 150 families in 2007. The association also has a marriage fund that helps families in need and has added one of its most popular services (and most needed according to its treasurer) which is a funeral hearse made available for free. The association had been funded by USAID, Canadian CIDA and other donor agencies and groups.

New Fustat for Community Development in Misr El-Qadima Association: This association was incorporated in 2001 and is based in Ain el-Sira but active in the wider area. Its mandate is to serve sum dwellers and combat the consequences of poverty that are prevalent in these areas such as high school drop-out rates and child labour. The association provides welfare payments, mother and child care, cultural and religious education/instruction, community development services and care for persons with special needs such as the elderly and the disabled. The association has been active in upgrading one of the primary schools in the area by repairing class-

rooms, planting trees inside the school courtyard, providing some teacher training and illiteracy classes for parents, and sponsoring summer camps and activities for gifted students. This project was funded by the Egyptian Swiss Fund and the Coptic Evangelical Association (CEOSS).

Alashnek ya Balady: This association was established by graduates of the American University in Cairo to encourage voluntarism and promote a culture of giving amongst privileged youth. The association has organized a number of campaigns which enjoined AUC students in community activities including cleaning streets, providing English language and computer training and skills for nominal fees, distributing food, clothes and micro-credit for poor families and providing other forms of training to help job seekers. The organization has raised funds from private institutions/individuals and from the corporate sector. The association sees its clients as both the beneficiaries and the students and alumni who service them.

The Road to Paradise: This association was founded in 2004. Most of its services are directed towards the poor. It distribute clothes and financial aid to deserving families who apply to them, and funds mostly come from private donations.

Al Amn we Al Salam Association: This organization was created in 2006 by a small numbers of lawyers who use their legal skills to help people realize their rights to health and education. The mission is targeted to families, mothers, children and orphans in *Ain el-Sira* and relies on a rights-based approach in designing programs. However to date the association has acted as the implementation arm for other larger and better funded agencies such as the New Horizons umbrella for associations, a large and important CSO network based in the Fustat district, and headed by a well-known public figure. New Horizons sub-contracts many projects to local associations including to *Al Amn we Al Salam*. It has several projects in the area such as tree planting using the roof-tops of schools to serve environmental and aesthetic objectives. *Al amn we Al Salam* has participated in a project to enable underprivileged children to continue their education by identifying deserving cases and making grant payments as well as following up on children's progress. The organization has also run computer literacy classes, health awareness classes, distributions of Ramadan bags, usually of rice, oil, canned foods, fava beans and other food items, although their contents vary — as well as sweets on the occasion of the Prophet's birthday.

The Street Food Vendors Association: This association was founded over 15 years ago with the objective of helping street food vendors get licenses to sell food and enable them to run successful businesses. It also teaches them hygiene and the basics of supply chains and small business management. It originated as a USAID project undertaken by a well established Egyptian social

consultancy office. It is now independent. For the past decade the association has been trying to get vendors licensed but efforts have been frustrated by local council officials and by successive governors of Cairo who have not been sympathetic to the scheme. The association has meanwhile participated in a number of programs some through the Social Fund for Development (SFD) or donors, mostly providing micro-credit, illiteracy eradication classes, and health awareness initiatives.

Al Tofoola al Sa'eeda Association-Dar El-Hanna Orphanage: This is an orphanage for boys that currently houses 120 boys aged from 4-12 years who reside in the home and go to school in the area. It is affiliated to the MOSS and is funded by MOSS and private donations.

Integrated Care Society: A branch of this national association is located in the area and provides mostly cultural activities for children as well as a small reading library for children. It is supported by donors and private donations.

Al-Orman Association- Dar Al-Orman for Cancer Patients: This is a home and a hospice for cancer patients. The association provides medical and psychosocial support for its guests. The home is located in Ain el-Sira but its residents come from all over Cairo. It is funded through private donations.

Al-Jeel Culture Centre: This centre was established in 1994 by one of the pioneers in the service of street and working children. The centre is currently less active than previous years due to the sudden death of its founder. Previously, it undertook research on and services activities in counselling, shelter, support, education and training, as well as providing play areas for street children. The centre had its own publication and organizes lectures and conferences. It has been funded by various donor and research agencies.

Yousry Bayoumi Service Centre: This centre was established in 2006 by an acknowledged local public figure who is an elected independent member of parliament for Misr el-Qadima and Dar el-Salam. The centre provides services including monthly stipends of LE 20/month for about 500 families. The centre also provides a marriage fund for those in need, has given SFD loans for sewage and drainage reconstruction as well as operating a crisis fund which makes payments to victims of disasters such as building or house demolitions and forced evictions.

Al-Huda Wa Al Adala Igtima'ya Assn: Inactive
Nahdet October: Inactive
Shams el Mostakbl: Insufficient information
Youth of Suhag and Minya Assn: Inactive

Source: Compiled by Hania Sholkamy.
Note: Compiled with the assistance of Alashnek ya Baladi, a youth NGO that has been active in Ain-el-Sira for a decade; Stipends for Yousry Bayoumi Service center were estimated by other community service providers who are familiar with the work.

area is home to a number of garages, workshops and small businesses. There are several public services in the area including a post office, a police and fire station, a Red Crescent clinic, a social services office, a gas cylinder warehouse, a traffic and car registration centre, a water supply municipality, a large medical centre, and a youth centre.¹³ There are three pre-schools, three primary schools and two secondary schools, one for boys and one for girls. Ain el-Sira has six mosques and the area is serviced by several shops and markets. There is a central telephone exchange, as well as several private phone services and street phone booths.

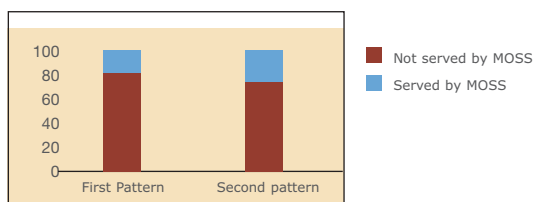
In addition to these plentiful basic services there several historic and recreational landmarks in the area including the *Magra el Ouyoun* wall, which is a remnant of medieval Cairo, the Museum of Civilization, the Fustat Park, the Cairoland Fair Ground, the Ain el Sira Lake and the Sayeda Nefissa cemetery.

This mapping exercise shows clearly that this area is neither marginal nor difficult to service. It is central, well endowed with community, and commercial as well as recreational facilities and is close to the throbbing heart of central Cairo. Yet the present research and survey gives evidence of neglect and deprivation more often associated with marginalized communities with fewer assets and services.

SUCCESSSES AND LIMITATIONS OF CSOS IN AIN EL SIRA¹⁴

Despite the large number of CSOs who provide poverty alleviation and welfare to inhabitants of Ain el-Sira there remains a profound need that is unmet amongst families. Every CSO interviewed expressed a belief that its work on its own could not make a dent in poverty and need in the area. Yet most associations appear to be duplicating each other's work, in some instances working with the same families. Projects vary slightly with some associations having a clearer target audience and constituency such as the street food sellers association, but on the whole the majority offer micro-credit, some form of training or education and/or direct hand-outs. As

FIGURE 6.2 HOUSEHOLD CHARACTERISTICS: MOSS BENEFICIARIES



Source: Social Research Center, American University in Cairo, Ain El Sira Survey 2007.

a corollary to these basic programs many undertake health promotion activities and a little environmental or human rights/civic rights training.

Dwellers of Ain el-Sira identified these associations most frequently as sources of micro-credit. Families interviewed in slums had taken micro-credit and used it with varying degrees of satisfaction and endorsement. Some complained of the debts incurred and the need to sell basic household items such as mattresses and pots and pans so as to repay their loans and remain credit-worthy. Both men and women have taken loans but there are more such schemes available to women through the local CSOs. Several men interviewed said that the interest rates on micro-credit are too high and the credit cycle too short to benefit them. Women put up with these terms as they consider it to be the only source of credit they have and one of the few avenues to cash that they can access. Micro-credit has kept some families afloat and has also caused others crises and cash crunches. It appears to be a survival strategy for some but a redeemer from poverty for none.

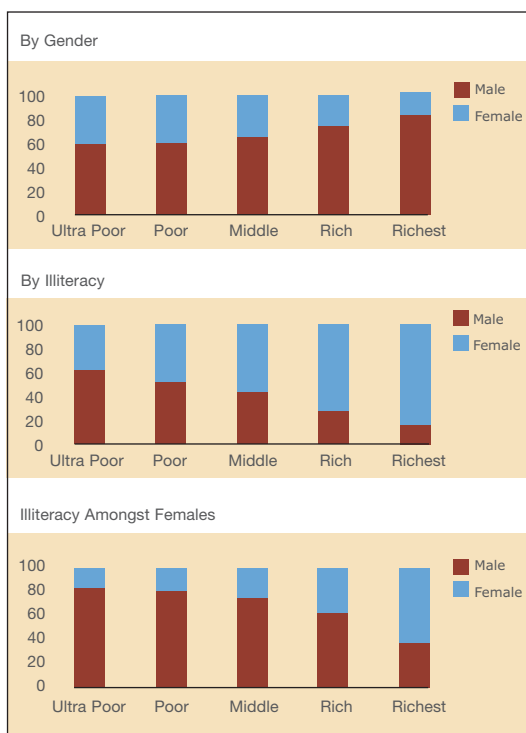
Vocational training and illiteracy classes have also been offered by many CSOs, but according to CSO personnel training is less effective than it could be because of market conditions. That is, skills acquired do not guarantee employment. Illiteracy classes are common but one woman claimed that she had signed up more than three times because "...we do it to take the Ramadan food bags and other distributions." Other women interviewed said that getting the certificate of literacy helped them find jobs as hospital and school cleaners. Street food vendors were quite frustrated because despite getting the training and hardware from the association they still have not been able to secure licenses to sell food on the streets.



13. Rated as one of the best in Cairo according to one of the largest CSOs and one of the most active in the area. The youth centre has a variety of sports activities and summer camps for young children.

14. Since anonymity is impossible to maintain, the limitations and successes of CSOs will be discussed collectively without specifying names of associations.

FIGURE 6.3 HEAD OF HOUSEHOLD CHARACTERISTICS



Source: Social Research Center, American University in Cairo, Ain El Sira Survey 2007.

One young man who had been trained as a cobbler three years ago has yet to find work and feels that his skills and training are now outdated. Like other young men who are un-employed in Ain el-Sira he is an occasional worker in the tanning workshops and says that the work is hard but can be financially rewarding. Jobs that are available do not necessarily require the skills offered by CSOs and cannot compete with the lucrative pay of dangerous work (which includes illicit trade in drugs) or with the security provided by government work. Few CSOs offer vocational training that can provide high earnings or sustainable financial security.



The direct hand-outs offered by CSOs and by religious foundations or committees/associations are very small but deemed to be essential by those who take them. LE 20 a month does little for a family but still it is something. The only criteria for getting these cash transfers is to prove, or rather display, abject poverty. Some families

have complained that the slightest evidence of an acquisition, no matter how meagre, is enough to terminate their cash transfers.

The community services provided by CSOs such as environmental upgrading through rubbish collection, street cleaning, upgrading schools, small grants to fix home sanitation and the like are sporadic and have not proved sustainable. The area is in dire need of more systematic efforts to address endemic problems such as the sewage and water leakages, the mounds of rotting rubbish and refuse as well as the insecurity on the streets.

Despite an admirable level of activity and spending CSOs have not made a significant difference in addressing the welfare needs of families and communities. Whether because of the magnitude of the need or the duplication in provision efforts, the problems of poverty, low capacity, unemployment, ill-health and disability are ever-present. Activists and CSO staff and volunteers have good working relations with the various communities of Ain-el-Sira, some knowing their clients well. What they do not have are long-term goals or objectives to sustainably deliver people out of dire need. They view their role as providers of a variety of services, the choice of which is contingent on donor funding and CSO management decisions. One day they may be distributing school clothes or providing school fees, and the next day the task might be micro-credit arrangements or health awareness. All those interviewed nevertheless said that the needs and the scale of poverty were so huge that any service, however small, is appreciated.

All CSO to which we obtained details are in compliance with the current association law and have an elected board, annual meetings, proper records and accounting procedures. However since the law does not make CSOs accountable to their clients, all expressed an understanding of accountability that excludes their clients and is focused only on financial and legal requirements of donors and of the Ministry. Some of the smaller less well-funded CSOs also admitted to not having a clear mandate. As is common practice, they list a range of foci to insure that their license is not revoked to

be free to respond to and benefit from the open calls that donors and larger umbrella NGOs make to partners in whatever project to which they happen to give priority.

Social workers in the area, whether from the Ministry of Social Solidarity or the Ministry of Education, are popular and widely viewed as knowledgeable and reliable persons. Many CSOs rely on their recommendations and familiarity with families and trust their ability to identify those most in need. For example *Alashenek ya Baladi* and others who pay school fees on behalf of poor students rely on the recommendation of the resident social worker in the Ahmed Abdel-Aziz School which has many of the slums and all the tanneries in its catchment area. Similarly one of the employees in Ain el-Sira Social Services office has referred families to CSOs and has acted as a reliable bridge agent.

But the welfare activities of CSOs on the whole are fragmented and seem to have precipitated dependence rather than to have liberated people from needs. It is only fair to say that no welfare actors in the whole profess to have poverty eradication, empowerment or independence from charity and hand-outs as an outright or reachable goal.

2. THE AIN EL SIRA SURVEY

A representative sample of families from the area were surveyed with a tool that aimed to:

- Assess their conditions and developmental needs
- Gauge the degree to which they benefit from or are acquainted with the services of the Ministry of Social Solidarity, local CSOs and religious foundations and institutions such as mosques and zakat committees
- Ask families what they perceive are their developmental and survival needs

400 hundred families participated in the survey out of the 6000 who form the total inhabitants of the area. The respondents fall into four categories. One hundred families were randomly selected from a list of all beneficiaries of social services provided by the Ministry, a representative sample from the slums, another from the *masakin* and a third from the *ahaly* areas as detailed in Table 6.1.

TABLE 6.1 SURVEY DETAILS

Area	Number of Families	Geographic Indicator	Sample Size	Families on Social Security
Slums	1000	2.3152	120	40
Ahaly (privately built area)	400	1.0123	30	10
Masakin (public housing)	4600	0.0933-	150	50
Total	6000		300	100

Source: Social Research Center, American University in Cairo, Ain El Sira Survey 2007.

Activists, CSO staff and volunteers have good working relations with the various communities of Ain-el-Sira



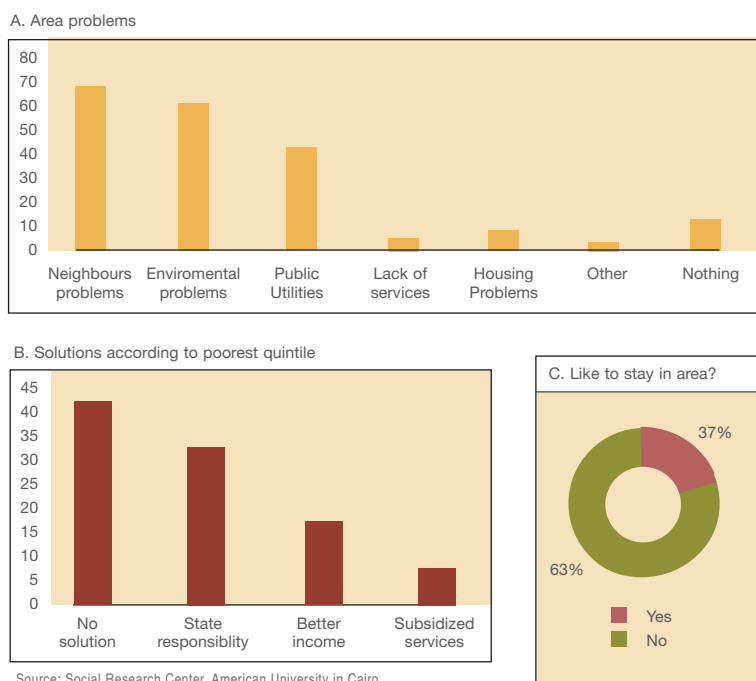
A questionnaire was fielded in the area in June 2007 to gauge the extent to which families have welfare/basic and developmental needs. The survey did not focus on the poor per se but sought to investigate the social fabric of Ain el-Sira as a whole and to understand the needs of all social groups and the extent to which these needs were being met by the state or CSOs.

Some of the findings pertaining to CSOs and Ministry services are presented in the context of the needs of families themselves.

The Place

Over half of the inhabitants surveyed (56.7%) value the location of Ain el-Sira. It is a central urban neighbourhood with vibrant markets and easy access to transport routes. The minority who find no benefit or advantage to being in the area nearly all live in slum areas. Despite the positive value placed on the location, 68% complained of insecurity and violence fuelled by gangs and drugs. Frequent fights and transgressions by neighbours were also a major cause of disaffection. 61% complained of pollution (air, garbage, noise, toxic fumes from tanneries) and cited these as a main reason for complaint. Poor sanitation and dirty streets were also mentioned by 42.2% as a reason why they would, if they could, consider leaving the area. When asked specifically about utilities, the most problematic public utility was sewage and sanitation with only 55% rating sanitation as satisfactory compared to 90% who found no fault with electricity. 62% complained from the infrequency and quality of water as well.

FIGURE 6.4 AIN EL-SIRA SATISFACTION RATES



Source: Social Research Center, American University in Cairo, Ain El Sira Survey 2007.

The most disaffected with poor conditions were those living in Ahaly areas, that is, people who had built their own homes and were property holders. Out of the total sample surveyed 37% said they would prefer to move to another part of the city rather than stay in Ain el-Sira. Despite valuing its location and other community assets, living conditions, insecurity/violence, poor quality of utilities and pollution are pushing people out.

When asked to rate their satisfaction with their individual dwellings, families expressed concerns relating to insecurity, size/area and the sharing of toilets as the reasons for dissatisfaction (43%); most of these unhappy families live in slum areas. Over 52% of those living in public housing (*masakin*) expressed a wish to renovate and improve their dwellings most of which are in a dilapidated state.

The Burdens

Health burdens are heavy in this area. An astonishing 61% of the families surveyed have at least one family member who is suffering from chronic serious illness or disability. This high prevalence may be due to the fact that one quarter of the sample are taking welfare benefits. However the criteria for eligibility for welfare is not confined to disability or chronic ill-health. There are old age pensioners, widows, single parents, and parents

of young children included in the list of welfare beneficiaries. Of the welfare beneficiaries in the sample, 82% have a sick or disabled family member but 54% of those not on welfare are similarly afflicted. Over half of both welfare and non-welfare families are receiving state funded medical care (60% of welfare families and 48% of non welfare families). Unfortunately two thirds say that the free medications that they receive do not cover their needs and they supplement their medical regimen from their own pockets. Other say that they often forgo their medications when cash is in short supply.

Families interviewed as part of the qualitative study did mention getting some support from CSOs but it is mostly through clinical check-ups and cash transfers and not a sustained support for chronic or disabled individuals. That, they said, is only possible through the state.

Poor services such as education, lack of security as well as poor nutrition due to poverty were cited as a major burden by 48% of families. When asked about their needs they most frequently cited better services followed by need for consumer durables (41%), for themselves or to facilitate the marriage of children, better homes (24.6%), health insurance (10.6%). When asked on how to lift these burdens 45% were of the opinion that there is nothing to be done to solve these problems. Only 1% mentioned CSOs as possible partners in addressing personal or community problems, 6% said that self-help and cooperation with others could enable people to address some problems, and 33% blamed the state and expected it to lift the burdens and solve problems. Only 10% said that better income would be enough to solve their problems.

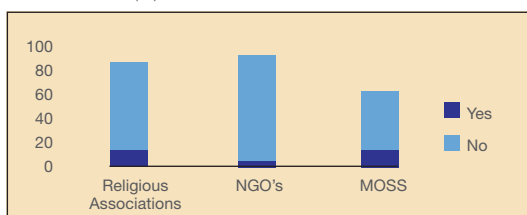
Welfare Services and Structures

The three sources of welfare and assistance in the area are:

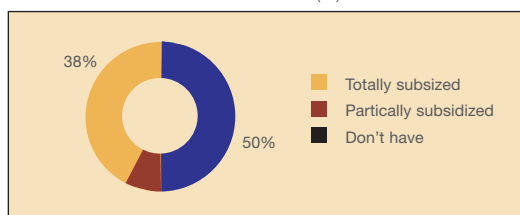
- The Ministry of Social Solidarity represented by the local Ministry office: The local office recommends applicants for state welfare and assistance. It also issues pay checks and is required to monitor beneficiaries.
- CSOs in the area which offer micro-credit loans, school fees, cash transfers,

FIGURE 6.5 AIN EL-SIRA HOUSEHOLD RECEIVING SOCIAL AID

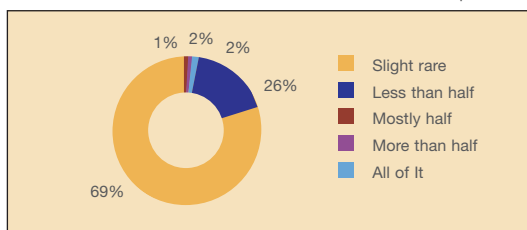
A. Source of Aid (%)



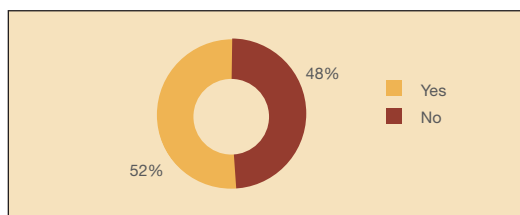
C. Possess ration card for food subsidies (%)



B. Contribution of MOSS cash transfers to total household expenditures



D. Access to free medication



Source: Social Research Center, American University in Cairo, Ain El Sira Survey 2007.

Ramadan Bag, school needs (books, pencils, bags, shoes), wedding trousseau for newly weds, health awareness and assistance, illiteracy classes.

- Religious organizations and institutions such as mosques and *zakat* committees offer micro-credit, school fees, monthly cash transfers, Ramadan Bags, school needs, wedding trousseau, food bank distribution, hearse services, health assistance and illiteracy classes.

In addition to the 100 welfare families purposefully included in the sample, there were a further 16 found to be on state welfare bringing up the total to 29.4% of the sample. There were very few families in this sample who reported having any dealings with CSOs. Only 2.7% said they had been helped or received any assistance from CSOs. As for religious institutions, 11.8% reported receiving benefits and assistance from these sources. If we were to exclude the 100 welfare families from the sample we would find that religious institutions are the most effective and active welfare resource in the area.

Most of those taking welfare and/or assistance reported just one benefit (72.9%) while those receiving two benefits came to 24.6% and those receiving more than two were only 2.5%. It should be noted that CSOs in the region are more active during the beginning of the school year and in Ramadan and during holy celebrations. The low

level of benefit from CSO services may also be due to the survey including a representative sample of the whole area and not just of the slums where CSOs tend to be better known and more active.

Families on State Welfare

40.7% of families on state welfare live in the slums, 43.2% live in the public housing blocks (*masakin*) and 16.1% live in the privately built (*Ahaly*) blocks and homes. The vast majority of all these families receive only one benefit or assistance (83.9%). The rest receive two benefits (12.7%) or three (1.7%).

The grounds for eligibility for welfare are confined to three criteria. The first and most prevalent is widowhood and divorce or desertion (45%), followed by disability or chronic ill-health (22.2%) and old age (22.2%). The other criteria for eligibility concerns children and orphans.

Families on welfare deemed the cash transferred to them as essential but very small. None of the families interviewed receive more than LE 100/month, and 60% spend this money on food. Most families (95%) said that what they receive from the Ministry constitutes less or much less than half their income.

Only 11% of welfare families have ever been visited by a social worker. Families are on the whole satisfied with welfare services, saying that the government unlike CSOs was reliable and that once

people had a pension or welfare payment they knew it was for life. The procedures for getting assistance were commended as being on the whole easy, transparent and affordable. Most were happy that a social worker did not come by to check on them or look over their shoulder. All complained that the money was meagre.

Religious Institutions as Welfare Resources

There are no churches in Ain el-Sira. All religious philanthropy reported was for Muslims and 81% of those who reported receiving benefits from mosques and zakat committees said that these institutions were within the area. Only 19% said that they applied to mosques and zakat committees outside the area. Copts and other Christians frequent churches outside the area and benefit from their assistance and support.

The small numbers of families who had benefited from religious philanthropy cited the following forms of support and assistance: Ramadan bags (63%), monthly allowances (64%), school fees (21%), School bags and other necessities (14%), wedding trousseau (6.5%), gifts on special occasions such as feast days (24%), illiteracy classes (4%), micro-credit (2.2%). In addition families said that food bank meals are distributed through mosques and that they sometimes took meals from there although there was a repeated complaint that meals containing meat were distributed after the meat had gone off.

These benefits were sourced from 12 mosques, two committees and 3 individuals associated with religious institutions. The procedures for getting these services were described as simple. One needs to fill in forms and bring in proof of eligibility. A medical examination is also sometimes required. The grounds for eligibility are similar to those of the Ministry and include widowhood, dire poverty, being an orphan or a mother of orphans, old age, disability or absence of steady



income. 14 families said they had tried but failed to get help from these institutions. The reasons for failure included absence of formal papers, possession of a television (which was taken as proof that they were not that poor), and the unavailability of the applied for assistance.

Unlike visits by social workers from the Ministry of Social Affairs, 38% of these families are regularly and often visited by social workers from these institutions to insure that they are still eligible and to monitor their needs and progress. These services were on the whole positively evaluated. However, 28% of families complained that religious institutions did not provide sustained support and that their assistance fluctuated unlike that of the Ministry, while 35.5% added that the cash amounts provided were too meagre.

3. PARTICIPANT OBSERVATION AND INTERVIEWS IN AIN-EL-SIRA

The number of families who reported receiving welfare support from CSOs was very small (eleven). The kinds of services offered are identical to those offered by the Ministry and religious institutions (that is, school fees, micro-credit, health care, Ramadan bags, illiteracy classes, monthly cash transfers). The one difference is that CSOs tend to have some sort of awareness string tied to their services such as classes on health, on rights, and so on. For example, in one of the qualitative study interviews, women in the slums said that Ramadan bags are tied to illiteracy class attendance. Many were told to get voting cards, one claiming that she had been told who to vote for as well, and that receiving certain benefits was contingent on getting voting cards.

The 11 families who used CSOs and were picked up by the survey sample named four of the many CSOs of Ain el-Sira as the source of benefits and assistance. In addition three CSOs were named that are not in Ain el-Sira as well as four mosques. The services were deemed to be satisfactory but

unreliable as CSOs often change their programs and benefits. Moreover people complained particularly from the terms imposed on micro-credit lending. Families who are taking from CSOs said that the terms were harsh, the interest was high, the repayment schedule too tight, and the amount too small. 6 of the 11 families said they had been visited by CSO staff for monitoring purposes, particularly those who had taken micro-credit.

CSOs in Ain el-Sira most certainly have a higher level of activity than that evinced by the survey. The *Al-Jeel* centre for example is well known for its efforts with children who work. Moreover, many of NGOs for women have undertaken a number of highly acclaimed projects in reproductive health awareness and FGM campaigns, issuing voting and identity cards for women, medical services, micro-credit and illiteracy classes. They have also engaged in a number of gender empowerment projects to encourage women to fight domestic violence, early marriage and access rights such as social security. Some CSOs have a specific target and clientele as the focus of their activity such as street food vendors and cancer patients.

CSOs do not have the capacity to fulfil the welfare needs of all of the communities in the area, However, those who do take poverty as their target and families in the area as their clients are unfortunately perceived to be an 'on-off' source of support. If CSOs take poverty as a *raison d'être*, they will never want for a mandate. It is true that they are well known in the slums and women interviewed as part of the qualitative study mentioned the succession of programs in which they had participated. They have taken micro-credit, school fees, health awareness programs, and anything else that has been on offer. However, the cumulative result has been marginal, or so interviewees have said. This is partly due to CSOs adopting the narrow criteria of eligibility used by the Ministry to select their clients, and duplicating rather than complementing MOSS activities. Generally, there appears to be no clear goals or objective for welfare work, nor an alternative niche to Ministry services within which CSOs can provide sustainable development services.

4. CONDITIONAL CASH TRANSFERS

Undoubtedly the state and the Ministry of Social Solidarity need to lead when it comes to poverty eradication and the emancipation and deliverance of the poor. There must be not only a mission but also a vision and modality for realizing this vision. An integrated approach based on well-defined goals and a realistic time frame is to some extent provided by the MDGs. However, a sustainable national development campaign to reduce or eradicate poverty would require partnerships across the national spectrum, working together towards a common goal. Well-defined roles for government, civil society and the private sector would eliminate duplication, create synergies and reduce waste in allocating or using resources.

Broadly, these suggestions were put forward in the Egypt Human Development Report for 2005, in the proposal it made for a 'new social contract.' In addressing the specific issue of poverty, it argued for effective and integrated partnerships across ministries and social sectors. It suggested a conditional cash transfer (CCT) program for poor families as a vehicle to insure poverty eradication; one that forges a contract between state and individuals using the intermediary of CSOs whereby the state supports families financially and in return each family commits to 'using existing state and non-state resources' to realize developmental goals.

One practical suggestion was to test a pilot project in Egypt based on a successful experience in Chile. The Chilean *Solidario* program uses a conditional cash transfers program for ultra poor families as a vehicle to insure poverty eradication. The deal is that in return for an increased sum of welfare transfers, the family keeps its children in schools, registers in existing capacity building programs, illiteracy eradication or employment schemes, registers its property to get full rights and entitlements.

The current model in use in Egypt is one where the Ministry decides on its programs and projects and recruits CSOs to help implement this vision. This model has enjoyed limited success. It also relies on social workers who are poorly trained and provide ineffective monitoring. While some

BOX 6.5 CONDITIONAL CASH TRANSFER PROGRAMS: A “MAGIC BULLET” FOR REDUCING POVERTY?

Approximately 20 countries have adopted a pilot or full-scale Conditional Cash Transfer (CCT) program, and another 20 countries have expressed interest in starting one. Most current programs are in Latin America, but others can be found in Asia, Africa, and the Caribbean, and interest is increasing among African countries struggling with extreme poverty and low human capital.

How Do CCT Programs Work?

CCT programs have the following characteristics: They are targeted to poor households, and the cash transfers are usually paid to mothers. Some programs also include transfers such as nutritional supplements or school supplies for children. Cash transfers may be made as a lump sum or determined based on the number of children, with the amount varying by the children's age and sex. In some countries, higher transfers are paid for girls' school attendance and for secondary school attendance.

In return for these transfers, recipients commit to undertaking certain actions, such as enrolling children in school and maintaining adequate attendance levels; attending pre- and postnatal health care appointments; and seeing that pre-school children receive vaccinations, growth monitoring, and regular checkups. Some programs require women to attend regular health and nutrition training workshops. Some provide resources that improve the supply and quality of the schools and health care facilities used by beneficiaries. As such, CCT programs aim to reduce current poverty, while also seeking to improve human capital formation and, in doing so, help prevent the intergenerational transmission of poverty.

Impacts of CCT Programs

Rigorous evaluations—often built into the programs themselves—show that many, but not all, CCT programs have been successful in improving human capital outcomes.

CCT programs in Colombia, Mexico, and Turkey all improved secondary school enrolment but had little impact on primary school enrolment rates because these were already high. Where pre-program enrolment rates are extremely low, the effects of CCT programs can be very high: in Cambodia, for example, secondary school enrolment increased by 30% age points and attendance by 43 points.

CCT programs have also had significant impacts on health and nutrition. Young children in Honduras increased use of health services by 15–21 percent% age points, though there, as in Brazil, no effects on children's illness rates were found. Some of the largest increases were found in the regular monitoring of children's growth in CCT programs in rural Colombia, Honduras, Mexico, and Nicaragua. A number of CCT programs are also associated with increased child

height, which is an important measure of long-term nutritional status. Stunting was reduced in Mexico by 10% age points, in Nicaragua by 5.5 points, and in Colombia by 7 points.

Although the exact mechanism that triggers improvement is not known for certain, it may result from one or several program characteristics, such as higher incomes that permit increased expenditure on food, growth monitoring and information about nutrition and child care, or nutritional supplements. In both Mexico and Nicaragua, for example, calorie intake increased, as did the consumption of fruits, vegetables, meat, and dairy products.

CCT programs have a sharp gender focus. They have been successful in significantly increasing school enrollment rates for girls, who have historically faced discrimination because educating them is not considered as important as educating boys. Research in Mexico and Nicaragua has found that CCT programs are associated with improved attitudes toward educating girls, as well as a heightened profile for women more generally. Although there has been concern and some evidence that women's program responsibilities can lead to conflicts with men, in both countries there is more evidence that the program's infusion of financial resources has reduced intra-household tensions.

Are CCT Programs Too Expensive?

The concern that governments in poor countries can't afford CCT programs should be considered within the context of the large sums spent by many governments on programs directed to the nonpoor. Energy subsidies, for example, are typically highly regressive and often more costly than CCT programs: Egypt spent 8 percent% of gross domestic product (GDP) on energy subsidies in 2004. Bailouts of insolvent contributory pension funds are another example. The expansion of Brazil's well-targeted CCT program, Bolsa Familia, to cover the bottom quintile of the population would cost about 0.4 percent% of GDP, while the Brazilian government now spends nearly 10 times that amount covering the deficit in the main federal pension programs, which deliver more than 50 percent% of their benefits to the richest quintile.

(NGOs) have stepped in as partners with governments considering or implementing CCT programs, viewing them as potentially cost-effective approaches to increasing human capital—for example, by protecting children in households affected by AIDS.

Even if a country can afford a CCT program, it is sometimes argued that, relative to other types of social safety nets, they are expensive to operate. Closer scrutiny, however, shows that as with any program, fixed establishment costs, such as buying computers, identifying beneficiaries, and so on, are comparatively high. But by the third full

year of operation, administrative costs fall substantially. Second, many administrative costs—such as identifying beneficiaries, establishing mechanisms for delivering the benefit, and monitoring and evaluating the program—are common to all social protection programs. Further, some of these costs are incurred to improve the program's effectiveness. Reducing expenditures on targeting, for example, might reduce administrative costs, but if targeting performance is severely weakened as a result, the cost savings are counterproductive.

Is Conditionality Necessary?

Are conditional cash transfers better than unconditional ones when it comes to achieving objectives, and, if so, for what objectives and under what conditions? Three broad arguments support conditionality:

- The first relates to the externalities associated with certain types of human capital investments. For example, when making decisions about their children's care — say decisions about girls' schooling — parents may not take into account the benefits that society derives from educating girls, and, as a result, they under-invest in girls' schooling relative to optimal levels from a societal perspective. Conditionality can be an effective means of increasing these investments;
- Second, sociocultural biases against schooling may be imposed by more powerful groups (for example men on their daughters) and conditionality provides state legitimization of social change;
- Third, conditionality may overcome the possible stigma associated with welfare payments if conditions are seen as part of a social contract between beneficiaries and the state;
- Finally, conditionality may be required for reasons of political economy. Politicians and policymakers are often evaluated by performance indicators, such as changes in school enrolment or use of health clinics, and the impacts of CCT programs provide a basis for sustaining public support. Conditionality has also increased the credibility of programs where, historically, the public has often been suspicious of antipoverty efforts that were deemed ineffectual.

Are CCT Programs Sufficient as a Poverty Reduction Strategy?

CCT programs as currently designed are important parts of a poverty reduction strategy that aims to improve the health, nutrition, and education of young children in the short term and their income earning potential in the future, ultimately reducing the likelihood they will remain poor as adults. Other complementary strategies are needed, however, for people at other stages of the life cycle.

Source: Michelle Adato and John Hoddinott (2007), “Conditional Cash Transfer Programs: A “Magic Bullet” for Reducing Poverty?” 2020 Focus Brief on the World's Poor and Hungry People. Washington, DC: IFPRI. (Abridged).



Some CSOs in Ain el-Sira have a specific target and clientele as the focus of their activity such as street food vendors

CSOs in Ain el-Sira have a good relationship with clients, they been sub-contracted by the Ministry under Ministry conditions, or have a similar relationship with donors (whether individual or institutional) whereby they are asked to apply a preset menu of activities — usually as service providers or as middle-men.

For conditional cash transfers to work in Egypt, the MOSS needs to accept CSOs as civic partners with a wider role than simple implementation. The key to success for conditional cash transfers globally has been the quality of implementation (bureaucratic cooperation and well-trained social workers) as well as the degree to which there is consensus built around the conditions. They are not a substitute for current in-kind subsidies such as baladi bread and butane gas; but rather an additional small transfer that will enable the very poor to access and use current social transfers and resources. Civil society can be the partner that ensures that the program is not just another state resource that will be usurped by well meaning elites or wasted without accomplishing its purpose.

The state can realize this partnership if there is the political will to do so. Conditional transfers are not simple transfers of resources to the poor in the guise of service or cash. They are programs with a purpose. CCT programs invest money into the process of *building capabilities*. Families are provided with cash transfers in return for their commitment to invest in the development of their human capital by keeping children in school, using health facilities, accessing rehabilitation, training and employ-

ment programs, and so forth. At the end of a designated period of time during which families have attained the capabilities that will help rid them from the handicaps of poverty (illiteracy, drug dependence, ill-health) the payments are decreased and families are helped to gain access to credit, jobs, and shelter depending on their needs and achievements. After another period of time (2 years) payments are terminated all together.

CCT programs have been rigorously evaluated thanks to the experimental or quasi-experimental model that most countries have used to introduce these programs.¹⁵ Studies in Mexico, Honduras, Nicaragua and Colombia have sown the success of these programs in improving school enrolment and attendance, increasing household consumption, utilization of preventive health services and other indicators which vary from one location to the other based on the conditions of individual programs (see Table 6.2).

CCT programs do not replace current categories of welfare programs. They are designed so as to provide a *social safety net for the future* and ensure that those born and living in poverty are not condemned to a poor future and deprived of the opportunities to which they are entitled. They are especially successful in ensuring that children living in poor families are enabled to overcome the penalty of poverty. If these children get the proper nutrition, education, training, living conditions and opportunities they may not grow up to be as poor as the families into which they were born, thereby breaking the cycle of poverty. These programs attempt to empower the poor by guar-

15. Rawlings, L. et al, (2005), "Evaluating the Impact of Conditional Cash Transfer Programs," The World Bank Research Observer, Vol. 20, No. 1 30-55.

TABLE 6.2 SELECTED CONDITIONAL CASH TRANSFER PROGRAMS IN DEVELOPING COUNTRIES

Title	Type	Targeting	Objectives	Benefits	Conditionals
Bangladesh Food Education	<ul style="list-style-type: none"> Initially, in kind transfer conditional on schooling; Later, cash transfer-demand subsidy 	<ul style="list-style-type: none"> Geographic targeting, then community targeting 	<ol style="list-style-type: none"> Increase school attendance Reduce child labor 	<ul style="list-style-type: none"> US\$ 2.4 per month (mean transfer) or 4% poor's consumption 	<ul style="list-style-type: none"> Minimum school attendance (85%)
Honduras Programa de Asignacion Familiar (PRAF)	<ul style="list-style-type: none"> Targeted conditional cash transfer-demand subsidy and supply-side support 	Geographic targeting: <ul style="list-style-type: none"> municipalities with lowest mean height for age z-scores and with schools and health centers are selected for participation; all households within that municipality are covered 	<ol style="list-style-type: none"> Increase school attendance Improve nutrition of children Improve care of health care 	<ul style="list-style-type: none"> 3 \$US per month for children younger than 3 years, disabled children younger than 12 years, pregnant mothers, poor elderly; 4 monthly benefits to children at school in grades 1-4 	<ul style="list-style-type: none"> School enrollment; less than 7 absences per term; no repetition of a grade more than once; regular visits to health care providers
Nicaragua Red de Potección Social	<ul style="list-style-type: none"> Targeted conditional cash transfer-demand subsidy and supply-side support 	Geographic targeting: <ul style="list-style-type: none"> poorest departments, then poorest municipalities within them with access to health, education, transport infrastructure; then proxy means test to identify poor households 	<ol style="list-style-type: none"> Increase school enrollment and attendance for children in grades 1-14 Improve care for children aged 0-4 Supplement income of extremely impoverished households 	<ul style="list-style-type: none"> US\$ 9.2 per household per month; US\$ 21 school materials per year; US\$ 18.7 per household per month to support health; US\$ 4.6 per child per year for school 	<ul style="list-style-type: none"> School enrollment; less than 6 absences per 2 months; grade promotion; monthly or bimonthly visits to health centre for children aged 0-5; vaccinations programmes; mothers attendance at nutrition and hygiene meetings
Turkey Social Solidarity Fund (SSF)	<ul style="list-style-type: none"> Conditional cash transfer 	National coverage (no geographic targeting); <ul style="list-style-type: none"> health grant awarded based on proxy means test 	<ol style="list-style-type: none"> Increase human capital investment in extremely impoverished families Provide a safety net 	<ul style="list-style-type: none"> US\$ 9.5 per first child per month school subsidy (primary and secondary), US\$ 8 per second child, US\$ 6.5 per each subsequent child 	<ul style="list-style-type: none"> School enrolment; minimum school attendance (85%); regular health care visits for monitoring growth and vactions

Source: Barrientos, A. and Holmes, R. Social Assistance in Developing Countries Database, Brighton: Institute of Development Studies. (2006) Compiled by Kristina Hallez. Social Research Center, American University in Cairo. (2007) Remarks: PETI and Bolsa Escola, along with Auxílio Gás and Cartão Alimentação, currently fall under the umbrella program Bolsa Família; Name changed from Progresa to Oportunidades in March 2002 and the program was extended to urban areas.

CCT programs do not replace current categories of welfare programs but provide a social safety net for the future and ensure that those born in poverty are not deprived of the opportunities to which they are entitled

anteeing security in the future thus mitigating the insecurity that forces poor people to struggle for survival the immediate present, and thus, by necessity forgo developing the capabilities that can secure the future.¹⁶

Different regions and locations impose different burdens on poor families and each individual location in Egypt will need a partnership between the Ministry, the state representative mandated with ensuring equity, poverty alleviation, welfare and social solidarity, as well as and non-state actors such as CSOs, philanthropic institutions and individuals, and the private sector.

Decentralization is a key component to the success of conditional cash transfers. A vision of poverty eradication that ensures that current and

future generations are capability rich even if their income is limited can be the overall framework and goal maintained through the Ministry — but the partnership that permits the implementation must be decentralized. CSOs can have the capacity to meaningfully contribute to public policy development, implementation, oversight and monitoring. They are not bound to be service providers only.

In Ain el-Sira, CSOs clearly varied in the quality of their work and their organizational capabilities but they all lacked an organized, coordinated, common and local voice. The challenge that lies ahead is how to capacitate CSOs to become partners in CCT without compromising their autonomy or freedom to address poverty in their own way.

16. A 'Faustian Bargain' occurs whereby strategic preparation for the future such as childhood education, social security, stable employment and other personal investments is postponed for survival and security in the present. See Wood, Geof, "Staying Secure, Staying Poor: The 'Faustian Bargain'", World Development, Vol 31, Issue 3, March 2003.

BOX 6.6 TARGETING EXTREME POVERTY: CHILE'S PUENTE/SOLIDARIO PROGRAM

The 'Programa Puente/Chile Solidario' targets extreme poverty. Marginalization and social exclusion have informed the design of *Puente/Solidario* based on the understanding that the poor normally lack the means and knowledge to access social protection services which are already offered by the state. This causes a duplication and overlap of social protection programs, which become inefficient in reaching the very poor.

Puente/Solidario was therefore built in order to strengthen efficiency and effectiveness of the already existing social protection services offered by the Chilean state. The program possesses specific features that differentiate it from other programs:

- A multidimensional conceptualization of poverty, using a deprivation approach. Access only to monetary transfers is considered insufficient to tackle holistically the multidimensionality of poverty. *Puente/Solidario* interprets poverty in a more complex way and seven dimensions are used to identify level of deprivation: registration, health, education, household dynamics, housing, work, income.
- The focus is on *the whole family*, not on isolated individuals, since it is believed that the link of poverty between individuals strengthens poverty reduction;
- The focus is on *social rights and ethical entitlements* rather than economic adjustment;
- The focus is on *active role of beneficiaries*, who are expected to act and ask, and not merely to be passive recipients of social benefits;
- The focus is to improve the *access to and outreach of existing programs*. Ad-hoc tailored social protection is offered — households choose and apply to what best suits their needs — which cannot be effectively met by an "one size fits all" social protection policy;
- The focus is on *both* the strengthening of *employment and income generating skills*, but also *social skills* that increase networking and reduce marginalization.

El Puente is the first phase of the program that interfaces with families and is therefore the 'entrance' to *Chile Solidario* which provides the actual services in a second phase.

The main objectives of *El Puente* in the first phase:

- offer a psychosocial support to families in extreme poverty to help them become autonomous individuals and groups;
- connect families in extreme poverty to the available social services;
- offer to the most vulnerable members of the families (i.e. women, children and the elderly) ways to improve their socio-economic situation.

How are El Puente beneficiaries selected?

El Puente establishes a partnership with every municipality in which the program is active. A special unit in the municipality is responsible for the elaboration of a list of potential beneficiaries whose CAS level is below the poverty line. CAS is a composite index that relies on a formula for assessing poverty for targeting purposes. The families with a lower CAS level — the poorest — have priority on the better off. It can thus be said that the selection of beneficiaries is decentralized.

First Stage: During the first six months, the social worker visits the family 14 times for one hour. These sessions are more frequent at the beginning of the phase. The purpose of this phase is to help families identify and prioritize problems and risks in order to select solutions. In this phase, a central feature is what they call "compromises" (*Contrato Familia*) which are aimed at giving an active role to the family. Families have two years to fulfil all 53 sub-objectives. It is expected that at least 70 percent of the beneficiaries will be able to complete this phase successfully. One *the Contrato Familia* is signed (generally after the fifth meeting with the social worker), beneficiaries obtain a small money transfer intended to cover the costs of fulfilling the above mentioned 53 sub-objectives. The amount of the money transfer decreases progressively and is given directly to the female head of household or to the partner of the male head.

Second Stage (follow up): During this phase (meant to last for the remaining 18 months) social workers meet the family seven times with the aim of checking that the basic requirements of the program are still met.

El Puente Special Fund: A special fund is set up at regional level. Its aim is to provide funding for additional initiatives that can benefit targeted families. The municipal units apply to it if they deem that

specific initiatives are necessary to fulfil the objectives of the program.

Social Workers

2650 social workers are involved in the project which covers a quarter of a million households; this means around 85 families per social worker. Social workers must be qualified professionals. The relationship between the social worker and the family is meant to last for the whole duration of the program. In the light of its complexity (psychological and personal), social workers are specifically trained. They attend a 120 hour training course which aims at transferring both technical and psycho-social competencies (for example stress management, intra-household violence), strengthening the reflection processes on social elements linked to poverty. At the end of the training, social workers are expected to write a paper on a specific aspect of the training workshops. The aim is to show that they have both gained the theoretical elements to support their activities and the skills to analyze their activities in order to increase their effectiveness. All expenses for the participation to these trainings are covered by the program.

Social workers are connected in a e-community where they can exchange doubts, difficulties, solutions and successful practices being therefore exposed to an informal continuous education. Particular emphasis is put on the analysis of personal practices and perceptions that can foster or hinder the inclusion of families in the program and their active participation in it. Reflection on empowerment, social inclusion and support to a mentality that is prone to change are part of it. The social worker therefore gives more than simple technical assistance. S/he is a facilitator, who accompanies the family on a path of education, awareness raising, independence and psychosocial support. S/he represents the fundamental link between the families and the program.

After having completed the *El Puente*, families are graduate to *Chile Solidario*. Chile Solidario for an additional 3 years, when families are mainstreamed into available welfare programs.

Source: CEPAL (2003) Análisis de Resultados del Programa Puente 2002 Fondo de Solidaridad y de intervención social <http://www.fosis.c>
See . Comunidad de Aprendizaje Puente HYPERLINK "<http://www.cpuente.cl/index2.html>" and <http://www.cpuente.cl/index2.htm>

AN EGYPTIAN VERSION OF PARTNERSHIP: CSOs, BENEFICIARIES AND THE STATE

Many countries in Latin and South America have adopted models of cash transfers. The continuum stretches from programs that aim to simply keep children in school and attempt no additional inter-

face with the daily lives of the poor to the Chile model which is designed to engage with the struggles faced by poor people almost on a daily basis.

The choice for Egypt will depend on the vision and will of its government and its people. There are questions of equity, entitlement and social responsibility the answers to which determine the

choice of safety net for the poor. The paramount question is whether the aim is to empower the poor and eradicate the consequences of poverty or to minimize the impact of social differentials and dwindling incomes.

CSOS IN EGYPT AND THE SOLIDARIO MODEL

The *Solidario* model (see Box 6.5) recognizes the entitlements of poor people. If adopted by Egypt, such a program would also rely on providing integrated, quality services that are tailored to the developmental needs of a family and which will empower them to graduate from ultra-poverty and gain the capabilities that will sustain this graduation. Pooling many diverse services and resources in one family for a limited period of time (two or three years) can effectively enable families to beat poverty and the burden of 'incapability'. The weight of hopelessness, of illiteracy, of disease, of unemployment, of delinquency and of hazardous living conditions make it impossible for the ultra-poor to use cash or any other resource alone to break the dark cycle of chronic poverty.

CSOs can play a dynamic role in a *Solidario*-inspired program; specifically CSOs can participate in the provision of services by pooling their efforts and including targeted families in their lists of beneficiaries. CSOs can also play the role of bridge agents who ensure the program is on track and that families and the state are abiding by the terms and conditions of the program. CSOs can also participate in the bottom-up continuous monitoring of the program.

To adopt such a socially progressive and intensive model the Ministry of Social Solidarity needs the human capabilities and partnerships that are essential for this program to succeed. The engagement of CSOs as partners, as champions and advocates for the poor will ensure that the program delivers its promise. But a champion of the poor does not mean an adversary of the state. CSOs need to become the critical and enlightened bridge that is the safety valve and guarantor of success for the program.

There are four essential roles that they must play and which in effect no other actor can fulfil:

- Design and draw up the terms or conditions of the program with reference to local needs, burdens and abilities;
- Provide some services, but more importantly, lobby for the poor and enable them to get the best quality services and support that is available;
- Monitor and develop the program so as to ensure that it is flexible and responsive enough to meet its objectives
- Market the program and defend its integrity.

The role of MOSS would be:

- Targeting and establishing the criteria of eligibility for the program;
- Making available the cash transfers and ensuring access of beneficiary to preferential treatment and priority for other services;
- Costing and commissioning external review and evaluation;
- Documenting the program and following the families to graduation from the program as part of a continuous process of poverty mapping and follow up.

This division of labour dictates a review of current tightly held prejudices, suspicions and modes of work. The progressive CCT model suggested requires a sharing of responsibility, a level of trust and a positive attitude that are currently lacking. The Ain el-Sira study shows much duplication of effort, needless competition and poor communication amongst CSOs themselves and between CSOs and the MOSS. Of great concern is the confusion between development and philanthropy, which are different approaches to poverty. Ensuring the rights of the poor can hardly be equated with the impulse of the well-off to give charity. The current poverty alleviation efforts lack development objectives and proper targeting. A new mode of work and a more ambitious social protection agenda are long due.

No dent can be made in poverty without the coordination of the state and its vision for the eradication of poverty as embodied in integrated social policies. Current poverty alleviation efforts are fractured and inconsistent. They rely on a static

understanding of poverty that relies on locating the poor, then aiding them with added income without addressing the capabilities they need or the support required to emerge out of poverty. They also lack long terms development objectives. A vision that truly addresses the roots of poverty must reflect real needs on the ground, and for this, an effective policy must develop out of consultation with CSOs and stakeholders. Better coordination between civil society and government bodies and institutions, as well as public consensus on poverty as a priority are essential but missing components of the current landscape and must be in place to be able to transform disjointed social operations into a successful national effort.

This chapter has attempted to argue for a true partnership between the Ministry of Social Solidarity and civil society as a whole in the efforts to render public social spending more effective and to alleviate chronic and deep poverty. The current duplication of efforts and the fractured landscape

whereby social spending has in some cases become privatized cannot impact the lives of the poor in any meaningful way.

CSO can provide some relief and aid but the state can address the structures which produce poverty. It is the recommendation of this chapter to focus on the needs of the ultra poor in conditional cash transfer programs that:

- Complements current social spending (but not replace it);
- Is carefully targeted to the working or non-working ultra-poor;
- Is a joint initiative that takes CSO as partners in the process of design, implementation, monitoring and evaluation;
- Has a quasi-experimental design that permits careful follow up and adaptation;
- Is designed around a model of citizenship that realizes the rights of the poor to opportunities, social transfers and work (that is, it is not philanthropic).

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THE RELATIONSHIP BETWEEN THE PRIVATE SECTOR AND CIVIL SOCIETY



GOE's commitment to the growth and development of micro and small enterprises (MSEs) is in alignment with its broader economic policy that focuses on job creation through the mobilization of the private sector in the country's economic activities, allowing for market forces to prevail through investment promotion. Egypt's National Economic Development strategy calls for the creation of 550,000 new jobs every year until 2017 in order to cope with new entrants to the workforce as well as reduce the current level of unemployment. MSEs are expected to account for up to two-thirds (350,000) of the new job requirements of which at least 110,000 jobs are expected to be generated through the programs of the Social Fund for Development (SFD).

In this broader context, the GOE has issued a policy document (2004) entitled "Enhancing SME Competitiveness in Egypt – General Policy Framework and Action Plan". This policy document provides the general policy framework to guide all services, programs, incentives and policy initiatives addressing small businesses, and places them within the larger context of the GOE's economic policy orientation towards enhancing competitiveness and promoting exports. At the same time, the SFD, with the mandate for supporting and developing MSEs has embarked on the development of a National Micro and Small Enterprise Strategy geared to strengthen the capacity of the sector in terms of job creation, economic livelihood and income generation.

Apart from government, there are a number of players in the arena of supporting MSE development in Egypt. These include quasi-government organizations, civil society organizations (CSOs), donors and the private sector. Each plays a role in championing support: GOE in providing an enabling business environment, quasi-government organizations (especially SFD) in designing and implementing MSE support programs, both financial and non-financial; CSOs in delivering business development services (BDS), microfinance, networking, promotion and advocacy functions; and donors in funding innovative MSE programs and pilot projects; and private business in managing training and credit programs for MSEs. The next five sections focus on an analysis of the efforts of these groups of actors in supporting MSE growth.

The first section of this chapter provides an assessment of challenges facing micro and small enterprises (MSEs) and reviews on reforms of the regulatory environment. Section Two reviews the performance of the Social Fund for Development (SFD) as the key agent responsible for promoting Egypt's MSE sector and its link with civil society organizations (CSOs) as intermediaries. Section Three analyses the actions of various CSOs in the field of micro credit and Section Four enquires into the contribution of donors towards the development of Egypt's MSEs. The final section reviews progress of the private sector in corporate social responsibility.

TABLE 7.1 EMPLOYMENT OF WAGE-WORKERS IN SMES

Number of Workers per Firm	Employment 1988 (%)	Employment 1998 (%)	Employment 2006 (%)
1-4	4.5	48	50
5-9	9	17	14
10-29	9	10	10
30-49	2	4	5
50+	13	16	15
Don't know	22	6	6
Total (%)	100	100	100
Total in 000	2,546	3,995	6,430

Source: El-Mahdi and Rashed 2006, based on ELMS 2006.

A PROFILE OF THE MSE SECTOR IN EGYPT¹

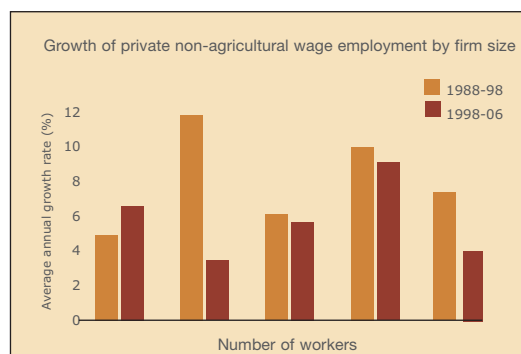
The importance of the small and medium enterprise sector is reflected in the size of its contribution: it accounts for 75% of employment, 80% of GDP and 99% of the non-agricultural private sector in Egypt. There have been more than 150 entities that provide technical and financial assistance as well as service delivery to this sector. However, these efforts have been scattered and largely uncoordinated, which has inhibited the sector's growth potential.

Based on the results of the most recent Egyptian Labor Market Survey of 2006, it is estimated that the number of businesses employing fewer than 50 workers has increased at an annual rate of 4.7% over the 1998–2006 period. According to the 2006 Census of Establishments, there were 2.4 million micro establishments with less than 10 workers and employing 5.2 million workers and another 39 thousand private establishments with 10 to 49 workers.²

MSEs defined as enterprises employing less than 50 workers (and with less than LE 1 million of capital), constitute the bulk of private sector enterprises, approximately 98% of the non-agricultural private sector economic units, and 81% of the total labor force in private sector establishments.

Figure 7.1 also shows that employment in businesses employing between 30 and 49 workers has been the fastest growing segment of the private non-agricultural sector over the 1988–2006 period.

FIGURE 7.1 GROWTH OF MSEs ACCORDING TO FIRM SIZE



Source: El-Mahdi and Rashed 2006, based on ELMS 2006. Reproduced from MOIT, Egypt Competitiveness Report.

FINANCIAL SERVICES

MSEs have limited access to financial services needed to meet their working and fixed capital needs, which constitutes a major constraint to their development. Due to the constraints they face in obtaining financing through formal lending institutions and organizations, the majority of MSEs rely on personal resources and informal financing mechanisms to support independent entrepreneurship. The need to develop and expand formal financing options for these entrepreneurs is critical to the ongoing growth of the MSE sector.³

A recent empirical study (El-Mahdi 2006) that surveyed MSEs (a nationally representative sample of 5000 enterprises conducted in 2003 and 2004) was concerned with understanding and testing the impact of the different support organizations on MSEs. This study revealed that having the necessary finance to start up a business is one of the enabling factors for any entrepreneur. However, for small investors, access to finance is difficult to achieve. Financial institutions are not apt to lend to small enterprises due to the high risk associated with lending to small-unknown entrepreneurs and the high transactions costs linked with small loans from their point of view. Therefore, formal loans, including those from the SFD, did not represent more than 3.5% of all main sources of initial capital in 2003/2004.⁴ Entrepreneurs relied mainly on own savings (67%) or inheritance (21%) as their sources of initial capital (Table 7.2). Details of the microcredit activities of the Social Fund for Development can be found in the next section of this chapter.

1. This section has strongly benefited from Dahlia El Hawary "Doing Small Business" in MOIT Egypt Competitiveness Report (2007).

2. 2006 Census of Establishments. Total private non-agricultural establishments are 2,450 thousand employing 7,654 thousand workers

3. Small Medium and Micro Enterprises Policy Development, Project (SMEPOL), George E. Penfold, David Pintel, (2001,) www.sme.gov.eg

4. When entrepreneurs were asked whether they had received loans during the previous year, only 5% of them indicated they had. Out of those 5% the share of banks, informal loans (from family members, friends, neighbors), and the SFD were the sources of 42%, 40% and 10% of total loans respectively.

TABLE 7.2 SOURCES OF INITIAL CAPITAL IN 2003/2004

Source	Percent
Inheritance	21.0
Own savings	67.1
Sale of Assets	3.60
Formal loans	3.50
Informal loans	2.60
Own remittances	0.50
Others remittances	0.90
Other	0.80
Total	100

Source: El-Mahdi, 2006. MSEs Potentials and Success Determinants in Egypt 2003-2004.

NON-FINANCIAL SERVICES

Non-financial services, which include training, marketing, management, and technical assistance, have received little attention from the Industrial Modernization Centre, the SFD, and NGOs for more than ten years. The impact of these initiatives has therefore been limited as witnessed by the responses of the entrepreneurs in several quantitative and qualitative empirical studies and focus group discussions. The emphasis of most local and international institutions has been either policy formulation or finance provision rather than on design and implementation of technical assistance programs aimed at helping MSEs. Consequently, both the supply and demand for non-financial services has been quite limited, partly due to the lack of awareness of small entrepreneurs about such services and their positive impact on their performance; and partly due to the need to develop specialized services by the NGOs, which have so far lacked the capacity to do so.

Business development services (BDS), associated with training, input supply, information, marketing, product development and technology, have been criticized in most developing countries for being supply-driven by government agencies without really addressing the actual needs of MSEs. BDS have been characterized by poor planning, weak management, bureaucracy, lack of coordination among service providers and a dominant charity orientation. The services have generally focused on start-up firms without paying due attention to supporting the growth of existing MSEs and providing them with the services needed to compete both locally and internationally.⁵ As a result, deficiencies in the management, marketing and technical capacity of MSEs are pervasive, and this systemic weakness severely

TABLE 7.3 NON-FINANCIAL SERVICES OF SFD

Department	Non-financial services offered	
Development & Quality Department	1. Technical Training, 2. Administrative Training, 3. Seminar, 4. Exhibition, 5. Consulting, 6. Information, 7. Export Opportunity, 8. International Consulting, 9. Feasibility Studies and Project Profiles, 10. Prototype Design/Manufacturing, 11. Quality Testing, 12. CAD Design, 13. New Cooperation Protocol, 14. Technical Auditing	
Incubator Development Department	1. Business Incubator, 2. Technological Incubator, 3. Virtual International	
Exhibition Department	1. National Exhibition, 2. Regional Exhibition, 3. International Exhibition	
E0Commerce Department Marketing Department	MSE's Products on Website 1. Export Promotion, 2. MSE's Products Marketing	
Beneficiary Training Department	1. Marketing Courses, 2. Technical Courses, 3. Seminars and Workshops	

restrains the development and growth potential of the enterprises and inhibits their ability to develop innovative capacities.

Various players have been mandated to provide MSEs with business development services in Egypt. The mandate of the SEDO at SFD is to provide micro and small enterprises with technical assistance related to BDS. This is in addition to the role of the Industrial Modernization Center (IMC) that is in charge of the implementation of the Industrial Modernization Program in Egypt, and that aims at delivering non-financial services through a number of Business Resource Centers (BRCs) established in a number of key industrial centers. Table 7.3 describes the BDS services which are expected to be provided by the Social Fund. They require review and monitoring in order to raise their outreach and effectiveness

A CIDA-funded study⁶ shows that in most cases entrepreneurs embark on investments without being equipped with the minimum prerequisites for success such as an appropriate feasibility study or the basic tools to employ relevant key

5. According to the MOF (2004), the record of BDS provision in Egypt shows significant room for improvement. Non-financial BDS include information processing services, R&D and technical services, human resource development, marketing services, information dissemination on markets, standards and technologies, standardization and certification. See MOF (2004).
6. Entrust & ESMA, 2003.

indicators to measure business performance. This involves all business core functions: marketing and sales, quality assurance, production operations, finance and accounting. It also involves supporting functions such as management of information, human resource development and administration.⁷ In addition, MSEs need more information on the markets in which they operate as well as the general business environment in order to develop sound business plans.

It should also be noted that weak linkages between MSEs and their larger counterparts may have created a major impediment to increasing industrial exports and to improving the competitiveness of the sector. MSEs could play an important role in feeding larger firms with inputs, semi-finished parts, or providing them with channels of distribution or maintenance services. Evidence has shown that inter-firm linkages between large and smaller enterprises have been minimal in Egypt.⁸

The provision and use of BDS could be improved through the development of clusters that worldwide have drawn firms eager to take advantage of knowledge spillovers, specialized skills and suppliers as well as institutions and innovative technologies. Egypt has several industrial clusters that cater for MSEs and more were recommended in EHDR 2005. The IMC has also provided support to handicraft clusters producing handmade carpets, woodwork, handmade textiles, alabaster, stones and ceramics all over Egypt. There are more than 102 industrial estates at various stages of development. Most of these, however, lack the provision of common facilities such as product-testing laboratories, while some still suffer from the absence of adequate infrastructure such as gas or electricity.

THE REGULATORY FRAMEWORK

In spite of the consistent pace of reforms in the regulatory framework, benchmarking Egypt using concrete indicators shows that many more reforms are needed. The World Bank (2007) has ranked Egypt very poorly among 175 countries⁹ in terms of the ease of doing business. However, and due to the very significant reforms introduced over the past two years, Egypt's rank has improved to

126th. Specifically, Egypt's respective ranks are the following:

	2007 Rank	2008 Rank
Starting a business	125	55
Dealing with licenses	169	163
Enforcing contracts	157	145
Employing workers	144	108
Registering property	141	101
Closing a business	120	125

As can be seen in the rankings, Egypt has made the largest strides in the domain of starting up a business. In contrast, it continues to be especially time-consuming and costly to close a business in Egypt (rank 125) due to weaknesses in the current bankruptcy law as well as procedural and administrative bottlenecks in the exit process. According to the World Bank (2007), it takes an average of 4.2 years to close a business and costs about 22% of the value of the estate with only about 16.6 cents on the dollar being recovered from the insolvent firm.

By virtue of their size, small and medium businesses do not have the level of human and financial resources that their larger counterparts usually devote to compliance with regulations. Another serious problem that MSEs face is the cost of bribes that are paid to obtain official permits. As expected, cost of compliance with regulations is expected to decrease as business size increases. Extralegal payments made by MSEs¹⁰ are estimated to range from 15% to almost 90% of total payments made for licensing and establishment, as shown in figure 7.2

REGULATORY REFORMS

A number of important reforms have been achieved since 2005:

- The Ministry of Finance has introduced the new Income Tax Law of June 2005 which includes simplification of the rate structure, significant cuts in personal and corporate income tax rates, and a higher minimum threshold of taxable income. Since 2005, all businesses pay a 20% profit tax – rather than 32% or 40%, depending on the sector. On the other hand, corporate tax exemptions for new investments have been removed. All sector, location – or business – specific tax holidays and exemptions were

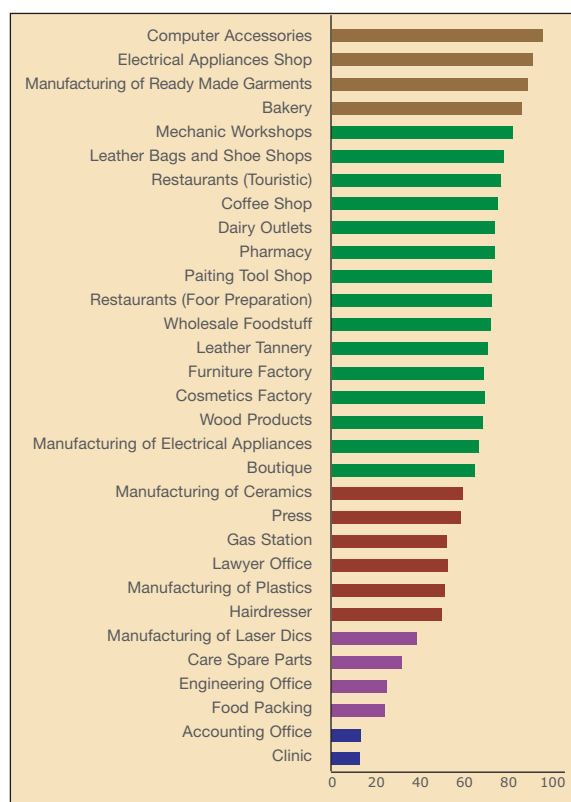
7. CIDA, (2006), "SME Program Review-Egypt" Executive Report, March.

8. Based on the CAPMAS Industrial Census for 1998, it is estimated that only 2% of private industrial production in cooperation with other firms. Field investigations suggest that establishing SME linkages with larger counterparts was not feasible because of inaccessibility and lack of information on how to reach larger firms. Also, their perception is that large firms are vertically integrated and do not need SME inputs. See MOF (2004) as reported in MoIT, Competitiveness Report.

9. World Bank (2007) "Doing Business 2008, How to Reform, Comparing Regulation in 175 Economies 10. Makary, Samir.

2002, "Legal and Regulatory Framework Governing SME Establishment, Operations and Growth." Ministry of Foreign Trade. Evidence on extra-legal payments made is based on sample surveys of SMEs operating in different sectors.

FIGURE 7.2 PERCENTAGE SHARE OF EXTRALEGAL PAYMENTS IN TOTAL PAYMENTS FOR LICENSING AND ESTABLISHMENT



Source: Makary (2002). Evidence on extra-legal payments made is based on sample surveys of SMEs operating in different sectors. Reproduced from Dahlia Hawary Chapter III. Egypt Competitiveness Report.

eliminated, about 3000 in all. Businesses can file and pay taxes electronically. As a result, 2 million Egyptians filed taxes in 2005, double the number in 2004.¹¹ By 2006, the number rose to 3.1 million. As to the related tax proceeds, they rose from LE 1.4 billion in 2004, to LE 4.4 billion in 2005, to LE 7.4 billion 2006.

- In 2004, a package of trade reforms took place. Customs established a single window for trading documentation and merged 26 approvals into five. The number of tariff bands was also cut from 27 to six.
- The Ministry of Investment has greatly encouraged the establishment of MSEs by reducing the minimum capital requirement for limited liability companies incorporated at GAFI under Law 159/1981 from LE 50,000 to only LE 1,000. This step is expected to make it easier for MSEs to become formal and to gain access to sources of external finance.¹²

In spite of the reforms in the regulatory framework, benchmarking Egypt using concrete indicators shows that more reforms are needed



- By 2006, GAFI managed to “deregulate” more than 40 start-up procedures, and to reduce the average time required to register a company from 34 days (up to 140 days) in 2001 to an average of three days. Some start-up procedures, however, remain under the authority of other public entities.
- The SFD has established OSSs in six governorates: Giza, Alexandria, Menya, Assiut, Fayoum, and Beni Suef, to carry out the registration of micro and small firms. They have also started an initiative, Integrated Finance Centers, to make it easier for small entrepreneurs to register their businesses and to process their loan applications. OSSs along with Integrated Finance Centers are set up to assist start-ups, and SFD plans to establish such centers in each governorate so that entrepreneurs can meet the regulatory requirements to obtain their permanent licenses within a short time limit of 30 days.

BUT FURTHER REFORMS ARE NEEDED!

According to the thorough 2005 evaluation conducted by Megacom¹³ on how to streamline regulations governing MSEs in Egypt. There are several obstacles that MSEs meet in starting their business and in operating. Examples can be found in boxes 7.1, 7.2 and 7.3. The following are the main recommendations of the Megacom Report:

- *Eliminate the need to certify the company contract at the Bar Association.* The only objective of this activity is to generate income for the Bar Association.
- *Avail the option of certifying partners' signatures at the company registrar office (GAFI).* Other countries avail this option at the companies' registration office.

11. World Bank, 2007.

12. See the website of the Ministry of Investment in Egypt (www.investment.gov.eg).

13. Megacom et al. (2005) Ministry of Finance, “Research Study of Streamlining the Egyptian Laws, Regulations and Procedures Governing SMEs Establishments, Growth, Export and Exist. International Comparative Study and Recommendations Report”.

BOX 7.1 DEVELOPING BUSINESS TRUST IN THE BUREAUCRACY

Building credibility is a process that takes time and needs accuracy, transparency and predictability.

- Transparency is not costly, and developing trust between the government and the client is worth the effort. In spite of the importance of measurement, performance measuring is not conducted in governmental authorities in Egypt. This is one of the weakest areas that needs serious improvement in order to upgrade the regulatory framework in Egypt. The only method of “knowing” client feedback in Egypt’s governmental authorities responsible for business registration is through complaints.

Trust-Building Measures

- One of the reasons for lack of trust in the bureaucracy in Egypt is that published procedures, time specified and costs incurred do not reflect real life situations. It is also important to develop a mechanism to ensure that different services delivered by different authorities use the same standard declaration form in order to increase the credibility of the government as a service provider and develop trust with clients.

Inspections.

- To maintain business operations, companies in Egypt are subject to a large and unpredictable number of inspections, conducted by different ministries and authorities. Normally, the laws and authorities under which inspectors operate provide them with the power to impose fines and even request closure of the operation in case non-compliance is perceived. In this way, inspectors adopt decisions at their discretion, furthering uncertainty for the continuity of business operations. The number and the frequency of such visits are not regulated and often have overlapping domains especially when they are within the same ministry.

The most dangerous forms of inspections are those initiated upon an unjustifiable complaint or false information volunteered by third parties, such as fired employees, competitors, and neighboring companies.

Source: Megacom et al. (2005) for Ministry of Finance.

BOX 7.2 THE LABOR LAW IS THE BIGGER PROBLEM

Hiring Regulation and Procedures

Every year, business owners must provide information on all employees to the Manpower and Training Directorate, even when this information is already on file. The same information on employees must also be submitted to the Social Insurance Authority. They must also report the number of job vacancies as well as an estimate of their labor requirements by level of education and skill in the year following the October survey. A company must also face inspections by two different authorities, which may take place at different times and intervals; verification of obligations falls to: Manpower and Training Directorate in each Governorate and Social Insurance Authority (SIA).

Firing (layoffs and dismissals) Regulations and Procedures.

It is not possible to dismiss a worker for cause unless he or she commits a “grave error”. The law proceeds to explicitly enumerate the offenses that constitute a “grave error” as follows:

- adopting a false identity, or presenting fraudulent documentation,

- committing an error that results in “grave” material losses to the employer,
- repeatedly failing to observe safety instructions,
- being absent for more than 20 non-consecutive days, or 10 consecutive days, in one year period without an acceptable excuse,
- worker’s engaging in activities that directly compete with those of the employer,
- divulging trade secrets,
- the worker’s violation of the conditions regulating strike activity,
- being intoxicated or under the influence of illicit drugs while at work, or
- physically assaulting the employer, or one of his representatives, during work. All of these conditions essentially place a greater burden of proof on the employer.

Source: Abridged from Megacom et al. (2005) for Ministry of Finance.

- *Publish company incorporation on the internet instead of a newspaper/investment paper, with the possibility of obtaining official print outs.* The cost saving is up to LE 2,425.
- *Eliminate the need to obtain a trade permit from the chamber of commerce.* The sole objective here is to generate income to the chamber of commerce.
- *Consolidate the companies registration department in commercial registry with the companies registration department of GAFI and eliminate the need to obtain a commercial registration.*
- *Eliminate investigations conducted by commercial registry to verify the physical existence of Persons companies.*
- *Adopt the “National Number for Enterprises” applied under law 141/2004 to cover all types of companies to allow the companies to deal with different authorities using a unified identity*
- *Establish a “One-Stop-Shop” to register companies with revenue authorities (Income and Sales Taxes and Social Insurance).* What is suggested is to start by grouping the three revenue authorities, then to consider consolidating the income and sales tax authorities in a single tax authority.

BOX 7.3 PROTECTING BORROWERS AND LENDERS

One of the World Bank's indicators of the ease of doing business is utilized so as to rank countries according to which has the most legal rights for borrowers and lenders and which the least

Strengths of Legal Rights Index (0-10)

Most		Least	
Hong Kong, China	10	Belarus	2
United Kingdom	10	Burundi	2
Albania	9	China	2
Australia	9	Equatorial Guinea	2
New Zealand	9	Lao Pdr	2
Singapore	9	Madagascar	2
Slovakia	9	Egypt	1
Denmark	8	Rwanda	1
Ireland	8	Afghanistan	0
Malaysia	8	Cambodia	0

Note: The ranking of 0 to 10 is in ascending order, showing the 10 countries with maximum (most) protection and the 10 countries with least protection from amongst 175 countries.

Source: World Bank (2007), Doing Business 2007.

- *Eliminate the need for "Non-Similar" Name certificate and use an internet system instead.*
- *Consolidate the inspection activities of the Manpower and Training Directorate in each Governorate with that of the Social Insurance Authority.*
- *Consolidate laws governing voluntary liquidation procedures into a single text (the New Unified Companies Act) under the mandate of a single public policy.*
- *Propose standard forms for bankruptcy activities like the petition for bankruptcy and the investigation and confirmation of debts.*

EVALUATION OF THE PERFORMANCE OF THE SOCIAL FUND FOR DEVELOPMENT

The Social Fund for Development (SFD) was established in 1991 with the aim of acting as a safety net to protect vulnerable groups against the adverse effects of the economic reform program (1991). The SFD has further expanded to become a permanent institution, following legislation in 1999 through Presidential Decree No. 434 that created the Small Enterprise Development Organization (SEDO) within SFD as an entity responsible for small enterprise development. It also set up a special MSE unit in each of Egypt's 26 governorates so that firms can quickly obtain a

TABLE 7.4 SFD'S PERFORMANCE IN MSEs DEVELOPMENT (2004-2006)

Item	Small Enterprises			Micro-Enterprises		
	2004	2005	2006	2004	2005	2006
Loans (000LE)	367.8	762.1	760.0	51.34	201.8	220.0
Number of projects (000)	11.5	23.5	20.8	38.5	100.3	119.0
Gross job opportunities	43.5	90.1	89.4	46.2	120.4	140.0

Source: SFD report, "SFD's achievements during (1992-2006)", Oct. 2007.

The SFD is now the main funding vehicle for channeling government and donor resources to the poor



temporary license and start trading. The long, tedious procedures for obtaining a full license, which involve 32 steps, can now be deferred. The chief mandate of the SFD is to provide micro and small enterprises with both technical and financial services to support their establishment, operation and growth. SFD has now become the main funding vehicle for channeling government and donor resources to the poor.

Law141/2004 for MSE development has further promoted the role of the SFD, so as to serve as the main coordinator between MSEs, ministries and foreign donors. First and foremost, it distributes the credits from donors. These funds, received initially at advantageous interest rates ranging from 1 to 4%, are lent to firms at an interest rate of 7%, with the difference designed to cover administrative costs and risks, whereas the bank lending rate is currently 13%.

The SFD also provides borrowing MSEs with various services such as feasibility studies and information about marketing, risks, equipment and machinery suppliers. For this purpose, it allocates about half of its resources to the SEDO.¹⁴ Lastly, the SFD is to set up funds in each of the governorates to help enterprises obtain loans and financing, as well as a fund to insure them against financial risk.¹⁵

According to the October 2006 World Bank Report, the SFD had succeeded in all development programs: Microfinance rose from 10% to

14. African Economic Outlook 2004/2005. pp 214-215 available at www.oecd.org/dev/aea.

15. In this regard, SFD has a pivotal role to play in achieving objectives (a), (c), (e), and (f) of the Five-Year Socio- Economic Development Plan for 2002-2007 and items (i), (ii) and (viii) of the Prime Ministerial Ten-point Action Plan.

BOX 7.4 THE SFD'S MICROFINANCE SECTOR REACHES THE ULTRA-POOR

In light of the recent passage of law 141 of 2004 and the restructuring within SFD, the role of the Microfinance sector has been expanded considerably. Its duties can be summarized as:

- Responsibility for assisting entrepreneurs in obtaining all necessary governmental approvals within 30 days.
- Coordinate activities of all local and foreign entities interested in supporting microenterprises.
- Provide funding for small and micro businesses.
- Establish a credit guarantee system for loans to small and microbusinesses.
- Maintain a registry of vacant lands available to microbusinesses for the establishment for their activities.
- Establish a procurement registry of government contracts on which microbusinesses can tender.
- Provide a range of business development services on good financial recordkeeping procedures for microbusinesses.

Source: Based on Multi-Donor Review of SFD (MDRM II Oct. 2004).

The Effectiveness of the Targeting Mechanisms of the Microfinance Sector

Senior management of SFD has decided to delineate activities between the MFS and SEDO at loans of LE 10,000 (approximately 1.5 times the per capita income). The impact survey of MDRM II concludes that the microfinance programme is effective in reaching the poor and ultra poor, representing 74 % of the total client base. It should be added that even those classified as non-poor are not far from the poverty line. In addition to reaching a large proportion of the poor and ultra poor, MFS has been very successful in reaching the rural poor. The success of this targeting methodology has been achieved by a combination of the following:

- The small loan size disbursed. Since the inception of the programme, the average loan size disbursed is LE 1,418, and during the second phase LE 1,549 (US\$251). At approximately 25 % of per capita income, loans of this size are uninteresting to the middle and upper income earners, while being perceived as being of great value to lower income groups.

- The outreach mechanisms used. CDAs, PFAs, NGOs and the PBDAC are not vehicles with regular dealings with middle-income classes in Egypt. As such, they are good structures through which to de-select middle-income earners. The non-poor, however, could have access to funds from the PFAs due to their connections with government employees, and from PBDAC through the loan officers extending loans to the existing client base.

Microfinance's Potential for Job Creation and Reaching the Ultra-Poor

While the overall numbers reached are not as impressive as those of the ABA (325,000 loans totaling LE 800 million disbursed since 1990, and currently disbursing LE 6 million per month) the strength of SFD is its outreach. SFD, through its network of PFAs, CDAs, NGOs and PBDAC is reaching out beyond the more urban and peri-urban areas of Egypt than is ABA. With the degree of poverty, and the lack of job opportunities in the rural areas, SFD has, and can continue to have, an impact in these areas.

All formal financial institutions including SFD have succeeded in reaching only around 15-20% of MSEs mostly to offer already existing economic units working capital loans



25% of total finance (from LE 50 million to LE 175 million); SFD programs reached low-income women and their families, which resulted in raising their income; and SFD programs reached marginalized groups, including the unemployed.

However, these positive results do not necessarily concur with empirical MSE surveys, which indicate two main results. Firstly, all formal financial institutions including SFD have succeeded in reaching only around 15-20% of MSEs, though not to provide initial capital as the firms started up their businesses, but mostly to offer already existing economic units working capital loans. Secondly, the finance provided to formal MSEs (18% of all MSEs in the ELMS 2006) reached 41%, and came mostly from formal public and private banks. As to

informal MSEs (82% of MSEs), financing reached only 19% of them, through public sector banks, SFD, machine suppliers and NGOs. Thirdly, The SFD estimates that each business has created four new jobs on average which can be an overestimate.

The second Multi-Donor Review Mission (MDRM II) of SFD took place in 2004. The MDRM II Evaluation has included more than 60 recommendations under the six components that cover the various SFD activities.¹⁶ Among those that represent the key outcomes on micro and small enterprises (MSEs) are a number that refer to credit, some to CDAs and others to NGOs.

One of the positive results of the MDRM II survey is that of the LE 3 billion SEDO loaned to a

16. The following section is extracted from the report: "Government of Egypt, Social Fund for Development Multi-Donor Review of STD, Final Draft October 2004".

BOX 7.5 STRENGTHENING THE CAPACITIES OF MICRO CREDIT INTERMEDIARIES

SFD's microfinance sector operates through three types of intermediaries; Productive Family Associations (PFAs), CDAs, NGOs and NGO supported CDAs, and the Principal Bank for Development and Agricultural Credit (BDAC). By 2004, NGO supported CDAs achieved the greatest outreach in terms of loans disbursed with 30.6 thousand loans totaling LE 33.2 million. PFAs disbursed 13.9 thousand loans totaling LE 21.4 million, while PBDAC distributed 16.7 thousand loans, totaling LE40.4 million. However, the intermediaries' various lending methodologies have resulted in several unanticipated outcomes.

PFA-supported CDAs

In many cases, PFAs require each loan applicant to have a public sector employee guarantee their loan. PFAs also require that loan repayments be collected from the salary of this employee/ guarantor rather than directly from the borrower, contributing to the extremely high loan repayment rate of PFAs. However, this repayment structure results in very little analysis of the micro-business / IGA activity itself.

Moreover, while borrowers who are full time public sector employees, or their families, is meant to be limited to 10 % of total borrowers, their actual numbers are much higher. While these loans are effective in creating a considerable number of IGAs, the methodology used to calculate job opportunities may overstate actual job creation.

NGO-supported CDAs

NGOs have been effective in achieving outreach and in installing sound management practices, such as preparing business plans, loan-tracking systems, and accounting procedures. The NGO-supported model has certain distinct advantages over the PFA model, including NGOs' ability to create more genuine job opportunities rather than income generating activities and higher outreach to the poor and ultra poor without ties to public sector employees. The NGO model has been most effective in reaching those without access to the formal financial sector, particularly when the group lending methodology is used.

PBDAC

With its wide network of branches and staffing capabilities, PBDAC provides a good springboard for the provision of microfinance services. Based on field visits, however, it appears that some PBDAC staff may be extending MFS-funded loans to their existing client base, rather than increasing the number of overall clients. Moreover, these clients can be categorized as "non-poor" since they receive a larger average loan size (LE 1,819) than clients of NGO-supported CDAs (LE 1,084). This has had the effect of undercutting PBDAC's existing client base and profitability by providing loans at 7-8 % rather than 14-15 %, making clients accustomed to subsidized loans rather than commercial loans.

Source: Abridged from Multi-Donor Review of SFD (MDRM II Oct. 2004)

145,000 clients since 1997, more than half went to poor people. Microfinance is a very small activity. Compared to SEDO, it loaned about LE 177 million to 125,000 beneficiaries since its inception, but it is even more efficient in reaching the poor: the survey indicated that 70% of its beneficiaries are poor and the generated income helped 50% of the sampled families to cross the poverty line.

The SFD microfinance statistics indicate that 73.5 thousand job opportunities were created and worth LE 149.5 million loans were disbursed during the 2000-2004 period.

SEDO establishes target indicators of the organization as;

1. the number of enterprises supported: about 28,000 small enterprises,
2. number of additional jobs created: about 80,000 jobs;
3. minimum percentage of loans provided to female owned enterprises: minimum 25%. In the planning phase of the annual budget, SEDO quantifies the targeted number of jobs to be created into the total funds required for lending.

The SFD microfinance statistics indicate that 73.5 thousand job opportunities were created during the 2000-2004 period

BENEFICIARY PARTICIPATION AND EMPOWERMENT

The MDRM II has assessed the Community Development Programs (CDP) of SFD, which should be leading and applying the best practices of participation and empowerment in its projects. "What was found in CDP permeates the other SFD portfolios. While there are some noteworthy achievements by some projects, overall project design and field practices are not on the leading edge in the realm of quality community and civic participation."

According to the Multi-Donor Review, SFD can become a far more effective "change facilitator" by assuming as principle the mission of providing space – at the lowest tier of local communities and dispossessed social groups – for the identification of opportunities and the initiation of innovative solutions. The MDRM II clearly recognizes that the "Lack of channels of representation for

effective governance, and the consequent weak accountability at the local level, is one of the root causes of poverty” and that “SFD should therefore consider:

- a. the adoption of increased broad-based citizen representation, influence, and governance in development as a full-fledged objective, and
- b. tasking the Community Development Programs (CDP) with the first priority task of searching for and activating the means for such *governance* by the community, and for *proactive accountability* to the community at the local level”.

The Multi-Donor Review has recommended that adequate definitional parameters and indicators for assessing SFD’s progress with respect to “participation” should be introduced. Durable impact on the community ownership and management of development resources and facilities can only be realized with a bold SFD/CDP-specific policy and strategy to achieve a greater impact in this area, since otherwise sustainability of participatory processes will not take root as a continued practice in the communities where SFD has implemented projects.

THE ROLE OF CSOS IN SUPPORTING MSEs

In supporting the role of MSEs in the economy, several different kinds of civil society organizations (CSOs) are involved. These take different forms: for example, business associations, foundations, and NGOs. Some of these provide microfinance, business development services, and training to MSEs, some perform advocacy functions on behalf of MSEs, others build networks for MSEs and MSE support organizations and foster and promote the spirit of entrepreneurship and innovation. Often, CSOs target particular groups of MSEs or potential entrepreneurs. There are also CSOs focusing on women, including poor women and female-headed households, on youth, on university graduates, and on the unemployed.

The NGO sector has been the pioneer provider of micro-lending services. Possessing a relatively

acceptable understanding of the local markets, NGOs have proven themselves able to flexibly provide microfinance services to relatively small client groups. As to the role of SFD in using the vehicle of NGOs as a means of finance delivery to MSEs, available data indicate that the role of NGOs is only visible in the provision of microfinance to microenterprises. As to small enterprise lending, SFD prefers to channel it through the banking system. Accordingly, almost all microfinance reaches its borrowers through NGOs, while only 5% of the small enterprise finance moves through this channel. Table 7.5 reveals the number and value of loans that were channeled by NGOs to MSEs.

This indicates a fluctuating role of NGOs in terms of their number and the average share of financing per NGO. It is clear that the annual value of microfinance allocated by the SFD to NGOs fluctuated from a minimum of LE3.4 million in 2002 to a maximum of LE138.5 million in 2005. This kind of instability was due to the irregular inflow of financial donations by donor organizations to the MSEs sector.

In order to understand the NGO activities and assistance offered to MSEs, the efforts of two of the leading organizations are presented: the Alexandria Business Association (ABA) and the Coptic Evangelical Organization and Social Service (CEOSS). These two organizations receive their main support from the USAID and other international donor organizations. The operations and approaches used in these two organizations are similar to those used by other NGOs. However, their programs represent best practices, as they succeeded in extending their micro-lending packages as well as technical support programs to large numbers of beneficiaries in their local communities and eventually managed to move into new territories and other governorates.

ALEXANDRIA BUSINESS ASSOCIATION (ABA)

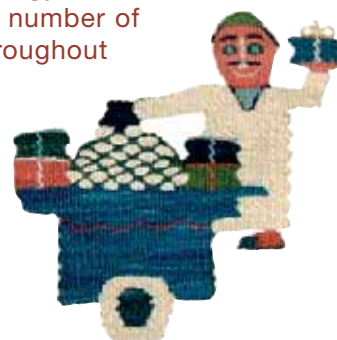
This is a non-profit foundation that uses an innovative approach to supply MSEs with credit and support their growth. ABA works through 34 branches in Alexandria, Kafr El-Sheikh, Al Beheira, and Menoufia. It began operation in

TABLE 7.5 SFD MICROFINANCE VIA NGOS TO MICROENTERPRISES

Years	No. of NGOs	Total value of Loans LE 000	Av LE 000 per NGO
1992-98	11	62,520	NA
1999	9	5,428	603
2000	11	22,707	2,064
2001	4	20,036	5,009
2002	3	3,359	1,119
2003	4	17,237	4,309
2004	159	91,018	572
2005	23	138,503	6,021
2006	71	42,749	602
2007 (until April)	25	29,223	1,168

Source: SFD, 2007, unpublished data.

ABA's methodology has been replicated by a number of foundations throughout Egypt for the delivery of microfinance services and technical assistance



BOX 7.6 ABA SUSTAINABLE MICROFINANCE PROGRAM

ABA grants loans in a quick and easy way – 14 days for first applications, 72 hours for renewals – to groups formed for the term of the loan, consisting on average of 100 borrowers headed by an ABA officer. The average amount lent is LE 2,641 (about US\$425) at an interest rate of 18 per cent; 80 per cent of loans are earmarked for microenterprises and 20 per cent for vulnerable groups such as the unemployed and women. For loans up to LE 3,000, ABA requires only an identity card or family record book and a home lease or ownership deed.

The loan repayment rate stands at 99.2 %, and the number of new applicants is increasing at a rate of 140 % a year. The organization has already covered its operating costs, two years ahead of schedule, and now operates in five governorates and has 28 subsidiaries. One of ABA's innovations has been the way its officers are paid. They receive a basic salary and bonuses based on the number of loans and repayment levels. The organization also has a technical assistance centre and has contributed greatly to the economic development of Alexandria and neighboring governorates.

1983 to provide support to the business community and was registered as a non-profit, non-governmental organization in 1988.

ABA has tailored its lending methodology to meet the special needs of MSEs that are not able to access credit through the formal system: the foundation offers small loan sizes with few prerequisites, flexible loan repayment conditions with short loan terms, and hands-on technical assistance to clients.

To the end of March 2007, ABA's Small and Micro Enterprise (MSEs) Project had served over 202,000 clients, extended over 622,000 loans amounting to almost US\$212 million, and proven its ability to reach low-income entrepreneurs and microenterprises (with an average loan size of LE2000) with 30% growth rate during 2006. Through the SME Project, ABA has become a significant player in the provision of microfinance.

To provide non-financial support to MSEs, ABA has established the Alexandria Small Business Center (ASBC) as a technical assistance facility. The Center compliments ABA's credit delivery mechanism by offering training to micro entrepreneurs in

areas such as pricing, accounting, production planning, quality control, and marketing. At the Center, micro entrepreneurs have access to a library and a showroom to display samples of their many products.¹⁷

As a completely self-reliant project, the ABA is an excellent model of a best practice that can be effectively sustained. The foundation covers the costs of its microfinance and technical assistance services entirely through revenue generated from loan recovery. The association has developed that capacity through several means: it charges an unsubsidized but reasonable interest rate on loans; it extends loans with a high degree of efficiency; and it selects borrowers with care so that their repayment rate is above 99%.

Furthermore, a high level of client satisfaction means that demand for their services and their client base is continually expanding, ensuring a dependable and growing source of revenue. ABA's project structure and implementation methodology has been replicated by a number of foundations established throughout Egypt for the delivery of microfinance services and technical assistance.

17. ABA website: www.aba.com

The basic way voluntary-membership associations can promote reform is through policy advocacy on behalf of measures that foster competition and open markets



COPTIC EVANGELICAL ORGANIZATION FOR SOCIAL SERVICES (CEOSS).

Established in 1960, CEOSS is one of the leading NGOs in Egypt, serving both Muslim and Christian communities. Its mission is to improve the quality of life in impoverished communities, empower communities and individuals through sustainable development, and promote a culture of dialogue based on pluralistic democratic approaches and respect for human rights. CEOSS has expanded access to micro credit and encouraged a business approach in the Self-Supporting Sector, modeling the developmental benefits of for-profit projects.

In 1999, CEOSS established a specialized MSEs department to work as an independent financial institution and administer all MSEs activities. The MSEs department has since gained extensive experience giving loans, conducting feasibility, market and follow-up studies, identifying target groups, and monitoring projects. From January 2000 to July 2006, the department distributed 66,779 loans valued at LE 82.3 million with a repayment rate at 99.9%. The MSEs Department provides loans to individuals and groups, enabling the creation and/or expansion of small and microbusinesses. Along with loans, the department provides ongoing technical assistance and a wide range of business management skills training, targeting low-income urban and rural residents. The program has a particular interest in enabling female household heads, unemployed college graduates and disabled persons to build successful businesses. The department has a computerized database that allows it to track repayment rates and delinquency rates.

Staff and loan officers are trained in financial management skills and maintain the highest standards of program implementation.

The previous two NGOs are examples of successful organizations working in support of MSEs. Their operations include finance, non-financial services, as well as other support programs to poor families through education, literacy programs, and health services. However, not all NGOs operate on such a large scale, have access to sufficient financial resources, or have the capacities to run sustainable lending programs. In fact, the market leaders in this respect do not exceed 50 NGOs at most. The majority of "economic development" NGOs are incapable of conducting efficient technical assistance services, as they lack the capacities and skills to do so.

However, there are a growing number of other CSOs in Egypt with the objective of fostering entrepreneurship and innovation among the youth population. Two examples are the Entrepreneurs Business Forum and Nahdet El Mahroussa.

THE ENTREPRENEURS BUSINESS FORUM (EBF)

It was founded by a group of entrepreneurs as a diverse non-profit organization with the aim of creating a healthy environment in which Egyptian entrepreneurs can grow. The forum's objectives are: to create a community that allows entrepreneurs to network and share knowledge; develop entrepreneurship through up-to-date events and training; provide opportunities for members to establish new mutually beneficial

business relationships; assist and advise policy-makers on the needs of the entrepreneurial community and new business start ups to facilitate new venture creation; enhance business ethics and social responsibility as an essential element in the prosperity of the business community and society as a whole; and be a center for entrepreneurial research in the region. The EBF creates support for aspiring entrepreneurs and new start-ups by working on the development of both the entrepreneurs and the entrepreneurial environment in which they operate.

One of the EBF's innovative projects is the launch of Egypt's first *Business Idea Award* in 2005 (with support from the Canadian International Development Agency). This business plan competition assists hundreds of aspiring entrepreneurs to transform high-growth ideas into solid business plans through seminars, training, and mentorship, and provides them with the necessary skills and knowledge to implement their business plans and start successful enterprises. EBF partners in this project are the Alexandria University Faculties of Commerce and Engineering, and the Egyptian Federation of Youth-led NGOs. The award program is also supported by the Egyptian Minister of Finance and the Governor of Alexandria.

Participants in the competition are exposed to:

- Networks of world-class entrepreneurs, investors and potential partners
- Mentorship by successful and seasoned entrepreneurs
- Training in business planning skills and entrepreneurial thinking
- Feedback on their business model from a judging panel of world-class entrepreneurs, investors, and professional service providers
- Broad media exposure and public relations attention.

NAHDET EL MAHROUSA (NM).

NM is an Egyptian voluntary organization initiated by Egyptian youth to develop the active participation and serious commitment of Egypt's youth towards the country's prosperous development. Made up of a group of young university-educated Egyptians around the globe, NM has one vision: an Egypt where youth are active catalysts towards

positive change. Because schools don't equip them [students] with the right tools to succeed in the marketplace, it is up to private initiatives to work with our youth so that they may develop their creativity and self-expression.¹⁸ NM currently supports nine key projects in the areas of youth education and employment, economic and social development, art for development, and reviving scientific research. It works as an incubator for ideas that support successful youth development ideas to become models for national implementation. NM's policy arm engages in and promotes public debate and policy on a range of issues.

Among NM's civil society contributions is the *Young Innovators Award* (YIA), started in 2001, which encourages university-level engineering students with innovative ideas to develop their final year research projects as part of a national competition. They are given access to training, funding, information, equipment and supplies that may better meet the needs of their research projects. They are also exposed to an awareness lecture series that introduces them to the importance of research and development; the need to create patentable works for Egypt, and the how-to of registering patents and protecting intellectual property; the prospects of commercialization of innovative scientific ideas and the concept of venture capital financing. Supported by corporate sponsors, such as P&G, British Gas (BG) and Adcom Ericsson, Mobinil, and Challenger Limited, the Award's major aim is to enhance the training of young scientists and promote their science and technology-related innovations. Successful projects are rewarded with funding assistance and resources for full implementation of their project. The YIA is now serving a pool of more than 200 engineering students in six national universities.

Another project of the NM is the Incubator for innovative development ideas – the first of its kind in Egypt. Any Egyptian youth with an idea and commitment to make Egypt a better place is given a chance to make it a reality if the project idea fits NM's criteria. Through the incubator, they will be offered the institutional framework, management and research support, training (access to a pool of volunteers), and a small loan to ensure the success and growth of their project idea.

18. Ehaab Abdou, chairman and founder of Nahdet El-Mahroussa, in an interview with *Business Today*, July 20, 2007

TABLE 7.6 MAIN DELIVERABLES OF DONOR PROGRAMS

Donor	Outcomes
CIDA	<ul style="list-style-type: none"> Created 10,000 employment positions in 2245 small enterprises during (1990-2006) Reached low-income women and their families Provided and/or brokered thousands of micro-credit loans for women Created the Business Advisory Support Unit and the One-Stop Shop (OSS); Through the OSS, issued more than 5000 licenses and decreased approval time for firms from 1 year to 15 days Inclusion of the OSS concept in the SME Law and its national replication.
GTZ	<ul style="list-style-type: none"> Training 16,000 trainees in 1600 training centers Building data bases related to specific sectors. Identifying exports opportunities
USAID	<ul style="list-style-type: none"> Supporting micro finance through the Credit Guarantee Corporation, in the form of refinancing facilities and concentrated technical assistance Encouraged the development and application of women focused group lending methodologies. Improved the capabilities that encourage the MSEs
JICA	<ul style="list-style-type: none"> Supporting exports through qualifying the human resources. Development of the technical training programs.
Italian Cooperation	<ul style="list-style-type: none"> Preparing industrial sector work plan. Support the GAFI in all its activities that related to MSEs

Sources: (1) Canadian International Development Agency (2006), "SME program Review-Egypt", Executive Report, March 2006.
(2) Al-Khawaga, A (2006), "The Role of International Institutions in Offering Non-Financial Services to SMEs in Egypt", Center for Economic & Financial Research Studies, Cairo University, March.

Finally CSOs can provide synergistic networks for economic and SME development agents. A good example of this can be found in the Federation of Economic Development and Income Generation Associations (FEDA).

FEDA is a network of 70 business associations. Established in 2001 in the Port Said Governorate, FEDA has since expanded to 18 governorates. FEDA's position is that the basic way voluntary-membership associations can promote reform is through policy advocacy on behalf of measures that foster competition and open markets, so it advocates on particular legislative issues, such as the legislation in favor of MSEs development, and advances its legislative philosophy by maintaining channels of communication with policymakers to shape specific policies and future policy goals.

FEDA, carries out focus group meetings with participants from regulatory bodies and the private and civil sector on issues related to MSEs growth and advocacy issues, disseminates position papers on policy issues; and trains association executives in management techniques, including training on association governance, small business development, and public policy advocacy.

FEDA member associations empower and advocate for SMEs through their active training pro-

grams, micro-financing programs and membership promotion. Particularly dominant in these activities are:

- The Egyptian Association for Supporting & Developing Small Enterprises;
- The Women Activists Association Alexandria;
- The Alexandria Business Women Association;
- The SME Development Association, Port Said Governorate;
- Port Said Association for Training & Skills Development;
- The Ismailia Federation for Economic Development;
- The Menia Businessmen Association, the Egyptian Youth for Community Development;
- The Menia Business Women Association;
- The Al-Khashaba Association.

REVIEWING EXISTING DONOR PROGRAMS IN MSE SUPPORT ACTIVITIES

Many international donors such as USAID, CIDA, GTZ, EU, JICA, UNDP, KFW, DANIDA and Italian Cooperation have been active providers of financial and non-financial services to micro and small enterprises (see Annex 7.3).

TABLE 7.7 TYPE OF SERVICES OFFERED BY DONORS' PROGRAMS

Donor	Type of Service	Region	Main Sectors
CIDA	<ul style="list-style-type: none"> Nonfinancial services such as training, consulting, technical assistance through facilitators and BDS providers Micro credit (provided 3500 loans, 23% to female borrowers). 	<ul style="list-style-type: none"> Upper Egypt Alexandria Damietta 	<ul style="list-style-type: none"> Industrial Sector Retail trade
GTZ	<ul style="list-style-type: none"> Technical training Nonfinancial services for MSEs (R&D, Consulting services) 	<ul style="list-style-type: none"> 24 governorates Alexandria, Sadat City, Cairo, and Sixth October city, Menia 	<ul style="list-style-type: none"> Industrial Sector Manufacturing, Egyptian cotton, and fruits, Foreign trade sector, and Environmental Technology.
USAID	<ul style="list-style-type: none"> Microfinance programs for MSEs Technical assistances 	<ul style="list-style-type: none"> Alexandria, Assiut and other Governorates 	
EU	<ul style="list-style-type: none"> Market consulting services Design products and quality grantee Identifying MSE credit opportunities from Banking systems 	<ul style="list-style-type: none"> Most governorates 	<ul style="list-style-type: none"> Industrial Sector especially, textiles, wood, and food products.
JICA	<ul style="list-style-type: none"> Training and analyzing employment opportunities; Developing the technical training systems in Egypt 	<ul style="list-style-type: none"> All governorates 	<ul style="list-style-type: none"> Industrial Sector Exports
Italian Cooperation	<ul style="list-style-type: none"> Supporting the MSEs through preparing plans and feasibility studies 	<ul style="list-style-type: none"> All governorates 	<ul style="list-style-type: none"> Industrial Sector

Sources: (1) Canadian International Development Agency (2006), "SME program Review-Egypt", Executive Report.,
(2) Al-Khwaga, A, (2006), "The Role of International Institutions in Offering Non-Financial Services to SMEs in Egypt",
Center for Economic & Financial Research Studies, Cairo University, March,

BOX 7.7 EXAMPLES OF INTERNATIONAL COOPERATION PROGRAMS SUPPORTING MSEs

<p><i>Financial Service: "Poverty Alleviation and Employment Generation in Giza Governorate" program, Italian Cooperation.</i></p> <p>This project has two components: a social component focused on households, ongoing since 1996; and a market-oriented component focused on microenterprises, which started in June 1999. The social component is a micro-credit model of success, and the MOSS has asked for a three-year extension of the project. Through a network of Community Development Associations (CDAs), loans are provided to small enterprises in Giza at market interest rates to help them finance capital investments and working capital. The coverage rate is nearly 100 %.</p> <p>Mechanism of the project: The Italian government granted MOSS a guarantee fund of LE 2.5 million. The fund was managed by the Credit Guarantee Company (CGC), which invested the fund in the financial market and leveraged the fund up to three times (up to LE 7.5 million) after three years. The CGC acts as a collateral agency and activates the fund as a guarantee against loans disbursed by Egyptian banks to micro-entrepreneurs living in selected areas of Giza Governorate.</p> <p>Target group: The program targets microenterprises with one to six workers and a fixed capital value of LE 2,500 to LE 40,000 (excluding the value of land and buildings). Enterprises may be non-registered for the first loan, but must be registered to qualify for subsequent loans. Loans to manufacturing activities, artisan enterprises and services, and labor-intensive activities were prioritized.</p> <p>Source: Stevenson, Lois, Senior M/SME Specialist and SMEPol Project Coordinator, International Development Research Centre (IDRC), Middle East/North Africa Regional Office.</p>	<p><i>Non-financial Service Center: "Small and Medium Business Support (SMBS) Project", Canadian Embassy.</i></p> <p>Funded by CIDA, this (1996-2001) project aimed at developing MSEs in the Delta region. The purpose of this project was to establish a business center, called the Business Advisory Support Unit (BASU), in Mansura to provide professional advice to MSEs (30 to 50 workers, all activities, but especially wood and textiles) and vocational training.</p> <p>BASU aimed to give local support to MSEs through business advisory services, improve relationships between MSEs and vocational training institutions, develop effective and environmentally sustainable technologies for MSEs, and provide institutional support for a MSE network. BASU's goal was to upgrade business practices in production, management, marketing and finance and to enhance research and development capacity and knowledge of production, managerial technology and market requirements.</p> <p>BASU supports an average of 300 enterprises per year through technical and information interventions. The business center has become financially sustainable through cost-recovery mechanisms. SMBS is currently under the supervision of the Governorate but will become an autonomous center once the project phases out. Partnership between the Governorate and the project involves creating synergy between entrepreneurship development and vocational training, which requires the involvement of representatives from the Industrial and Education Departments at the Governorate level. The project also engages governorate officials in policy dialogue regarding issues of business development, vocational training, environment, and child labor.</p>
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In general, over the past decade, the USAID has been the largest supporter of MSEs in Egypt. It has supported microfinance programs in seven of the larger NGOs located throughout Egypt, as well as bank “downscaling programs” at the National Bank of Development (NBD) and Banque du Caire. In addition, USAID has supported guarantee programs in support of microfinance through the Credit Guarantee Corporation. Support has come in the form of refinancing facilities and technical assistance. The USAID program has also encouraged the development and application of women focused group-lending methodologies.

The donor programs vary in terms of their objectives, although a substantial objective in many of them is aimed at supporting poverty alleviation policies. In addition, donors are working on parallel initiatives that do not always complement each other. Previous projects have had many outcomes, as illustrated in Table 7.6.

A number of the broader positive outcomes of donor programs are the following:

- Some of the initial projects placed a strong emphasis on gender equality issues. This resulted in the improvement of women’s situation in areas such as: improved self-esteem and decision-making roles within business and the community;
- Environmental results were witnessed in areas such as improvements in environmental technology and management within MSEs (including low cost solutions to environmental problems and the reuse and recycling of raw materials);
- Institutional Capacity building, for both government and non-governmental agencies, for example the Small and Medium Business Support Project (1996-2003) that was financed by the CIDA program. This project formed the Industrial Partnership Unit involving the Aluminum Industry and the Government, which is now a self-sustaining training unit; developed the Professional Development Institute (PDI) that provides industry-focused and training to key ministries; created the Business Advisory Support Unit;

19. For more information on the Damietta experience, see EHDR 2004, Chapter 8.

held 15 workshops at the governorate level to build awareness of policy issues with participation by ministries, SFD, local service providers and universities; created the first One-Stop Shop (OSS) and led to the inclusion of the OSS concept in the SME Law and its national replication.

- Some MSEs programs have focused on promoting and supporting partnerships and linkages among institutions, organizations and /or individuals.
- To achieve the previous outcomes, donor funds went into several venues such as lending, establishing incubators for MSEs, policy design, etc, which are elaborated in Table 7.7

CONCLUSION

An in-depth look into the role of government and civil society organizations and donor programs in support of MSEs clearly indicates that all these initiatives have made a substantial difference to a large number of MSEs. Before the 1990s, one seldom heard of such programs dealing with financial or non-financial support to MSEs.

The concern of the GOE and the implementation of the economic reform program (1991) triggered the interest of different stakeholders with the role of micro, small and medium sized enterprises initially in employment creation and eventually in net value added, exports, and venturing into new advanced activities (such as ICT). In fact, some of these programs were successful in raising the capacity of small enterprises to export. A famous example is that of the furniture industry in Damietta, which benefited from the technical assistance offered to it by donor programs of CIDA, JICA and the EU, which stressed the importance of improving the technical skills of the workers and the quality of products. On the local business environment front, the creation of a strong association of MSEs in the furniture sector allowed for the voice of producers to bring about major administrative reforms favoring manufacturers. These combined public/private/donor efforts led to a significant increase in the exports of wood and furniture products¹⁹.

MSEs that received formal micro or small finance to finance their working capital needs grew from 3-5% in 1998 to between 15-20% in 2006, but outreach is still limited in relative terms



The efforts exerted by the different initiatives had their positive impact on MSEs, on national policy design, legislation and even on the research agenda.

An attempt to generally evaluate the impact of the different stakeholders' programs on MSEs could be summarized as follows:

1. There is no doubt that the different programs have promoted the establishment, survival and expansion of a growing number of MSEs, especially where the provision of finance was concerned. The percentage of MSEs that received formal micro or small finance especially to finance their working capital needs grew from a meager 3-5% in 1998 to between 15-20% in 2006. The change is almost four-fold in a matter of 8 years. However, the outreach is still limited in relative terms.
2. Where non-financial services are concerned, the different programs had a negligible impact on MSEs. The MSE survey 2003/2004 indicated that only 0.5% of all MSE received non-financial services. The provision of business development services in Egypt is still at an early stage of development. Most donor-supported programs, public and private sector non-financial service providers are to date unsustainable, provide inadequate services and have limited outreach. The technical capacity of NGOs to innovate and design market-driven services needs strengthening. The lack of mature business development service providers tends to compound the general weaknesses of MSEs' human resource base, which is characterized by a relatively low level of formal education.
3. With regard to SFD, a number of recommendations can be made. With regards micro credit, it would be wise for SFD to gradually shift from subsidized and wean all of its CSO and grass governmental intermediaries from the current distorted multiple rates. Second, and in support of MDRMII's assessment, SFD can do much more to expand access to micro credit via the expanded use of NGOs and CDAs. Third, SFD still has much scope for raising the effectiveness of its non-financial services. Finally, although it is not mentioned in the law, but follows from its spirit, the MDRM II mission also recommends that SFD should offer legal advice to MSEs that present cases before the arbitration panel, and reimburse any legal costs in the cases where the litigation by the plaintiff is upheld.
4. The training component for a comprehensive MSEs support package is also missing. The main source of training is the private sector, and to be exact, the small entrepreneurs themselves. They offer their knowledge and skills to co-workers and apprentices, and these skills are often not up to certain acceptable national or international standards. Therefore, a reassessment of the role and quality of programs offered by the public training centers as well as the private ones is essential to ensure higher efficiency of workers and entrepreneurs. Encouraging NGOs and the private sector to invest in the establishment of modern specialized training centers is therefore essential.



Companies can nurture local businesses while growing their own business and can share the fruits of prosperity

5. A clear SFD-specific definition of the value of civil society organizations needs to be elaborated. Criteria for collaboration with different organizations would derive from and directly reflect these assigned values, such as representation, good governance, and innovativeness. There is a vast space for SFD to fast involve larger numbers of CSO intermediaries in all of the credit, training and other non-financial services which SFD is entrusted with providing to the MSE sector.
6. Despite the various efforts, there seems to be a concentration of programs in certain geographical locations, such as Greater Cairo, Alexandria, Damietta, Dakahlia, Assiut, Menia and Upper Egypt in general. This distinction between regions could have a negative and detrimental impact on the development of MSEs in the remaining regions. In addition, most of the cluster communities are not served by specialized business development centers that could help MSEs develop their quality of products or services to meet international markets requirements.
7. Planning national policies and budgetary allocations to support MSEs in both urban and rural zones should be reassessed regularly, following governorate needs and taking into account disadvantaged regions with high unemployment rates, prevalence of poverty, and lack of financial and non-financial service providers.

CORPORATE SOCIAL RESPONSIBILITY²⁰

Egypt's *Business Solutions for Human Development Report* explores how companies can work with communities and the government to achieve the MDGs. It looks at how companies can nurture local businesses while growing their own business and how companies can share the fruits of prosperity while transferring skills and technology to local residents, by:

- Extending their distribution channels and supply chains through small local businesses.
- Adopting fair trade practices and upholding local industry.
- Providing microfinance and telecommunications facilities to local communities.

One of the critical questions raised by the Business Solutions Report is do large scale private sector investments energize the small and medium scale industries or is the business of human development perceived to be the domain of the government, NGOs, and the donor community?

Corporate Social Responsibility (CSR) is defined as company behaviour that is socially responsible and accountable not only to shareholders but also to other stakeholders including employees, customers, government, business partners, local communities and future generations. The concept of accountability is key to CSR. Regular CSR reports are a tool by which companies seek to reassure stakeholders that they are addressing their concerns consistently, proactively and innovatively across all fields of operation. They include policies, measurement and reporting procedures, key performance indicators and targets in key areas. While not the natural language of big business and multinationals, the MDGs are providing a valuable and increasingly used framework for reporting.

There are three directions in which CSR can be deployed:

1. *Voluntary Community Contribution*. This area receives the most attention in countries where the CSR debate is relatively new and it can include philanthropic

20. The section on Corporate Social Responsibility is mostly based on the UNDP and Ministry of Investment (2007) report *Business Solutions for Human Development*.

BOX 7.8 CSR EXAMPLES FROM MULTINATIONALS IN EGYPT

Unilever

The Village Development Project aims to improve the conditions of poor villages in Alexandria and Greater Cairo. T. El-Talat Kabary village near Alexandria was selected as a pilot project. Approximately 90% of its population were itinerant workers. A credit program was launched around animal husbandry over 3 years. A veterinarian and an agricultural specialist conduct regular visits to beneficiaries and a board of directors from the community acts as liaison between Unilever and the village.

In the field of health care, Unilever has been providing a dental health educational program for a number of years. This is organized under the Signal brand, and promotes children's awareness of the importance of dental hygiene. More than 5 million children in governmental schools have benefited from this program and from the regular visits by dentists to schools to provide free check-ups and treatment.

Proctor and Gamble (P&G)

In Egypt, P&G markets fourteen brands, seven of which are manufactured in Egypt. P&G's CSR portfolio encompasses the fields of education, health, women, and children, through donations, sustainable development projects, and partnership development. P&G also participates in Injaz.

The Mokattam recycling project was an initiative by Community and Institutional Development (CID) in 1998. P&G extended financial support to allow destitute adolescents among the garbage collectors' community to purchase empty bottles of plastic and deliver them to a recycling school which was established for that purpose. The school program combines a recycling, lit-

eracy, health, recreation, industrial safety, legal literacy program with an income generating mechanism.

Vodafone Foundation (VF)

The Vodafone Egypt Foundation was registered as a separate entity from Vodafone Corporation in 2003 to make social investments by sharing the benefits of developments in mobile communications technology and supporting local communities. VF has two main areas of concern: education and health. In collaboration with local NGOs, UN agencies and international organizations, the Foundation has implemented the following:

- Reception Center for Street Children: In partnership with Hope Village Society, in Hagana to offer different services, trainings, literacy and psychotherapy activities.
- Supporting ICT in Education in Partnership with CARE Egypt: LINC is designed to meet some of the educational needs of rural villages in Upper Egypt, through empowering schools, communities and civil society through the use of ICT.
- Fostering Volunteerism: In partnership with the Youth Association for Population and Development (YAPD), endorsed volunteerism among primary, preparatory, and secondary students. This "Bader Project" encourages students to volunteer and participate in solving their most pressing problems.
- Deaf and Mute Rehabilitation Center. In partnership with Nedaa' Association, the project rehabilitates children with sensory communication disorders and provides them with diversified channels for social integration. The project established a fully equipped center for deaf and mute children's education, and also offers social and medical services for their families.

Source: Business Solution for Human Development (2007)

donations, volunteering programmes, long-term community investment in health or education or other initiatives with community benefits. A number of multinationals (MNCs) commit to donating 1% of pre-tax profit to community causes. Multinationals can also set up foundations with large endowments, and often make grants to international non-profit organisations operating in developing countries. Vodafone is relatively unique in having established a national foundation in Egypt.

2. Core Business Operations and Value Chain.

The vision and leadership of individuals and intermediary organisations are often vital to introducing CSR practices. Through active engagement with employees a company can improve terms and conditions and maximise opportunities for professional development. It can implement measures to reduce energy consumption and waste. It can ensure that customer communications are honest and acces-

CSR is company behaviour that is socially responsible and accountable to shareholders and other stakeholders including employees, local communities and future generations

sible. In terms of its indirect impacts through the value chain, through ethical sourcing codes and capacity-building programmes it can help suppliers and distributors to improve workforce performance and minimise environmental damage.

3. Advocacy and Policy Dialogue and Institution Building.

Internally, CSR leaders create a vision and environment in which employees are able to confidently balance potentially conflicting demands between profits and principles. Externally, many CEOs and senior managers champion business involvement in broader development issues and lend support to both broad and industry-specific initiatives. In the Middle East, the Jordan Education Initiative, which

BOX 7.9 THE SEKEM DEVELOPMENT FUND

Dr. Ibrahim Abouleish established the Sekem Development Fund (SDF) in 1984 as a non-governmental organization, recognizing that developing workers' skills and individual capacities is critical if Sekem companies wanted to remain globally competitive in the field of organic agriculture. Funded by the reinvestment of profits from Sekem's companies and grants from international donors, SDF has launched many community development initiatives, available to Sekem employees and community residents free of charge, to benefit local communities, promote education, provide health care, celebrate culture and diversity, and promote peace, cooperation and understanding between human beings. SDF has invested in education by establishing the Sekem Kindergarten and School in addition to programs in special education, literacy, and vocational training all of which are open to both children of Sekem's employees as well as children from the neighboring areas and community. Approximately 50 children between the ages of three and six attend Sekem Kindergarten while approximately 300 students are enrolled in Sekem's School.

SDF has also focused on a number of vocational training projects. Sekem's three-year vocational training program, which has recently been accredited by the Mubarak-Kohl Initiative, trains 200 youth apprentices annually for self-employment. In

efforts to alleviate the problem of child labor, SDF designed and developed the Chamomile Children Project, which offers both education and employment opportunities for children between the ages of 12 and 14 who have never enrolled in school. This training aims at laying the foundations for further vocational training or developing skills needed for these youth to work and contribute to their family's income. In addition, the Sekem Adult Training Institute was launched in 1987 by the SDF to offer continuing adult education to all Sekem employees.

Sekem's Medical Center (SMC) provides comprehensive health care and preventive services to about 30,000 patients, including Sekem's employees and students as well as patients from surrounding communities. SMC also shares in education and awareness-raising attempts in all areas of community health, taking into account ecological health awareness, women's health issues and family planning. SMC organizes training programs for doctors, midwives, health care experts and the general community in the nearby area, and cooperates with health authorities and governmental health care centers.

Source: Abridged from Tarek Hatem, "Sekem: A Holistic Egyptian Initiative". A study prepared for UNDP.

BOX 7.10 SIWA SUSTAINABLE DEVELOPMENT INITIATIVE

EQI's private sector led development initiative was designed to work in accordance with Siwan values, principles and culture to preserve Siwa's wealth of natural assets and its cultural heritage as well as provide a range of activities to alleviate poverty, improve living conditions and quality of life, and promote sustainable social and economic development towards achieving the MDGs. The project seeks to empower the local community and promote entrepreneurship. In Siwa, EQI has adopted a holistic approach to development that includes employment, income generation activities, cultural and artistic preservation, organic agriculture and preservation of the balance of the human and natural ecosystem. Emphasis is placed on employing local workers, preserving indigenous architecture and building techniques, applying traditional systems of environmental management, and using local materials and local agricultural products.

Source: Abridged from Tarek Hatem, "Siwa Sustainable Development Initiative". A study prepared for UNDP.

In promoting and implementing economic development and revitalizing a unique cultural heritage, the Siwan initiative has combined the traditional skills and creativity of the local community with modern expertise to develop a new and comprehensive business model of sustainable development that might inspire other communities around the world. Key points for success of this initiative include local community engagement in enterprises, the use and respect for natural assets and cultural heritage, and connectivity with a worldwide audience who can appreciate and be engaged in the initiative. Currently EQI is working to identify locations in Egypt and throughout the region that would be suitable for sustainable development initiatives that follow the same guiding principles of the Siwa initiative. The Siwa initiative can be adopted in other desert environments and can be a source of inspiration for other communities seeking to replicate this sustainable development business model.

provides IT inputs and training in schools, is being adapted and implemented in Egypt.

Success is the result of support from these players: central government, necessary to facilitate networks and generate buy-in amongst important stakeholders, business contributing primarily technology, innovation and management expertise, and the not-for-profit sector assessing needs and current and possible solutions.



CSR among Small and Medium Companies

SMEs mostly focus on the short-term and argue that, due to their size, they have limited impact and that they lack resources and expertise to implement programmes. Some assistance in the early stages is therefore useful— e.g. waste management and environmental protection. Much more needs to be done, however, to create the enabling environment for CSR in the MSE sector and to overcome smaller companies' perception that CSR costs money.

BOX 7.11 BIG BUSINESS HELPING SMALL BUSINESS

<p>Lead Foundation</p> <p>The Lead Foundation is an Egyptian NGO founded in 2003 by a group of businessmen, with contributions from the Egyptian private sector, the International Finance Corporation (IFC), and USAID. The Mansour Group of companies is the Foundation's key private sector partner.</p> <p>The Lead Foundation's mission is to support the expansion of Egypt's small business sector and to raise employment and earnings among low-income and poor groups, with a focus on women.. The Lead Foundation delivers credit and related business support services starting from the Greater Cairo area, and progressively expanding in areas where needed. It started its activities with a pilot project providing market-led job skills training to underprivileged people through the "Chance to Work"; the SME Individual Lending Program, and the Blossoms of Goodwill Group Lending Program. In the first, loan size starts from as low as LE 1,000 (\$170). Individuals have the option of pursuing repeat loans, which can gradually</p>	<p>increase in size depending on the repayment performance and needs of the enterprise.</p> <p>The second is directed to Female-Headed Households located in disadvantaged areas using the Group Lending Methodology. Program loan sizes start from as low as LE 50 (\$8), with the potential for subsequent loans at increased sizes up to a maximum of LE 1,000 (\$170). If clients demonstrate their efficient use of the loans, are able to expand their business, and demonstrate their business' sustainability, they may be upgraded to the SME category and become eligible for individual loans.</p> <p>The two programs combined were able to issue a total of 89,327 loans and serve 49,210 clients. The LEAD Foundation reached a monthly lending capacity of over LE 5 million in September 2005, equivalent to an annual lending capacity of over LE 60 million.)</p> <p>Source: Business Solution for Human Development (2007).</p>
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BOX 7.12 AN INTERNATIONAL NGO PARTNERSHIP PROGRAM - INJAZ

<p>INJAZ started in 2003 as a project under the umbrella of the international NGO Save the Children in Egypt. Injaz, is licensed to use Junior Achievement International curricula designed to enhance youths' skills to enter the job market as employees or entrepreneurs.</p> <p>The "Injaz" vision is based on the fact that school graduates are not prepared for the challenges they will face in their efforts to seek future employment. The private sector's sponsorship of Injaz was not only based on funding, but more importantly on employees volunteering. Injaz has formed a board of directors represented by the CEOs of leading private sector companies. Injaz is registering as an independent Egyptian Foundation led by the private sector.</p> <p>Through Injaz, private sector volunteers give 10 hours per month of their time to reach out and inspire a class of students. Courses are based on a participatory learning approach which</p>	<p>fosters creative thinking, critical problem solving and interpersonal communication skills. The structure of the project reinforces the commitment of corporate volunteers and empowers individuals by fostering solidarity and encouraging participation in a credible and neutral organization.</p> <p>The UNDP and Save the Children have made an agreement to grant "UN Volunteers Associate" (UNVA) status to over 130 employees from private sector companies to teach entrepreneurial skills to children between the ages of 10 and 13 and providing career advice. The UNV Associate status also gives corporate volunteers access to a worldwide network of volunteer organizations. In Egypt, Injaz is supported by Mobinil, Citigroup, Americana Group, British Gas, British Petroleum, Mansour Group, ExxonMobil, Barclays Bank, Pepsi, Shell and Procter & Gamble.</p> <p>Source: Adapted from Business Solution for Human Development.</p>
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The valuable role that MSEs play in tackling the MDGs is often overlooked. They assist the transition from agricultural-led to industrial economies and equitable growth. They have greater reach than MNCs and large indigenous firms whose supply chains are often limited and distribution and sales oriented towards urban areas. Their sound understanding of community needs enables them to develop appropriate products and services while generating income and jobs and directing charitable giving towards the most disadvantaged. By facilitating their access to technology, finance, skills, MNCs and others can help share economic benefits with MSEs.

Egyptian Examples of CSR

In spite of the relatively short period since Egypt's Infitah, national private capital has displayed some significant models of CSR. Two examples of innovativeness by international standards are Sekem and EQI.

The Sekem initiative was founded in 1977 on a farm of 70 hectares of virgin arid soil near Belbes, 60 km north-east of Cairo, in an effort to help eradicate poverty and to provide development of the individual, society, and the environment through the initiative's various economic, social, and cultural activities.

Abouleish founded the Sekem initiative as an all-inclusive private sector development initiative based on the belief that one of the greatest opportunities for poverty reduction could be found in labor-intensive agricultural based production. In view of this, he ultimately developed three fields of value-added agriculture-based manufacturing: natural medicines, organic food-stuffs, and naturally grown fabric products, which now form the basis for the seven companies of the Sekem Holding Company. The Sekem initiative also includes the Sekem Development Foundation, which directs the developmental activities of the group, and the

Cooperative of Sekem Employees, which is responsible for human resource development.



Sekem's innovative new model of business is based on sustainable agricultural production and a strong social mission that prioritizes human development

and ecological sustainability. This model has successfully combined profitability and success in marketing its products in local and world markets with an approach that helps both employees and residents of surrounding communities and preserves the environment.

The Sekem companies represent a successful example of local economic development that has created over 2,000 jobs, embraces over 180 small scale farms and 850 local farmers in their supply chain, protects the natural environment through organic practices and pesticide-free farming techniques, and contributes to employee health and well-being.

Founded in 1981, Environmental Quality International (EQI) is a Cairo-based private consulting firm that provides services in environment and natural resource management, governance and enterprise development. In 1996, EQI decided to help transform Siwa Oasis into a natural heritage site in order to protect and preserve Siwa's unique cultural heritage and natural landscape of olive and palm trees, numerous natural

springs, and salt lakes. In 1998, EQI began privately investing in the oasis of Siwa through a series of community-based initiatives, called the Siwa Sustainable Development Initiative. EQI has a portfolio of enterprises and projects that include three eco-lodges, a women's artisanship development initiative, sustainable organic farming and production, as well as community art projects. EQI is also implementing a renewable energy initiative that uses biogas digesters to produce bio-fuel for lighting and cooking as well as producing high-quality organic fertilizer to be used for organic farming.

The initiative enables local people to create economic opportunities for themselves in a location with limited economic activities while restoring the physical environment, promoting gender equity, marketing local products to the international market, and helping position Siwa on the global stage. Currently, 75 Siwans are employed full-time in EQI's enterprises in Siwa and an average of an additional 300-320 Siwans are provided with income-generating opportunities each month. These opportunities are primarily in the fields of the supply of raw materials, production of furniture and handicrafts, organic and pesticide-free agriculture, traditional Siwan building trades and transportation of goods. Siwan women have been given opportunities to earn income through the women's artisanship and handicrafts project in conditions acceptable to the community's traditional social norms. EQI has also implemented several donor-funded on-the-job training programs, particularly in the fields of organic agriculture and traditional Siwan embroidery, to enhance Siwans skills and capabilities.

THE GLOBAL COMPACT²¹

The corporate social responsibility (CSR) movement, dominated to date by firms from the global North, is making inroads into emerging market countries as well. Egyptian companies have begun to embrace the CSR trend actively, including leading local corporations as well as resident multinationals and a small number of forward-looking MSE. One sign of this movement is Egyptian participation in the Global Compact, a global network of companies, NGOs, and others established by the UN.

21. Jennifer Bremer, Associate Professor of Public Policy, American University in Cairo.

THE GLOBAL COMPACT: A UN CSR INITIATIVE

Since its announcement in 1999, the Global Compact (GC) has called on companies and other organizations to pledge to adhere to and advance 10 broad principles in the areas of human rights, labor, the environment and anti-corruption. As of early 2007, 3,800 companies, MSEs, non-profits, labor organizations, and other entities in 100 countries had formally signaled their commitment to the GC's ten principles.

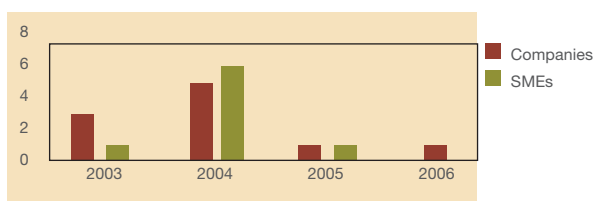
Companies and others wishing to adhere to the GC are required to provide information on their efforts to comply with the principles. However, there is no established standard for this reporting and, as a result, reports vary widely and do not necessarily provide measurable or quantifiable results. In addition, the GC does not include an external audit or verification element. While this high degree of flexibility in the reporting system might be considered a drawback of the GC, it may encourage participation by a broader range of companies than might be willing to join a more rigorous system. In addition, there are indications that the GC is tightening up the reporting and verification process, responding to pressure from NGOs and others.

The GC is also working to expand the range of collaborative programs undertaken by its participants. This collaboration takes the form of national-level networks, of which 40 have been established to date. These networks vary widely in their level of activity, participation, and focus areas. The GC is also increasing its linkages with the UN's Millennium Development Goals (MDGs), which have served as an organizing principle for UN programming and communications since their launch in 2000.

THE GLOBAL COMPACT IN EGYPT

Egypt has taken the lead among Arab nations in embracing the Global Compact. Major Egyptian companies have joined the GC in larger numbers than those from any other Arab country. As of August 2007, Egypt had a total of 37 GC participants, including 22 companies and 15 MSEs. Egypt thus accounted for nearly half (49%) of all Arab companies in the GC and 40% of MSEs.

FIGURE 7.3 EGYPTIAN COMPANIES SIGNING TO THE UN GLOBAL COMPACT 2003-2006



The Global Compact was formally launched in Egypt on 6 February, 2004, at a meeting of some 200 delegates representing the Egyptian private sector, hosted by the Federation of Egyptian Industries (FEI).

There has also been a fall-off in the growth of the program, since its launch. Most of the current members joined prior to 2004, with new membership declining sharply in the two ensuing years for both companies and MSEs. As a result of this stalled growth, Egypt can now claim only seven of the 25 companies and five of the 27 MSEs active and in good standing in the MENA region, placing it in second rank behind Tunisia.

The annual progress reports produced by Egypt's participating companies support a somewhat more encouraging view of the GC's potential impact in Egypt, however. A number of the reports provide good examples of efforts to adhere to the principles and to ensure that the companies have a positive impact on their communities and the nation as a whole. Many of the examples provided fall more within the category of corporate philanthropy than activities directly related to the firms' operations, but there are also examples of efforts to address solid waste and employee-related issues.

The role of the government is critical for nurturing an enabling environment which will help formalize small businesses, assist them to comply with health and safety standards, prohibit the employment of children and raise quality of production to where consumer safety is guaranteed. The private sector needs to be able to operate in an environment which provides a minimum of structure, due process and good governance. It needs to operate in partnership with the government and civil society in innovative ways. The level of invest-

ment which is required in providing business solutions for development is such that companies need long term guarantees that they, and the communities they partner with, will reap the benefits of adopting the new approaches proposed. It is only in such a climate that innovative solutions can be drawn and implemented.

RECOMMENDATIONS FOR CORPORATE SOCIAL RESPONSIBILITY²²

According to the Global Compact initiative for CSR, a number of recommendations can be summarized as follows:

Selected Recommendations for Businesses:

1. *Mobilize core competencies and resources:*
 - to help support or strengthen local communities;
 - Support education, training, youth development, environmental, and health and nutrition projects in local communities;
 - Build capacity of community leaders and social entrepreneurs;
 - Train local technical specialists in environmental management;
 - Build the governance capacity and voice of local civil society groups and media organizations;
 - Establish and supporting micro-credit programmes and small business support;
2. *Internal Compliance:* Obey the law, manage risks, minimize negative social and environmental impacts:
 - Produce safe and affordable products and services;
 - Pay fair wages, taxes, dividends; make timely payment to local suppliers;
 - Development skills, health and safety in the workplace and along the supply chain;

- Build local businesses – through supplier and distribution networks, especially with MSEs;
 - Spread responsible business standards and practices – in areas of environment, health and safety, human rights, ethics, quality etc;
3. *The Enabling Environment:* Take individual and collective action to:
 - Work with governments to improve social infrastructure (i.e. healthcare and education reform);
 - Address environmental regulatory and fiscal policies with government and civil society;
 - Engage in global dialogue on issues such as climate change and biodiversity;

Specific Recommendations for CSOs:

- Help the private sector set clear priorities for their interventions;
- Assist companies to comply with labor and environmental standards;
- Enhance transparency and accountability;
- Invest in long term alliances with other partners in the non profit sector and with clusters of businesses and/or with intermediaries;
- Grassroots organizations are the main experts on communities. Through larger NGOs which can act as intermediaries, they can build bridges to local and international businesses to reflect community needs;

Business associations and international development agencies have a major role to play as intermediaries, bringing clusters of companies together with clusters of CDAs, drawing sectoral plans within their core business boundaries with other firms, obtaining data and validating needs.

22. *Gearing Up: From Corporate Responsibility to Good Governance and Scalable Solutions.* Sustainability and the Global Compact, 2004. Summarized from AD.

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ANNEX 7.1

TABLE 7.A.1 ESTIMATED TIME AND COST SAVINGS FROM SIMPLIFYING ESTABLISHMENT PROCEDURES

Feature	Potential Reduction in:		Justification
	Time, days	Cost, LE	
Obtain Name Approval	2	0	
Obtain and Fill application form	1	18	Only objective is to generate income for Bar Associations.
Certify Co. contract at Bar Association	1	270	Other counties allow certification at registration office (in Egypt's case, GAFI).
Review documents before Notary Public	1	0	
Certify Co. contract at Notary Public	1	1025	Better to consolidate step with GAFI.
Submit documents for incorporation	0	989	
Obtain Commercial Registry	15	86	Better option to publish incorporating on the Internet instead of newspapers.
Publish Co. incorporation	1	2400	
Register with Chamber of Commerce	2	169	Only objective is to generate income for chamber.
Register at Tax authority	7	100	
Register at Sales Tax authority	7	0	
Register at Social Insurance authority	1	0	
Total No. of Activities (Ltd Company)	1.3		
Total time saved	40 days		
Total cost saving		LE 5095	

Source: Based on Megacom et al. (September 2005).

ANNEX 7.2: MEASURING EFFICIENCY OF SOCIAL FUNDS

Performance should be benchmarked at three levels:

1. *Over time*: historical data can illustrate how the authority is improving compared with its own previous performance;
2. *Against Competitors* in other countries that have similar economic characteristics as Egypt's, whether regionally or internationally. Benchmarking with such competitors would reveal how the authority is performing in comparison with similar countries;
3. *Against Best Practices* applied in developed countries.

For most social funds, the World Bank uses a simple indicator of efficiency which is the ratio of "operating costs" of the social fund compared to the "cost of the projects executed". For loan operations, a similar ratio could be used, for example the ratio of operating costs compared to the amount of the portfolio of outstanding loans. This ratio is what banks usually calculate to determine their spread between the interest rates of borrowing and of lending. Of course the spread covers in addition to the cost of operating also the different risks and the profit margin of the bank.

If these ratios could be determined, then SFD could be compared with other social funds and other organizations in other countries. Unfortunately SFD uses an accounting system that does not provide separate operating costs for SEDO and HCDG. However by using hypothetical ratios, the operating cost of a well run, efficient social fund can be calculated and compared with SFD's. Well run, efficient social funds have a ratio of about 7%. This ratio can increase to about 12 % for social funds operating over wide geographical areas or handling a large number of very small or difficult projects. For the overhead of the SEDO operations an estimated value of 2 % can be taken which is an acceptable figure. Using these assumptions the corresponding operating cost of SFD could be calculated to be about LE 55.5 million per year. If we compare these operating costs with the actual operating costs of the SFD we find that the average of these figures is about 20 % lower than the estimate showing that the SFD is a very efficient social fund.

Source: Multi-Donor Review of SFD October 2004.

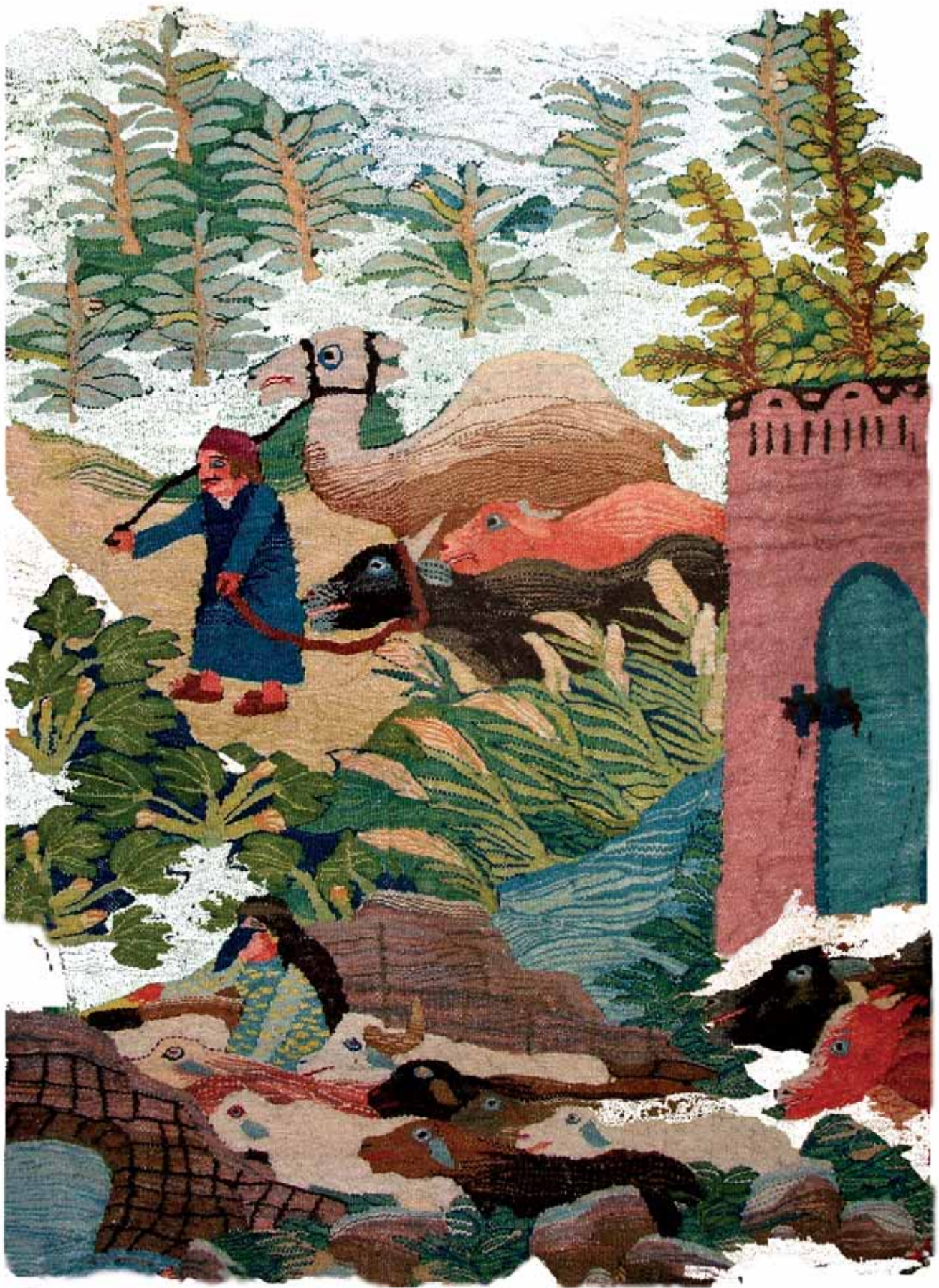
ANNEX 7.3

TABLE 7 A.2 CURRENT DONOR SUPPORT TO MSEs SECTOR IN EGYPT

Agency	Project/Program	Period	Amount
USAID	Small Enterprise Credit Project	2006	US \$ 35 M
	Bank Credit Guarantee Fund (BCGF)	2007	LE 150 M
	Small and Emerging Business Project	2007	US \$ 86.6M
CIDA	MSE Policy Development	2006	CAD\$ 9.2 M
	Business Development Services Project	2004-10	CAD\$ 18.0 M
	Technology and Knowledge Transfer	2003-06	CAD\$ 4.5 M
	Participatory Development Program	2003-08	CAD\$ 14.7 M
	Employment and Labor Market Support	2002-06	CAD\$ 9.3 M
EU	Industrial Modernization Program	1999-06	Euro 250 M
	Trade and Export Promotion	2004-06	Euro 20 M
	FISC Rural (agricultural)	2004-06	Euro 18 M
	FISC - Social Fund for Development*	2004-06	Euro 17M
	Access to EU Research Frameworks & Networks	2006-08	Euro 12 M
GTZ	MSE Promotion Project	2003-06	Euro 2 M
	Technical & Vocational Education (Mubarak-Kohl)	1993-04	DM 39.9 M
JBIC	Social Fund for Development – Small Enterprise Dev*	2005-08	JPY 5,194 M
KFW	Microfinance Best Practice Project – Social Fund*	2005-08	Euro 5 M
	Dakahleya Rural Finance Program	1999-05	Euro 22 M
Italian Cooperation	Poverty Alleviation and Employment Generation	1998-03	Euro 7 M
	Integrated Support to Egyptian SMEs	1998-03	Euro 16 M
	Italian Invest Promotion Unit	1998-04	Euro 1.5 M
	Relocation of Tanneries from Old Cairo	2003-06	Euro 24 M
DANIDA	Achieving Compliance in Industry	2002-07	Yearly allocation
AECI (Spanish Agency Coop.)	Agro Food Technology Centre	2002-04	Euro 0.8 M
	Leather and Shoe Technology Centre	2002-05	Euro 1.2 M
	Credit Line to Commercial International Bank	2001-03	Euro 12 M
ITC - WB	Private Sector Development	2004-07	US\$ 100 M
UNDP	Institutional Support to SFD*	2004-07	US\$ 0.2 M
	Business Enterprise Support Tools – MicroStart*	2002-06	US\$ 0.27 M
UNIDO	Footwear and Leather Industry Service Centre – SFD*	2003-06	US\$ 0.97 M
	Upgrading Selected Industries in Borg El Arab	2003-05	Euro 5.8 M
	Cluster and Networking Development	2006	US\$ 0.6 M
	Establishment of National Cleaner Production Centre	2004-07	US\$ 2.1 M
	Traceability of Agro-Industrial Products for EU Market	2004-07	LE 18.0 M

Source: Donor Advisory Group (DAG) SME Sub-Group (2006)

* Interventions within the SFD Framework



BEST PRACTICE IN CSO SERVICE DELIVERY: CULTURE AND EDUCATION



DEFINING BEST PRACTICE

Best Practice' is an analytical term adopted by policy makers, international agencies and donors in the field of development. Broadly, it identifies a category of CSOs that have developed and promoted performances and interventions judged to be successful and therefore 'models' to be emulated.

Most of the literature on Best Practice (BP) has so far related to business, economics, industrial, medical, managerial and pedagogical fields, and currently, very few theoretical and methodological titles relate BP directly to development studies or poverty.¹ In the 1990s development paradigm, the macro-economic and structural adjustment programs promoted the idea of 'human' capital to maximize the creation of 'pro-poor' interventions. BP was then used in parallel by development organizations as a tool in the dissemination and exchange of success stories across the globe. An added monitoring and evaluation dimension became a useful mechanism to highlight certain practices as benchmarks of quality that were replicable elsewhere.

Global events helped set new agendas for the propagation of the BP concept in development. The 1995 and 2000 UN World Social Summits on Development stressed that the distribution of regional knowledge through global networking

was essential, and knowledge-oriented poverty reduction and regional goals were put forward at local, national and regional levels.² Transfer of knowledge thus became one of the distinctive purposes of BP, databases were created and awards offered to 'successful' practices. In Egypt, for example, the Alexandria Small Business Association (ABA) was selected by UNESCO's MOST Clearing House as a BP for Human Settlements, and was included in its database.³

WHO PROMOTES BEST PRACTICES?

It is clear that actors, agents, and institutions involved directly or indirectly in a BP have a stake in promoting their model.⁴ Donors use BP to allocate funds in program that, by their standards, are judged efficient; successful NGOs acquire the international recognition that raises their profile; consultants associated with BP acquire more credibility, and the private sector uses BP as an advertisement for its role in community development. A BP may enjoy tax exemption and other benefits in exchange for its role in community projects. Finally, beneficiaries acquire ownership, visibility, and protection from hostile political and economic forces.⁵ There is also the danger that allocating BP status to an intervention can lead to manipulation for purposes other than development, notably to score political points or to support vested interests.⁶

The wider dimensions to BP are therefore significant because the interests of state agents,

1. Much of the conceptual and methodological reflections in this paper are based on the work of Else Øyen et al, (2002), *Best Practices in Poverty Reduction. An Analytical Framework*, London and Bergen, Crop International Studies in Poverty Research, Zed Books,
2. Ibid, pp: 1, 17-18; See also Krüger, Jachim Hvosleef, (2002), "Best Practices as Found on the Internet" in *Best Practices in Poverty Reduction. An Analytical Framework*, pp 108-130.
3. <http://www.unesco.org/most/mideast1.htm>
4. Ibid, Oyen et al, (2002), pp 12-13
5. Ibid.
6. Øyen, Else, S. M. Miller and Syed Abdus Samad (eds), (1996), *Poverty: A Global Review. Handbook in International Poverty Research*, Oslo and Paris, Scandinavian University Press and UNESCO, p 2.

BOX 8.1 CHARACTERISTICS OF BEST PRACTICE

The term “best” refers to a normative societal value liable to change in time and under different conditions. It describes a practice that involves, by its very nature, actors who are politically, socially and culturally embedded in local and national contexts. An intervention has therefore to be contextualised within its cultural and political sphere:

- *The cultural context.* This refers to the cultural environment in which the intervention takes place. Gender differences, patriarchal relations, religious identities and relations, urban/rural representations, social structures and stratification, all shape the actual practices in a locality. The cultural expression which an interventional practice chooses to use is also equally significant.⁹
- *The political context.* This refers to the political environment in which projects take place under national political structures and local community politics. A vast network of interests links these two levels, notably state and bureaucratic control mechanisms, CSO agendas, donor and consultant priorities, and local community, agents and actors' claims. The macro political environment sets the framework for these relationships and local community politics tend to reshape it according to local dynamics. It is therefore essential to understand the interplay between state and donors, CSOs and beneficiaries.

From the perspective of the beneficiaries, the emphasis would be on obtaining the appropriate ‘space’ required to be able to express needs and aspirations, and within which participation and action can freely take place. This implies that beneficiaries must be enabled to acquire agency and ownership over the intervention. In other words,

the dimensions of culture and politics define the boundaries within which BPs take place and are an expression of a society's underlying power relationships.

Parameters of Best Practice

Despite the scarcity of theoretical and methodological tools, a number of converging criteria have been identified to help recognize BPs in development. Most are derived from practitioners, administrators and major organisations such as UNESCO, UNDP, and the World Bank. While they are in agreement on key characteristics of BP, these criteria exhibit differences in their ideological orientation.

Thus, the World Bank views BP as “...empowering people to participate in development and investing in them; building a better climate for investments and jobs, and sustainable growth.”¹⁰ This definition emphasises economic growth and entrepreneurial skills.¹¹ The approach of the UNDP is more practical and focused on demonstrable impact, partnership between the public, private and civic sectors and sustainability. BPs, the UNDP proposes, are used as a means to improve public policies, raise awareness on potential solutions, and transfer knowledge, expertise and experience.¹²

The UNDP approaches allow for a comprehensive reading of BP but ignore the role of context and of conflict and its resolution — factors that are inherent to CSO partnerships. They appear not to acknowledge the many unique challenges faced and overcome in the process of creating a BP, nor do they deal with the issue of replicability in respect to the very different kinds of political, social and cultural constraints in which interventions takes place.

UNESCO's Management of Social Transformations (MOST) views Best Practice in a comparable manner to the UNDP. However, it also standardizes and codifies an evaluation system, and emphasizes creativity and innovation, thereby creating the potential for addressing the means by which interventions can overcome different political and cultural challenges in new and original ways.¹³

UNESCO lists four characteristics of BP in poverty and social exclusion:

- *Best Practices are innovative.* A Best Practice has developed new and creative solutions to common problems of poverty and social exclusion;
- *Best Practices make a difference.* A Best Practice demonstrates a positive and tangible impact on the living conditions, quality of life or environment of the individuals, groups or communities concerned;
- *Best Practices have a sustainable effect.* A Best Practice contributes to sustained eradication of poverty or social exclusion, especially by the involvement of participants;
- *Best Practices have the potential for replication.* A Best Practice serves as a model for generating policies and initiatives elsewhere.

This understanding endorses some of the basic parameters of the two previous approaches. However, it appears critical of empowering the under-privileged through a top/bottom process, where priorities are set in advance, and the voices of beneficiaries are reduced, or their role as actors and agencies is marginalized. For this reason, the UNESCO definition shows the most promise in expanding the criteria that define Best Practice, as suggested later below.

Source: Malak Roushdy, Background Paper to the EHDR 2007.

donors, CSOs and beneficiaries are not necessarily in tune. In poverty reduction program, for example, differentiated social relations and conflicting power relations emerge and reflect the unequal distribution of wealth and resources.⁷

Program, if not dependent on donor support, rely on the reallocation of limited national resources. Policy choices also have political, economic and social consequences that governments may wish to avoid. They turn instead to international funding agencies to fill the gaps and select program likely to have high visibility but that do not require the hard choice of a shift in policy and budget orientation.

Conflictual factors that precede BP interventions are seldom included in reports, which tend to

emphasize harmonious relations. However, the ability to overcome such barriers — whether over administrative or divergent interests — suggests that BP success should be judged within a more comprehensive analysis that would detail the means by which discord between partners is resolved to the benefit of the beneficiaries.⁸ Interventions represent a dynamic process of exchange at a number of levels. But they are often conducted without reference to the process of conflict resolution, to a human rights framework, or to ensuring cultural and civil rights. If a BP is indeed a success story, then its goals must include the promotion of an enabling environment for civil society to act with efficiency, and converge with the voiced interests of local practitioners and beneficiaries (see Box 8.1).

7. Oyen et al, (2002), op. cit.

8. <http://www.ilinebest.org/page.php?nr=5>

9. See Miller, S. M., “Best Practices: Scepticism and Hope”, in Øyen, Else and al, (2002), op.cit., pp 50-67.

10. World Bank (2004), <http://lnweb18.worldbank.org/mna/mena.nsf/All/B>

11. See Øyen, Else, “Best Practices in Poverty Reduction, a Methodological Approach” in Øyen, Else et al, (2002), *Best Practices in Poverty Reduction. An Analytical Framework*, op.cit., pp 1-28,

12. <http://www.ilinebest.org/page.php?nr=5>

13. <http://www.unesco.org/most/bphome.htm>. For details, cf. Cimadamore et al, in Øyen, Else et al, (2002), , op.cit., pp 88-107.



International organisations have tried to develop a global framework for development, concurring that causes of underdevelopment are shared across the world

HUMAN RIGHTS: A FRAMEWORK FOR BP

Currently, scattered cases across the world have been given the label of 'Best Practice' in development. The question arises as to whether each BP thus labelled successfully addresses concerns that are commonly shared globally.¹⁴ Are BPs responding to local or to universal problems or to those of an agenda that is preset? In an increasingly shrinking world, international organisations have continuously tried to develop a global framework for development, thereby concurring that specific causes of underdevelopment and their manifestation are shared across the world.

The UN's Millennium Development Goals (MDGs) are one outcome of this effort to address common factors in the development equation, and adopt the concept of a global partnership (Goal Eight), envisioned to help the spread of development across the world (see Chapter Two). The MDG give a quantified and time-bound framework for the achievement of practical goals such as poverty eradication, promoting gender equality, improving health and protecting the environment.

However, it is proposed that there is an equally important global denominator. At this time, the MDGs only implicitly integrate a Universal Human Rights agenda. Human Rights as featured in the United Nation's 2000 Millennium Development Declaration are given attention with regard their use as norms for the promotion of development goals. The Human Development Report of 2003 reaffirms that the MDGs 'not only 'mirror the fundamental motivation for human rights,' but they also 'reflect a human rights agenda — rights to food, education, health care and decent living standards.'¹⁵ In other words, the MDGs are, in

fact, not only about access to resources and services but imply rights besides their more explicit non-discrimination dimensions. They are not, however, about civil and cultural rights. There is, nevertheless, a compatibility with a Human Rights agenda, but more work must be deployed to apply this orientation fully.¹⁶ If a Human Rights agenda is operationalized in a more inclusive manner within the MDGs, it could include political, civil and cultural rights. The principles of human rights could constitute the framework within which BP is placed, and critical issues such as democratic practices could be monitored, evaluated and disseminated to impact other contexts.

Experience has indicated, that the dialogue between the state and CSOs in Egypt exhibits the symptoms of a defective relationship based on historical mistrust.¹⁷ CSOs lack sufficient protection of their rights as defined by international agreements. Descriptions of select cases of BPs indicate that these had been permitted to operate within a narrow set of regulations and goals. Most highlight goals achieved and the manner in which outputs conform to evaluation criteria. However, none account for the mechanisms adopted to successfully overcome the constraints inherent to an unequal relationship where ultimate control and influence lie outside the space given to the BP programme.

In addition, there is a paucity of good governance practices, the reasons for which do not lie only within organizations themselves. The prevalent custom of top/down administration is a reflection of conditions in society at large. In Egypt, traditional social structures and organisations prevail in family relations and peer group interactions, and display a high degree of authoritarianism. Under

14. Oyen, (2002), pp: 19-21

15. Alston, Philip, (2005), "Ships Passing the Night: The Current State of the Human Rights and Development Debate Seen Through the Lens of the Millennium Development Goals", *Human Rights Quarterly*, 27, 755-829.

16. Ibid

17. See Chapters Three and Four in this Report

Cultural activities in Egypt, although limited in number, have gained importance in relation to development programmes and a few have already shown a significant contribution to their localities

these discouraging conditions, the analysis of the success of any intervention in the field of development becomes complex and difficult to relate to the wider issues of human rights.¹⁸ It would seem essential for a proper representation of BP to move beyond criteria that are established a priori, and to take into account a project's success in acquiring a public space for socio-political change and democratic development. This can only be achieved if BPs are viewed as part of a dynamic process that also touches on social norms, rather than represented as a set of figures on a balance sheet, or the numbers of beneficiaries reached in a fixed location and time frame.

CULTURE: A VEHICLE FOR BEST PRACTICE

Studies have confirmed the strong correlation between the expansion of the creative, artistic and cultural sectors, and social revitalization and community development.¹⁹ Civil Society Organizations do not only support social services or play an advocacy role to bring problems to public attention. They also provide the vehicles through which cultural, social and creative activities take place. Debating societies, cinema clubs, music associations, art ateliers, and sports clubs, are just some of the manifestations of this *expressive function* that enriches the vitality of community life. These organizations are important in community building and create 'social capital' by establishing bonds of reciprocity and trust, and these norms of cooperation can eventually carry over into political and economic life.²⁰

Over the last decade, cultural activities in Egypt, although limited in number have gained importance in relation to development programmes. A few such experiences have already shown a significant contribution in their localities. One of these — the *El-Nahda Scientific and Cultural Association* (referred to as *El-Nahda*) serves an example of Best Practice, created by a group of public figures, intellectuals and Jesuits, and which

has transcended class, religious, cultural and geographic boundaries in providing non-sectarian services to its communities.²¹ Beneficiaries and members come from all over Cairo, and represent a varied profile, from working class, professional, public service and private sector backgrounds.

EL-NAHDA SCIENTIFIC AND CULTURAL ASSOCIATION: AN INSTITUTIONAL PROFILE

With 24 active members by 2007 from an initial five in 1997 *El-Nahda* relies on close coordination between beneficiaries, a five member Board of Directors, and an executive body of five administrative volunteers. *El-Nahda* depends on free and voluntary work from participants trained on location and with strong community ties. Eighteen such leaders direct activities, although nationwide there has been a drop in volunteer services because of limited material compensation.

Decision-making is taken based on beneficiaries' requirements, members' evaluations of ongoing activities, board members' vision, and available resources. This collaboration is based on a bottom/up dialectic relationship. A weekly Tuesday meeting between members, a representative of the board and the staff are the link between the various levels of decision-making.

Constructive criticism and evaluations are integrated in the work ethics and practices. Children are encouraged to voice their ideas through interaction in workshops. They assume direct responsibilities in any project through a division of labour within the team activity. They are also responsible for the material and the equipment they use. By assigning responsibilities, the coordinators acknowledge the right of participants in contributing to decision-making. Through this interactive approach, participants acquire a voice and a space to express their ideas, practice their rights and duties, and claim ownership over the activity (see Box 8.2).

EL- NAHDA: WHY A BEST PRACTICE?

The *El-Nahda Association* has been operating for nine years, a sufficient period to judge its impact. Bridging the gap between the individual and the collective is an extremely complex aspect of

18. Abdel Salam, Seham, (2005), *al-Munazamat al-'ahliyya al-Saghira al-camillah fi Magal al-Mar'ah. Ru'a wa 'ishkalat*, Cairo, Dar alcaain Press and Nour, Arab Woman's Organisation.

19. Catterall, Bob, (1998) "Culture as a Critical Focus for Effective Urban Regeneration." Paper presented in "Town and Country Planning", York, University of York, Councillor's School, UK, <http://www.planningsummer-school.org/papers/pdfs/1998CW03.htm>

20. Salamon, Lester M, S.W. Sokolowski and Regina List, (2003), *Global Civil Society: An Overview*, Johns Hopkins Comparative Nonprofit Sector Project, Johns Hopkins University, Centre for Civil Society Studies, Baltimore.

21. Thanks to all who provided data and information, including Father William, Board Member and Member of El-Nahda Association, Adel Nazmi, Coordinator of El-Nahda Association, and Moukhtar Kocache, Program Officer- Media, Arts and Culture- Ford Foundation, Cairo.

BOX 8.2 ACTIVITIES OF THE EL-NAHDA CULTURAL ASSOCIATION IN EGYPT

El-Nahda, includes Christians and Muslims, secular and national public figures. This heterogeneous social profile renders the endeavour unusual, as does its development practices. Activities are targeted to children and youth from both sexes through the arts to express concerns, dreams and aspirations. Beneficiaries are those with limited access to educational and cultural resources. However, other social groups are also welcomed to participate.

Cinema Animation: This is a collaborative effort, and allows collective claim of ownership over the audio-visual output. Workshops host up to ten children or youth. They begin by a reflection on the story, the characters, the plot and the narrative. Script and dialogue come next, followed by drawings, which are then transformed into images. Montage and mixing put the final touch with voice-overs by the children. Three techniques are used:

1. Cut-Out, based on material cut-out of paper;
2. 2D, moving drawings on tracing paper; and
3. Clay Animation, using sculpted objects in a pliable material like clay. The objects are set in a background and a film frame is taken while the object is being moved manually. Nine films have been produced in five hundred hours of collaborative work in different quarters of Cairo.

Film and Cinema: The *Cinema Club* takes place every week. Around 150 spectators from various poor neighbourhoods in Cairo attend the screenings. Each film is followed by a discussion with film directors, actors and cinema critics; the *Roaming Cinema* screens films in remote areas and poor suburbs of Cairo. The idea is to reach a population that has no cinema viewing facilities or access to any of the audio-visual arts, to promote cultural exposure and dialogue. Documentary and fiction films dealing with social, cultural and environmental questions are screened; they are followed by public discussions and debates; the *Audio and Video Centre* has a video library including documentary and fiction movies open to public use in house and at home. The centre has produced several films dealing with social issues and cultural heritage; the *Film Studio* located in historic Studio Nassebian, was donated to *El-Nahda* and is used for audio-visual documenta-

tion and archiving. It is also made available at minimum cost to young filmmakers and is used by the Cinema School Project. Films are produced in collaboration with international and national organisations, public universities and independent artists.

Theatre: In the Itinerant theatre for children the Al-Khayyal Al-Shaabi (Popular Imagination) troupe relies on the experimental theatre approach organised around workshops to develop acting skills and human interactions. Performances take place in open public spaces, streets, courtyards, public halls, and coffee shops. The material used is derived from local resources found in the environment and in everyday life and the actors and the audience play interchangeable and interactive roles. Since its creation, two plays have had over 50 performances in various parts of Egypt. In Puppet production and shadow-play groups of children from various socio economic backgrounds attend workshops. Over twenty different workshops have so far been held in Cairo, Alexandria and Fayoum. Similar workshops are organised for adults around drama production and training workshops have been held in four locations across Egypt, attended by teachers, students and social workers.

Music: The *Choir* includes children from the neighbourhoods of Cairo in rehearsals attended by 20-25 children. Among its objectives is the collection and the transmission of traditional music and songs and the preservation of the local community musical heritage, based on songs and lyrics from families, neighbours and the elderly. The Music Club hosts concerts and conferences conducted by renowned musicians, and which are open to the public.

Recreational and Educational Opportunities: The *Atelier* includes painting, paper-craftwork, pottery, leather, copper work, and glass painting for children and youth, and those with learning disabilities; The *Sports Club* is one of the most important open spaces of *El-Nahda*, offering a range of activities for participants and members. In summer, it receives children and youth from various quarters of Cairo who do not have access to private clubs, and cannot afford summer vacation; The *Library* has a collection of 5000 volumes and is growing. Books cover general culture, environ-

ment, and social studies, with shelving for newspapers and magazines. The library receives around 80 visitors per year, and lends around 120 volumes yearly. It coordinates its activities with several other libraries; *Isadora Computer and Internet Training Centre* is equipped with six PCs and an ADSL connection for internet use. It offers training workshops in software use for 175 youth annually, of which 40 percent are female.

Social Events: The *Ramadan Tent* is a yearly event for the public celebration of the Muslim month of fasting, gathers youth and children from across religious affiliations and social classes around a diversity of cultural presentations. More than 375 artists and performers have contributed to the event, with an average 4500 people attending; The *Festival* is a yearly festival around socio-cultural themes. Intellectuals, activists, artists, and members of *El-Nahda*, collaborate within their respective networks to create a platform for dialogue and discussion on current issues around themes such as 'The Body' (2005), 'Change in Egypt' (2006) and 'Cairo Wonderland' (2007). The programme addresses a variety of audiences from a range of backgrounds, for interaction between heterogeneous social and cultural bodies.

Special Projects: *Dialogues of Civilisations* revolves around the concept of 'Togetherness.' Young men and women (ages 17 to 29 years) produced three animated movies in 2006 – 2007 around the factors hindering youth participation in social, cultural and civil public life. Participants have come from Portugal, Belgium, Lebanon and Egypt; It was, in 2004–2005 conducted around the production of a film titled 'The Utopean City'. Ten children from various quarters of Cairo (ages of 7 to 10 years) collaborated with children from France, Lebanon, Syria and Palestine. Sponsors were Saint Joseph University- Lebanon, the European Union and UNESCO; *Social Protection Initiative* addressed, in 2002, the problems of 655 disadvantaged or delinquent children from remote areas and informal residential sectors in Cairo. The project saw the participation of nine NGOs and public schools in Cairo.

Source: Malak Rouchdy, Background Paper to EHDR 2007. For additional details, cf. <http://www.elnahda.org/en/activities/technical/tec2.php> and <http://www.elnahda.org/en/activities/technical/tec4.php>

social organisation. *El-Nahda* is among the very few CSOs in Egypt to emphasize the intrinsic relationship between collective teamwork and individual expression, voice, and choice. Features that have contributed to its success include:

- The organization of work and administration, which relies on an ongoing collective process of conceptualizing plans, working

tools, and activities that are in tune with local needs;

- The potential offered for social integration and individual identity construction as a result of multi-agency projects that cross socio-economic and sectarian boundaries;
- The innovative approaches to social and cultural integration, through the creative use of

public space, which allows participants to experience a diversity of subcultures;

- Creative programmes, which rely on flexibility and mobility, thus accommodating diverse talents in diverse geographic zones;
- Capacity building, which is an ongoing process and provides a sense of mastery and confidence;
- Various mechanisms which monitor and evaluate, and which provide continuous progress in learning and knowledge and allow for scaling up of activities;
- The will to overcome constraints from government institutions and the Ministry of Interior and which have set an example for CSOs facing similar obstacles.

Over the years, *El-Nahda* has established a large network of connections and partners with civil society organisations, NGOs, governmental institutions, and international organisation. These exchanges have allowed some aspects of the *El-Nahda's* experience to transfer to newly developed projects in similar fields. Several Cultural Centres, supported by the Jesuit community, but which are not linked institutionally, have benefited from its experience.²²



meet the EFA and the MDGs by 2015.

The first national education reform program triggered by the EFA movement, was launched in 1992 aiming at increasing access to basic education through an intensive school construction program. The government, showing little interest in civil society organizations, relied mainly on its own capacities, to eventually achieve over 90 percent enrolment in public schools. However, reaching the disadvantaged groups — approximately 1 million out of schoolchildren, and 14 million illiterates 10+ year olds as well as improving the quality and relevance of education remain a major challenge.

However, this experience showed that adopting new approaches to delivering education services and promoting the active involvement of civil society were an essential component in achieving the Education for All and MDG targets. Over the past fifteen years new approaches — spearheaded by NGOs — were initiated at the community level to improve access to quality education services in deprived areas with specific emphasis on girls' education and to stress the forms of learning and critical thinking that enable students to understand changing environments and create new knowledge. These initiatives, managed by NGOs, eventually gained the attention and support of the Ministry of Education as a vehicle to accelerate the attainment of the EFA and the MDGs, specifically in the areas of adult literacy, out-of-school and hard-to-reach children, and girls' education.

At the international level, NGOs contributed considerably to the 2000 EFA Assessment following Jomtien and have developed networks at local, regional and international levels to reaffirm the resources and quality deficits and implications as to gender, the marginalized and the disabled. UNESCO's Collective Consultation of NGOs on Education for All (CCNGO/EFA) is a key mechanism to facilitate dialogue and joint action between NGOs and UNESCO in the area of EFA. Its purpose is to strengthen capacities of CSOs, reinforcing recognition of the roles and experiences of the CSOs in EFA and mobilizing the participation of CSOs in monitoring and evaluating EFA goals. The Dakar Framework for Action has

Sources of funds are from a variety of donors including the Ford Foundation, UNESCO, individual donations, Oeuvre d'Orient, Caisse des Pauvres-Jesuit, and Jesuit Alumni. The budget has increased steadily, from LE 76,600 in 2002 (starting budget, no assets were available at the time) to LE 836,000 LE (including assets) by 2007.

EDUCATION IS A SHARED RESPONSIBILITY

The 'Education for All' movement, led by UNESCO, was launched in March 1990 during the World Conference on Education For All (EFA) in Jomtien, Thailand, aiming at meeting the learning needs of all children, youth and adults by 2015. In 2000, the EFA goals were reaffirmed by the 'Dakar Framework for Action'²³ and the UN Millennium Development Goals (MDGs). Egypt has pledged to

22. For more details, Cf. <http://www.ceremedjesuits.com/>

23. In April 2000, representatives from government and non-government bodies in 164 countries gathered in Dakar, Senegal, for the World Economic Forum to adopt the Dakar Framework for Action, Education For All: Meeting our Collective Commitments. This document reaffirms the goal of Education for All and commits governments to achieve quality basic education for all by 2015 with particular emphasis on girls' education and linked education to development, quality of life, human rights, democracy, social integration and justice. Subsequently, regional and national 'Frameworks for Action' were developed

BOX 8.3 EDUCATION REFORM A PRIORITY FOR THE MINISTRY OF EDUCATION

Over the past two decades, the government of Egypt has achieved significant successes in the education sector which led to a considerable increase in access to primary education (Gross Enrolment Rate (GER) 96 percent and Net Enrolment Rate (NER) 87.1 percent in 2005/2006) and the gender gap has been greatly reduced (0.7 ratio of girls to boys in 2005/2006).

In May 2007, the Ministry of Education (MOE) launched its Five Year National Strategic Plan for Education Reform (2007/8 – 2011/12) aimed at a paradigm shift focusing on enhancing human capital development and national productivity. The plan for reform reflects the importance the MOE places on building partnerships with civil society as well as with other ministries and the private sector in a clear framework of responsibility and accountability to support the reform efforts towards decentralization and equal access to quality education. The MOE plan includes 12 priority programs categorized as follows:

Education Level Program: aiming at improving access:

- Early childhood education (60 percent enrolment by 2012);
- Basic education (GER 100 percent by 2012) ;
- Reaching a balance in the enrolment in general and technical secondary education by 2012;
- Children with special needs (inclusion of 10 percent of children with special needs in mainstream basic education schools by 2012) ;
- Scaling up the establishment of community schools (see Box 8.4);

Quality Programs aiming at improving quality of education at all levels:

- Comprehensive Curriculum and Instructional Technology Reform
- School-based Reform, Accreditation and Accountability
- Human Resources and Professional Development

Management Programs aiming at supporting the provision of quality education:

- Institutionalization of Decentralization
- Technological Development and Information Systems (EMIS and SMS)
- Establishing Monitoring and Evaluation System
- School Construction

The identification of the priority programs was based on a comprehensive situational analysis of the education sector encompassing review and analysis of existing reports and workshops involving all stakeholders at central, governorate, school and community levels. In addition, the MOE succeeded in adapting the UNESCO Analysis Projection Model (ANPRO Model) used for EFA planning to estimate future projections and program costing. A committee was formed representing the MOE, the MOF and the MOED to identify available resources and budgeting.

While developing the strategic plan, the Ministry of Education initiated processes for establishing the pre-conditions and structures necessary:

- A national Policy and Strategic Planning Unit at the MOE in April 2006 to oversee the development and implementation of the strategic plan;
- A *national institution for professional development of educators*: The establishment of the Professional Academy for Teachers (PAT) is in process. It will start functioning in February/March 2008;
- A *national accreditation system*: A National Authority for Quality Assurance and Accreditation was established in November 2007. MOE is piloting the school accreditation process in two governorates and is supporting improvement plans for 4000 schools nationwide in preparation for accreditation;
- *Decentralization*: MOE, in cooperation with Ministry of Local Development is working on organizational restructuring at the central and

local administrative levels. In addition, MOE and the Ministry of Finance, in coordination with other line ministries, have created an inter-ministerial committee to oversee piloting decentralization in 5 locations. Strategic planning task forces/units are being formed at the governorate level to manage the development of local plans in light of national strategic directions;

- *Vocational education*: MOE is planning to conduct a national conference on secondary education (general and vocational) in April 2008 to launch reform policies and strategies;
- The Ministry of Education has formed Program Implementation Teams (PITs), representing all education sectors, at the central level to develop annual operational plans and indicators to monitor progress. The development of the first operational plan 2007/08 is in progress;
- The Ministry of Education, in cooperation with other line ministries, local councils and donors, is successfully implementing the on-going reform programs in the areas highlighted in EHDR 2005: early childhood development, girls education, school construction, in-service training, secondary education, and school based reform.
- In the meantime, the Adult Education Agency (AEA) has developed a Five Year National Plan aiming at decreasing the rate of illiteracy from 25.8 percent (14 million illiterate) to 10 percent for the age 10 + years.

Source: Inas Hegazi, Background Paper, EHDR 2007.

also highlighted the need to ensure the engagement and participation of civil society in the formulation, implementation and monitoring of strategies for educational development.

AN INCREASED RELIANCE ON CIVIL SOCIETY FOR EDUCATION

The role of the NGOs — mainly in reaching the un-reached, promoting the relationship between schools and the local community, offering a second chance for dropouts and closing the gender gap — is proving effective in complementing the MOE efforts to provide access to education for all children in Egypt. The MOE's

Adopting new approaches to delivering education services and promoting the active involvement of civil society were an essential component in achieving the Education for All and MDG targets

ambitious school construction program as well as the introduction of different models of adult literacy programs and schooling, has been complemented by cooperation with NGOs in introducing flexible and innovative modes of education such as peer learning and integration of life skills in literacy programs, one- classroom schools, community schools, girls' friendly schools, and new schools that cater for the needs of the poor, marginalized

BOX 8.4 SUCCESSFUL NGO PILOTS IN LITERACY

The non-governmental sector has actively participated in piloting a number of successful interventions which have improved the quality of adult literacy programs and basic education. These interventions are supported by the Ministry of Education and aim at:

- Integrating life skills in adult literacy programs;
- Creating community based schools for disadvantaged children;
- Improving learning environment at schools
- Applying new child centred and active learning methodologies;
- Creating community based nurseries and kindergartens;
- Capacity building for school staff and BOT members.

Successful interventions shared the following elements:

- Empowering community members and promoting good governance with emphasis on collaborative planning and monitoring of educational services;
- Adequate planning and management of reform activities to demonstrate successful models;
- Enhancing the NGO's human and financial capacities and provision of extensive technical assistance;
- Promoting respect for child rights, transparency, accountability and active citizenship;
- Convergence of different programs at the community level (literacy, parenting education, primary education, vocational training);
- NGO's knowledge of local communities and experience in advocacy and awareness enhancement.

Donor funded projects bring about important changes in the education section, although, unfortunately, they lose momentum after the funding ends.

Source: Inas Hegazi, Background Paper to EHDR 200

One outcome of NGO activity at the grassroots levels has been the establishment of NGO departments in governorate administrative bodies across Egypt and a regularized partnership with NGOs to improve access to quality education in underprivileged areas



24. Community Development Associations (CDAs) were established by the Ministry of Social Affairs during the 1960s and early 1970s to administer the state social programs— with volunteer boards and ministry staff . To-date there are more than 3000 CDAs all over Egypt. Government annual program subsidies for CDAs has gradually decreased over the past two decades.

rural girls, street children, children with special needs and other categories of the disadvantaged, as well as the active participation of the local communities.

NGOs focus their work in education under three main categories:

1. With Community Developments Associations (CDAs) ²⁴ serving their own communities at the grassroots level,
2. With Local NGOs which are centrally or regionally based organizations providing support to communities other than their own, and
3. With International NGOs which are based centrally with regional sub-offices.

One outcome of NGO activity at the grassroots levels has been the establishment of NGO departments in governorate administrative bodies across

Egypt and a regularized partnership with NGOs to improve access to quality education in underprivileged areas. This official acknowledgment and support has encouraged semi official community development associations (CDAs) to create more classrooms that offer education opportunities for children and employment opportunities for adults. This is a welcome initiative although there remains a need for improvements in the system such as easing bureaucratic procedures on the government side and more transparency and information sharing, particularly funding and expenditures, on the NGO side.

EDUCATION'S NATIONAL STRATEGIC PLAN INCLUDES ALL STAKEHOLDERS

All stakeholders, including NGOs, have participated at different stages in the national strategic plan for education, 2007–2011 (see Box 8.3) The Plan clearly defines MOE expectations from the civil society sector. For example, the program on 'Increasing Access to Pre-Primary Education' to 60 percent nationwide indicates that the civil society will support creating 8051 such classrooms, which is equivalent to 8.2 percent of the national target. The program on 'Community Education', aiming at providing 400,000 out-of-school children access to quality education, indicates that civil society will support the creation and management of 13,333 community based classrooms, based on the previous successful pilots and partnerships between the MOE, NGOs and local communities. The program on 'School Based Reform' indicates that school Boards of Trustees and NGOs should be playing a significant role in quality assurance and school accreditation. In addition, the movement towards decentralization and broadening participation and accountability will require increased involvement of civil society at large.

The Adult Education Agency also acknowledges the role of civil society in the national program for illiteracy eradication. The national program aims at decreasing the illiteracy rate from 26% down to 10%, that is, targeting 8 million illiterates. NGOs are expected to target 1.7 million out of the total, which is equivalent to 21% of the national target.

BOX 8.5 EDUCATION FOR GIRLS: THE ISHRAQ PROGRAM IN RURAL UPPER EGYPT

Ishraq is a non-formal second-chance educational program. It supports a healthful and active transition to adulthood for disadvantaged out of school girls in Rural Upper Egypt, and prepares them to make informed, positive decisions about life issues. The program is founded upon the concept of creating safe public spaces for girls in a range of ways. It is housed in village youth centres that, although ostensibly open to all youth, had until then been exclusively male spaces. Its curriculum, while aiming to foster entry or re-entry into formal education, emphasizes literacy and life skills with special attention to reproductive health, livelihoods information, civic engagement and sports. It thus directly addresses three of the Millennium Development Goals, gender equality and the empowerment of women, reducing child mortality by educating future mothers, and improving maternal health.

The promotion of gender equality and women's empowerment occurs through the creation and provision of safe spaces for adolescent girls to develop literacy and relevant life skills. The maternal and child health goals are sought through the program's emphasis on education about hygiene, nutrition and reproductive health. Ishraq also supports the MDG of achieving universal primary education by making possible the girls' return to school both by altering community perceptions and altering the circumstances of individual girls.

Young female secondary-school graduates from the community are recruited by the program and trained as program leaders to serve as teachers, role models, and advocates. They became the critical link between girls, their families, and the program. Since its inception in 2001, Ishraq has brought together nearly 800 girls from 12 villages to meet four times a week for three-hour sessions in youth centres in groups of about 25 members each for a duration of 20 months, down from 30 months during the pilot phase. Ishraq works simultaneously with adolescent boys, parents, and community leaders such as priests and mosque imams, physicians, mayors, and governorate health and education officials, to impact on the norms that govern gender behavior and restrict options for girls.

How Ishraq Evolved

Formative research, including the Population Council's 'Adolescent and Social Change in Egypt Survey' carried out in 1997, suggested that special efforts must be directed to help younger adolescent girls who are not in school and reside in rural areas. This group of girls had particularly low self-esteem and often described themselves as being "ignorant" and "doing nothing" with their lives. In 2001, an innovative and integrated program called *Safe Spaces for Girls to Learn, Play and Grow* was launched. Through the 3-year project, the Population Council (PC) and Save the

Children (SC) worked in collaboration with the Centre for Development and Population Activities (CEDPA) and CARITAS, to improve the life opportunities of rural out-of-school girls 13-15 years of age in four villages in the Minya governorate. The project adopted a best-practices approach to respond to local needs for education and health services, drawing on the collective experience of the four NGO partners

Key Achievements

Ishraq has made important contributions and selected achievements include the following:

- Villages dedicated "girls-only" space allowing both current program participants and Ishraq graduates to meet and learn.;
- 92 percent of Ishraq participants who took the government literacy exam passed; 68.5 percent of participants who completed the program have entered or re-entered school;
- Ishraq girls expressed a desire to marry at older ages and to have a say in choosing a husband;
- Ishraq graduates overwhelmingly objected to female genital cutting (FGC) for their future daughters. Only 1 percent of Ishraq graduates believed FGC is necessary, compared to 76 percent of non-participants who hold that belief;
- Girls who participated regularly in Ishraq, for the whole program duration, reported higher levels of self-confidence: 65 percent said they often feel "strong and able to face any problem;"
- Ishraq encourages community and civic involvement: 49 percent of Ishraq participants belong to a local club or association;
- Attitudes of parents and male peers were also altered through programs designed for them. Parents participated in community discussions and adopted increasingly progressive views toward girls' roles, rights, and capacities;
- Ishraq also helped create a group of young women leaders able to participate effectively in local politics and to act as role models for others. Many of the female program leaders have assumed more visible roles as board members of youth clubs and community development associations;
- Some female program leaders have established women's associations, joined political groups, accepted local leadership positions, and lobbied successfully to increase the access of girls and women to local youth centres. Such civic development activities represent a notable training ground for effective citizenship for girls and women.

Scaling Up the Project

Ishraq represents a model of collaboration between government, local communities, NGOs, and international agencies, leading to sustainable national partnerships.

The program is poised to begin a three-year scale-up with the goal of institutionalizing the program within local and national structures to ensure its sustainability. A staged replication approach has been the basis of the efforts to bring Ishraq to scale since the initiation of the program design. The viability of Ishraq was tested by a closely monitored expansion of Ishraq to a larger number of sites. The formal scale-up of Ishraq over the next three years will privilege situating Ishraq within the National Council of Youth. During this period deliberate scale-up activities will occur horizontally, by replicating Ishraq in more locations, and vertically, by building public sector capacity to ensure sustainability.

The transition period will transfer project expertise and management to administrative entities in the National Council for Youth while implementing the project in 30 villages – 10 villages in each of the three governorates of Beni Suef, Minya and Assiut. This transitional period will result in new life opportunities for 1500 out of school girls in the three governorates while providing a framework for the institutionalization of the program within local and national structures.

Community stakeholders such as parents, boys, community leaders, youth centres and influential leaders are "gatekeepers" to these girls must buy into any type of program to reach them. Another key challenge is to shift from a pilot project that was closely managed and researched by partners, including international NGOs, to a larger-scale project that will be progressively owned by community NGOs at the local level and the National Council of Youth at the national level. Partners will prioritize the transfer of project management expertise to the National Council of Youth as well as to youth departments and directorates by the partners and local organizations that have had experience implementing Ishraq. During the implementation of the project in the 30 new villages, these entities will "learn by doing."

The Ishraq partners will transfer expertise by offering direct technical assistance to NGOs and youth centres at the local level and will work with local NGOs to help them obtain the relevant knowledge and skills so that eventually they can serve as reference organizations for the implementation of Ishraq in their respective governorates. The local NGOs will also participate in transferring project management expertise to the youth directorates and departments. Staff members from the youth directorates and departments in Minya, Beni Suef, and Assiut, will be involved in technical training sessions and field monitoring visits to examine program activities. The role of the partners will, hence, become increasingly consultative as the trained staff members from the local NGOs and from the National Council of Youth take over program implementation institutionally.

Source: Population Council (www.popcouncil.org)

BOX 8.6 ENGAGING CIVIL SOCIETY IN QUALITY EDUCATION

A School Board of Trustees -BOTs (previously Parents and Teachers Association) —although a voluntary body — is part of the school management system, and is represented at local, regional and national levels. The board membership includes school teachers, parents, businessmen, and community members interested in educational reform. School boards enjoy more autonomy and empowerment than Parents and Teachers Associations in the sense that a considerable amount of school activity fees remain at the school level to be managed by the board; the chairperson is no longer a MOE employee, to guarantee transparency and neutrality. The BOTs are expected to play a vital role in the coming period while the decentralization and school based reform programs move ahead. Similarly, community based education initiatives, such as Community Schools and Girl's Education initiatives, have formed education committees and task forces to manage and support the schools. School BOTs and task forces participate in the development and implementation of school improvement plans, monitoring and evaluating performance and mobilizing resources for the school.

In September 2003, the MOE launched the National Standards for Education, the driving force for the reform efforts in Egypt leading to a shift from focusing on an input driven approach to a standards-based approach to school improvement and quality education and recognizing community participation as a main variable in education. The five key areas of standards that have an impact on the quality of education are (i) Effective Schools, (ii) School Management, (iii) Teacher Quality, (iv) Curriculum, and, (v) Community Participation.

The *Community Participation* section of the standards includes the following focal points:

Partnership with Families:

- Parent participation in school vision setting and planning;
- Open communication between parents and school staff members;
- Orientation of parents to educational practices in the school;
- Parent input on planning extra school activities;

Serving the Community:

- Use of school facilities for community services and social activities;
- School participation in social and other community programs;

Mobilizing Community Resources:

- Utilize community resources to implement educational programs;
- Obtain resources for the school from both the social and business community;

Voluntary Work:

- Implement programs encouraging volunteer work inside and outside the school;
- Create programs to help volunteers participate in school projects.

Source: Inas Hegazi, Background Paper or EHDR 2007

NGO DEPARTMENTS AT CENTRAL AND LOCAL LEVELS

In 2000, the Minister of Education established by decree a new NGO department at both the central and governorate levels with the objective of coordinating and monitoring NGO activities in the education sector. Specific tasks include:

- Developing a data base for NGOs working the field of education;
- Co-ordinating the services provided by NGOs to maximize effectiveness;
- Resolving difficulties facing NGOs;
- Proposing projects to enhance the effectiveness of NGO's contributions;
- Cooperating and coordinating with school board of trustees to attain the objectives of the education process;
- Coordination and follow-up on projects implemented by NGOs in cooperation with donor agencies;
- Facilitation of the disbursement of grant funds;
- Setting up a coordination committee for NGOs and monitoring its activities.

In addition, Ministerial Decree 30 of 10 February 2000 was issued to reaffirm the MOE's commitment to support NGOs interested in establishing community based classrooms by providing the teachers' salaries, textbooks and technical supervision. To-date, there are 560 community based schools, 700 Girl-Friendly schools, and 3135 One-Classroom schools reaching almost 100,000 children, mostly located in rural areas of Upper Egypt. This represents approximately 10% of the total number of children outside the formal education system. In addition, there are 4454 adult literacy classes managed by NGOs which reach over 75 thousand individuals. However, the NGO Departments at central and governorate levels still suffer from shortages in staffing, training opportunities and financial resources

THE ROLE OF NGOS

Based on the successful pilots over the recent years, the NGOs/civil society sector is foreseen to play a key role in raising public awareness, mobilizing resources and enhancing the capacities of local communities to reinforce good governance

through effective community participation. Some specific areas of interest are:

- Establish and manage community schools (pre-primary and primary stage) especially in hard to reach areas;
- Participate in professional development programs for teachers;
- Participate in quality assurance and school accreditation process;
- Strengthen the capacity of Boards of Trustees (BOTs) at the school level to support school based reform programs;
- Create a supportive environment for improving technical education through community participation;
- Participate in the school construction process, including site selection, construction, provision of ICT and maintenance.

Information on NGOs numbers, geographical distribution, interventions, budgets and sources of funding vary from one source to the other. Ministry of Education 2006 records show that the number of NGOs working in education is 2522 NGOs, while the Ministry of Social Solidarity records show only 420 such NGOs and the Adult Education Agency only 480 such NGOs, of which only 25 percent are active and implementing 1467 projects with a total budget of L.E. 103 million.

MOE records show that NGOs in education are most active in the areas of adult literacy (1545 classrooms although AEA records show 4454 classrooms) and community/girls education (560 classroom), in donating land for school construction (29.4 feddans) and providing schools with computers (118 computers).

Further, NGOs are increasingly moving from service provision to implementing development programs, so that a considerable amount of donor funding is channelled through the non-government sector. International NGOs have played a significant role as intermediaries in extending development program funds, technical assistance and organizational support to local NGOs and CDAs.

Financial resources of the sector are underestimated since there are no reliable records on amounts and sources of funding. NGOs, with support, can mobilize

TABLE 8.1 TYPES OF INTERVENTIONS BY NGOS IN THE FIELD OF EDUCATION

Type of Intervention	No of NGOs	No of Projects	No of Beneficiaries	Budget
Donation of land, improve quality of teaching/ learning, adult literacy, community schools, girls education, school maintenance, IT, libraries	268	651	1,118,727	62,729,360
Conferences, seminars, contests, trips, camps, celebrations, support to children with special needs, school productive units	142	345	465,353	21,099,405
Awareness (health, social, cultural and environmental), social care and aid, vocational training, reducing dropouts	243	471	378,016	19,167,441
Total	653	1467		102,996,206

Source: Department of NGOs, Ministry of Education, 2006

TABLE 8.2 GEOGRAPHICAL DISTRIBUTION OF NGOS IN THE FIELD OF EDUCATION

Cairo	253	Alexandria	250	Fayoum	10
Giza	42	Al Beheira	725	Beni Suef	490
Ismailia	10	Gharbia	11	Menia	24
Port Said	31	Kafr El- Sheikh	15	Assuit	9
Suez	1	Menoufia	71	Suhag	96
Red Sea	6	Qalyobia	152	Qena	143
North Sinai	11	Dakahlia	7	Aswan	117
South Sinai	14	Damietta	15	Luxor	-
New Valley	1	Sharkia	17		
Marsa Matruh	1				
	370		1263		889

Source: Department of NGOs, Ministry of Education, 2006

resources and annual revenues to support local development initiatives. Private donations and activity fees provide the bulk of NGO revenues compared to government aid and other grants.

Over the past decade, international aid for the education sector amounted to an estimated LE 4 billion. MOSS records show that there are 13 international NGOs working in the field of education. Aid agencies such as Italian Cooperation, CIDA, and USAID channel their funds through NGOs to implement development projects. Though local NGOs and CDAs are better positioned to work directly with communities, they rarely have the accountability skills required by donors. Foreign aid is accessed mostly via international NGOs.²⁵ Occasionally, international NGOs team up with local NGOs to build on each others' experiences. In addition, local NGOs are supported by a number of donor-funded projects to enhance their capacities. Currently, a few NGOs have the capacity to play an intermediary role and directly access donor funds.

25. OECD figures show that in the late 1990s, five percent of the governments' development aid was channelled through NGOs.

Egypt is likely to achieve the universal primary education goal by 2015. However, there are a number of challenges that may impede the achievement of the MDGs such as regional disparities in availability and quality of service delivery, gender gaps, and undermining the capacity of civil society to support the development process.

At the governorate level, a 'Higher Committee for Education Reform' chaired by the governor has been formed to coordinate and monitor education reform programs at the governorate level. All stakeholders, including NGOs at the governorate level are represented. Opportunities such as this give NGOs a chance to actively participate at a higher level of coordination and decision making.

GOVERNMENT AND PARTNERSHIPS

New models of education are mostly joint ventures between the government, NGOs, communities and donor agencies, covered by formal agreements whereby the government recognizes the special contributions provided by NGOs in initiating and running programs adapted to the needs of special groups. Some examples include the 'Community Schools' model in Assuit, Suhag and Qena), supported by NGOs, the private sector, CIDA, UNICEF and the MOE; the 'Early Childhood Education Enhancement Program' covering 152 districts in 15 governorates, supported by NGOs, the World Bank, CIDA, WFP, and the MOE; the 'Girls Education Initiative' (700 schools in seven governorates), supported by NCCM, seven UN agencies, NGOs, the private sector and the MOE. Models of improving government schools include the 'New School Program' (100 schools in Fayoum, Menia and Beni Suef) supported by USAID, NGOs, the private sector and MOE, the 'Effective Schools Project' (400 schools in 10 governorates) supported by EU, WB, NGOs, and MOE, the 'School Improvement Program' (202 schools in Assuit and Suhag) supported by UNICEF, NGOs and MOE, and the 'Education Reform Program' (210 schools in seven governorates), supported by USAID and MOE.

NGOs, supervised and guided by the MOE, thus play a considerable role in applying the national program. The Debt Swap programs, such as those of the Swiss, Spanish and Italians, direct Egypt's foreign debts to development aid and channel it through international NGOs (such as

MAIS, an Italian NGO working in literacy and vocational training) and through local NGOs (such as the Salama Moussa Association for Educational Services and Development) to provide services in disadvantaged areas and to enhance local participation.

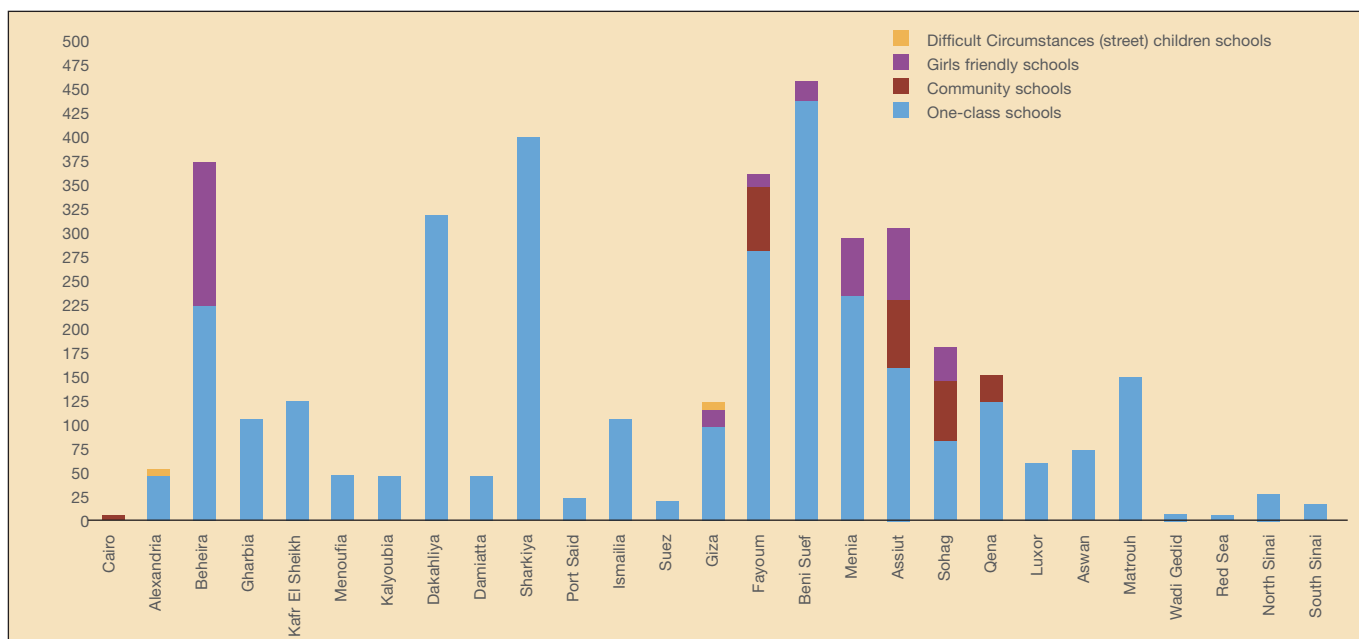
FACING THE CHALLENGES OF PARTNERSHIPS

Active NGOs working in the field of education have been able to realize some uneven success in building trust and creating partnerships with the government. However, strengthening the existing partnerships and taking them further to a national scale is an absolute necessity for Egypt to achieve both the 'Education For All' and the Millennium Development Goals. Although fruitful partnerships have already provided models to be emulated, overall, NGOs should not simply be tapped as sub-contractors to implement projects with little effort to draw on their experience as active players. A number of challenges remain:

- The external environment stifles autonomous NGO initiatives and the bureaucracy of government departments is a major hurdle;
- Participation in policy decisions rarely extends beyond information sharing and consultations;
- There is a lack of reliable data;
- Tension, mistrust and competition — especially over resources — are unproductive. The role of government and of NGOs should become complementary and exploit synergies;
- There is a serious shortage of sustainable funding, especially for longer-term best practice projects.

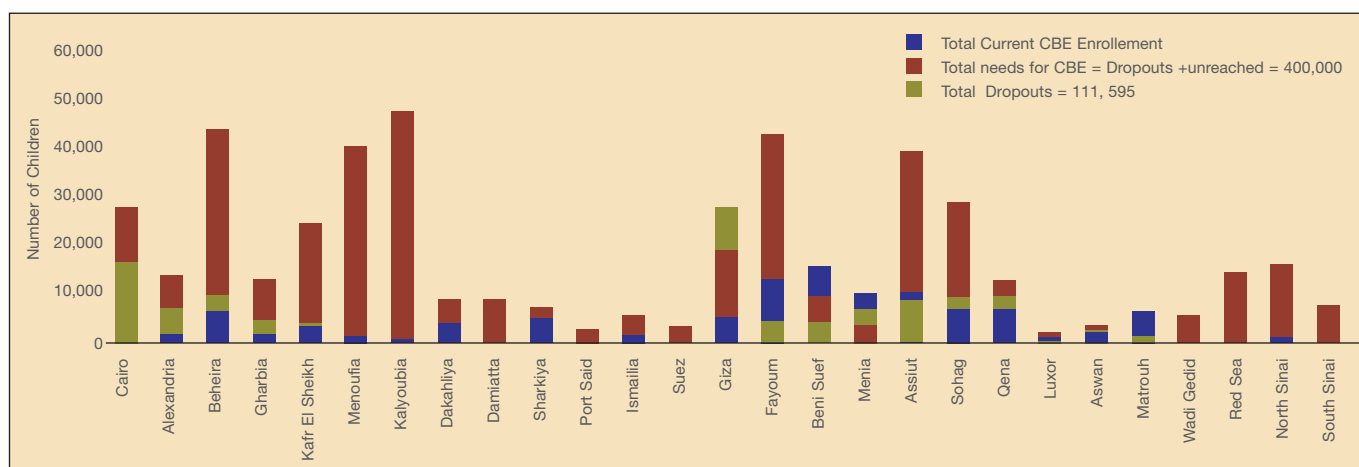
NGOs working in education also suffer from numerous internal weaknesses that echo the limitations shared by state agencies, including centralization of decision making, lack of transparency, and little volunteerism, weaknesses frequently present in systems unfamiliar with principles of good governance. There is little capacity to solicit and mobilize financial resources, and a dependency on government or foreign aid; the linkages and partnerships are weak between NGOs working in basic education, literacy, non-formal education

FIGURE 8.1 DISTRIBUTION OF COMMUNITY BASED EDUCATION BY GOVERNORATE AND SCHOOL TYPE



Source: Strategic Plan – MOE, 2007. Note: The existing efforts serve only 20% of the actual needs as there are an estimated 400,000 children whose needs have not been met yet (112,000 dropouts and 288,000 underserved or not reached). Substantial efforts are needed to address this gap, particularly in girls' education

FIGURE 8.2 DISCREPANCY DROPOUTS, CURRENT ENROLMENT AND TOTAL NEEDS FOR COMMUNITY BASED EDUCATION IN 27 GOVERNORATES



Source: Strategic Plan – MOE, 2007

and among NGOs working in related sectors such as health; few integrated approaches address the complex nature of many development problems.

A SUCCESSFUL PARTNERSHIP: COMMUNITY EDUCATION

The following illustrates a case for community driven development which entails the creation of effective partnerships, community mobilization and empowerment of poor people. It demonstrates:

- Effective collaboration between the government, donor agencies and NGOs;
- Coordination among NGOs: Convergence of different programs (literacy, parenting education, primary education, environment and health awareness);
- Role of NGOs in providing access to education and improving quality of education; Empowerment of local communities;
- application of self help approach rather than the paternalistic approach for sustainable community development;
- Building trust between NGOs and MOE;
- Scaling up of successful NGO practices nationwide.

The Community Schools model demonstrates child centred methodologies and active learning techniques



THE 'COMMUNITY SCHOOLS' MODEL: A WINDOW TO ACHIEVE EFA GOALS

In the early 1990s, the Ministry of Education and UNICEF initiated an innovative model for partnership between the government, NGOs, donor agency and the local communities. Model 'Community Schools' aimed at providing access to quality education for all through:

- ensuring that underprivileged children, especially girls, have access to quality education,
- encouraging self-help and community participation,
- emphasizing critical thinking, problem solving and creativity through innovative models of schooling,
- reinforcing child rights, active citizenship and democratic behaviour, and
- enabling children to acquire life long learning skills.

To meet the needs of the local communities, the 'Community Schools' model brought the schools to the community and adapted it to their needs. That is, classrooms were established in the villages, children were exempted from all hidden costs (uniforms, stationary, etc.), there were flexible timetables, schools were closed on village market days, and 500 job opportunities for females (facilitators) were created in the targeted areas. To-date, there are 227 community schools in six rural districts in three governorates in Upper Egypt, reaching more than 6000 of the children who are currently in school. Over 95 percent of Community Schools students enrol in preparatory education.

Meeting the needs of the local communities as well as testing innovative classroom management techniques could have only been feasible in a flexible system and thus NGOs were chosen to be

the implementing partner to establish a seed-bed model for testing educational innovations. The model demonstrates child centred methodologies and active learning techniques which entails transforming the content of the government curriculum into activities and relating it to local interests such as agriculture, health, and local environment.

The NGOs were supported by the local communities who donated the space, ensured that children come to class and volunteered to maintain and manage the schools through an Education Committee in each hamlet, the Ministry of Education who provided the facilitators' salaries and the text books, and the donor agency (UNICEF) which provided the furniture, instructional material and intensive capacity building programs for the NGO staff and education committee members and an intensive professional development program for the facilitators and supervisors.

The community schools model aims at empowering community members and promoting good governance and active citizenship, democratic norms and respect for child rights, transparency and accountability. Education committee members were trained and coached through the processes of planning and managing the local resources as well as monitoring the quality of the service provided to their community.

To maximize the benefits, UNICEF focused its development activities in the same locations where community schools are established. The development activities were implemented by different NGOs who were encouraged to network and coordinate efforts for more effectiveness and efficiency. The activities included parenting education, adult literacy, environment and health awareness, and enhancing capacity of local government units.

The successes of the Community Schools model urged the Ministry of Education to formulate a contractual relationship between the Ministry and NGOs (Ministerial Decree 30, of 2000) to encourage the establishment of community schools wherever needed. The Ministry also issued Decree 316 of 2005 to mainstream active learning practices in government primary schools nationwide.

NGOs are often at the forefront of innovation in the area of pedagogy and can serve as models of best practice. They are also more open to experimentation, in response to explicitly expressed community needs, as Box 8.5 demonstrates.

AN EYE TO THE FUTURE

It remains that an active role at the policy level requires the creation of a more enabling environment for NGOs, a strong commitment to EFA, a clear government vision on the benefits of mutual collaboration, concrete steps to create a setting where mutual trust and transparency prevail, the development of sustainable institutional mechanisms for ongoing policy dialogue. Capacity building programs could raise teaching and management skills substantially, and these could be promoted by the NGO sector itself.

National, regional and local plans should be transparently and democratically negotiated with all stakeholders in order to build real and constructive partnerships. Donors need to invest in building the capacity of local NGOs as a means to secure community ownership of education services and thus ensure the sustainability of the education projects.

The following recommendations are proposed:

- To create a reliable data base on NGOs working in the field of education so as to facilitate an integrated planning and coordination process;
- To make alliances with government a key mechanism for achieving EFA;
- To develop a collaborative consultative process between NGOs and government;
- To develop mechanisms to enhance NGO participation in policy making;
- To strengthen the NGO departments at MOE and the governorates by staffing, training and financial resources to become able to

effectively support and coordinate NGO interventions;

- To develop networking between NGOs, so as to integrate different programs for greater complementarities;
- To promote decentralized self help for sustainable community development;
- To provide incentives for volunteerism;
- To diversify sources of income and make these sustainable;
- To initiative the means by which leadership, professional capacities, and institutional skills can be upgraded to reflect good governance practices.

THE MISSING LINK: EARLY CHILDHOOD DEVELOPMENT

The quality of life for a child and the contributions the child makes to society as an adult can be traced to the first few years of life. From birth until about 5 years of age a child undergoes tremendous growth and change. If this period of life includes support for growth in cognition, language, motor skills, adaptive skills, and social-emotional functioning, the child is more likely to succeed in school and later contribute to society. Conversely, without support during these early years, a child is more likely to drop out of school, receive welfare benefits and commit crime.²⁶ There is thus a strong connection between the development a child undergoes early in life and the level of success that the child will experience later in life. For example, a child's knowledge of the alphabet in kindergarten is one of the most significant predictors of what the child's tenth grade reading ability will be. In accordance with these principles, various studies reveal that children enrolled in nurseries and kindergardens end up performing better than their less fortunate peers.²⁷

Government support for early childhood care and education was asserted in 1989, when President Mubarak declared "The First Decade for the Protection and Welfare of the Child" and established the National Council for Childhood and Motherhood (NCCM). The preschool child was not directly targeted in this first declaration. Yet the activities undertaken by the NCCM included an outreach towards parents with publications on

26. Erickson, M.F., and K, Kurz-Riemer, (1999), *Infants, Toddlers and Families: A framework for Support and Intervention*, New York: The Guilford Press, and Young, M.E. (2007), "The ECD Agenda: Closing up the Gap" in M.E. Young & L.M. Richardson, (eds), (2004), *Early Child Development From Measurement to Action*, The World Bank, Washington, D.C.
27. Ibid, Young, (2007),

how to care for the young child physically, psychologically and socially and a serious attempt at improving the quality of care in nursery schools and other child care arrangements. Ten years later, the "Second Decade for the Protection and Welfare of the Child, 2000-2010" stipulated that Egypt needed to keep up with the momentum started in the previous decade and to maintain children at the heart of national developmental plan.

Since then, formal ECE provision has been divided between the public sector (slightly less than 50%) and the NGO and private sector (slightly over 50%). All of them are guided by the National Council for Child and Mother's sponsored Law 12 for the Protection of the Child, which details the essential conditions that should be observed in nurseries and child care centres.

PRE-SCHOOL EDUCATION TODAY

Early childhood education in Egypt is divided into two main sectors, *Kindergarden*, which refers to pre-primary classes for children aged 4-6 and the *nursery care* systems which provide services for younger children up to age 4 years. Kindergarden classes fall under the Ministry of Education (MOE) while nurseries and day-care centres are supervised by the Ministry of Social Solidarity (MOSS).

Kindergardens (KGs) and nursery schools are often lumped together as one which has led to much confusion between the two terms and lack of accurate or complete data and figures for each. However, although in practice there is an overlap between kindergardens and nurseries school, there are formal distinctions:

Kindergarden

Kindergarden (KG) refers to pre-primary classes for children aged 4-6 prior to moving to the primary first grade. KG programs take place in formal classroom settings with a teacher and a curriculum. The MOE added KG classes for children ages 4-6 to its elementary schools in 1994. Two classes, KG1 and KG2 were introduced to some schools as an integral stage of the fundamental elementary education period. The first year KG classes were added to 200 elementary schools in 22 of the more populated Governorates.

This development continued to be implemented according to planned stages. Along the way more schools were added to those originally chosen. In the school year 2001/2002 this first plan was completed by the opening of KG classes in close to 4000 elementary schools in all the governorates of Egypt. In 2002/03, gross enrolment ratio in KG reached 14.4%. By 2006, gross enrolment had reached 16.7%.

Outside government schools, about half of KG enrolment is in private schools; most programs in the private sector are developed and managed by NGOs, religious schools in the Al-Azhar system, workplace child care centres, non formal-child care in organizations and private homes.

ECE services have been steadily increasing in Egypt, but those governorates that need it most — those with the highest poverty rate and lowest income level — have the least access. There is currently an oversupply of ECE teachers in urban areas, and an undersupply in rural areas.

MOE plans on expanding ECE Kindergarden services further through building 10093 classes by 2011/2012. Of these classes, civil society and NGO are expected to build 1988 with the remaining 1513 being built by the private sector. MOE also plans on hiring 2000 KG teachers to provide further support for the system.

Nurseries and Daycare Centres

There is a public nursery system providing child care under the Ministry of Social Solidarity (MOSS). However, over two-thirds of nursery services are provided by NGOs, with the balance covered by an active private sector. The number of nurseries supervised by MOSS is 10,434 (2004). Official figures indicate that the NGO sector operates 55% of nurseries, while the private sector 42%. The remaining 3% is affiliated to Local Government Units, Youth Centres, Companies, and Universities. Nurseries are used mostly by working mothers, such as teachers, government employees, young lawyers and medical doctors.

Civil service societies thus run most child daycare centres enrolling children until the age of 4. Older children, aged 4-6, are expected to be in the

There is a strong connection between the development a child undergoes early in life and the level of success that the child will experience later in life

Ministry of Education KG classes attending an educationally oriented curriculum. Yet because KG classes presently accommodate only a small proportion of the total number of children aged 4-6 (estimated at 16%), many nursery schools accommodate by necessity a number of 4-6 year old children.²⁸ It has thus been suggested that as much as 40% of nursery school enrolments may be 4 to 5 year-old or approximately 252,025 children.

WHY CSOS ARE IMPORTANT FOR ECE

The greatest difficulty generally faced by countries when tackling early childhood is mobilization of resources. This is especially a challenge in developing countries where understanding of the need and importance of ECE among government officials is relatively poor and where ECE has not been part of public policy. Mobilizing funds is an immediate challenge for countries committed to achieving Education For All (EFA) but are constrained by this lack of resources.

CSOs and NGOs in particular have the advantages of being more flexible than the state, closer to the grass roots, local cultures and needs, and more open to new practices, although they too could improve the content and methodologies of delivered education by incorporating frontline pedagogical practice. Nevertheless, they are in a key position to provide alternative services where state provision is absent or insufficient. Their approaches make them sources of the new thinking that is so important if the EFA concept is to evolve and respond to change.

CHALLENGES FACING EARLY EDUCATION

The growing role of civil society organizations in early education provision can be attributed to



the rolling back of the State's ability to provide services to achieve overall human development. The government's inability to bear rapidly mounting educational costs has created an ample opportunity for private voluntary organizations to assume a parallel and complementary role in the arena of early childhood education. Further, this area of pedagogy is traditionally viewed as lying within the competence of women. There are opportunities for CSOs to provide short basic instruction on early childhood education in rural or disadvantaged areas to complement available formal university degree courses that attract young women in urban and metropolitan areas.

The 2005 Egypt Human Development Report has enumerated some of the challenges facing early education for all. These are:

- *Lack of resources:* The shortage in both human and material resources is a major hurdle hampering educational efforts and a critical factor determining the type and quality of services provided. For instance, the cost of accommodating 30% of preschool children by the state by 2015 has been estimated at US\$103 million. Teachers' salaries are very low and therefore the profession is unattractive, basic educational material is often lacking. Premises do not always meet the minimum standards. A child's healthy development during preschool years is

28. UNESCO International Bureau of Education 2006

BOX 8.7 THE CENTRAL ASSOCIATION OF NURSERY SCHOOL TEACHERS LEAGUE

The Central Association of Nursery School Teachers League (CANTL) is one successful example of a civil society organization that operates in early childhood development. The association was registered in 2001 by a group of early childhood education specialists experienced in programs for PVO nursery schools. The project was initiated in response to the urgent need to provide training and continuous follow up to develop the skills and capacities of PVO nursery school teachers.

Capacity building activities of the association cover:

- Institutionalized support for 270 associations around Egypt to become models to guide the development of similar associations;
- Production of audio and video educational tools and books on early childhood development;

- Activation of the supervisory capacity of the Childhood and Social Affairs departments of the Ministry of Social Solidarity to monitor early childhood development programs in the governorates;
- Creation of a mechanism for training and working at the local and central level in the governorates through the Training of Trainers Program.
- An extensive 6 month program to improve teachers' educational qualifications in cooperation with the Faculty of Early Childhood Education. The program is revolving and continuous. Pre-school teachers were enrolled in this program offered for nursery schools affiliated with ECDU.
- Nursery school teachers, social workers and administrative employees provided training programs to 200 teachers and 30 social workers,

leading to the training of 2,002 nursery schools, which educate a total of 6,371 children. The program is offered every 6 months.

Perhaps one of the most important achievements of the association has been to activate the Ministry of Social Solidarity administrative and supervisory roles and reinvigorate and refresh skills of nursery school teachers and staff. The production of educational tools, games, and manuals as part of the teacher training process has had a ripple effect as material has circulated to nursery schools. Engaging parents effectively in the development of their children is another plus. Overall, the association has provided a comprehensive quality approach to the nursery school curriculum.

Source: All information has been collected from an interview made with the head of the association.

Good pedagogical practice can only be applied by competent teachers able to stimulate learning and creativity

also contingent on the presence of basic facilities for hygiene and room enough for play activities;

- *Incompetence*: Besides the prevalence of unqualified staff, there is a lack of know-how on the use of necessary scientific and educational tools, when these are available. Good pedagogical practice can only be applied by competent teachers able to stimulate learning and creativity. Most private voluntary organizations rely on low-paid untrained staff whose function is supervisory rather than educational;
- *Unequal opportunities*: Individuals belonging to the higher socio-economic strata have more access to preschool education opportunities than their less affluent counterparts. There is a need to target the country's poorer communities and to establish government-civil society partnerships in order to fill this gap.

AN EXAMPLE OF PARTNERSHIP: THE EARLY CHILDHOOD DEVELOPMENT UNION

Due to the paucity of available information on Egypt's civil society organizations involved in early education, in addition to the vast diversity in activity among such organizations, this section

will restrict itself to members of the National Union for Early Childhood Development (ECDU). Established in 2003, the ECDU resulted from the active contribution of civil society in ECE.

The beginnings of the 'Early Childhood Development Union' date back to 1995, when six NGOs were selected in five governorates (Cairo, Giza, Qena, Dakahlia, and North Sinai) to work in childhood development. The idea to create this union started with a project called 'Children of the Nile'. The project attracted 31 NGOs operating in early childhood development, that were affiliated to one kindergarten or more, and that met required standards and specifications. These were in the governorates of Qalyobia, Fayoum, Alexandria, Suhag and Beni Suef, in addition to the five initial governorates and formed the central core of the ECDU.

The ECDU was officially registered in 2004 and aimed at promoting best practices in early childhood education and included:

- Improving the capabilities of NGOs operating in early childhood development;
- Developing educational programs for pre-school children;
- Training local staff to become 'teachers of teachers' in the field of early childhood development;
- Providing a healthy environment for pre-school children within and outside of school, such as safe playgrounds, appropriate toys and games;

- Promoting cooperation with families and agencies to meet the developmental needs of pre-school age children.

ECDU'S CRITICAL CORE: THIRTY ONE PRIVATE VOLUNTARY ASSOCIATIONS

A major eligibility criterion for being affiliated with the ECDU is that each private voluntary organization should own a nursery school. Besides providing facilities and services for preschool children, all the member associations adopted a more inclusive approach to ensure sustainability, based on providing the local community with practical help, such as medical and illiteracy services, vocational training, small loans, and so forth.

KINDERGARTENS AFFILIATED WITH PRIVATE VOLUNTARY ORGANIZATIONS

The age of children in nursery schools associated with the 31 member private voluntary organizations is officially between day one and 4 years old. However, their nursery schools accept children ages 4 to 6 that have not enrolled in the kindergartens of the Ministry of Education, often because of the enrolment fees. These nursery schools are formally managed by the Ministry of Social Solidarity and depend basically on the annual grant provided by the MOSS, in addition to the children's annual fees, and grants provided by donors.

Table 8.3 shows the number of children enrolled in Private Voluntary Organizations' (PVOs) nursery schools according to different age groups in 2005. Children between the ages of 0 and 4 years represent 39.6%, and those between the ages of 4 and 6 years 60.4%.

EVALUATION OF NURSERY SCHOOLS AFFILIATED WITH ECDU

Data for the present study was obtained from the official files of 31 nursery schools that are affiliated with ECDU. In addition, a field study was carried on ten located in Giza and Cairo. A special checklist was prepared to collect information describing the nursery school building and facilities, class size, activity tools, nursery school teachers and their educational qualifications.

The evaluation was based on the general criteria for quality preschool education provided by the

National Association of Education of Young Children (1998). Ten criteria were formulated on this basis by the National Council for Childhood and Motherhood, and were used in the study. These follow, with remarks added:

1. Interaction between Teachers and Children: The degree of interaction between nursery school teachers and children varies from one nursery school to another, and it probably even varies from one class to another within a single nursery. Interaction depends on the educational and professional qualifications of the teachers and also on personal traits and characteristics that allow teachers to integrate with the children and share their games. However, it can generally be said that the interaction between teachers and children is confined to teaching the children a few songs and verses from the Koran and some skills related to learning the alphabet and numbers.



Although the general environment of preschools is friendly with a low level of punishment, overall, the general atmosphere in the classrooms does not encourage children to discuss, ask questions, or establish dialogue. The social skills that the children may learn are confined to obedience, keeping quiet, and not fighting with their peers. Children are rarely exposed to the skills of participation, cooperation, and taking responsibility.

Remarks: Qualified teaching staff are more likely to give children the freedom and space needed to participate and to cooperate. These are skills that are becoming essential and are unlikely to be promoted by untrained supervisors who themselves are captured by traditional values such as conformity and obedience.

2. The Curriculum: In general, the nursery school curriculum varied with no unified or common program. Every nursery school used a number of books on teaching children principles of reading, writing, arithmetic and sometimes the English language. NGO nursery schools use a book, *Al Morsheda* (The Guide), issued by the Ministry of Social Solidarity, designed to provide

TABLE 8.3 NUMBER OF CHILDREN IN ECDU/PVO NURSERY SCHOOLS (IN NUMBERS)

Name of PVO	Age 0-2	Age 2-4	Age 4-5	Age 5-6	Total
1. Women's Association for Health Improvement	20	22	11	1	54
2. Central Association for Child Care	15	60	40	35	150
3. Fardous Islamic Charity Centre	-	66	50	31	147
4. Al Tahrir for Social Services, Heliopolis	-	31	-	39	70
5. Community Development Association, Waraq el Arab	-	15	20	25	60
6. Training of Childhood and Motherhood Workers' Association	13	25	25	25	88
7. Community Development Association Dair el Nehia	10	20	25	25	80
8. Giza Association for Mother and Child	50	65	80	125	320
9. Muslim Youth Association in Giza	15	15	7	8	45
10. Central Association of Kindergarten Teachers League	20	25	25	25	95
11. Community Development Association in Gizerat El Shaer	-	73	42	41	156
12. Community Development Association in Manshiet El Horeya	-	35	45	35	115
13. Community Development Association, Al-alg Qalyobia	22	-	217	-	239
14. Community Development Association in Sab Khawba	32	40	60	50	182
15. Community Development Association, Meit Gorab	7	50	68	29	154
16. Community Development Association, Sarif and AlGohary	15	30	35	35	115
17. Al Iman for Social Services, Dakahliya	8	20	32	35	95
18. Women Muslim Youth in Arish	26	15	114	-	155
19. General Association for Social Solidarity	17	107	120	310	554
20. Health Improvement Association, Qena	24	15	14	15	68
21.22. Egyptian Association for Child Protection, Qena	35	-	140	-	175
23. Integral Care Association in Qena	-	-	30	-	30
24. Community Development Association in Sheikh Eisa, Qena	-	17	18	20	55
25. Institutions Care in Beni Suef	30	62	18	3	113
26. Community Development Association in Sherif Basha	-	85	74	69	228
27. Islamic Mahdy for Development, Beni Suef	66	75	19	20	180
28. Female Association for Health Improvement, Suhag	20	23	-	-	43
29. Islamic Association for Women, Suhag	54	33	26	4	117
30. Omar Ibn Khatab Association, Suhag	-	-	-	-	-
31. Gharb el Taawniat Association, Fayoum	13	28	18	8	67
Total	512	1,052	1,373	1,013	3,950

Schools must initiate meetings to make sure that teachers discuss the progress of each individual pupil with his/her parents

teachers with preschool topics and teaching methods. The ECDU has designed a special educational package that does not include a specific curriculum but rather provides general features and guidelines as to what nursery school teachers should consider when covering various subjects.

Remarks: Regular workshops in partnership between CSOs and MOSS staff can be used as informal lecture sessions to ensure that basic topics and teaching methods are well understood by early education teaching staff. Alternatively, distance learning techniques may be used via radio and television. It is assumed that MOSS material is regularly updated according to the most recent pedagogical theory and practice.

3. Relationships Between Teachers and Families: While most teachers emphasize the importance of

constructive interaction between families and the nursery school, interaction is usually confined to dropping the child off or picking them up at the end of the day. There is almost no in-depth dialogue unless there is a problem or the child is involved in an accident. The family only joins the child at school for special occasions and feasts like Mother's Day or the Prophet's birthday.

Remarks: There are a number of techniques nursery school teachers can use to promote greater parental participation in their children's pre-school education. These include encouraging one of the parents to visit the nursery school during the day, asking them to volunteer their time in school activities, and holding meetings at least twice a year with parents in order to monitor their child's growth and development. This evaluation of nursery schools has found that these methods for increasing parental involvement must be implemented. The onus is on the schools themselves to initiate meetings and to make sure that teachers are prepared to discuss the progress of each individual pupil with his/her parents.

4. Staff Qualifications and Professional Development:

Professional competency and training experience of nursery school teachers is the most important factor in achieving high quality pre-school education programs; the professional and vocational preparation of teachers is deeply linked to the quality and type of education provided to the children.

The number of teachers and assistants in nursery schools varies. Table 8.4 shows the number and qualifications of teaching staff of the 31 private voluntary organizations under evaluation.

Table 8.4 shows that more than 50% of nursery school teachers in ECDU/PVOs are high school graduates. Thirty percent of teachers have a bachelor's degree from a university. Graduates of the Faculty of Early Education account for 15 percent of nursery school teachers.

Remarks: Table 8.7 indicates a low employment rate for Faculty of Early Education graduates due to their high salary expectations compared to teachers with other qualifications that are not necessarily in any field of education. More than half have just a high school diploma. This suggests that in addition to workshops (see point 2 above) training, preferably leading to some form of accreditation should be encouraged possibly using a small salary increase as an incentive.

5. *Administration:* Efficiency and appropriate experience and competency create the right enabling environment for delivering high quality learning and education services. An effective administration can also bring about cooperative interaction among nursery school staff and generate constructive relationships with children's families. Every state nursery school has a university graduate manager who follows up with the implementation of the program and supervises various activities. Administratively, these nursery schools are supervised by the Ministry of Social Solidarity. Table 8.5 shows the qualifications of 20 managers of nursery schools associated with the 31 ECDU/PVO under evaluation. It indicates that more than half of nursery school managers in the evaluation are university or College of Social Work graduates. Most managers however, have had more than 10 years teaching experience in

TABLE 8.4 NUMBER AND QUALIFICATIONS OF NURSERY SCHOOL STAFF

Qualifications	Number	Percentage
Faculty of Early Childhood Education	16	15.4
University Degree Bachelor of Arts	22	21.2
Social Service College	9	8.7
Higher than Secondary Education	1	0.9
High School Diploma	56	53.8

Nursery training, preferably leading to some form of accreditation should be encouraged

the field of early childhood development which in turn has helped them earn promotions to management positions. Noticeably, kindergarden faculty graduates prefer to work in the private sector.

Remarks: Promotion for teachers in Egypt usually allows them to 'graduate' to a management position. This is not necessarily the best way to reward good teachers, who may become bad managers. Educational management skills require special competencies that can be taught and accredited.

6. *Staffing:* A fundamental factor in the quality of programs provided by NGO nursery schools is the method of hiring staff. Careful selection is expected to ensure employment of teachers and staff that meet specific criteria (that is, staff are sought who reflect diverse geographical, religious and linguistic characteristics, appropriate personal qualities and experience) and contracts are usually negotiated with members of the board of directors.

Remarks: Staff salaries are paid by from PVO funds and a shortage of financial resources increases the temptation to hire less qualified staff. Fundraising, increased fees or a mandatory requirement to hire at least one qualified ECE teacher might help overcome this challenge to raise standards.

7. *Physical Environment:* The evaluation of the nursery schools in the study sample reveals much variation in the facilities devoted to nursery school activities. Bathrooms are always provided with running water in sinks. Soap and disposable towels are available in some nursery schools. In all nursery schools, first aid equipment

TABLE 8.5 PROFESSIONAL QUALIFICATIONS OF ECDU/PVO NURSERY SCHOOL MANAGERS

School Manager qualifications	Number	Percentage
Faculty of Early Education	-	-
University degree	8	38
College of Social Work degree	3	14.3
High school diploma	9	48
Grade school diploma	-	-

is also available. Some PVOs in the sample occupy 2,000 square meters; others occupy 120-150 square meters where the nursery school sometimes occupies a floor in a building. Table 8.7 shows the percentage of nurseries that occupy a separate building, an apartment, or a floor in a building.

Table 8.6 indicates that 60% of the nursery schools affiliated with the PVOs are located in a separate building while 40% occupy a floor in a building. However, most do not have a garden or a courtyard for the children to play freely.

Remarks: In general, the physical environment of a nursery school should include a number of necessary features such as adequate space for children to move freely, materials and suitable equipment for playing outside (garden or courtyard) or inside, soft surfaces for safe playing and solid surfaces for sports, closets for storage.

8. Health and Safety: The nursery schools under evaluation did not devote extensive attention to teaching children health habits like washing hands before and after meals, and often, there was no soap or toilet paper in the bathrooms. However, the schools paid attention to furniture: whether chairs and tables, these fit the children's size and age, which encourages them to serve themselves and help in cleaning and organizing work and putting things in place after playing. Safety measures (eg fire extinguishers) were few and far between.

Remarks: Lack of attention to health habits may be due to the use of untrained 'assistants' in many schools (although some had moderately well-trained nurses). It is up to management to insist on mandatory application of health practices and to provide the necessary materials for this. The safety of children is a prime concern and basic equipment such as fire extinguishers should be made available at all these nurseries.

TABLE 8.6 TYPE OF NURSERY SCHOOL BUILDINGS

Type of buildings	Number	Percentage
Apartment	-	-
Floor in a building	12	40
Separate building	18	66

10. Monitoring: The study revealed imperfect application of monitoring and evaluation in spite of provision of monitoring checklists in every nursery school (teacher monitoring check list, the activity class monitoring check list, and the nursery school monitoring check list). The process is conducted in a mechanical and routine manner by the Ministry of Social Solidarity, but the ECDU pays special attention to this process in PVO nurseries.

Remarks: The monitoring and evaluation process regarding staff performance plays an important feedback role in maintaining the competency and quality of the learning programs offered within the nurseries. Application of checklists and evaluation by the board of governors and ultimately by MOSS based on these must become a mandatory requirement.

THE ECONOMICS OF EARLY CHILDHOOD PROGRAMS

There are substantial differences among the world's countries in terms of the costs and funding mechanisms for early childhood education. On the one hand, in Belgium families do not have to pay for kindergartens because it is covered under the umbrella of the Ministry of Education and is financed through the district budget, the local government or the participation of some private religious institutions. On the other hand, in Hong Kong, the state provides a small percentage of financial support to religious, voluntary and private institutions that provide kindergarten education but families can pay in instalments. Between these two extremes, there are examples of mixed financial support. In Canada, kindergartens are under the supervision of the Ministry of Social Services. The federal government, civil society organizations, local institutions and some small financial contributions from private citizens are responsible for supporting kindergarten programs.

BOX 8.8 THE NURSERY SCHOOL OF THE GIZA ASSOCIATION FOR MOTHER AND CHILD

The Giza Association for Mother and Child is one of the oldest NGOs to be established in Egypt, dating back to 1961 when an affiliated nursery school was established for pre-school children to complement other association activities. However, the starting point was in the 1940s when a nursery school was founded for the Egyptian Women's Federation to serve the women working at the 'Kasr El Eini' teaching hospital; it was later expanded to provide services to children of the surrounding neighbourhood. The founders tried to keep the association functioning after the July 1952 Revolution and despite administrative and financial difficulties were able, through individual and personal efforts, to find a location for the association and also build a nursery school in the district of Imbaba, one of the poorest neighbourhoods in need of social services.

The Giza Association for Mother and Child occupies an area of 1,900 square meters consisting of two floors and a large garden. Main activities are conducted on these premises and include the nursery school, able to cater to up to 500 children. The nursery school occupies the larger portion of the building, which is architecturally designed to

include a children's library, adult library, computer unit, and a kitchen properly equipped to prepare children's meals.

The nursery school is an ideal model for nursery schools of civil society organizations in Egypt. It provides and maintains an environment suitable for developing the skills and talents of pre-school children, both as individuals and as a group. Although association and nursery school staff are not aware of international quality standards for pre-school education, visitors can clearly observe the administration's awareness of the significance of early childhood learning. In particular, there is an emphasis on developing and improving teaching techniques and applying leading pre-primary education curricula like that of the Montessori program, which helps children learn through a variety of daily activities that vary in objectives and application techniques. The nursery school also uses the ECDU education package for nursery school teachers. The focus of the educational environment is on developing cooperative work ethics, enhancing children's personalities through dialogue and conversation, and encouraging children's curiosity and love of physical and mental exploration.

The provision of meals for the children is an important element in the well-being of the children, as is classroom size, furniture tailored to meet the needs of different age groups. Special equipment are available for different ages, including television, VHS, and computers. A symbolic monthly fee of L.E. 40 ensures that schooling is affordable, and that parents have a stake in the educational process. The association as a whole relies basically on charitable donations from 'friends' of the association in addition to irregular assistance from the Ministry of Social Solidarity and ECDU which amounts no more than 15 percent of the total budget. Budget priority is given to the nursery school and remaining funds are allocated to other activities.

As with many other NGOs, obstacles to smooth operations are said by the association to include interference of state agencies in the association's affairs, and, excessive bureaucratic procedures of the government agency supervising associations. In addition, the culture of voluntary work is not promoted in civil society, either through the media or in educational settings.

Source: All information collected from an interview made with the head of the association.

The Egypt Human Development Report 2005 highlights the lack of financial resources dedicated to early childhood education in Egypt. It is clear that civil society organizations and the private sector need to take on a more dynamic participatory role, especially since early childhood programs are investment opportunities in the future, from a human development, personal capabilities and economic sense. Numerous studies have shown that high quality pre-school education programs are linked to later high rates of achievement, excellence and productivity, while their absence is associated with high dropout rates and lower rates of development.²⁹ In some respects, the environment they provide for personal growth and creativity at an early age compensates for the poor cultural and educational background provided by the families of many disadvantaged children.

It is possible to provide a preliminary report on the financial resources needed to secure quality stan-

There are a number of techniques nursery school teachers can use to promote greater parental participation in their children's pre-school education

dards in early childhood education programs. This is based on data extracted from the average economic cost of private nursery schools in some poor districts in Cairo.³⁰

The data revealed that the average fee for a child in these nursery schools is about L.E.25. Generally, these schools do not possess the facilities that help to provide good quality educational services, and the premises are unsuitable for school activities. The buildings do not comply with the proper basic health standards like ventilation and good lighting. Many of the teaching staff do not have the required qualifications because low salaries do not attract qualified personnel. Teachers lack training, follow no spe-

29. See Gutman, L.M., Sameroff, A.G., & Cole (2003), "Academic Growth Curve Trajectories from 1st Grade to 12th Grade: Effects of Multiple Social Risk Factors and Preschool Child Factors," *Journal of Developmental Psychology*, Vol. 39, No. 4, 777-790.

30. This information was obtained from interviews with the deputy heads of private nursery schools located in poor districts in great Cairo.

The monitoring and evaluation process regarding staff performance plays an important feedback role in maintaining the competency and quality of the learning programs offered within the nurseries



cific curriculum for the child, are subject to inadequate monitoring and evaluation, and lack proper equipment and educational tools. To enable them to provide educational services in poor districts with the minimum quality needed, an estimated doubling, at the very least of the present fee of LE 25 monthly would be needed to cover — in part — salaries that would attract good teachers, improve school facilities, provide equipment and educational tools.

The difference between the average monthly membership fee paid by the parents and the minimum amount needed to raise standards to a more acceptable level is LE 300 per year for every child. This negligible amount (about US\$ 50 per annum per child) can be covered through a fund to support early childhood education in every governorate, using contributions potentially from the private sector and government. Hypothetically, if the target is educating 500,000 children in the 4 to 6 age group within the poorest 15 percent of society, LE 150 million a year is needed, that is about US\$ 250,000 per annum. The most critical element in the success of this project is the application of quality standards for nursery schools in order for the supplementary funds to impact on the quality of early childhood education offered.

RECOMMENDATIONS

There is a need for the state to review and to reformulate its role in pre-school education. A multi-faceted approach is likely to be more effective with MOE becoming responsible for designing appropriate policies, monitoring and supervising their implementation, and the funding and execution of pre-school education programs left to community, private, corporate or civil efforts.

An Endowment Fund, with some participation from the state and its various agencies could also be set up to provide sustainable finance for preschool activities and help raise staff salary levels. There is little coordination and integration between the ministries and services agencies operating in the field of early childhood development.

A comprehensive strategy for early childhood education would include joint cooperation and participation from the Ministries of Education, Social Solidarity, and Health and the National Council for Childhood and Motherhood. The Ministry of Social Solidarity, for example, has affiliated nursery schools and oversees NGO activities. Together, they could tap community resources and develop a coordinated strategy for pre-school education. This is a domain where franchising of accredited private ECE ventures elsewhere in the world has the potential of playing an important role in helping set common quality standards.

An accurate and comprehensive database of PVOs and their partners is missing, covering early childhood development. Research is needed, as well as interaction with the psychology of child development. Research institutions in Egypt's universities should participate more rigorously in developing a framework of theoretical and applied knowledge. On-shelf university courses are not enough. Increasing the capacities of the Faculty of Kindergarten and Faculty of Education – Kindergarten Division will only meet part of the demand for professional capability. Teacher performance enhancement requires practical 'hands on' training in the classroom. Many universities in the West require a short 'practice' teaching module to take place in a school setting as part of the academic degree requirement. In Egypt, a similar prerequisite

could also help introduce staff with a pedagogical background into nurseries where none exist. Experimental nurseries attached to university departments of education are another way of introducing practical experience by providing 'laboratories' for observation and application of frontline practices of early childhood development.

There is also the need to address the issue of incentives, particularly the appropriate financial remuneration of ECE teachers, which is an important barrier to the participation of qualified staff,

especially in kindergartens. If nursery schools are to become more than just supervised day-care centres, a review of salary scales and mechanisms to promote the essential 'quality' factor needed in early childhood development become a sine qua non of success. Similarly, NGOs could become involved in raising awareness among parents, possibly through special edutainment media campaigns (see Chapter Eleven), or in parallel with projects that target the woman and the child, since much early childhood learning takes place primarily within the context of the home.

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THE INTERPLAY BETWEEN HEALTH AND SANITATION



The Egyptian state in its welfare function, has, over the past 50 years provided a range of public goods.

That the state can no longer, alone, deliver quality services to those segments of the population most in need is visible in the recent proliferation of private and often expensive alternatives to health services. This attests to the fact that even those least able to afford them now pay for what they deem essential but lacking health services, notably those salaried public bureaucrats or those at or below the poverty line. But turning to private sector health services is often at the cost of great financial hardship for those who have neither savings nor health insurance to cushion unexpected shocks, or to endure chronic conditions.

In this respect, there is also a vital role to play by civil society organizations in filling service gaps in the related area of sanitation, where there is urgent need for intervention. CSOs as intermediaries or as watchdogs are able to voice public concerns to policy makers, or themselves step in to propose alternative service provision, either at nominal cost, or in creating and managing cost-sharing partnerships between communities, government and private enterprises.

This chapter looks into the potential and achievements of civil society organizations and their NGOs as they address the fundamental issues of health and sanitation.

HEALTH: THE CHANGING FACE OF A PARTNERSHIP WITH CSOs¹

Civil society organizations have progressed far beyond the beginning of the 20th century, when royalty and high society ladies supported health related charitable establishments or 'opened' benevolent health care programs, although nearly a century later, the Egyptian Red Crescent Association, *Gam'iette Tahseen El Sehha* continues to work in care for tuberculosis patients and their families and the hospital and outpatient polyclinic of the Islamic Benevolent Association, *Al Gam'ieyya al khaireyya al Islameyya*, remains active.

Since those early days, many more CSOs working in the health field have emerged, evolved and diversified the scope of their activities as new needs have appear and advanced health care systems developed. Currently, numerous associations have identified health services as a declared domain of activity at registration, although it is difficult to give an exact number to those that are actually active.

Apart from large CSOs such as the Coptic Evangelical Organization for Social Services, Catholic Relief, CARE International, Save the Children, or the Egyptian Red Crescent Society — whose coverage extends to all of Egypt — NGOs and Community Development Associations engaged in health work are commonly community based. Their contribution, implemented in

1. Habiba Hassan Wassef, Background Paper to the EHDR 2008.

partnership and in close collaboration with the national health system, is a supplementary health resource at the grassroots level to beneficiaries and public service partners alike.

CSOs AS PARTNERS WITHIN THE HEALTH SYSTEM

The government is the normative and regulatory body with responsibility for setting standards and quality criteria for the delivery of services and for all concerns that relate to public health regulations. However, as dependable working partners with a capacity for rapid and efficient mobilization and a competent response in times of need, the major of CSOs engaged in health work are now indispensable partners of the state. They and other partners engaged in various types of health work — as diverse even as building and equipping a health facility — are bound by the legal and regulatory framework and system established by the competent public authority, the Ministry of Health and Population (MOHP). The framework covers all domains of health-related disciplines such as emergency (transport) services; accessibility to medication and diagnostic and/or curative interventions; accessibility to medical aids or prosthetic devices; and dental care; among other areas.

The productive and fruitful collaboration between health CSOs and the public health system has built on a relationship that is based on mutual acknowledgement of the role of each partner. The greater part of CSO interventions is the provision of primary care services in a manner that often bridges gaps in the network of public services. This particularly true for densely populated and under served neighborhoods and in the case of geographically isolated communities that can only be accessed by mobile health teams.

Furthermore, CSOs assume tasks that the public service health workers consider time consuming such as advocacy, health education, or mobilizing and rallying the community around a given cause or message. Provision of complementary specialized or paramedical care such as rehabilitation and re-education services for people with disabilities or the mentally retarded, or care for those with special needs is an area where CSOs have made significant contributions.

THE COMPARATIVE ADVANTAGE OF CSOs

Because well established and appreciated by the neighborhoods they serve, CSOs are capable of maintaining open communication channels and a continuous dialogue with the community in a manner that nurtures confidence and trust. This proximity facilitates the implementation of participatory approaches and sharing of decision making on critical health issues that require the community to allocate resources, to adopt new practices or changes in well-anchored behaviors and life style. Familiarity with the members of a community and the ease with which they can gain entry into homes enable locally implanted organizations to monitor progress towards achieving given targets or to become agents of change that can identify, understand and overcome social and cultural barriers. The valuable contribution of the outreach health visitors recruited from local CDAs to overcoming cultural barriers to the use of birth control methods is one example of success where less local interventions might have failed.

The integrated approaches to delivery of social services and an inclusive and holistic program to human development adopted by many NGOs in community development work has advantages over the purely sectoral approach which usually confines the service delivery by the health system to health alone concerns. Broadening the inter-sectoral base for action for health promotion and protection represents a multidimensional approach to health and to health sustaining environments, thus multiplying the cost effectiveness of interventions in health and well being. Healthy living environment, potable drinking water, safe disposal of sewage and household waste, keeping girls in school, adequate and safe balanced diets, sustainable livelihoods, are all components of an integrated approach to sustainable human development that maximize health returns over those achieved by health services alone.

Even when the CSO activities are not themselves comprehensive and integrated, an organization can often act as the broker for mobilizing a required intervention from a sector other than health to promote health and overcome an identified health



An integrated delivery of social services and an inclusive and holistic program to human development has advantages over the sectoral approach multiplying effectiveness of interventions in health

hazard or health risk. This can range from controlling the indiscriminate use of pesticides in agriculture, or promoting road safety measures to reduce Egypt's high accident rate in both rural and urban areas. The contributions of CSOs thus go beyond simple health care and service provision to actions that are conducive to gains in health and well being. Examples include health risk identification, communication and management; promotion of a healthy environment and sustainable use of natural resources; social action in the management of health problems such as in the case of violence against women and children.

CSOs can also provide support to the managerial process for health development in the form of contribution to mechanisms and systems that promote good governance and accountability of the health system. The Joint Governance Committees of the Family Health Program launched at the primary care level by the GOE's Health System Reform Program often include members of local CDAs. The multiple contacts and grassroots networking that is a feature of most CSOs serves them well when they are involved in resource mobilization. The major exercise for resource mobilization in support of the building of the Children's Cancer Hospital in Cairo is live evidence of how far the private sector and civil society have together supported the realization of a major health project.

HEALTH CARE SERVICE PROGRAMS

The provision of services is the commonest and most widely spread function of CSO involvement in the domain of health. These vary from free medical assistance by charitable organizations to

the introduction and management of a range of cost sharing mechanisms, to provision of quality specialized services at a reasonable and reduced charge. An example of the latter are the highly sought services of the Mostafa Mahmoud complex of outpatient clinics situated in the Mohandeseen neighborhood of Cairo, affiliated to the mosque of the same name. These also provide laboratory and imaging facilities and the medical professionals working there commonly offer their support on a voluntary basis.

Some polyclinics have devised a variety of systems for cost sharing, such as an option for pre-payment, or for payment in phases that are much appreciated by users with modest incomes. One of the advantages of urban polyclinics operated by CSOs is the provision of dental or sight services along with primary level health care. Making available medical aids, appliances or prosthetic devices at affordable prices and sometimes on rental basis, is also a service that some health CSOs provide to their beneficiaries.

National programs for a number of critical diseases account for and allocate funds to cover the contribution of the CSOs and community based bodies in their action plans and implementation programs for control and prevention. CSOs are allotted certain tasks that they do best and that complete the action of the public services. For example, the role delegated to and expected from civil society in the national HIV/AIDS control program draws on all of their comparative advantages in organizing community-based action. One health program that is little talked about is for leprosy. With the availability medication that can cure the disease, the

BOX 9.1 CHANGING ATTITUDES TOWARDS LEPROSY PATIENTS IN QENA

The highest concentration of leprosy patients in Egypt reside in Qena Governorate. Now that a cure has been discovered for this age old disease, the internationally agreed policy for community based management of the disease has replaced the isolation strategies that treat lepers as outcasts of society. Once diagnosed, the patients receive ambulatory treatment and care as outpatients and continue living in the community. In order to make this happen, and to overcome the fear of lepers, civil society organizations around the world have been mobilized to work alongside the health services to overcome the traditional attitudes that still attach a stigma to leprosy. The Kena (Qena) Social and Cultural Development Association (KSCDA) is a non-governmental organization with a mission to contribute towards the development of policies and systems that are responsive to the needs and rights of the community, in particular those who are more deprived and marginalized. The scope of action extends over domains that include health, education, protection of the environment and social care.

Concerned with the extent of the leprosy problem in Qena, the Association organized a meeting that brought together all actual or potential concerned stakeholders from the different government services, academia and civil society. Attended by more than 200 of the medical officers that are in direct contact with the public in the health and social care centers all

over the Governorate, the meeting served to create awareness as to the magnitude of the problem and to the curability of the disease. A Regional Committee for community based rehabilitation of leprosy patients was established as an outcome of the meeting and served to mobilize and coordinate the contributions of all partners. With a membership that includes representatives of the concerned Governorate level directorates of health, social affairs, education, endowments (*wakf*), manpower/employment, information, as well as a representative of Qena based civil societies and the National Council of Women, the Committee was instrumental in supporting the implementation in Qena of a five year plan for eradication of leprosy.

The plan which had been formulated with the support of the World Health Organization and CARITAS (Egypt) was launched in Qena with the organization of a scientific seminar targeting all professionals working in the domain of health care and rehabilitation, the various community leaders and representatives of CSOs. The efforts spent on raising awareness, a wide based mobilization and team building contributed to the positive results of the leprosy program and the change in the attitudes of the community towards the disease in Qena.

Source: Habiba Hassan-Wassef, Background Paper to the EHDR 2008. Information from the Kena Social and Cultural Development Association, Qena.

The contribution of CSOs go beyond health care and service provision to actions that are conducive to gains in health and well being

policy for management of leprosy patients is now community based with no longer any need for isolation measures. CSOs working in this field in Egypt provide critical support to the MOHP national community based leprosy program by advocating for a change and overcoming the resistance in the attitude of communities that associates an age old stigma with that disease (see Box 9.1).

CSOs are also an important player contributing to the community based participatory program that has mobilized the nation for the eradication of the mutilating tradition of Female Genital Cutting (FGC). The innovative approaches adopted by the Association for Development and Enhancement of Women (ADEW) for prevention and control of this problem and other culture bound harmful practices that impact the health of women and girls is presented in Box 9.2. Motivating the community for seeking early cancer detection services for all groups of the population and programs for prevention, control and rehabilitation of addictive behavior and more importantly their successful social inte-

gration are some of the health domains where CSO render valuable services. Their contribution may not necessarily be a direct intervention, but they are generally effective in mobilizing and rallying partners and resources in support of an important cause, thus multiplying the chances for achieving agreed objectives.

NEW AREAS THAT CAN BENEFIT FROM CSO INTERVENTIONS

Some of the diseases that are creating grave concern and are sometimes referred to as diseases of modernity, relate to newly introduced lifestyles and eating habits that have developed over the past decades. This group accounts for over 40% of the chronic non-communicable diseases (NCDs) that include, cardio-vascular diseases, obesity, type II diabetes, cancer, osteomalacia (rarefaction of bone), among others. Preventive measures that require a change in lifestyle, healthy eating habits and exercise are as important for these NCDs as medication and curative measures. The support that CSOs can provide to families and communities in the fight against these diseases encompasses a wide range of actions. In promoting physical exercise, advocacy and health education will need to be complemented with a mobilization of partners and

BOX 9.2 INCREASING HEALTH SERVICES EFFICIENCY THROUGH INTERFACE AND DIALOGUE

The mandate of ADEW (The Association for Development and Enhancement of Women) is to empower marginalized female heads of household economically, socially, and politically. The Association has distinguished itself through its commitment to promote the rights of marginalized women and challenging traditional taboos and models. The first shelter in the Middle East for children and women victims of domestic violence is credited to the Association.

The long experience of ADEW has made it fully aware of the seriousness of the poor health conditions suffered by women and girls due to lack of knowledge and absence of services, along with many traditional practices that breach any right they have over their own bodies. A recently launched program implemented in the two popular neighborhoods of Misr El Qadima and Manshiet Nasser aims to improve the health conditions of women and girls. The program is based on the assumption that many of the health

problems faced by Egyptian women and that of their children's health cannot be solely attributed to lack of financial capacity but to several other interdependent factors.

Therefore, in addition to providing free health services, the program addresses the knowledge gap, trains midwives to enhance reproductive health, and makes available a hotline to encourage channels for confidential communication with the target groups which include women and their children, adolescent girls and the community at large. Socio-economic empowerment of women through better health and breaking the silence on deeply anchored harmful traditional practices such as female genital mutilation in gatherings that bring together various members of the community, are some of the novel approaches implemented in the program.

The innovative system established by ADEW for articulation of state, private and civil society health service

providers that allows tracking of the progress made in the treatment of cases referred to secondary or tertiary levels of specialized care contributes to an improved pertinence of the services received and increased client satisfaction. Ongoing evaluation in terms of its efficacy, efficiency, principles of governance and degree of client satisfaction allows ADEW to assess the outcomes of the program at the level of community and individual, and to evaluate the degree to which improved health and increased access to health resources and awareness can empower women and improve the quality of their life. Monitoring of the health seeking behavior and of the emergence and management of health needs generates information that is valuable to decision makers and planners working in similar contexts as it provides the evidence base for sound and feasible action.

Source: The Association for Development and Enhancement of Women (ADEW)

other sectors such as municipalities, youth and sports authorities, urban planning, transport authorities, and others, for increasing opportunities for exercise for all ages as a preventive strategy against obesity, which in turn represents a high risk for some forms of cancer as well as for type II diabetes.

In Egypt, the challenge is to devise innovative approaches to meet the challenge posed by the cultural barriers that stand in the way of girls and women's participation in physical activity programs. The progressive increase observed worldwide in the incidence of NCDs has already been observed to cause a significant rise in the cost of health care. This dictates an increase in health budgets as the cost of treatment of NCDs and their complications can add up to insurmountable financial burdens to both the health systems and to health insurance schemes. This is a domain where CSOs can be mobilized on several fronts with the objective of promoting healthy lifestyles and eating habits.

The progressive increase in the lifespan of Egyptians means that the tip of the population pyramid, that is the groups that make up those

CSOs can be mobilized on several fronts with the objective of promoting healthy lifestyles and eating habits

above 65 years of age, will progressively increase over the coming decades. The demand for homes for the elderly and home based care for those living alone is already beginning to exceed the offer for the currently available forms of care to the elderly that is mostly organized by CSOs. Other health related situations where civil society assumes a supportive role to both the community and the health authorities is in the case of natural disasters or major accidents, as well as the case of refugees and displaced persons.

While giving out food handouts is common as an act of charity, only one Food Bank has been established by a CSO and has been in operation in urban Cairo for a few years now. It provides food supplies to families in need while at the same time engages in programs for promoting sustainable livelihoods. A new role that has been entrusted to CSOs on a trial basis is in the distribution of freshly baked subsidized bread. Though not directly a health care intervention, if linked to the increased production of subsidized bread —

BOX 9.3 EXPANDING THE ROLE OF CSOS IN COMBATING AVIAN INFLUENZA

Since the official declaration of avian influenza (H5N1) outbreaks in poultry in Egypt in February 2006 and the rapid spread of the infection created serious public health concerns. In addition to the impact on industrial poultry production and poultry marketing systems, the health, food security and the livelihoods of millions of poor rural, peri urban and urban Egyptian poultry keeping households were affected. Civil society organizations (CSOs), in particular those with community based activities in urban and semi-urban areas, were involved in control related activities from the start. Their input was considered most valuable in those urban communities that do not come under the responsibility of the veterinary services of the Ministry of Agriculture and Land Reclamation nor are they visited by the Ministry's agricultural extension workers or the "*ra'idaat rifeyyat*" or home health visitors of the Ministry of Health and Population.

Given the large household poultry production sector - with around three hundred million birds kept annually, it is estimated that around twenty seven percent of all Egyptian families are involved in household poultry production. Living in close proximity with clinically infected or carrier birds poses a great health risk to those families in particular, and for the rest of the country and region. The majority of confirmed human cases occurred in women and children and in other family members of households involved in home poultry production. Reinforcing the national control program

directives for bio- security, maintenance of basic hygiene and sanitation conditions in markets and poultry shops and monitoring the safe waste and by-products disposal is an important task that can be effectively supervised by Consumer Protection CSOs that are already operating in markets.

The explosive nature and the very rapid spread of the disease during the initial phases of the AI outbreak indicate the challenges and difficulties facing Egypt in applying the control and eradication program. The intervention and support of CSOs was critical at the initial stages of national mobilization which had been accompanied by a certain degree of panic attributed to the initial aggressive set of control policies and the conflicting and exaggerated messages received by the public from different sources of information. Using information and guidelines for control and prevention of AI that are validated by the competent technical authorities, CSO community based workers helped overcome these negative impacts through awareness raising, information and communication campaigns. They also facilitated the work of the vaccination teams in households that were reluctant to vaccinate their birds, or to admit keeping poultry in fear of the destruction of the coops and culling of their poultry breeding units.

Now that the epidemic is well into its second year, CSOs support will need to be directed towards mitigating the impact of AI on poor households (both rural and urban) who raise poultry as an income generating activity as

well as an important source of animal protein for their children. Preliminary results of the assessment of the socio-economic impact of the AI epidemic that was initiated recently in some Upper and Lower Egypt Governorates demonstrated a negative impact on the health and nutrition of the families and a reduction in family income, more evident in those villages or neighbourhoods that were within the perimeter of a culling order. During this second phase of the epidemic, the CSOs will now need to also direct their activities towards helping the families overcome the socio-economic impact of AI.

With the evolution in the course of the epidemic contribution and support of civil society organizations covers four domains of action that aim to:

- i) control and prevent transmission of infection;
- ii) improve and raise the quality of the household poultry production system;
- iii) mitigate the socio-economic impact of the AI epidemic; and
- iv) engage in a dialogue with policy and decision makers to ensure that all control measures are conceived, structured and implemented in a manner that causes the least economic and negative social impact of poor households, within the overall objective of minimizing the negative impact on human and animal health and on the environment.

Source: H. Hassan-Wassef, Background Paper for the EHDR 2008. Reference: Avian Influenza in Egypt, by Farid Hosny, (Online) CIHEAM Watch Letter No. 3, Autumn 2007. <http://news.reseau-concept.net/images/ciheam/Client/WL3.pdf>

whether through public facilities or via partnerships with private sector foundations and as part of a CSR campaign — it could become a means to address and overcome the shortfalls in supply that have recently been experienced in Egypt.

Another major national health problem that dominates the scene at the present time is the HPAI (highly pathogenic avian influenza) epidemic. The immediate response and mobilization of CSOs of different denominations across the country in support of Government efforts for implementation of control and prevention measures is a commendable example of partnership (see Box 9.3). CSOs have worked closely with the communities they serve and come up with a program of activities that respond to the particular needs of a given community. They can continue to help identify high risk links for infection transmission in the household

production system and organize public awareness, information and education campaigns; promote use of practical and adapted personal protection apparel; advise on and monitor basic hygiene and sanitation conditions and safe waste disposal practices; and provide simple appropriate technologies - whenever relevant - to guarantee that safe production practices are applied. Action to improve domestic poultry production can involve assisting the community to acquire poultry of improved genetic potential; to access and use high quality feed; to benefit from the veterinary services and to apply all the prevention measures such as vaccination of all their flocks.

Box 9.4 discusses the issue on whether NGOs can contribute to universal health insurance. The case may be different for Egypt. A scheme for a social health insurance mechanism is expected to

HEALTH INSURANCE SCHEMES

BOX 9.4 CAN NGOS CONTRIBUTE TO UNIVERSAL HEALTH INSURANCE?

The quest for health equality is often used as a major argument for heavy government involvement in health care. However, virtually without exception, country studies show that the poor have less access to all types of health care and benefit less from publicly provided services than higher income groups. As a result health status is universally lower for the poor than for the rich. After more than 25 years of policy failure in this area the evidence suggest that it is time to rethink the strategy that is heavily based on the government as sole financier and sole provider of health care.

A good example on how progress can be made to indeed achieve access for all comes from *Colombia*. It introduced a comprehensive health insurance scheme in the early eighties, consisting of two regimes. The contributory regime focused on workers with monthly incomes of about US\$170 or higher, and the subsidized regime covers the poor. Financing for the contributory regime comes from mandatory payroll taxes, and for the subsidized regime, from a mixture of fiscal revenues and cross-subsidies from payroll taxes. A controversial, but necessary aspect of the dual insurance scheme is that benefits are more limited in the subsidized regime. Paradoxically, the overall ex post effect of the introduction of the new system has been more equality, in insurance coverage, in access to health care, and in health outcomes.

Another major feature of the reform was made on the supply side. Even for the fully subsidized regime, the government did not solely rely on the public sector. Instead, participants can choose

from among a mixture of public or private, for profit or not-for-profit health insurance companies. In turn, the insurance companies contract health services from a network of public, private or own clinics and hospitals. The insurer-provider contracts provide a steady and reliable income flow for clinics and hospitals, which facilitates sufficient staffing and much needed investment in health care infrastructure. Both of which contribute to raising the quality of the offered services. And finally, by relying on insurer-provider contracts, where the providers can be public or private, incentives can be put in place to provide reliable access for all income levels.

Facing Health Care in Poor Countries

Given the overall limitations of resources, policies to increase access should be designed so as not to crowd out those private resources. Prepaid low-cost voluntary health insurance provides such a mechanism. It harnesses the existing resources, provides a steady income flow for the providers and protects participants from financial shocks as a result of illness. A way forward is suggested by the recent experience of a Dutch nongovernmental organization (NGO) that developed low-income health insurance products for a variety of low-income workers. The NGO started with workplace programs in large international companies, providing comprehensive health insurance to the workers. As in the case of Colombia, the NGO developed contracts between insurers and providers, to guarantee easily accessible and high quality care. This approach is currently being implemented in more than thirty African countries. The success of this approach depends on the effective and sustained demand for these volun-

tary (private) prepaid insurance schemes. Long-term experience with such schemes is still limited, but a growing literature on the willingness-to-pay for health insurance suggests that the market for such schemes is large, also among the poor.

The Willingness-to-Pay

In the absence of real world experience, economists gauge the willingness-to-pay (WTP) for health insurance in low income countries by means of contingent valuation (CV) methods. The number of studies in this area is rapidly growing and provides a consistent picture¹. Examples from China, India, Ethiopia and Iran show that those with low incomes are willing to pay higher percentage on health insurance premiums than higher income groups. Higher income households are willing to pay more for insurance, again reflecting their expected outlays.

The implications is that central government aid for the poor should be designed in such a way that the private resources stay in the health system, rather than being crowded out. Private voluntary health insurance may provide a mechanism to achieve this. It will also provide a reliable income flow for health care providers, and protect the poor against the negative financial shock of having to face large health care expenditures. The way forward should include experimentation with alternative contractual arrangements among (public and private) insurers and (public and private) providers, accompanied by serious evaluation efforts to learn from mistakes and accumulate best practice.

Source: Jacques van der Gaag, International Food Policy Institute (IFPRI), 2007.

become operational with the establishment of the National Family Health Insurance Fund of the Health Sector Reform Program (HSRP). The broad objectives of the HSRP include the following:

- Improve both quality of care and access to care, particularly for underserved areas and populations;
- Combine public and private health expenditures to provide a basic package of services to all citizens, focusing on both preventive and curative services;
- Integrate the provision of services around individuals through a system of family health focused providers;
- Create a more effective public-private partnership in health care service provision.

The health system is being restructured according to a “family health model” that focuses on a universal entitlement for basic benefits financed through government and individual contributions

To achieve these objectives, the Egyptian health system is being restructured according to a “family health model”. Payment reform is a cornerstone of HSRP that focuses on a universal entitlement for basic benefits financed through a combination of government resources and individual contributions. Out-of-pocket payments will be diverted into a standard co-payment and an annual enrollment fee through a national social health insurance mechanism. Health service CSOs can apply to become an accredited service provider within the Family Health Program if the

BOX 9.5 SANITATION TO SLUM DWELLERS, PUNE, INDIA

The primary objective of the initiative was to provide community sanitation blocks in all the city's slums through community participation. CSOs were invited to bid to design, construct and maintain the sanitation blocks, through monthly user charges, in close collaboration with local communities. Pune Municipal Corporation was to bear the capital costs for construction and the provision of water and electricity.

Costs were significantly reduced by requiring that the bids of the CSO — which, unlike private sector contractors are non-profit bodies — do not exceed the estimated cost. The Municipal Corporation surveyed all slums in the city and categorized them into three groups according to the level of sanitation facilities. Top priority was given to 67 slums, in which there were no sanitation facilities at all. Next priority was given to 452 slums, in which existing blocks were in unusable and dilapidated

condition and required either major repair or demolition and reconstruction. The third category covered areas where there were functioning, although inadequate, toilet blocks.

By taking up the program at a city-level scale, it has been possible to reach 500,000 people out of a slum population of 600,000. A total of 418 toilet blocks with 6,958 toilet seats have been constructed in Pune slums through community participation. This includes child-friendly facilities in many locations. The provision of a caretaker's room is an added incentive to households to oversee cleanliness of the blocks.

Hygiene and health have improved significantly as a result of the provision of the toilet blocks. The poor, who constitute the majority of slum dwellers, are the main beneficiaries. The Municipal Corporation will save on maintenance costs, as

this in now the responsibility of local communities. Consideration is being given by some CSOs to the possibility of establishing a city-wide maintenance system.

Pune Municipal Corporation is now acquainted with CSOs and CBOs, while the latter are able to confidently engage with government at the local level. The communities' new-found self-assurance extends to other areas of their lives where they have to interact with the State. The State Government has endorsed the Pune model, and other corporations have been encouraged to adopt it. Other cities have also tried to incorporate the main principles into their programs. The Indian Government has launched the National Sanitation Program based on the Pune model, and is offering State governments/local authorities 50 per cent subsidy on construction costs.

Source: UNHABITAT, 2006

TABLE 9.1 NATIONAL SANITATION COVERAGE

Percentage of households connected to a public sewage network

Total	Urban	Rural
50.2%	82.5%	24.3%

Source: Preliminary Results of the 2006 Census, CAPMAS, May 2007



services that they provide conform with the quality norms and standards defined by the MOHP.

The Family Health program is operated through the Family Health Fund (FHF) created by a Ministry of Health and Population Ministerial Decree in 1999. The FHF is an economically independent body established as a pilot financing and insurance unit that puts into practice the principle of separating service provision from finance. It is the first step leading — in progressive phases — to the ultimate national goal (to be realized during the current Presidential mandate) for the establishment of the National Family Health Insurance Fund in conformity with the strategic plan of the health sector reform. It is up to health service CSOs to qualify as a 'service provider organization' and be contracted and paid for the health services that they provide within the system.

WATER AND SANITATION AT THE CROSSROADS²

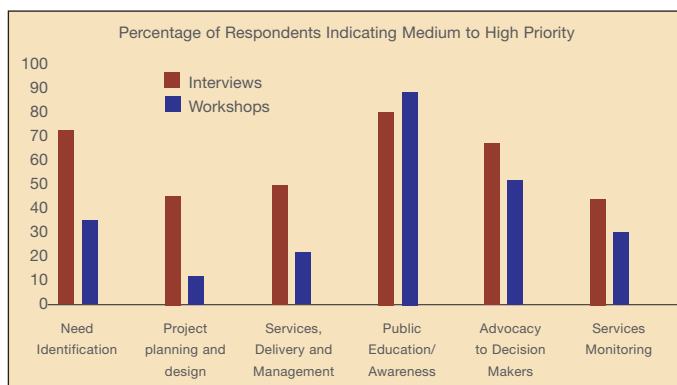
INFRASTRUCTURE PROVISION FOR POOR COMMUNITIES

One of the greatest challenges facing Egypt today is the number of poor rural and urban households in need of access to basic infrastructure (mainly water supply and sewage). If lacking, this can have a significant adverse impact on human health, productivity and the quality of life. Within the last two decades, the Egyptian governments have invested massively in providing water supply and sewage networks to both rural and urban communities. Today, all Egyptian cities and more than 90% of villages are covered with water supply services, although recent shortages in some localities have given rise to concern. Only 60% of cities enjoy sewage service, and in villages only 4% are covered with a formal sewage network, a figure that, with the completion of on-going project, will rise to only 11%.²

The situation has motivated the Egyptian government in the new Five Year Plan (2007-2012) to allocate more than LE 72 billion to expand the water supply service to be regularly accessible by all Egyptian citizens. However, even with these unprecedented investments, only 40% of Egyptian villages will have sewage service.

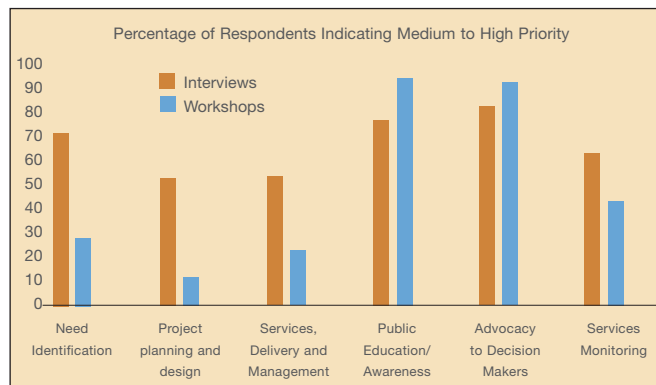
2. Ibid, Habiba Hassan Wassef, Background Paper to the EHDR 2008.

FIGURE 9.1 SEWAGE AND WASTEWATER: PRIORITIES FOR CDA ACTION



Source: Egyptian NGO Support Center, (2004), "Guidelines for NGO and CDA Contribution to Environmental Action: Drinking Water and Sewage / Wastewater Services."

FIGURE 9.2 SEWAGE AND WASTEWATER: PRIORITIES FOR NGO ACTION



Confronted with this challenge, the Ministry of Housing is seeking for different innovative technologies and approaches that encourage the involvement of other stakeholders such as CSOs in carrying out locally adopted and inexpensive sewage networks, especially that private sector investment is more difficult to attract.

Yet, there is no Egyptian CSO specialized to manage the provision of locally and cheap sewage services in villages and informal settlements. Although, in their upgrading schemes, a few CSOs such as CEOSS and HFHE have helped local communities to access water supply and sewage, large-scale intervention in this field is lacking.

The sanitation crisis in Egypt has reached a stage of imbalance where the coping capacity of the systems that are in place — whether stand-alone household systems or public collection networks and treatment plants — are unable to protect man and the environment from contact with an ever increasing load of human excreta and other forms of waste products. With the passage of time, this gap results in pollution that is degrading natural resources and the health of ecosystems, with a

TABLE 9.2 COMPONENT ACTIVITIES WITH GREATEST POTENTIAL FOR SIGNIFICANT CDA AND NGO CONTRIBUTIONS

	Wastewater disposal (Based on 25 completed surveys)	Water supply (Based on 14 completed surveys)	Combined Water and Wastewater results (39 completed surveys)
Needs Identification	11	5	16
Services planning and design	2	2	4
Services delivery and management	8	2	10
Public education and awareness raising	17	9	26
Advocacy on behalf of citizens	10	10	20
Service monitoring and assessment	2	1	3

Source: Egyptian NGO Service Center, (2004), "Guidelines for NGO and CDA Contribution to Environmental Action: Drinking Water and Sewage / Wastewater Services".

Note: Non government organizations (NGOs) are registered non-governmental organizations not bound by local administrative boundaries and with no direct relation to local government. Community Development Associations (CDAs) are registered civil society bodies whose geographic coverage does not extend beyond the administrative limits of a village or neighborhood. They often have financial and administrative support from MOSS and have members of local councils on the board.

TABLE 9.3 SURVEY FINDINGS ON ACTIVITIES FOR WHICH NGOS AND CDAS SHOULD NOT BE RESPONSIBLE

	Wastewater disposal (Based on 25 completed surveys)	Water supply (Based on 14 completed surveys)	Combined Water and Wastewater results (39 completed surveys)
Needs Identification	1	1	2
Services planning and design	8	2	10
Services delivery and management	6	1	7
Public education and awareness raising	1	0	1
Advocacy on behalf of citizens	2	1	3
Service monitoring and assessment	4	3	7

Source: Egyptian NGO Service Center, (2004), "Guidelines for NGO and CDA Contribution to Environmental Action: Drinking Water and Sewage / Wastewater Services".

Note: Non government organizations (NGOs) are registered non-governmental organizations not bound by local administrative boundaries and with no direct relation to local government. Community Development Associations (CDAs) are registered civil society bodies whose geographic coverage does not extend beyond the administrative limits of a village or neighborhood. They often have financial and administrative support from MOSS and have members of local councils on their board.

negative impact on human health.³ One such effect is the water and soil pollution that enters the food chain and creates a barrier for market entry of Egyptian agrifood exports.⁴ Another example is the erosion of the human capital by the impact of repeated intestinal infections and

3. Op cit, Habiba Hassan Wassef, (2008).

4. FAO/WHO, (2005), "National Food Safety Systems in the Near East: A Situation Analysis", FAO/WHO Regional Meeting on Food Safety for the Near East, Amman (Jordan).

TABLE 9.4 THE COMPARATIVE EFFECTIVENESS OF CDAs AND NGOS CONTRIBUTIONS

Activity	Effectiveness		
	CDAs	NGO's	Other Effective Providers of the Activity
1. Identifying community needs	High- med	High- med	Consultants (high-med) and local government (medium)
2. Project planning and design	Med-low	Med-low	Consultants (high) and special service providers (medium)
3. Mobilizing community resources	High	High	None
4. Limited duration environmental clean-up	High-med	High-med	Local govt (med), public sector (med) and specialist service providers (High-med).
5. Managing services – multiple communities	Low	Low	Specialist service providers (high), local govt, public sector and consultants (medium).
6. Collecting fees for ongoing services	Medium	Medium	Local government (High-med) and special service providers(medium)
7. Advocacy for legislative/executive action	Medium	Medium	None
8. Public awareness - single community	High	High	Consultants at lower limit of medium
9. Public awareness - multiple community	Med-low	Med-low	Consultants (medium)
10.Promoting behavioral change	High-med	High-med	Consultants (medium)
11.Mediating conflict/enforcing contracts	Med-low	Med-low	Local government (medium)
12.Service monitoring and assessment	Med-low	Med-low	Consultants (high-med)

Source: Egyptian NGO Service Center, (2004), "Guidelines for NGO and CDAContribution to Environmental Action: Drinking Water and Sewage / Wastewater Services".

the resultant nutritional deficiencies on the mental capacities of children.⁵

HOW WIDESPREAD IS THE COVERAGE?

The wide variations that existed in the sanitation coverage figures have finally been resolved by the figures announced in the recent 2006 Census (see Table 9.1).

CAN CSOS ADD VALUE TO SANITATION AND WASTE WATER MANAGEMENT?

In a study which analyzed the contribution of civil society to key activities within the domains of drinking water and sanitation (W&S),⁶ the following activities were identified:

- Needs identification;
- Service planning and design;
- Service delivery and management;
- Public education and awareness raising for behavior change;
- Advocacy to decision makers on behalf of citizens;
- Service monitoring, quality control and assessment.

The study results - which were drawn from field surveys as well as from a series of training work-

shops organized for CSOs — also investigated the added value that CSO bring to W&S and the comparative advantage they have in the implementation of certain activities

In the same manner, the activities that should not be left to CSOs were commented on. Under this category, service planning and design, and service delivery and management were considered least suited to CSO intervention. Opinion was mixed as to the role of CSOs in service monitoring and quality assurance and assessment. Activities with the greatest potential for CSO contributions include needs identification, public education and awareness-raising, as well as advocacy on behalf of citizens (see Tables 9.1 and 9.2).

EXPLORING NEW ROLES FOR CSOS

This section addresses the role and contribution of civil society towards improving the sanitation problems in Egypt. It will not go into the details of the recent developments in the legal and institutional setup and the changes that have been introduced in the management of water and sanitation service delivery, but will deal with the managerial aspects of the new setup where CSO can bring an added value.

5. Nevin S. Scrimshaw (1991), "The Consequences of Hidden Hunger for Individuals and Societies". *Nutrition Today*, 26(5):39; and IBRD/WB. *Repositioning Nutrition as Central to Development*, (2006).

6. Egyptian NGO Service Center, (2004), "Guidelines for NGO and CDA Contribution to Environmental Action: Drinking Water and sewage/Wastewater Services".



The task of increasing access to sustainable and safe sanitation facilities, broken into smaller governorate level can be realized with the help of the widespread network of CSOs

The World Bank with its two major projects, The Integrated Sanitation and Sewerage Infrastructure Project and the Integrated Rural Sanitation Services Delivery Project has rallied major stakeholders around the need to change the mind-set concerning traditional supply driven planning and delivery of sanitation infrastructure services, particularly in rural areas.⁷

CSOs can now engage with other actors towards real integration at the local level and become a partner in the opportunity that is offered to change the institutional and financial frameworks governing rural sanitation services in Egypt. In this way new roles and domains for intervention can be explored by civil society in dealings with other stakeholders.

CSOs: A PRIVILEGED PARTNER AT THE LOCAL LEVEL

Given the local nature of rural sanitation problems, civil society organizations (CSOs) are best placed to work closely with local communities. Solutions for problems caused by lack of water supply, sanitation, and hygiene can only be achieved in a local context, in which the appropriate mix of government, private sector, individual and civil society contributions are locally acceptable. All sectors have a part to play, and their part must be locally determined. The huge task of increasing access to sustainable and safe sanitation facilities, broken into affordable smaller governorate level local tasks can be realized with the help of the widespread network of CSOs and, in particular, the Community Development Associations (CDAs). It will necessitate a change in policy and strategy to allow the development of

local 'comprehensive' sanitation programs that are geared to local needs, and to the particularities of the local context within a National Sanitation Program.

UNICEF gives the example in its 2007-2011 country collaborative program for integrated approaches to rural sanitation in a 'rights-based' community level participatory approach that combines drinking water, sanitation, education, health and the environment.⁸ It is CSOs that have the ability to cut across these sectors and the various potential partners to bring them together in an integrated approach to sanitation that bridges their separate mandates. At the same time, this will approach respects the basic principles for the creation of socially, economically and ecologically sustainable sanitation systems.

This will require a different role and responsibility from civil society, given the characteristics and parameters of the current situation, and the practical and operational translation of Egypt's commitment to sustainable development, as well as to the achievement of the first target of environment sustainability in the MDGs (Goal 7).⁹ CSOs need to explore new avenues to satisfy new demands. At the present transition stage, much of their role remains to act as a broker between the newly conceived services and the beneficiaries. During this adjustment phase they can monitor performance, identify and solve problems until partner sectors/authorities and their newly instituted structures and services are running smoothly and are responsive to the needs of the communities they serve.

7. Arab Republic of Egypt. (2006), Integrated Sanitation and Sewerage Infrastructure Project. WB Project Information Document, Report No.: AB1702; and Arab Republic of Egypt. Operational Framework for Integrated Rural Sanitation Service Delivery. WB Report No.: 32230-EG, 2005.

8. UN Economic and Social Council. 2006 "United Nations Children's Fund. Draft Country Program Document - Egypt". E/ICEF/2006/P/L.18.

9. For a full list of the MDGs, see Chapter Two.

BOX 9.6 WATER USER'S ASSOCIATIONS - A NEW PARTNER WITH CSAs IN RURAL SANITATION

The sanitation and water resource protection component of the Water Users Association (WUA) implemented at markaz and village level a number of governorates, is an example of a new partnership and new type of action. The sanitation and water resource protection component of the Water User's Associations (WUA) is implemented at markaz and village level in a number of governorates is an example of a new partnership and new type of action in the management of agricultural and human waste with the objective of protecting the water resources.

The WUA is the expression of the decentralized approach promoted by the MWRI for managing the irrigation system. There are three main partners that are involved in the Water User's Associations, the farmers or the owners of the agricultural land; the private sector companies that carry out contracts on behalf of the Ministry of Water Resources and Irrigation (MWRI) for construction or maintenance of irrigation systems and water works; or public sector companies or holding companies that have been set up for management of the mega agricultural development projects such as Toshka and Salam Canal projects. As the major users, farmers make up the WUAs.

In the old Nile Valley, the WUA is formed around tertiary canals or mesqa with the specific objectives of operating the canal and maintaining the mesqa. The WUA are responsible for equitable and fair distribution of the irrigation water by scheduling turns among the water users, for settling disputes, and through feedback channels, for providing the MWRI with

suggestions and comments on water related issues. The WUAs at mesqa level are currently legally supported since 1994.

Water Users Unions, established in the new lands are defined in the same way as the WUA. There are currently more than 2500 WUA and hundreds of WUU. At the secondary canal level, the Associations are referred to as Water Boards. The main operational objectives of the Water Boards are to improve operational irrigation and drainage management; to reduce financial burden on the Government through cost sharing mechanisms; promote the equitable distribution of water; and prevent and resolve conflicts.

The CSOs that are an integral part of local communities have been initiated to water management issues and work closely with the WUAs. The role and contribution of the NGO is complementary to the work of the WUA. They address issues such as hygiene promotion; protection and promotion of health and the environment; rational use of potable water supplies; safe disposal of human waste and solid waste; protection and maintenance of waterways; networking and linking communities of end users of water resources, among other interventions and promotion of mutually beneficial best practices. An important role for CSOs is a monitoring and surveillance role for prevention of direct evacuation of untreated sewage into waterways. More importantly that of identifying and promoting alternate solutions for safe disposal of sewage with the help of competent authorities.

Source: Habiba Hassan-Wassef, Background Paper to the EHDR 2008.

CSOs can help overcome the phenomenon of sectoral compartmentalization and ensure coordination of policies and actions requiring multi-sectoral interventions



New modalities
for their work may mean

that CSOs should incorporate environmental considerations at the early planning stage, adopting an integrated systemic approach towards sustainable development. The World Bank recommends that programs move from a focus on inputs and isolated projects to output-oriented project outcomes or impacts, and from dependence on external assistance to national resources mobilization and financial autonomy. This is part of an integrated management approach in the implementation of the National Water Resources Plan (NWRP) by the Ministry of Water Resources and Irrigation (MWRI) (see Box 9.6).

For over two years, the water management activity of the village-based Water Users Associations has evolved to also include the management of agricultural waste and of household solid waste. CSOs can contribute to changing human behavior, by making available appropriate low cost technologies to communities. This would lower health hazards and risk exposure, as well as prevent damaging health impacts by preventing the degradation of natural resources, thus reducing social cost.

A critical role for CSOs is to act as go-betweens, bringing sectors together. CSOs can help overcome the phenomenon of sectoral compartmentalization and ensure coordination of policies and actions requiring multi-sectoral interventions. As a mechanism by which to bridge the deficiencies in the institutional setup and in the different stakeholders they can identify overlap, pinpoint responsibilities and follow-up with the concerned authorities such as the Ministry of Health and Population responsible for ensuring safe waste disposal, water quality and safety; local government or municipalities responsible for operating local water

BOX 9.7 APPROPRIATE SEWAGE SYSTEMS: BEST PRACTICE FROM UPPER EGYPT VILLAGES

In response to the urgent need to provide the rural population with safe sewage management systems, a group of motivated sanitary engineers designed and field tried viable models for cost-effective appropriate sewage systems exploiting the principle of separation of grey water from sludge and sediments. Unlike the majority of other existing associations that introduce and implement generic models copied from research centers and text books that represent and respond to the needs of foreign communities, the Egyptian design recognizes the needs and preferences as expressed by the population and is inspired from the realities of the local context. The engineers have designed systems that are appropriate for household size, income-level and adapted to existing local conditions.

The system that offers affordable solutions to those households currently deprived from hygienic living conditions and that are not likely to be served by public programs in the next decade or two. The models are constructed with locally available materials and labor thereby significantly reducing the cost when compared to Government-proposed public collection networks and treatment plants that call for massive investments. The only condition is that the groundwater table must be at least 6 feet deep since the rising water table limits its application. The progressive spread of such simple technology can eventually lead to gradual reduction — and hopefully disappearance — of the habit of discharging raw sewage into waterways and do away with the unlawful injection of untreated sewage and wastewater into the underground water table.

Operating mostly in governorates of Upper Egypt, the approach is, to-date, applied with the collabo-

ration of 17 community development associations (CDAs) in a number of villages to benefit a population of about 33 thousand inhabitants. Implementation is through a participatory approach that involves the villagers as actors/beneficiaries in a continuous dialogue. Spread of the technology and its application is supported by a network of like-minded grassroots organizations that are able to demonstrate and advocate for adoption of the technology by decision makers in other villages. Continuous upgrading of the technology is ensured through involvement of the CDAs in monitoring the results after installation of the new technology and in providing a continuous feedback from the users and managers of the system. The trained village teams also network with other village leaders for wider outreach, advocating for the technology option proposed to satisfy sanitation needs and for the environmental and health benefits.

The model used for individual homes became popular among the villagers as it does not require the frequent messy evacuation process called for when using traditional closed septic tanks. This is because it has an internal system of sand and gravel for filtering sewage water. By customizing the size of the tanks to the number of people in the household, this model will only need to be pumped out every 5 to 7 years. The villagers are trained on how to measure the depth of the groundwater table at their homes and control that it is below the required depth of over 6 feet. For the communal model serving a cluster of at least several dozen households, a village-based mini-sewage system is adopted. This is appropriate for the majority of Egypt's villages which are too small to be on the government's priority list for a high cost sewage treatment plant. The population

is involved in all stages of the process, whether the design, the financial and managerial plan, the implementation stages and cost sharing.

The existing individual septic tanks (if the household has already invested in one) are connected by installing gravity-fed pipes to a communal filtering facility.¹⁰ Larger villages can have one to four filtering facilities draining more than one household, depending on the size and lay-out of the houses in the community to be served. This mini-sewage plant is designed to be built and maintained with locally available materials and labor thereby significantly reducing the cost and increasing the likelihood that the community will actually develop a system that meets their needs. The villagers were observed to gain confidence through the implementation of such collective projects and took pride in their own accomplishments. Unemployed village youth or other members of the community are trained to construct and provide maintenance services for these systems. It was found that consulting and involving women of the household led to higher adoption rates for the project ideas and better outcomes.

The village teams are encouraged to visit neighboring villages and to see other sanitation systems in operation. It is planned to reach at least 30 new CDAs in the coming three years and to have this network of 50 CDAs form the first nucleus to carry out the much needed nationwide advocacy campaigns for adoption of improved rural sanitation systems that can safely manage the sewage and wastewater for those rural populations that are not eligible to be serviced by public collection and treatment systems.

Source: Sameh Seif, (2007), Together for Environment and Development NGO, Menia

and sanitation utilities; and the water supply and sanitation authorities who establish the services and are under the responsibility of the Ministry of Housing Utilities and New Communities. This would improve the performance of the service and protect beneficiary and/or consumer rights. CSOs can also advocate for and undertake evaluation of the different low cost stand-alone community based technologies for collection and disposal/management of household sewage. They can play a proactive role and establish the link between research teams in regional universities — who have developed low-cost home produced technologies — and the communities in need.

EVALUATION OF BEST PRACTICES

In assessing the performance of CS it is important to remember that 'safe sanitation' is the

Safe sanitation means that the safety principle must be maintained through each leg of the process from collection to safe disposal of all waste matter

objective (MDG Goal 7). This means that the safety principle must be maintained through each leg of the process: from collection to safe disposal of all forms of waste matter. Providing support for construction of latrines inside the homes of a village without providing for a 'safe' process for emptying the vaults or cess pits, for safe transport of the sludge and safe treatment for reuse or disposal is not a success story. Another common example of so-called 'success' is the village level solution — facilitated with the help of the local Community Development Association (CDA) — of allowing each household

10. See Figure 9.5 in EHDR 2005, UNDP and Institute of National Planning, Cairo.



to evacuate its collected waste water and sewerage output into a main collector conduit dug in the centre of the dividing street between the houses. This process empties the raw and untreated wastewaters directly into the nearest waterway, irrespective of whether it is an irrigation or an agricultural drainage canal.

Another common system that is also far from 'best practice' is the presence of latrines that are regularly serviced by a sludge removing truck, when that same truck dumps the untreated sludge in the nearest waterway. In this case, there is no mention of safety measures and protection from occupational health hazards, or of special protective gear for all those who handle and transport raw sludge. These examples of poor practice can, in fact, be turned into real success stories with appropriate interventions from the local CSOs if the 'safety' criterion is satisfied.

It has been found counterproductive to separate potable water supply from sanitation. The same goes for household solid waste. Most of the CDAs and NGOs working for 'safe' sanitation in villages have found it essential to also mobilize the community to initiate a solid waste collection and disposal system. The same has applied when planning rural development projects that include activities for recycling and management of agricultural waste. It soon becomes apparent that it is necessary to add a planning dimension to include a system for the collection and management of household solid waste. Another example is that of the local water resource management organizations. These include the *mesqa* level

It has been found counterproductive to separate potable water supply from sanitation

Water User Associations at village level that report to and are managed by the *markaz* level Water Boards. The latter report to the Water Board's Committee or Executive Board that is made up of representatives of agriculture, industry and of residents living and operating in a given area that falls under the jurisdiction of the Water Board. Though primarily concerned with equitable management of water resources, when they come up against the widespread phenomenon of rural households evacuating their waste waters into the canals, they soon become involved in providing alternate options for disposal. These and other measures can be implemented in whole or in part by CSOs.

THE CHALLENGES

There are great challenges to overcome if communities, with the support of CSOs, can make a real difference to the state of sanitation in Egypt, and in rural areas in particular. In its analysis undertaken in preparation for implementation of the Integrated Rural Sanitation Service Delivery project, the World Bank lists the following challenges:¹¹

- Enormity of scale of problem and cost of addressing it;
- Inadequacy of funds and capacity to start service provision in all villages at the same time thereby necessitating prioritization of target villages;
- Relative remoteness of sanitary drains from villages compared to irrigation drains and canals that are much closer to villages, thereby making it tempting for people to dump wastes into the irrigation drains;
- Sanitation tariff levels are far too little for effective cost recovery, and the consequent effect of this on revenues for sustainable operation and maintenance;
- Use of centrally directed, supply-driven approaches for providing sanitation service infrastructure do not meet local requirements;

11. Arab Republic of Egypt, (2006), Integrated Sanitation and Sewerage Infrastructure Project. WB Project Information Document, Report No.: AB1702 and Arab Republic of Egypt. Operational Framework for Integrated Rural Sanitation Service Delivery. WB Report No.: 32230-EG, 2005.

- High (and costly) treatment standards required of municipal wastewater treatment facilities;
- Ensuring that all segments of society have access to safe appropriate sanitation systems adapted to their needs and mean;
- The establishment of improved sanitation systems that can guarantee appropriate collection and management of human and all other types of waste matter and its separation from the environment.

A number of basic development problems also stand in the way of a true national mobilization spearheaded by civil society for the implementation of a phased program for complete coverage, by improved and safe sanitation facilities for all the rural population:

- *The absence of appropriate analysis of the long term impact of the progressively deteriorating situation on the attainment of Egypt's socio-economic development goals and the MDGs.* The situation becomes doubly critical when it is the health and well being of the new generations that are compromised:
- *Repeated intestinal infections* complicated by the inability to fully rehabilitate the poor nutritional status with resultant growth retardation, multiple nutritional and micronutrient deficiencies and higher incidence of chronic non-communicable diseases in adult life is translated into a reduction in GDP and in the numbers of skilled laborers;
- *The rise in the incidence of nutritional anemia* in children which has reached 49% of children in Governorates of the South can lead to diminished cognitive function, behavior changes and poor scholastic achievements;¹²
- *Trans-generational transmission of malnutrition* places the low birth weight new borne in a disadvantaged position that jeopardizes the attainment of full expression of his/her human potential and raises wider health costs later in life;¹³
- *Premature mortality* may be the most disturbing product of the water and sanitation deficit.¹⁴
- *Lack of a national strategy that aims at complete coverage by rural sanitation services.* The National Organization for Potable Water and Sanitary Drainage (NOPWASD) is the official entity for making decisions on the distribution of investments for large-scale drinking water and sanitary drainage projects in all governorates except Cairo and Alexandria. It is responsible for policies and plans for drinking water and sanitary drainage activities at the national level. It also carries out studies, makes designs, and supervises al projects related to drinking water and sanitary drainage that are beyond the capacity of local units serving more than one governorate. NOPWASD is not responsible for on-site sanitation and the many smaller villages and settlements, such as the hamlets, are not included in the organization's program of activities. They are automatically covered by any project that benefits the mother village to which they belong administratively.
- *Non-viable On-Site Technologies due to the changes that occurred during the last few decades in the water dynamics of the Nile valley.* The typical facility used for excreta disposal in rural areas in Egypt is the bayara or vault. In Egypt, a number of factors affect the effectiveness of these bayaras. They include increasing population growth and population densities, rising levels in the quantities of wastewater resulting from increased water supply to the rural areas, and rising water tables. In high water table areas, the bayara system becomes non-viable. With upward water pressure from the water table, the bayara cannot be emptied often enough. Sewage swells up, inundating lower floors and flowing onto streets, and evacuated wastes are dumped into nearby irrigation drains and possibly canals.
- *The absence of alternate sanitation management solutions* to offer to the rural dwellers under the above conditions. Such solutions need to be designed to suit each particular case, taking into consideration their demographic, geo-physical and hydrological characteristics (see Box 9.3).

12. IBRD/WB, (2006), "Repositioning Nutrition as Central to Development" op. cit.
 13. El-Zanaty Fatma and Ann Way, (2006), "Egypt Demographic and Health Survey 2005" Cairo, Egypt: Ministry of Health and Population and the National Population Council; see also United Nations Standing Committee on Nutrition Fifth Report on the World Nutrition Situation: "Nutrition for Improved Development Outcomes," (2004); and Nevin S. Scrimshaw "The Consequences of Hidden Hunger", op. cit.
 14. UNDP, (2006), Human Development Report 2006: *Beyond Scarcity: Power, Poverty and the Global Water Crisis*.

BOX 9.8 CAN WOMEN MAKE A DIFFERENCE?

Much can be gained if the National Council of Women (NCW) agrees to spearhead a program for management of environmental sanitation including safe disposal of sewage and wastewater in rural areas. The added value would be in the valuable political support that the NCW brings to the program. National mobilization of community-based participatory action for safe sanitation (MDG Goal 7, Target 10) based on community level action by women and women's groups and CSOs will benefit from the extensive local networking and organization of the NCW's program. Such a program is primarily concerned with the rural collectivities that do not qualify for a public sewage collection network and treatment plant or those that have been on the waiting list for a public system for many years.

Models for home based stand-alone or communal technologies for safe collection and management of sewage and wastewater and other innovative technical solutions that are suited to the particularities of the Egyptian context have already been tried in a number of geographic zones. The need is most urgent, as argued in the EHDR 2005. Appropriate technology, community level financial schemes, entrepreneurial services, and the creation for SMEs for production of adapted technology are all components. The program is expected to contribute towards protection of natural resources and improved environmental conditions. It can reduce the propagation of infectious, parasitic and food borne diseases, as well as the incidence of chronic non-communicable diseases attributed to environmental insults. Health costs will in the long run be contained and the potential for human development enhanced.

Source: Habiba Hassan-Wassef, Background Paper, EHDR 2008.

Evaluation needs to be made of the rich experience that CSOs have gained and the results used to apply the lessons learnt in newly designed programs

- *No serious effort made for evaluation of the many success stories, best practices and valuable experience* gained by the sanitation engineers, development agencies and all types of civil society working in the field. There has never been any structured mechanism for documenting and evaluating past experience and hence no collective memory that can provide valuable experience and lessons learnt to guide future work.
- *Overlap of responsibilities.* Though the MHUNC remains the lead ministry responsible for provision of water and sanitation services, the cross-cutting nature of the subject of sanitation calls for clear definition and attribution of responsibility, roles and functions for each partner at each level, in addition efficient inter-sectoral coordination mechanisms. A case in point is the recent popular outcry that took place in the summer of 2007 complaining from acute water shortage in the North Delta in spite of repeated complaints made to all the concerned authorities. The responsibility could not be pin-pointed to one of those agencies

and service providers in the mosaic of interconnected responsibilities that make up the safe drinking water and sanitation sector.

SUPPORT NEEDED BY NGOS

Implementation of some or all of the following activities can strengthen the role and contribution of CSOs in the domain of safe sanitation and considerably raise the quality of their performance and the cost effectiveness of their actions:

- *Evaluation* needs to be made of the rich experience that CSOs have gained in the field and the results used to apply the lessons learnt in newly designed programs that improve on and further enhance the contribution of CSOs.
- *Coordination and free flow of information* is a critical issue in a domain that involves more than one sector (mainly health, agriculture, irrigation and water resource management, the environment, industry, tourism, and local government) and more than one partner. This covers data and information as well as the creation of channels for networking and exchange of experience among the various partners in sanitation programs.
- *Training* is an important factor and should be geared to identify needs. It should be treated as a dynamic continuous process that incorporates changes and evolution in the situation, keeping pace with new developments in appropriate locally adapted technologies.
- *Advocacy for integrated approaches to rural sanitation*, learning from the experience of UNICEF in this domain.
- *Appropriate technology* provided by regional universities and research institutions is a support that can considerably enhance the outcome of sanitation programs. CSOs can even contribute to the development of new technologies through their participation in controlled field trials.
- *Financial resources* that are sustainable are important for NGO work. These can include contributions made by the communities themselves and auto-financing or cost recovery mechanisms that can be initiated and supervised by CSOs.

Although external support agencies can help with funding, Governments funds are still needed for sanitation infrastructure and for creation of the demand.

- *CSOs can have a monitoring role* and the usefulness of their contribution in this respect can only be realized if their role is recognized and they receive the appropriate support from the competent authorities.

SUPPORT FROM THE NGO SERVICE CENTER

It may be time to evaluate and update the several training modules and studies that were

commissioned by the NGO Service Center (NGOSC) and that relate to the domains of water, sanitation and the environment, adapting them to the recent developments and changes that have taken place in water and sanitation. This can produce a new set of guidelines to replace the old ones. A series of events or annual meetings that bring together the CSOs working in these domains can be sponsored by the NGOSC. This will help in the exchange of the valuable experience each one of them has gained in the field, thus considerably enriching the national efforts mobilized for overcoming the sanitation crisis.



CSO SERVICE DELIVERY FOR THE ENVIRONMENT AND HOUSING



In Egypt, concerns over the *natural* environment are increasing in urgency. The EHDR 2005 has indicated that the strategic objective of the GOE environmental policy in the long term is to integrate environmental concerns into all national policies, plans, programs and projects. In the more immediate future, it is to preserve natural resources and biological diversity, while in the short term, the objective is to reduce current pollution levels and minimize health hazards. However, laws and regulations alone cannot resolve the challenges, especially in the short term, because compliance remains weak and enforcement not efficient. Further, public agencies have insufficient financial and human resources. In this respect civil society organizations have a vital role to play in providing additional human and financial resources and in improving quality, coverage and timeliness of preventative and remedial action.

The *built* environment is intimately linked to the natural environment. Arable land has diminished as a result of encroachment by largely informal housing, while the formal housing market is yet to meet the needs of lower income groups, both urban and rural. One target of the MDGs covers significant improvement in the lives of these and raising the proportion of those with safe drinking water and basic sanitation (see Chapter Nine). These are infrastructure requirements. A housing map for Egypt would not only indicate where shortfalls exist, but would also accommodate the expected population increase over the coming

decade and identify those geographic areas where construction and housing — with its corollary in water and sanitation services — are needed most, especially for those lower income groups who seek affordable housing — overlooked by the private sector, which has preferred to invest in a glut of higher income developments (see EHDR 2005).

Both the natural and the built environment are areas where Egypt's civil society organizations can play an important role in their capacity to reach the poor and to identify specific local rather than general national needs more accurately. As yet, few CSOs have touched on servicing environmental and housing shortfalls, most preferring to leave these in the hands of multiple government agencies. There is much room for greater CSO participation at a time when government resources are overstretched, and when the needs of the less privileged call for more vigorous action. This chapter demonstrates that in both environmental affairs and in housing there is still much to be done.

THE ENVIRONMENT: A RELATIVELY NEGLECTED AREA

Internationally, the concern over environmental issues emerged in the 1970s. The United Nations Conference on the Human Environment held in Stockholm in 1972, followed by the creation of the United Nations Environment Program (UNEP) in the same year spearheaded a number

BOX 10.1: IMPACT OF CLIMATE CHANGE ON EGYPT

The 2007/2008 Global Human Development Report launched on 27 November 2007 focuses on Climate Change - a major human development challenge of the 21st Century. Poorest countries and populations will suffer the earliest and most damaging setbacks, even though they have contributed least to the problem.

High-income OECD countries lead the league of "CO₂ transgressors". With just 15% of the world's population, they account for almost half of all emissions. With 1.1% of the world's population, Egypt accounts for 0.5% of global emissions - an average of 2.3 tonnes of CO₂ per person. Nevertheless, Egypt has been identified in most climate change international reports as one of the countries highly vulnerable to climate change impacts.

Looking to the future, no country—however wealthy or powerful—will be immune to the impact of climate change. The report stresses that the world has less than a decade to change course. Actions taken—or not taken—in the years ahead will have a profound bearing on the future course of human development. The world lacks neither the financial resources nor the technological capabilities to act. What is missing is a sense of urgency, human solidarity and collective interest. A successful multilateral framework will require the active participation of all major emitters—collective action is an imperative. Yet the world's richest countries need to shoulder the burden of historical responsibility: they have both the deepest carbon footprints and the technological

and financial capabilities to show global leadership in the drive to a low-carbon future.

The *Report* shows increased exposure to droughts, floods and storms is already destroying opportunity and reinforcing inequality. Meanwhile, there is now overwhelming scientific evidence that the world is moving towards the point at which irreversible ecological catastrophe would be unavoidable. Climate science predicts various environmental challenges with business-as-usual economic growth, population growth and technological/energy usage patterns (and associated CO₂ emissions).

As identified in the Initial National Communication (INC) report to the United Nations Framework Convention on Climate Change (UNFCCC), Egypt's most vulnerable sectors to climate change are i) coastal zones, ii) water resources, and iii) agriculture. In Egypt, climate change would inflict serious damage to human settlements, large parts of the productive agricultural land and industrial areas in the North Coast. Estimates show that 0.5 m Sea Level Rise (SLR) would lead to the permanent submersion of 1,800 km² of cropland in low land of the Nile Delta, and accelerate trend of desertification in the form of increased soil salinity in the remaining land. This could lead to economic losses in excess of US\$35 billion and the displacement of 2 million people. A one-meter rise in sea level could possibly displace six million people and flood 4,500 km² of farmland. This poses a serious threat to livelihood security and

has a tendency to reverse progress in human development.

Climate change could also cause significant variation in annual Nile flood, which provides Egypt with more than 97% of its renewable water resources. Available hydrological and statistical models have predicted an increase of 30% or a decrease that can reach 70% (highest convergence) in the annual Nile flow. These two scenarios can have serious implications in terms of increased flood risks or droughts that could lead to cultivated land shrinking associated with decrease in food production and increase in number of jobs lost and water conflicts. Temperature rises will be likely to reduce the yield of the major crops and increase their water requirements. The combined effect of temperature increasing, SLR, water shortage and other environmental conditions could be a general reason of agriculture- system failure in many regions in Egypt.

The country is developing an institutional response through a high-level ministerial committee led by the Ministry of the Environment. Meanwhile, Egypt is preparing the Second National Communication Report to UNFCCC which will further identify the vulnerable sectors and will include a national adaptation strategy to climate change. But the sheer magnitude of the climate risks will require far-reaching policy reforms across all sectors of the economy.

Source: Mohamed Bayoumi and Nahla Zeitoun, UNDP, Cairo. Data: UNDP Global Human Development Report 2007/2008 Fighting Climate Change: Human Solidarity in a Divided World.

Egypt is preparing the Second National Communication Report to UNFCCC which will include a national adaptation strategy to climate change



of initiatives which, in Egypt, were taken up by civil society, often before the state.

Goals commonly expressed by environmentalists include reduction and clean up of man-made pollution; conservation and sustainable use of scarce resources such as water, land, and air; protection of ecosystems; reducing consumption of non-renewable fuels; development of alternative renewable energy sources; preservation of threatened or endangered species; and, most generally, the protection of biodiversity and ecosystems upon which human and other life on

earth depends. Climate change and global warming from releases of greenhouse gases, notably carbon dioxide, have more recently taken the headlines. The Kyoto Protocol is only one of many efforts to help develop adaptive strategies for nations to adjust to the effects of global warming (see Box 10.1).

A NASCENT ENVIRONMENTAL MOVEMENT IN EGYPT

In the 1970s, a small number of civil society NGOs in Egypt turned their attention to conserving the natural environment. Active NGOs at the time included *The Tree Lovers Association* in Cairo's Maadi district, and the Nature Beauty Conservation Society. These early organizations were as concerned over the aesthetics of a natural environment as they later were over biodiversity.

The *Arab Office for Youth and Environment* (AOYE) began with similar if wider ambitions (see Box

BOX 10.2 THE ARAB OFFICE FOR YOUTH AND ENVIRONMENT

The Arab Office for Youth and Environment (AOYE) has been behind many initiatives over the last 29 years. AOYE is a registered NGO since 1978. The NGO has a board of seven members and around 20 full time staff. It was able to get funding from donors in Egypt and abroad (USAID – EU - UN Agencies – International NGOs).

In itself AOYE is a best practice and a model with a number of creative initiatives. These include:

- The idea of a National Environment Day and its celebration since 1997;
- The implementation of the World Clean Up Campaign in Egypt since 1993;
- The compilation of environmental legislation in 1982;
- The proclamation of the first Protected Area in Egypt in 1982 (Ras Mohamed, its sea life and corals on the Red Sea Coast);
- The foundation of the Arab Union for Youth and Environment in 1983;
- The creation of the Arab Network for Environment and Development in 1990;
- *The Cairo House* built in the heart of Old Cairo to become a training and capacity building center. Unfortunately the building is now Ministry of Environment premises;
- The implementation of the only model for Solid Wastes Management at Helwan University.

Other activities implemented by AOYE, with or without partners, include:

- **National Community Water Conservation Program 1(1994-1997):** The NCWCP was a partnership program — at a budget of US\$ 6 millions — between AOYE, the Egyptian Environmental Affairs Agency and SPAAC (private sector). Its mission was to address the problem of potable water

loss mainly, though conservation activities directed at the national and local levels. More than 150 conservation activity projects with their social, technical, and economic components were implemented in Greater Cairo, Suez, and Ismailia. Reducing potable water loss through behavioral change, industry development, and other activities allowed allocated funds, otherwise used for expansion of existing services, to be used towards rehabilitation and maintenance of water supply system. Many of the changes in recent policies and strategies, in addition to industrial development, are considered results of this program.

The Environmental Street (since 1999): The objective of the project is to establish comprehensive environment-friendly streets in the 27 Egyptian governorates to be models of cleanliness, solid waste management systems, beautification, and greening. These projects are considered a model of partnership, where NGOs, local residents, local authorities and other parties work together and public awareness is a goal.

Hotline Environmental Service Unit (since 1998): This aims to increase community awareness about the environment and the law by encouraging public participation through reporting and complaints. The Unit organizes public hearings where communities and the authorities come together to discuss unsolved environmental problems. With the support of AOYE, the Hotline Environmental Service experience was transferred to the national Environment Affairs Agency's central offices and to a number of its branches. The model also has been taken up by NGOs and CBOs in more than 12 governorates, who have relied on AOYE to build capacity for running services.

Source: Emad Adly, Background Paper to the Egypt Human Development Report

10.2). It spearheaded the first environmental project implemented on a national scale, the *Environmental Awareness Project for Youth 1979-1981*. Significantly, this was conducted in full partnership and with financial support from UNESCO. It covered four governorates — Alexandria, Menoufia, Suez, and Cairo and was able to produce preliminary environmental profiles for the governorates before applying the all-important awareness component.¹ Moreover, given the value of the results and the exposure of the poor application of environmental measures, a decision was made to create environmental affairs departments in all of Egypt's governorates.

During this same period a number of distinguished Egyptians were appointed heads of international environmental organizations. The President of the Academy of Scientific Research and Technology and also the head of the Egyptian Delegation to the Stockholm Conference became Executive Director of the United Nations

A number of distinguished Egyptians have been appointed heads of international environmental organizations

Environment Program (UNEP) based in Nairobi, Kenya, and a prominent environmentalist became President of the World Conservation Union (IUCN) in Gland, Switzerland. This fuelled greater interest in what was becoming an escalating topic.

By the early 1980s both international and national alarm on growing environmental degradation and overexploitation of natural resources resulted in a Presidential Decree, issued in 1982, to establish the Egyptian Environmental Affairs Agency (EEAA) within the Cabinet of Ministers. It serves as a coordinating body for policies and their implementation and monitors progress, latterly reporting to the Ministry of State for Environmental Affairs, which was created in 1997.

1. UNESCO documented this project in its publication titled 'Man and Biosphere' as a Best Practice model that could be replicated elsewhere.



THE ENABLING ENVIRONMENT

Parallel to these events taking place at the state institutional level, conceptual and legislative developments were also becoming evident. The understanding of what constitutes the 'environment' was modified to cover *sustainable development*, which integrated a number of disciplines and required that interventions show lasting effects. The United Nations has defined sustainable development as an interdisciplinary activity, incorporating economic development, social development, and environmental protection.² A cultural component — cultural diversity — was sometimes added.³

In Egypt, a number of laws on the environment have been issued, starting with Law 48/1982 on the protection of the River Nile, Law 193/1983 demarcating protected areas, and lastly Law 4/1994 for protection of the environment, (land, water and air). Although these and other environmental laws were in line with NGO goals, barriers in the legal framework within which CSOs themselves were to operate hindered the effectiveness of NGOs, notably in their ability to solicit or accept much needed funding from international bodies, not to mention the byproducts of such aid in the form of training and expertise. Financial shortfalls and lack of familiarity with frontline practices were frequently the reason behind their weak performance. Many organizations did not have the human resources, skills, and processes to address complex technical challenges in an integrated and sustainable way. Instead, they focused on simple, short-term one-

off interventions with little support or understanding from a general public unaware of the broader development issues at stake.

Apart from the urgent need for advocacy and for the upgrade of scientific and technical skills available, it became clear that the institutional mechanisms for environmental management had to be strengthened. Stricter applications of environmental legislation were missing, along with penalties and rewards applied to ensure compliance. This requires a commitment at the highest level of ministerial management to coordinate activities, address vested interests and to tackle ingrained traditional practices that can be extremely harmful.

The dumping of noxious industrial waste in the Nile or the burning of agricultural stubble in cultivated land adjacent to urban centers are examples where urgent consideration is still requisite, despite joint efforts by the Ministries of Environment, Housing and Agriculture to address the causes.⁴ An institutional problem lies in the fact that there are at least 17 ministries involved in the administration of over 80 laws and decrees with environmental components to them.⁵

A key element now missing is to integrate environmental policies under a national plan that would include the active participation of civil society and an enlightened private sector. This would benefit from synergies on issues as diverse

2. The most recent from the UN 2005 World Summit

3. The Universal Declaration on Cultural Diversity (UNESCO, 2001) states that "...cultural diversity is as necessary for humankind as biodiversity is for nature."

4. See the EHDR 2005, *Choosing our Future: Towards a New Social Contract*, UNDP and Institute of National Planning, pp156-162

5. Ibid.

as overdevelopment on agricultural land, water resources, sanitation and solid waste management, air quality, industrial emissions, and the marine environment. Setting up regional commissions around environmental resources would make use of economies of scale and allow outsourcing to NGO or private sector partners on the basis of well-defined goals.

OTHER CHALLENGES AND CONSTRAINTS

Target 7 of the MDGs covers environmental sustainability with the specific aim to reverse the losses of environmental resources. Target 10 is to halve the proportion of people without access to safe drinking water (see Chapters Two and Nine). These MDGs broadly reflect the parallel commitment by the GOE to address environmental concerns. But political will is not enough.

Incentives for change are needed, possibly in the form of tax breaks, small or micro finance facilities and technical assistance. Recommendations to meet national and regional goals and targets have included proposals for tripartite partnerships between government, the private sector and NGOs in alliance with community and grass-roots organizations.⁶

Starting in 1996, the AOYE (Box 10.2) has lobbied for the creation of a National Commission for Sustainable Development. This would provide a platform for dialogue to ensure the sustainability of all environment programs and projects by scrutinizing the social, economic and environmental consequences of any activity before approving and financing it. Nine years later, the current Prime Minister issued a decree establishing the Commission, which is now at its very early stages, with top down operations involving little participation from CSOs. Indeed, the state often competes with CSOs in the contest for programs and funding.

There is also the need for more research to inform the policymaking process. In the 1980s, around fifteen public universities in Egypt adopted a new policy to insert the environmental agenda into their curriculum. A Vice Dean was appointed in more than 300 faculties in charge of

BOX 10.3 THE GLOBAL ENVIRONMENT FACILITY-SMALL GRANTS PROGRAM IN EGYPT

GEF-SGP projects operate on the premise that citizens will be organized through CSOs to protect their environment only when they are educated and empowered. SGP in Egypt, therefore, seeks to help create a more supportive setting for achieving sustainable development by raising public awareness, building partnerships and promoting policy dialogue that addresses national and global environmental issues. Since it was launched in Egypt in 1992, the SGP has adopted a 'Country Program Strategy' that gives special priority to projects that deal with poverty reduction.

Partnerships between government, civil society, the business sector, and other relevant agencies include actors that number more than 20,000. However, the challenge was — and still is — to achieve the difficult balance of dealing with poverty issues and linking them to the global requirements of the GEF. For this reason the SGP has focused on capacity building in different regions of the country. Numerous workshops and consultations have explored ways to bring all of these objectives together in sustainable projects that involve marginalized groups such as women, youth, and poor communities in rural and remote areas.

As a result, and after more than 14 years of work, the SGP and NGOs have succeeded in achieving success stories that can be expanded and replicated. The SGP portfolio in Egypt has shown that NGOs were able to formulate most initiatives under the climate change category, and more specifically in issues related to renewable energy and improving energy efficiency. In most governorates, NGOs and CBOs have developed projects that promote the use of solar heaters, modified household stoves, biogas units, and the use of lighting that conserves energy.

The program has also confronted the 'black smog' that engulfs parts of Cairo and other cities annually at harvest time. In a partnership with the General Federation of NGOs, the governorates of the East Delta, the Agriculture Research Centre and actors in the private sector, the SGP initiated capacity building exercises for over 150 NGOs to deal with the cause of this airborne pollution: the burning of agricultural waste in the surrounding countryside. Post-harvest residue is amenable to conversion into compost useful for farmers, a solution that covers both the environmental and economic aspects of the original problem.

SGP initiatives have also dealt with the sustainable use of lakes, the protection of coral reefs, and low cost technologies in treating water and waste from villages, minimizing pollution in the Nile River. All these initiatives aim at localizing Millennium Development Goals and ensuring sustainable livelihoods for poor communities, as well as underlining how much we need to consider civil society a real partner in achieving sustainable development.

Source: www.undp.org.vn/undpLive/digitalAssets/5224_sgpvne.pdf

community development and environmental affairs, and a Vice President for each university became the person in charge of this new national higher education sector.

However, the current university pedagogical program is not designed to exploit partnerships, either with government or with civil society, so as to direct scientific research and its application to policy making or to the community level. The program has so far had little impact on guiding the environment movement, although university staff in various related specializations have themselves created NGOs to produce, apply, and implement research results.

6. See Chapter Seven of this report.

IS DONOR SUPPORT SUSTAINABLE?

In the 1980s donor support for CSO initiatives in different fields of environmental concern reached a peak just before the Johannesburg World Summit on Sustainable Development in 2002. A number of partnerships between CSOs and donors became models for upcoming partnerships. One successful example in Egypt was the GEF-UNDP project to clean the waters in the wetlands region of Lake Manzala by using plants in specially constructed ponds to filter municipal, industrial and agricultural pollutants.

However, most of the financial support has been directed to capacity building and awareness programs. The donor community has supported a small number of campaigns such as clean ups, and programs to mobilize children and youth. Thematic issues such as water, biodiversity, Nile pollution, noise pollution, agricultural waste, and energy conservation still require more attention, although some donors have contributed finance and expertise towards resolving problems in these and other areas.

The United Nations Conference on Environment and Development, also known as the 'Earth Summit', held in Rio de Janeiro in 1992 officially mapped out strategies of sustainable environmental development. 'Agenda 21' — published after the conference — is considered a guiding document on how to maintain socioeconomic growth while keeping the environment sound, not only for current needs, but for future generations as well. In the run up to the conference, a Global Environment Facility (GEF) was set up to become the primary source of financial support for developing countries to manage local environmental problems while achieving global benefits (see Box 10.3).

The GEF was followed by the Small Grants program (SGP) funded by the GEF and executed by the UNDP (Box 10.3). The aim is to fund community conservation and sustainable natural resource use projects through community-based approaches that generate local benefits. The primary objective is to assist securing global environment benefits in the areas of biodiversity, climate change, international waters, land degradation,

and persistent organic pollutants. The SGP provides NGOs and community-based organizations the financial means to link up local priorities with global imperatives.

A SAMPLE OF CSOS WORKING FOR THE ENVIRONMENT

Other than the Arab Office for Youth and Environment (AOYE), a pioneer in environmental activism, other and more recent civil society organizations in Egypt have also contributed to addressing environmental issues.⁷ However, these have not reached the critical mass necessary to impact forcefully on public awareness and to mobilize sufficient public support, participation and long-term financial viability. Also, few as yet have been able to address the strong behavioral component that contributes to the success or failure of environmental protection programs.

1. Awareness Raising and Mobilization

Regional Community Solid Waste Management Program: This program is unique in the Mediterranean Region and North Africa. It has since 1998 been part of the EU SMAP I, which covers Egypt, Lebanon, Morocco and Tunisia, using research and analysis, to locate and regulate root causes of solid waste problems in urban target areas. In Egypt, the program is implemented by AOYE and was successful in establishing a sustainable model of integrated solid wastes management at Helwan University.

Arab Network for Environment and Development (RAED): This is a regional environmental network of more than 200 Arab NGOs including from Mauritania, Morocco, Algeria, Tunisia, Libya, Sudan, Egypt, Jordan, Palestine, Lebanon, Syria, Kuwait, Qatar, Bahrain, Oman, Saudi Arabia, Iraq and Yemen. It has become a civil society environmental voice at the League of Arab States, and with ESCWA, the EU, UNEP, ADB and other international agencies. AOYE is a founder member and hosts the Secretariat.

2. Advocacy

Friends of the Environment Association: The Friends of the Environment Association (FEA), based in Alexandria, is one of few civil society advocacy groups in Egypt for the environment.



7. Listing compiled by Emad Adly, Background Paper to the EHDR 2008.

Thematic issues such as water, biodiversity, Nile pollution, noise pollution, agricultural waste, and energy conservation still require more attention, although some donors have contributed finance and expertise towards resolving problems



This NGO, established in 1990, has won several court cases against the government and the private sector. It works as a pressure group for environmental protection, making participatory education and training its central focus. FEA furthers its goals through public hearings, peaceful processions/marches, negotiations and legal appeals. One important campaign was to stop dumping in Lake Maryut. Because of this successful operation the government was obliged to change the management plan for the Lake. The NGO is headed by a former Attorney General and this could be one of the reasons why the NGO has been successful. FEA is interested in creating additional advocacy outreach for its activities, by passing on its strategies and methods to other grassroots organizations in Egypt. FEA is financed by the UNDP-SGP, the Swiss Fund, USAID and others.

3. Consumer Issues

The nascent consumer movement is trying to find its way into the Egyptian culture. Many issues linked to the environment need interventions to protect the consumers' rights, notably with regard the use of pesticides in agriculture, the misuse of pharmaceuticals, and industrial pollution near residential areas.

Day Hospital Institute (DHI): has become one of the leading NGOs in Egypt and the Arab region for combating the use of Persistent Organic Pollutants (POPs). POPs are mainly used in pesticides. They are chemical substances that persist in the environment, bio-accumulate through the food web, and cause adverse effects to human health and the environment.

DHI launched a movement to raise public awareness and inform stakeholders (NGOs, farmers,

local authorities and the media) on the dangers these substances and lobbied policy and decision makers to forbid their use by law. Public and educational programs were organized to involve the civic community, while environmental, health and agricultural information was documented for later use by other NGOs, community based organizations and local authorities. Training was provided to NGO and other community representatives to continue spreading the word among the target groups, notably to farmers and the general public. The project is financed by the Global Environment Facility.

4. Solid Wastes Management

The Association for the Protection of the Environment (APE): This NGO was the first to tackle the problem of solid waste management in the Zabbaleen area of the Mokattam Hills of Cairo. APE focuses on a marginalized community of garbage collectors, with special emphasis on women and girls.

APE has operated for over 30 years, in environmental preservation combined with community development. It has extensive recycling activities that include organic composting, rag and paper recycling, and at source separation of municipal solid waste. Many recycling activities are income generating. APE promotes cottage industries and offers marketing venues for the recycled products. In addition APE offers training in recycling techniques, waste management, as well as primary health care programs, literacy and computer literacy classes.

Work has extended to Tora, south of Cairo, and to Dahab and Nueiba in South Sinai. APE has been working in the Tora region for 16 years and the community development initiatives have been

changing the local community. Today, most of the youth, girls and boys, attend schools and there is an emerging literate group that needs to be encouraged to break the barriers of generations-induced poverty and social segregation due to illiteracy and poverty.

LIFE Program in Gezeiret El Sheir: The Local Initiative Facility for Urban Environment (LIFE) was launched as a global pilot at the Earth Summit in Rio de Janeiro in 1992 as a UNDP response to the environmental problems of the urban poor. It started in Egypt in 1993 and was actively working until the end of 2005. One example of its output is found in Egypt's Gezeiret El Sheir.



Gezeiret El Sheir is an island on the Nile about 40 km north of Cairo. Some 7,000 people – 617 households – live there in six small settlements. They have electricity, potable water and household cesspits, but until recently, solid waste collection was inadequate, there was no proper wastewater removal and the cesspits often overflowed. Residents were required to take their garbage to public dump areas to be collected by a municipal truck, but they usually dumped it in the street, along the Nile banks or into irrigation canals. Piles of garbage and pools of stagnant water were a common sight.

The LIFE project was based on participatory planning. This involved two innovations: the active participation of local women, and a partnership with the administration of the Kalyoubia Governorate in which Gezeiret El Sheir is located. The area mapping, surveys, workshops, participatory planning and training of volunteers contributed greatly to the success of the project and to the creation of valuable social assets.

Involvement in training community volunteers helped link the whole community with the local Community Development Association and supported the successful performance of the project. In addition to improving the environment, the project has other, equally important social goals including the stimulation of long-term behavioral changes regarding sanitation, and the establishment of sustainable local-local dialogue between

the community and the local authority, and the election of popular councils and private sector. In many cases, extension and management work in the project areas has continued even after the project was completed. The project is sustainable because it used a sound financial mechanism that took into consideration the income that would cover operational and management costs.

5. Wastewater Treatment

Al Mahaba Society for Development and Environment (MSDE): This community based organization was founded in a village in Beni Suef Governorate and is one example of NGOs introducing a water treatment facility to address wastewater, which is a complicated problem with severe effects in Egyptian rural areas.

The village population is about 6000 inhabitants. It is supplied with clean potable water and electricity, but like many other Egyptian villages, it lacks wastewater treatment facilities. The vast majority of houses have no toilets and people have to defecate in the open, causing serious health hazards. Further, women face the added obstacle of having to defecate late at night.

Community development associations have now provided toilets and houses are supplied with septic tanks for municipal waste collection. However, these are mostly bottomless allowing waste to infiltrate into the ground, causing serious pollution to groundwater resources. Additionally, grey water from the kitchens and bath basins were previously carried for long distances to be disposed of either in the drains or the fields. The project collects the grey water and gives it the minimum treatment necessary to remove the pollutants and be recycled. This is achieved through the construction of a pipeline system to collect the grey water from houses and then dump it in the treatment pond. Then the primary treated water is reused. The project has used a participatory approach to single out the priority ranking of community problems with the support of local authorities and relevant departments.

6. Nature Conservation

The Tree Lovers Association: Established in 1973, the Tree Lovers Association has utilized the knowl-

The battle to save *Giftun* Island from a \$2 billion tourism development has attracted public support and international media interest

edge of technical and scientific experts and the resources of both members and nonmembers, officials, executive authorities, and environmental institutions for the purpose of forestation and the conservation of nature. They have marketed types of trees to the public, raised awareness as to the ways of caring for the plants and trees, and planned visits to newly cultivated areas as well as farms and research centers specialized in forestation.

The organization aims to reduce the amount of carbon dioxide emitted by significantly increasing the area of greenery in urban areas in and around Cairo, and planting acres of trees in Helwan, Maadi, Nasr City, and Old Cairo, conserving biodiversity by planting different species in conditions appropriate to ensure their survival. They import seed from a number of countries including Pakistan and India, and usually cultivate in pilot projects to test the introduction of the new seed.

The Hurghada Environmental Protection and Conservation Association: The battle to save *Giftun* Island from a \$2 billion tourism development is undoubtedly the Hurghada Environmental Protection and Conservation Association (HEPCA) project that has attracted the most public support and international media interest. The island is the jewel in Hurghada's diving crown. At least 40% of Hurghada's dive sites are situated off its shores, which boast more than 196 types of hard and soft

corals, and almost 800 marine species. The island is also well known as the major nesting ground in the region for green turtles.⁸

Visits to the island itself (designated and protected as a nature reserve in 1995) are limited to daily boats carrying a carefully controlled number of guests who must leave the island by sunset. *Giftun* is a place of virgin white sands and one of the finest marine eco-systems and dive spots in the world.



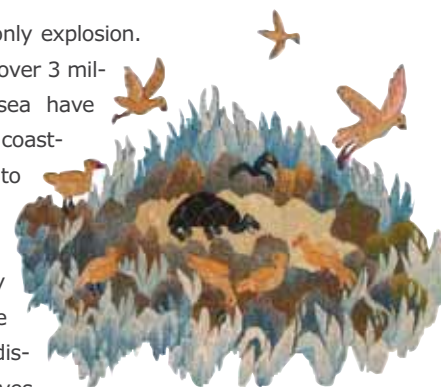
In 2004, HEPCA was plunged into a campaign to save *Giftun* Island from a development of massive proportions for the Red Sea. In April 2004, news reports started to emerge that the Egyptian government was in talks with an Italian real estate developer to sell *Giftun* Island. The developers promised a 'new Ibiza', a tourism explosion that would lead to mass investment and job opportunities throughout the region.

This would not be the only explosion.

Over the last 20 years, over 3 million cubic meters of sea have been filled in along the coastline near to Hurghada to form beaches for hotel sites, lying directly on coral reefs. In many cases the reefs were covered with sand, or disintegrated with explosives.

There was no way HEPCA was going to let this happen to *Giftun*.

A campaign was immediately put into action to save the island from development. Hundreds of dive boats and thousands of protestors gathered at the island on World Earth Day, clad in striking 'Save our *Giftun*' t-shirts, the back printed with 'Not For Sale'. An online petition gathered more than 10,000 signatures, the majority of them from outside Egypt. Indeed, the campaign was deliberately focused on the international community, in order to exert considerable pressure on the government to back down.



8. Contributed by Amr Ali, Hurghada Environmental Protection and Conservation Association.

Just two weeks into the campaign, Egypt's President Hosni Mubarak issued a decree declaring that the *Giftun* Island protectorate would remain as is. The decree also stated that no further tourism development could take place on any of the Red Seas 36 major islands (22 of them already protectorates) until comprehensive environmental studies are completed. HEPCA and all of



Giftun Island's many supporters and fans declared a victory, demonstrating that CSO action can indeed alter policy.

7. Renewable Energy and Energy Efficiency

El Bassaisa CDA: Founded in 1983, El Bassaisa CDA's aim has been to lessen the negative consequences of traditional practices, and the use of non renewable energy sources, and to set up more efficient practices using renewable energy. An additional task has been to raise awareness over the importance of efficient and renewable energy. Biogas and solar heater technology has been introduced to a number of villages in the Sharqiya governorate using college graduates trained in the techniques of installing and servicing biogas units, solar heaters, and solar cells. They are also equipped with computer, language, and administrative skills.

8. General Community Development

Al-Tayyba Community Development Association: This NGO initiates projects for community development in the small *Al-Tayyba* village in Samalot, Minia Governorate. It has been in operation since 1991, and although concentrating mainly on development services for women, Al-Tayyba has also renovated 117 houses and provided them with potable water, planted trees, cleaned up garbage and environmental pollutants, sponsored awareness-raising meetings, and offered general health services. It has replaced conventional fuel with solar energy by partnering up with specialized Egyptian companies, offered through circulating loans. The association adopted the mechanism of loans and revolving funds to enhance community participation and to spread the concept of clean

technology. Long term loans are paid on a monthly installments basis with a 25 percent discount on the total price of the solar heater. Installments are generally equal to the electricity bill for the conventional model for water heating. Solar heaters are at almost zero cost after installments are paid. The NGO can get up to a maximum of LE 50,000 per project through the GEF/SGP.

9. Achieving the MDGs

Environment Pioneers Association: An NGO founded in Alexandria, this attracts funding from both governmental and non-governmental sources to serve its goal of raising the quality of life of underprivileged and marginalized groups. One of its most successful projects was accomplished in the *Abu Kharouf* district. The organization put together a plan to remove the garbage spilled in the streets. It serviced and painted buildings that were once just rough blocks of bricks. It designed and planted three parks, increased the lighting in the streets and made an agreement with the public transportation authorities to service the area. The Association also gives assistance to families in extreme poverty. It is supported by local residents and is used as an example for other projects that are yet to achieve MDGs.

The NGO has worked towards achieving at least three of the MDGs through the following:

- *MDG Goal 1*: By enhancing livelihood opportunities by minimizing health and environmental hazards in the district, thereby indirectly helping eradicate poverty. This goal was supported by creating jobs for the unemployed;
- *MDG Goal 3*: By an equal opportunity approach to young men and women, thereby promoting gender equality and helping to empower women to serve their local communities, focusing also on health improvement and education workshops for women, notably on protecting themselves and children from environmental pollution;
- *MDG Goal 7*: By ensuring sustainability, through successful partnership with local and state authorities, the private sector, NGOs and local community residents, to maintain project achievements and to guarantee community ownership and voice.

Egypt is endowed with a variety of zones, each with its conditions. Environmental issues are therefore cross-cutting and cross-sectoral



10. Egypt's Cultural Heritage

Friends of Environment and Development

Association: This was created in 1993 as an NGO whose work was based on the understanding that Egypt's cultural heritage is one of its major resources. The association bases its activities on studies to enable it to apply sustainable development concepts and priorities to selected historical areas with fragile ecological systems. Studies have been conducted through a cost sharing agreement between the United Nations Development Program, the Urban Management Program, the Ford Foundation, and the Near East Foundation.

One of its most successful projects has been in the historic Gamalia district of Old Cairo. The Association was able to secure thirteen approvals from different Egyptian Ministries and Agencies, and local international funding programs to restore this severely dilapidated area that dates back several hundred years and is still in use as a bustling center. The Gamalia has numerous Islamic monuments including over 130 historical buildings such as the *Gamal Eddin Istadar* Mosque and School built in 1406, and which is just one of the sites to be renovated along with the nearby historical Bazaar complex. The project undertook the massive task of upgrading the physical conditions of these and other buildings by renovating, rebuilding, and improving infrastructure. It introduced community and local organizations into its works and improved the living conditions of community members through educational, training and awareness activities, with 18,115 beneficiaries by 2006. A 'Center for Training and Technological Upgrading' has been set up with the help of the Japanese and German embassies in Egypt. With the help of the Ministry of Environment, the project has also been able to accomplish a Gamalia 'Clean-up.'

CRITICAL INGREDIENTS FOR SUCCESS

Egypt is endowed with a variety of zones, each with its terrain, geomorphic characteristics, climate and socioeconomic conditions. Rural or urban, desert or coastal areas each have their own requirement, whether in the natural or the built environment. Environmental issues are therefore cross-cutting and cross-sectoral,⁹ but initiatives often lack coordination. Ideally, a national strategic approach to protecting and conserving Egypt's natural wealth would take on the daunting task of integrating the environmental concerns of multiple ministries under one or more master plans. These would draw together — in more focused and manageable units — the diverse administrative and legislative provisions now in place, and provide clearer targets, goals and responsibilities. This is a highly ambitious venture, as it would necessarily have to take into account those specific attributes of each zone when planning priorities for action, enforcement of legislation — central or local — and coordinated distribution of roles among different actors and partners. The question arises as to how soon this challenge can be met. Scattered and isolated initiatives lead to duplication and impede the pace of development efforts.

It is perhaps CSOs that are best aware that conservation measures must be viewed according to their social as well as their market value, taking their impact on quality of life, wellbeing and productivity of citizens, away from market and profit considerations. Awareness raising and local organization of community participation fall well



9. See EHDR 2005, pp 156-162, op.cit.



within the range of CSO experience, as does the management of self help schemes and partnerships for financial sustainability. The CSO role as watchdog cannot be underestimated, as the HEPCA campaign to save the Red Sea's Giftun Island from developers has demonstrated earlier in this chapter.

Further, innovative and alternative solutions to correct damaging practices that pose health or environmental risks are more likely to be developed and promoted by CSOs such as the MSDE in Beni Suef. At present, such initiatives are spearheaded by knowledgeable experts or concerned upper income constituents. Information on the noxious damage of environmental degradation has yet to filter down so as to mobilize the grassroots and to encourage initiatives rising from those likely to be suffering its consequences.

There also remains the urgent need to open up channels for dialogue and coordination between CSOs and government. Equally important is the need to mobilize and involve a larger number of CSOs in the protection of Egypt's environment, and to generate a greater responsiveness to the successes of best practice. At present, activities remain dispersed and limited in impact. This is in part due to the lack of clearly identifiable national plans within which CSO activity can be slotted, and partly due to restrictions imposed by Association Law 84/2002, in particular, with regard fundraising. Given the range of potentially urgent interventions needed and the danger of irreversible degradation of natural and built resources, Egypt's nascent environmental movement could adopt awareness raising strategies among its own constituents to promote wider participation and apply greater vision.

HOUSING: THE ROLE AND CONTRIBUTIONS OF CSOS

The contribution of civil society organizations in housing the poor and in slum upgrading has been the cornerstone of success stories across the world over the last two decades. CSO contributions have taken several forms in the context of distribution of responsibilities among three main partners: the government, CSOs and local communities. They have played a role as an intermediate party between governments and local communities, a technical entity providing technological and management support for local communities and government in managing and implementing housing schemes, and as credit facilitators or suppliers to different components within housing schemes.

In Egypt, a number of CSOs have provided or enabled new housing for the poor, together with active contributions to slum upgrading and to basic infrastructure requirements. While there is no official formula that regularizes their role and contribution in cities and villages, they have achieved considerable progress in their practical experiences.

This success can be a catalyst for more involvement of CSOs in implementing the housing and slum upgrading programs proposed within the previous Egypt Human Development Report of 2005. This included a call for more infrastructure provision for low-income families; credit for housing units; attracting families from densely populated governorates to form the nucleus of villages in the hinterlands; and slum upgrading (demolition or rehabilitation).

HOUSING FOR THE URBAN POOR

Housing the urban poor is a major challenge at national and local levels. Egypt is currently struggling to meet a tremendous housing demand, especially from lower income groups. Other developing countries have adopted various approaches to enable the poor gain access to formal and inexpensive housing. These include direct provision of affordable housing units, offering land parcels combined with access to credit for housing development, and mobilizing

different legislative and financial mechanisms to work actively in the housing market, such as mortgage facilities. Strategies have also included encouraging local initiatives in providing shelter and credit for housing development through CSOs (including NGOs and CBOs).

These approaches reflect emerging trends in housing provision strategies for lower income groups. One trend is the withdrawal of government from direct provision of housing and towards stimulating the vitality of a free housing market through supportive legislation and credit mechanisms. Another has been government provisions to enable CSOs to play a more active role, particularly in housing construction and access to credit and soft loans. International experience shows that alternative housing finance systems are essential, based on local conditions, if the poor are to be reached. In parallel, some form of subsidy is required to make housing affordable. CSOs can play a pivotal role in that respect.

Supporting housing and infrastructure finance requires two kinds of CSOs:

1. advocacy CSOs to advocate for policy changes, and
2. financial CSOs to manage the economics of housing or to intermediate between the urban poor and banks. It also requires a level of community organization, ranging from self-help approaches in (informal) saving schemes to formal and large-scale housing associations. Finance should build on the incremental housing of the urban poor. Savings and micro-credit can avail small funds linked to incremental building processes.¹⁰

Housing cooperatives are also a useful mechanism for enabling the provision of housing via laws and regulations that encourage their establishment. Such specialized organizations dedicated to housing construction, are supported by soft loans and subsidized land, infrastructure and construction material.

But increasing populations, decreasing public resources and the urbanization of poverty are

compounding problems in Egypt and elsewhere, and this has motivated the rethinking of CSOs in the housing process. CSOs provide a vital link between civil society, government at all levels, and the private sector, which can be instrumental in making interventions accountable and effective.¹⁰ The emergence of CSOs as significant actors in the international shelter process in the last two decades is notable. An estimated 300 million people worldwide are associated in one way or another with the over 2,700 United Nations registered CSOs in the human settlements movement.

In the past, CSOs have tended not to communicate or work with central and local government authorities, largely because the latter often perceive organized poor as a threat.¹¹ This is, however, changing. The Indian government's readiness to involve CSOs in housing and infrastructure delivery is reflected in the National Housing Policy, which outlines specific roles for them.¹²

In Bangladesh, the Government is supporting the largest CSO in the country — BRAC — to build rental accommodation for female industrial workers in Dhaka. The Egyptian new building and urban planning law clearly specifies the role of CSOs in urban development and incorporates them as key stakeholders in the decision making process for urban plans.

'Habitat for Humanity International' brings the affluent and the poor together, with the support of local leadership, to build adequate and affordable homes. It provides no-interest home-building loans, using a mix of charitable funding from church groups and the private sector in developed countries, and the loan repayments made by beneficiaries. Habitat for Humanity International has been building houses with poor households, who also contribute 'sweat equity', for almost three decades. In Egypt, a branch of this international CSO has been engaged successfully in the construction of affordable housing for the poor.¹³ With the increasing demand for housing due to the annual population growth rate of 2%, the President Mubarak's election program has targeted the development of 500,000 units in 6 years through direct governmental financial support (Box 10.4).

10. UNHABITAT, (2006), *Enabling Shelter Strategies: Review of Experience from Two Decades of Implementation*, Nairobi.

10. Narayan et al, (1999), *Voices of the Poor: Can Anyone Hear Us?*, Oxford University Press and World Bank.

11. Development Planning Unit, (2001), *Implementing the Habitat Agenda: In Search of Urban Sustainability*, University College, London, UK.

12. Napier et al, (2003), *Urban Sector Network, Midterm Evaluation Report*, EU and USN, Pretoria and University of Newcastle, UK.

13. Ibid, UNHABITAT, (2006).

BOX 10.4 THE NATIONAL HOUSING PROGRAM: MODELS AND FINANCING OPTIONS FOR LOWER AND MIDDLE INCOME EGYPTIANS

In 2005 the Government of Egypt (GOE) launched a new housing program which aims to construct 500,000 subsidized housing units over six years spread throughout the country, with a significant component of subsidization from the government budget. The National Housing Program (NHP), initiated with the President's Electoral Program specifies a detailed profile of financing for units available for lower income Egyptians.

The total number of units currently planned and in various stages of implementation under the NHP are over 640,000 units under seven programs designed to create flexibility and wider coverage of government assistance in meeting housing needs of lower income groups. Programs currently implemented combine ownership, rent, different sized-units, public and private ownership, etc. Cooperation among various government agencies and large, medium, and small private investors as well as the involvement of banks and mortgage ensures more efficient and sustainable progress of the NHP through relying on the whole economy's resources to meet the needs of as many groups as possible.

The program stipulates that Egyptians qualifying for subsidization of housing are individuals with monthly income of a maximum of LE 1,000, or a total household income of LE 1,500 per month. For these individuals and for a unit of estimated cost of around LE 55,000, the program stipulates that the individual puts LE 5,000 as down payment, the government subsidizes the unit with LE 15,000 and the individual takes a loan of LE 35,000 to be paid over a period of 20 years. An annual LE 1 billion government was earmarked to subsidies to finance the grant and a consortium of banks (Housing and Development Bank, National Bank of Egypt, Banque Misr) is responsible for the provision of LE 2 billion of financing for the loans at a subsidized rate (10.5%).

As of end October 2007, over 137,000 Egyptians had applied to benefit from this program in 23 governorates and 16 new cities. Some 56,000 units were delivered and 200,000 are under various stages of construction.

Core housing or Ibni Beita ('build your house..') was introduced to cater for individuals belonging to additional middle and lower income groups that

would not qualify for the program. The idea of Ibni Beita originates from financing mechanisms implemented in unplanned areas where an individual would buy a plot of land, then would approach a contractor from the neighborhood to partner with. The landowner contributes the value of land while the contractor contributes the cost of construction. The split of units between the two partners is negotiated in terms of a number of units for each depending on the relative cost of land vs. cost of construction. The Ibni Beita initiative utilizes this mechanism of financing for units to be built on planned plots in new communities.

The financing model applies for plots of 150 sq. meter, where built-up is on 63 sq. meters for ground floor and two additional floors. Infrastructure is fully provided for these plots and designs and licenses are standardized without extra cost to the individual. Each plot benefits from the LE 15,000 grant from the government. Land price is to be paid on installments over a 10-year period, with a grace period applying to the first three years.

Around 100,000 applicants have submitted applications and 13 new cities participate in this program. Infrastructure development is underway and it is estimated that all plots will be ready with infrastructure by the end of 2009.

The model introduced for the needs of the ultra poor are a category of housing labeled housing for individuals deserving extra assistance. This rental model is based on cooperation between the Ministry of Housing and various governorates to make available smaller units of housing (36 sq meter apartments with a bathroom and kitchen area). These units are built on land in Governorates and NUCA cities and are subsidized under the auspices of the National Housing Program (NHP). Rent for these units will vary depending on evaluation of the households ability to pay. Over thirty-one thousand units are being developed in governorates as well as forty thousand units in six NUCA cities.

Rent is also introduced in cases where individuals' needs could be of temporary nature either because of employment in particular locations or because of life cycle housing needs changes. Sixty-three square meter units are built in NUCA

cities, on governorate lands and on Ministry of Endowment land in governorates. The total number of units to be rented under this program is around 140,000.

One of the main new features of the NHP over previous subsidized housing programs in Egypt is the introduction of private participation in the provision of subsidized housing. Under the NHP, private real estate developers have been invited to participate in the construction of units for lower income groups subject to the size and client profile of the NHP.

Under the NHP, private investors are invited to acquire plots of land in NUCA cities to build at least 50% of units of 63 sq. meters and the rest of the units to be no bigger than 120 sq. meters. The fraction of land used for 63 sq. meter units is sold at LE 70 per square meter, while the remaining land is sold to investors at prices covering the cost of infrastructure. The individual qualifying for the subsidy under the income ceiling specified by Law, receives a LE 10,000 grant, while the unit benefits from the additional subsidy representing the difference between the cost of infrastructure and the LE 70 per meter price. Fifty three private investors applied for this partnership pledging to construct over 135,000 units in eight NUCA cities in addition to 30,000 units that range in area between 100-120 square meters.

The final component of the NHP is the village house model to be implemented in the rural regions of governorates and the new "desert hinterland villages". Around 3200 units of this type of housing are committed in six governorates and in the new villages. .

Despite the continued need to rely on subsidies in the form of grants from the government budget, subsidized infrastructure, and limited subsidized financing, the current NHP represents a significant improvement over previous subsidized housing programs in terms of more involvement of financial institutions, the participation of the private sector in the provision of this category of housing, and the introduction of a menu of products that are more responsive to the needs of different categories of social housing.

Source: Sahar Tohamy, Ministry of Housing, 2007.

However, the Mubarak program provides a solution for only one third of the expected housing demand in the same period, leaving the rest for the private sector and local communities to develop. The majority of developments would mainly be to meet the need for low income groups and with the limited formal financial mechanisms available for

the poor, it seems that the majority of those housing units would continue be developed informally unless innovative and flexible financial mechanisms are to be initiated by CSOs and other non-governmental stakeholders. Only a relatively few CSOs exist to date in Egypt whose mandate has specifically focused on housing

BOX 10.5 FUTURE FOUNDATION: HOUSING PROVISION IN NEW CITIES

The Future Foundation (FF) was established under the auspices of Egypt's First Lady, Suzanne Mubarak to provide new housing units in the new urban communities for the urban poor; and to upgrade informal settlements by providing basic urban services and new housing units instead of dilapidated or temporary ones.

Throughout the work in both directions, FF has focused on enabling local communities and their representative organizations to participate in development projects as well as encouraging private sector participation in implementing housing

and services improvement as part of its proposed social responsibility towards society.

Starting in the late 1990s, FF has partnered with the Ministry of Housing and private investors to construct housing units for the newly established families who are not able to afford paying for regular housing units. Within a 5 years period, the Ministry of Housing provided land in 10 new urban communities around Cairo and in Upper Egypt free of charge together with basic infrastructure and local urban services, while private investors partially financed the construction of housing units.

The single housing unit is 63 square meters and has been constructed in the form of walk-up apartment blocks with open spaces and parking lots. Each beneficiary pays only LE 1000 as a down payment, and the balance on a 40 years soft loan with 5% interest rate which amounts to a LE 75 monthly installment. By 2001, the FF had build 15,000 housing units, and this figure has reached xxx by 2007. Source: Future Foundation, 2007

BOX 10.6 HABITAT FOR HUMANITY EGYPT: HOUSING PROVISION FOR THE POOR

Habitat for Humanity Egypt (HFHE) was founded in 1989, as a civil society organization to provide its services in the field of housing construction and improvement for the poor in Egypt in rural or urban areas. HFHE partners with the homeowners themselves and with other CSOs and CDAs to achieve its goal by building on their established knowledge and insight into the community and working at the grassroots level.

Today, HFHE is active in 15 local communities mainly within the governorates of Cairo and Menya, and has completed more than 6,700 homes. It has one of the highest loan repayment rates, allowing one house out of every three houses to be paid for from the revolving fund – one of the best demonstrations in the world of how a revolving fund is working for sustainability and impact.

The houses constructed by HFHE are simple and affordable, yet decent and durable. They are built using appropriate, locally available building materials, which meet specific housing requirements. Houses have cemented or tiled floors, mud or limestone brick walls, secure wooden roofs, and enough rooms to separate parents from children and boys from girls. The access to clean water and sanitation systems, separation from animals and good ventilation all serve to improve the health of the families and their communities. The Habitat program focuses on three levels of support:

- 1) building houses from scratch,
- 2) renovations, including adding roofs, doors or windows, and

- 3) adding rooms to existing structures

In addition to its conventional housing projects, HFHE offers no-profit loans to replace inadequate roofs with wooden ones. This change alone can allow families the opportunity to build a second floor in the future. 700 families have received Habitat loans for one of these three levels of support.

In addition to its main housing role, HFHE contributes to local economic development and boosts the local economy by purchasing construction supplies, including white limestone from quarries and employing local builders. Plastering and construction jobs become available, and people open shops to sell building materials and electrical supplies. The evaluation of such programs has shown that additional positive impacts on the community as a whole have been realized such as forging ties where none existed, building capacity for more development and empowering the people to continue working toward a better future.

Like all of Habitat's operations in Egypt, the Shousha program in Menya is implemented and strengthened through strategic alliances with community-based organizations. When Habitat entered Shousha, the local organization Al-Etezaz was small with very little experience in community development and transformation. Through Habitat, Al-Etezaz grew and gained more capacity. The success of the partnership fostered more development partnerships for Al-Etezaz, including grants from the U.S. Embassy and CARE. "We

are a small NGO, but Habitat gave us a name and allowed us to realize that we are good partners," one of its members said.

In several cases, Habitat homeowners and others have come together to build homes for others. In Bany Mohammed, the community collected from each other to build nine houses for poorest of the poor who could not afford a home.

Another success story for HFHE and its national counterpart, CEOSS is working with communities of garbage collectors in Cairo. Many of the families not only live with their pigs, but also with the garbage that they sort and recycle. In El Motomedeia, the zabbaleen neighborhood on the outskirts of Cairo, CEOSS and Habitat for Humanity worked with the local leaders in the construction of a second story home with a door that could be closed to the odors of the garbage below. The ground floor is kept for sorting and recycling. The program has helped to raise the standard of living within the community, and also helped with unemployment, providing construction jobs.

Today, HFHE is in the process of partnering with Menya Governorate to provide housing units in one of the new desert hinterland villages as a demonstration project which may be replicated in other governorates in Upper Egypt.

Source: Habitat Egypt, 2007.

development and physical upgrading of slums and informal settlements. Currently, among the most prominent are the Future Foundation (FF), the Integrated Care Society, CEOSS and Habitat for Humanity Egypt (see Boxes 10.5 and 10.6).

HOUSING COOPERATIVES

Cooperative housing has long been practiced in both developed and developing countries, where it provides a substantial share of the housing stock. Cooperative housing provision can be made either using government channels such as in Egypt or independently.

Housing cooperatives serve three basic functions towards the overall goal of affordable housing for their members:

- They enable households to pool resources to acquire and develop land and housing;
- They facilitate access to finance; and
- They enable groups to join forces and reduce construction costs.¹⁴

The private sector can be instrumental in making housing interventions accountable and effective



COOPERATIVES FOR EGYPT'S LOWER AND MIDDLE INCOME GROUPS

Egypt has a long history with the housing cooperative system. Started in 1976, the objective was to encourage the private sector to return back to housing investment especially for low and middle income groups. Through this system, a group of individuals is encouraged to formulate a cooperative to be eligible for soft loans for housing construction. Several syndicates have made use of this privilege in constructing housing compounds for their professional members.

Based on Law No. 14 of 1981, all housing units constructed under this law would be exempted from different kind of taxes or charges paid by other types of projects. In addition, the land allocated for those projects is sold for cooperatives at a 25% discount on the original selling price, and upon a decree from the Minister of Finance the discount can increase up to 50%. Further, housing cooperatives are entitled to purchase subsidized building materials from public companies.

The General Organization for Housing and Building Cooperatives (GOHBC) is affiliated to the Ministry of

Housing. Since its establishment, it has concentrated its work in the following fields:

- *Housing Construction*: the organization has built 278,277 housing units between 1982 and 2005;
- *Provision of Soft loans*: GOHBC has between 1982 and 2005 provided about LE 16 billion to housing projects implemented by itself, by individuals, through housing funds for the military and police, and through the Agency for Joint Projects and Housing Cooperatives.

The soft loan for the single housing unit is about LE 15,000, paid over 40 years with an interest rate ranged between 5-6% with an average monthly installment of LE 73. The State had to bear the difference in the interest rate and those of commercial banks which accounts for 70% of the total soft loans.

The following table shows the total soft loans allocated to different governmental agencies within the period between 1982-2005.

Due to the relatively high subsidies for the housing units, in addition to several cases of manipulation in constructing other types of housing than those stipulated, the Ministry of Housing has gradually decreased soft loans in recent years with a shift towards the development of other types of public projects. In addition, the large subsidy entailed by this long term program has motivated the government to rethink of the whole concept of housing subsidy and the need for a new mechanism which ensures the rationalization of the governmental housing subsidy share, so as to widen beneficiaries base and ensure that subsidies reach targeted beneficiaries.

Despite this, the experience of housing cooperatives in Egypt should be revisited since it can still contribute to meet the housing demand. However, certain measures should be taken in order to improve the system. These include:

- Adjusting the existing law for housing cooperatives to ensure transparency and efficiency in management of financial resources;
- Providing clear criteria for eligibility in acquiring cooperative soft-loans offered by the government;

14. UNCHS and ICA, (2001), *Shelter Cooperatives in Eastern and Southern Africa*, http://www.unhabitat.org/programmes/housingpolicy/publications_cooperative.asp

TABLE 10.1 EVOLUTION OF COOPERATIVE SOFT LOANS FOR THE HOUSING UNIT

Year	Soft Loan Value	Interest Rate	Payment Period
1982	LE 8,000 in existing cities LE 9,000 for cooperative housing in new communities LE 6,500 for all borrowing cases	3% to be increased to 5% for loans above LE 5,000	30 years
1989	LE 8,000 in existing cities LE 10,000 in new communities LE 8,000 for all borrowing cases	5% 6%	30 years 30 years
1990	LE 10,000 for low cost housing units in South Sinai, North Sinai, New Valley, Red Sea and Matrouh Governorates	5%	30 years
1991	LE 10,000 for the three Suez Canal Governorates	6%	30 years
1992	LE 15,000 for Sadat, Borg El-Arab and El-Salhia cities	6%	30 years
1992	LE 12,500 in new urban communities	6%	30 years
1994	The soft loan raised to LE 14,000 for all borrowing bodies for units with area 90 sq.m. or less.	6%	30 years
1996	The soft loan raised up to LE 15,000 for units with an area of 70 sq.m. or less	5% for new projects 6% for old projects with unit's area more than 70sq.m	40 years 30 years
2005	The unit area benefiting from the soft loan increased from 70 sq.m. to 77 sq.m.	5% for new projects 6% for old projects with unit's area more than 70sq.m	40 years 30 years

Source: General Organization for Construction and Housing Cooperatives, 2005, Ministry of Housing 2006.

- Encouraging other financial institutions to provide financial support to cooperatives — such as commercial banks — with special interest rates;
- Rationalizing the previous government subsidization of land and construction materials;
- Offering land for those cooperatives with the same incentives currently provided by the Ministry of Housing to private sector low income housing projects with strict monitoring in order to ensure that projects are developed within due date.

HOUSING FINANCE FOR THE URBAN POOR

In Egypt, conventional public and private finance systems offer virtually no credit solutions to the housing needs of the low-income segment and the poor. Conventional finance institutions typically require physical collateral before they extend long-term housing finance. In most cases, this is in the form of the title of the property to be financed.

This presents an obstacle. The poor seldom have legal title to the land or housing they occupy. If proof of regular, adequate and secure income is

Conventional public and private finance systems offer virtually no credit solutions to the housing needs of the low-income segment and the poor

acceptable, this again is a problem for the poor, especially for those many working in the informal sector. The overall lack of information about their potential creditworthiness also contributes to their virtual exclusion from formal credit markets. Various alternative institutional arrangements have been developed, mostly by CSOs, offering substitutes to individual collateral to poor borrowers.

The mechanisms of affordable informal housing are generally outside of regulations and legal enforcement or of services. People rely on loans and own savings and mushroom over scarce agricultural land or on the outskirts of urban centers. CSOs can create lending institutions with easy-loan terms — possibly in partnership with private sector financial institutions — advocate and organize for formal registration and help citizens create legally recognized assets where formerly non existed, mediate with government for the provision of essential services, or provide

BOX 10.7 THE COMMUNITY MORTGAGE PROGRAM IN THE PHILIPPINES

The Philippines government launched a Community Mortgage Program in 1988 to help poor urban households acquire title to the land they occupy and develop the site and their housing in 'blighted and depressed' areas. The Program focused on the bottom 30% of households to obtain access to housing especially those living illegally on land.

The Program provides loans to allow community associations to acquire land on behalf of their members, improve the site, develop individual titling of the land and provide individual housing loans for home improvement or house construction. To acquire the loan, the residents have to organize themselves into a community association, which becomes responsible for collecting repayments and for ensuring that the loan continues to be serviced. If the development has to take place within an existing residential settlement, 90% of the residents have to agree to be a party to the loan and improvement program. Land is purchased on behalf of the members and initially remains under common ownership of the association.

The association is the responsible entity for collecting monthly rentals and amortization from member beneficiaries until the community loan has been individualized. Both community based organizations and CSOs (and municipal governments) can take out loans and provide assistance in organizing member-beneficiaries and informing them about loan availability. Loans are available for up to 90% of appraised value of property.

Loans are provided for 25 years at 6% interest. As of April 1994, the Program had already assisted 330 communities (39,992 households). Repayments rates are about 65%. Just over half of the intermediary institutions, which have acted as originators for loans are CSOs although some have been undertaken by local government units, national government agencies and financial institutions. Originators receive a small payment per households from the government for this service

Source: UNCHS 1996.

Community local savings or mutual assistance programs can be effective instruments for low income communities to find cost-effective solutions to their housing needs

alternative services where public services are poor or lacking.

An increasing number of finance institutions — whether formal or CSO-based — are now extending credit to the poor on the basis of 'social collateral'. They consider borrowers' reputations, or the social networks to which they belong, in place of traditional physical or financial collateral. Some of these options also provide lenders with low-cost alternatives to imperfect creditworthiness information.¹⁵

Increasing the number of financial mechanisms for housing and infrastructure delivery is one of the main concerns for any government within developing countries. Several innovations in that respect have been centered on involving the private sector in co-financing such services for the urban poor by offering the sector incentives in terms of land, tax relaxation, or other privileges. In other countries than Egypt, the approach has also focused on active participation of CSOs or local community associations in local savings or micro-credit directed towards housing improvement or infrastructure delivery in poor areas.

COMMUNITY LOCAL SAVING

Community local savings or mutual assistance program can be an effective instrument for low income communities to find cost-effective solutions to their housing needs. Through this mechanism, communities come together in rotating savings and revolving funds. The funds can be used for land acquisition and new house construction or incremental improvement.

Such programs requires that residents and participating groups, including private sector interests (both formal and informal) are given sufficient status in the process to enable them to negotiate successfully with potential partners.

Residents' savings can be pooled into a legal trust, which provides a mechanism to leverage and attract additional sources of financing, to protect against default, and to receive and manage subsidies. This trust can maximize the benefits of individual savings, provide the seed capital for community infrastructure, and bridge loans and end-user finance. Such a trust can be set up by a CSO or a community local association.¹⁶

An example of a mutual assistance scheme is the Mexican credit association, Plan de Ayuda Mutua, a self-financing program for residents of informal settlements. It is a system of dedicated savings to be used for land, housing, and infrastructure, and is assisted by a CSO or a public agency.

15. Van Bastelaer, (2000b), *Imperfect Information, Social Capital and the Poor's Access to Credit* <http://www.gdrc.org/icm/sk-and-mf.pdf>

16. World Bank, (2002), Brazil: "Progressive Low-Income Housing: Alternatives for the Poor", Report 22032 BR, World Bank, Washington DC.

BOX 10.8 THE EXPERIENCE OF CEOSS IN HOUSING IMPROVEMENT AND FINANCE FOR THE URBAN AND RURAL POOR

The Coptic Evangelic Organization for Social Services 'CEOSS' is a civil nonprofit organization. CEOSS has been involved in housing improvement and upgrading of slums and informal settlements in Egypt through partnering with the local communities. In order to encourage the active participation of local communities and ensure that its support is demand and not supply driven, CEOSS never intervenes in any area until receiving a request from the local community through its representative CBO.

The main intervention of the field of housing improvement has been in the form of helping residents to improve their deteriorated housing units which may have been in form of shacks, constructing additional floors to their homes to accommodate their newly married sons, installing required infrastructure (mainly water supply and sewage), and internal finishing. CEOSS has worked in both rural and urban areas in south Egypt and in big cities like Cairo as well. Within those areas, CEOSS adopts the following approach:

Organizing the local community through helping it to establish a community based organization (CBO);

- Build the capacity of the CBO through training and logistic support;
- Helping the community through its CBO to address main problems and define development priorities;
- Organize sub-committees from the CBO, natural leaders and local community. Each committee is concerned with

the implementation of one development priority;

- Promoting community savings through a variety of financial packages mainly in form of grants and revolving funds to help individuals to improve their housing. CEOSS, first provides a percentage of the total cost as a down payment while, the individual puts in a similar amount. The rest is given in the form of a revolving fund to paid monthly by the individual. The CBO sub-committee is responsible for choosing the eligible residents for the program, collecting the monthly payments and reusing the collected payments in new loans for other beneficiaries;
- In several cases, CEOSS has been playing an intermediary role between the community and the government to provide deprived areas with main lines of infrastructure while residents are responsible for internal connections within their units through another support program from CEOSS.

This approach has been successfully implemented in very poor area such as Hekr El-Sakkakini and Dar el-Salam in Cairo, Mansheit Nasser, and El-Fashn town in Minya governorate, in addition to several villages such as Bani Ghani in Minya. The majority of those projects have resulted in empowering the local communities and their CBOs to manage and initiate other development programs even after the withdrawal of CEOSS from the area.

Source: Mustapha Madbouly, Background Paper to the EHDR 2008.

Participants contribute a set amount every week over a savings cycle, generally less than 52 weeks to maintain the interest of the participants. Funds are allotted every month (or every week) based on a lottery, in which one participant receives benefits — in the form of construction materials, labor, or down payments on land — equivalent to the sum of savings during the cycle. No cash payments are made to the winners.

Experience suggests that innovative approaches such as that of CEOSS (see Box 10.6) and financial mechanism with active involvement of CSOs are highly successful in compensating the failings of conventional financial mechanism for the poor. However, duplication of best practice requires changes in the role of different stakeholders and required regulations. Table 10.2 suggests proposed roles for different stakeholders to promote community local saving systems.

FORMAL SECTOR HOUSING MICROFINANCE

Formal sector housing finance institutions have generally not been accessible to the poor, either as borrowers or savers, despite government intervention in

Experience suggests that innovative approaches and financial mechanism with active involvement of CSOs are highly successful in compensating the failings of conventional financial mechanism for the poor

the housing sector (notably in the area of mortgages). Microfinance has emerged as a mechanism that can benefit the poor without exposing them to complicated and endless procedures required to access other formal financial alternatives.

The term 'microfinance institution' refers to "...a wide range of organizations dedicated to providing these services and includes CSOs, credit unions, cooperatives, private commercial banks, non-bank financial institutions and parts of state-owned banks."¹⁷ In respect to housing, the term refers to "...small loans to low- and moderate-income households typically for self-help home improvement and expansion, but also for new construction of basic core units. Best practice in housing microfinance involves loans at unsubsidized interest rates and short terms, relative to traditional mortgage finance."¹⁸

17. UNHABITAT, (2006), *Enabling Shelter Strategies*, op cit.

18. B. Ferguson and J. Navarette, (2003), "New Approaches to Progressive Housing in Latin America: A Key to Habitat Programs and Policy", *Habitat International*, Vol 27, No 2, pp. 309-332.

TABLE 10.2 ROLES OF DIFFERENT STAKEHOLDERS IN COMMUNITY LOCAL SAVINGS

Actor	Role
CSO	Bridging between community saving groups and external organizations. Strengthen community organization. Set up or promote guarantee funds.
Donor	Provide grants, loans or guarantee funds to support the processes
Local Saving Groups	Within poor community, saving groups can be set up. They save and rotate funds. They can even invest funds.
Banks/ Insurance companies	Provide low-cost micro credit and insurance
Housing associations	Saving groups provide an informal organization. In the long run, however, housing associations can be developed, to provide a better negotiation position and better management of land and housing.
Government	Can initiate and support the system. Subsidies can be linked to saving groups. Start up capital can be provided.

BOX 10.9: HOUSING MICROFINANCE FOR THE URBAN POOR IN LATIN AMERICA

FUSAI in El Salvador provides bridge financing for poor households to help them become eligible for a national subsidy administered by the Fund for Popular Housing. *FUSAI* assists these households in acquiring the plots they intend to build housing on, in order to be eligible for the FONAVIPO subsidy, which finances building construction. The largest use of *FUSAI* funds is for housing purposes (e.g., for building materials).

Cobijo, a micro financing initiative in Chile, provides households unable to accumulate resources on their own with the minimum savings amount required to receive state subsidies under the Progressive Housing Program. These low-income

families participate in a revolving fund and borrow collective loans to meet the savings requirement.

In Venezuela, the *Fundacion de la Vivienda Popular* (FVP), a barrio improvement program, helps organize community groups and channel small amounts of government funding to them. These community groups provide small loans (from US\$500 to US\$2,000) to households' payable over 2 to 5 years in the form of building materials receipts. Families pay according to their ability. Peer pressure for community members to access credit has contributed to the excellent performance of the program and the improved living conditions in the *barrio*.

Source: World Bank, 2002

CSOs AND UPGRADING OF SLUMS AND INFORMAL SETTLEMENTS

The majority of cities in developing countries such as Egypt have been characterized by substantial growth of informal settlements and slums. In Egypt the government response has developed from demolition and eviction in 1960s and 1970s to upgrading these areas and providing them with infrastructure and social services.

A few demonstration projects in the 1980s supported and financed by donors who promoted the concept of participatory planning and upgrading, have been successfully implemented, mainly with the active involvement of local CSOs. Examples of these projects were Hai EL-Salam in Ismailia and Nasseriya in Aswan. Unfortunately, successful projects such as these have not been up-scaled to the national level to formulate a national policy of participatory upgrading. This has been due to the lack of capacities of both CSOs and local government to transfer such a successful approach to central level.

Despite this, these experiences have demonstrated the following:

- CSOs played a crucial role in organizing the local communities and raising their awareness to define their development priorities;
- CSOs played an intermediary role between the poor and local government in building the trust between them and defending the rights of the poor to regularize their housing and land tenure status;
- CSOs offered a variety of suitable financial packages whether to improve housing, provide infrastructure and local services and generate job opportunities through promoting self-employed and small enterprises.

Many governments have adopted slum upgrading as a strategy for improving the shelter conditions of the urban poor living and working in slums and informal settlements. This number is also set to rise with the introduction of the 'Cities without Slums' initiative.¹⁹ The most recent ongoing case study of Egypt's Future Foundation illustrates another success story on how to provide affordable and decent alternatives of housing for the urban poor through partnering with government.

19. See <http://www.citiesalliance.org/publications/civis.html>

BOX 10.10 THE COMMUNITY-LED INFRASTRUCTURE FINANCE FACILITY (CLIFF)

CLIFF is an alternative financing facility that emerged from the findings of a research project called 'Bridging the Finance Gap.' This study was undertaken jointly by several civil society organizations in the United Kingdom. The aim was to investigate how various organizations of the poor had managed to develop and finance projects through their own initiative. It also sought to find out why incentives designed to encourage formal and commercial financial institutions into pro-poor lending had been largely unsuccessful.

The findings were that mainstream institutions understand very little about housing and infrastructure investment and finance for the poor. However, the urban poor have both the entrepreneurial aspirations and capacity to undertake such projects, and do so despite the risk — which they themselves have to bear. When these initiatives meet with success, other institutions and organizations are keen to learn from them.

The way in which CLIFF provides funding is designed to recover the original costs for reinvestment and leverage funds

from other sources. CLIFF financial assistance takes the following forms:

- Technical assistance grants, which provide assistance to communities to package bankable projects;
- Capital loans to leverage public and private resources; and
- Knowledge grants to share lessons learned.

In Mumbai, India, CLIFF has been able to focus on two specific challenges that need to be addressed in order to scale up delivery of effective and quality infrastructure services. These are:

- Working with municipal and state authorities to improve the use of state subsidies to municipalities to support community-driven and other initiatives.
- Engaging the commercial banking sector to identify ways in which finance and credit could be made available to support and enhance slum upgrading and other activities.

Sources: Nirman.; Cities Alliance, (2004) <http://www.nirman.org/cliff.html>

A BEST PRACTICE: FUTURE FOUNDATION UPGRADING OF AGA'EIZ AREA IN GIZA

Aga'eiz is an old slum within Giza inner-city area with an average of 3000 residents. 29% of households have monthly incomes of less than LE 200 and 68% of less than LE 500. Unemployment is at 29%. About 72% of constructions are in the form of shacks, and 33.6% of families live in shared rooms/shacks.

With the objective of improving living conditions, the Future Foundation (FF) initiated an upgrading project in cooperation with the Ministry of Housing and Giza Governorate. The intervention strategy has been focusing on:

- Building trust with local community; to reduce mistrust FF organized three medical trial interventions in 2004 in order to access the area and establish trust and communication with the community;
- Getting to know the community through several surveys and questionnaires;
- Providing new housing units divided into phases for those families who live in shacks or dilapidated houses (11 residential blocks to be built to accommodate all families living in shacks and shared units);
- Implementing quick-win local projects through coordination with Giza Governorate such as providing social services and construction of roads.

CSOs play an intermediary role between the poor and local government in building the trust between them and defending the rights of the poor to regularize their housing and land tenure status

FF has adopted a gradual in-situ relocation through building housing alternatives first in the empty plots within the area (2 residential blocks have been constructed with 36 units first before any demolition), transferring residents to the new units and then demolishing the dilapidated shelters and making use of their land for new housing construction. The project has kept all reasonably sound structures and renews them to fit with the overall new urban image of the area.

The relocation process has taken into consideration the social ties and networks within the community. The upgrading project also offers new spaces for commercial and other economic activities. FF has redeveloped the primary school together with new furniture in addition to a new health care and social development center. In addition, through the new urban plan, new roads have been opened and connect the area with the surrounding neighborhood.²⁰

THE WAY FORWARD

The analysis of the Egyptian case has shown that civil society organizations can better access and interact with local communities, identify natural



20. Future Foundation, (2007),), "Future Foundation and its Role in Improving the Living Condition of the Poor", unpublished paper, FF, Cairo.

The consolidation and widespread participation of CSOs in the housing sector has still some way to go, if CSOs are to help meet Egypt's housing challenge



leaders and adopt the participatory approach in defining development priorities. They act as catalysts and as intermediaries, mobilizing community activity and bringing the urban poor in contact with public and private sectors. They build awareness and capacity of local communities and empower them to manage development themselves ensuring sustainability of initiatives first implemented by CSOs or government. Further, CSO can better mobilize the physical and financial participation of local communities than government. In this respect, CSO are able to introduce and operate innovative financial mechanisms such as community savings and revolving funds.

However, success stories remain dependent on available support from donors, international bodies or local political support and private sector backing. Further, almost all CSO interventions in the housing sector have not moved from the level of demonstration projects to a consolidated policy on the national or even citywide level. It appears then that the consolidation and widespread participation of CSOs in the housing sector has still some way to go and needs a further mobilization of resources and efforts, if CSOs are to help meet Egypt's housing challenge.

Measures can be undertaken in both short and medium terms to realize this objective:

- Improving the legislative and regulatory framework by adjusting the existing Association Law to strengthen the role of CSOs as mediator, managers, financiers,

implementers and capacity builders in local development generally and in housing and upgrading specifically;

- Reinforcing the framework of partnerships between CSOs and government. This could be realized through partnership agreements between Ministry of Social Solidarity, the Ministry of Housing and the CSO Union to organize the contribution of CSOs in implementing government plans and enable them to access the current housing subsidy programs offered by the Ministry of Housing;
- Networking between CSOs as a key step to spread best practice, Further, linkages between national and global CSOs would ensure additional sources of technical and financial support;
- Promoting financial modalities to enable micro-credit and local savings. This is a priority for the GOE in order to enable this large promising market to be activated in Egypt. The GOE could start by encouraging the three national banks together with Social Development Fund to initiate a dedicated program for housing micro-credit using CSOs through various alternative institutional arrangements to substitute for individual collateral to poor borrowers.
- Promoting capacity building programs for CSOs and local communities in managing soft-loans and microfinance programs, project management and monitoring, in addition to communication skills with other partners.

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ANNEX 10.1: OPERATIONALIZING DEVELOPMENT AND PARTICIPATORY URBAN AND ENVIRONMENTAL PLANNING AND MANAGEMENT

Narrative of A Local Heroine with Global Outreach

Long before UN Habitat convened its world summit in Istanbul in 1996, Habiba Eid, founder and President of the Association for Development and the Environment (ADE) in Ismailia was already "thinking globally and acting locally". Eid's interest in slum upgrading, land management and the environment in her home governorate of Ismailia came at a time (1980) when such concerns were still in their infancy in Egypt. Her work culminated in leading and contributing to the upgrading of Abu Attwa and Hai el Salam in Ismailia, two of the earliest textbook examples of pioneering slum upgrading in Egypt. However, her growing concerns over rapid urbanization that was stripping away valuable agricultural land, inadequate basic infra-structure and poor service delivery, deteriorating living conditions in Ismailia's slum areas and a host of environmental concerns including the precarious levels of pollution of Lake Timsah, prompted her to embark on the turning point of her career. In 1991, with a group of equally concerned urban planners, university professors from Suez Canal University, environmentalists and local volunteers, she founded an NGO, ADE, in Ismailia which she has headed ever since.

A year later, Eid was appointed National Project Director of the Sustainable Ismailia Development Project (SIP). The purpose of this UNDP-UN Habitat project was to put the newly coined concept of sustainable development into practice. More specifically, the project implemented by the governorate and ADE was to address inept local urban practices and environmental protection through capacity building. SIP introduced one of the earliest precursors to present day urban governance and decentralization practices; participatory urban and environmental planning and management (EPM). The process was a ground breaking concept developed by UN Habitat which involved mobilizing, empowering and enabling citizens and stakeholders in the city of Ismailia – often with conflicting interests- to identify, plan for and implement projects and programmes to solve the pressing urban and environmental problems facing the city. This was achieved through a long progression of stakeholders meetings and the formation of thematic working groups and city consultations.

This novel participatory process gradually became the modus operandi for mobilizing stakeholders, identifying key issues, formulating priority strategies, and designing and implementing strategic projects. Urban and environmental management in Ismailia were enhanced through the establishment of an environmental management information system and the use of digitized mapping facilities. The project succeeded in mobilizing governorate and public consensus on nine key projects in the urban-environment nexus. Other vital decisions affecting the city's future also emanated from ADE's work including the relocation of a regional wholesale market covering an area of 65 feddans and a central bus station covering an area of 37 feddans.

The impacts of this project were not only felt in Ismailia, but have had significant national and global resonance. Practices introduced by the project have been incorporated into the content of urban planning and environmental university curricula in Egypt. The project has been emulated by numerous development initiatives in Egypt wishing to adopt its unique participatory approach in various sectors. Globally, because the project was one of the earliest to join UN Habitat's global Sustainable Cities Programme (SCP) and implement the EPM process, Ismailia has become a prototype model and reference for over 40 cities that have joined SCP ever since.

It is important to highlight the synergy between SIP and ADE from the very start under Eid's overall direction. Because of close collaboration between the two entities, ADE has become the institutional memory for urban governance practices introduced by Ismailia Development Project in the early nineties. Without ADE, participatory practices introduced might have gradually disappeared with successive governors taking charge of the governorate. It was Eid's job to ensure that they didn't.

Since then, ADE has implemented numerous projects using this methodology. ADE mobilized funds from Egypt's Social Fund for Development to finance a much needed transportation project to employ local graduates. Furthermore, with funding from Germany's GTZ, ADE was able

to secure LE 62,000 for installing street lighting in a street leading to the industrial zone used by female workers in their daily journey to and from work. Another LE 100,000 was secured from the government for upgrading and moving a local open market place in Nefeisha area. Another LE 100,000 was mobilized in 2004/05 from GTZ to cover an open drainage in Tel El Kabeer area, where the accidental death of child had made this a priority intervention. Excess funds from this and other projects were used to grow trees in 26 schools and the entrance to the industrial zone of Ismailia.

Capacity Building for Egypt and Beyond

Urban governance necessitates that the competencies and responsibilities of local authorities and their partners in urban management are regularly enhanced and updated. This entails capacity building and training for decision and policy makers, local executives from all branches of government, elected popular council members, NGOs, CBOs and other stakeholders on a variety of skills. After successful completion of SIP, there was a general consensus that urban governance practices require capacity building and training to ensure efficiency and sustainability.

In collaboration with the governorate and with technical assistance from UN Habitat/UNDP and financing from the Social Fund for Development, ADE implemented a comprehensive capacity building programme at the governorate level under the umbrella of the SIP II project. After acquiring permission from the governorate to renovate and equip a deserted local club into a modern training centre, ADE prepared and translated over twelve training manuals and materials on various aspects of urban and environmental planning and management provided by UN Habitat. These included manuals on leadership, tools for urban participation, gender and urban management, conflict management, and social surveying in slum areas. The materials also included a series of training manuals specifically tailored for enhancing the skills of elected local parliamentarians; the councillor as policy maker, decision maker, communicator, facilitator, enabler, negotiator, financier, overseer, power broker, institution builder and leader.

Since its inauguration in 1997, the Sustainable Development Centre for Training and Capacity Building has been managed by ADE. It has trained 18 master trainers who in turn have trained 1,800 Egyptian officials and stakeholders including local elected council members from Ismailia and other governorates, executives from various ministries, faculty members from Suez Canal University, women, and youth. UN Habitat also utilizes this training centre on a regular basis for conducting regional training in collaboration with ADE. Arab delegates from the region including 34 city council heads and representatives of four universities from Palestine have been trained at the centre. Elected city council leaders from Morocco, Tunisia, Libya, Sudan, Mauritania, Jordan, Palestine, Syria and Lebanon have attended a series of training sessions using UN Habitat material adopted by ADE for relevance within the regional context. This pioneering work in capacity building has been documented and cited in several international publications.

Slum Upgrading with a Human Face

In 2003 and in partnership with the Governorate of Ismailia, Italian cooperation and UNDP, the Association for Development and the Environment embarked on a slum upgrading project in the areas of Bahtini and El Hallous. Located to the west of the city of Ismailia near Lake Timsah, these two informal settlements together cover a total area of 106 feddans and are home to nearly 15,000 inhabitants. These two areas exposed human deprivation at its worst; deficient road networks, poor housing and planning of living space, inadequate and defective sanitation systems, insufficient access to potable water, absence of solid waste management, meagre health services and street lighting and a rodent population that threatened a public health outbreak.

But what started as a conventional slum upgrading initiative seeking to improve the physical environment was transformed by ADE into a holistic vision for improving human conditions and empowering the inhabitants. It not only educated local inhabitants on their rights, but also coached them on how to identify and articulate their problems and how to negotiate their requirements from local authorities. In the course of implementation, ADE has prepared numerous female and male community leaders to ensure the voice of the people is heard. Much of the success of negotiations with local authorities rested on the sensitization and training received by elected popular council representatives and local authorities on how to coordinate work and build consensus for improved service delivery. Upgrading and social work were made possible by an Italian Cooperation grant of US\$ 3 million with government parallel funding of LE 3 million. Local monetary and in-kind contributions in addition to private voluntary contributions raised by ADE proved indispensable in complementing these funds.

Upgrading the Physical Environment and Revamping Basic Infrastructure

Utilizing modern GIS, satellite imagery and digitized mapping facilities installed by SIP, detailed maps were prepared for the two slum areas. Besides revealing the extent of urban encroachment on agricultural land, the maps revealed the extent of physical and infrastructural disarray. In cooperation with over ten central and local government entities dealing with virtually every known sector in public administration, ADE began the task of bringing together the inhabitants with these counterparts to renegotiate the existing social contract. For although the majority stood to gain, some inhabitants had to vacate their homes (in return for adequate compensation) in order to re-plan the street network. Marathon discussions proved to be a valuable learning experience for locals who had been given a voice for the very first time. By the time physical re-planning and upgrading was complete, the communities of Bahtini and El Hallous had new street networks, functioning sanitation and treatment plants, potable water, and electricity poles with underground cabling according to international safety standards. ADE also assigned numbers to homes and buildings. Once this was complete, the governorate was able to update the GIS for these two areas to facilitate future planning.

Networking for Change

Paramount among ADE's concerns has been the issue of networking and coalition building for greater impact and advocacy. Nationally, ADE is the only non-governmental member on the committee on the environment within the governorate of Ismailia. This position ensures the voice of the public is heard during planning and decision making within the local government machinery. ADE has also been selected as a

permanent member by the Suez Canal University on its committee for Community Affairs and Environmental Development. In this capacity, ADE is able to provide sound advice to the University on pressing environmental issues on a regular basis. Furthermore, ADE has joined forces with twelve other local NGOs in 2006 to form the first Federation of NGOs for the Protection of the Environment in Ismailia. With ADE at the helm, the coalition has been active in following up on a CIDA funded local initiative on recycling agricultural waste. ADE also heads another important initiative in the area of protecting biodiversity and documenting endangered natural heritage in coastal zones since 2005. Joining forces with three other NGOs from Marsa Matruh, North Sinai and Alexandria. Together, the NGOs established a museum for rare and endangered specimens of animal and plant life in Marsa Matruh, thereby hoping to raise the profile of this issue to the attention of decision makers at the national level.

Global Reach

Internationally, ADE has actively built contacts and networks with numerous city officials and NGOs around the world including Madras (India), Shanghai and Shenyang (China), Cape Town and Johannesburg (South Africa), Nairobi (Kenya), Dar El Salam (Tanzania), and Moscow. These field visits proved mutually beneficial in sharing innovative solutions on city management and environmental protection for cities facing similar urban challenges. Similarly, ADE has also hosted several delegations from Tanzania, Tunisia, and Morocco for a close look at Ismailia's experience. On a personal capacity and on behalf of ADE and the numerous projects she has directed, Habiba Eid has been a resource person and presented her experience in city planning and management and slum upgrading in nearly 40 global and regional conferences and summits in 23 major cities across the globe stretching from Havana to Yokohama.

Ingredient of Success

There are numerous lessons to be learnt from the pioneering work of ADE over the past sixteen years. Many successes and shortfalls have shaped its evolution and many people and partners have contributed to its mission. Much of this is documented. But if the Governorate of Ismailia has earned a global reputation for best practices in urban governance, it has been through the relentless efforts of Habiba Eid. As a seasoned local politician, Eid's ability to mobilize, mediate, catalyze and move public action in pursuit of public goals has been witnessed by ten consecutive Governors of Ismailia with whom she has worked closely. Her devotion, empathy, ability to listen to people and above all her desire to empower the under privileged has turned her into a local hero. In recognition of her contributions, Eid was elected in 1997 by the people of Ismailia as Deputy Chairperson of Ismailia's Local Popular Council, making her the first women in Egypt to hold this post.

Her life's work in the service of the people of Ismailia has also earned her global recognition. Eid was awarded the Agha Khan Foundation Award in 1982 for her ground-breaking work in the Abu Attwa upgrading project in a ceremony held in Marrakech. In 1992, she received the UN Habitat Award in Jakarta for her contributions for excellence in urban practices. In 1999, Eid received the coveted UN Habitat Scroll of Honour Award during the annual celebration of the UN Habitat Day in Dalian, China for her "outstanding personal commitment to the cause of sustainable human settlements development". This is the most prestigious global award that acknowledges outstanding achievements by individuals, organizations and projects in improving urban quality of life and human settlements.

Contributed by Halla Shafey, Development Economist and GAD Consultant





THE ROLE OF INFORMATION, COMMUNICATION AND THE MEDIA

While the past fifty years have seen a regression in voluntary work and the role of civil society in Egypt, recent changes in the role of the state are associated with an increasingly important role given to civil society in complementing the efforts of state institutions in the pursuit of genuine development.

To be effective, civil society must play a role that is part of the institutional fabric of development management. CSOs need to participate in decision-making and follow up on developmental performance through established community accountability mechanisms if they are to ensure the relevance of programs and policies to community needs. They must help reduce corruption and misuse of government resources, and to guarantee the implementation of developmental programs that promote justice and equity as well as empower and protect the most marginalized segments of the population.

This chapter highlights three main mechanisms necessary to activate participation of civil society in the decision-making and follow up processes. The first section examines the potential to incorporate CSOs in the programs and activities of government agencies). The second section introduces a framework of principles and rights regarding *public information* and recommends key reforms to establish a supportive legal and institutional environment to secure free and open availability and access of information. The third

section highlights the role of the *media* as a major tool in communicating and disseminating information to the public.

CSO INTEGRATION IN THE WORK OF GOVERNMENT INSTITUTIONS

Integrating CSOs into the programs and activities of government organizations and agencies would make certain that civil society plays a more significant role in influencing policy and decision-making as well as follow-up on developmental performance, and would contribute to a greater level of interaction between government organizations and civil society. Creating the appropriate space for civil society participation can lead to greater levels of accountability and transparency and bridge the gap between government organizations — whatever their area of focus — and citizens. To strengthen the relationship, specific roles and responsibilities need to be assigned and allocated in a manner that utilizes the relative strengths and capacities of both to serve the common good. The role of civil society in government crises and emergency management systems is a significant example of the potential benefits of civil society involvement in government activities. (See Box 11.1)

INSTITUTIONALIZING CIVIL SOCIETY INTEGRATION IN THE DECISION-MAKING PROCESSES

The Information and Decision Support Center of the Cabinet (IDSC) was set up in 1987 as a key-

BOX 11.1 CIVIL SOCIETY AND CRISIS AND EMERGENCY MANAGEMENT SYSTEMS

Current emergency and disaster management systems in Egypt are characterized by a lack of planning and preparation prior to incidents as well as a lack of documentation and assessment of emergency relief efforts after the occurrence of crises and disasters, both of which adversely affect the efficiency and effectiveness of emergency response. Lack of planning results in a slow and disorganized emergency response efforts that can compound the damage and suffering caused by such disasters. Inattention to regular maintenance and monitoring of safety measures as well as insufficient funds allocated to emergency facilities are another weakness. Poor post-disaster assessments can lead to repetition of past mistakes. In addition, the relative absence of mobilization of human and financial resources at the local level during and after disasters and emergencies, in part due to lack of coordination between government organizations and civil society, hampers the emergency response and management system. Poor communication with victims, the media, and the public regarding the emergency situation adds to the confusion.

Civil society can play an important role in three different stages of emergency and crisis management:

- In order to prepare for emergencies and disasters and to avert the worst effects, if not the crisis itself, civil society can play a role through the submission and follow-up of reports on compliance with safety procedures. CSOs should be involved in the development of emergency plans and also participate in the simulated exercises. CSOs can also disseminate information and knowledge about emergency preparedness and relief in times of disaster and can also encourage organizations to adopt safety measures to prevent such disasters from occurring.

Source: Maged Osman, Background Paper to the EHDR 2008.

- In the second stage of response and containment civil society can engage in relief activities, providing emergency evacuation and temporary shelter, and offer counseling and psychological support to the afflicted and their families. CSOs can also produce objective reports that document and evaluate the government's emergency response efforts.
- The third stage of emergency management involves post-emergency activities. Here, civil society can participate in rehabilitation and reconstruction through in-kind and financial donations and assistance in the form of food, shelter, clothing, and funds. It can also give legal assistance and help create pressure groups to ensure that the rights of victims are respected. Given their experience, CSOs can help in the planning and implementation of future emergency management and disaster relief efforts.

To activate the role of civil society in emergency and disaster management, a specialized umbrella organization could be created to coordinate between non-governmental organizations in relief, crisis and disaster management. This should identify those associations that can provide assistance, and develop mechanisms for exchange of equipment and relief facilities. Relevant government agencies would create an administrative framework to coordinate efforts with CSOs during all three stages of emergency management. This would assign specific tasks to CSOs, such as raising public awareness regarding emergency and disaster risks, and preparing crisis management guides. The government could also develop a joint program of capacity building for CSOs, including practical training in basic management techniques, fundraising through the media, first aid, and so forth. Finally, representatives from civil society should be allowed membership on the National Committee for Crisis Management.

Objective assessments can help guide government agencies in modifying development plans to better meet the needs of citizens and communities

government organization affiliated with the Egyptian Cabinet and funded through the State budget to provide evidence-based policy advice and technical support in relation to information and data.

THE IDSC'S MODE OF OPERATION

During the second quarter of each year, the IDSC develops its annual work plan with the objective of addressing the priorities of all segments of Egyptian society. As such, the IDSC has developed a questionnaire which is circulated among CSOs, intellectuals, think tanks, university professors and political activists to solicit their opinions and proposals regarding topics of future IDSC studies, policy reports, conferences, symposiums, general lectures, and seminars. In this

way, the IDSC takes into account the trends, priorities, and visions of CSOs during the development of its plan.

INFORMATION AVAILABILITY

The IDSC provides various types of information and data free of charge through its website, including raw data from a number of field surveys. Survey databases are accompanied by a description of the survey methodology, the survey questionnaire, and a glossary that defines each variable in order to facilitate statistical analysis. In addition, other organizations are allowed to publish their data on the IDSC's website, giving researchers the opportunity to benefit from field studies conducted by a variety of organizations.

In the 2007/2008 Fiscal Year, the IDSC will undertake a new initiative to increase the online availability of information regarding civil society

organizations and their activities. A new website will include databases of NGOs categorized by activity and geographic distribution, present success stories of NGOs in different developmental fields, and information and data that can help NGOs fulfill their goals and objectives.

CIVIL SOCIETY AND DEVELOPMENTAL PERFORMANCE FOLLOW-UP

CSO involvement in monitoring and follow up at the sectoral and geographical levels can help to promote a greater degree of community accountability in development programs. Objective assessments conducted by CSOs can help guide government agencies in modifying development plans to better meet the needs of citizens and communities and limit misuse of government resources through inadequate planning and administrative corruption. At the same time, CSO involvement in monitoring and follow up can help to generate and promote success stories and lessons learned, encouraging replication of these successful developmental models.

The following is an overview of CSO involvement in the monitoring and follow up processes of the IDSC:

Public Opinion Poll Center

Public opinion polls throughout the world reflect citizens' opinions, ideas, and priorities and provide a feedback mechanism regarding the design and implementation of policies and legislation. As such, they play an increasing role in formulating public policy and putting pressure on governments to implement policies that address the needs and priorities of citizens and communities. The effective use of public opinion polls in planning and policy making requires flexibility and adaptability on the part of government officials.

An Opinion Poll Center can follow up development performance by conducting surveys regarding citizens' opinions about provision of basic social services, government performance, or public issues and concerns. In order to fulfill their important role in gauging public opinion, Opinion Poll Centers require a degree of independence from external influence and pressure from special interest groups. The financial sus-

tainability of Opinion Poll Centers is also important for maintaining professional proficiency and credibility of survey results.

The establishment of a Public Opinion Poll Center under the umbrella of the Egyptian Cabinet has aroused a great deal of controversy. Critics have reservations regarding the reliability and credibility of Center's polls in view of its affiliation to a governmental body. In particular, they doubt that survey respondents will feel secure in offering genuine opinions to government-employed interviewers. In order to ensure maximum credibility, the Prime Minister has approved the formation of an independent and autonomous Board of Trustees comprised mostly of non-governmental and non-partisan figures. The Board will guide and supervise the activities of the Public Opinion Poll Center, ensuring full compliance with all procedures necessary to guarantee transparency and maintain credibility. As members of the Board, representatives of civil society can play a significant role in developing the Center's work plan and monitoring the Center's performance.

The Social Contract Centre

In 2006, the UNDP chose to set up the *Social Contract Center* (SCC) within the IDSC as a joint project with the Government of Egypt to take forward the proposals set out in the Egypt Human Development Report 2005. This new Center can serve as a model for the integration of civil society into the work of government agencies and ministries. It is an autonomous body assigned with the formulation, implementation, and follow-up of the recommended programs and policies of the new 'social contract' described in the EHDR 2005.

A Board of Trustees for the Social Contract Center is being formed, able to secure sustainable involvement and interaction with civil society. The Board will include representatives from civil society with one seat specifically reserved for a non-governmental organization representing youth. It will draft the terms and conditions of the new social contract, market the idea of the new social contract, and direct the work of the Social Contract Center.

BOX 11.2 GOVERNANCE INDICATORS FOR CIVIL SOCIETY WATCH

The UNDP Oslo Governance Center has been developing a new generation of governance indicators to measure various dimensions of the operational policy and regulatory framework. Governance is a new area of public policy for many developing countries and the challenges include standardization in data collection and capacity deficits in data collection, analysis, and dissemination. There are as many as eight dimensions that require governance indicators but only four will be discussed in this box, namely public sector management, corruption, justice, and human rights.¹

Governments should be aware of the challenges and opportunities that they will face in developing an effective system for monitoring the quality of governance. Some of these challenges and opportunities relate to monitoring and evaluation (M&E) generally, while others are specific to governance M&E. Governance assessment and monitoring is especially challenging as in many cases it is cross-sectoral and requires the conversion of complex democracy and governance concepts into operational units.

1. The first group of governance indicators relates to public sector management:

- *Policy formulation processes.* The Open Budget Index is computed annually in many countries and includes indicators which measure a government's commitment to budget transparency and accountability. One possible indicator to gauge the quality of policy making processes is the percentage of citizens who believe that the government/public administration has transparent and participatory policy making processes. Another possible indicator is the percentage of policy makers who say they have 'sufficient information' on which to make decisions.
- *Citizen access to information.* "Freedom of information" should be reflected in the medium term through the expected outcome of having a well informed public that participates in national development activities. One specific indicator could measure the number of multiple news sources and media outlets, disaggregated by public/private, which provide citizens with reliable and objective news. Indicators to assess the legal environment which promotes access to information could

include the existence and implementation of freedom of information legislation/regulatory framework, the number of government agencies that have implemented Freedom of Information (FOI) guidelines, and the number of requests for information under a new FOI Act. A targeted survey of journalists could include indicators that gauge their perception regarding availability of adequate information on key policy issues.

- *Strengthened parliament engagement in policy formulation processes.* Possible indicators might include the percentage of parliamentarians who believe the committee system is effective in enabling parliamentarians to influence development policy debates.

2. The second group of governance indicators relates to corruption. Existing frameworks of indicators include reported corruption cases effectively prosecuted and improved investor confidence:

3. The third group of governance indicators relates to justice:

- *Percentage of the population that has been a victim of domestic violence.* This indicator would determine the self-reported prevalence of domestic violence. Domestic violence can be limited to partner abuse and usually includes physical, sexual, and emotional abuse.
- *Confidence/trust of citizens in formal and informal justice systems.* Data collection tools should include focus group discussions, a short questionnaire for a sample of households regarding their experience and perception of the customary justice system (CJS), and another questionnaire for plaintiffs and defendants.
- *Other indicators related to domestic violence.* Sources of data include surveys such as the Demographic and Health Survey as well as information from police and court records including: number of cases of domestic violence reported to the police per year (disaggregated by gender of victim and alleged assailant); percentage of cases of domestic violence reported to the police which are prosecuted in the courts; and percentage of cases of domestic violence prosecuted in the courts which lead to a conviction.

4. The fourth group of governance indicators relates to human rights.

As yet, there seem to be no indicators to measure the human rights sub-theme. The proposed indicators for the human rights target are useful because they tackle implementation issues related to the promotion and protection of human rights as opposed to more frequently used human rights indicators that focus on the legal commitment to human rights i.e. ratification (and domestic adoption in legislation) of human rights conventions. The MGDS goals and strategies deal with both civil/political rights and social/economic rights.²

- *Number of reported human rights violation cases effectively prosecuted.* The number of prosecutions concluded in court can be expressed as a percentage of
 - (i) the number of offenses reported to the police;
 - (ii) the number of arrests made;
 - (iii) the number of cases where suspects are charged; or
 - (iv) the number of cases where court proceedings are initiated.
- *Percentage of human rights abuse cases reported to police as a proportion of all cases prosecuted.* This indicator is related to the first one and would promote citizen's awareness of their human rights.
- *Number of prisoners per square meter (cell size).* This important indicator is based on the right of prisoners to security and dignified living conditions. Measurement of congestion would be number of prisoners per number of rooms by square area.
- *Voter turnout rate.* Voter turnout is a useful human rights indicator that will show citizens' awareness of their right to vote. Details such as the proportion of eligible women and other disadvantaged groups who vote are also useful.
- *Awareness of human rights.* The UNDP Oslo Governance Center proposes the introduction of a governance indicator that focuses on citizens' awareness of human rights, based on a carefully conducted survey that can easily and empirically assess several important areas in relation to human rights education, including awareness, knowledge, values/attitudes, and behavior.

Source: Adapted from: UNDP Oslo Governance Center, (2007), Report on the Refinements of the Malawi Growth and Development Strategy (MGDS) Governance Indicators: Recommendations and Next Steps.

The Board will also consult periodic sectoral reports that include indicators on Egypt's progress in achieving the MDGs in order to ensure that program implementation proceeds in an equitable and fair manner that protects the rights of all Egyptians, including the most vulnerable and marginalized groups. As such, representatives from civil society will have an important role in the planning and decision-making

processes related to the implementation of government programs in the new social contract.

In guiding and directing the activities of the Social Contract Center, the Board of Trustees will examine indicators that reflect achievement of the MDGs. It is of vital importance that the Board, in its non-governmental composition, plays a role in stimulating community dialogue

1. http://www.undp.org/oslo-centre/docs06/about_the_governance_indicators_project.pdf

2. <http://www.undp.org/oslo-centre/docs06/HRBA%20indicators%20guide.pdf>

on these indicators. To monitor developmental progress, the Board of Trustees must also commission reports that identify gaps and impediments to greater efficiency in the developmental programs, equity in allocation of resources, and realization of human development goals. As such, CSOs will play a pivotal role in the exercise of community accountability in development programs.

ENABLING CIVIL SOCIETY THROUGH AVAILABILITY OF PUBLIC INFORMATION³

Communication is a fundamental social process and basic human need, at the heart of all types of social organization. The Civil Society Declaration submitted to the World Summit on the Information Society (WSIS) in December 2003 presented a vision for civil society in the new millennium, which calls for assurances that guarantee free and fair communications within societies, giving each citizen the right to freely create, use, share, disseminate, and access information and knowledge. This to enable both citizens and communities to undertake activities that improve their quality of life and help them realize their full potential. Principles of social, political, and economic justice, and full participation and empowerment of people serve as the foundation for a just society. As such, access and availability of information and the ability to freely communicate knowledge and express opinions and ideas are key to securing these principles.⁴

These rights must also be extended to cover the activities of civil society organizations. Civil society actors must be able to access, use, and benefit from information and data from a variety of sources as well as produce and disseminate information in order to fulfill their role as key partners in development.

THE IMPORTANCE OF PUBLIC INFORMATION

Within the context of an emerging global information society, securing access to information helps bridge the informational gap between policymakers and citizens, private sector organizations, and civil society. The most important element of any strategy to narrow this informational gap is

Securing access to information helps bridge the informational gap between policymakers and citizens, private sector organizations and civil society

expanding the quality and quantity of information available to the public.

Information published in the public domain can be defined as information outside the scope of property rights or other forms of protection. This includes both administrative and non-administrative information produced by the public sector:⁵

1. administrative information encompasses administrative procedures, explanations of action or procedures undertaken by public organizations, and other government-related information;
2. non-administrative information is collected by governmental units during the fulfillment of public functions and includes commercial, cultural, technical, medical, scientific, environmental, statistical, geographical, and tourism information.

Both types of information can be of value to civil society and should be made available through open and accessible channels of communication and dissemination.

Availability and access to information serves a wide array of social objectives:

- Making public information available to citizens and communities increases transparency of governance and enhances equality and democracy;
- Dissemination of information in an open and non-restrictive manner ensures better public health, public safety and social care in part because information empowers citizens to make informed decisions concerning their daily lives, their communities and environment, and their future;
- Access to information also facilitates efforts by civil society organizations to participate in policy-making processes, raising the level of citizen involvement in government policy decisions;
- Greater availability of information availability can also help to activate the role of

3. Abridged and edited from a paper by Mohamed Abdel Ghani Ramadan and Mohamed Ramadan Beshandi, IDSC, May 2007
 4. See <http://www.itu.int/wsis/docs/geneva/civil-society-declaration.pdf>
 5. Based on the European Commission definition used to classify public sector information.

consumer protection associations. The most significant impact of consumer protection laws arises from the increase in quantity and type of information available to the public;

- In addition, information availability can help to decrease the occurrence of monopolistic practices among private sector companies.

Thus, greater access to information facilitates participatory approaches by allowing citizens to make informed decisions and contribute in a meaningful way. Many governments have adopted a patriarchal approach to policy making in which decisions are made on behalf of citizens without informing or consulting those who will be affected by these policies. A more participatory approach to policy making helps raise the level of public satisfaction with policies and programs and can motivate citizens to become more involved in the development and improvement of their communities.

However, guaranteeing free and complete disclosure of information from government sources is often not easy or mandatory by law. Excessive confidentiality on the part of government officials is a significant feature of most despotic and authoritarian regimes. As more and more public information is made available, governments are less capable of hiding illegal activities, corruption and lack of good governance. Even within the most transparent and democratic regimes, it is in the interests of some officials to impede disclosure of information and accountability. In these cases, while civil society actors pressure for greater access to information, politicians and rulers act to preserve the secrecy of national information on the pretext of protecting national security.

During the last decade, Egypt has experienced limited progress in the disclosure of public information. In particular, deficiencies in the national statistical system have created a number of problems, including the incompatibility of published data and statistics. However, the Government of Egypt has undertaken some reforms to address these issues. For example, harmonization of national accounts and adjustments in measurement methodology has resulted in the publication

of Egyptian national account statistics on the official website of the International Monetary Fund (IMF) in 2005. In addition, the Information and Decision Support Center of the Cabinet (IDSC) has facilitated greater access and availability of information by supporting ministries and governorates in designing websites. The Public Opinion Poll Center is expected to provide feedback on public attitudes to policy and its impact on the citizenry.

Building an information society in Egypt will require the participation of citizens as well as civil society organizations in creating the necessary governing framework, policies and mechanisms to guarantee all rights and freedoms related to communication and information. Enactment of access to information legislation and policies will result in a sound enabling environment based on the principle of accountability in which all Egyptians are free and able to access information in the public domain.

PRINCIPLES OF ACCESS TO INFORMATION: INTERNATIONAL TRENDS

Rights of access to information were first espoused by the Universal Declaration of Human Rights, adopted by the United Nations in 1948. According to Article 19, the right to freedom of opinion and expression includes the freedom to seek, receive, and disseminate information and ideas through any media and regardless of frontiers. Article 27 of the same declaration stipulates that everyone has the right to freely participate in the cultural life of the community and to share in scientific advancement and its benefits.⁶ Thus, any country that seeks to raise its level of human development needs to undertake measures to empower citizens by guaranteeing open access and use of information and knowledge.

In addition to the Universal Declaration of Human Rights, environmental concerns within the international community created momentum for introducing legislation that secures peoples' rights to freely access information. For example, the United Nations Economic Commission for Europe adopted the Aarhus Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters in June 1998.⁷

6. <http://www.un.org/Overview/rights.html>

7. The Convention stipulates a number of fundamental rights including the right of each individual to access environmental information retained by public organizations, the right to participate in decisions affecting the environment, and the right to refer to a court of law in response to a violation of these rights. See <http://www.unece.org/env/pp/welcome.html>

CONSTITUTIONAL RIGHTS TO INFORMATION

Many countries provide a basis for access to information through constitutional articles explicitly guaranteeing this right. In other countries, the constitution only stipulates the right to freedom of expression, which does not explicitly confer free access to information but rather indirectly implies this right.

A comprehensive approach towards strengthening citizens' ability to utilize available governmental information necessitates adoption of the positive legal right of access to information through national legislation known as 'Information Freedom Laws' or 'Laws of Free Access to Public Information.' At this time, more than 40 countries have enacted legislation that facilitates access to governmental information and an additional 30 countries are in the process of enacting such laws.

Although the international community calls for the universal adoption of these rights and foreign donors often tie these principles to development grants and aid, the implementation of procedures and mechanisms to increase access to information is uneven. Ultimately, government officials maintain discretion in deciding which and how much information will be made available. Often officials choose to strike a balance between the pros and cons of freedom of information by protecting and enforcing rights to some types of information while at the same time excluding rights to other types of information. Citizens' rights to freedom of expression are often restricted by limitations imposed on disseminating and publishing public information. It is not surprising that more repressive political regimes impose the greatest restrictions on freedom to information and freedom of expression.

LEGAL GUARANTEES PROVIDED BY LEGISLATION ON ACCESS TO INFORMATION

The best means to guarantee public access to official information is through the enactment of laws that protect this right. Successful national information policy requires the implementation of three basic elements. *First*, the nature of public information that should be available to the public needs to be identified. *Second*, the right to information

access should be established and used as a legal principle. *Third*, programs for managing information resources and disseminating public information should be developed. In this respect, planning and promotion of related administrative policies is essential for the production, publication and use of government information in a manner that empowers civil society. It is equally important that legislation and procedures conform with accepted international standards to the greatest extent possible.

There are many reasons to enact and implement comprehensive policies regarding access and availability of public information. *First*, in most countries, the public sector is the largest producer, consumer, collector and publisher of information due to the magnitude of the information activities in this sector. *Second*, unrestricted availability of public information is the basis for democracy and good governance. The public has the right to access and use information provided that privacy of citizens is not violated and the security of their private information is protected at all the stages of personal data exchange. These rights should be guaranteed by law. *Finally*, open and effective public accessibility to scientific and technical information funded by the public sector helps to advance research, human development, and efficient use of public funds. In this regard, Information Technology, specifically, is not an end in itself. Rather, it is a mechanism that can improve the effectiveness and efficiency of services provided by public institutions.

BASIC FEATURES OF PUBLIC INFORMATION LAWS

Public Information Laws in democracies most frequently apply the following principles:

- *Maximum disclosure of information.* This principle encompasses citizens' right to access to all information produced and retained by public authorities and requires that public authorities disseminate and provide important information for public interest (including budgetary details and public spending programs). Any public authority that declines to provide requested information has to justify this refusal according to legal procedures specified by the law.

- *Limit on concealment of information.* Concealment of information occurs under certain exceptional conditions provided that such conditions are clearly defined by law. Accordingly, access to information is not an absolute right; rather, it is balanced by considerations of protecting the larger public interest. In general, exceptions to the right to access public information are justified and reasonable when disclosure of information can have an adverse effect on the course of justice in a criminal case or in implementation of the law; violate individual privacy; constitute a threat to national security; reveal commercial secrets or other forms of confidential or private information; threaten public or individual safety; or undermine the efficiency and integrity of decision making in the government.

Democratic countries clearly identify and incorporate such exceptions into the law to prevent state employees from broadly interpreting their authority to conceal information for purposes other than the above mentioned exceptions. These exceptions are restricted to certain timeframes and based on the content of the information rather than the type of information. Implementation of the law occurs within all branches of the government, including legislative and judicial authorities in all of their security and defense functions. Concealment of information is only justified on a case by case basis.

- *Creation of enforcement mechanisms.* The third important feature of this type of legislation is the creation of enforcement mechanisms. Implementation of the law requires the establishment of organizational mechanisms including courts and an investigation authority for public grievances against state employees as well as effective and efficient appeals mechanisms to which people can refer in case requests for access to information are denied.

IMPLEMENTATION OF LEGISLATION ON ACCESS TO INFORMATION

Enactment of information access legislation is just one step in guaranteeing this right for all citizens. Implementation and enforcement of these laws is also needed. Three sets of actions ensure effective application of laws on the right to access information:

- *The first is promotion of public awareness* regarding the right to access information and laws governing information availability. Media campaigns should communicate with citizens and educate the public on how they can access information. In addition, media policies should correspond with the intent and purpose of freedom of information laws and legislation. Different forms of publications and ministerial websites can complement the efforts of these media campaigns. Government ministries should support programs and efforts that facilitate use of information, in particular by introducing forms of information technology that help the public search for and analyze information.
- *The second involves changing organizational culture within government agencies.* Under bureaucratic regimes, information represents a form of power which state employees consider as personal property to be disclosed only when they leave office. This lack of transparency represents an explicit challenge to the system of access to information. Therefore, education and training are important to overcome the deep-rooted mindset among generations of civil service employees and government officials.
- *The third is the development of an effective information management system.* Processing requests for information should be facilitated through effective decentralized structures and mechanisms. The current challenge lies in the random nature of official information systems and the lack of archiving or any coherent government information management system. This legislation would therefore provide a step forward on the path of extensive reform by creating a more effective and inclusive data and information management system.

BOX 11.3 PROPOSED POLICIES FOR PUBLIC INFORMATION MANAGEMENT AND DISSEMINATION

<p>Adopting national information policies requires two major areas of work. The first is building the optimal structure for public information management policy and the second is identifying public information management requirements.</p>	<p>government organizations should also be appointed to supervise the planning, implementation and review of local information policies in accordance with information policy at the national level.</p>	<p>of this information by the public as well as other government officials and employees by making use of government dissemination channels on all levels, on government websites, in libraries, through the media, and through other public sector entities according to the type of data and in pursuit of the functional objective of dissemination. Government units must also provide assistance to the public and other users of government websites by identifying all their informational resources, their needs for useful external resources, and databases containing all necessary information.</p>
<p>1. Building the Optimal Structure <i>Assignment of major responsibilities.</i> A high-level team within the executive office would draft national information policy and assume the roles of supervision, monitoring and coordination of Egypt's public information management policy. The director or coordinator of the team charged with developing a new national information policy should report directly to the Prime Minister.</p>	<p><i>Development of an effective work force.</i> Government needs to plan and implement policies and programs that will train adequate numbers of young graduates and professionals to implement and maintain all aspects of national information policy. To this end, the director of national information policy and the national office for formulation of information policy must work together with the education sector to qualify highly skilled graduates.</p>	<p><i>Avoidance of improperly restrictive practices.</i> The cost of information and data must not serve as an obstacle to the dissemination of information. Costs of information are multi-fold and include data pooling, information production, organization, updating, retrieval, printing and saving. In some cases, the cost can act as an obstacle to the access of information by disadvantaged groups. In order to manage costs and guarantee access to information by all citizens, government agencies must avoid monopoly of information by segments of society that can afford the price of information. They must also avoid restrictions or laws stipulating the charge of duties or taxes on the reuse, resale or reproduction of public information. They must also provide non-profit information services, provided that such service covers the cost of provision in order to maintain sustainability and upgrade in all respects.</p>
<p>A number of important points should be kept in mind as this team initiates work on a new national policy:</p> <ul style="list-style-type: none"> • <i>First</i>, a national policy of information requires a comprehensive vision and support of common goals and aspirations; • <i>Second</i>, the national policy needs to introduce a framework for accessing information protected by national authorities; • <i>Third</i>, developing such a policy requires the involvement of a high-level figure or organization to resolve inter-governmental organizational conflicts and to ensure that national interests prevail; • <i>Fourth</i>, control and coordination of the state information policy that aims to reduce bureaucracy and administrative inefficiency requires strong leadership. 	<p>Allocation of appropriate budget funds. The director of national information policy in consultation with the national office of formulation of information policies must to allocate an annual budget to implement all prioritized elements within the national information policy framework. The director must also conduct projection plans for budget funds required in forthcoming years in order to maintain a degree of progress and development.</p>	<p><i>Electronic access to information.</i> Government organizations should bolster the trend of using of IT to make information available to the public, as far as the budget permits. Generally, government efforts regarding electronic dissemination of information are referred to as "E-Governance". Rules of electronic access are subject to the aforementioned rules and standards. However, care should be taken to ensure that necessary and important information (such as forms, laws, procedures) is available through other sources in addition to the internet in order to guarantee access to information by citizens without computer or internet access.</p>
<p>Within the comprehensive framework adopted by the law, an <i>information</i> expert in every major governmental organization should be appointed so that:</p> <ul style="list-style-type: none"> • <i>First</i>, experts will form a task force responsible for ensuring that information, policies, principles, standards, regulations and rules stipulated by the comprehensive national policy are appropriately implemented.; • <i>Second</i>, experts should develop the structure of internal information policies, procedures, supervision rules, and evaluation within their governmental organization in accordance with the national policies; • <i>Third</i>, an information expert in all major local 	<p>2. Policy Requirements of Public Information Management <i>Availability of public information.</i> All government bodies are responsible for the provision of information to the public in accordance with their legislative and organizational obligations, including information related to their organization, activities, programs, meetings, and information records and systems. In addition, there should be free and open access to records pursuant to the provisions of the freedom of information law, in accordance with the scope of protection and limits set forth in the law. Also, government offices and agencies should have access to all information that is necessary and appropriate in order for each organization to accomplish its mission.</p> <p>Each government unit has to provide proper information in a fair manner that strikes a balance between the optimal use of the information and cost effectiveness for the government and the public. Each government unit must facilitate use</p>	<p>Source: Mohamed Abdel Ghani Ramadan and Mohamed Ramadan Beshandi, IDSC, May 2007.</p>

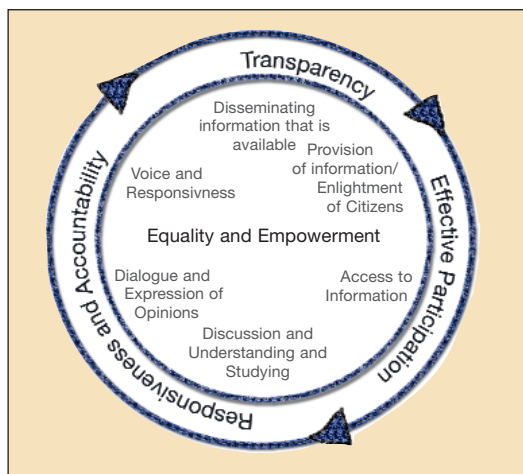
THE COMMUNICATION CYCLE AND DEVELOPMENT MEDIA

The media and communication cycle presented in Figure 11.1 illustrates the intertwined and overlapping elements of access to information. These elements operate within a dynamic framework of basic principles required for democratic governance, including effective participation, interaction, accountability, and transparency.

For these principles to become meaningful, they must be accompanied by the principle of empowerment through implementation of policies that enable all segments of society to access information equally in parallel with information availability policies.

The information cycle demonstrates the need to develop the capacity of civil society actors and organizations to understand and analyze information and policies, to arrive at well-informed

FIGURE 11.1 THE INFORMATION CYCLE



opinions and ideas about public issues that affect their lives. These include public hearings and meetings as well as the engagement of individuals and civil society organizations in planning, joint committees, dialogue forums, citizen counseling groups, and pressure and negotiation groups.

THE MEDIA IN EGYPT

It is commonly accepted that the media plays an instrumental role in the development process and in creating a platform for dialogue. *Development Communication* is a vehicle that can instill the development concept, raise awareness and change the perspectives both of society and government when discussing issues pertaining to sustainable development. It is one of the very few sectors capable of bridging the gap between policy makers and the population at large. Additionally, it creates an avenue to increase support for civil society organizations, expanding and enhancing their stakeholders and partners.

Development Communication is able to disseminate its information through its utilization of traditional and modern communication methods – the press, television, radio, the internet, mobile phone networks, documentary or commercial films and other channels, to impact on the behavior of individuals. It creates the social space to address and influence policy and decision makers; and it is able to monitor and evaluate all dimensions of development: economic, social, political.

A recent survey ranked the most common sources of information for Egyptian citizens as:⁸

- Local television;
- The internet;
- Acquaintances and friends meeting in public spaces and coffee shops;
- Satellite television channels;
- Radio;
- Newspapers.

However, despite the increased number of communication methods created over the last ten years or so, the state still has a hold on the public media, despite the emergence of the private media sector and independent media channels. While public media content has become increasingly liberal and comprehensive as a result of the new competitive environment, the private media's freedom of expression remains restricted in Egypt, leading viewers to resort to alternative, often regional or international channels to receive news or analysis content, although recent efforts to introduce debate and discussion have become visible. The press, both publicly owned and private, tends to deliver straight news or opinion, rather than evidence-based pieces.

A BRIEF REVIEW OF TRADITIONAL MEDIA AS A CIVIL SOCIETY ACTOR

Starting in the 1950s, state-owned and state-controlled media have played a major role in managing and determining the kinds of information that average citizens are exposed to and in defining political and social discourse in Egypt. Such control over public debate inhibited the emergence of non-governmental and civil society actors. Widespread, but partial liberalization of the media has come from pressure from an increasingly well-informed civil society as well as from donors and other international actors. It has been reinforced by government recognition of the difficulties in monopolizing control in today's media environment of satellite, internet, and mobile telephony as well as by government desire for Egypt to be part of the global economy and consequently part of the huge international information flows that sustain the new global economy.

The licensing system for opposition or independent newspapers is extremely complex. Only political parties that have been approved

8. Randa Fouad, Background Paper to the EHDR 2008.

BOX 11.4 STATE OF THE PRINTED PRESS IN EGYPT

Four types of newspapers exist in Egypt:

- The largest are commonly referred to as 'semi-official newspapers', and support government action. They are operated as a state bureaucracy, and editors-in-chief are appointed by the state. Information flow can be characterized as 'top-down' and there are generally no feedback mechanisms for reader input or response;
- A number of opposition or partisan newspapers are operated by opposition parties. While these newspapers are highly critical of the government officials and government policies, they suffer from low circulation and financial difficulties;
- In recent years, a number of independent newspapers have been established. These are owned and operated by private individuals or corporations. They are generally more objective and critical of the government and have introduced issues such as corruption that were rarely covered in the past. In addition, the creation of such newspapers is limited by government control over licensing procedures;
- The fourth type are local newspapers, which usually appear during election periods. Their circulation is small and the government usually acts to close them down because they are unlicensed.

Source: Hamza Mohamed, 2006. "Agenda-Setting in a Quasi-Democratic Country: A Case Study of Egypt," Paper presented at the International Agenda Setting

by Egypt's Shura Council or companies with a significant amount of capital are considered for newspaper licenses by the Supreme Press Council. Many private publications are licensed abroad in order to avoid these strict requirements, but content must be submitted to state censors and they must get authorizations from the Ministry of Information to print their publications in the free zone and to distribute their publications in Cairo.⁹

In addition to direct ownership of newspapers, the state also controls production and distribution facilities through its ownership and control over media distribution points and printing presses. The latter are subsidized and therefore offer lower rates than the commercial print houses. Access to the print media is generally limited to large urban areas.

People living in smaller cities and rural areas have relatively lower access due to limited distribution networks and thus depend on more widespread and accessible sources such as state broadcasting and satellite television.¹⁰

The state has increasingly acknowledged that the media has an important role in serving society's information needs and is critically important for

BOX 11.5 THE PLACE OF TELEVISION AND RADIO IN EGYPT

In Egypt, TV and radio are predominantly owned by the government, are controlled more closely than the print media, and are highly centralized. The state owns and manages two national terrestrial channels that cover the whole country, six regional terrestrial channels that cover a specific group of governorates, and two satellite television channels, the Egyptian Satellite Channel and Nile TV and its 12 thematic channels. The state primarily controls the agenda of television news programs on all these stations. TV has a particularly influential role in shaping public opinion due to its widespread reach.

The Egyptian Radio and Television Union (ERTU) controls all terrestrial television and radio broadcasting and also suffers from the same issues as other state bureaucracies, including overstaffing and low salaries. In addition, ERTU currently has debts which limit its capacity to develop new and innovative programming content.¹¹

The Egyptian Ministry of Information regulates the licensing and operations of all private satellite television and radio stations. Despite the relative liberalization in licensing private broadcasting media outlets, ERTU, the domestic state broadcaster, maintains a near complete monopoly over terrestrial broadcasting. The licensing system is controlled by the state and the conditions of operation for these broadcasters are not always transparent and known by the public. According to a recent IREX report, licenses were given to two FM music stations but hundreds of other applications have not yet received a decision. Several organizations that were denied licenses have established online radio stations, including the Al Ghad Party and the Muslim Brotherhood. The low cost of setting up and running internet radio as well as the government's relatively permissive stance towards the internet has allowed these radio stations to be established outside the current constraints on broadcast media. The audience of these radio stations is gradually increasing among young, urban, middle-class Egyptians but access to this programming is still limited by the low rate of internet use in Egypt.

Increasing competition from Arab satellite television channels, especially satellite news channels like Al-Jazeera, has forced state-owned Egyptian channels to improve and modernize their programming. In addition, diverse information and news coverage and programming by these Arab region channels have served as a credible source of local news for Egyptians. Private Egyptian broadcasters are forbidden from producing their own newscasts, but they avoid this restriction by producing a number of talk shows that present analysis on current events and controversial political and social issues such as youth, women's rights, and corruption. In general, these programs have succeeded in presenting opposing viewpoints from a diverse range of guest experts and call-in viewers. As these private channels capture more and more of the viewing audience, Egyptian news programs have been forced to follow suit.

Source: IREX (2006).

public debate and social inclusion. Hence the recent rise of independent or 'opposition' papers and independent commercial television channels. Traditional media (television, radio, press) is one of the primary sources of information, perspective, and analysis that citizens use to understand their communities, governments, government policies, and other issues that affect their daily lives.

The state, however, has not always viewed transparency as an asset but is aware that the media remains a safety valve for the discontented and has great potential in reaching the information needs of the disadvantaged through community radio broadcasts, and as an educational tool. For example, there are national programs targeted to schools and universities, or which address the specific concerns of rural communities and agri-

9. International Research & Exchanges Board (IREX), (2006), "Media Sustainability Index 2005 – Middle East and North Africa,"

International Research & Exchanges Board (IREX): Washington, D.C.

10. Ibid.

11. El Amrani, Issandr, (2005), "The Long Wait: Reform in Egypt's State-Owned Broadcasting Service," *Journal of Transnational Broadcasting Studies* (15).



Increasing the reach and relevance of the media provides a space for civil society to present and analyze public issues in the public arena

MEDIA'S ROLE IN STRENGTHENING AND SUPPORTING CSOS

The media's role in supporting CSOs is still restricted despite the clear potential exhibited in past campaigns to eradicate endemic diseases or to promote population control. The media is commonly viewed as a means to disseminate information, comment on policy and provide social or entertainment-based coverage. As a result, spreading knowledge and information on CSO work or engaging society with development goals is a low priority. Obstacles facing a more vigorous coverage of CSO activity include the general difficulty of obtaining sufficient information on these development initiatives. There is little experience among CSOs in generating the interest and momentum required to conduct successful national campaigns or to raise the funding necessary to finance public service advertising. CSOs are rarely able to even mobilize public contributions for their own associations using the basic mailing or press campaigns that are so successful in raising donations in other countries. Soliciting public support for CSO agendas through the media is a *sine qua non* to attracting donations and, indeed, volunteers. Increased media exposure can also increase the legitimacy and credibility of CSOs in the eyes of policymakers, making them viable partners in the policy process.¹⁴

In countries where government interference in the media is still strong, or where commercial pressures lead to only special interest coverage, civil society can play a critical role to better serve the public interest by providing objective coverage on social, political, and economic issues. This is done through CSO support for non-commercial media forms — such as the BBC in Britain or Public Broadcasting Service (PBS) in the US. These civil society media channels have been created as outlets for news, information, opinions

culturalists, although these are generally of a technical content. Nevertheless, there are certain areas — notably those that touch on sectarian topics — where media self censorship is expected in deference to 'national unity'. But according to a recent World Bank report, "government ownership of the media is generally associated with less press freedom, fewer political and economic rights and, most conspicuously, inferior social outcomes in the areas of education and health."¹²

A PUBLIC WATCHDOG?

Coverage by the print and broadcast media not only informs citizens about important policy decisions but also influences the way that citizens understand and interpret these policies and react to them, thereby providing feedback to the state. Increasing the reach and relevance of the media thus provides a space for civil society to present and analyze public issues in the public arena, thus making the agendas of civil organizations as well as government officials and policymakers responsive to and informed by the voices of the people.¹³

However, the media's role as public watchdog is viewed with suspicion since this role is assumed to be open to co-option either by opportunistic critics or by state agencies rather than seen as legitimate monitoring of civil and state endeavors to promote accountability and good governance. In this respect, media and journalism syndicates have an important part to play in setting ethical standards for media professionals and in ensuring that the media serves a public or community interest by making both government and civil associations accountable.

12. Djankov, S., C. McLiesh, T. Nenova, and A. Shleifer, (2001), "Who Owns the Media," Working Paper No. 2620, World Bank: Washington, D.C.

13. Deane, James, (2003), "The Other Information Revolution: Media and Empowerment in Developing Countries" in *Communicating in the Information Society*, United Nations Research Institute for Social Development: Geneva.

14. Start, Daniel and Ingje Hovland, (2004), "Tools for Policy Impact: A Handbook for Researchers," Research and Policy in Development Programme, Overseas Development Institute: London, United Kingdom.

BOX 11.6 MEDIA MONITORING BEST PRACTICE IN SOUTH AFRICA

The Media Monitoring Project (MMP) is a human rights driven, independent non-governmental organization specializing in media monitoring with the goal of advancing a media culture in South Africa and the rest of the African continent, that is critical and fair, free, diverse and ethical. Its core objectives are to inform and engage media professionals and other key stakeholders to improve the quality and ethics of news reporting in Africa and to influence the development of robust and effective communication legislation and media codes of conduct in Africa. Its goal is to become the pre-eminent media "watchdog" in Africa.

The MMP offers a wide range of services to CSOs, media outlets, government and NGOs in South Africa and other African countries. It reviews and analyzes the content, selection process and presentation of news reporting to monitor the quality and ethical practices of broadcast, print, and online media and distributes regular reports on research findings that highlight infringements to media duties

and responsibilities. Its special projects have included monitoring media coverage of South African elections as well as a number of gender-focused research studies. MMP also submits proposals for the development or amendment of media policies and laws and develops training materials, tools, and best practices on ethical and fair media reporting. In particular, MMP works with the Institute for the Advancement of Journalism at ABC/Ulwazi to develop and deliver courses that highlight issues of human rights and change journalist behavior.

MMP is the only independent NGO in South Africa that monitors the representation of human rights issues in the media, and the only organization that conducts in-depth qualitative and comparative research in this field. The organization's expertise is widely acknowledged by media stakeholders, and MMP is regularly invited to provide comments and presentations on a wide range of subjects within the media.

and cultural endeavors that commercial and advertising-driven media outlets neglect and government media outlets ignore. A reform of media laws in Egypt could allow for this type of highly trusted and credible media to develop.

EGYPT'S MEDIA AND DEVELOPMENT

Media-driven CSOs: In Egypt, they bring together professionals and intellectuals who work together to transfer these interests to all segments of the population. These include:

- The Arab Media Forum for Environment and Development (AMFED) which, in 2007 launched a national initiative on "Dialogue for Development". The initiative aims to support the creation of an Egyptian national dialogue on important issues related to the challenges facing the media, through cooperation with different CSOs from all over the country.
- The Business Writers' Association;
- The Economic Committee at the Syndicate of Journalists;
- The Egyptian Travel Writers' Association;
- The Society of Writers on Environment and Development (SWED).

These organizations work to build the capacities of media professionals in regard to various development issues. Their activities include holding media competitions and organizing discussion forums on topics relevant to their respective fields. They also generate media material, organize field visits, and create a wide communication network with authorities, agencies, academic centers, and civil society organizations.

Media and Social Responsibility. Despite the increased role of the private sector in domestic affairs dating back to the economic *Infitah*, media and the private sector in Egypt are still underdeveloped with regard to social responsibility. There have been some efforts, particularly from large corporations, to deliver on their responsibilities towards society, but their well-intentioned contributions to the social framework have not always been successful due lack of knowledge and experience in the social realm. Corporate social responsibility (CSR) projects in Egypt rarely involve funding for larger development initiatives, and focus largely on piece-meal contributions to specific projects, although the recent past has seen the creation of several private-sector foundations and commercial initiatives specifically targeted to fund or assist social goals.

For a culture of CSR to fully take root, social responsibility must be seen as a national obligation. The media elsewhere has played a significant role in promoting this value as well as—in cooperation with governments—in identifying areas in which corporate contributions could have the greatest development impact. This has usually been supported by legal and tax incentives for business, to make it economically attractive to establish long-term projects aimed towards achieving sustainable development. An additional incentive has been the public goodwill generated towards corporations that visibly sponsor social causes.

BOX 11.7 EXPONENTIAL POPULATION GROWTH: A DECLINE IN MEDIA COVERAGE

In the past decade there has been a total increase in population of 13.2 million people with an average growth of 1.32 million people per year. The expected (and almost confirmed) increase in population during the next 15 years will be 18.4 million people, meaning an average of 1.2 million people a year.

Given these significant figures, there has nevertheless been a retreat in visual, radio and written media addressing the growing population problem. This decrease in media attention to population issues was expressed by participants of a population media seminar in 2007, held at the Institute of Statistics, attended by leading figures and pioneers in media campaigns on population. Population issues addressed through the media have, until recently, been an integral component of population policies and have been implemented since the 1970s. There is

an incongruity to this fallback in media coverage when census results show that the rate of illiteracy is about 30 percent nationwide and even higher in rural and Upper Egypt and among women. Because fertility rates are higher than average in areas with high levels of illiteracy, the media, especially radio and television have a significant role to play so as to change perceptions, to encourage people to accept the culture of a small family, and to indicate ways and means by which they can be helped to do so. Further, studies have indicated that the culture of a "third son" still prevails even among the educated population while strategies that aim at reducing the fertility rate to the replacement rate by 2017 means that every family should have no more than two children.

Source: Hesham Makhlof, Egyptian Demographer Association.

The television campaign for the use of anti-dehydration solutions in the case of diarrheal disease achieved remarkable impact

Social Marketing campaigns have existed in Egypt. A successful example has been the television campaign for the use of anti-dehydration solutions in the case of diarrheal disease in infants and children. This achieved remarkable impact due to the utilization of well-known actors to deliver messages about dehydration and related health topics. The 'Family Regulation' (*Tanzeem Al-Usrah*) American funded campaign launched in the 1980s aimed at lowering population growth and was broadcasted extensively through television and other media. Unfortunately, the campaign did not sufficiently conduct social, cultural and relevant research to select the best methods to communicate with the target audience. As a result the message was not effectively delivered to the citizens of rural Egypt. For example, religious symbols were not used in the advertisements, even though religion is a primary influence in encouraging and supporting the traditional large family structure. Nevertheless, the campaign was sufficiently successful in urban areas to create a demand for more media marketing activity.

Crisis Management. The media plays a vital role in raising awareness on domestic crises. Media involvement in emergency and crisis management can be important during three main stages:

1. before the occurrence of a crisis, the media can foresee and predict crises, thus warning the public of potential danger;

2. during a crisis, the media can act as mediators and suppliers between experts and citizens; and
3. after a crisis, the media can conduct post-crisis analysis, identifying strengths and weaknesses in the response to the crisis.

MEDIA PROGRAMS: ENTERTAINMENT OR EDUTAINMENT?

There is compelling evidence that edutainment, the process whereby entertainment formats are used for educational and health promotion purposes, has played a significant role in a number of countries in bringing about positive changes in the lives of young and old audiences alike. Edutainment programming relies mainly on mass media, particularly radio and television, to disseminate educational, health and other social messages with a view to influencing behavior change. The television and radio programming is usually planned as part of a broader integrated communication strategy that involves capitalizing on the opportunities presented by the program's popularity. Quality edutainment programs are capable of attracting primetime audiences of millions in a way that didactic educational programs are unable to do. They also have the potential to be self-sustaining through attracting advertising revenue for the broadcaster, particularly if the program is in a primetime viewing slot and the messages it communicates are in keeping with a sponsor's objectives.¹⁵

Examples of successful edutainment programming are to be found in various countries around

15. The material on Edutainment is based on the contribution of Mai El-Guindi, Alkarma Edutainment.

BOX 11.8 ALAM SIMSIM: THE CASE FOR EDUTAINMENT

Alam Simsim was developed following extensive consultation with experts in the fields of education, development and health, to define the principle goals of the show. These goals were determined to be literacy and numeric skills as well as the promotion of girl's education and a more gender-neutral environment. Sub-goals include health and hygiene and home and road safety.

Alam Simsim was designed with a view to the long-term to allow time for the audience to form bonds with the Muppet characters, which come to serve as positive role models and influence values and behavior more effectively than one-off messages delivered in small time periods. Trusted role models are crucial in emergency situations such as the country's avian influenza scare when public service announcements were developed using *Alam Simsim* Muppets in 2005.

Several independent studies of the program highlight a number of important findings:

- **Strong educational effect:** Children who view *Alam Simsim* demonstrate higher achievement in literacy and math and exhibit more gender equitable attitudes.¹⁸
- **Improves hygiene, nutrition and health practices:** Caregivers who participate in *Alam Simsim* outreach programs show gains in their knowledge of vaccinations, nutritious foods and hygiene practices.
- **Extensive reach:** A longitudinal survey shows consistently high reach of the program. Reportedly, over 80% of young children across both rural and urban populations of Egypt are viewers of *Alam Simsim*.¹⁹
- **Changes attitudes about early childhood:** Caregivers and public officials report that *Alam Simsim* provides a positive role model of how to communicate with young children, leading to shifts in parent-child interactions.²⁰

- **Regarded as an Egyptian series:** In focus groups, caregivers state that *Alam Simsim* incorporates appropriate Egyptian cultural values and has a uniquely Egyptian feel.²¹
- **Valued by Egyptian teachers:** Primary school teachers incorporate *Alam Simsim* educational techniques and programming into their classrooms.²²

The program's positive social messages has effectively been reinforced as part of a broader integrated communication strategy that relies on a multimedia platform. This includes an interactive website and storybooks that have been distributed in the nation's KG and primary one classrooms. Person to person contact has been achieved through an extensive outreach program coordinated with 30 community development associations working in 120 communities in seven governorates.²³ To date, almost 50,000 parents and teachers have received training and taken home kits that contain materials on basic health and hygiene, home and road safety, and early childhood development. While some of the topics addressed are more in-depth reinforcements of the messages conveyed in *Alam Simsim*, many of the additional topics resulted following a number of focus groups with parents and teachers where they were given the opportunity to present their concerns.

An unexpected but fortunate consequence of *Alam Simsim* has been the number of parents who have met with the outreach team to share their concerns and seek advice on how to handle sensitive issues such as child abuse and sexual molestation. *Alam Simsim* has served as a communication 'ice-breaker' enabling the outreach team to address issues that are difficult to broach in any society. Hence in addition to the pre-scheduled training sessions, trainers have also conducted sessions on child abuse, childhood disorders, mental and physical development and gender relations in the household.

Source: Mai El-Guindi, Alkarma Edutainment.

the world. In South Africa, *Soul City* was developed as a television soap opera to address a variety of health issues with a particular focus on HIV/AIDS. For a number of years *Soul City* has been and still is one of South Africa's most watched soap operas, resulting in a far greater awareness of the risks of contracting HIV/AIDS.¹⁶ In Peru, the 20-year *Simplemente Maria* (launched in 1969), chronicles the life of a maid who pulls herself up in the world first by taking literacy classes and then by learning how to sew well enough to become a seamstress and set up her own small business. *Simplemente Maria* is often credited as having spawned a spate of edutainment programmes in Latin America and beyond.¹⁷

In Egypt one example to date of locally produced edutainment programming is *Alam Simsim*, a show that targets pre-school children and their caregivers, and that has been airing daily on primetime Egyptian television since 2000. *Alam Simsim* is produced by an Egyptian private sector media company, in partnership with Sesame Workshop, a US non-profit organization and principally funded by the United States

Agency for International Development, as well as some corporate sponsors (see Box 11.8).

The creators of *Alam Simsim* — an offshoot of the similar Sesame Street in the US — were persuaded that the educational development of young children is enhanced through increased parental participation. By injecting more adult humor, such as puns and parodies of pop culture personalities, the producers achieved their goal of getting parents, primarily mothers, to watch along with their children. Given the educational value of the show, Sesame Street has effectively been dubbed and aired in over 120 countries over the past 38 years. The greater achievement of this model of edutainment is the fact that it has been replicated in 30 countries including Egypt, where the show is locally produced, using indigenously developed characters and settings.

The success of *Alam Simsim* makes the case for the development of other quality edutainment programs. Egypt, traditionally the exporter of entertainment programs across the Arab world, has yet to explore the full potential of edutainment programs and long-running dramas or soap operas

16. Goldstein et al, (2005), Communicating HIV and Aids, *Journal of Health Communication*, July-August.
17. Singal A., and Rogers, E.M., (1999), *Entertainment Education: A Communication Strategy for Social Change*, New Jersey, Lawrence Erlbaum Associates.
18. Rimal, R.N., Figueroa, M.E., & Federowicz, M (2006), *Impact of Alam Simsim Among 4-to 6 Year Olds in Egypt*. Baltimore, MD: Johns Hopkins Center for Communication Programs.
19. Synovate-Cairo, (2007), "Alam Simsim Marketing Survey in Egypt."
20. Social Planning, Analysis and Administration Consultants, (2005), "The Cultural Impact of Alam Simsim- An Egyptian Adaptation of Sesame Street."
21. Ibid.
22. Ibid.
23. Fayoum, Cairo, Alexandria, Beni Suef, Menia, Qena and Aswan.

BOX 11.9 RESEARCH TO SERVE THE POOR

Because effective poverty reduction relies on knowledge of poverty, the field of poverty analysis and human resource development has been one of the main areas of focus of the Economic Research Forum (ERF), a regional non-profit, non-government research network.

Filling Knowledge Gaps: Egypt Labor Market Survey

The Egypt Labor Market Survey of 1998 was implemented, under ERF auspices, in order to make household survey data more readily accessible. This survey was designed to be comparable to an earlier special round of the Egyptian Labor Force Sample carried out in 1988 by the Egyptian Central Agency for Public Mobilization and Statistics (CAPMAS). Data from the Egypt Labor Market Survey of 1998 was subsequently made publicly available to researchers through the ERF website. More recently, ERF implemented a follow-up survey in Egypt, the *Egypt Labor Market Panel Survey of 2006*, as a longitudinal panel tracking the households and individuals interviewed in the 1998 survey. Microdata from this unique panel survey was made available by ERF in October 2007.

Source: Dina Halaby, Economic Research Forum.

Linking Research to Policy

Research designed to impact poverty reduction needs to be linked to the policy-making environment. ERF has advised with several ministries on different issues related to reducing poverty and designing more effective social policies. In 2005, ERF was commissioned by UNDP and the Ministry of Planning to produce *The Poverty Reduction Action Plan for Egypt* (PRAP), to address poverty issues and advance progress towards achievement of the MDGs. The outputs of the PRAP were synthesized in a follow-up policy matrix on poverty targeting methods, addressing seven programs on food and bread subsidies, food stamps, smart cards, education subsidies for the poor, health insurance in remote and deprived areas, and unemployment reinsurance. An accompanying policy document explained the concept and methodology of targeting and expanding social safety nets. These documents were circulated to the Ministry of Planning and at the Cabinet level.

ERF is also working with the Ministry of Social Solidarity to develop a plan for a *Comprehensive Social Policy in Egypt*. The plan addresses the issue of why Egypt needs a shift in its current social policies, addresses the nature of the

required changes, and recommends the required policies to implement the proposed vision.

Capacity Building for Quality Research

In order to produce high quality research of relevance to policy, it is imperative to upgrade the skills of researchers in the region. ERF's two-pronged strategy involves increasing the availability of microdata from household surveys and training a new cadre of researchers who are able to analyze such data using state-of-the-art techniques for policy relevant research and analysis.

Partnerships for Stronger Impact

ERF carries out a substantive part of its activities in partnership with several regional and international initiatives including FEMISE, the Global Development Network (GDN) and the MENA Development Forum (MDF). It also cooperates with many local think tanks and research centers including the Egyptian Center for Economic Studies (ECES), the Social Research Center and the Center for Economic and Financial Research Studies (CEFRS). These partnerships are dedicated to addressing key policy issues in the region through empowering various agents, improving research, and bringing together various stakeholders in the region to promote growth.

Mobile telephone subscribers increased from 2.8 million in 2001 to 18 million in 2006, representing approximately 24 percent of the population

that allow for the development of much-needed positive role models capable of communicating a variety of health and educational messages, as well as offering inspiration to millions of viewers. Over time these role models become indispensable in tackling more sensitive issues such as drug addiction and physical and sexual abuse as well as serving as a forum to promote debate and dialogue on topical issues and current affairs.

NEW MEDIA AND ICT

Bridging the informational gap

The so-called "digital divide" refers to differences in access and availability of information between the rich and poor at both the national and international levels. However, despite remarkable advancements in information and communication technology (ICT) and information technology (IT) in management and documentation, there is still a deficiency in knowledge and information availability at all economic

levels. Therefore, the role of public media in disseminating information, including public statistics, at the national and regional levels is essential for promoting participation, creating and supporting open discussions, enhancing the effectiveness of governmental policies, and providing all citizens with means to accurately acquire information about their countries.

Mobile Telephony: With the spread of mobile telephones in Egypt, text messages have become a speedy and effective way of communicating information and logistics. According to data from the International Telecommunication Union, the number of mobile telephone subscribers has increased from 2.8 million in 2001 to 18 million in 2006, representing approximately 24% of the population.²⁴ This and other new ICT tools help citizens to communicate and organize among themselves and also to promote their message to a broader audience nationwide and worldwide.

The Internet: The internet is a growing sphere of media activity with limited government control. Many news organizations, social movements, civil society organizations, and bloggers use the

24. <http://www.itu.int/ITU-D/ict/e/Indicators/Indicators.aspx#>

Non-profit radio stations owned and formally controlled by a community create empowering forms of information and communication on issues that are important and relevant for local citizens



internet to publish news and information. Bloggers in particular have had an important influence in forcing stories on to the agenda of traditional media organizations (torture, violence, harassment). However, low internet access has prevented widespread access to electronic media and limits this tool to Egypt's elite.

OBSERVATIONS ON MEDIA CONTENT

Two faces of journalism — news reporting, commentary and opinion — sometimes merge and overlap such that opinions are presented as facts, a confusion that is often taken advantage of in the 'yellow' press. The emergence of an advertising-driven press narrows the focus of editors and journalists to a business and lifestyle agenda to fit the interests of a metropolitan elite and middle class. This can make it difficult for journalists to investigate social or development stories, which in turn limits the understanding of these issues.

Similarly, new FM radio stations are mostly private run and commercially oriented because they depend almost entirely on advertising for their funding. As a result, their programming content is consumer-oriented, advertising-dependent, urban-focused, and frequently targets youth or lifestyle, primarily focused on music or entertainment, and includes little or no news or informational content. Some have recently introduced talk shows about social issues and love and relationships, or interviewing people on the street on the various social topics of the day. Some media observers suggest that the popularity of these new FM stations among both listeners and advertisers

has prompted government-run radio stations to introduce new and interesting programming.²⁵

CSOs have been critical of FM radio's general avoidance of presentation and analysis of local news and public debate, discussion of important and relevant social issues, and reference to rural, poor, and marginalized communities. However, across developing countries there are a few examples of FM radio stations that have successfully integrated informational content into their programming. One such example is Capital Radio in Uganda, which has developed innovative health and sex education programming dealing with such issues as HIV/AIDS and stimulated public discussion and dialogue on the issue.

The liberalization of airwaves and radio licensing in many countries has resulted in the development of community radio, which are non-profit radio stations owned and formally controlled by a community. These radio stations create empowering forms of information and communication by allowing for the development of content and the production of programming by and for the local community on issues that are important and relevant for local citizens. Talk-based radio has created spaces for private citizens as well as CSOs to debate social, political, and economic issues and have their voices heard in the public arena. This is critical for increasing citizens' understanding of and engagement in their communities. However, in Egypt there is no licensing of community radio channels or privately run short or medium-wave radio stations which specifically target local communities.

25. Daily News Egypt, July 21, 2006.

BOX 11.10 EGYPT IN THE ANNUAL PRESS FREEDOM INDEX

Egypt appears in the bottom range of the ranking in the 2007 World Press Freedom Index, an annual rating published by Paris-based Reporters Without Borders measuring the level of press freedom around the world. Coming at number 146 out of 169 countries evaluated, Egypt dropped 13 spots from number 133 the previous year.

Egyptian authorities have recently been subject to criticism from international rights groups and representatives of foreign governments for allegedly restricting press freedom. Most recently, the editors of four of Egypt's leading newspapers were sentenced to one year in prison and fined LE 20,000 for "publishing false information [about the president's health] likely to disturb public order." The chief editor of Al-Wafd opposition newspaper, along with two journalists of the same newspaper – received a two-year jail sentence for misquoting the Minister of Justice. The editor of Al-Badil opposition paper

is also facing prosecution for 'spreading rumours'.

In February of 2007, a student blogger was sentenced to four years in prison for defaming Islam and President Mubarak. Shortly thereafter, a Brotherhood blogger and journalist was arrested and detained for several months on unclear grounds. Rights groups claim that his detainment was a result of his outspoken online writings.

Furthermore, the New York-based press group Committee to Protect Journalists (CJP) issued a report in October 2007 on an editor at Al-Ahram who mysteriously disappeared four years ago on his way home from work. CJP crowned Egypt as one of the world's "worst backsliders on press freedom" in 2006, citing an increase in the number of attacks on the press over the past five years.

Source: Daily News Egypt Newspaper, October 18, 2007. www.rsf.org

CONSTRAINTS TO THE MEDIA'S ROLE IN CIVIL SOCIETY

The Egyptian media has one of the highest levels of state ownership and control in the region. There are a number of challenges and constraints that limit the independence, integrity, and competence of the media to effectively perform its role within civil society.

THE LEGAL ENVIRONMENT

Several articles of the Egyptian Constitution guarantee freedom of speech and expression. Article 47 guarantees the right for every individual to express his or her opinion verbally or in writing while Article 48 guarantees freedom of the press, printing, publication and mass media and explicitly prohibits censorship on newspapers. However, this article makes an exception to the prohibition of censorship on newspapers, publications, and mass media regarding stories related to public safety or national security in a state of emergency or during a time of war.

Article 208 of the Constitution specifically relates to the press. It guarantees freedom of the press and forbids censorship. It also states that it is forbidden to threaten, confiscate, or cancel a newspaper through administrative measures. Article 210 adds that journalists have the right to obtain news and information according to regulations set by law.²⁶

Despite these Constitutional guarantees, various laws infringe on freedom of expression and the

rights of journalists to access information with the consequence that media organizations operate in a very contradictory legal environment. Other legislation that impacts on the operations of the media include the Emergency Law in force since 1981, the 1996 Press Law, the Penal Law, the 1971 Law on the Security of the Nation and the Citizen, the Publications Law, and the Parties Law.²⁷

In particular, the Emergency Law of 1981 allows authorities to censor or ban publications that deal with matters related to public peace or national security or are deemed to be offensive to public morals or detrimental to religion. The law also allows the criminal prosecution of journalists who publish articles that threaten national security and public peace.

The Press Law 96 of 1996 in fact prohibits censorship but makes exceptions during states of emergency. While the law prohibits administrative bans or seizure of publications and forbids the harming of journalists because of the opinions or truthful information they present, it contains a number of provisions allowing for the imprisonment of journalists for offenses including defamation, libel, insult, and false information. Other regulations governing defamation restrict media criticism of government officials and institutions such as the military, police, and security.²⁸ According to a recent report, "In 2005, human rights groups recorded 34 cases of journalists who were sentenced to imprisonment or fines, 28 cases of journalists who appeared

26. IREX, 2006.

27. Ibid.

28. Ibid.

before a judge, and 21 cases of journalists investigated by the public prosecutors. The majority of these cases concerned defamation of public officials and insult of private individuals.”²⁹

Egypt, as yet, has no ‘Right to Information’ law that would allow comprehensive and accurate reporting on policy decisions.

Government control and ownership of the media

Direct state control over media organizations as well as its control over licensing has resulted in a highly centralized media system. This limits the plurality of media sources as well as media’s ability to serve as an independent and objective source of information regarding national and local issues.

This centralization of the media affects the way that issues and news stories are framed, and it is the national newspapers and television stations that are the predominant source of information. These tend to focus on available regional and international news because there are fewer obstacles to gathering material and less restrictions on reporting these stories. Thus, a variety of local or regional news stories are not covered by the press, and are liable to fall prey to rumor, distortion and misinformation as they spread through informal channels.

HOPES FOR THE FUTURE

The media in Egypt, as in other countries, are captive to the environment in which they operate and subject to the professionalism of their practitioners. A mature media sector would build capacities that spread a culture of dialogue within a supportive legislative framework based on trust rather than on censorship and penalties. In this respect, the role of the various media syndicates is important in pressing for a more liberal legislative regime, in setting professional standards and in ensuring that these are applied.

Some basic proposals pertain to syndical activity. These would include a more vigorous defense of freedom of expression and the right to information, the development of an accreditation system to raise professional standards, with incentives for the upgrade of skills, lobbying for tax breaks and special media rates applicable to public service advertising, encouraging decentralization of metropolitan coverage into regional localities, pressing for more flexibility in the issuance of media licenses, and applying pressure for the application of a percentage of media advertising revenue to serve syndical member interests.

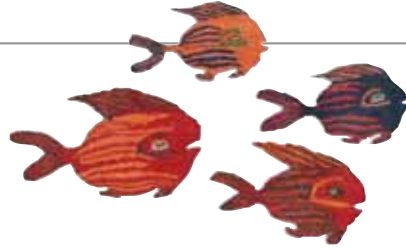
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THE VALUE OF NETWORKING AND PARTNERSHIPS



This concluding chapter argues for CSO partnerships and networks for development. It focuses on CSO initiatives that have taken this broader approach to development and that have to a large degree relied on networking and partnerships to achieve their ends. It also includes a description of ten frontrunners in the competition on best practice CSOs launched by the EHDR 2008, all of which demonstrate good internal governance and inter-agency coordination and cooperation, innovative approaches and the possibility for scaling up to serve larger communities across Egypt.

The welfare work of many of Egypt's NGOs is a necessary but insufficient means to address the national challenges posed by the MDGs, or in achieving Egypt's overall development. The outcomes are local in reach and beneficiaries remain, for the most part, dependent on the unpredictable resources of philanthropic benefactors. While these efforts are a genuinely praiseworthy impulse to help those in need, they do not enable the poor and marginalized to help themselves, nor do they facilitate their aspiration to voice or lend themselves to national replication.

The 'development' efforts, by recently emerging CSOs, on the other hand, present a new model for a more inclusive discipline in civil society action, whereby networking and cooperation with multiple state and civil agencies ensure that local initiatives can become replicable nationally, where resources can become sustainable and where citizens them-

selves can play a large part in identifying and addressing their needs over the longer term.

These are ambitious goals. To be fulfilled, they have necessitated CSO initiatives with a broader development vision that requires wider consultation and, especially, strategic relationships with local administration, decision makers, businesses, donors, and the general public. Creating effective channels of communications and soliciting participation with all other social actors able to complement their endeavors have been essential components to success. It is clear then that a successful development — to become a replicable and sustainable initiative — must devise adequate mechanisms to draw upon expertise other than its own, and to incorporate alliances that are appropriate and effective.

DEVELOPMENT REQUIRES INTER-AGENCY COOPERATION

The Egypt Human Development Report 2008 has understood development to mean the process of expanding and enhancing people's capabilities to help them achieve the lives they value. This approach is most commonly associated with the work of Amartya Sen, and has been very influential for development approaches, including other UNDP Human Development Reports. The example of many CSOs cited in this report, demonstrates that this approach to individual wellbeing — via the capabilities of a group — most commonly an NGO — is most often at the

forefront of their goals, typically associated with service provision (health, education).¹

However, the EHDR 2008 also argues for a more central role to networking between such groups or associations, as well as partnerships with those other agents of society that impact on their performance. Exploiting synergies, drawing upon available expertise and experience, and indeed, operating with the necessary support of government agencies, the private sector or cooperative societies is more likely to achieve national development goals or social transformation at community levels than the individual efforts of one organization. NGOs working on pollution for example require by necessity the participation of government agencies or the expertise of university departments. In short, NGOs must exploit the advantages of intensifying their partnerships with other national actors in respect to level of cooperation, voice, empowerment, resource access, and other dynamics. This will secure greater coverage and control over the outcome of any project or program — or indeed, over the decision-making processes itself, and turn limited service interventions into development programs capable of replication across the nation.

Networking is thus instrumentally valuable, both in technical and allocative terms. It leads to coordination of activities to overcome information asymmetries, reduces high transaction costs, encourages economies of scale and/or internalization of externalities to overcome problems and promotes efficiency of activities. This has been illustrated in this report in examples of CSO initiatives in credit and savings groups, and in common resource management groups (housing, water, sanitation, irrigation associations).

Examples have also been given of claims groups working together at improving the share of resources or power. The purpose is the added ability to advance their claims to voice and/or resources or to enforce legally recognized rights. This occurs through representing the common interests through group networking in lobbying (for example, for changes in Law 84/2002) and advocacy (for example, for demanding legislative changes ensuring women's rights) and in bargaining power (via overall syndical or trade union reform).

In all cases, conditions for success must include:

- Legitimacy of goal;
- a common cause to unite partners;
- effective leadership and management without endangering cooperation;
- help in negotiating relationships of power;
- an existing local structure of community organization which is supportive of goals (including traditional institutions or social networks).
- Equally important is the appropriate institutional design to foster cooperation and communication and the objective of generating genuine empowerment for all partners, building trust and support, and inclusion of all.

Thus, while the intervention of an individual CSO may be crucial as the catalyst of an initiative, numerous other partners — whether from within civil society, government or the private sector — can be brought to share in identification of opportunities, technical assistance, managerial support and resource mobilization. Other advantages include smoother administrative or social intermediation, better training and skills development, or indirect support through education and welfare programs, facilitating links with financial institutions, and easing conflict management.

INSTITUTIONALIZING PARTNERSHIPS FOR BEST PRACTICE²

THE INTEGRATED CARE SOCIETY: RAISING LIVING STANDARDS IN EZBET ARAB EL WALDA IN HELWAN

The Integrated Care Society (ICS) was established in 1984 to contribute to the improvement of living standards and economic status in local communities. With more than 400 employees and volunteers, ICS operates in cultural and educational services, services for children with special needs, and local development services in the governorates of Cairo, Giza, Kalyoubia, and Fayoum. The association works in partnership with many governmental agencies, private organizations, and international organizations in most developmental fields.

1. For a full review on this approach See www.capacityapproach.com/pubs/323CAtraining20031209.pdf

2. Section contributed by Hoda el Nemr, Institute of National Planning

Recently emerging CSOs present a new model whereby networking and cooperation ensure that local initiatives can become replicable nationally



Implemented between 2004 and 2007, ICS's program of improving living standards in partnership with the Ezbet Arab El Walda, in Helwan, Cairo Governorate, implemented between 2004 and 2007, has been selected as an example of best practice partnership with local administration and other government agencies. The objective was to raise the level of development of 120,000 people living in the area through the participatory approach, and to date, has been largely successful in achieving these goals.

Mechanisms of Partnership: All of the program partners worked together to implement 28 specific projects in the areas of infrastructure, economic and social development, and environmental upgrading. These projects include various clubs, public parks, medical centers, water network installation, garbage collection, and school construction and development as well as the establishment of various government offices in the area, including a telecommunication office, a post office, a police station, and a civil registration office. Project partners helped to finance the program and were involved in all stages including planning, needs assessment, execution, administration, monitoring and evaluation.

Because a large number of parties and agencies were involved in implementing the program, several mechanisms were used to coordinate the activities of the various partners. The formation of these committees led to the institutionalization of joint participation by the state, civil society, and the private sector within the program.

The Research Team. ICS set up a research team for field research in the project areas to identify and prioritize the problems and needs of community residents. The local administration also provided maps, data, and information on the human, financial, and services resources in the targeted areas.

Helwan University conducted a social, economic, demographic, health and environmental survey and prepared a database about the area. Donors provided financial and technical support for GIS studies of the area.

Council of Partners. A 'Council of Partners' included officials, executive leaders, private sector parties, civil associations, and representatives of women and youth from the area. The Council was responsible for identifying priorities, managing the public participation in the projects, monitoring implementation and sustainability, informing the community about project implementation, and identifying solutions to problems and obstacles. Investment plans and the five year plan for the area were presented to the Council by the local administration.

Executive Work Committees. The deputy governor for the southern area of the Cairo governorate issued a decision to form a number of executive work committees to implement the short, medium, and long-term work plans of the project. Specific health, youth and sports, environmental, economic, education, and local services committees were formed to oversee implementation of the different projects. Every committee included an official from the relevant Ministry, the executive official of the governorate and Helwan district, representatives of civil society, representatives of donor agencies, ICS, and other CSOs, and a representative from an internal donor agency (Germany's GTZ) project on urban development. The committees were responsible for developing project work plans, monitoring implementation, coordinating project partners, overcoming problems and obstacles, and identifying the technical, financial, and administrative arrangements to enable representatives from civil society to participate in operating and maintaining each project.

Local Committees. The administration of the project formed a women's committee and a youth committee from the people of the Ezbet Arab El Walda. These committees were responsible for determining project priorities and facilitating community involvement in project implementation.

Networking among CSOs. Networking allowed the organizations involved to benefit from the experiences of other CSOs and create integrated relationships to achieve mutual goals. Organizations such as the Coptic Evangelical Organization for Social Services (CEOSS), the Our Sons Our Future Institution, the Future Association, the Institute of Cultural Affairs, and the Association for the Enhancement and Development of Women (ADEW) offered their experience in different developmental fields and networked with local CSOs to build their capacity. They also provided needed funds to implement projects.

This large and dynamic program has demonstrated that partnerships are possible, if not essential in achieving sustainable development goals. It



has shown that CSOs are able to operate successfully — even given the restrictions imposed by Law 84/2002 — on condition that that government agencies are willing and have the incentive to provide support to programs and projects, as are best practice CSOs in networking and sharing of experience. Ingredients for success include clear goals based on needs assessment, an integrated management team, the clear division of responsibilities at the middle management level, and both international and local participation.

PARTNERSHIPS FOR INCREASING SMALLHOLDER FARMERS INCOME IN UPPER EGYPT

Care-Egypt has recently implemented two projects designed to increase incomes of small land-holding farmers and create job opportunities in the agricultural sector by maximizing export opportunities.³ The projects were designed to help farmers overcome a number of challenges, including identifying marketing opportunities, meeting foreign

market quality demand, building trust between producers and buyers, and high transportation costs. One important challenge identified by the project is the tendency of farmers to work on an individual basis rather than collectively as a group. To address this particular challenge, an important component of both projects was the establishment and support of marketing committees and farmer associations designed to help farmers cooperate and work collectively to increase agricultural exports to foreign markets.

The Agreform Project. The objective of this \$1.2 million, two-year pilot project was to increase small land-holding farmers' income through accessing export opportunities. The project provided technical assistance on agriculture operations and post-harvest training in order to maintain product quality and reduce loss. Agricultural laborers and governmental extension workers were also provided with training. The project established 22 marketing committees in 22 villages in the governorates of Fayoum, Sohag, and Aswan. These marketing committees were trained in business management, signing contracts in advance with buyers, identifying market demand, and understanding consumers' preference through linking farmers with exporters, traders, and processors. Agreform also organized small land-holding farmers in groups and established 22 Farmers' Associations (FAs) in the three governorates. Farmers Associations facilitate the contracting process between the buyers and the farmers in return for a commission that helps sustain the FAs.

The El Shams Project: The objective of this \$12 million, four-year project was to increase rural incomes in Upper Egypt by integrating small land-holding farmers into high-value horticultural export markets. Implemented between 2003 and 2007, the project was designed to improve the capacity of smallholders to identify and respond to high-value horticultural marketing opportunities and to increase the quality and expand the quantity of horticultural produce and medicinal and aromatic plants for high-value foreign and domestic markets. El Shams Project helped 103 communities in nine Upper Egyptian Governorates form Farmer Associations serving more than 12,600 members. FAs act as facilitators between

3. See Care and USAID (Egypt) Report: *Increasing Smallholder Farmers Income in Upper Egypt*



CSO initiatives with a broader development vision requires wider consultation and strategic relationships

buyers and farmer members of the association, negotiating deals on behalf of the farmers and bearing ultimate responsibility for meeting the terms of the contract. All 103 FAs received office equipment from CARE and were trained to use it for record-keeping and communication. El Shams trained more than 23,802 farmers in export quality production and appropriate post-harvest handling techniques for high value horticulture. It also trained 324 Horticultural Extension Agents at the Ministry of Agriculture and Land Reclamation to advise farmers on high-value horticulture in Upper Egypt, guaranteeing a sustainable and updated source of information available to farmers.

Lessons Learned. The voluntary, member-based, and service-oriented FAs have emerged as one of the best vehicles for the provision of technical and marketing assistance to farmers. Access to information on markets and new production technologies is an important aspect of empowering farmers to develop economic relationships with buyers, input providers and the wider market. FAs have been successful in creating an atmosphere of trust among the different partners in the value/marketing chain, which is a key element in the development of an effective and efficient high value crop export program. FAs have also been key elements in attracting and maintaining the interest of government and private sector partners to work with farmers in Upper Egypt.

THE EHDR 2008 COMPETITION: NETWORKING A MAJOR FACTOR OF SUCCESS

The goal of the 2008 Egypt Human Development Report (EHDR) *Egypt's Social Contract: The Role of Civil Society*, has been to help in the task of integrating civil society and its organizations into

Egypt's development plans and to build on the recommendations of the EHDR 2005, *Choosing Our Future: Towards a New Social Contract* which proposed a program of 55 national projects for development that deeply implicated the participation of civil society organizations (CSOs).

With the role of CSOs at the forefront, the EHDR 2008 team organized a workshop in June 2007, together with the United Nations Development Program (UNDP) and the Institute of National Planning — to present preliminary work on the draft of the Human Development Report for 2008. Prior to the workshop, experts from various relevant organizations were contacted to recommend CSOs considered best practices, and other stakeholders active in civil society were asked to suggest organizations. The UNDP and the Social Fund for Development were also asked to recommend CSOs from Egypt's governorates.

As a result, close to 200 participants attended the workshop including sector development specialists and 40 CSOs from Menia, Qena, Beni Suef, Fayoum, Al Beheira, Alexandria, Cairo, and other parts of Egypt. CSO participants were considered the primary civil society stakeholders at the meeting. They and other participants raised numerous questions and initiated a number of discussions from the floor. The interest demonstrated was such that there was not sufficient time for all stakeholder comments.

For this reason, and in order to maintain the momentum generated, a competition was announced to promote best practice CSOs in Egypt as models able to demonstrate the many factors behind their success. The EHDR 2008 team committed itself to identify 10 best practice CSOs and to publish a profile of each in the EHDR 2008. The

Exploiting synergies with government agencies, the private sector or cooperative societies is more likely to achieve national development



profile would include basic information such as geographic coverage, number of staff, approximate budget, key activities and evolution of the CSO as well as the characteristics that made the CSO a best practice, and, where appropriate, its partnerships and relationships with the state, with other CSOs or with the private sector.

The profile of 28 active CSOs were subsequently received, screened and evaluated by four members of the EHDR 2008 team. Ten CSOs were selected as winners, considered best-practices in their field of activity, which included health, education and gender issues, women's rights, human rights, poverty alleviation, special needs, environment and culture awareness as well as sanitation and youth issues.

However, given that the terms of reference of the EHDR team has been to identify and investigate good practice in civil society, ten members were in contact with over a hundred CSOs in Egypt it has identified other CSOs that also qualify as best practice. Examples of these can be found throughout the report. The profiles of winners who took part in the June 2007 competition are described below.



FRIENDS OF ENVIRONMENT AND DEVELOPMENT ASSOCIATION (FEDA)

FEDA's work primarily focuses on the continuing development of vulnerable communities like desert communities (Wadi El Natroun), coastal areas (Rashid), and deteriorated historical areas (Al Gamaliya). The association was established in 1992 and currently employs 36 paid workers. Fifteen volunteers

serve as members of the public participation committees which focus on the areas of youth and education, women and gender, workshops and handicrafts, health and environment, and infrastructure and services. The follow-up committee coordinates with the public participation committees to propose solutions to prioritized problems. Their proposals are submitted to the district committee which is headed by the district chief. The total budget of the association since its establishment is LE 16 million, which includes its capital investment of approximately LE 10 million for three buildings.

FEDA implements projects in order to develop environmentally vulnerable areas, improve the quality of life of the areas' residents, and promote tourism by developing buildings and basic infrastructure and enhancing community capacity. From 1993 to 1999, the association's activities included social, economic, environmental, and architectural studies of three areas, namely Rashid, Wadi El Natroun, and El Gamaliya. From 1999 until today, the association has focused on projects in Al Gamaliya district, where Wekalet Kahla was restored and Wekalet Kharoub was rebuilt and inaugurated as the FEDA Center for Community Development in July 2005. A third wekala, Al Rabaa, was inaugurated as the FEDA Center for Training and Technological Development in October 2007 after its restoration and reconstruction were completed. Total beneficiaries in Al Gamaliya district are estimated at 18,115 from 2004 to 2006.

The Continuing Development Association was established and registered by FEDA as an NGO in order to train the people of Al Gamaliya district in Cairo on civic work. By building the capacity of community residents, FEDA hopes to ensure the sustainability of its development projects.

FEDA confronts the problem of unemployment through activities of the FEDA Vocational Training Center at Wekalet Kahla and the FEDA Center for Training and Technological Development at Wekalet Al Rabaa. Income generated from the centers' activities helps to sustain training activities and other services like the health care unit, children's club, women's club, and illiteracy and environmental awareness raising.

The association also carries out the project of "Clean Gamaliya", which encourages recycling at source, in cooperation with the Ministry of Environment, Middle Cairo District and Gamaliya citizens. This project involves the distribution of plastic bags to apartments to be used for food and solid waste disposal. The association collects the waste on a daily basis and transports it to Wekalet Kahla for recycling. The "Clean Gamaliya" project is a pilot project which can potentially be replicated in deteriorated areas in need of restoration and reconstruction.

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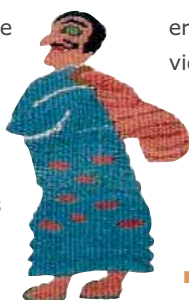
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ASSOCIATION OF THE RIGHT TO LIFE FOR THE MENTALLY DISABLED

The association was established in 1981 as the first CSO to deal with issues of mental retardation in Egypt. It provides care, training, and rehabilitation for mentally retarded persons and helps to raise awareness about the issue of mental retardation in Egypt. The association's ultimate goal is to secure the rights of handicapped children to decent living standards and enjoyment of life.

The association started as a very small club in a school. By 1983, some organizations adopted the association's message and four classes, a kitchen, a restaurant, and a communication speech impairment center were established in the school courtyard. This center received 30 children and youth a day, providing people with consultations, advice and training. In 1984, a center was established on a piece of land purchased in Heliopolis. The center included a rehabilitation center, rehabil-

itation workshops, production workshops, boys and girls' residence hall, and a center for training people working in the mental disability field. Today, 157 students receive academic and rehabilitation training. Approximately 175 paid employees work for the association whose board of directors includes 13 members of families of the mentally disabled. Funding for the association's activities comes from an annual charitable concert and market, school tuition, membership fees of general assembly members, and donations of individuals, companies, and institutions.



The association's activities include:

- Classes for academic training and entertainment activities like music, art, and acting.
- Rehabilitation and production workshops. The association also seeks to find employment for students both inside and outside the association.
- The first production line for packaging soup for an international company which employs students from the center.
- A center for training employees in the field of special needs was established in 1990. The association conducts training sessions for nurses working with the elderly and mentally disabled.
- The association includes residence facilities for adult students who have lost their families.
- A center for handicapped infants and children under the age of 6 has been set up.
- Mentoring and evaluation services are provided at no charge.
- The association also participates in conferences and seminars that address the issue of mental disability. It promotes coverage of the issue of mental disability in the media in order to enhance awareness of the issues at stake.

The association has adopted the strategy of creating reliable partnerships to ensure success of various projects and increase the association's self-reliance. In order to implement its activities, the association has developed partnerships with international companies, other CSOs, and national councils.



Partnerships with International Companies. The center for handicapped infants and children under the age of 6 was established with a grant from Barclays Bank. Unilever has cooperated with the association to create a production line for packaging soup that generates employment opportunities for the mentally disabled. The association has concluded an agreement with Vodafone to train 40 disabled people for the job market. A division for autistic children was established through a donation from the Innerwheel (Rotary) club. The association is currently developing the Center of Life Lovers for Mental Disability in the town of Edko through a grant from British Gas. HSBC Bank adopts a number of students and residents of the association and has provided donations to improve the kitchen facilities of the association.

Partnerships with other NGOs. The association cooperates with the Integrated Care Association to train employees of state schools and develop specialized curricula. The association also cooperates with the Suzanne Mubarak Center in Waily to train people with special needs and help them find employment in the job market.

Partnerships with National Councils. The association is working with the National Council for Women (NCW) to create a website to market the products of the association. It is also cooperating with the National Council for Childhood and Motherhood (NCCM) and the British Council to produce a play that addresses the issue of special needs children.

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ISLAMIC ASSOCIATION FOR DEVELOPMENT AND ENVIRONMENT

The Islamic Association for Development and Environment in Atsa, Menia Governorate, was reg-

istered in 1978. The association has 52 employees (including 16 volunteers) and a board of directors with 11 members.

Activities of the association include a kindergarten serving 200 children, environmental loans (800 beneficiaries), an agricultural marketing project (300 beneficiaries), activities to prevent spread of the avian flu (200 housewives), Holy Quran school, computer center, provision of solar water heaters, and programs to integrate those with special needs into society, alleviate unemployment, and promote public participation.

The association has undertaken to transform its conception of civic work from philanthropy and aid to comprehensive development using a rights-based approach. It has done so by expanding its sources of funding and increasing outreach to villages and towns in more than nine new locations. Tools, machinery, and equipment have been donated to support the association's activities. The association regularly conducts training for the association's leaders and volunteers and participates in conferences, events, and workshops. It also maintains communication channels with government, public, and civil agencies in addition to the private sector. In addition to applying modern technology, the association possesses a capable administration and financial accounting system developed through the assistance of previous funding.

The association has undertaken a number of successful activities that have contributed to the development of the community despite a number of challenges and difficulties:

- *Cultural challenges.* Rural, Upper Egyptian traditions and cultural practices sometimes involve disputes and conflicts. In light of this cultural context, the association has made efforts at conflict resolution by drawing opposing parties, natural leaders, and community members together in order to collectively mobilize efforts and resources towards serving and developing communities. As a result, a primary school, Al Azhar school, electronic communication facility, post office, and civil registration unit were established

Social and group activities empower women to express their viewpoints and to activate their participation in different developmental tasks



at a cost of approximately LE 3 million. Because participation of women in community activities is traditionally limited, the association implemented social and group activities to empower women to express their viewpoints and to activate their participation in different developmental activities.

- *Administrative challenges.* Until recently, employees of the Ministry of Social Solidarity approached development issues through the perspective of charity and assistance. In order to encourage a rights-based approach to development, the association coordinated with members of the People's and Consultative (Shoura) Councils and raised awareness of executive leaders on issues of governance in order to reduce bureaucracy and establish a school, communication center, post office, and civil registration unit.

The association has adopted a number of strategies to ensure successful implementation of association activities:

- *Participatory approach.* The association adopted the principle of participation as a fundamental factor to achieve true development. The association uses transparent practices in order to guarantee community trust and high levels of community participation and investment. Thus far, the communities have contributed more than LE 3 million to finance various development projects. The association has also made efforts to strengthen relationships with all public and executive agencies and decision-makers and to maintain continuous coordination with other CSOs. This has helped to increase the association's resources, expertise, and capacity to network and solve problems.

- *Advocacy.* The association used a number of advocacy techniques to confront issues and problems. For example, when a central decision was taken to move the area's main cemetery after a flood, the association mobilized public opinion in an organized way, leading to a change in the decision. In another example, a drainage canal that ends in the Nile is currently used to dispose of sanitation waste. The association has presented the problems of the drainage canal to officials at all levels and encouraged media coverage of the issue. The association is still seeking a decision to solve this problem.

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SAINT MARK ASSOCIATION FOR DEVELOPMENT



Saint Mark Association for Development in Menia was established in 1988 to serve the villages and towns of the Menia governorate. The association has approximately 25 employees and 182 volunteers and a budget of L.E. 6.6 million. The main activities during the past 10 years include establishing an MSE small loans unit and an economic development team, developing administrative and marketing skills of entrepreneurs, activating the role of rural health care units, enhancing vocational skills of youth, increasing the number of beneficiaries and project partners, and services.

The association implements six main programs in the following areas:

- *Health program.* Health awareness meetings and seminars, classes for improving the nutritional status of children, moth-

erhood and childhood classes, house visits, and coordination with the local Health and Population Departments affiliated with the MOHP.

- *Economic program.* The association organized vocational training courses for 700 beneficiaries by applying mentoring and practice techniques. The association also provides loans for small businesses and training for borrowing entrepreneurs to enhance their marketing and administrative skills.
- *Environmental program.* Environmental awareness seminars, tree planting camps, preparing databases and environmental surveys, provision of bathrooms, drinking water connections, and electricity connections and coordinating with the governorate's environmental agency.
- *Educational program.* Kindergartens, illiteracy classes, teachers' workshops and training courses, public meetings and seminars, and coordinating with government agencies concerned with education.
- *Gender program.* Classes for developing livelihood skills, awareness raising seminars, assistance in issuing new identification cards for women, birth certificates to the unregistered, and election cards, and coordinating with authorities operating in the same field, especially the NCCM.
- *Social program and youth.* Developing institutional capacities of CDAs, establishment and registration of new associations in villages with no associations, organizing training courses for young cadres and leaders, and establishing youth clubs, sports contests, libraries, camps, and cultural and entertainment trips in addition to coordinating with other agencies concerned with youth.

The association utilizes a number of strategies to guarantee innovation in project implementation, sustainability of projects and activities, income generating activities, and increasing voice of the community. These strategies include working with beneficiaries as partners, prioritizing the needs of poor groups, studying and investing in community resources, working at the



grassroots level, and seeking positive change in community values without conflict.

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MANSHIET NASSER COMMUNITY DEVELOPMENT ASSOCIATION

Manshiet Nasser Community Development Association in Cairo works for a better future for all through its development programs and its efforts to promote citizenship and public participation. The association was registered in 1982 to serve the city and district of Al Fashn where 375,000 people live. The association has a staff of 11 employees and the general assembly consists of 199 members, including 75 women.

The association's activities include a kindergarten, economic development loans, housing loans, microcredit, loans for female household heads, health and environmental awareness programs, informal education programs, and the Alam Simsim Center for Training. The association's partners include government agencies, other NGOs, and the private sector.

Factors of the association's success include:

- Sustainability and continuity through continual human development, volunteering, social initiatives, mobilizing resources and donations, and a committee on foreign funding.
- Creative thinking and innovation through a "Bank of Ideas". This approach is maintained through focus groups, listening sessions, and contests for the best idea. Results of those ideas are:
 - The project of a thousand trees
 - The project of "From a child to another child"
 - The female household head "cashbox"
 - Training for mothers

Networking is a strategy which enabled the association to:

- Developing educational curricula.
- Applying ministerial decrees concerning the exemption of children of female household heads from school tuition.
- Activating ministerial decrees on the right of the poor to free medication.

NGOs must exploit the advantages of intensifying their partnerships with other national actors in respect to level of cooperation, voice, empowerment, resource access, and other dynamics

- The association has expertise in a number of areas including organizational governance, education, agricultural development, and training parents and nursery school teachers.

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THE COPTIC EVANGELICAL ORGANIZATION FOR SOCIAL SERVICES (CEOSS)

CEOSS was registered as an NGO with the Ministry of Social Affairs in 1960. It is licensed to work nationally. Community development programs are implemented in the governorates of Menia, Beni Suef, Cairo, Giza and Qalobeya; SME operates in Assuit as well; the forums and conferences of the CEOSS Forum for Intercultural Dialogue serve Aswan, Qena, Suhag, Assuit, Beni Suef, Greater Cairo, and Alexandria. In its various programs and sectors, CEOSS employs 450 people. Expenditures in 2006 were LE 47,231,000.

CEOSS is comprised of three sectors active in community development. The CEOSS Development Sector is responsible for improving quality of life for impoverished citizens by building CSO capacity in internal governance and participatory project implementation with special emphasis on citizen empowerment, advocacy and rights. The Small and Micro Enterprise Sector provides access to credit to the entrepreneurial poor via group and individual loan methodologies. The Cultural Development Division strengthens a culture of dialogue in Egypt by creating an atmosphere of mutual respect and acceptance of diversity amongst opinion-makers, and encourages social integration necessary for a pluralistic society.

Through these key activities CEOSS benefits approximately 2 million Egyptian citizens annually.



In its early days, CEOSS worked to deliver services in poverty-stricken communities in Upper Egypt. In the 1980s CEOSS opted to become a community development agency focusing on root causes of poverty and increasing community's potential towards self-reliance through direct community participation and partnership. At the beginning of 2000, CEOSS shifted its emphasis to building the capacity of local community based organizations feeling that such a focus would enhance sustainability of development initiatives at the community level and increase national impact. At the same time, CEOSS established the SME Sector and the Cultural Development Division to encourage growth and impact of small loans and of intercultural dialogue activities. Since 2000, the Development Sector has worked with 150 CSOs in a series of 3-year programs. The number of SME loans has grown from 680 in 2000 to 37,789 in 2006. Through the Forum for Intercultural Dialogue, the Cultural Development Division is now working with 200 New Generation leaders- pastors, imams, educators and media professionals plus an influential group of mature opinion-makers. Since September 11, 2001 it has expanded its dialogue programs into the international arena.

Innovativeness is also demonstrated by CEOSS expansion of multi-actor approach to include partnerships with private sector- by raising awareness of corporate social responsibility and governmental institutions such as research institutes and various directorates and departments.

Recently CEOSS has undertaken collaboration with private and public institutions to implement large and small-scale models of development at the governorate level. For example, CEOSS is cur-

Conditions for CSO success include legitimacy of goal; a common cause, effective leadership and management of relationships of power; and an existing local structure of community organization



rently implementing a solid waste management project in Menia governorate using development methodologies to raise community awareness about environmental issues, conduct environmental campaigns, as well as “grow” CSO and private sector capacity essential to the solid waste management services in the community.

In recent years, Egyptian ministries have called on CEOSS to contribute to the nation in a variety of ways. For example CEOSS was asked to contribute its expertise to a national committee responsible for developing the overall population strategy of Egypt for 2000-2010, and it participated in Ministry of Health effort to develop a document defining the national advocacy strategy for reproductive health.

Through these approaches, the CEOSS Development Sector has benefited extensive groups of social actors including:

- CSOs;
- local governmental offices including health clinics, offices of ministry of education, research centers, schools, local rehabilitation offices, local councils, youth and sports centers;
- churches as well as the citizens of impoverished rural and urban communities.

Income generation: Through four income-generating projects- furniture manufacturing, plywood manufacturing, tree and plant nursery, and the Itsa Conference Center- the Self Supporting Sector supplies quality products/ services, creates employment opportunities and provides prospective entrepreneurs with examples of successful, well-managed enterprises while it produces revenue for CEOSS

Sustainability of CEOSS is based on programs that meet significant needs of Egyptian society. Further, CEOSS has a committed and engaged Board of Directors willing to give time and energy. It has a cadre of champions in the community- Muslims and Christians- who support its work. It has a dedicated, experienced and stable staff that receive ongoing training from conferences and programs. These rely on sophisticated information technology that provides outputs for use in decision-making. Finally, it has a dedicated and concerned group of partners whose support, insight and expertise is invaluable.

Volunteerism: The solution to sustaining development lies in training local volunteer leaders from the community itself. Today more than 3,000 volunteer leaders from different local communities promote and support the self-help development efforts of tens of thousands of men, women and youth in nearly 100 communities, provincial towns and poor metropolitan communities in the targeted regions of CEOSS activity

Scaling up: CEOSS plans to scale up development impact by further capacity building of selected NGOs to serve as intermediary organizations. The targeted NGOs will be empowered to build the capacity of CBOs thus expanding impact, geographic coverage, and number of beneficiaries.

Through the Curriculum Department of the Cultural Development Division, CEOSS documents best practices and develops and distributes curriculum resources for use by development practitioners in Egypt and throughout the Middle East.

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YOUTH ASSOCIATION FOR POPULATION AND DEVELOPMENT

The Youth Association for Population and Development (YAPD) focuses on increasing youth effectiveness in the development process in Egypt through improving the social conditions of youth.

The association was established in 1995 by 1,200 undergraduate students who worked together as volunteers in organizing and preparing for the United Nations International Conference on Population and Development in Cairo in 1994. Currently, the association is managed by 80 paid technical and administrative employees specialized in the fields of training, manual preparation, artistic production and documentation, project implementation and management, research study preparation, IT technology, and financial and administrative systems management. Approximately 8,500 youth volunteers active in 26 governorates assist work teams in implementing the association's projects. The association is funded by private and international institutions and in 2006 the association's budget was L.E. 1.2 million.

The association has carried out many projects covering all Egypt governorates in partnership with volunteers, over 757 civil associations, the association's ten branches, donors, and a cooperating protocol with the National Council for Youth. Factors of the association's success include innovation, expertise, a clear and integrated institutional structure, diversity of activities, attention to research, geographic expansion, transparency, and enthusiasm and motivation. The following are some examples of the association's activities:

The "From Youth to Youth" program. This program aimed at exchanging experiences among Egyptian youth and raising their awareness of important issues like communicable diseases. Initiated in 1997, this was the first program implemented by YAPD and it was awarded a prize by the United Nations Fund for Population and Development (UNFPD).

The Egyptian Center for Volunteering. The association established the Egyptian Center for Volunteering in 2001 in order to start a voluntary

movement that would contribute to the development process. The Center created a database to match youth volunteers with various institutions and NGOs and generated over 14,800 volunteer opportunities. The Center and its partners provided training for 58 youth leaders and 150 employees of youth centers. In addition, 58 volunteering clubs were established at youth clubs in 8 governorates. Approximately 8,500 youth volunteers and 757 CSOs have benefited from the Center's activities.

The program of development by youth. This project was implemented between 2004 and 2006 in the governorates of Cairo, Giza, and Assiut. Its goal was to create a youth-based development model that could be implemented in all cities and villages of Egypt. The project provided capacity building for 3,000 youth to help them secure job opportunities in the labor market.

The "Badr" (Initiate) project. In cooperation with the Vodafone Institution for Social Development, this project aimed at establishing volunteering centers known as "Badr" in schools to promote and encourage volunteerism among school students. In addition, school-based production units were formed and computer education sessions were offered to students. Approximately 15,000 students benefited from the first phase and 40,000 are expected to benefit from the second phase of the project.

"A Step for our Future" program. This program focuses on youth empowerment and encourages youth to become effective citizens and take responsibility within their communities. The project is being implemented between 2005 and 2008 in 31 youth centers in 10 governorates. Components of the project include institutional capacity building for employees of youth centers and provision of a supportive environment, knowledge and daily life skills, consulting centers, youth initiatives, and channels for parents' participation.

Other projects. YAPD has also been involved in projects to develop education, raise youth awareness of HIV/AIDS, and raise awareness of



the MDGs through its involvement in the Millennium Project's MDG campaign "Sailing the Nile for Development."

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AL THANAA ASSOCIATION FOR COMMUNITY DEVELOPMENT AND ENVIRONMENTAL PROTECTION IN ABU HOMOS

Al Thanaa Association for Community Development and Environmental Protection was registered in 2001 in the city and district of Abu Homos, Beheira governorate and works for a clean environment and sustainable development by raising environmental and developmental awareness and maximizing public participation in local dialogue and decision making.



The association's main fields of activity include development of local communities, environmental awareness raising, scientific research on causes and sources of pollution, seminars and conferences on environmental issues and sustainable development, loans for MSEs, illiteracy, family and women's issues, and the enhancement of understanding and trust between citizens and government officials. The association cooperates with academic and civil society institutions like the Faculty of Engineering in the town of Mansoura, Faculty of Agriculture, Abo Homos Youth Center, and local and regional governmental authorities.

The association's projects include the following:

- *Agricultural waste recycling.* This project was initiated in 2002 to solve the problem of agricultural waste from corn, rice, and

cotton crops. To deal with this waste, farmers usually burn it, causing air pollution or what is known as the "black cloud", or let it accumulate in large piles, creating a fertile environment for the spread of insects and disease. As an alternative method for handling agricultural waste, the association developed a method to process the waste for reuse as animal feed or natural fertilizer. The association also prepared and distributed a brochure which demonstrates the process and encourages farmers to cooperate in the project. Various small grants have been used to purchase tractors, trailers, waste grinding machines, and compressors for use in the project

- *The "Environmental Street" project.* This project aims at implementing a model of an integrated environmental street supported by the community and through enforcement of environmental laws, particularly Law No. 4/1994. The project was implemented between 2002 and 2004 in partnership with a number of NGOs, reaching over 1,200 beneficiaries, and was financed by the NGO Service Center and the Arab Office for Youth and Environment in Zahraa Al Maadi.
- *The environmental hotline project.* This project addresses environmental issues through the establishment of an environmental hotline to receive citizens' complaints and concerns regarding a variety of environmental problems within the community. The association documents the complaints in a database and then sends this information to government officials to raise their awareness about environmental problems and to help them develop solutions for these problems. Beneficiaries of this project are estimated at 1,200 persons.
- *The project of training and enlightening girls.* This project aims at increasing the enrolment rate of girls and calls for more programs and projects that serve girls in Egypt. The project is implemented in cooperation with the Development and Population Activities Center and the Center of Training and Research in Alexandria and has benefited approximately 450 girls.



Group networking in lobbying and advocacy and in bargaining power advances claims to voice and/or resources

- *The "Safe Food for the Citizen" project (Bel hana wel shefaa).* This project uses scientific research and studies on food contamination and techniques to prevent food contamination to raise citizens' awareness on the issue. The association also uses this scientific information to encourage government officials to enact appropriate laws and regulations to prevent contamination of food.
- *Other projects.* Al Thanaa Association has also been involved in projects to conduct illiteracy classes for rural girls, private lessons for students, computer and vocational training sessions for youth, and capacity building for other CSOs. The association has provided microcredit to almost 300 families and is involved in helping women establish small enterprises for preparing and packaging vegetables, making bread, and marketing dairy products. In addition, the association has organized public conferences and cultural, environmental and health seminars and has implemented a project on the safe disposal of wastewater.

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ASSOCIATION FOR HEALTH AND ENVIRONMENTAL DEVELOPMENT (AHED)

AHED is concerned with the development and implementation of appropriate policies and systems in the fields of health, environment and disabilities. It focuses on projects that help the most deprived and marginalized social groups and works to uphold the principles of equality, human rights, integrated development, and active participation. AHED was established and registered in 1987 and has approximately 100 members, 15 fulltime staff

members, and a network of volunteers including the Board of Directors and a number of consultants who work for AHED on a voluntary basis. AHED's objectives include raising awareness through mobilization, dissemination of information, publication of books and manuals on health and environmental issues, and training workshops. It provides researchers and activists with information and data through a specialized library and periodicals and through its organizational newsletter. It also conducts training workshops for employees of other CSOs. Between 2003 and 2007, AHED provided training and capacity building for about 500 other associations in the fields of health, environment, and disabilities.

AHED also seeks to introduce innovative and pioneering models of development at the local level to improve health and environmental conditions in poor communities. One of its key strategies is cooperation with other institutions and organizations working in the fields of health, environment, and disabilities. By working jointly on projects with governmental agencies, other NGOs, university faculties, and research institutions, AHED has become part of a network of institutions that have combined efforts to implement a number of development activities and programs in Egypt. AHED is also actively engaged in regional and international networks of development institutions and CSOs, allowing it to learn from international experience and apply those lessons to the Egyptian context.

AHED implements three main programs:

- *Health Policies and Systems Program.* This program's activities include developing and publishing reports on the health situation and services in Egypt, organizing seminars and national conferences, conducting training courses, and contributing to the development of an

agenda for health policy and interventions. AHED has organized several advocacy campaigns to influence policies. These include the health insurance campaign which was launched in 2005 on the new draft health insurance bill. It also launched another campaign advocating for legislative and structural changes in the Egyptian drug and pharmaceutical sector in response to international conventions.

- *Disability Program.* This program addresses the needs of people with disabilities and their families and offers society-based rehabilitation programs. In cooperation with its governmental and NGO partners, AHED conducts numerous training courses throughout the governorates for families as well as physicians and other health service providers that work in the field of special needs. It also prepares publications to raise awareness on issues of prevention and early diagnosis of disabilities.
- *Environment and Development Program.* The objective of this program is to introduce and support channels of communication which enable citizens to express demands and concerns about problems in their communities. The program encourages discussion and promotes activities related to health and on-the-job safety. AHED provides NGOs with training on environmental rights and the impacts of industrial pollution, waste, and other hazards. The training course also focuses on public participation in the process of environmental impact assessments in Egypt. Other activities aim at improving awareness and understanding of environmental issues among government officials and the general public. The program also advocates for the introduction of new judicial principles regarding the environment and issues a report series on the environmental situation in Egypt, including a report entitled "Land, Water, and Means of Living."

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NAHDET EL MAHROUSA

Nahdet El Mahrousa (NM) (meaning the Renaissance of Egypt in Arabic) is a youth-led NGO established in November 2002 which seeks to make a positive impact on Egypt's cultural, economic and social development through mobilizing and engaging Egyptian youth and young professionals in the country's development, public work and decision-making arenas. NM achieves this through the cultivation and incubation of innovative development project ideas as potential national models for development in the areas of youth, economic development, and arts and culture. Currently, over 300 active members are engaged in different projects supported by the NM incubator that impact a wide community of youth, students, and other beneficiaries throughout the country.

NM also hosts a lively intellectual forum, both virtual on-line and through a lecture series (Salon Masr El Mahrousa), where NM members residing in Egypt and abroad can network and share resources, ideas, information, and opinions about development practices. Through the NM-Cilantro Café Community Program, NM produces a newsletter available free of charge at Cilantro Café that promotes issues of civil society and social responsibility and posts community service and volunteer opportunities. In addition, NM plays a pivotal role in activating and empowering the Egyptian youth civil society through its leadership of the Federation of Egyptian Youth NGOs, the official umbrella of all Egyptian NGOs working in the area of youth development.

NM enjoys a wide network of partners and supporters in business, government, and civil society and operates through 4 different spheres. First, a small core professional staff manages the NM incubator and ensures continuous interaction with volunteers, business, civil society, and beneficiaries. Second, a wide network of young professional volunteers initiates projects and provides experience, knowledge, and seed funding. Third, a broad network of partners from the business community, civil society NGOs, and international and governmental agencies provides NM with a wider institutional reach and financial support. Fourth, a wide circle of project beneficiaries, estimated at more than 200,000, are targeted by NM's incubated projects. As one of the first incubators of innovative devel-

The intervention of an individual CSO may be crucial as the catalyst of an initiative

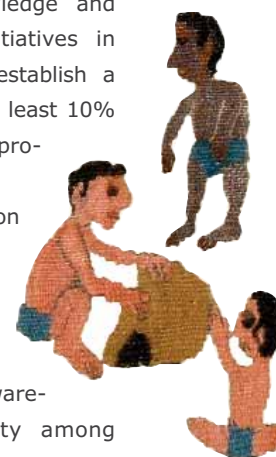


opment ideas in Egypt and the Middle East region, NM has supported a number of projects that have successfully undergone pilot phases and are now on the verge of scaling up to become full-fledged national programs that serve thousands of beneficiaries. NM's incubated projects include the following:

- *Career Development Centers, Cairo University.* The project aims to equip university students with essential skills needed to compete in the job market through training and skills development, career counseling, business plan competitions, and internships and volunteering opportunities. The project began as a pilot project serving over 15,000 students in the Faculty of Engineering at Cairo University and aims to create a successful model that can be replicated in other Egyptian universities.
- *Young Innovators' Awards (YIA).* The YIA project aims to provide young Egyptian scientists with opportunities to engage in research and development. The project sponsors university graduation projects, conducts a series of lectures by scientists and research professionals, and assists young scientists in securing internships and scholarships. The project also plans to build a research and development library and establish a National Research and Development Fund to finance future activities.
- *Misriyati Program.* This program has developed an innovative curriculum and teaching methodology that promotes values of tol-

erance, peace, and diversity among young Egyptians. Future expansion and scaling up is envisioned, which would involve integration of the program into the national curriculum of Egyptian public schools.

- *Nama'a Development Summer Course.* This summer course for young Egyptian leaders combines theoretical lectures on development and citizenship with practical field visits designed to empower and mobilize young social entrepreneurs. The project plans to become an independent national program and expand regionally to serve students from throughout the Middle East.
- *Egyptian Expatriates for Development (EED).* The project has conducted a series of pilot workshops to mobilize Egyptian expatriates employed in the IT sector in the United States and Canada and encourage them to transfer their knowledge and expertise to development initiatives in Egypt. The project plans to establish a national program to mobilize at least 10% of the 100,000 young Egyptian professionals working abroad.
- *Community Leaders Association (CLA).* This civic education program for high school and university students combines experiential learning and community service to promote awareness and social responsibility among Egyptian youth.



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TECHNICAL NOTES AND SOURCES OF DATA

A. HUMAN DEVELOPMENT INDEX (HDI)

The human development index for 2007 presents a summary on the average achievements for Egypt of three key human development dimensions:

1. *Longevity*, measured by life expectancy at birth.
2. *Education*, measured by the weighted average of literacy rate (15+) (two-thirds) and combined basic, secondary and tertiary gross enrolment ratio (one-third).
3. *Standard of living*, measured by GDP per capita in US\$ according to purchasing power parity (US\$ PPP).

Calculation of HDI

Before the calculation of the HDI, an index for each key dimension is calculated separately. To calculate the indices of these dimensions (longevity, education, and GDP per capita), maximum and minimum values (posted goals) of the indicators are determined internationally as follows:

Indicator	Maximum Value	Minimum Value
Life expectancy at birth	85	25
Literacy (%)	100	0
Combined gross enrolment ratio (%)	100	0
GDP per capita (\$PPP)	40,000	100

The index for any component of HDI can be computed as follows:

- $(\text{the actual value} - \text{the minimum value}) / (\text{the maximum value} - \text{the minimum value})$.
- HDI is then calculated as the simple average of the three indices.

The HDI value indicates the level of development. When the HDI value is below the value of one, this shows how far the country or the governorate is from the maximum achieved by any country. In this case, the development plan should explore the gaps that hinder the enhancement of the development level, and set up policies and programs to accelerate achievement of the goals, which are more inclusive and comprehensive than just increasing income level.

The benefit of ranking the governorates in descending order is limited, as it does not indicate areas in which differences between governorates exist. Are the differences due to economic, health, environmental or educational factors? The differences might be related to all of these factors, and perhaps what is more important is speeding up the development process.

CAPMAS has been the major source of data for calculating the HDI measures throughout the period since the first HDR was produced in 1994. It must be noted however that the data produced by CAPMAS for this year's HDR are those of the 2006 census and may therefore be more reliable but also show significant gaps with the inter-census period.

The following example of Port Said governorate is used to illustrate the steps for calculating the human development index:

1. Calculating the Longevity Index

Life expectancy at birth in the governorates is estimated using detailed data on mortality and population by age group. Life expectancy at birth for Port Said governorate in 2006 is estimated at 72.3 years. Therefore, the life expectancy index = $(72.3 - 25) / (85 - 25) = 0.788$.

2. Calculating the Education Index

The education index measures the relative achievement of Port Said governorate in the literacy rate (15+) and the combined gross enrolment ratio (basic, secondary and tertiary education). The literacy index (15+) and the gross enrolment index are calculated separately and added together to form the education index, giving a weight of two-thirds to the literacy rate (15+) and one third to the combined gross enrolment ratio as follows:

- Literacy index for the population of Port Said governorate (15+) = $(81.9 - 0) / (100 - 0) = 0.819$
- Combined gross enrolment index = $(70.4 - 0) / (100 - 0) = 0.704$
- Education index = $2/3 (0.819) + 1/3 (0.704) = 0.781$

3. Calculating the GDP Per Capita Index

GDP per capita for Egypt is estimated from the national income accounts of 2005/2006. The estimated GDP per

capita in local currency (LE) is transformed to its value in US\$, using an appropriate exchange rate (average for 2006, taking into consideration Ministry of Economic Development (former Ministry of Planning) estimations). Then, the real GDP per capita (PPP US\$) is calculated by applying a suitable factor to the estimated GDP per capita in US\$ (the factor used in the international Human Development Report for 2006). This results in a national GDP per capita index for Egypt of 0.681 in 2006.

For income per capita at the governorate level, the report has benefited from the results of the latest Household Income, Expenditure and Consumption Survey conducted by CAPMAS in 2004/2005. In the HDI, income (GDP per capita) is a substitute for all other dimensions of human development that are not reflected in education or life expectancy at birth. Income per capita is adjusted because achieving a suitable level of development does not require a specific level of income. Therefore, the logarithm of income (GDP per capita) is used as follows:

$$\text{GDP per capita index for Port Said governorate} = \log(6317.3) - \log(100) / \log(40000) - \log(100) = 0.692$$

4. Calculating HDI, using the results of the three indices

HDI is calculated as a simple average of the three indices. HDI for Port Said governorate = $1/3 (0.788 + 0.781 + 0.692) = 0.753$.

B. DEMOGRAPHIC ASPECTS



The main sources of demographic data are population censuses, vital statistics, and special national surveys. CAPMAS is the official national agency responsible for carrying out and/or publishing the results of some of these sources (population censuses, vital registration). CAPMAS is also a partner or consultant in carrying out other surveys and sources of data. Demographic indicators derived from these sources of data reflect the population situation and its trends. Some of these indicators are used in other fields (e.g. health). In addition, population figures (total or for specific categories or groups) are necessary for calculating many indicators in various fields. CAPMAS provided all data related to demographic aspects from the 2006 Population and Establishments Census.

The present report includes the following demographic indicators:

- population counts (thousands);
- population annual growth rate (%);
- rural population as % of total;
- urban population as % of total;
- annual growth rate of urban population (%);
- population of largest city as % of total urban population in the governorate;
- demographic dependency rate (%);
- net lifetime internal migration as % of total population;
- population density per km²;
- population doubling date at current growth rate;
- crude birth rate (per 1000 population);
- total fertility rate;
- ratio of 2005 fertility to 1960;
- contraceptive prevalence rate (%);
- average age at first marriage;
- crude death rate (per 1000 population);
- infant mortality rate (per 1000 live births);
- under five mortality rate (per 1000 live births);
- under five mortality (thousands);
- maternal mortality rate (per 100000 live births);
- life expectancy at birth.

The first ten indicators listed above are derived from preliminary data of the 2006 Population and Establishments Census, in addition to data included in The Statistical Year Book 2005. The population doubling date is calculated at the national level only. The latter indicator is calculated with an exponential function using the annual growth rate for 1996 – 2006.

Mortality measures and crude birth rates rely on data from the National Center for Health and Population Information (Ministry of Health and Population) for 2005. Average age at first marriage relies on data from the Demographic and Health Survey 2005.

Life expectancies at birth for 1976 and 2006 at the national and governorate levels are computed from detailed data on population and deaths by age and gender. Motherhood and childhood mortality rates are available from data of the National Center for Health and Population Information (Ministry of Health and Population) for 2005. Data on the contraceptive prevalence rate are taken from the Demographic and Health Survey (DHS).

C. LABOR FORCE AND UNEMPLOYMENT (15+)

Labor force and unemployment indicators in this report rely on CAPMAS data on the labor force and its various distributions (by gender, age, economic activity, occupation, employment status, etc.) for rural and urban areas of each governorate in 2006. This report includes the following labor force and unemployment indicators:

- labor force (15+) as % of total population;
- % of females in the total labor force (15+);
- labor force (15+) in agriculture, industry and services (%);
- wage earner (i.e. employees) as % of total labor force (15+);
- employees in scientific and technical professions as % of labor force (15+);
- % of females in legislation and organization professions;
- % of females in scientific and technical professions;
- employees in government and public sector as % of total labor force (15+);
- unemployment rate (%), (total and female);
- urban and rural unemployment rates (15+);
- unemployment rate by education level (15+);
- absolute numbers of unemployed (15+);
- future labor force replacement ratio (%), i.e. population under 15 divided by one-third of population (15 – 64).

D. EDUCATION AND LITERACY

Education and literacy indicators require three types of data:

1. Standard educational data, i.e. number of students (enrolled or graduate), teachers, classes, etc. The primary sources of this type of data are the annual bulletins of the Ministry of Education and Al-Azhar Education Administration. These data are disaggregated by gender for each governorate and for all pre-university levels. The Information Center of the Ministry of Education and Al-Azhar Education Administration provide this data at the governorate level for 2005/2006. Data on university and tertiary education are published annually by the Information and Documentation Center at the Ministry of Higher Education for government, private and Al-Azhar universities and faculties and for government or private intermediate or high institutes. The Supreme Council of Universities also publishes data on government university education at the university and faculty levels.
2. Literacy data (15+). This data is published through population censuses. CAPMAS provided data on the illiterate population in 2006 and on the number of persons enrolled in literacy classes during the census. This data is collected to estimate illiteracy and is used to derive literacy data.
3. Economic data required to derive indicators of public expenditure on education. The State budget, published annually by the Ministry of Finance, is the primary source of this data on public expenditure on education. However, this data is not available at the governorate level.

Based on these different types of data, the report includes the following indicators on education and literacy:

- apparent primary intake rate (%);
- primary gross enrolment ratio (%);
- preparatory gross enrolment ratio (%);
- basic gross enrolment ratio (%);
- secondary gross enrolment ratio (%);
- combined basic and secondary gross enrolment ratio (%);
- tertiary enrolment ratio (university and high institutes) (%);
- combined first, second, and third level gross enrolment ratio (%);
- primary repeaters as % of primary enrolment;
- preparatory repeaters as % of preparatory enrolment;
- secondary repeaters as % of secondary enrolment;
- transition to preparatory as % of enrolment in the final grade of primary education in the preceding year;
- transition to secondary as % of preparatory completers;
- primary students/teacher ratio (i.e. average number of students per teacher);
- preparatory students/ teacher ratio;
- class density (average number of students per class) at the primary level;
- class density at the preparatory level;
- secondary technical enrolment as % of total secondary;
- tertiary enrolment in science as % of total tertiary enrolment;
- public expenditure on education as % of total;
- public expenditure on education as % of GDP;
- % of basic and secondary enrolment in government, private and El-Azhar schools (%);
- % of unfit school buildings (total, completely unfit, badly maintained);
- literacy rate (15+) %;
- secondary or university graduates as % of total population (15+);
- tertiary science graduates as % of total graduates;
- absolute numbers of illiterate (15+).

These indicators are calculated by gender at the national and governorate levels. Literacy rates for rural and urban areas are also derived. However, indicators of public expenditure on education and those for tertiary education are calculated at the national level only.

The following notes pertain to the indicators listed above:

1. Because data on enrolment by age are not available, especially for primary education, gross enrolment ratios are calculated for all educational levels.
2. The number of people in the age groups corresponding to different educational levels is estimated by applying Sprague Multipliers to the census population by age groups in 1960 and 2006. Estimations issued by CAPMAS are used.
3. Some of the enrolment and transition ratios exceed 100% due to the number of students above (or below) the age limits of the education level.
4. Enrolment in university and higher education by governorate are not available. The combined first, second, and third level gross enrolment ratios for various governorates are derived after distributing total tertiary enrolment at the national level according to the relative shares of the governorates in pre-university (basic and secondary) enrolment.

E. NUTRITION AND FOOD SECURITY

The report includes the following nutrition and food security indicators:

- daily calorie intake per capita;
- shares in daily calorie intake per capita (vegetables, fish, and animal products) (%);
- children ever breastfed (%);
- underweight children below the age of five (%);
- food production per capita index (1999 – 2001 = 100);
- agricultural production as % of GDP;
- cereal imports (1000 metric tons);
- food exports as % of food imports;
- food imports as % of merchandise exports;
- food self-sufficiency ratio (%);
- food import dependency ratio (%).

The first two indicators are based on the Food Balance Sheet (FBS) published by the Ministry of Agriculture and Land Reclamation. The next two indicators on children and nutrition are taken from the Demographic and Health Survey for 2005 at the national, rural and urban level as a whole and according to governorate groups (urban, Lower Egypt, Upper Egypt and frontier governorates). The data are derived at the governorate level.

Food production per capita index is taken from the Food and Agriculture Organization (FAO) Annual Bulletin of Statistics. Agricultural production as a % of GDP is derived from National Income Accounts provided by the Ministry of Economic Development. Data on cereal imports, food imports and exports, and merchandise exports are taken from the Ministry of Agriculture and Land Reclamation (Study of Foreign Trade Indicators of Major Crops and Food Products, 2005).

As for food self-sufficiency, the quantity of consumption of food commodities is taken from the FAO Annual Bulletin of Statistics and prices are derived from the two bulletins of Foreign Trade Indicators of Major Crops and Food Products and the Agricultural Prices Indicators, issued by the Ministry of Agriculture and Land Reclamation for 2005. The food self-sufficiency ratio is computed by estimating the values of both the local production and consumption of food commodities according to the Free On Board (FOB) prices of export commodities, the Cost Insurance Freight (CIF) of food imports and the local producer prices of non-tradable commodities.

The overall food self-sufficiency ratio and the corresponding ratios of the commodity groups are derived by dividing the value of the local food production by the value of food consumption. The food import dependency ratio is computed by dividing the value of food imports by the value of food consumption.

F. HEALTH AND PUBLIC UTILITIES

In addition to health-related indicators covered in other sections, this report includes the following indicators on health and public utilities:

- children dying before age of five (thousands);
- malnourished children under age of five (thousands);
- maternal mortality rate per 100,000 live births;
- pregnant women with prenatal care (%);
- infant mortality rate per 1000 live births;
- under five mortality rate per 1000 live births;
- children ever breastfed (%);
- births attended by health personnel (%);
- children (12-23 months) fully immunized (%);
- underweight children below age of five (%);
- doctors (MOHP) per 10,000 people;
- nurses (MOHP) per 10,000 people;
- nurse/doctor ratio (MOHP) (%);
- beds per 10,000 people (total and MOHP);
- health units with beds per 10,000 people;
- contraceptive prevalence rate (%);
- crude birth rate (per 1000 population);
- crude death rate (per 1000 population);
- public expenditure on health as % of total;
- public expenditure on health as % of GDP;
- population or households with access to piped water (%);
- population or households with access to sanitation (%).

The Demographic and Health Survey for 2005 provided indicators 2, 4, 7, 8, 9, 10, 16 at the national, urban and rural levels and for the main groups of governorates.

Data are derived for each governorate separately. The National Center for Health and Population Information provided indicators 1, 3, 5, 6, 11, 15, 17, 18 at the national level as whole, for the main groups of governorates, and for each governorate separately. Data for public expenditure on health rely on the Statistical Year Book for 2005. GDP data are taken from the National Income Accounts provided by the Ministry of State for Economic Development.

These indicators are computed by gender at the national and governorates levels. However, the indicators of public expenditure on health are computed at the national level only.

The following notes pertain to the indicators listed above:

1. Children (12-23 months) fully immunized are those who receive DCG, Measles, German Measles, the Parotid Gland, three doses of DPT, and the Polio vaccine.
2. The contraceptive prevalence indicator (%) is taken from data of the Demographic and Health Survey for 2005. Rates for the five border governorates are not included. Because the sample of the households in these governorates is small, a separate estimation of contraceptive prevalence rates could not be calculated.
3. The indicator of underweight children below five (%) is the ratio of children under five years who are classified as underweight, according to the weight/age measure provided by the Demographic and Health Survey for 2005. From these ratios and the population number in 2005, the number of malnourished children under five years in thousands is computed.
4. The percentage of pregnant women who received pre-natal care is the percentage of all births whose mothers received any medical care during pregnancy (pregnancy care, pregnancy related care, or a tetanus injection).
5. The indicators of the public expenditure on health rely on the State budget data issued annually by the Ministry of Finance, in addition to GDP data taken from the National Income Accounts provided by the Ministry of State for Economic Development.
6. Data on total health personnel are not accurate because there is no effective system for updating their number, taking into consideration factors such as migration, retirement, on-leave periods and duplication in the statistics of personnel in private or government institutions. The relevant indicators in this report include only health personnel in the Ministry of Health and Population (MOHP). Consequently, they may not accurately reflect regional disparities in this respect.
7. It should be noted that health personnel attending births include doctors, nurses and trained midwives. Traditional birth attendants (*dayas*) play an important role, especially in rural areas. This is reflected in the high rate of births attended by health personnel at the national and governorates levels.
8. The indicator of households with access to sanitation reflects the percentage of the population that use a proper sanitation system, such as a connection to a sink, under ground sanitation tank, a toilet linked to the public network, a simple pit latrine, or an

improved pit latrine. According to the concept of health science, any private or joint (but not public) disposal system is considered healthy if it separates human excreta from contact with people, despite reservations connected with this concept.

G. NATURAL RESOURCES AND ENERGY CONSUMPTION

The report includes the following indicators on natural resources and energy consumption.

- land area (thousand km²);
- cultivated area (thousand feddans):
 - o as % of total land area;
 - o persons per feddan;
- irrigated land as % of arable land area;
- crop area (thousand feddans);
- crop area as % of cultivated land;
- total water resources (billion m³);
- water consumption as % of total water resources;
- internal renewable water as % of total water resources;
- per capita internal renewable water (m³/year)
- % of water withdrawal for:
 - o agriculture;
 - o localities;
 - o industry;
 - o navigation;
- total fish catch (thousand tons);
- % of fish catch from:
 - o fresh water (Nile, its branches, and Lake Nasser);
 - o marine (Mediterranean, Red Sea);
 - o lakes;
 - o fish farming (aqua culture);
- total electricity consumption (billions of kilowatt-hours);
- electricity consumption per capita (kilowatt-hours);
- total consumption of primary energy (million ton oil equivalent);
- consumption of primary energy per capita (kg oil equivalent);
- % of primary energy consumption from:
 - o crude oil;
 - o natural gas;
 - o hydro-power;
 - o coal;
- primary energy consumption (in kg of oil equivalent per L.E. 1000 of GDP);
- net primary energy imports (as % of energy consumption);
- total final energy consumption (million ton of oil equivalent);
- % of final energy consumption from:
 - o oil products;
 - o gas;
 - o electricity;
- % of final energy consumption by:
 - o industry;
 - o transportation and communications;
 - o agriculture;
 - o households and commercial;
 - o others.



Data on land area by governorate is available from CAPMAS. Data on arable and crop land at the governorate level are taken from the publications of Ministry of Agriculture and Land Reclamation concerning agricultural statistics. Indicators of water resources, consumption and withdrawals are derived from data of the Planning Sector at the Ministry of Water Resources and Irrigation. Fish catch indicators are calculated from the Fish Production Statistics for 2003, issued by the General Authority for Development of Fish Resources in 2005.

Indicators on energy consumption for 2003/2004 are derived from data included in the "Energy in Egypt 2003/2004" bulletin published by the Agency of Energy Planning (which was cancelled in 2006). The main difference between primary and final energy consumption is the exclusion in the latter of the amounts of energy resources consumed as input in the production of another energy resource (e.g. the use of natural gas or oil products in the production of electricity). Primary energy consumed (kg oil equivalent per L.E. 1000 of GDP) is computed at market prices. Net imports of primary energy are computed by subtracting exports from imports. This includes foreign partners' share in exports and crude oil purchased from foreign partners in imports.

H. COMMUNICATIONS

The communications profile is presented by a number of indicators. The major sources of data required for deriving these indicators are population censuses and annual bulletins issued by CAPMAS in cooperation with the concerned ministries, authorities, and institutions.

The report includes the following communications indicators:

- households with television (%);
- households with radio (%);
- telephones per 1000 households;
- number of cell phone subscribers annually per 1000 people;
- number of internet subscribers annually per 1000 people.

The first two indicators are taken from the Egypt Demographic and Health Survey for 2005. The other indicators are derived from data of the Population and Establishments Census provided by CAPMAS.

I. ECONOMIC ASPECTS

The report includes the following economic indicators:

- real GDP per capita in LE and at market prices (2001/2002 prices) at the national and governorate levels for 2005/2006;

- GDP per capita (US\$ PPP) as per estimations of the Ministry of State for Economic Development;
- income share of poorest 40% of population (total and rural);
- ratio of richest 20% to poorest 40%;
- Gini coefficient (total and rural);
- total poor persons as % of total population;
- ultra poor persons as % of total population;
- total poor and ultra poor (thousands);
- wages of poor households as % of their income;
- wages of poor households as % of total wages;
- % of total public expenditure on social security;
- % of total public expenditure on defense, security and justice (in addition to public expenditure on education and health as % of total referred to earlier);
- public expenditure on social security as % of GDP;
- public expenditure on defense, security and justice as % of GDP (in addition to % of total public expenditure on education and health as % of GDP referred to earlier);
- total GDP at current market prices (LE billion);
- agricultural product as % of GDP at factor cost;
- industrial product as % of GDP at factor cost;
- services as % of GDP at factor cost;
- household consumption as % of GDP;
- government consumption as % of GDP at market prices;
- gross domestic investment as % of GDP at market prices;
- gross domestic saving as % of GDP at market prices;
- tax revenue as % of GDP at market prices;
- exports as % of GDP at market prices;
- imports as % of GDP at market prices;
- total civil external debt as % of GDP at market prices;
- civil external debt service ratio (as % of exports);
- workers' remittances from abroad (US\$ million);
- export/import ratio (merchandise only) (%);
- trade dependency (merchandise exports + merchandise imports) as % of GDP;
- current account balance (LE billion);
- gross international reserves including gold (US\$ billion);
- gross reserves (US\$ billion);
- months of merchandise import coverage;
- GDP at constant factor cost for 2001/2002 (US \$ million);
- annual growth rate of real GDP (%), during the period 1998/1999-2005/2006 at 1999/2000 prices;
- annual growth rate of GDP per capita (%) at market prices during the period 1998/1999-2005/2006 at 1999/2000 prices;
- consumer price index (1999 – 2000 = 100);
- wholesale price index (1999 – 2000 = 100);
- average annual growth rate of exports during the period (1997/1998 -2005/2006) (%);
- average annual growth rate of tax revenues during the period (1999/2000 -2005/2006) (%);
- direct taxes as % of total taxes;
- overall budget surplus (deficit) as % of GDP at market prices.

Real GDP per capita (LE and US\$ PPP) at the national and governorate levels are derived from national income

accounts, provided by the Ministry of State for Economic Development and from results of the Household Income, Expenditure, and Consumption Survey conducted by CAPMAS in 2004/2005 (as shown in section A-3).

The results of the HIECS survey are used to calculate indicators on poverty. A poor person (or poor household) is defined as a person whose expenditure (or income) is below a certain poverty line for urban or rural areas. The following method uses the Subjective Poverty and Social Capital Survey prepared by CAPMAS in cooperation with UNDP in 2002 to estimate the poverty line:

1. Components of a minimum food basket is specified using tables prepared by the World Health Organization (WHO) concerning an individual's daily caloric needs, depending on age, gender and location .
2. The cost of obtaining minimum caloric needs is estimated using current prices in each region in Egypt. The cost of obtaining 1000 calories per day in different regions ranges from LE 0.865 in big cities to LE 0.790 in rural areas of Lower Egypt.
3. Non-food expenditures for the households whose total expenditure is equivalent to the food poverty line are estimated. Average non-food expenditure for these households is added to the food poverty line to obtain the poverty line, taking into consideration differences in location, age, gender and household economies of scale. Therefore, the lower poverty line is specified at L.E. 1116 for all geographical regions. The upper poverty line is specified at L.E.1574. Poverty lines for each region are estimated separately.

Indicators of public expenditure on various sectors are derived from the government budget for 2005/2006, prepared annually by the Ministry of Finance (MOF). Data required for deriving indicators for national income accounts are provided by the Ministry of State for Economic Development. These data are regularly included in successive follow-up reports and on the Ministry's web site (www.mop.gov.eg). Indicators of GDP growth rates and GDP per capita growth rates as well as growth rates of exports and international reserves are calculated from data provided by Ministry of State for Economic Development. Data on the consumer price index and wholesale price index (as indicators of inflation) are taken from the monthly bulletin issued by CAPMAS.

Indicators of taxes and the budget surplus (deficit) are calculated from data on the state budget for 2005/2006 published on the website of the Ministry of Finance (www.mof.gov.eg). The monetary deficit is different from the overall deficit in adding grants on the revenue side and excluding them from lending on the expenditure side (reports of the Plan and Budget Committee of the draft State budget and the final accounts for many years.) Data on external debts, workers' remittances, and some data on exports and imports were obtained from the website of the Central Bank of Egypt (www.cbe.org.eg).

J. PARTICIPATION

For the first time, the 2003 Human Development Report presented the idea of public participation in local development, measuring it through indicators in political, social and

economic aspects of participation at the governorate levels and their administrative "marakez". The Ministry of Local Development and the Organization for Reconstruction and Development of the Egyptian Village (Shorouk) provide these types of data, such as political participation in the 2000 People's Assembly elections and the 2002 local elections. Data on public participation in infrastructure projects and economic development projects supported by the Shorouk program for Village Development during the period (1994/1995-2001/2002) are also provided

In addition to participation-related indicators mentioned in other sections, the report includes the following indicators on participation:

- political participation in 2000 People's Assembly elections;
- political participation in the 2002 local elections;
- participation in social and personal activities (those who work in community, social, and personal services) as % of total workers (15+);
- private sector craft workers as % of total workers (15+);
- informal sector workers as % of total workers (15+);
- % of public participation (investment) in economic development projects (Shorouk programs);
- % of public participation (investment) in infrastructure projects (Shorouk programs).

Because no new data are available on these indicators, previously published data have not changed.





NATIONAL INDICATORS

N.1 HUMAN DEVELOPMENT INDEX

● Life expectancy at birth (years)	2006	71.3
● (%) + adult literacy rate (15)	2006	69.5
● Combined 1st, 2nd & 3rd-level gross enrolment ratio (%)	2005/06	76.4
● \$ Real GDP per Capita (ppp)	2005/06	5899.7
● Life Expectancy Index	2006	0.772
● Education Index	2006	0.718
● GDP Index	2006	0.681
● Human Development Index	2006	0.723

N.2 PROFILE OF HUMAN DEVELOPMENT

● Life expectancy at birth (years)	2006	71.3
● Households with access to:		
■ health services (%)	2004	100
■ urban	2004	99
■ rural	2004	99
■ piped water (%)	2006	95.5
■ total	2006	92.9
■ rural	2006	92.9
■ sanitation (%)	2006	50.5
■ total	2006	24.3
■ rural	2006	24.3
● Daily calorie supply per capita	2005	4421
● (%) adult literacy rate (15+)	2006	69.5
● Combined basic and secondary enrolment ratio (%)	2005/06	89.4
● Daily newspaper circulation (per 1000 households)	2004	53.9
● (%) Households with televisions	2004	89.4
● GDP per capita (LE)	2005/06	6371.7

N.3 PROFILE OF HUMAN DEPREVATION

		Thousands
● Populations without access to:		
■ piped water	2006	771.6
■ sanitation	2006	8553.6
● Children dying before age five	2005	217.9
● Malnourished children under five	2005	554.5
● Children not in basic or secondary school	2005/06	3737.1
● Illiterates (15+)	2006	17494.1
● Unemployed persons (15+)		
■ total	2006	2040.1
■ female	2005	1255.5
● Poor persons		
■ actual	2004/05	13974.1
■ ultra	2004/05	2762.4

N.4 TRENDS IN HUMAN DEVELOPMENT

● Life expectancy at birth (years)	2004	70.6
	2006	71.3
● Infant mortality rate (per 1000 live births)	2005	20.5
● Households with access to piped water (%)	2004	91.3
	2006	95.5
● Daily calorie supply per capita	2003	4258
	2005	4421
● Literacy (15+) (%)	2006	69.5
● Combined basic and secondary enrolment ratio (%)	2005/06	89.4

N.5 HUMAN CAPITAL FORMATION

	Year	Total	Female
● Literacy (15+)(%)	2006	69.5	57.3
● Basic & secondary enrolment ratio(%) *	2005/06	89.4	87.1
● Professionals and technicians (as % of labor force)	2004	24.5	30.4
● People (15+) with secondary or higher education (%)	2006	28.5	22.7
● Tertiary graduate ratio (as % of corresponding age)	2005/06	6.9	7.4
● Science graduates (as % of total graduates)	2005/06	25.78	24.2

* Including Al Azhar

N.6 STATUS OF WOMEN

● Life expectancy at birth (years)	2006	73.6
● Maternal mortality rate (per 100000 live birth)	2005	52.9
● Average age at first marriage	2005	20.4
● Gross Enrolment ratio:		
■ basic education	2005/06	87.06
■ primary	2005/06	94.51
■ preparatory	2005/06	88.26
■ secondary education	2005/06	70.08
■ tertiary education	2005/06	38.42
● Tertiary science enrolment (%)	2005/06	37.57
● Females with secondary or higher education (15+) (%)	2006	22.7
● Professional & technical staff (%)	2004	33.5
● Women in the labor force (%)	2005	22.9

N.7 FEMALE - MALE GAPS

● Life expectancy at birth (years)	2006	106.7
● Population	2006	95.4
● Literacy (15+) (%)	2005	78.9
● Primary enrolment	2005/06	95.7
● Preparatory enrolment	2005/06	91.6
● Secondary enrolment	2005/06	95.70
● Tertiary enrolment & postgraduate	2005/06	86.40
● Labor force	2005	29.8

N.8 RURAL - URBAN GAPS

● Rural population (% of total)	2004	58.4
● Households with access to health services (%)	2006	57.36
■ urban	2004	100.0
■ rural	2004	99.0
● Households with access to piped water (%)	2006	98.8
■ urban	2006	92.9
■ rural	2006	92.9
● Households with access to sanitation (%)	2006	82.5
■ urban	2006	82.5
■ rural	2006	24.3
● Literacy (15+) (%)	2006	79.1
■ urban	2006	79.1
■ rural	2006	62.0
● Rural-urban disparity	2004	99.0
■ health services	2006	94.0
■ piped water	2006	94.0
■ sanitation	2006	29.5
■ Literacy	2006	78.00

N.9 CHILD SURVIVAL AND DEVELOPMENT

● Pregnant women with prenatal care (%)	2005	69.6
● Maternal mortality rate (per 100000 live births)	2005	52.9
● Infant mortality rate (per 1000 live births)	2005	20.5
● Under five mortality rate (per 1000 live births)	2005	26.4
● Children ever breastfed	2005	95.2
● Birth attended by health personnel (%)	2005	80
● Children 12-23 months old fully immunized (%)**	2005	88.7
● Under weight below age 5 (%)	2005	6.2

** Those who received BCG, Measles, and three doses of DPT and polio vaccines

N.10 HEALTH PROFILE

● Households with access to:	■ % health services	■ urban	2004	100.0
		■ rural	2004	99.0
	■ % piped water	■ total	2006	95.5
		■ rural	2006	92.9
■ % sanitation	■ total	2006	50.5	
	■ rural	2006	24.3	
● Doctors per 10000 people (MOH)*		2004	8.9	
		2005	6.5	
● Nurses per 10000 people (MOH)*		2004	14.7	
		2005	13.8	
● Nurses/doctor ratio (%) (MHO)		2004	165.2	
		2005	210.6	
● Maternal mortality rate (per 100000 live birth)		2005	52.9	
● Beds for 10000 people:	■ total	2005	21.5	
	■ MOH	2005	11.1	
● Health units per 100000 people		2005	3.8	
● Public expenditure on health:	■ as % of total	2005/06	3.8	
	■ as % of GDP	2005/06	1.3	

N.11 EDUCATION FLOW

		Total	Females
● Primary intake rate (%)	2003/04	94.9	95.9
	2005/06	91.6	93.89
● Gross primary enrolment ratio (%)	2003/04	964.0	86.3
	2005/06	96.69	94.51
● Primary repeaters (as % of primary enrolment)*	2005/06	4.5	2.7
● Transition to completers **	2005/06	102.8	102.1
● Gross preparatory enrolment ratio	2003/04	95.2	100.1
	2005/06	92.5	88.26
● Preparatory repeaters (as % of preparatory enrolment)	2005/06	9.4	8.3
● Transition to completers	2005/06	85.9	88.9
● Gross secondary enrolment ratio	2005/06	71.7	70.1
● Secondary repeaters (as % of secondary enrolment)	2005/06	11.4	2.2
	2003/04	29.2	27.7
● Tertiary enrolment ratio (%)	2005/06	38.4	37.6

* Without El-Azhar

** The source of percentage of transition to preparatory without El Azhar is the Ministry of Education



N.12 EDUCATION IMBALANCES

● Primary pupil/teacher rate		2005 /06	28.04
● Preparatory pupil/teacher rate		2005 /06	14.69
● Class density:	■ primary	2005 /06	45.79
	■ preparatory	2005 /06	41.20
● Secondary technical (as % of total secondary)		2005 /06	61.28
● Tertiary science (as % of total tertiary)		2005 /06	29.96
● Public expenditure on education (as% of total)		Budget 2005 /06	11.5
		Budget 2005 /07	4.0
● Public expenditure on pre-university education (as % of all levels)		2003/04	73.2
● Public expenditure on higher education (as % of all levels)		2003/04	26.8
● Basic and secondary enrolment (%) in:	■ govern school	2005/06	73.73
	■ private school	2005/06	6.50
	■ El Azhar school	2005/06	19.77
● Unfit school buildings (%):	■ total	2003/04	21.4
	■ completely unfit	2004	10.0
	■ maintenance	2004	11.4

N.13 COMMUNICATIONS

● Percentage of households with:	■ radio	2004	81.9
	■ television	2004	89.4
● Telephones (per 1000 households)		2006	674.6
● Average number of people served by one post office		2006	13252.0
● Number of cell phone subscribers (per 1000 people)		2006	195
● Number of Internet subscribers (per 1000 people)		2006	75.6

N. 14 LABOR FORCE

● Labor force (15+) (as % of total population)		2005	30.2
● Females in the labor force (15+) (%)		2005	22.97
● labor force (15+) (%) in:	■ agriculture	2005	30.9
	■ industry	2005	11.7
	■ services	2005	57.4
● Wage earners (% labor force 15+):	■ total	2006	30.9
	■ female	2006	10.49
● Professionals/ technicians: (as % labor force 15+)	■ total	2004	24.5
	■ female	2004	42
● Employers in government/puplic sectors: (% labor force 15+)	■ total	2006	14.7
	■ female	2006	7.1

N.15. UNEMPLOYMENT

● Unemployment rate (% of labor force):	■ total	2006	9.3
	■ female	2005	25.8
	■ urban	2006	10.9
	■ rural	2006	8.0
● Educational level unemployment rate: (15+) (%)	■ below secondary	2005	2.33
	■ secondary	2005	61.81
	■ university	2005	26.8
● Future labor force replacement ratio (%):	■ total	2005	192.4

N.16 INCOME DISTRIBUTION, POVERTY AND SOCIAL INVESTMENT

● GDP per capita (L.E)		2005/06	6371.7
● Income share of lowest 40 (%):	■ total	2004/05	23.5
	■ rural	2004/05	25.5
● Ratio of highest 20 to lowest 40 (%)	■ total	2004/05	3.9
	■ rural	2004/05	3.2
● Gini coefficient:	■ total	2004/05	33.2
	■ rural	2004/05	22.3
● The poor (as % of total population):	■ actual	2004/05	19.6
	■ ultra	2004/05	3.8
● Wages of poor households:	■ as % of their income	2004/05	49.2
	■ as % of total wages	2004/05	9.5
● Total public expenditure spent on(%):	■ education	Budget 2005/06	11.5
	■ health	Budget 2005/06	3.8
	■ social security*	Budget 2005/06	5.7
	■ defense, security & justice	Budget 2005/06	11.1
● Public expenditure on education (as % of GDP)		Budget 2005/06	4.0
● Public expenditure on health (as % of GDP)		Budget 2005/06	1.3
● Social security benefits (as % of GDP)		Budget 2005/06	2.0
● Public expenditure on defense (as % of GDP)**		Budget 2005/06	2.5

* It was called social benefits in budget 2005/06 (include pensions)

** It was called defense and national security (without justice) in budget 2005/06

N.17 URBANIZATION

● Urban population (as % of total)	1996	42.6
	2006	42.6
● Urban population annual growth rate (%)	1976-1986	2.8
	1996-2006	2.0
● Population of largest city (as % of total urban)	1996	26.1
	2003	69.4
● Houses with electricity (%)	2006	99.3

N.18 DEMOGRAPHIC PROFILE

● Population (in thousand)	1996	59116.8
	2006	72579
● Annual population growth rate (%)	1986-1996	2.1
	1996-2006	2.1
● Population doubling rate (current rate)	Year	2039
● Total fertility rate	2005	3.1
● Ratio of 2005 fertility to 1995 (%)	2005	0.9
● Contraceptive prevalence (%)	2005	59.2
● Demographic dependency ratio (%)	2006	69.8

N.19 NATURAL RESOURCES

● Land area (thousand) (km ²):	■ thousand (KM ²)	2005	1009.4
● Population density(km ²):	■ per (KM ²)	2005	70.7
● Cultivated area:	■ thousand feddans	2005	8384.8
	■ as % of land area	2005	3.5
	■ persons per feddans	2005	8.5
● Irrigated land (as % of cultivated area)		2005	100
	■ thousand fedans	2005	14905
	■ as % of cultivated area	2005	1.78
● Total water resources (Billion M ³)		2005/06	57.9
● Water consumption (as % of total water resources)		2005/06	70.6
● Internal renewable water (as % of total water resources)		2005/06	98.2
● Per capita Internal renewable water (M ³ /year)		2005/06	769
● Water withdrawals by(%):	■ agriculture	2005/06	76.8
	■ municipal	2005/06	8.5
	■ industrial	2005/06	9.9
	■ navigation	2005/06	0.3
	■ fish wealth	2005/06	1.7
● Total fish catch (thousand tons)		2005	889.3
● Fish catch from(%):	■ fresh water (Nile and Lake Naser)	2005	12.9
	■ marine (Mediterranean and Red Sea)	2005	12.1
	■ other lakes	2005	14.3
	■ aqua culture	2005	60.7

** This ratio does not include the water from sewerage, agricultural and industrial draining, nor surface or underground water which is estimated to be around 20 billion m³

N.20 ENERGY CONSUMPTION

● Total electricity consumption (billions of Kilowatt/hour)		2003/04	79.7
● Electricity consumption per capita (kilowatt/hour)		2003/04	1118.3
● Total primary energy consumption (million tons of oil equivalent)		2003/04	51.4
● Primary energy consumption per capita (Kg of oil equivalent)		2003/04	750
● Commercial energy consumption (%):	■ oil product	2003/04	45.9
	■ gas	2003/04	46.9
	■ electricity	2003/04	7.2
● Primary energy consumed in Kg of oil equivalent per 1000 L.E of GDP		2003/04	135
● primary energy imports (as % of primary energy consumed)		2003/04	-14%
● Total final energy consumption (million tons of oil equivalent)		2003/04	37
● Final energy consumed from (%):	■ oil product	2003/04	60.2
	■ gas	2003/04	19.4
	■ electricity	2003/04	19.3
	■ coal	2003/04	2.5
● Final energy consumed by (%):	■ industry*	2003/04	47.0
	■ transportation	2003/04	29.2
	■ agriculture	2003/04	1.1
	■ households & commercial	2003/04	19.7
	■ other	2003/04	3.1

* Including coal

N.21 FOOD SECURITY

● Food production per capita index (99-2001=100)		2004-2002	104
● Agricultural production (as % of GDP)		2006/2005	14.1
● Daily calorie per capita		2002	3960
		2005	4421
● Shares in daily calorie per capita (%):	■ vegetable production	2002	91.7
		2005	92.3
	■ animal production	2002	7.6
		2005	7.0
	■ fish production	2002	0.7
		2005	0.7
● Cereal imports (1000 metric tons)		2005	10787
● Food exports (as % of food imports)		2005	22.3
● Food imports (as % of merchandise exports)		2005	33.6
● Food self sufficiency ratio (%)		2005	86.5
● Food import dependency ratio (%)		2005	12.9

N.22 RESOURCE FLOW IMBALANCES

● Total civil external debt (as % of GDP)	2005/06	27.6
● Civil external debt service ratio (as % exports)	2005/06	8.5
● Workers' remittances from abroad (L.E millions)	2005/06	5034.8
● Exports/imports ratio (%)	2005/06	65.6
● Trade dependency (exports + imports) as % of GDP	2005/06	28.2
● Current account balance (L.E billions)	2005/06	-15.1
● Gross International reserves including gold	2005/06	22.9
■ months of import coverage	2005/06	9.6

N.23 NATIONAL INCOME ACCOUNTS

	1991/92	2005/06
● Total GDP at current market prices (L.E billions)	139.1	617.7
● Agricultural product (as % of GDP at factor cost)	16.5	14.1
● Industrial product (as % of GDP at factor cost)	33.3	17.0
● Services (as % of GDP at factor cost)	50.2	53.5
● Household consumption (as % of GDP)	74.2	71.4
● Government consumption (as % of GDP)	10.4	12.3
● Gross domestic investment (as % of GDP)	18.2	18.7
● Gross domestic saving (as % of GDP)	15.4	17.1
● Tax revenue (as % of GDP)	16.0	13.2
● Exports revenue (as % of GDP)	29.0	31.3
● Imports revenue (as % of GDP)	31.8	33.7

N.24 ECONOMIC PERFORMANCE

● GDP at a constant factor cost (L.E billions)	1998/97	253.1
	2005/06	426.1
● Annual growth rate of real GDP (%)	1981/82-1991/92	6.0
	1999/98 -2005/06	4.8
● Annual growth rate per capita GDP (%)	1981/82-1991/92	3.6
	1999/98 -2005/06	2.8
● Consumer price index (1995/1996 =100):	2005/06	138.7
■ urban	2005/06	138.6
■ rural	September 2006	185.3
● Wholesale price index (1986/1987 = 100)	1981/82-1991/92	(- 10.8)
● Annual growth rate of exports (%)	1997/98 -2005/06	10.6
	1981/82-1991/92	2.6
● Annual growth rate of tax revenue (%)	1996/97 -2005/06	7.9
	2005/06	42.7
● Direct taxes (as % of total taxes)	1996/97	(-0.9)
● Overall budget surplus/deficit (% of GDP at market prices)	2005/06	(-8.6)

N.25 PARTICIPATION IN DEVELOPMENT

● Political Participation in election voting	2002	42.4
■ localities	2000	24.1
■ people's assembly	2001	2.2
● Employees in social & personal services (%)	2001	2.1
■ total	2001	2.1
■ female	2001	2.1
● Basic & secondary enrolment in private schools (%)	2003	6.1
● Popular participation in Shrouk program:	(1994/95 -2000/01)	28.8
(as % of projects)	(1994/95-2000/01)	31.5
■ infrastructure	2001	14.0
■ economic development	2001	2.2
● Employees in handicraft activities:	2001	9.7
(as % of labor force 15+)	2001	21.5
■ total	2001	9.7
■ female	2001	21.5
● Employees in informal sectors:	2001	9.7
(as % of labore force)	2001	21.5
■ total	2001	9.7
■ female	2001	21.5



GOVERNORATE INDICATORS



G.1 HUMAN DEVELOPMENT INDEX

	Life expectancy at birth (years)	Adult literacy rate (+15)	Combined 1st, 2nd & 3rd level gross enrolment ratio (%)	Real GDP per capita (ppp\$)	Life expectancy index	Education index	GDP index	Human development index	Rank of Gov.
	2006	2006	2005/06	2005/06	2006	2006	2006	2006	2006
Cairo	71.4	80.7	67.3	5700.5	0.773	0.762	0.675	0.737	5
Alexandria	71.6	79.7	72.7	5407.8	0.776	0.773	0.666	0.738	4
Port Said	72.3	81.9	70.4	6317.3	0.788	0.781	0.692	0.753	1
Suez	71.9	81.4	75.3	5790.9	0.781	0.794	0.677	0.751	2
Urban Govs	71.8	80.5	69.3	5641.9	0.779	0.768	0.673	0.740	
Damietta	72.2	75.7	71.4	6159.4	0.786	0.743	0.688	0.739	3
Dakahlia	71.4	71.1	69.8	6267.7	0.773	0.707	0.691	0.723	9
Sharkia	70.8	67.4	73.3	6123.7	0.764	0.693	0.687	0.715	12
Kalyoubia	72.3	71.9	67.0	5698.0	0.788	0.703	0.675	0.722	10
Kafr El-Sheikh	70.2	64.7	70.3	5805.5	0.754	0.666	0.678	0.699	16
Gharbia	71.9	73.3	66.9	6548.5	0.781	0.712	0.698	0.730	7
Menoufia	71.1	71.6	66.0	6295.4	0.769	0.697	0.691	0.719	11
Behera	71.1	62.5	67.7	7773.6	0.769	0.642	0.727	0.713	13
Ismailia	70.5	75.5	73.5	6251.5	0.759	0.749	0.690	0.733	6
Lower Egypt	71.1	69.4	69.1	6399.1	0.769	0.693	0.694	0.719	00
Urban	00	78.8	00	00	00	00	00	00	00
Rural	00	65.8	00	00	00	00	00	00	00
Giza	69.1	72.7	71.5	5140.7	0.735	0.723	0.658	0.705	15
Beni Suef	71.2	58.1	70.4	6521.0	0.771	0.622	0.697	0.697	18
Fayoum	69.1	57.3	68.2	5282.9	0.735	0.609	0.662	0.669	22
Menia	68.9	57.0	72.9	6317.7	0.732	0.623	0.692	0.682	20
Assiut	70.3	60.2	69.8	5018.7	0.756	0.634	0.654	0.681	21
Suhag	70.1	60.5	74.0	4972.1	0.752	0.650	0.652	0.685	19
Qena	70.1	64.1	78.1	5132.4	0.752	0.688	0.657	0.699	17
Luxor	69.4	70.9	81.2	4982.8	0.741	0.743	0.652	0.712	14
Aswan	70.8	76.0	73.7	5604.6	0.764	0.753	0.672	0.730	8
Upper Egypt	69.8	63.6	72.4	5431.9	0.747	0.665	0.667	0.693	..
Urban	00	76.9	00	00	00	00	00	00	..
Rural	00	57.1	00	00	00	00	00	00	..
Red Sea	70.8	86.1	83.4	6095.6	0.764	0.852	0.686	0.767	..
New Valley	70.8	78.9	77.2	6812.8	0.764	0.783	0.705	0.751	..
Matrouh	70.7	62.4	78.3	5859.8	0.762	0.677	0.679	0.706	..
North Sinai	70.8	73.6	75.7	5248.0	0.764	0.743	0.661	0.723	..
South Sinai	70.7	85.5	81.7	6342.4	0.762	0.843	0.693	0.766	..
Frontier Govs	70.7	76.2	78.4	5903.3	0.762	0.769	0.681	0.737	..
Urban	0.0	82.2	..	..	..	00	00	00	..
Rural	0.0	62.5	..	..	..	00	00	00	..
Egypt	71.3	69.5	..	5899.7	0.772	0.718	0.681	0.723	..
Urban	0.0	79.1	..	..	..	..	..	..	..
Rural	0.0	62.0	76.4	..	..	..	..	..	..

G.2 PROFILE ON HUMAN DEVELOPMENT



	Life expectancy at birth (years)	Households with access to		Literacy rate (15+) (%)	Combined basic and secondary enrollment (%)	GDP per capita (LE)	Households with		
		piped water (%)	Sanitation (%)				Electricity (%)	Radio (%)	Television (%)
	2006	2006	2006	2006	2005/06	2005/06	2006	2004	2004
Cairo	71.4	99.2	98.2	80.7	77.3	6156.5	99.5	90.9	95.9
Alexandria	71.6	99.6	77.0	79.7	83.7	5840.4	99.8	87.9	93.7
Port Said	72.3	93.8	89.5	81.9	81.2	6822.7	97.0	93.1	97.6
Suez	71.9	99.3	89.2	81.4	86.5	6254.1	99.3	97.5	96.7
Urban Govs	71.8	99.1	90.8	80.5	79.8	6093.3		90.3	95.3
Damietta	72.2	98.7	66.5	75.7	82.1	6652.1	98.7	85.3	90.7
Dakahlia	71.4	96.9	83.4	71.1	80.7	6769.1	99.7	90.7	95.5
Sharkia	70.8	90.2	39.6	67.4	84.8	6613.6	99.4	75.4	86.2
Kalyoubia	72.3	97.6	52.6	71.9	77.4	6153.9	99.6	95.2	95.3
Kafr El-Sheikh	70.2	96.9	46.9	64.7	81.3	6269.9	99.3	78.2	85.6
Gharbia	71.9	98.0	35.2	73.3	77.4	7072.4	99.8	87.4	92.6
Menoufia	71.1	95.0	33.9	71.6	76.3	6799.1	99.1	88.6	88.8
Behera	71.1	90.9	31.0	62.5	78.4	8395.5	99.6	71.6	86.2
Ismailia	70.5	95.3	58.1	75.5	84.9	6751.6	98.1	91.3	94.9
Lower Egypt	71.1	95.0	48.5	69.4	79.9	6911.0	..	84.2	90.6
Urban	00	98.7	86.0	78.8	..	..	..	90.6	94.5
Rural	00	93.5	33.7	65.8	..	..	..	81.1	88.6
Giza	69.1	98.4	69.3	72.7	82.6	5552.0	99.6	92.3	93.1
Beni Suef	71.2	88.6	15.2	58.1	81.5	7042.7	98.9	50.8	78.8
Fayoum	69.1	97.2	35.4	57.3	79.1	5705.5	99.2	73.2	76.0
Menia	68.9	89.7	12.7	57.0	84.4	6823.1	98.9	57.8	78.6
Assiut	70.3	96.0	9.6	60.2	80.8	5420.2	99.1	66.6	78.4
Suhag	70.1	93.7	12.1	60.5	85.6	5369.9	98.9	66.2	83.9
Qena	70.1	92.8	9.5	64.1	90.4	5543.0	99.0	79.6	84.3
Luxor	69.4	98.5	46.3	70.9	93.8	5381.5	99.5	81.2	85.4
Aswan	70.8	99.0	41.4	76.0	85.3	6053.0	99.5	68.6	90.7
Upper Egypt	69.8	94.7	30.5	63.6	83.8	5866.5	..	73.3	84.2
Urban	0.0	98.9	67.2	76.9	..	..	..	85.8	93.2
Rural	0.0	92.5	11.7	57.1	..	..	..	66.3	79.1
Red Sea	70.8	89.4	62.1	86.1	95.9	6583.3	92.7	81.5	90.8
New Valley	70.8	99.0	52.2	78.9	88.6	7357.8	98.4	96.9	95.3
Matrouh	70.7	73.6	25.4	62.4	91.3	6328.6	87.9	71.9	61.3
North Sinai	70.8	80.7	49.9	73.6	87.5	5667.8	90.2	80.4	83.5
South Sinai	70.7	84.5	73.3	85.5	94.2	6849.8	95.4	82.3	84.1
Frontier Govs	70.7	84.5	49.5	76.2	90.6	6375.6	..	81.9	81.2
Urban	00	92.5	62.1	82.2	..	..	..	89.3	00
Rural	00	66.2	21.1	62.5	..	..	..	74.6	00
Egypt	71.3	95.5	50.5	69.5	89.4	6371.7	99.3	81.9	89.4
Urban	00	98.8	82.5	79.1	..	..	100.0	89.3	94.5
Rural	00	92.9	24.3	62.0	..	..	99.0	74.6	84.3

G.3 PROFILE ON HUMAN DEPRIVATION



	Thousands									
	People without access to		Children dying before age 5	Children not in basic or secondary schools	Illiterates (15+)	Poor persons		Malnourished children below age 5	Unemployed persons	
	Piped water	Sanitation				Total	Ultra poor		Female	Total
			2006	2006	2005			2005/06		
Cairo	16.2	37.2	26.6	464.23	1243.8	356.4	41.2	59.0	284.5	120.8
Alexandria	4.3	246.5	9.7	163.27	692.9	306.8	44.3	24.0	130.8	47.6
Port Said	8.8	15.0	0.9	26.39	85.0	41.0	5.0	3.0	21.4	10.3
Suez	0.9	13.2	1.2	18.32	75.3	11.8	3.2	6.3	18.4	9.9
Urban Govs	30.2	311.9	38.5	672.21	2097.0	716.1	93.7	92.3	455.0	188.6
Damietta	3.8	94.6	1.6	54.58	210.0	28.2	2.6	2.5	27.0	30.7
Dakahlia	39.6	210.3	11.6	271.81	1144.1	346.7	24.2	14.8	153.9	116.2
Sharkia	124.0	762.7	14.2	229.01	1360.1	1440.0	148.3	18.7	167.6	121.5
Kalyoubia	25.4	495.9	8.5	257.55	931.0	435.6	38.8	22.9	115.3	74.8
Kafr El-Sheikh	19.2	326.3	4.4	143.05	738.8	341.8	22.5	24.5	54.8	54.1
Gharbia	19.6	644.9	7.7	260.37	862.0	238.9	31.4	11.4	132.6	89.4
Menoufia	38.4	508.1	6.9	227.38	731.6	564.4	13.9	22.8	75.7	39.9
Behera	99.3	754.6	8.6	306.85	1418.7	960.7	130.5	16.8	134.8	102.2
Ismailia	10.7	94.8	2.0	38.60	180.4	55.2	4.1	2.5	22.8	35.2
Lower Egypt	380.0	3892.3	65.4	1789.20	7576.8	4411.5	416.2	137.0	884.3	664
Urban	..	..	0.0	..	1447.4	..	..	..	291.7	..
Rural	..	..	0.0	..	6129.4	..	..	..	592.7	..
Giza	24.1	474.2	12.1	283.39	1349.7	737.7	79.6	65.4	187.6	47.1
Beni Suef	56.4	420.1	11.2	124.55	731.5	1024.5	265.7	26.3	27.8	21.4
Fayoum	16.0	363.8	9.2	156.29	816.6	290.7	26.6	32.0	25.4	25.2
Menia	94.2	798.4	19.4	185.56	1362.6	1595.2	396.8	56.3	70.2	81.6
Assiut	29.4	659.5	23.0	198.06	1032.4	2072.5	776.9	80.0	85.1	63.6
Suhag	51.2	719.5	18.4	162.35	1120.4	1551.0	373.9	42.8	85.1	54.8
Qena	45.5	572.1	12.4	82.38	835.7	988.6	175.8	14.0	98.7	52.8
Luxor	1.4	52.9	1.6	7.41	106.3	25.5	7.0	0.9	24.5	10.3
Aswan	2.6	157.9	3.8	48.66	226.0	268.2	53.3	2.0	65.0	31.5
Upper Egypt	321.0	4218.5	111.0	1248.64	7581.3	8553.9	2155.7	319.8	669.4	388.3
Urban	..	..	0.0	..	1597.8	..	..	..	313.6	..
Rural	..	..	0.0	..	5983.5	..	..	..	355.8	..
Red Sea	6.5	23.0	0.5	2.07	32.7	..	..	2.4	8.4	1.9
New Valley	0.4	20.5	0.3	5.59	30.6	..	..	0.7	6.4	1.5
Matrouh	15.8	44.6	0.8	7.02	90.8	..	..	0.9	5.5	5.5
North Sinai	14.2	36.9	1.2	11.38	66.1	..	..	1.4	6.3	3.9
South Sinai	3.5	6.0	0.2	0.94	18.8	..	..	0.1	4.7	1.9
Frontier Govs	40.3	130.9	3.0	27.00	239.1	292.6	96.9	5.4	31.3	12.8
Urban	..	..	0.0	..	124.3	..	..	..	23.8	..
Rural	..	..	0.0	..	114.8	..	..	..	7.6	..
Egypt	771.6	8553.6	217.9	3737.05	17494.1	13974.1	2762.4	554.5	2040.1	1255.5
Urban	..	..	..	..	5266.5	..	..	..	1084.1	..
Rural	..	..	..	..	12227.7	..	..	..	956.0	..

G.4 TRENDS IN HUMAN DEVELOPMENT



	Life expectancy at birth (years)		Infant mortality (per 1000 live births)	Households with access to piped water (%)	Literacy rate (15+) (%)	Combined basic and secondary enrolment
	1976	2006	2005	2006	2006	2005/06
Cairo	57.0	71.4	31.1	99.2	80.7	77.3
Alexandria	59.1	71.6	23.2	99.6	79.7	83.7
Port Said	59.2	72.3	16.7	93.8	81.9	81.2
Suez	52.6	71.9	18.7	99.3	81.4	86.5
Urban Govs	57.6	71.8	29.6	99.1	80.5	79.8
Damietta	57.5	72.2	10.2	98.7	75.7	82.1
Dakahlia	56.9	71.4	15.7	96.9	71.1	80.7
Sharkia	54.6	70.8	17.1	90.2	67.4	84.8
Kalyoubia	53.9	72.3	15.2	97.6	71.9	77.4
Kafr El-Sheikh	56.6	70.2	10.4	96.9	64.7	81.3
Gharbia	55.5	71.9	14.8	98.0	73.3	77.4
Menoufia	54.8	71.1	14.9	95.0	71.6	76.3
Behera	56.0	71.1	11.3	90.9	62.5	78.4
Ismailia	57.7	70.5	14.1	95.3	75.5	84.9
Lower Egypt	55.6	71.1	14.3	95.0	69.4	79.9
Urban	0.0	0.0	20.4	98.7	78.8	..
Rural	0.0	0.0	11.3	93.5	65.8	..
Giza	55.2	69.1	13.5	98.4	72.7	82.6
Beni Suef	50.1	71.2	27.1	88.6	58.1	81.5
Fayoum	49.3	69.1	20.9	97.2	57.3	79.1
Menia	52.1	68.9	25.9	89.7	57.0	84.4
Assiut	53.2	70.3	37.0	96.0	60.2	80.8
Suhag	54.7	70.1	27.2	93.7	60.5	85.6
Qena	*53.6	70.1	22.7	92.8	64.1	90.4
Luxor	0.0	69.4	25.3	98.5	70.9	93.8
Aswan	51.4	70.8	22.9	99.0	76.0	85.3
Upper Egypt	53.0	69.8	24.0	94.7	63.6	83.8
Urban	0.0	0.0	34.7	98.9	76.9	..
Rural	0.0	0.0	19.9	92.5	57.1	..
Red Sea	0.0	70.8	15.9	89.4	86.1	95.9
New Valley	0.0	70.8	12.9	99.0	78.9	88.6
Matrouh	0.0	70.7	13.0	73.6	62.4	91.3
North Sinai	0.0	70.8	22.0	80.7	73.6	87.5
South Sinai	0.0	70.7	15.7	84.5	85.5	94.2
Frontier Govs	0.0	70.7	16.5	84.5	76.2	90.6
Urban	0.0	0.0	22.1	92.5	82.2	..
Rural	0.0	0.0	8.5	66.2	62.5	..
Egypt	55.0	71.3	20.5	95.5	69.5	89.4
Urban	0.0	0.0	27.5	98.8	79.1	..
Rural	0.0	0.0	15.1	92.9	62.0	..

G.5 HUMAN CAPITAL FORMATION



	Literacy (15+) (%)		Combined basic and secondary enrolment (%)		Population (15+) with secondary or higher education (%)		Professional & technical staff (as percentage of labor force (15+)) (%)	
	2006	2006	2005/06	2005/06	2006	2006	2004	2004
Cairo	80.7	69.8	77.3	78.2	42.5	38.0	43.0	63.0
Alexandria	79.7	70.4	83.7	82.9	35.5	32.3	30.5	60.8
Port Said	81.9	75.6	81.2	80.7	44.9	42.6	48.9	65.4
Suez	81.4	72.7	86.5	85.2	38.9	33.9	36.1	52.4
Urban Govs	80.5	..	79.8	80.0	..	..	39.4	62.3
Damietta	75.7	76.0	82.1	83.8	27.6	27.8	15.9	57.4
Dakahlia	71.1	51.7	80.7	82.4	29.2	25.1	21.4	42.6
Sharkia	67.4	54.4	84.8	85.6	26.1	20.6	24.8	36.3
Kalyoubia	71.9	55.3	77.4	77.3	29.1	24.1	25.3	48.5
Kafr El-Sheikh	64.7	42.6	81.3	81.1	23.9	18.5	17.6	37.0
Gharbia	73.3	52.4	77.4	77.1	31.4	26.2	21.5	28.4
Menoufia	71.6	54.0	76.3	76.7	29.6	23.8	25.8	32.4
Behera	62.5	44.2	78.4	77.2	21.8	15.7	16.8	26.6
Ismailia	75.5	50.0	84.9	83.4	32.4	27.6	27.7	43.0
Lower Egypt	69.4	..	79.9	80.1	..	..	21.9	35.0
Urban	78.8	..	..	..	..	..	35.9	46.6
Rural	65.8	..	..	..	..	..	16.8	27.2
Giza	72.7	62.7	82.6	82.5	31.3	25.5	28.9	69.3
Beni Suef	58.1	50.6	81.5	78.8	20.7	13.5	13.9	18.6
Fayoum	57.3	44.6	79.1	78.9	19.2	13.1	13.5	51.1
Menia	57.0	48.2	84.4	79.8	19.9	12.3	12.3	15.0
Assiut	60.2	52.5	80.8	77.0	21.7	14.3	18.3	46.7
Suhag	60.5	45.3	85.6	82.1	18.6	10.6	17.7	47.8
Qena	64.1	50.9	90.4	85.9	18.6	9.2	19.8	37.3
Luxor	70.9	34.0	93.8	94.9	24.0	15.4	20.2	35.8
Aswan	76.0	46.0	85.3	83.1	29.9	20.6	30.5	40.5
Upper Egypt	63.6	..	83.8	81.2	..	..	19.2	36.2
Urban	76.9	..	..	..	..	..	34.2	44.8
Rural	57.1	..	..	..	..	..	11.9	23.3
Red Sea	86.1	59.9	95.9	99.7	37.1	25.6	35.9	53.8
New Valley	78.9	58.3	88.6	85.1	38.6	31.1	43.4	60.8
Matrouh	62.4	24.3	91.3	77.2	16.8	11.1	30.9	61.9
North Sinai	73.6	40.2	87.5	82.0	30.1	22.5	42.9	64.0
South Sinai	85.5	37.5	94.2	101.2	34.9	0.0	31.1	41.0
Frontier Govs	76.2	..	90.6	85.1	..	..	37.6	58.8
Urban	82.2	..	..	..	..	..	39.0	71.4
Rural	62.5	..	..	..	..	..	35.0	35.0
Egypt	69.5	57.3	89.4	87.1	28.5	22.7	24.5	30.4
Urban	79.1	..	..	..	..	..	37.1	36.8
Rural	62.0	..	..	..	..	..	14.9	20.2

G.6 STATUS OF WOMEN



	Life expectancy at birth (years)	Maternal mortality rate (per 100000 live births)	*Average age at first marriage (years)	Gross enrolment ratios (%) basic education				Females (15+) with secondary or higher education (%)	Professional & technical staff (females) (%)	Woman in labor force (% of total)
				Total	Primary	Preparatory	Secondary			
	2006	2006	2005	2005/06	2005/06	2005/06	2005/06	2006	2004	2005
Cairo	74.8	61.7	..	78.2	83.5	76.8	68.0	38.0	60.8	20.06
Alexandria	74.9	67.8	..	82.9	90.6	82.8	66.4	32.3	60.6	15.82
Port Said	74.6	59.1	..	80.7	83.7	76.3	77.6	42.6	70.3	21.67
Suez	74.9	60.7	..	85.2	90.8	82.5	75.0	33.9	73.8	19.33
Urban Govs	74.8	63.4	22.7	80.0	85.9	78.8	68.2	..	66.4	18.88
Damietta	75.3	29.8	..	83.8	88.3	82.7	75.0	27.8	59.5	20.80
Dakahlia	75.9	43.8	..	82.4	85.4	83.9	75.0	25.1	43.8	23.80
Sharkia	74.4	68.9	..	85.6	90.0	86.3	75.5	20.6	28.6	26.15
Kalyoubia	74.5	45.8	..	77.3	84.6	74.2	63.8	24.1	41.3	19.81
Kafr El-Sheikh	74.0	22.6	..	81.1	81.1	83.0	79.5	18.5	50.1	17.25
Gharbia	75.5	60.7	..	77.1	77.9	80.1	73.4	26.2	26.6	29.55
Menoufia	74.3	33.8	..	76.7	78.4	83.4	68.2	23.8	28.3	24.70
Behera	73.7	41.0	..	77.2	83.5	79.8	61.5	15.7	8.1	37.35
Ismailia	72.8	50.6	..	83.4	92.0	78.9	68.1	27.6	63.2	24.56
Lower Egypt	75.4	46.9	20.6	80.1	84.0	81.6	70.8	..	47.6	26.54
Urban	0.0	..	22	..	..	..	..	..	78.9	25.44
Rural	0.0	..	20	..	..	..	..	..	32.8	26.92
Giza	72.1	43.8	..	82.5	93.8	80.1	59.5	25.5	65.8	13.04
Beni Suef	74.1	72.1	..	78.8	91.4	80.3	50.3	13.5	15.3	31.79
Fayoum	71.9	31.5	..	78.9	88.4	73.5	62.1	13.1	48.0	11.24
Menia	71.6	68.6	..	79.8	91.2	79.1	55.6	12.3	14.5	29.15
Assiut	72.7	47.0	..	77.0	85.6	80.3	56.2	14.3	51.6	17.14
Suhag	71.7	46.9	..	82.1	89.4	90.8	60.1	10.6	40.0	18.66
Qena	72.8	71.5	..	85.9	91.6	90.9	70.1	9.2	21.7	21.89
Luxor	72.5	67.0	..	94.9	94.9	105.0	87.6	15.4	18.0	19.82
Aswan	73.9	70.6	..	83.1	86.4	86.8	73.3	20.6	69.2	16.62
Upper Egypt	72.8	54.5	19.0	81.2	90.4	82.8	60.2	..	48.8	20.18
Urban	0.0	..	21.1	..	..	..	..	..	90.2	21.79
Rural	0.0	..	18	..	..	..	..	..	23.5	19.38
Red Sea	73.9	114.6	..	99.7	105.5	99.9	87.0	25.6	47.6	15.00
New Valley	73.9	44.4	..	85.1	88.1	79.8	82.3	31.1	59.7	23.33
Matrouh	73.8	54.5	..	77.2	104.3	61.9	29.5	11.1	62.2	24.71
North Sinai	73.8	50.8	..	82.0	93.7	81.8	56.8	22.5	81.3	22.99
South Sinai	73.8	..	..	101.2	126.7	92.3	52.4	0.0	62.5	17.39
Frontier Govs	73.8	59.3	21.0	85.1	99.5	79.3	58.2	..	79.3	21.59
Urban	0.0	..	..	..	..	..	..	..	78.0	24.61
Rural	0.0	..	..	..	..	..	..	..	0.0	17.60
Egypt	73.6	52.9	20.4	87.1	94.5	88.3	70.1	22.7	33.5	22.97
Urban	0.0	..	22	..	..	..	..	..	..	21.76
Rural	0.0	..	19.2	..	..	..	..	..	..	23.85

* Based on DHS

G.9 CHILD SURVIVAL AND DEVELOPMENT



	Pregnant women with prenatal care (%)	Maternal mortality rate (Per 100000 live births)	Infant mortality rate (per 1000 live births)		Under five mortality rate (per 1000 live births)		Children ever breastfed (%)	Births attended by health personnel (%)	Children 12-23 months fully immunized (%)	Under weight (below age 5) (%)
			Registered	Adjusted	Registered	Adjusted				
	2005	2005	1961	2005	1961	2005	2005	2005	2005	2005
Cairo	..	61.7	151.0	31.1	24.0	37.5	91.7	90.8	90.3	8.3
Alexandria	..	67.8	139.0	23.2	216.0	27.4	94.4	92.2	90.7	6.8
Port Said	..	59.1	108.0	16.7	147.0	19.1	93.8	93.3	90.4	6.1
Suez	..	60.7	163.0	18.7	236.0	22.2	93.7	92.3	90.7	11.6
Urban Govs	84.4	63.4	147.0	29.6	231.0	33.0	94.2	91.7	90.3	8.2
Damietta	..	29.8	82.0	10.2	136.0	13.8	95.8	80.7	91.2	2.2
Dakahlia	..	43.8	71.0	15.7	179.0	21.2	95.9	80.2	90.6	2.7
Sharkia	..	68.9	72.0	17.1	159.0	22.8	100.1	80.1	91.0	3.0
Kalyoubia	..	45.8	133.0	15.2	297.0	19.3	96.0	80.8	91.0	5.2
Kafr El-Sheikh	..	22.6	60.0	10.4	125.0	14.4	96.3	80.5	90.2	8.1
Gharbia	..	60.7	107.0	14.8	215.0	19.0	96.3	79.1	90.8	2.8
Menoufia	..	33.8	130.0	14.9	275.0	19.6	96.2	75.4	90.8	6.5
Behera	..	41.0	77.0	11.3	158.0	15.8	95.9	69.5	91.1	3.1
Ismailia	..	50.6	99.0	14.1	161.0	20.1	96.0	81.1	91.0	2.6
Lower Egypt	78.0	46.9	93.0	14.3	194.0	19.1	95.0	78.0	90.9	4.0
Urban	88.4	..	00	20.4	00	25.8	93.2	..	89.5	4.2
Rural	74.7	..	00	11.3	00	15.7	95.6	..	91.2	3.9
Giza	..	43.8	126.0	13.5	254.0	18.8	99.2	78.7	86.5	10.2
Beni Suef	..	72.1	106.0	27.1	196.0	34.2	93.5	79.8	86.5	8.0
Fayoum	..	31.5	151.0	20.9	290.0	26.6	93.6	82.7	85.5	9.3
Menia	..	68.6	108.0	25.9	213.0	33.1	93.5	81.0	86.5	9.6
Assiut	..	47.0	107.0	37.0	207.0	45.9	94.2	62.4	86.3	16.0
Suhag	..	46.9	86.0	27.2	173.0	34.4	92.5	76.5	86.2	8.0
Qena	..	71.5	*80	22.7	*154	30.1	94.2	82.3	86.0	3.4
Luxor	..	67.0	00	25.3	00	32.0	96.1	82.7	86.3	1.8
Aswan	..	70.6	109.0	22.9	191.0	28.7	95.2	82.9	86.3	1.5
Upper Egypt	57.8	54.5	102.0	24.0	199.0	31.4	95.7	77.7	86.3	7.5
Urban	76	..	00	34.7	00	42.7	95.3	..	87.5	6.5
Rural	51	..	00	19.9	00	26.3	95.8	..	85.9	7.8
Red Sea	..	114.6	191.0	15.9	266.0	21.8	96.6	67.1	83.6	11.4
New Valley	..	44.4	181.0	12.9	334.0	17.3	97.6	65.0	85.5	3.6
Matrouh	..	54.5	98.0	13.0	176.0	20.2	95.8	66.2	85.8	2.2
North Sinai	..	50.8	94.0	22.0	136.0	27.8	96.1	58.0	85.8	3.2
South Sinai	..	..	00	15.7	00	20.2	96.7	56.6	85.9	1.2
Frontier Govs	68.2	59.3	124.0	16.5	210.0	22.6	94.8	59.4	85.6	4.3
Urban	..	..	00	22.1	00	28.8	..	..	..	..
Rural	..	..	00	8.5	00	13.6	..	..	..	..
Egypt	69.6	52.9	108.0	20.5	204.0	26.4	95.2	80.0	88.7	6.2
Urban	82.4	..	00	27.5	..	34	94.3	88.7	89.1	6.5
Rural	62.3	..	00	15.1	..	20.5	95.7	65.8	88.5	6

G.10 HEALTH PROFILE



	Households with access to		*Doctors per 10000 People MOH	*Nurses per 10000 people MOH	Nurse/ doctors ratio MOH	Maternal mortality rate (per 1000000 live births)	Beds per 10000 people		**Health units per 100000 population
	Piped water (%)	Sanitation (%)					Total	MOH	
	2006	2006	2006	2006	2006	2005	2006	2006	2005
Cairo	99.2	98.2	5.3	6.2	116.3	61.70	42.8	10.5	6.2
Alexandria	99.6	77.0	9.9	12.8	129.5	67.80	34.6	11.3	4.2
Port Said	93.8	89.5	13.8	20.1	144.8	59.10	34.4	18.8	6.1
Suez	99.3	89.2	9.1	22.2	243.0	60.70	33.9	22.7	4.9
Urban Govs	99.1	90.8	7.2	9.4	130.4	63.40	39.6	11.5	5.5
Damietta	98.7	66.5	10.0	46.7	465.2	29.80	22.4	19.2	4.7
Dakahlia	96.9	83.4	8.9	12.0	135.6	43.80	19.2	11.0	4.7
Sharkia	90.2	39.6	5.0	12.5	247.7	68.90	15.6	7.4	2.9
Kalyoubia	97.6	52.6	4.2	13.2	312.7	45.80	23.7	15.3	3.3
Kafr El-Sheikh	96.9	46.9	8.3	17.4	210.6	22.60	13.5	10.8	2.4
Gharbia	98.0	35.2	9.8	24.1	244.8	60.70	21.6	10.9	4.1
Menoufia	95.0	33.9	7.2	17.5	243.7	33.80	17.7	10.6	3.8
Behera	90.9	31.0	4.5	17.7	388.5	41.00	10.9	8.0	4.7
Ismailia	95.3	58.1	6.0	16.7	279.7	50.60	28.3	15.1	3.7
Lower Egypt	95.0	48.5	6.8	17.1	251.0	46.9	17.9	10.8	3.4
Urban	98.7	86.0	..	..	..	..	..	..	8.1
Rural	93.5	33.7	..	..	..	..	..	..	1.6
Giza	98.4	69.3	8.3	9.8	118.9	43.80	21.3	10.4	5.1
Beni Suef	88.6	15.2	3.7	14.1	384.2	72.10	12.4	10.4	2.5
Fayoum	97.2	35.4	3.4	12.6	366.2	31.50	11.2	8.3	2.3
Menia	89.7	12.7	4.5	8.6	188.6	68.60	15.7	11.1	2.6
Assiut	96.0	9.6	6.3	21.2	336.8	47.00	22.3	10.8	3.3
Suhag	93.7	12.1	5.3	5.1	97.5	46.90	13.4	9.8	2.8
Qena	92.8	9.5	3.7	5.5	150.0	71.50	10.9	9.9	2.5
Luxor	98.5	46.3	8.2	5.3	101.4	67.00	20.3	19.5	5.1
Aswan	99.0	41.4	9.5	18.2	191.3	70.60	22.6	14.8	5.1
Upper Egypt	94.7	30.5	2.1	4.1	192.1	54.5	16.6	10.6	3.3
Urban	98.9	67.2	..	..	..	..	..	..	7.1
Rural	92.5	11.7	..	..	..	..	..	..	1.6
Red Sea	89.4	62.1	13.4	20.6	153.8	114.6	33.3	24.0	6.4
New Valley	99.0	52.2	9.5	71.6	754.6	44.4	49.3	45.5	11.1
Matrouh	73.6	25.4	8.8	22.9	258.7	54.5	32.3	31.9	5.5
North Sinai	80.7	49.9	11.0	36.2	330.5	50.8	16.7	15.1	9.8
South Sinai	84.5	73.3	26.1	44.4	169.8	..	69.0	62.9	15.2
Frontier Govs	84.5	49.5	11.5	36.0	312.9	59.3	32.9	29.6	6.8
Urban	92.5	62.1	..	..	..	..	..	..	4
Rural	66.2	21.1	..	..	..	..	..	..	8.9
Egypt	95.5	50.5	6.5	13.8	210.6	52.90	21.5	11.1	3.8
Urban	98.8	82.5	..	..	..	..	..	..	6.7
Rural	92.9	24.3	..	..	..	..	..	..	1.6

* Data in 1/1/06

** Health units with beds only

G.11 EDUCATION FLOWS



	Primary intake rate		Gross Primary enrolment ratio	*Primary repeaters (% of primary enrolment)	**Transition to preparatory (% of primary completers)	Preparatory enrolment ratio	Preparatory repeaters (as % of preparatory enrolment)	Transition to secondary (as % of preparatory completers)	Secondary enrolment ratio (%)	Secondary repeaters (% of secondary enrolment)
	Total	Female								
	2005/06	2005/06	2005/06	2005/06	2005/06	2005/06	2005/06	2005/06	2005/06	2005/06
Cairo	89.2	91.5	83.5	3.4	104.1	75.9	7.3	82.6	65.1	7.3
Alexandria	93.7	95.3	92.5	6.6	107.0	83.1	10.3	80.6	65.2	6.9
Port Said	89.4	90.6	84.9	2.9	101.0	76.1	3.2	92.4	77.0	11.8
Suez	96.1	97.4	92.9	4.2	102.1	84.0	6.1	93.2	74.4	10.7
Urban Govs	90.9	92.8	86.6	4.4	103.5	78.4	8.1	87.0	66.0	7.4
Damietta	91.9	95.2	90.2	5.0	101.5	78.6	6.4	94.4	67.4	10.9
Dakahlia	87.5	90.4	85.3	3.7	100.5	81.8	6.9	90.0	70.2	11.2
Sharkia	95.2	98.4	89.4	3.5	101.4	86.7	9.5	90.1	73.5	12.5
Kalyoubia	91.5	94.2	85.4	5.2	102.8	74.7	10.2	89.6	62.2	5.8
Kafr El-Sheikh	83.4	84.5	81.9	2.1	99.5	84.1	7.0	91.4	77.9	13.0
Gharbia	79.7	80.8	79.2	4.9	102.1	81.3	9.6	87.0	70.7	9.8
Menoufia	83.1	86.2	78.3	4.6	102.6	85.0	8.2	84.6	65.7	12.1
Behera	83.4	85.4	84.7	6.6	105.1	82.8	12.2	85.3	61.7	13.8
Ismailia	100.3	100.8	93.3	4.1	102.1	80.1	10.2	86.9	70.2	10.9
Lower Egypt	87.3	89.7	84.5	4.5	101.9	82.2	9.2	88.8	68.5	11.5
Urban	..	..	..	..	..	..	..	..	..	..
Rural	..	..	..	..	..	..	..	..	..	..
Giza	103.0	105.4	94.2	4.3	107.4	80.6	9.4	77.2	59.1	8.4
Beni Suef	99.6	103.3	92.3	6.2	100.6	86.7	12.7	79.4	54.7	13.6
Fayoum	90.5	95.5	86.9	3.8	99.4	76.7	12.5	85.0	64.2	3.7
Menia	94.6	96.9	94.4	5.3	102.0	87.2	13.4	87.5	61.1	17.0
Assiut	92.9	94.8	89.1	5.3	102.0	86.7	10.5	84.2	58.7	12.8
Suhag	94.6	96.9	90.9	5.3	104.8	95.4	10.3	90.9	67.3	20.4
Qena	95.7	96.6	93.0	2.2	99.9	98.5	6.4	85.8	79.1	17.3
Luxor	93.7	97.6	93.0	2.7	102.0	106.6	6.8	86.8	86.4	13.3
Aswan	88.4	89.9	86.9	2.2	100.9	90.0	7.4	82.8	78.3	17.1
Upper Egypt	96.0	98.5	91.7	4.5	102.1	87.6	10.4	84.3	64.1	14.2
Urban	..	..	..	..	..	..	..	..	..	..
Rural	..	..	..	..	..	..	..	..	..	..
Red Sea	114.7	120.0	102.2	5.8	107.0	96.2	8.1	97.7	82.1	14.6
New Valley	101.6	102.7	89.4	2.2	101.3	88.2	2.5	96.1	87.2	12.5
Matrouh	121.5	117.4	113.6	6.3	94.7	82.8	7.9	81.5	49.6	10.2
North Sinai	108.7	110.4	96.3	3.2	100.3	85.3	4.8	108.3	70.4	19.0
South Sinai	130.0	150.7	116.5	4.3	94.5	87.2	10.1	70.9	51.4	14.2
Frontier Govs	113.3	114.7	102.2	4.5	99.4	87.1	6.2	89.9	68.4	14.6
Urban	..	..	..	..	..	..	..	..	..	..
Rural	..	..	..	..	..	..	..	..	..	..
Egypt	91.6	93.9	96.7	4.5	102.8	92.5	9.4	85.9	71.7	11.4
Urban	..	..	..	..	..	..	..	..	..	..
Rural	..	..	..	..	..	..	..	..	..	..

* Primary repeaters without El-Aazhar

** The source of data (without El-Azhar) is Ministry of Education

G.13 COMMUNICATIONS



	Percentage of households with		Telephones per 1000 households	Average number of People served by one post office	*Number of cell phone subscribers (per 1000 people)	*Number of internet subscribers (per 1000 people)
	Radio	Television				
	2004	2004	2006	2006	2006	2004/05
Cairo	90.9	95.9	1173.4	15003	..	182.7
Alexandria	87.9	93.7	1049.0	15869	..	256.6
Port Said	93.1	97.6	1228.4	11415	..	319.8
Suez	97.5	96.7	892.0	7096	..	173.0
Urban Govs	90.3	95.3	1128.0	14420	..	233.0
Damietta	85.3	90.7	718.7	13004	..	96.9
Dakahlia	90.7	95.5	583.2	13848	..	55.6
Sharkia	75.4	86.2	527.8	13763	..	81.0
Kalyoubia	95.2	95.3	660.3	14510	..	16.0
Kafr El-Sheikh	78.2	85.6	521.8	15677	..	39.1
Gharbia	87.4	92.6	615.5	10526	..	116.5
Menoufia	88.6	88.8	555.8	9880	..	41.6
Behera	71.6	86.2	422.1	15950	..	15.5
Ismailia	91.3	94.9	751.2	14505	..	41.4
Lower Egypt	84.2	90.6	568.2	13206	..	56.0
Urban	90.6	94.5	..	..	..	..
Rural	81.1	88.6	..	..	..	..
Giza	92.3	93.1	910.0	19360	..	92.1
Beni Suef	50.8	78.8	385.7	15797	..	18.2
Fayoum	73.2	76.0	372.4	20429	..	10.1
Menia	57.8	78.6	314.6	15771	..	40.5
Assiut	66.6	78.4	420.0	13657	..	34.7
Suhag	66.2	83.9	431.0	12124	..	19.2
Qena	79.6	84.3	339.0	11200	..	30.6
Luxor	81.2	85.4	584.8	7517	..	28.8
Aswan	68.6	90.7	1645.3	5806	..	12.9
Upper Egypt	73.3	84.2	533.6	13887	..	32
Urban	85.8	93.2	..	..	..	..
Rural	66.3	79.1	..	..	..	..
Red Sea	81.5	90.8	1162.7	5765	..	..
New Valley	96.9	95.3	1039.8	3174	..	..
Matrouh	71.9	61.3	776.8	7163	..	130.0
North Sinai	80.4	83.5	646.9	5393	..	38.8
South Sinai	82.3	84.1	1290.4	3319	..	..
Frontier Govs	81.9	81.2	894.4	4912	..	..
Urban	89.3	0.0	..	..	..	84
Rural	74.6	0.0	..	..	..	..
Egypt	81.9	89.4	674.6	13252	195	..
Urban	89.3	94.5	..	..	..	76
Rural	74.6	84.3	..	..	..	..

* Data is available at a national level only

G.14 LABOR FORCE



	Force (15+) (% of total population)	Percentage of women in labor force (15+)	Percentage of labor force (15+) in			Professional staff (% of labor force (15+))	Wage earners (as % of labor force 15+)		Employees in Gov. & public sector (% of total labor force 15+)	
			Agriculture	Industry	Services		Total	Females	Total	Females
			2005	2005	2005		2005	2005	2004	2006
Cairo	33.1	20.06	0.2	21.4	78.4	27.2	37.0	16.2	18.3	11.2
Alexandria	31.1	15.82	0.1	22.8	77.1	17.8	35.4	14.6	18.3	10.0
Port Said	34.0	21.67	18.2	16.9	64.9	20.2	37.0	22.6	24.8	18.1
Suez	30.6	19.33	1.4	25.0	73.5	16.5	38.8	16.1	23.4	12.5
Urban Govs	32.4	18.88				39.4				
Damietta	33.1	20.80	26.2	24.7	49.1	10.7	34.5	12.9	13.0	10.4
Dakahlia	30.8	23.80	33.8	8.3	57.9	10.3	29.3	11.7	14.6	8.1
Sharkia	29.2	26.15	38.5	10.1	51.4	14.2	28.8	9.0	14.3	6.5
Kalyoubia	29.5	19.81	14.5	22.0	63.5	14.9	35.0	11.0	17.0	7.2
Kafr El-Sheikh	29.8	17.25	41.8	7.1	51.1	10.7	22.6	8.3	11.1	5.0
Gharbia	30.6	29.55	31.2	15.1	53.7	11.8	31.3	13.5	17.4	9.1
Menoufia	31.7	24.70	36.4	10.3	53.2	12.4	31.1	11.7	17.2	8.2
Behera	30.5	37.35	60.7	6.8	32.4	5.6	25.2	7.0	11.5	4.4
Ismailia	31.7	24.56	18.4	10.5	71.2	16.6	35.2	14.1	18.9	10.0
Lower Egypt	30.4	26.54	..	..	..	21.9	..	..	..	..
Urban	31.8	25.44	..	..	..	35.9	..	..	..	..
Rural	29.9	26.92	..	..	..	16.8	..	..	..	..
Giza	30.9	13.04	10.2	19.5	70.3	16.9	32.5	9.9	14.0	6.6
Beni Suef	32.9	31.79	53.0	3.7	43.4	7.3	30.8	9.1	12.6	5.1
Fayoum	29.6	11.24	45.5	7.2	47.3	9.4	28.4	6.3	10.3	4.6
Menia	29.2	29.15	59.2	4.4	36.4	7.4	30.8	7.5	10.4	4.0
Assiut	26.2	17.14	34.7	5.7	59.6	9.7	27.8	6.7	11.1	4.7
Suhag	25.2	18.66	40.6	3.4	56.0	10.7	25.1	5.2	10.2	3.8
Qena	24.3	21.89	40.3	6.5	53.2	10.1	26.4	4.1	11.3	2.8
Luxor	31.1	19.82	18.0	1.4	80.7	7.7	31.1	6.6	14.4	4.3
Aswan	28.8	16.62	34.6	6.2	59.2	13.2	28.4	9.1	17.3	5.9
Upper Egypt	28.5	20.18	..	..	..	19.2	..	..	..	..
Urban	31.3	21.79	..	..	..	34.2	..	..	..	..
Rural	27.2	19.38	..	..	..	11.9	..	..	..	..
Red Sea	49.1	15.00	5.1	4.1	90.8	16.5	43.0	11.2	19.0	6.3
New Valley	34.9	23.33	21.8	2.1	76.1	20.3	40.5	19.8	34.1	15.9
Matrouh	28.1	24.71	2.1	2.5	95.4	12.6	22.5	5.2	9.8	4.4
North Sinai	29.2	22.99	17.3	5.4	77.3	16.4	30.1	13.6	19.9	10.6
South Sinai	67.7	17.39	11.4	5.4	83.2	20.1	47.5	14.7	25.7	12.3
Frontier Govs	38.7	21.59	..	..	..	37.6	..	..	..	..
Urban	41.1	24.61	..	..	..	39.0	..	..	..	..
Rural	33.3	17.60	..	..	..	35.0	..	..	..	..
Egypt	30.2	22.97	30.9	11.7	57.4	24.5	30.9	10.4911	14.7	7.1
Urban	32.2	21.76	..	..	..	37.1	..	61	..	..
Rural	28.7	23.85	..	..	..	14.9	..	..	..	..

G.15 UNEMPLOYMENT



	Unemployment rate (%)		Unemployment rate (%)		Unemployment rate by education (15+) (%)			Future labor force replacement ratio
	Total	Female	Urban	Rural	*Below secondary	Secondary	**University	
	2006	2005	2006	2006	2005	2005	2005	
Cairo	11.0	25.81	11.0	..	4.25	37.74	43.35	140.15
Alexandria	10.2	27.67	10.2	..	9.44	43.22	28.47	147.48
Port Said	11.0	26.41	11.0	..	9.97	51.66	21.75	145.49
Suez	11.8	34.14	11.8	..	6.91	64.36	16.36	177.48
Urban Govs	10.8	26.64	..	..	6.22	41.78	36.21	143.94
Damietta	7.5	42.05	8.8	6.6	0.42	61.51	27.62	172.76
Dakahlia	10.0	29.95	10.7	9.8	0.11	67.53	25.76	180.17
Sharkia	10.7	28.06	11.3	10.6	1.20	64.08	27.02	199.27
Kalyoubia	9.2	32.38	11.4	7.8	1.73	63.84	24.45	187.79
Kafr El-Sheikh	7.0	39.49	9.9	6.1	0.41	70.28	24.77	193.69
Gharbia	10.8	22.29	12.0	10.2	2.37	60.54	30.90	176.53
Menoufia	7.3	15.06	9.5	6.7	1.33	64.53	28.51	188.13
Behera	9.3	14.21	11.4	8.8	0.56	79.62	14.40	198.33
Ismailia	7.6	50.29	9.1	6.3	1.86	68.40	25.09	185.44
Lower Egypt	9.3	24.44	..	..	0.00	0.00	0.00	188.47
Urban	..	0.00	..	..	..	..	..	..
Rural	..	0.00	..	..	..	..	..	..
Giza	..	23.55	10.8	7.9	5.57	40.89	40.12	185.83
Beni Suef	9.7	8.66	8.04	2.4	1.93	63.51	21.62	242.65
Fayoum	3.7	33.16	6.15	2.6	0.45	79.91	16.03	245.62
Menia	3.4	20.66	10.84	4.5	0.82	73.80	19.26	237.47
Assiut	5.8	40.77	12.21	8.2	0.41	70.26	22.67	238.19
Suhag	9.4	29.30	13.44	7.6	0.37	64.51	27.26	235.59
Qena	9.0	30.34	16.29	12.6	0.93	69.09	21.85	235.21
Luxor	13.5	46.82	15.77	19.4	3.38	82.61	37.68	196.73
Aswan	17.5	57.27	17.98	19.9	0.61	81.54	2.27	201.10
Upper Egypt	19.4	25.68	..	..	0.00	0.00	0.00	223.75
Urban	8.7	0.00	..	..	..	..	..	..
Rural	..	0.00	..	..	..	..	..	..
Red Sea	6.0	21.11	5.92	7.0	0.00	36.36	52.27	168.47
New Valley	9.9	10.71	12.76	6.9	0.00	0.00	100.00	188.71
Matrouh	6.0	26.19	6.62	4.5	2.13	61.70	24.47	216.76
North Sinai	6.4	19.50	7.55	4.3	10.71	74.29	6.43	217.99
South Sinai	4.62	47.50	3.55	6.39	5.41	70.27	10.81	172.27
Frontier Govs	6.3	18.82	..	..	0.00	0.00	0.00	199.72
Urban	..	0.00	..	..	..	..	..	..
Rural	..	0.00	..	..	..	..	..	..
Egypt	9.3	25.08	10.88	8.0	2.33	61.81	26.80	192.14
Urban	..	..	..	..	..	..	..	..
Rural	..	..	..	..	..	..	..	..

* Below secondary includes less than secondary
 ** Includes more than university education

G.16 INCOME DISTRIBUTION AND POVERTY



	GDP per capita (LE)	Income shares		Gini coefficient	Poor persons (of total population %)		Wages of poor households % of	
		Lowest 40% of people	Ratio of highest 20% to lowest 20%		Actual	Ultra	Total wages	Their income
Cairo	6156.5	18.7	6.0	37.8	4.6	0.5	1.7	65.4
Alexandria	5840.4	20.7	5.1	34.0	8.0	1.2	3.3	57.3
Port Said	6822.7	20.0	5.4	34.1	7.6	0.9	2.5	51.3
Suez	6254.1	22.9	4.2	28.8	2.4	0.7	0.8	60.0
Urban Govs	6093.3	19.3	5.7	36.9	5.7	0.7	2.1	61.3
Damietta	6652.1	26.4	2.9	25.3	2.6	0.24	1.7	72.9
Dakahlia	6769.1	27.0	2.9	22.6	7.0	0.5	5.4	56.3
Sharkia	6613.6	27.5	2.7	19.7	28.2	2.9	20.5	47.7
Kalyoubia	6153.9	25.3	3.2	24.5	11.2	1.0	6.8	62.0
Kafr El-Sheikh	6269.9	25.8	3.2	24.4	13.2	0.9	8.9	35.5
Gharbia	7072.4	25.7	3.3	26.2	6.1	0.8	3.8	56.9
Menoufia	6799.1	27.2	2.8	22.1	17.5	0.4	12.2	55.6
Behera	8395.5	27.4	2.8	19.9	20.5	2.8	15.4	42.1
Ismailia	6751.6	25.6	3.1	22.1	6.4	0.5	3.4	48.6
Lower Egypt	6911.0	25.7	3.2	24.4	14.5	1.4	9.5	49.5
Urban	..	23.8	3.8	28.1	9.0	1.0	5.0	53.5
Rural	..	27.0	2.8	21.4	16.7	1.5	12.4	48.6
Giza	5552.0	19.8	5.5	34.5	13.1	1.4	5.6	58.6
Beni Suef	7042.7	24.7	3.4	25.7	45.4	11.8	33.5	46.6
Fayoum	5705.5	26.7	3.0	24.9	12.0	1.1	7.8	36.2
Menia	6823.1	25.3	3.3	23.8	39.4	9.8	34.0	48.4
Assiut	5420.2	24.6	3.5	24.8	60.6	22.7	47.2	52.9
Suhag	5369.9	25.0	3.3	23.9	40.7	9.8	31.0	40.4
Qena	5543.0	25.6	3.2	19.0	33.7	6.0	25.6	44.9
Luxor	5381.5	27.43	2.75	21.03	6.05	1.67	4.66	72.32
Aswan	6053.0	26.7	2.9	20.3	23.9	4.8	14.2	48.5
Upper Egypt	5866.5	22.2	4.4	31.0	32.5	8.3	19.7	47.6
Urban	..	19.9	5.5	34.3	18.6	4.2	8.3	57.7
Rural	..	25.2	3.3	22.9	39.1	10.0	32.5	45.4
Red Sea	6583.3	..	..	..	..	..	..	..
New Valley	7357.8	..	..	..	..	..	..	..
Matrouh	6328.6	..	..	..	..	..	..	..
North Sinai	5667.8	..	..	..	..	..	..	..
South Sinai	6849.8	..	..	..	..	..	..	..
Frontier Govs	6375.6	21.3	4.8	25.4	14.5	4.8	4.6	46.2
Urban	..	25.9	3.0	23.2	0.9	0.0	0.0	0.0
Rural	..	18.1	5.9	19.0	32.8	11.3	14.1	48.6
Egypt	6371.7	23.5	3.9	33.2	19.6	3.9	9.5	49.2
Urban	..	20.1	5.4	35.4	10.1	1.7	4.1	57.4
Rural	..	25.5	3.2	22.3	26.8	5.4	19.6	46.6

G.17 URBANIZATION



	Urban population as % of total		Urban population annual growth (%) rate		Population of largest city as % of total urban		Households with (%) electricity
	1996	2006	1976/86	1996/2006	1996	2003	2006
Cairo	100.0	100.0	1.8	1.4	100.0	100.0	99.5
Alexandria	100.0	100.0	2.4	2.1	100.0	100.0	99.8
Port Said	100.0	100.0	4.3	1.9	100.0	100.0	97.0
Suez	100.0	100.0	5.4	2.0	100.0	100.0	99.3
Urban Govs	100	100	2.2	1.6	61.6	100.0	
Damietta	27.4	38.4	2.7	5.3	31.2	32.2	98.7
Dakahlia	27.8	27.9	3.3	1.7	30.8	30.1	99.7
Sharkia	22.5	23.1	3.1	2.5	29.2	26.9	99.4
Kalyoubia	40.6	37.7	4.9	1.8	58.0	64.1	99.6
Kafr El-Sheikh	22.9	23.1	3.5	1.7	24.5	23.8	99.3
Gharbia	31.1	29.9	2.1	1.3	37.3	37.1	99.8
Menoufia	19.9	20.4	2.9	2.0	28.6	28.1	99.1
Behera	22.8	19.2	2.5	0.0	25.5	25.4	99.6
Ismailia	50.3	46.4	4.3	2.0	70.9	68.9	98.1
Lower Egypt	26.6	27.1	3.2	1.7	12.4	38.1	..
Urban	00	00	00	0	00	00	..
Rural	00	00	00	0	00	00	..
Giza	54.1	58.6	4.5	3.6	85.8	76.9	99.6
Beni Suef	23.5	23.2	2.8	2.0	39.2	38.0	98.9
Fayoum	22.5	22.5	2.7	2.4	58.4	56.5	99.2
Menia	19.4	18.8	2.5	2.0	31.3	29.9	98.9
Assiut	27.3	26.4	2.8	1.7	45.0	43.0	99.1
Suhag	21.7	21.4	2.7	1.7	25.1	25.0	98.9
Qena	*24.4	21.4	*3	2.2	30.0	29.3	99.0
Luxor	00	47.4	00	2.5	92.5	91.9	99.5
Aswan	42.6	42.5	3.2	1.9	52.9	52.2	99.5
Upper Egypt	30.8	31.9	3.4	2.6	33.2	55.1	..
Urban	00	00	00	0	00	00	..
Rural	00	00	00	0	00	00	..
Red Sea	74.7	95.6	4.7	8.9	30.7	31.5	92.7
New Valley	48.3	48.2	3.8	2.8	72.3	72.4	98.4
Matrouh	55.5	70.3	4.7	6.8	44.4	44.8	87.9
North Sinai	59.1	60.4	28.2	3.2	67.3	66.5	90.2
South Sinai	50.0	56.8	00	12.0	38.6	39.2	95.4
Frontier Govs	58.7	68.6	7.9	6.3	21.9	52.1	..
Urban	00	00	00	0	00	00	..
Rural	00	00	00	0	00	00	..
Egypt	42.6	42.6	2.8	2.0	26.1	69.4	99.3
Urban	00	00	00	..	00	00	100.0
Rural	00	00	00	..	00	00	

* Qena and Luxor combined

G.18 DEMOGRAPHIC PROFILE



	Population (thousands)		Annual population growth rate (%)		Crude birth rate	Crude death rate	Contraceptive prevalence rate (%)	Net lifetime internal migration (% of total)	Population demographic dependency ratio
	1996	2006	1986/96	1996/2006	2005	2005	2005	2004	2006
Cairo	6813.2	7786.6	1.1	1.3	25.7	8.9	63.8	8.8	52.7
Alexandria	3339.1	4110.0	1.3	2.1	25.3	7.8	64.5	7.5	54.9
Port Said	472.3	570.8	1.6	1.9	21.9	6.2	61.6	5.8	53.8
Suez	417.5	510.9	2.5	2.0	26.7	5.9	64.0	5.7	63.8
Urban Govs	11042.1	12978.4	1.3	1.6	25.5	8.3	63.9	00	53.8
Damietta	913.6	1092.3	2.1	1.8	27.8	6.1	63.9	6.1	62.9
Dakahlia	4223.9	4985.2	1.9	1.7	25.7	6.5	64.4	6.3	65.5
Sharkia	4281.1	5340.1	2.3	2.2	26.4	5.4	61.2	5.6	71.7
Kalyoubia	3301.2	4237.0	2.8	2.5	25.1	4.9	69.4	5.1	67.4
Kafr El-Sheikh	2223.7	2618.1	2.1	1.6	25.4	4.8	65.8	5.3	69.2
Gharbia	3406.0	4010.3	1.7	1.6	24.5	6.2	69.7	6.2	64.8
Menoufia	2760.4	3270.4	2.2	1.7	25.4	5.8	64.2	5.5	69.7
Behera	3994.3	4737.1	2.1	1.7	25.7	5.0	68.7	5.2	70.6
Ismailia	714.8	942.8	2.8	2.8	29.4	6.1	59.6	6.0	66.6
Lower Egypt	25819.0	31233.3	2.2	1.9	25.7	5.6	65.9	00	68.2
Urban	7252.2	8461.0	2.2	1.6	31	7.7	64.1	00	..
Rural	18566.8	22772.4	2.2	2.1	23.7	4.8	66.5	00	..
Giza	4784.1	6272.6	2.5	2.7	26.8	5.5	62.1	5.7	66.3
Beni Suef	1859.2	2290.5	2.5	2.1	28.6	5.8	56.0	6.1	88.1
Fayoum	1989.8	2512.8	2.5	2.4	28.5	4.8	55.9	5.3	88.3
Menia	3310.1	4179.3	2.3	2.4	29.9	5.8	51.4	6.4	86.1
Assiut	2802.3	3441.6	2.4	2.1	28.9	6.5	37.9	7.1	86.3
Suhag	2914.9	3746.4	2.5	2.5	27.7	5.9	32.7	6.5	85.4
Qena	2442.0	3001.5	2.2	2.1	25.5	5.6	47.2	2.1	85.9
Luxor	361.1	451.0	1.9	2.2	24.6	6.6	..	6.8	72.8
Aswan	974.1	1184.4	1.9	2.0	23.8	5.1	49.0	4.9	73.8
Upper Egypt	21437.6	27080.4	2.4	2.4	27.7	5.7	49.9	00	80.9
Urban	6659.3	8627.8	2.1	2.6	25.4	7.1	60	00	..
Rural	14778.3	18452.7	2.5	2.2	28.8	5	45.2	00	..
Red Sea	157.3	288.2	5.7	6.2	27.8	5.5	..	4.7	59.2
New Valley	141.8	187.3	2.3	2.8	26.2	3.8	..	4.0	69.0
Matrouh	212.0	322.3	2.8	4.3	40.2	4.8	..	4.6	75.4
North Sinai	252.2	339.8	4.0	3.0	31.4	4.7	..	4.9	76.8
South Sinai	54.8	149.3	6.6	10.5	30.0	8.5	..	4.9	59.6
Frontier Govs	818.1	1286.9	3.8	4.6	32.1	4.9	50.7	00	70.4
Urban	480.2	882.6	3.9	6.3	32.3	5.9	..	00	..
Rural	337.9	404.3	3.6	1.8	31.9	3.5	..	00	..
Egypt	59116.8	72579.0	2.1	2.1	25.8	6.4	59.2	6.3	69.8
Urban	25433.8	30949.7	1.8	2.0	26.1	7.7	62.6	00	..
Rural	33683.0	41629.3	2.3	2.1	26.8	9.9	56.8	00	..

G.19 NATURAL RESOURCES



	Land area KM ²	Population density (per KM ²)	Cultivated area		Person per feddan	Crop area	
			Thousand feddans	as % of land area		Thousand feddans	Crop cultivated land ratio
	2005	2005	2005	2005	2005	2005	2005
Cairo	3085.0	2560.3	17.7	2.4	446.9	21.4	1.21
Alexandria	2300.0	1689.2	250.7	45.8	15.5	473.0	1.89
Port Said	1351.1	403.9	45.4	14.1	12.0	81.8	1.80
Suez	9002.2	55.4	24.6	1.1	20.3	40.3	1.64
Urban Govs	15738.3	815.1	338.4	9.0	37.9	616.5	1.82
Damietta	910.0	1209.2	111.0	51.2	9.9	209.1	1.88
Dakahlia	3716.0	1352.1	653.6	73.9	7.7	1287.8	1.97
Sharkia	4911.0	1062.9	791.7	67.7	6.6	1509.5	1.91
Kalyoubia	1124.0	3511.6	186.8	69.8	21.1	333.5	1.78
Kafr El-Sheikh	3748.0	704.0	632.8	70.9	4.2	1101.9	1.74
Gharbia	1947.5	2053.3	382.8	82.6	10.4	724.6	1.89
Menoufia	2499.0	1316.3	399.1	67.1	8.2	802.9	2.01
Behera	9826.0	486.1	1219.5	52.1	3.9	2248.2	1.84
Ismailia	5067.0	174.2	228.4	18.9	3.9	366.8	1.61
Lower Egypt	33748.5	914.9	4605.7	57.3	6.7	8584.3	1.86
Urban	..	..	..	..	..	..	..
Rural	..	..	..	..	..	..	..
Giza	13184.0	436.6	308.6	9.8	18.6	630.6	2.04
Beni Suef	10954.0	210.2	293.3	11.2	7.8	551.3	1.88
Fayoum	6068.0	407.8	433.6	30.0	5.7	782.7	1.81
Menia	32279.0	128.2	484.7	6.3	8.5	881.3	1.82
Assiut	25926.0	134.8	352.7	5.7	9.9	643.2	1.82
Suhag	11022.0	352.6	315.6	12.0	12.3	596.3	1.89
Qena	10798.0	277.2	344.5	13.4	8.7	466.7	1.35
Luxor	2410.0	178.1	44.3	7.7	9.7	68.4	1.54
Aswan	62726.0	18.2	181.7	1.2	6.3	247.8	1.36
Upper Egypt	175367.0	151.8	2759.0	6.6	9.6	4868.3	1.76
Urban	..	..	..	..	..	..	..
Rural	..	..	..	..	..	..	..
Red Sea	119099.1	1.6	0.1	0	1585.9	0.1	1
New Valley	440098.0	0.4	146.0	0.1	1.2	193.6	1.33
Matrouh	166563.0	1.7	359.9	0.9	0.8	455.2	1.26
North Sinai	27564.0	11.5	165.7	2.5	1.9	176.9	1.07
South Sinai	31272.0	2.1	10.0	0.1	6.7	10.1	1.01
Frontier Govs	784596.1	1.3	681.7	0.4	1.5	835.9	1.23
Urban	..	..	..	..	..	..	..
Rural	..	..	..	..	..	..	..
Egypt	1009449.9	70.7	8384.8	3.5	8.5	14905.0	1.78
Urban	..	..	..	..	..	..	..
Rural	..	..	..	..	..	..	..

G.20 DEVELOPMENT PARTICIPATION



	Political participation in election voting % Registered district		Social participation employees in social and personal services of labor force (15+)		Basic and secondary enrollment in the private sector	People's participation shooq programme (1994/95-2001/02)		Participation in economic activities			
	In localities	People's assembly	Total	Female		Infrastr. projects	Economic dev. Projects	Workers in hand craft activities % of labor force (15+)		Workers in informal sector % of labor force (15+)	
								Total	Females	Total	Females
	002	2000	2001	2001	2003	2001	2001	2001	2001	2001	2001
Cairo	13.2	12.6	4.1	4.7	23.7	00	00	21.6	2.6	8.7	12.7
Alexandria	20.3	7.4	2.7	2.7	15.7	31	32.3	20.9	3.5	7.7	13.7
Port Said	57.0	22.2	1.9	1.0	6.0	37.9	23.0	9.9	2.2	9.9	16.8
Suez	15.6	17.9	1.3	0.7	8.0	48.2	28.0	17.5	1.2	9.2	18.0
Urban Govs	10.2	17.3	3.4	3.8	19.8	38.9	27.7	20.6	2.8	8.5	13.4
Damietta	57.7	25.7	1.2	0.7	3.0	26.1	41.6	30.3	18.1	6.5	18.9
Dakahlia	59.5	27.1	1.6	1.0	2.1	32.1	46.9	12.0	13.3	12.7	28.0
Sharkia	49.8	22.4	1.7	0.8	1.3	31.9	32.1	9.9	1.6	10.1	29.0
Kalyoubia	47.2	22.3	2.4	1.5	4.5	32.8	34.7	19.5	3.4	7.6	16.5
Kafr El-Sheikh	60.7	31.1	1.6	0.9	0.3	33.3	29.3	7.3	1.3	13.4	34.4
Gharbia	35.4	30.2	2.0	1.5	2.4	43.3	42.7	12.6	15.0	13.2	28.6
Menoufia	54.7	22.0	1.8	0.8	1.9	25.6	25.2	9.1	1.6	9.4	20.5
Behera	45.7	31.5	1.6	1.0	1.7	31.0	32.9	8.2	16.6	10.2	30.4
Ismailia	59.9	19.3	1.6	1.3	3.9	34.7	16.5	13.8	19.3	7.6	14.7
Lower Egypt	50.9	25.8	1.8	1.1	2.1	32.4	33.6	12.2	2.1	10.6	25.8
Urban	00	00	00	00	..	00	00	00	00	00	00
Rural	00	00	00	00	..	00	00	00	00	00	00
Giza	64.7	26.1	3.9	4.8	16.6	31.2	41.6	21.6	3.0	5.3	8.7
Beni Suef	55.3	31.1	1.5	0.5	2.3	26.9	34.2	9.8	9.7	8.5	19.0
Fayoum	57.3	23.9	1.4	1.1	2.1	26.7	36.3	12.1	2.0	8.7	26.9
Menia	27.6	28.4	1.4	0.9	2.9	24.2	30.7	6.4	10.7	9.2	21.4
Assiut	46.8	26.8	1.4	0.8	2.3	26.5	25.9	6.9	0.9	11.9	30.6
Suhag	60.8	21.6	1.7	1.2	1.3	20.3	18.8	11.4	12.5	10.0	27.2
Qena	28.0	23.6	1.6	1.4	0.6	20.9	26.3	13.2	15.9	12.1	28.0
Luxor	23.5	20.9	2.0	1.2	2.2	22.7	28.9	16.2	14.1	12.8	30.4
Aswan	42.8	23.4	1.8	0.5	0.2	30.5	30.2	10.5	17.1	15.3	30.9
Upper Egypt	41.7	25.4	2.1	2.0	5.0	25.6	30.4	12.6	2.0	9.3	21.2
Urban	00	00	00	00	..	00	00	00	00	00	00
Rural	00	00	00	00	..	00	00	00	00	00	00
Red Sea	38.4	27.3	1.4	2.5	2.4	00	47.4	13.4	11.6	20.0	53.7
New Valley	42.6	28.1	2.2	0.4	0.0	24.6	24.6	6.9	18.2	11.1	22.8
Matrouh	25.0	19.0	1.0	1.4	2.1	21.2	12.3	11.7	23.0	2.6	7.1
North Sinai	41.6	26.5	1.6	2.0	1.4	11.0	34.8	8.3	14.4	6.1	12.4
South Sinai	43.4	30.6	5.2	2.4	0.8	14.7	24.8	9.7	10.8	12.2	39.2
Frontier Govs	30.4	31.0	1.9	1.0	1.5	18	28.7	10.1	2.5	9.9	26.4
Urban	00	00	00	00	..	00	00	00	00	00	00
Rural	00	00	00	00	..	00	00	00	00	00	00
Egypt	42.4	24.1	2.2	2.1	6.1	28.8	31.5	14.0	2.2	9.7	21.5
Urban	00	00	00	00	..	00	00	00	00	00	00
Rural	00	00	00	00	..	00	00	00	00	00	00