

MASHRAQ/MAGHREB

DATE: 07/02/2011

MEET. DOC. N° 15/11

Origin: Commission

COUNTRY FICHE: EGYPT

The past: Multiannual programming 2007-2010 (NIP)

(NB: * €40m front-loaded in 2010 from Banana Measure to be back-loaded in 2011)

NIP 2007-2010	€Mil	€Mil Committed or foreseen in 2010			
		2007	2008	2009	2010*
<i>Focal sector n° 1 Supporting Egypt's reforms in the areas of democracy, human rights and justice</i>	<i>€39 Mil 6.7% NIP</i>		<i>€20 Mil 3.5 % NIP</i>		<i>€19 Mil 3.3 % NIP</i>
<i>Focal sector n° 2 Developing the competitiveness and productivity of the Egyptian economy</i>	<i>€237 Mil 41% NIP</i>	<i>€17 Mil 2.9% NIP</i>	<i>€80 Mil 13.8 % NIP</i>	<i>€30 Mil 5.2% NIP</i>	<i>€150 Mil 19% NIP</i>
<i>Focal sector n° 3 Ensuring the sustainability of the development process with better management of human and natural resources</i>	<i>€302 Mil 52.2% NIP</i>	<i>€120 Mil 20.8 % NIP</i>	<i>€49 Mil 8.5 % NIP</i>	<i>€110 Mil 19% NIP</i>	<i>€23 Mil 4% NIP</i>
Total	€618 Mil	€137 Mil	€149 Mil	€140 Mil	€192 Mil

The future: Multiannual programming 2011-2013 (NIP) and projects to be committed

NIP 2011-2013	€Mil	€Mil Forecast		
		AAP 2011	AAP 2012	AAP 2013
<i>Focal sector n° 1 : reforms in the areas of democracy, human rights and justice</i>	<i>€70 Mil 15.3% NIP</i>	<i>€20 Mil 4.4% NIP</i>	<i>€15 Mil 3.3% NIP</i>	<i>€35 Mil 7.6% NIP</i>
<i>Human Rights</i>			<i>€15 Mil</i>	
<i>Good Governance</i>				<i>€5 Mil</i>
<i>Justice</i>				<i>€10 Mil</i>
<i>Legislative Environment</i>				<i>€20 Mil</i>
<i>Family Planning</i>		<i>€20 Mil</i>		
<i>Focal sector n° 2 : competitiveness and productivity of the Egyptian economy</i>	<i>€169 Mil 36.8% NIP</i>	<i>€52 Mil 11.3% NIP</i>	<i>€32 Mil 7% NIP</i>	<i>85€ Mil 18.5% NIP</i>
<i>Energy sector reform</i>		<i>€32 Mil</i>	<i>€32 Mil</i>	
<i>Trade enhancement</i>		<i>€20 Mil</i>		
<i>Transport sector reform</i>				<i>€85 Mil</i>
<i>Focal sector n° 3: sustainability of the development process with better management of human and natural resources</i>	<i>€180 Mil 47.9% NIP</i>	<i>€20 Mil 13.1% NIP</i>	<i>€135 Mil 29.4% NIP</i>	<i>€25 Mil 5.4% NIP</i>
<i>Northern Lakes De-pollution</i>			<i>€10 Mil</i>	
<i>Development of Informal Areas</i>		<i>€10 Mil</i>		
<i>Local development</i>				<i>€15 Mil</i>
<i>Local development (demining)</i>		<i>€10 Mil</i>		
<i>Education and TVET</i>			<i>€105 Mil</i>	
<i>Solid Waste Management</i>			<i>€20 Mil</i>	
Total	€409 Mil	€92 Mil	€182 Mil	€135 Mil

Background information

Overview of open portfolio (NIP/RIP 2007-2010) by year of Commitment

	€Mil
<p><u>2007 – Support to the EU Action Plan</u></p> <p>Aims to upgrade the administrative capacity through enhancing the legal and regulatory framework and upgrading the institutional framework and human capacities of selected administrations. It is demand driven and uses the twinning instrument. On track.</p>	€ 17 million
<p><u>2007 – Education Policy Support Programme</u></p> <p>Education reform is a key element of the Egyptian Government's reform agenda which is supported by several donors. The overall aim is to improve the quality and access to education, particularly to disadvantaged children, while improving cost effectiveness and financial sustainability. There have been some delays due to a change of minister.</p>	€ 120 million
<p><u>2008 – Education Policy Support Programme</u></p> <p>A reinforcement of the 2007 Education programme.</p>	€ 20 million
<p><u>2008 – Transport Sector Policy Support Programme</u></p> <p>Assistance to Egypt's efforts to reform the transport sector through a series of administrative, regulatory and legal measures to improve access and quality of transport as well as the restructuring of the different financial flows to enhance efficient use of resources. There have been some delays due to a change of minister.</p>	€ 80 million
<p><u>2008 – Water and Waste Water Service</u></p> <p>The funds are being combined with KfW, AfD and EIB under the NIF for a total project value of €295 million to improve water quality and output as well as wastewater services in several governorates benefiting over 4 million people. On track.</p>	€ 29 million
<p><u>2008 – Political Development and Good Governance</u></p> <p>This supports the GoE's efforts to improve good governance practices in public administration, and in particular in the area of decentralisation. Decision modified in 2010 to allow the use of the UN to implement one component. Just starting.</p>	€ 3 million
<p><u>2008 – Human Rights and Civil Society</u></p> <p>Will support the development and capacity-building of GoE institutions and CSOs as well as supporting the implementation of policies and strategies to promote human rights in line with international standards. Decision modified in 2010 to allow the use of the UN to implement one component. Just starting.</p>	€ 17 million

<p><u>2009 – Health Sector Support Programme II</u></p> <p>Supports Primary Health Care and the Family Health Model covering the upgrading of primary health centres, training and re-training of staff and accreditation of health units. This taking place in the context of the new financing model for the health sector, with a Basic Benefits package targeted at the poor. FA signed October 2010.</p>	<p><i>€ 110 million</i></p>
<p><u>2009 – Support to Rural Development</u></p> <p>This is a pilot project which seeks to improve land productivity, income and employment generation in an environmental sustainable way. This should form the basis for a national Rural Development Strategy. FA signed October 2010.</p>	<p><i>€ 10 million</i></p>
<p><u>2009 – SAAP III (Twinning)</u></p> <p>Third envelope for twinning which is working well. Four completed (postal, tourism, maritime safety) with five ongoing and 16 in the pipeline FA signed October 2010.</p>	<p><i>€ 20 million</i></p>
<p><u>2010 – Water Sector Reform</u></p> <p>Builds upon an earlier programme which helped develop a Masterplan for the water sector. Many donors involved in the sector. This programme will improve water supply and sanitation; help to use existing water more efficiently; and support public and environmental health objectives. FA being negotiated.</p>	<p><i>€120 million</i></p>
<p><u>2010 – Wind Farm Gulf of El Zayat (contribution to ongoing NIF project)</u></p> <p>An additional €20 million to an ongoing NIF project totally €300 million (KfW, EIB, Egypt) to build a 20MW Windfarm in the Gulf of El Zayat. Egypt aims for 20% renewable by 2020; currently 12%. FA signed October 2010.</p>	<p><i>€20 million</i></p>
<p><u>2010 – Research, Development and Innovation II</u></p> <p>Second phase of a programme that builds on the successful parts of the first such as the innovation fund, linking Egyptian industry and academia. It will also create a network of focal points and centres of excellence. Complements FP7 activities. FA being negotiated</p>	<p><i>€20 million</i></p>
<p><u>2010 – Justice Reform Programme</u></p> <p>First programme in very sensitive area. Programme will help to modernise justice including implementing the child law, prevention of human trafficking. Will also help upgrade anti-drugs administration and fighting new forms of crime. FA being negotiated</p>	<p><i>€10 million</i></p>
<p><u>2010 – Public Administration</u></p> <p>Programme will cover various areas from defining public policy, to evaluation of public policy. It will also support decentralisation and support to strengthen the PFM system. FA being negotiated</p>	<p><i>€9 million</i></p>

<p><u>2010 – SAAP IV (Twinning)</u></p> <p>Fourth envelope for twinning which is working well. Four completed (postal, tourism, maritime safety) with nine ongoing and 16 in the pipeline (electricity regulator, railway and road safety, animal disease, forensic pathology etc). FA being negotiated</p>	<p><i>€10 million</i></p>
<p><u>2010 – Cultural Diversity and Creativity</u></p> <p>The first bilateral allocation which seeks to consolidate previous smaller interventions. The aim is to help project a moderate Arab culture over the country via Egypt's historical importance as a centre for cinema, music, literature etc. FA being negotiated.</p>	<p><i>€3 million</i></p>

As far as cooperation with Civil Society is concerned, there are 26 ongoing thematic projects being implemented by the EU-Delegation in Cairo, for a total of €10m (4 under Investing in People, 4 under NSA-LA, 2 under Migration/Asylum, 16 under the EIDHR).