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THE INFLUENCE OF NATIONAL AID COORDINATION ON THE IMPACT OF AID PROGRAMS

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This research is dedicated to the Egyptians and especially the people working within the Egyptian authorities dealing with the planning and coordination of the country’s aid activities.

The Egyptians interviewed in this research investigation have been incredibly kind, trustful and helpful. I have met greater willingness among Egyptians to help me than I have met in any other country I have been.
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LIST OF ABBREVIATIONS

ACI  Achieving Compliance in Industry (in ESP)
ADB  African Development Bank
CAPMAS  Central Agency for Public Mobilization and Statistic (in Egypt)
CDFs  Comprehensive Development Frameworks
CEM  Communication in Environmental Management (in ESP)
CEO  Chief Executive Officer
DAC  Development Assistance Committee
DAG  Development Association Group (in Egypt)
DANIDA  Danish International Development Assistance
DCR  Development Cooperation Report (in Egypt)
DKK  Danish Kroners
DECODE  Development Cooperation Data of Egypt (in MIC)
DEM  Decentralized Environmental Management (in ESP)
DIC  Department of International Cooperation (in EEAA)
DMFA  Danish Ministry of Foreign Affairs
EEAA  Egyptian Environmental Affairs Agency (in MSEA)
EIB  European Investment Bank
EIMP  Environmental Information and Monitoring Program (in ESP)
EMG  Environmental Management in the Governorates (in ESP)
EMU  Environmental Management Units (in Egypt)
EPF  Environmental Protection Fund (in Egypt)
ESP  Environmental Sector Program
EU  European Union
GEAPs  Governmental Environmental Action Plans
GoE  Government of Egypt
IMF  International Monetary Fund
KIMA  The Fertilizer and Ferrosilicon Plant (in ESP)
MDG  Millennium Development Goals
MIC  Ministry of International Cooperation (in Egypt)
MOIC (once)  Ministry of International Cooperation (in Egypt)
MoP  Ministry of Planning (in Egypt)
MSEA  Ministry of State for Environmental Affairs (in Egypt)
NIB  National Investment Bank (in Egypt)
NEAP  National Environmental Action Plan (in Egypt)
NGO  Non Governmental Organization
NPI  National Planning Institute (in Egypt)
NSSD  National Strategy for Sustainable Development
ODA  Official Development Assistance
OECD  Organisation for Economic Co-operation and Development
PEMA  Centre for Project Evaluation and Macro-economic Analysis
PMU  Program Management Unit (in ESP)
PSU  Program Support Unit (in ESP)
PCC  Program Coordination Committee (in ESP)
RBO  Regional Branch Offices (in Egypt)
REAPs  Regional Environmental Action Plans
SDEM  Support to Decentralized Environmental Management (in ESP)
SPS  Sector Program Support
UN  United Nations
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<tr>
<td>UNDP</td>
<td>United Nations Development Program</td>
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<tr>
<td>US$</td>
<td>United States Dollars</td>
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<td>USAID</td>
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CHAPTER 1
NATIONAL AID COORDINATION

Introduction

The Millennium Development Goals (MDGs)\(^1\) aim to address the needs of developing countries, and are scheduled to be accomplished by 2015. As the current efforts to meet these commitments\(^2\) do not seem to be on track to achieve this, a new international aid agenda has arisen. This agenda is led by development scholars and development entities, which have a belief that aid coordination\(^3\) should be the responsibility of the partner countries\(^4\). In addition, the agenda emphasizes the importance of donor harmonization\(^5\) in response to national strategies and priorities. The proponents of the agenda anticipate that these changes in donor and partner roles are essential to achieve ‘sustainable development’\(^6\) as outlined in the

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4 Also referred to as national ownership. Ideally this means that the “partner countries exercise effective leadership over their development policies, and strategies and coordinate development actions”. World Bank, “Paris Declaration on Aid Effectiveness,” 3.

5 Harmonization in the Rome Declaration: "Our deliberations are an important international effort to harmonize the operational policies, procedures, and practices of our institutions with those of partner country systems to improve the effectiveness of development assistance, and thereby contribute to meeting the Millennium Development Goals." World Bank, “Rome Declaration on Harmonization,” 1.

6 Sustainable development is understood here according to its original definition in the Brundtland Commission from 1987; “Development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two key concepts: the concept of “needs”, in particular the essential needs of the world's poor, to which overriding priority should be given; and the idea of limitations imposed by the state of technology and social organization on the environment's ability to meet present and the future needs”. [http://www.adrc.or.jp/publications/terminology/top.htm](http://www.adrc.or.jp/publications/terminology/top.htm) (accessed November 16, 2005).
MDGs. In just five years, this group has taken full control over the international aid agenda. The inherent dilemma residing within this approach is that developing countries usually face great difficulties of identifying their problems, and moreover to find efficient solutions. However, there has been little in-depth analysis and practical scrutiny of what problems the governments of developing countries actually face in planning and coordinating aid. This research effort demonstrates that the practical implementation of national aid coordination is highly complex and will take longer to achieve than expected by proponents of the new international aid agenda. It will be shown that the prerequisites necessary for implementing this agenda are not necessarily in place in developing countries. A detailed description of the actual challenges pertaining to national aid coordination for a developing country is essential for improving the practical implementation of this new approach to development.

The thesis analyzes to what extent national aid coordination takes place, and whether it affects the outcome of aid programs. As most official development assistance activities are part of larger sector programs, this research will focus on coordination of aid “programs” instead of “projects”. National aid coordination is examined in the case of Egypt, looking at the processes and mechanisms of aid coordination by the Ministry of Planning (MoP) and the Ministry of International Cooperation (MIC). The Environmental Sector Program (ESP) is reviewed within the Ministry of State for Environmental Affairs (MSEA) as a case study to analyze in detail how national coordination affects the outcome of a particular program. Extensive interviews of government officials were carried out to identify the official procedures as well as the practical implementation and challenges of the national aid coordination in Egypt.

Outline

This study is divided into five main areas. The first chapter presents the theoretical framework of aid coordination, followed by a broader literature review that situates the topic of the thesis in a multi-faceted context. Additionally, in Chapter I, the reasons for the selection of the case study, as well the methodology, research problem, hypothesis and research questions are provided. Chapter II presents the research on the national institutions that deal with aid coordination in Egypt, answering in general terms whether Egypt has national aid coordination. Chapter III provides a case study of the “Environmental Sector Program”, showing the internal procedures of national aid coordination within this specific program. In Chapter IV provides an in-depth analysis of the sector coordination within the field of environment as well as the cross-sectoral national aid coordination and its impact on the outcome of the ESP. The aim of this chapter is to answer whether Egypt in the specific case of the ESP in actual fact has national aid coordination, and whether this coordination enhances the intended outcome of the aid program. Finally, Chapter V offers the findings concerning the extent to which national aid coordination exists, and whether it can support the accomplishment of the intended impact of an aid program in the case of the current research.

The Research Problem

To what extent does national coordination of foreign aid programs facilitate and support the accomplishment of the intended outcome of an aid program?

Hypothesis and Research Questions

To provide an answer to the research problem, this research discusses the following two hypotheses:
i. Egypt has national aid coordination

ii. National aid coordination can enhance the intended outcome\(^8\) of an aid program in Egypt.

To present comprehensive accounts as answers to both hypotheses, specific research questions were formulated and used in the research. The following research questions have guided this research in order to answer the first hypothesis: Is there an Egyptian authority with the responsibility of coordinating foreign aid programs? How is the responsibility of coordination of foreign aid programs taken care of by this authority, officially as well as in practice?; Is the Egyptian authority that plans and prioritizes the overall national policies responsible and in charge of the coordination of all foreign aid programs, including the Environmental Sector Program (ESP)?; How do the Egyptian authorities plan, prioritize and, thereafter, coordinate foreign aid? - Is there a national holistic development strategy/plan in Egypt that it being used in the coordination of foreign aid? Who made it and how was it made?; Is national coordination done in a state forum with a participatory approach to learn from donors, society, international institutions; Did the Egyptian authorities make sure that the ESP fits into a national holistic development plan?; And finally, Has the Egyptian environmental authority, MSEA, coordinated and ensured that the ESP fits into a national holistic environmental development plan?

The following specific research questions were used in the research in order to answer the second hypothesis: Is the current internal coordination in the Environmental Sector Program beneficial to the outcome of the ESP? If yes, how? - Does the ESP staff prioritize the coordination of the ESP internally in the MSEA?; Is the present environment-sectoral national aid coordination instrumented by MSEA beneficial to the outcome of the ESP? If yes, how?; Does the Department of International Cooperation in MSEA have good relations

\(^8\) Intended outcome refers to the objectives that the owners of a program intend to reach as a result of the output of the program activities. The intended outcome is stated in the program documents.
with the MIC and the MoP? - Does this influence how much money and to what activities donor funds are being used in the field of environment?; and finally; Is the present cross-sectoral national aid coordination, instrumented by MIC and MoP beneficial to the outcome of the ESP? If yes, how? Does the way the ESP is coordinated at national and local levels draw upon beneficial elements of the participatory approach?

**Literature Review**

This literature review deals with the most pivotal secondary sources that will be utilized in the course of this research. Firstly, the literature of the theoretical framework on aid coordination is provided, which deals with theories of aid coordination and the impact of aid coordination on aid programs. Finally, a review of the literature concerning the chosen case study on Egypt and the environmental sector program is presented.

**Theories of Aid Coordination**

A framework of concepts, theories and strategies of national aid coordination has been collected from different development forums including the Development Assistance Committee (DAC) in the Organization for Economic Cooperation and Development (OECD) for bilateral donor agencies and multilateral as the European Union (EU), the International Monetary Fund (IMF), World Bank (WB), and United Nations Development Program (UNDP). The theoretical framework is divided according to the different aspects of aid coordination, beginning with an introduction of the theoretical conceptualization of the term *aid coordination*, and its role in the international agenda. Presented hereafter is the theories/theorists that argue that aid coordination increases the intended impact of aid programs. Subsequently, different ways of beneficial aid coordination regarding both stakeholders and strategies are offered. Lastly, the core theory of this research is presented: it
discusses the role of the local government with regard to aid coordination and how national aid coordination can increase the impact of aid programs.

Coordination of Aid and its Role on the International Development Agenda

“Coordination occurs when two or more individuals (or organizations) with distinct skill sets join to work together toward a shared goal.” In the book Aid Coordination and Aid Management by Government: A Role for UNDP, the UNDP defines aid coordination as, "the planning and procurement by a recipient government of aid from its donor partners and its integration into national development strategies.” The citation below serves to demonstrate that coordination is not a concept that is alien or new to the world of development.

“Aid coordination plays a significant role in the academic field of development, the rhetoric field and (somewhat more limited) in the practical field of development as well.

According to the article by Marc Claret de Fleurieu Towards more Effective Development Cooperation: the EU’s Coordination and Harmonization Initiative there are three levels of content and three degrees of intensity in coordination:

“Three content levels of coordination: (a) policies, principles and priorities, (b) procedures, and (c) practices. The first is about harmonising goals and activities. The second is about formal institutional rules and regulations (including financial controls for disbursement, accounting and auditing). The third is less formal than procedures. Three degrees of intensity of coordination: (x) consultation, (y) cooperation and (z) collaboration. Consultation is

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10 UNDP, v.
about sharing information between parties. Cooperation involves discussing policies, priorities and principles in order to identify areas in which harmonisation is possible. Collaboration means agreeing procedures and practices in an effort to ensure smooth, shared implementation of agreed policies in line with agreed principles and priorities. Joint action is probably the highest form of collaboration.”

This division of coordination is in accordance with the division used by Arne Disch in *Aid Coordination and Aid Effectiveness* and shows that coordination can take place at a variety of levels and to different extents. This categorization is being used in the context of the current analysis to structure and assess the different shapes and forms of aid coordination in Egypt. In this research, the objective is to analyze the nature of the coordination on the national as well as the sectoral (the environmental sector) level. That is, the focus of this research is not on the coordination that occurs at the international arena within international institutions as for example the DAC, but more directed towards the partner country level.

**Practical Account on the Development of Aid Coordination**

By and large, the focus on aid coordination began at the Rio Earth Summit in 1992 that resulted in a major sustainable development strategy: Agenda 21 requested each country to draw up a national strategy of sustainable development. In 1997, the Special Session of the United Nations General Assembly set a target date of 2002, signifying “the formulation and elaboration of national strategies for sustainable development that reflect the contributions and responsibilities of all interested parties should be completed in all countries, with assistance provided, as appropriate, through international cooperation, taking into account the

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12 Claret de Fleurieu, 18-20.
13 Arne Disch, *Aid Coordination and Aid Effectiveness* (Oslo: Royal Ministry of Foreign Affairs, 1999), 18.
special needs of the least developed countries.”

In September 2000, the Millennium Declaration with the MDGs followed this global initiative and encouraged further coordination of aid activities.

In 2001, the DAC Ministerial Council took an innovative path by appointing the Task Force on Donor Practices. In this forum, multilateral donors and developing countries worked together on equal terms with the OECD members, to put forward recommendations concerning donor harmonization. Furthermore, the international community asserted the desire and willingness to increase aid coordination at the World Summit of Sustainable Development in Johannesburg in 2002, held as a sequel follow-up to the Earth Summit in Rio in 1992. After the United Nations Conference on Financing for Development in Monterrey in 2002, that introduced the global partnership for development, the DAC Task Force also presented its recommendations on donor harmonization. These recommendations about donor harmonization with partner country systems were approved by the DAC Ministerial Council and adopted by the bilateral and multilateral donors at the High-Level Forum in Rome in February 2003 known as the Rome Declaration on Harmonization. Following upon that, and orchestrated by the French government, the World Bank, the Organization for Economic Co-operation and Development (OECD) and other regional development banks held a High Level Forum entitled "Joint Progress Toward Enhanced Aid Effectiveness: Harmonization, Alignment, Results" in Paris in spring 2005. The Forum assessed the progress achieved in making aid more efficient since the adoption of the Rome Declaration on Harmonization and proclaimed the Paris Declaration on Aid Effectiveness, which stresses

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the need for strengthening partner countries’ national development strategies and operational frameworks as well as increasing donor alignment.\textsuperscript{16}

At the latest United Nations World Summit in September 2005, the aid strategy of national responsibility of national development strategies was further underlined in the \textit{2005 World Summit Outcome}:

\begin{quote}
“We reaffirm that each country must take primary responsibility for its own development and that the role of national policies and development strategies cannot be overemphasized in the achievement of sustainable development. We also recognize that national efforts should be complemented by supportive global programmes, measures and policies aimed at expanding the development opportunities of developing countries, while taking into account national conditions and ensuring respect for national ownership, strategies and sovereignty.”\textsuperscript{17}
\end{quote}

On aggregate, there is no doubt that the scope of coordination on the partner government level has increased, at least in writing. However, as Arne Disch wrote in 1999, there is still no clarity as to what the exact outcome of these coordination activities has been.\textsuperscript{18} These observations still seem to hold true today.

\textbf{Theoretical Explanation of the Changes of Aid Coordination}

Theoretically, there are two conflicting views in the field of development today which concern the readiness of the donors to actively engage in aid coordination, and the role that could be played by this coordination within the developmental process in the post Cold War era. The first view, presented in the book \textit{Allocation of Foreign Aid and Economic Development: New Theoretical and Empirical Perspectives} edited by B. Mak Arvin, suggests that donors have more incentives to coordinate with each other after the end of the Cold War due to three factors:

\textsuperscript{16} World Bank, “Paris Declaration on Aid Effectiveness”
\textsuperscript{17} “2005 World Summit Outcome,” United Nations General Assembly, 4.
\textsuperscript{18} Disch, 7.
“First, attempts by the International Monetary Fund (IMF) and the World Bank—the two central international financial institutions (IFIs)—to maintain the integrity of the international financial system were generally supported by the assistance policies of bilateral donors, who provided assistance in support of IFI programs (Bird and Rowlands 1997; Bird and Rowlands 2001; Rowlands 2001). Second, the Organization for Economic Cooperation and Development (OECD), primarily through its Development Assistance Committee (DAC), promoted cooperation and coordination among its members in order to maximize their joint effectiveness and influence. Finally, the process of development planning promoted by the World Bank, and eventually embodied in the comprehensive development frameworks (CDFs), incorporated donors as participants and contributors in the process.”

Accordingly, Arvin conceives the 1990s as being perhaps the most favorable timeframe for aid coordination. With the termination of the Cold War, donors are more actively pursuing a common “Western” framework in their dealings with the developing countries. However, the counterargument suggests that the contrary effect might take place with the demise of the Cold War.

“Neorealist scholars of international relations, such as Waltz (1986), might argue that the disappearance of the Soviet Union reduced the threat that had previously motivated and solidified the Western alliance. Instead of creating coordinating structures to strengthen their collective security and advance their common agenda, states within the Western “club” could now revert to more self-centered approaches to their international behavior without seriously compromising their security interests. Each could pursue its own narrowly defined interests, even at the expense of its allies.”

Apparently, the time could be mature for both much less or much more aid coordination with these two divergent forces both pushing and pulling for it. This clearly highlights the need to determine which one of these contradictory arguments is of greatest benefit in order to attain sustainable development.

20 Arvin, 49.
The Influence of National Aid Coordination on the Impact of Aid Programs

The importance of aid coordination as a factor that may increase the intended impact of donor funds has been demonstrated within the practical as well as the theoretical scope of the field of development. First of all, the numbers speak for themselves: “According to studies by the UNDP and other organizations, more than 60,000 donor-financed bilateral and multilateral projects are currently underway in developing countries.” In fact, eighty-five percent of these 60,000 projects actually represent investments of less than $1 million each. However the number of reports requested and being produced about progress within each of these small projects renders it a lot more as time-consuming for the local government to administrate in comparison to a lower number of high investment projects. This means that, for example, in the case of Mozambique, in which there were no less than 49 aid agencies involved, the government had to be engaged in a huge number of annual reports and was obliged to provide assistance to missions concerning appraisal, monitoring and evaluation. Eventually, all of these tasks become a massive burden on a developing country’s poor administration. Lael Brainard states it this way: “One of the best-known pitfalls of foreign aid is lack of coordination among donors, both at the policy-making level and at the operations level in recipient countries, which places substantial burdens on host countries and often undermines the effectiveness of assistance efforts.” Subsequently, the impact of aid coordination on the outcome of aid projects is e.g. that it helps removing the administrative burden of the partner country. However, in the case of aid programs where the scale of the activities and their interference in policy issues is much larger, aid coordination could also be

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the tool to make aid interventions coherent with the national holistic development strategies and priorities. Coherence between the aid programs and the national development strategy would increase the impact of the aid program and the chances of reaching sustainable development. These matters were also stated as the primary concern that motivated the development system when writing the Rome Declaration on Harmonization.24

Regarding the effectiveness of aid activities, the Canadian Minister of the International Cooperation, Aileen Carroll stated that:

“We do know to a large extent what makes aid effective. (…) I would like to touch on some key ingredients: harmonization, coordination, and governance. Harmonization and coordination are closely linked. (…) Different donor countries worked with different accounting systems, used different fiscal years, and occasionally stressed contradictory priorities. (…) I think this illustrates clearly what we must avoid.”25

Harmonization is in practice one of the most important phases in the process of aid coordination on the donors’ side, as national coordination does not have an impact if donors do not respect (and support) it. In actuality, Carroll touches here on the indispensable role harmonization plays within the context of coordination:

“The key is (…) to harmonize our efforts so that we are moving in the same direction, giving consistent advice. There are various ways for donors to move forward on harmonization effort (…) This inevitably means a more effective division of labour among donors. Donors need to understand what each is prepared to contribute, avoid unnecessary overlap, and ensure greater complementarity in our programming in individual countries. The most effective donor coordination, naturally, begins with locally owned objectives.”26

24 “We in the donor community have been concerned with the growing evidence that, over time, the totality and wide variety of donor requirements and processes for preparing, delivering, and monitoring development assistance are generating unproductive transaction costs for, and drawing down the limited capacity of, partner countries. We are also aware of partner country concerns that donors' practices do not always fit well with national development priorities and systems, including their budget, program, and project planning cycles and public expenditure and financial management systems. We recognize that these issues require urgent, coordinated, and sustained action to improve our effectiveness on the ground”. World Bank, “Rome Declaration on Harmonization,” 1.


26 Carroll.
When several donor nations and organizations want to support a specific country, sometimes with conflicting objectives, problems of planning, coordination and capacity are likely to occur. This dilemma was catapulted in the field of development within the wake of the 21st century, and a multitude of donors, as well as partner countries, put the subject of *Donor Harmonization* on top of the international agenda in the Millennium Summit and the Monterrey Conference on Financing for Development.

Indeed donor harmonization could help reduce administrative time and minimize effort, whilst at the same time ensure a sensible distribution of funds among regions and economic sectors. Also, the need for donor coordination and harmonization of environmental aid is recommended in the 2005 DAC Guidelines *Environmental Fiscal Reform for Poverty Reduction*.

The next important aspect with regards to aid coordination is the beneficial strategies by which aid coordination could take place, and the potential role that could be played by the stakeholders in such a process.

**Beneficial Aid Coordination – The Players and the Strategies**

There are roughly three main categories of stakeholders in the field of aid coordination – the local government, the local society and the foreign donors. The roles of all three entities will be taken into account. However, as mentioned earlier, particular focus is placed on the essential role of the partner government. In theory, most of the latest attempts to coordinate aid activities at the international arena have had the same strategy concerning the issue of who is supposed to head the coordinating process. Most - if not all - donors seem to agree that the *partner government* should play a significant role in setting the strategies of the aid activities. As summarized in a quote by Jeremy Carew-Reid:

“Well, the donor community should be considered as participants in the strategy from the very beginning of the process. Yet the principal
lesson for donors – underlying all others – is that strategies must be led by the recipient country. This applies particularly to the coordination of donor participation.”

However, in practice this particular aspect of ownership of the process of aid coordination causes a lot of problems. Stakeholders in the developmental field in developing countries have many different agendas, intentions and goals, which make it challenging to find a common strategy of coordination. This tough challenge of practical national coordination is the focus of my investigations.

Practical national coordination is a huge task for the partner governments and to this day it remains a big challenge for the governments in the developing world to fill-out the role of the coordinating body.

“Yet, in order for governments to take the lead in donor coordination, they require considerable resources and a firm commitment to cooperate by the external agencies. Permanent coordinating mechanisms are often lacking. (…). While this interaction between the external players is important and should be encouraged, ultimately the government must be supported to exercise the leadership role in coordination.”

Carew-Reid suggests some different components to ensure the success of aid coordination. One is that the government empowers a central Ministry with the authority to establish coordination mechanisms and procedures. This Ministry may be the strategy secretariat or, even better, the official contact point for donors, such as the Ministry of Foreign Affairs or Finance. The national planning authority, with its cross-sectoral role, could in some cases turn out to be the best choice. Furthermore, Carew-Reid recommends that donors should ensure that coordination is not undermined by lack of necessary capacity. Coordination activities often require special skills of synthesis and facilitation that are commonly lacking

28 Carew-Reid.
in the partner governments in the developing world. In addition to the previously mentioned role of the government, there is a possible and desirable role that could be played by the civil society in coordinating a country’s aid activities. There is a common perception that local non-governmental organizations (NGOs) and private sector representatives also need to be brought into the aid coordination process at regular intervals.

Last but not least, the success of effective coordination depends greatly on the bilateral and multilateral donor agencies. Donors could do much to ease the role of the local government by improving information sharing among themselves on investment portfolios and policies, as well as producing evaluation reports and other analyses of the situation in the country. Donors should seek to minimize and simplify their interventions so that coordination by government is less burdensome.\(^\text{29}\) Most important, development practitioners as well as development theorists agree that donors should support and follow national aid coordination.

Most bilateral and multilateral donors have shifted from providing their aid in form of smaller projects to providing support for larger sector programs. Consequently, donors have to be even more aware that their influential and often policy-interfering sector programs complement the overall national strategy.

"An important aspect of donor coordination is division of financial assistance according to the sectoral preferences of the donors. This issue needs to be addressed early on. At the same time, donors should take care to ensure that dividing assistance by sectors does not reduce the cohesion of the overall strategy. Donors should integrate their aid or lending programmes into the priorities set by the strategy. Regardless of the preferences of donors, support is needed for the process, and for priority sectors as determined through the strategy."\(^\text{30}\)

Sometimes, the schedule of the process has for some reason been compressed. As a result, a range of projects are produced as quickly as possible – usually too rapid for a coherent

\(^\text{29}\) Carew-Reid.
\(^\text{30}\) Carew-Reid
strategy to be developed in a participatory manner. Other times, however, the donor simply ignores the national strategy. Furthermore, during the phase of implementation, there is a great danger of slipping back into a project approach or program approach, making it more difficult for the country to retain control of its overall national strategy.  

The Role of the Local Government in the Coordination of Aid

Many strategies and country-level frameworks have been developed to outline how donor aid activities should be coordinated.

“It is recognized that strategies are a way of improving and integrating social, economic and environmental policies, and building national capacities to develop and implement such policies. But they can fulfill this role only if they are nationally-driven, participatory processes, and this takes time.”

As stated earlier, for many years, there has been a lack of country ownership with regards to the coordination process. DAC lists the many different reasons behind this deficiency: “Violent conflict (...), time pressures, the need to respond to external requirements, the adherence to labels, development agencies wanting their own processes and identifiable projects, lack of transparency and accountability in promoting these agendas, and limited capacity in-country.” In practice, when the local government is not efficient in coordinating aid activities or disagreement between donors and government arise on how to set the strategy, the result is often that the local institutions get bypassed, which might lead to ‘policy and institutional inflation’ and an associated ‘capacity collapse’.

Different concepts of the role of partner (recipient) countries have developed during the last decade: one is recipient responsibility (introduced by the Norwegian Foreign Assistance Committee (DAC). “Informal Workshop on Poverty Reduction Strategies, Comprehensive Development Framework and National Strategies for Sustainable Development: Towards Convergence” (Paris: 29-29 November 2000.)
Ministry), and another one is partnership (more commonly used by donors). Recipient responsibility gives the bulk of ownership to the partner country, as partnership is imagined likely to become unequal, ultimately legitimizing too much donor interference in this case.  

As a matter of fact, there are many difficulties pertaining to giving the partner governments the responsibility of setting their own agendas and priorities concerning aid activities in order to ensure that donor funding fits into those frameworks:

“The partnership tends to be unequal as money comes from the public purse in donor countries and there will always be a requirement for some kind of accountability. (…) It is important to respect and build on countries’ existing processes and strategies, and help those to develop, even if they are not perfect. To do this development agencies need to loosen their control and take a longer-term perspective. Development agencies may subscribe to this type of argument but putting it into practice is still a frontier. There needs to be a partnership agreement based on transparency, accountability on both sides and joint monitoring.”

It is important for the donors then to take on the role of facilitators, instead of manipulators of national strategies. Definitely, it is a massive problem when donors support different initiatives in countries that do not have the capacity to coordinate them. Thus capacity building in strategies, planning and design, in how to analyze, how to prioritize, and implement programs is highly recommended.

Additionally, there are many other factors that influence whether a partner government takes on its responsibility in a partnership as a responsible recipient: political will of the government, the willingness of donors to step back, and the organizational capacity in the public sector to actually implement the program. The importance of these factors will be obvious in the case study.

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35 Disch, 14.
36 Development Assistance Committee, workshop
37 Disch, 14.
Stefan Oswald states that the German development institutions will focus on capacity building when the partners system and institutions are not sound enough to manage full responsibility for development activities.

“Some partners, however, have considerable problems concerning capacity and resources. Local systems are not always sound. In these cases, German development policy relies on capacity-building. Due to specific experiences in technical cooperation, Germany can come up with valuable support to enhance local capacities.”\(^{38}\)

Generally speaking, the partnership phrase has become very dominant over the last decade, referring to a step in the direction of a more equitable relationship between donors and recipients. The concept stresses the centrality of the role of the partner government in such a relationship. However there is, as Arne Disch writes, “a serious gap between rhetoric and reality regarding the content of partnership concept where the resource rich partner has a particular responsibility for not dominating and taking over the relationship.”\(^{39}\)

Case study – Egypt and the Environmental Sector Program

The analysis of the case study is based on interviews supported by academic writings on the political system in Egypt as well as on the country’s bureaucracy. Knowledge of these fields helps us understand the kind of institutions, management structures, cultural heritage, work ethics, capacity and legacy of administration and political culture that effect the national aid coordination in Egypt.

The book *Egyptian Politics – The Dynamics of Authoritarian Rule* by Maye Kassem provides a description of the political and institutional situation in contemporary Egypt. Kassem describes the case of contemporary Egypt as one where the formal “democratic” framework does not necessarily imply a change in the fundamental nature of authoritarian rule under President Hosni Mubarak. The author concludes that the position of the president

\(^{38}\) Oswald.  
\(^{39}\) Disch, 7.
as the ultimate source of power and authority is intact and that this personal authoritarian rule has become institutionalized in contemporary Egypt.\textsuperscript{40} This centralized characteristic of the Egyptian political system highly affects the degree of collaboration and coordination between Ministries as well as the limited use of a participatory approach to aid coordination.

The political system in Egypt is also characterized by the prevalence of weak institutions and organizations. Kassem stresses that certain tactics and policies adopted by the state over the years have been aimed at ensuring that these characteristics are preserved.\textsuperscript{41} The consequences of weak institutions responsible for coordinating foreign aid will be obvious in the case study.

The features of the Egyptian bureaucracy are clear when compared to Max Weber’s ideal bureaucracy. Therefore, original texts by Max Weber in Max Weber on Capitalism, Bureaucracy and Religion as well as an analysis of Max Weber’s ideal bureaucracy by Thomas Robb McDaniel; Two faces of Bureaucracy: A Study of the Bureaucratic phenomenon in the thought of Max Weber and Franz Kafka is used as comparison to the Egyptian bureaucracy: Weber’s bureaucracy is characterized by a standardized, categorical (rather than individual), impersonal (rather than personal), rule governed and efficient bureaucracy.\textsuperscript{42} The functions of the administrators and institutions in the Weberian bureaucratic organization differ from the Egyptian bureaucracy and political system. The difference is for example that the Weberian administrator is organized in a clearly defined “hierarchy of offices, (…) candidates are appointed (not elected) on the basis of technical qualifications assessed by examination and/or training, (…) and promotion is awarded by superiors on the basis of achievement and/or seniority.”\textsuperscript{43} The Egyptian bureaucracy

\textsuperscript{40} Maye Kassem, Egyptian Politics: The Dynamics of Authoritarian Rule. (Boulder: Lynne Rienner Publishers, 2004), 167, 186.
\textsuperscript{41} Kassem, 49.
\textsuperscript{43} McDaniel, 35-6.
functions in a more informal way than the ideal of the Weberian bureaucracy. For example, qualifications that are not essential for one’s effectiveness in a bureaucracy - such as former military rank (which in Weber’s view are irrelevant for an administrators position in a bureaucracy) often plays a significant role in the way the Egyptian bureaucracy functions. Military ranks among bureaucrats make a parallel hierarchy of offices and administrators. Also, as a result of the strong client-patron networks in Egypt, candidates can more easily be elected and promoted as a result of their connections as opposed to technical qualifications. Such differences between Weber’s bureaucracy and the Egyptian bureaucracy also help explain the shape of national aid coordination in Egypt.

Background information for this research regarding Egypt’s environmental/developmental challenges can be found in the recent World Bank report Arab Republic of Egypt – Country Environmental Analysis (1992-2002) from 2005.

Methodology and Approaches

National aid coordination is, one of many variables that affect the impact of aid programs. The arguments for focusing on this parameter in the present study are presented in this chapter. It has to be pointed out that the author does not believe that all aid programs would be beneficial by simply reaching their intended outcome. It is also acknowledged, that even well planned programs may have unintended consequences because the elements involved are complex as well as changing during the intervention. Another important point regarding the focus of this research is that many other essential factors apart from national aid coordination influence the impact of aid programs - on the donor’s as well as on the partner country’s side.

44 Thomas W. Dichter, Despite Good Intentions: Why Development Assistance to the Third World has Failed. (University of Massachusetts Press. 2003) 290.
On the donor’s side, many factors play a negative role on the impact of aid programs. First of all, the official goals of a program might not always be the primary goal seen from the donor’s perspective. Donors often have other agendas and priorities than promoting development such as commercial, political, strategic and economic interests e.g. to increase trade opportunities for donor country industries.\textsuperscript{45} This often decreases the developmental impact of the aid program, as the developmental aspect is not the main focus in the process. Also the fact that donor organizations need to disburse a lot of money can shift the focus of some donor agencies from working towards the proclaimed developmental outcomes to focus on disbursements.\textsuperscript{46} Other factors that can cause a program not to achieve its intended outcomes are lack of knowledge of the country when designing the program, lack of know-how in the process of implementation, poor fitting of a ‘best practice’ model to the local context, deficient use of the participatory approach, or unqualified people in charge of the program.

At the partner country level, many different social, political, and economic contexts hinder the aid programs from reaching their intended outcomes.\textsuperscript{47} For example, Rider declares corruption to be one of the main reasons for the outcome of aid programs to be less successful than anticipated.\textsuperscript{48} Lack of willingness and interests in the political system to deal with poverty reduction and development, lack of capacity to implement aid programs and lack of funding to sustain a program’s activities are some of the other local factors that can cause a disappointing outcome of an aid program. Many of these factors will be discussed in the research as they influence national aid coordination.

In writing this thesis, advantage was taken of the availability of several primary sources. The primary sources included a number of national documents on coordination in

\textsuperscript{45} Arvin, 134.
\textsuperscript{46} Dichter, 291.
Egypt, ESP program documents, as well as conducted interviews. The theoretical framework consisted of a variety of theories of coordination of aid from the aid literature, which were applied in the analysis of the empirical case study of national coordination of the ESP in Egypt. The methodology used was therefore deductive, since relevant theoretical work was tested in practice by using interviews and other primary sources. The theories were about the strength of national aid coordination and its constructive affect on accomplishing the intended impact of aid programs. The dependent variable is consequently the intended impact of aid programs and the independent variable is national aid coordination. The methodology is consequently qualitative, since the national aid coordination in Egypt was analyzed by using the conducted interviews and primary documents from Ministries.

The reasons for choosing the Danish International Development Assistance (Danida) funded aid program “Environmental Sector Program” in Egypt as the case study are attributed to the fact that Egypt portrays an example of a developing country that receives a massive amount of aid, yet faces enormous problems and dilemmas relating to national aid coordination. Because research on Egypt’s national aid coordination was very limited, an analysis of these problems and issues could be useful to improve the intended impact of the country’s aid programs. One additional reason for choosing this particular program was the fact that it displays an immense amount of challenges pertaining to aid coordination, especially when it comes to the collaboration of donors with the Egyptian authorities. Lack of environmental coordination by the Egyptian authorities was probably one of the reasons for the Danish Ministry of Foreign Affairs choosing to phase out the program by 2008. Furthermore, the ESP, which is the biggest environmental aid program in Egypt, is a complex environmental program that was designed to work on a multitude of levels. Such an enormous program can illustrate a large number of aspects of national aid coordination.

49(ESP Coordinator, EEAA)
Furthermore, the Egyptian Ministry of State for Environmental Affairs (MSEA) that implements the ESP is a crosscutting Ministry of State in Egypt. The MSEA is a relatively weak Ministry compared to bigger, richer, and older Ministries, which makes the MSEA even more dependent on national coordination as it implements most of its policies through other Ministries. Additionally, the ESP program was running in its second-half phase, meaning that many adjustments and changes of the program already had been undertaken. Yet, it was not finished, so it was possible to find energetic employees to interview.

The method by which the impact of the national aid coordination on the ESP was analyzed was to investigate how the program was working internally and externally – that is, as a program in itself and as a component in Egypt’s overall environmental activities and policies. By examining the past and present challenges and difficulties of the program’s ongoing implementation it could be asserted how national aid coordination affects the implementation and output of the program.

To protect the many persons that were kind enough to allow me an interview and to share critical observations and interpretations in the interviews, their names are kept confidential. In the reference footnotes, the interviewed persons are therefore referred to with numbers instead of names and positions. The first number of each reference indicates which sector or institution the interviewee is from. Table 1 below provides the key for each entity. The numbers after these respective initial numbers serve to distinguish between the interviewees.

<table>
<thead>
<tr>
<th>Ministry/Donor agency</th>
<th>Key</th>
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<tbody>
<tr>
<td>MoP</td>
<td>1</td>
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<td>MIC</td>
<td>2</td>
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<tr>
<td>MSEA/EEAA</td>
<td>3</td>
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<tr>
<td>Private environmental sector, environmental NGOs</td>
<td>4</td>
</tr>
<tr>
<td>Donor organizations in Cairo</td>
<td>5</td>
</tr>
</tbody>
</table>

Table 1: Key of each of the entities that interviewees can be coming from, which is used in footnote references.
The formally arranged meetings with senior officials in governmental authorities as well as donor organizations provided me with more than 50 hours of interviews. Many of the formal interviews were afterwards followed-up by informal meetings, emails and telephone calls to clarify unresolved issues. Senior personnel in the Ministry of State for Environmental Affairs, the Ministry of International Cooperation, the Ministry of Planning as well as key players in the donor community, civil society and the private sector provided a broad and at the same time in-depth practical understanding of the subject. In addition, the interviewees provided access to necessary empirical written material. I am very grateful for the time all these people devoted to me. Without their effort it would not have been possible to write this thesis.

The interviews in the Ministry of Environmental Affairs were mostly conducted in English. Three interviews were conducted in Danish, as it was the preferred language of the Danida advisors and consultants. In two interviews in the MIC and the MoP, the Egyptian interviewees had a translator by their side, in case of any language barriers. All interviewees but the two that brought with them translators spoke perfect English.

**Scientific Precautions**

The interpretations of the oral responses to the answers that are raised in this research investigation with regards to the two hypotheses and the research questions have some limitations. First of all, the interviewees might have been less frank and honest in the interviews to hide weaknesses and deficiencies in national coordination in Egypt, due to the fact that they could be criticized by superiors for showing weaknesses of Egypt’s use of donor funds. Also, coming from a donor country I might have been perceived as someone who could have connections to or being a representative of the Danish Ministry of Foreign Affairs and therefore negative information about the conditions of national aid coordination...
in one of Denmark’s partner countries could have negative consequences for the future support coming from the Danish side. I tried to avoid the anxiety by introducing myself in a letter to all interviewees as someone who would like to understand the scope of national coordination in a developing country, and not an authority that was going to evaluate.

Furthermore, statements brought forward by the interviewees are quoted anonymously in this research. My supervisor, Dr. Vikash Yadav, gave the permission to leave the names out of the final paper after having seen the names, titles and affiliations of all the interviewees. This should protect the interviewees from any negative consequences. As previously stated, the topic of national coordination is somehow sensitive when it comes to scrutinizing what is working and what is not.

To find out if answers and responses from my primary sources were truthful, I have when at all possible checked the views given with other interviewees. Also, I have tried to find concrete proofs and examples of the issues that were dealt with in the context of these interviews. This was made possible based on the available national plans and ESP documents. The information provided by the interviewees is also either backed up or argued against by academic writings on specific Egyptian issues.

Although the topic of this research investigation is rather difficult to get a clear view of, it is my thought, that an independent additional research investigation would reach the same conclusions if doing research in the area of aid coordination in Egypt. If this kind of research was taken on in different countries, other kinds of dilemmas and challenges of coordination would show up and the detailed conclusions might thus be different.
CHAPTER 2
National Coordination of Aid in Egypt

In this chapter I have examined whether and how the Egyptian authorities in general undertake planning and coordination of aid.\textsuperscript{50} In essence, aid coordination is the planning and the procurement by a partner government of aid from its donors, and its integration into national development goals and strategies.\textsuperscript{51} The process of aid coordination is planning international assistance so that it supports national goals, priorities and strategies, whilst avoiding duplication and overlapping efforts as well as minimizing the burden of aid integration into recipient institutions.\textsuperscript{52}

In Egypt, the tasks and processes of aid coordination undertaken by the Egyptian authorities have been delegated to the Ministry of Planning (MoP) and the Ministry of International Cooperation (MIC). Also, the Ministry of Finance (MoF) plays a role in the national coordination process. However, the MoF plays a minor role in comparison to the Ministry of Planning and the Ministry of International Cooperation. Focus will therefore be on the latter two Ministries.

Before focusing on the Egyptian authorities’ coordination of aid, a brief account is given of the extent of aid and presence of donors in Egypt. This provides an overview of the potential need for coordination. The needed tools for national coordination of aid include plans, budgets, operations, institutions, and capacities.\textsuperscript{53} In the following section, the official plans, strategies and visions for development in Egypt are presented, since these are the key tools for national aid coordination. Firstly, the Ministry of Planning (MoP) is introduced, which is

\begin{itemize}
\item \textsuperscript{50} This chapter is, to the best knowledge of the author, the first overview and analysis of the Egyptian authorities’ role in aid coordination. Many interviewees have helped providing the full picture of a field that has been, more or less, untapped. It is noteworthy here that the interviewees are not responsible for the author’s interpretation or conclusions.
\item \textsuperscript{51} UNDP, ii.
\item \textsuperscript{52} UNDP, 4.
\item \textsuperscript{53} UNDP, ii.
\end{itemize}
the primary institution for national planning in Egypt. In the second half of this chapter, the role of the Ministry of International Cooperation (MIC) in coordinating aid activities is described and analyzed.

In each of this chapter’s sub categories, the research distinguishes between the official policies and formalities of the Egyptian government with regards to aid coordination as opposed to actual real life practices. The information derived concerning each Ministry was obtained both through interviews of internal employees in the Ministries as well as of external parties. Furthermore, secondary sources on Egypt were used to explain the state of national aid coordination. This research provided an overview of the official structure and actual activities of the Egyptian administration, focusing on the degrees of coordination undertaken on different administrative levels.

**Aid activities in Egypt**

A brief account of the extent of foreign aid and its distribution in Egypt is provided to show the concrete need for coordination. Total disbursement of official development assistance (ODA) to Egypt in 2002 was US$1,552.1 million, a drop of 4 percent as compared to 2001. In 2003 there was a reduction by 2 percent in contrast to 2002. Assistance per capita dropped to US$22.4 in 2003, from US$23.3 in 2002 and US$24.9 in 2001. This decrease over the last three years is partly due to the decline in total disbursements and partly due to the 1.8 percent annual population growth.⁵⁴

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Figure 1 shows the distribution of ODA by type of donor organization. Bilateral donors gave the largest proportion of ODA to Egypt in 2002. Accordingly, most aid activities in Egypt are implemented by individual donors, increasing the need for coordination.

Figure 2: Distribution of ODA Disbursement by Donor, 2003.\textsuperscript{56}

The concrete distribution of ODA disbursement by donor organizations is shown in Figure 2. The United States Agency for International Development (USAID) maintains its

top rank despite a 32% drop in its disbursement from 2002 to 2003, which is partly due to USAID’s plan to reduce aid to Egypt by 5% annually as agreed with the Government of Egypt (GoE).\textsuperscript{57}

Figure 3: Distribution of ODA Disbursements by Main Sectors, throughout the period 2001-2003.\textsuperscript{58}

Figure 3 shows the ODA disbursement to different sectors in 2003. It is difficult to assess whether this distribution of funds reflects national strategies or donor priorities, since the authorities have yet not provided clear national priorities.

Figure 4: Distribution of ODA Disbursements by Geographic Location, 2003\textsuperscript{59}.

Figure 4 shows the distribution of ODA disbursement according to geographic location in 2003. Obviously there is an unequal regional distribution of donor funds. MIC has requested donors to compensate for the uneven distribution in their future assistance.\textsuperscript{60}

**Plans, Visions and Strategies for Development and the Environment in Egypt**

The governmental plans below are the tools for national coordination in Egypt. As the Minister of Planning stressed in the introduction to The Economic and Social Development Plan for 2003/2004:

“The effectuation of development planning efforts through proper coordination and cooperation among all stakeholders will ensure better living conditions for Egyptian people and prosperity future for Egypt under the leadership of President/Mohamed Hosni Mubarak.”\textsuperscript{61}

Governmental as well as donor-produced visions, plans and strategies for development in Egypt are provided below. Each document is briefly introduced with regard to development objectives, the function of the particular publication and their in-between relations. The numerous list of national plans show that the authorities in Egypt – the Ministry of Planning - undertake formal and structured regular initiatives to produce a tool enabling coordination of Egypt’s national cross-sectoral development, whereas the MSEA produces the plans for the environmental field. Still this does not necessarily imply that proper development planning takes place or that the documents are used in practice. This will be dealt with in the analysis, in which most of the listed documents will be referred to. The list below also functions as an overview that shows the most recent 2004 updates concerning donors (WB, United Nations (UN) and the African Development Bank (ADB)) assisting Egypt in making development strategies.


By multiple donors and the MSEA

This first NEAP was a consequence of the demands of donors and donor strategies and programs. The first NEAP has been criticized by civil society and employees in EEAA 62 for not responding to Egypt’s real environmental problems. Accordingly, in 2002 when MSEA had matured another NEAP made with UNDP assistance was provided. 63


By the MoP.

In the document entitled “Egypt and the 21st Century,” the GoE sets forth the general orientation and projected targets for the next two decades. This long-term action plan stresses

62 (3.10, 4.1)
63 (3.10)
human development, with particular emphasis on education, healthcare, and the role of
women. Also underlined are the importance of the rule of law, the centrality of the private
sector and civil society, the endeavor towards an information-based community, and
conservation of water and the environment. The new document Vision 2022, was made
under the former Prime Minister Dr. Kamal El Ganzouri has now replaced Vision 2017 as a
the latter vision is only an extension to the first vision and a plan for five more years.
Vision 2022 is referred to in the MoP plans, whereas Vision 2017 – the previous Vision
document - is referred to in both the MIC’s DCR 2002 from April 2005 as well as in the
latest DRC 2003 published in November 2005. It does not seem promising that the MIC uses
the old Vision 2017 as the guide for Egypt’s long term development priorities when sources
within the MIC have informed that the vision 2017 of the former government has been
replaced with Vision 2022.

2001/2: “Long Term Development Vision 2022”
By the MoP.
This document functions theoretically as the current ‘policy framework and long-term
development visions’ in Egypt. The plan was made under the current government headed
by Prime Minister Dr. Atef Ebeid. The 5-year medium-term plans and annual plans are
implemented within this vision. The Vision outlines the Government’s strategy for

65 (2.2, 2.5)
66 (2.5)
68 UNDP, 29.
69 (2.2)
modernizing and integrating Egypt into the global economy through the process of diversification and private sector-led economic growth.\textsuperscript{71}

The above two tools for national coordination show that Egypt has had quite extensive experience in the field of planning and visions. Also, its existence means that there is a policy framework and long-term development visions in the country, at least at official level. According to senior officials in MIC both Vision 2017 and Vision 2022 are kept in MoP and the documents are not distributed to any Ministries.\textsuperscript{72}

2002: “Poverty Reduction in Egypt: Diagnosis and Strategy”
By the MoP and the WB.
This report provides a diagnosis of poverty in Egypt, and aims to provide the foundation of a future poverty reduction strategy.\textsuperscript{73} It is an example of the Egyptian planning authorities' willingness to collaborate with a major donor, who has experience in the field of poverty reduction.

2002: “The Fifth Five-Year Plan\textsuperscript{74} for Socio-Economic Development (2002-2007) & First Year”,
By the MoP.
The current medium-term plan called “The Fifth Five-Year Plan for Socio-Economic Development (2002-2007) & First Year” is divided as follows: It starts by summarizing the Long-term Vision 2022 and continues by making a brief follow-up and evaluation of the previous Five-year plan (1997-2002) providing indicators for the changes that took place in the areas of concern regarding Egypt’s comprehensive development. After this the Five-Year

\textsuperscript{71} Refer to Appendix A for detailed objectives
\textsuperscript{72} (2.5)
\textsuperscript{73} Ministry of Planning and the World Bank, Arab Republic of Egypt – A Poverty Reduction Strategy for Egypt (The World Bank, 2004), v.
\textsuperscript{74} (The MoP produced the first Five Year Plan in 1982).
Plan (2002-2007) is described, briefly outlining its strategy and objectives followed by a relatively longer part on Economic Development; Population and Human Development; and Spatial Development. Lastly, in the part Sectoral Development, the plan provides an overview of certain specific sectors. The Plan emphasizes on economic development and does not make strong emphasis on sustainable development as the environmental plans do.


By the Ministry of State for Environmental Affairs, Egyptian Environmental Affairs Agency. This small document (19 pages) states the goals of the MSEA/EEAA’s summarized in the strategic goal:

“Incorporating the environmental dimensions within development policy, national plans, programs, projects, and public practices to ensure sustainable development through controlling and reducing pollution sources to protect the public health, natural resources, and promoting environmental awareness for all categories of society.”

The Plan emphasizes sustainable development.


By the Egyptian Environmental Affairs Agency (EEAA), UNDP, and Capacity 21 Program

Officially, all Ministries participated in this NEAP and it became obligatory to the whole GoE. Critics have argued that the NEAP is not a plan, but more of a statement and a proclamation of intentions and wishes as there are no priorities, timelines and budgets that would set milestones and make it a detailed implementation plan to follow.

Refer to Appendix A for details.


(3.12, 4.1, 4.2)
By the MoP.

This one-year plan (the latest version of a one-year plan available in English) is designed within the general framework of the Fifth Five-Year Plan (2002-2007), in accordance with the long-term development vision until 2022. The 57 page long plan focuses on three kinds of development: economic, human, and spatial development and launches ten investment programs. The plan functions theoretically as the national document that provides ‘national priorities and strategies’. The focus of this document is devoted to means to seek recovery from the current economic slow-down.

The plan’s chapter on Human Development provides objectives and policies relating to the environment, although the environment was only mentioned once in the five-year plan (2002-2007). The plan says: “Environment has become a vital component in Egypt’s sustainable development.” The main objectives in relation to the environment are: improving air quality; protecting the River Nile from pollution; protecting nature and preserving biological diversification; expanding green areas and tree plantation; and increasing public environmental awareness. The policies in achieving the objectives are based on a pro-active approach, seeking to prevent pollution and environmental deterioration. The first two policies mentioned to attain this is strengthening the environment management systems and supporting the institutional capabilities of Environmental Affairs Authority and its regional branches.

The plan’s prioritizations in the field of environment is perfectly in line with the objectives proclaimed in the Fifth 5-Year Plan (2002-2007) [Environment] the year before.

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78 Subsequently, ten new programs, which were launched by the Prime Minister in 2004, seem to have replaced these investment programs.
79 UNDP, 29-30.
80 Refer to Appendix A for details

By the MoP and the WB.

This document provides the outline of a strategy for reducing poverty, contributing to the refinement of a strategy to meet the objective “alleviation of poverty and attenuation of income disparities” from Egypt’s long-run development plan (through 2022).\textsuperscript{83}

This constitutes a positive example of donor alignment to national plans and agendas.


By the MoP and the UN.

This report tackles how far Egypt has gone in reaching its development goals within the MDGs areas. Economic growth – seemingly the focus of the Five-year plan – is in this report regarded as “a key factor in creating a supportive environment for achievement of the goals.”\textsuperscript{84}

The MIC writes in its DCR from 2002 that the MDGs represent a guiding framework for the development priorities and targets for all countries. Egypt’s “2017 Vision” may encompass some of the development concerns postulated in the MDGs however, certainly does not encompass all.\textsuperscript{85}

The pace of progress at achieving the MDGs varies between areas. Environmental as well as partnership-related MDGs are mentioned as areas where progress is comparatively slow. This report could play a strong agenda-setting role in the future regarding the priorities of GoE and MoP, as there is much focus on the MDGs from the international community. This might show in the coming five-year plan.

\textsuperscript{83} Ministry of Planning and the World Bank, v.

By The African Development Bank.

The objective of the African Development Bank’s (ADB) assistance strategy to Egypt is to support the implementation of Government’s Development Agenda in the vision 2022. This could be another positive example of donor alignment to national plans and agendas.

2004, Dec: “Governmental Statement to the People’s Assembly”

By Dr. Ahmed Nazif, The Prime Minister.

As a consequence of the vision 2017 being very general, more specific action plans remained essential. Egyptian Prime Minister Dr. Ahmed Nazif, in a December 2004 statement before the People’s Assembly, delineated a comprehensive plan to guide GoE policy. This scheme comprises ten inclusive developmental programs and a number of specific measures that the government has prepared and already has started to execute. In the DCR 2003 from November 2005 the MIC announces that these ten programs and targets should assist aligning donor interventions to GoE priorities and goals. The eighth program is called “Protection of Natural Resources” and its objective is to achieve sustainable development, create environmental balance and efficiently use natural wealth.

This speech could indicate that the agenda of sustainable development coming from the MSEA/EEAA and the international community is influencing the national priorities and plans in Egypt. It indicates that, at the official level, there is a notion of sustainability and holistic approaches when it comes to developmental plans and strategies.


88 Ahmed Nazif, “Governmental Statement to the People’s Assembly,” 30-32.
By the Egyptian Environmental Affairs Agency (EEAA) (yet only available in Arabic)

The Law 4 from 1994 states that this report should be produced annually to be presented to Parliament, it should work as the foundation for an action plan.


By the MoP (yet only available in Arabic)

This is the current annual plan.

Expected Plans

The third stage of collaboration between GoE and the World Bank is expected to bring along a more detailed poverty reduction action plan/Anti-poverty plan, made in collaboration between the GoE and international development agencies. The donor community in Egypt has requested that the GoE formulate an anti-poverty plan of actions that identifies the targets and policy measures. Also, the MSEA is (at least officially) expected to publish “The State of the Environment Report”, which should have been published annually since 1995. The report should provide the necessary environmental information, on which national environmental policies can be based.

Ministry of Planning

This section presents the official processes involved in governmental policy making and an analysis of this process in practice and the problems pertaining to it. The processes are essentially the responsibility of the Ministry of Planning. The three main official plans and subsequent analyses of them are discussed. As the MoP plays a minimal role in the execution of the plans when it comes to foreign aid, the next section focuses on the official financial

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89 Ministry of Planning and the World Bank, v.
follow up on donor activities, which is yet another responsibility of MoP. Lastly, the question on partnership between the donor and GoE in form of MoP is tackled, looking at the official policy as well as the practical implementation.

The Ministry of Planning plays the most important role in the process of outlining developmental plans. However, the larger context or framework of the production of a plan involves four entities, whose functions are summarized below:

1. Every line Ministry/agency is asked yearly by the MoP to provide proposals of activities that the entity would like to have included in the plan for the coming year.

2. The MoP meets with MIC and the MoF in the so-called Steering Committee to study and analyze the proposals. Hereafter, the MoP consults the Cabinet discussing possible modifications of the plan.

3. The Cabinet receives the plan, and in subsequent discussions between the two entities, amendments to the plan are made from both sides. The Ministry of Planning selects the appropriate alternatives and sends it to Parliament for discussion and approval.

4. Finally the Parliament discusses and approves the plan.\textsuperscript{92}

\textit{Goals, Visions and Objectives}

The Ministry of Planning, one of the oldest government Ministries, was founded in the sixties by President Gamal Abdel Nasser. The Ministry has many obligations; it shall “support, promote and evaluate investments” and “conduct economic and financial research and studies required for the planning process”. The MoP’s primary role is to “prepare and follow up [with the national] development plan”. In a presentation produced by the Ministry, it is

\textsuperscript{92} Ministry of Planning, Activation of the Planning Process, (A PowerPoint Presentation by Ministry of Planning), slide 6.
stated that the three duties of the MoP are to prepare socio-economic development plans, follow up socio-economic development plans, and prepare studies, research and statistics. To be able to keep track of all the concrete projects in Egypt, the MoP has an extensive internal document where the approximately 10,000 activities are listed. This document is referred to as the Technical Plan.

It is the aim of this following part to describe and examine the quality of the socio-economic development plans presented above and to discuss their viability in the context of the developmental equation. Note that in the following section plans will refer to the yearly or five-year socio-economic development plans.

The Process of Making Plans

Official Procedure

The MoP collaborates with many different entities when producing the national development plan. Firstly, the MoP works closely together with two other national planning institutions to formulate the strategies and objectives of the developmental plan. One of these entities is the National Planning Institute (NPI). The NPI’s role is to conduct planning research and studies related to the national plan and implementation methodology, and apply these principles and methods to achieve the national targets. The second entity closely involved in the process of making a plan is the Central Agency for Public Mobilization and Statistic (CAPMAS). CAPMAS’ role is to collect required statistics for the government. In addition to this, CAPMAS conducts population census and various economic and social statistics for all

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variables. Both institutions are furthermore in charge of training government staff in national planning skills.

Figure 5 shows a model illustrating the structure of the planning process centered on the MoP. The MoP has provided the “Planning Institutions Data and Information Flow Chart.”

The process of making a plan begins with the MoP consulting line Ministries (Executive Bodies) to deliver a so-called ‘wish list’ in October. The wish list contains all projects and project-proposals that each line Ministry would like to have included in the

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The MoP, MoF, and the MIC (MOIC) then meet in the “Steering Committee”, in order to agree upon what projects and programs in the shape of both grants and loans should be put into action and thus included in the technical plan. According to the MoP, the Steering Committee consists of Assistants to Ministers and is the core forum where the national planning (prioritization of projects and programs, goals, strategies) officially takes place.

According to all interviewees in the MoP and the MIC, this committee meets regularly. However, no single interviewee would/could say how often. In the Steering Committee, the MoP provides the yearly and five-year socio-economic development plans as well as the accompanying technical plan that are made in accordance with Vision 2022 (which will be explained below). The MoF decides how many of the projects in the plan it is able to finance, and the MIC is thereafter supposed to get external donor funding for the last projects that are agreed upon but which there is not enough national funding for. Normally the technical plan reaches Parliament in January, and is approved by Parliament in April, in due time for the new fiscal year which starts in July in Egypt.99

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99 (1.1, 2.2)
Analysis of Ministry of Planning

After providing the structural, institutional and functional account of the national planning in Egypt it is important to scrutinize how the process of making plans takes place in reality. The quality and efficiency of the process is worth examining with regard to human and technical resources as well as the structural setup.

Planning - Aspects of Concern

In the following sections five main aspects of concern are investigated: the quality of data in the analysis in MoP; national capacity to make plans and program proposals; ownership in the planning process; the economic issues; and finally the information about and promotion of the plans.

The quality of data in the analysis in MoP

The MoP depends on a variety of indicators to make the plan. However, the interviewee in MoP said that only approximately 75% of the information provided by the line Ministries is accurate. Also, the information conveyed by the CAPMAS and the National Planning Institute is insufficient since the CAPMAS only publishes statistics every 5 years, and as such there are only random samples available for use as indicators in the planning process in the interval in between. The source at the MoP also asserted that the statistics are not always correct (which is common knowledge in academic circles in Cairo). In addition to this, it is difficult to obtain data from the private sector, which often uses different indicators, making the need for data correction a complicated task for the MoP. Obviously, the lack of proper

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100 (1.1)
and regular statistics, which is the foundation of decision-making, complicates and
deteriorates the planning process.\textsuperscript{101}

**National capacity to make plans and program proposals**

Despite the issue of quality of data available to the MoP, one could question whether the
needed *strategic capacity* in the form of knowledge and experience of developmental
strategies is in place. In fact, the interviewees in MoP described the planning process in MoP
as just following the priorities from the individual line Ministries.\textsuperscript{102} A more profitable
approach to national coordination would be if a core Ministry would consult with all the line
Ministries and identify key challenges, which should then be solved in a holistic manner,
producing synergy between sector activities\textsuperscript{103}. It is worth questioning how much beneficial
planning actually takes place when the MoP develops the socio-economic and technical
plans.

In the technical plan, a number identifies each project. However, a former employee
in the MoP stated, that a project’s title is so loose that it can contain many activities. The
project title and its number can refer to a project’s appraisal, a project document or a kind of
project.\textsuperscript{104} This means that it is fairly easy for the donors to achieve their respective agendas
by having their proposed aid programs accepted somewhere in the technical plan.

Likewise, critique from a former employee indicated the lack of specific
correspondence between planned projects/programs in the technical plan and the socio-
economic development plans within neither the one, five nor twenty year’s plans.\textsuperscript{105} There
was also little information provided which could indicate and ensure that the accomplished

\textsuperscript{101} (1.1)
\textsuperscript{102} (1.1)
\textsuperscript{103} (3.12)
\textsuperscript{104} (2.1, 3.19)
\textsuperscript{105} (3.9)
activities are in coherence with the plans.\textsuperscript{106} The source that formerly worked in the MoP did not expect that any real comparison between intended and accomplished activities at the program level took place.\textsuperscript{107}

It was very difficult to get any precise information concerning the Steering Committee and its functions. Outside sources describe the process as ad hoc, to some extent arbitrary, with no transparency in the decision-making process.\textsuperscript{108} This manner of national prioritization is typical for developing countries.\textsuperscript{109}

There is a problem of writing capacity in the line Ministries. The needed capacity to send proper proposals to the MoP is at times lacking. This means that projects that should have priority according to the line Ministry’s wishes for that reason will not be included in the plan by MoP because the concrete project/program is not well-presented. External interviewees from a line Ministry stressed this issue as one of the key problems in making bottom-up planning.\textsuperscript{110} One member of civil society questioned how the MoP should be capable of making good overall planning and coordination, when other Ministries are not themselves capable of proper planning.\textsuperscript{111}

Thus lack of planning, strategic and communication capacity on both sectoral and central governmental levels deteriorate the national coordination of aid activities.

Ownership in the planning process

The question arises whether the Egyptian government has ownership of its aid priorities at all. The overall frameworks and priorities of the UN represented via the MDGs, in addition

\textsuperscript{106} (3.9) \textsuperscript{107} (3.9) \textsuperscript{108} (3.12; 4.1; 5.3) \textsuperscript{109} UNDP, 14. \textsuperscript{110} (3.1; 3.9) \textsuperscript{111} (4.1)
to the strategies of the WB, the IMF and OECD DAC very much influence the national development agenda in developing countries. In Egypt, the priorities of the ODA are in fact shaped by such external entities. For example, the Millennium Development Goals Second Country Report issued by the UN and the MoP illustrates that the international community to a large extent sets the priorities in Egypt. These priorities are likely to be followed by national authorities because of their focus by the international donor community. Already, MIC states in the DCR 2003 that there has been a 35% increase in the total ODA disbursement to MDGs from 2001 to 2003.

At the same time, according to the MIC, the recent years of donor assistance show signs of aid disbursement increasingly aligning to local needs and priorities determined by partner countries. This means that the donors are shifting away from setting policies for recipient countries, and towards building partnerships with governments, civil society, and other stakeholders. In the MIC’s Development Cooperation Report 2002, the MIC writes: “For Egypt, development trends are shaped primarily by its national objectives but also influenced by major donor priorities.” The donors’ priorities vary over time according to political, economic and social concerns at the particular time. However, the era where individual donors set different priorities for partner governments is likely to have been substituted by an influential international aid agenda – mostly shaped by donors.


Thus, it appears that while the international donor community has great influence on Egypt’s aid allocation, there is simultaneously a tendency of donors aligning to national visions.

**Economic Issues**

When asked about the biggest problem for the MoP in the planning process, a source in the MoP stated that the weakest link in the chain of aid prioritizing in Egypt is the lack of sufficient domestic financial support of foreign projects and programs. Often donors require that the Egyptian state place its own money in an 80% donor funded project to create local ownership and responsibility for the particular project. However, this condition makes it hard for the Egyptian state to obtain the most needed projects from donors. The lack of national resources can easily be envisioned to deteriorate a planning process of aid. A highly prioritized program may not be implemented because the national part of the funding cannot be provided.

This conditionality of national funds being allocated to aid programs hereby shows its infliction on the degree of ownership of national planning.

**Information about and Promotion of the Plans**

According to interviews of senior staff in MoP, it is clear that the MoP formally is responsible for *preparation and follow-up on a development plan*. However, no interviewees outside MoP and MIC said they could sense that national plans actually existed, and if so that they were indeed being used. All interviewees from the donor community, the civil society, and the private sector were entirely unaware of the existence of the annual and five-year plans. Apparently, the level of knowledge with regards to national coordination is very low,

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114 (1.1)
which seems to be an indicator of low coordination and partnership in practice. This is also an example of the general lack of transparency in the Egyptian political and administrative system. The procedures within the highest ranks of the public administration are non-transparent and no one outside these circles seems to be consulted with respect to defining what the country’s needs are. Accordingly, no one knows what to expect from the government. It is therefore also more difficult to hold the responsible people accountable. Many interviewees referred to the political side of the administration as very closed, consequently making it difficult for anyone to judge whether the allocation of funds is based on solid reasons.\(^\text{115}\)

On the positive side, it is important to stress that the MoP has indeed produced a variety of information kits pertaining to its activities, including presentations on the structure and functions of the MoP. Also, the MIC issued the DCR 2003, which focuses on the national coordination and harmonization, showing an increased awareness of the importance of these issues. The future regarding aid coordination by the Egyptian authorities looks brighter – if the written words mean that more coordinating activities will follow by both Ministries.\(^\text{116}\)

When the Cabinet receives a plan, and discussions between the MoP and the Cabinet on the modifications of the plan arise, the stronger Ministries get the most projects included in the plan according to a senior member of staff in the MIC\(^\text{117}\). This means that information about prioritizations and efforts of coordination are not only needed in the general public but also within the political system so that the priorities of all Ministries are known and all Ministries back up the final overall priority setting agreed upon.

\(^{115}\) (3.12, 4.1, 4.2, 5.2)  
\(^{117}\) (2.1)
Follow-up

Follow-up\textsuperscript{118} is an important aspect of national coordination. In fact, it is as important as the planning process. Typically, it is impossible to accomplish everything planned. In Egypt, the MoP is responsible for the \textit{financial} follow-ups on national plans. Furthermore, the MoP is responsible for ensuring that the funding from the donors has been provided, such that governmental money can be channeled as agreed upon.

After a plan has been approved, the MoP is required to follow up on the approved plan. The MoP needs to follow up on the actions of Ministries and agencies, the Cabinet, and the Parliament. At the same time, the MoP is expected to present the follow-up to the same aforementioned entities.\textsuperscript{119} In the MoP’s Five-Year Plan from 2002, there are 20 pages of follow-ups on the previous plan. It is, again, outlined in very general terms, mainly focusing on macro-economic indicators that have changed due to internal and external factors. Consequently, the follow-up document on the developmental performance during 2002/2003 is difficult to assess. The document could have been much more focused, as the plan was more elaborate than a 5-year plan. However, the five pages of follow-up is just a brief macro-economic overview of the past year.

Overall, there are approximately 10,000 projects taking place, which are commissioned by the Egyptian government (excl. private sector). All projects should be officially examined/followed-up on quarterly with each follow-up lasting for about a month.\textsuperscript{120} Hence according to sources in the MoP, a third of the time allocated to a project is spent on follow-ups, reviews, and evaluations that the line Ministries consequently send to

\textsuperscript{118} (The Egyptian authorities use the term follow-up as a broad synonym for the different kinds of assessments of ongoing as well as finished activities. It has been unclear what kind of evaluations, reviews or monitoring activities it refers to)


\textsuperscript{120} (1.1)
the MoP. These considerable follow-up procedures are more wide-ranging than one would expect. Perhaps the format of these official follow-up procedures has remained like it is because the Ministries do not actually implement the follow-ups every time they are asked to.

**Participatory Approach**

Efficient and proper planning often needs collaboration with the entities that are knowledgeable of the area of concern, and who often take part in the implementation of the plan. In the above sections, it was shown how the MoP collaborates with other governmental bodies. In this section it is examined to which extent the Ministry collaborates with the civil society and the private sector.

In a presentation that the MoP has made to inform outsiders of the work of the Ministry, it is stated that “Egypt will combine three types of planning procedures: central planning (planning by commands and state domination), indicative planning (depends on achieving the aspired targets by adopting a package of economic indicators) and partnership planning.” Moreover, the role of the state is described as “a partner in the development process jointly with the private sector and NGOs, catalyst for steering, supervisor, facilitator, pioneer and financier.” Also, according to the recent plans it is formally announced that partnership planning will play an increasingly important role in the future.

In the preface of the plan “The Fifth Five-Year Plan for Socio-Economic Development (2002-2007) & First Year”, it is additionally asserted that partnership planning

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121 (1.1)
122 Participation is explained as a process through which stakeholders influence and share control over development initiatives and the decisions and resources which affects them Ministry of Planning, “Activation of the Planning Process”, A PowerPoint Presentation by Ministry of Planning.
is done in accordance with the participatory planning concept, increasing the role of the private sector in the making of as well as the execution of the plan. Furthermore, in the description of the background of the five-year plan 2002-2007, it is being declared “the private sector has participated – in an institutional way in the preparation of the draft and in determining its general trends.” It is also stated that the five-year plan seeks to “Activate the role of the private sector and NGOs through participatory planning and securing the proper investment climate.” In fact, the argument for using this participatory approach stems from the MoP’s recognition of the increasing role played by the private sector that contributes with 60% of national investments and 70% of GDP. Additionally, in the December 2004 Government Statement to the People’s Assembly, it is listed that one of the working conditions and principles for the implementation of the ten developmental programs presented is to support sincere partnership between the government and the private sector. Thus, there are surely positive steps towards participation, at least at the official level. Nevertheless, one more element of the planning process that deviates from the structural/formal description is the participatory aspect.

According to an interviewee in the MoP, meetings are held with approximately 20 NGOs and representatives from the private sector (Heads of Chambers) every 2-3 months. The aim of these meetings is to make an effort to incorporate these entities into the planning process. However, partaking in the planning process is not felt among the civil society and the private sector. Also, an interviewee representing the donor community said that partnership between the GoE and donors is lacking in practice, as communication is

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126 Ministry of Planning, 3, 9-14.
127 Ministry of Planning, 39.
128 Ministry of Planning, 35.
129 Ahmed Nazif, Governmental Statement to the People’s Assembly. (Speech by the Prime Minister) (Egypt: The Cabinet, Information & Decision Support Center (IDSC), 2004, 6.
130 (1.1)
131 (5.3, 4.2)
scarce. From what was discussed above, and according to all interviews, it is clear that in practice the partnership between the GoE and the stakeholders in the development process is weak. The centralized political system in Egypt can to a large extent explain the GoE’s limited use of a participatory approach.

Centralized Government

Limited use of a participatory approach often goes hand in hand with an overly centralized government, as the one portrayed by the Egyptian political system. As Saad Eddin Ibrahim puts it in 2001 “The State (...) has yet to fully emerge from a form of centralized rule, (...) in which the entire policy revolves around an omnipotent ruler.” Kassem, concludes in her book from 2004:

“The Presidency during Mubarak’s tenure remains the essentially source of power and authority, as was the case with his predecessors. Advantageous laws and an extensive patronage system, combined effectively, have not only hindered the balance of power within the formal governmental branches, but also assured the preservation of personal authoritarian rule for Egyptian presidents for over half a century.”

This centralized rule, the top-down flow of commands and information as well as the general lack of delegation of responsibilities might explain the limited use of the participatory approach. The Egyptian government has confirmed its willingness to open up to greater citizen participation and to advance the democratic process. At the same time, the emergency law continues to limit full participation of the general public in the political process.

132 (2.4, 3.12, 5.3)
133 (5.3, 4.2)
135 Kassem, 43.
Ministry of International Cooperation

This section will examine the role of the MIC in national coordination of aid in Egypt. Firstly, the MIC is introduced regarding its goals, visions and objectives as well as its structure and functions. The focus is hereafter on the main responsibilities of the MIC: execution of the national plans regarding foreign aid and follow-up on the developmental outcome of the aid programs.

Goals, Vision and Objectives

In July 2004, Egypt established the Ministry of International Cooperation (MIC). The MIC was created based on Presidential Decree 201 of the same year that a new Cabinet was appointed. Ever since “international cooperation” was introduced in 1982 as a ministerial entity, the job and responsibility had fallen under the domain of other Ministries.\(^{137}\) The year 2004 was accordingly the first time it was a separate fully-fledged Ministry with a separate minister. The MIC has its own “Minister of International Cooperation”; Dr. Fayza Abu El-Naga.\(^{138}\)

Between 1987-1996, the function of international cooperation was managed in a “Ministry of State for International Cooperation”. This meant that the Prime Minister was responsible for the Ministry, as he was responsible for all the other “Ministries of State”. As such, the Minister of Ministry of State for International Cooperation could not make decisions without consulting the Prime Minister.\(^{139}\)

\(^{137}\) (Previously, the tasks of international cooperation had been under the Ministry of Investment Affairs (1982-1983), the Ministry of Planning and International Cooperation (1984-1986), the Ministry of State for International Cooperation (1987-1996), under Ministry of Economy and International Cooperation (1996-1997), under Ministry of Planning and International Cooperation (1997-2000), and the International Cooperation Sector – Ministry of Foreign Affairs (2001-2004). There were many reasons for placing the job under the above-mentioned ministries; the task of international cooperation was placed according to the main goals of foreign aid at the particular point of time Ministry of International Cooperation. Ministry of International Cooperation, A timetable of the International Cooperation domain’s placement within other ministries in Egypt since 1982. (Egypt: Ministry of International Cooperation; 2.1; 3.9).


\(^{139}\) (2.2)
According to Presidential Decree 303 of year 2004, the new MIC is responsible for “The development and support of economic cooperation relations between the Arab Republic of Egypt and other states as well as international and regional organizations.” The responsibilities of the Ministry as mandated by Decree 303 include the preparation of agreements for loans, grants, and financial guarantees, and the allocation of ODA, guarantees, and facilities. These tasks are handled by the MIC in cooperation with organizations, authorities, and institutions involved in economic co-operation. According to an official press release, the MIC is established “in appreciation of such a Ministry’s prospective vital role in driving and executing Egypt’s Development Plan for the upcoming phase.” Subsequently, the main functions of the MIC strategy to fulfill its mandate include acting as the national coordinator between government sectors, Ministries, and foreign organizations in order to secure foreign resources required by the national technical development plan. Secondly, they are to follow up on the developmental progress of projects and programs, from inception to impact assessment.

**Structure and Functions**

The MIC is divided into regional departments. In addition to this, there is a separate department only dealing with USAID because USAID is the dominating financial source of projects/programs. Furthermore, there is also a sole department with the sheer task of dealing with multilateral agencies. The department for European Assistance therefore administers the

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140 Ministry of International Cooperation, “Press Release”.
141 For details see Appendix B
143 Ministry of International Cooperation, “Press Release”.
144 For details see Appendix B
Danish aid.\textsuperscript{146} According to a key employee in the MIC, each department in the Ministry is supposed to deal with its own projects and programs.\textsuperscript{147}

In the preparation of agreements for loans, grants, and financial guarantees, the MIC needs to follow certain guidelines. Firstly, all projects and programs that the MIC is trying to get donor funding for, need to have prior approval by the MoP.\textsuperscript{148} The MIC then negotiates funding, and makes mutual agreements with donor countries/agencies. Secondly, presidential and cabinet approval is needed prior to negotiation for loans. Furthermore, for loans there is a roof of maximum US$ 1.5 billion per year to ensure ability of the Egyptian state to pay back. However, the process is different for grants that have no financial implications for the Egyptian system. During the negotiation period for grants, there is therefore no need for either presidential or cabinet approval. The negotiations and finalization of the agreements may thus be completed before approved by the cabinet and the president, and before a final parliamentary ratification.\textsuperscript{149} The drafts of the agreements are thereafter sent to the relevant line Ministry that heads the implementation. The MIC is responsible for contacting line Ministries and providing information for the respective entities.\textsuperscript{150}

\textbf{Analysis of Ministry of International Cooperation}

\textit{Execution of Plans}

\textbf{Official Procedure}

There are various procedures in use during the MIC’s execution of the five-year development plan. According to a senior employee in the MIC, the most often used procedures among four kinds of coordinating procedures, applies when the MIC contacts donor communities, proclaiming what projects it wishes to implement. A senior official at MIC stated, that the

\textsuperscript{146} (2.1)  
\textsuperscript{147} (2.4)  
\textsuperscript{148} (2.1)  
\textsuperscript{149} (2.2)  
\textsuperscript{150} (2.2)
MIC asks donors what needed support they can help providing according to the donors’ expertise, priorities, strategic preferences and respective interests in e.g. supporting their own companies.\textsuperscript{151}

Second method used by MIC to execute developmental plans is to submit the need for finance to the Development Association Group (DAG). Subsequently, representatives from the MIC explained that the Ministry regularly holds meetings with the DAG, where a certain Minister requests funding from the members.\textsuperscript{152}

A third way of coordinating aid activities occurs when the support initiative comes from donor agencies themselves.\textsuperscript{153} The donor’s offer (either a project or program) is then, if possible, fitted into the national plan. The MIC checks whether there is already funds transferred to the proposed goal and whether the donor’s idea for funding is a priority of the GoE.\textsuperscript{154}

In addition, Egypt is also allowed to obtain loans from financial institutions such as the World Bank or the African Development Bank, according to the status of its membership and participation within these institutions. This aid is also handled and channeled by the MIC.

The MIC states in its DCR 2002 that although donors have priorities of their own with regards to ODA allocation, it is essential for the recipient country to ensure optimum utilization of foreign assistance.\textsuperscript{155} In fact, efficient allocation of ODA is attained when assistance allocations as a whole match the development priorities and needs of the country. This means that, officially, the MIC is aware that the ODA needs to be coordinated. However, in the DCR 2002 the Ministry does not describe how ODA was coordinated to

\textsuperscript{151} (2.1)\textsuperscript{152} (2.1)\textsuperscript{153} (2.1)\textsuperscript{154} (2.1)\textsuperscript{155} Ministry of International Cooperation. “Development Cooperation Report 2002”. 26.
match exact development priorities, or what the precise priorities are for Egypt when this is done.

**Practical Implementation**

The stipulated role of the MIC in coordinating aid activities is very difficult to implement in practice. The challenges are immense the three main procedures described above meet many obstacles when put into practice.

The coordination that should be secured *when the MIC contacts a donor* does not seem to be effective under real life conditions. The senior head of a bilateral donor agency in Cairo showed an example of this process during the interview. The interviewee had, before the interview took place, received a letter from MIC offering the donor agency to choose from a number of listed projects that the MIC sought funding for. Each project was described in a few pages that were enclosed with the letter from the MIC. The head of the agency explained that the agency had very different competences than the ones needed to fund and implement the listed projects. Accordingly, he did not appreciate this strictly top-down approach by the MIC. The letter was therefore put aside. This left the head of this donor agency uncertain with regard to why he received this letter; why his agency had not first been asked about its competences, and on what basis the MIC had picked these concrete projects as the ones to be implemented.\(^{156}\) The interviewed Head of this donor agency was therefore confused, not enlightened, and no coordination was achieved.

The second approach by the MIC is to *contact the DAG* that since August 2001 has functioned as a donor coordination forum under the UN Resident Coordinator. The activities in DAG are discussed in the last section of this chapter; prerequisites for national aid coordination.

\(^{156}\) (5.3)
The third method that is followed by the MIC when coordinating ODA is when the donor approaches the MIC with a funding offer. When such an approach is followed, it seems as if the only coordination taking place inside the MIC is to ensure that funding is obtained to implement the technical plan. A senior top official in the MIC said (after many attempts of trying not to answer the question) that there is no independent developmental planning taking place within the MIC. The interviewee’s justification was that planning was the responsibility of the MoP and that the MIC’s only role was to get funding for projects already accepted and included in the technical plan in accordance with the five-year socio-economic development plan. Logically speaking, it seems rather inefficient when the executing Ministry does not have the necessary tools to carry out its work. The tools (the national plans) are so loose that it is difficult for the MIC to accommodate donor priorities while at the same time ensure that national priorities are met. With the lack of sufficient knowledge and a proper overview of aid activities in the country, one cannot expect the MIC to be able to undertake the role of the coordinator properly.

In certain instances the line Ministries bypass the MIC when seeking an external donor to fund a project. As a result, the MIC is not involved in the initial planning of donor relations with line Ministries until the final official agreement has to be signed. This furthermore acts as a potential obstacle for proper aid coordination to take place.

The above findings show, that the degrees of national coordination executed by MIC can be characterized as consultation with donors. This is the least extensive level of coordination where information is being shared between parties. Preferably, coordination would take the shape of a multifaceted process where also cooperation with donors involving discussions

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A former staff member in the MoP said that there was no doubt that the MIC should have a copy of the MoP’s plans to be able to react properly to other ministries and donors (2.2). However people inside the MIC said that they contact MoP for a certain project to be accepted in the plan every time a donor offer a certain project (2.1, 2.5).
with donors of policies, priorities and principles are taking place in order to maximize the outcome of aid programs. Also, coordination in the form of collaboration with donors, that is, agreeing on procedures and practices in an effort to ensure smooth, shared implementation of agreed policies would be a central facet of national coordination. Consequently, it must be concluded that the procedures of the MIC are not yet implemented and followed to an extent that would enable the MIC to fulfill its stipulated goals.

Follow-up

Official Procedure

As stated in the list of MIC responsibilities and functions, MIC is to follow-up on the progress of projects and programs, from initiation to impact assessment. The interviewees from inside the MIC confirmed, that the employees recognize the responsibility of follow-up on all projects. The Centre for Project Evaluation and Macro-economic Analysis (PEMA) under the MIC is responsible for these tasks. Supposedly, in the future, annual DCRs shall show the status of a follow up on ODA disbursements on macro-level according to national priorities.

Practical Implementation

Inside the MIC, the follow-up mechanism is portrayed as weak since there is insufficient capacity to manage the task of following up on programs’ developmental impact. Most outsiders described the follow-up as non-existent. An outsider was, after having been in touch with the MIC, of the impression that the MIC reviews are restricted to procedural

\[158\] Claret de Fleurieu, 18-20.
\[160\] (2.2; 2.4)
matters, and do not address substantial issues. It does not focus on coordination between donors, but on procedural or financial issues.\(^\text{161}\)

The Center for Project Evaluation and Macro-economic Analysis (PEMA) evaluates projects after they have been completed. This renders this follow-up setup fairly unhelpful during the implementation of any projects and unable to redirect financial resources to the most successful parts of the program. The follow-up that takes place in PEMA, however, serves to pivot capacity building in the unit, as it gains additional experience of how projects should be designed and implemented to accomplish the intended impact. According to senior personnel in the PEMA, there is a need for additional capacity to follow-up on projects. However, according to the person in charge of PEMA there has been a significant progress in the center for the last 12 months, starting July 2005, such that with time the PEMA – if granted more resources – could become a useful national follow-up unit.\(^\text{162}\)

There are definitely also institutional weaknesses in the follow-up process, as the Minister is not demanding technical memorandums on a regular basis. The staff only produces evaluations on request by the minister.\(^\text{163}\) Hence, the structures do not encourage the employees to follow-up continuously.

In the DCR 2002, the MIC describes how the ODA is allocated sectorally and geographically on the macro-level.\(^\text{164}\) In the document, it is briefly described how some of the sectors that receive the most donor funds have either reached more or less ODA than expected. In the document there is no categorical prioritization of the different sectors. For example, both the educational and the environmental sectors are given “highest priority”. In this section, it could have been useful to provide the ODA disbursement according to some clear national priorities for the ODA. However, the DCR only provides a very general

\(^{161}\) (4.1)  
\(^{162}\) (2.4)  
\(^{163}\) (2.4)  
statement of previous distribution as well as general policy recommendations to GoE, donors and implementing agencies.165 Hopefully, future DCRs will provide follow-ups on disbursement according to national priorities and provide an overview of the allocation, as the donors might very likely want such priorities for the upcoming period.

Nonetheless, one task of the MIC that seems to work fine is when the MIC takes on the role as problem-solver handling complaints from donors and informing the respective Ministries, that they cannot obtain funds from donors due to dissatisfaction. If Ministries do not improve, the MIC informs the Prime Minister. Also, the line Ministry can inform the Prime Minister that the MIC themselves cannot obtain the funding applied for; usually this information is channeled smoothly and helps donors implement their aid activities in Egypt.166

In 2002, the Development Cooperation Data of Egypt (DECODE) unit in the MIC produced the first report called the “Egypt International Cooperation Report - 2001”. Before this volume, there was no comprehensive database on aid in the Ministry. The next report for 2002 was produced in April 2005, and the one for the year 2003 was launched in November 2005, while the date for the launch of the newest and updated version for 2004 has not yet been set. This production of DCRs represents a great progress in the information available from within the MIC. It also shows that until now, updated information has not been available in the ranks of the MIC. Accordingly, the Ministry does not have the basis and the overview to coordinate foreign aid activities properly. The civil servants in the Ministry are, according to insiders in the MIC, not adequately trained, which means that they lack knowledge and professionalism.

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166 (3.14, 4.1)
It is fairly clear, that the earlier kind of aid scheme, where donors implemented and evaluated their own projects with their own apparatus, gave the national authorities fewer incentives to promote the capacity to follow-up. However, since the national structures are now beginning to play an actual role, they need time to start up and get running. The latest progresses of DCRs seem to indicate a more constructive future of the MIC regarding coordination and following-up.

**Issues pertaining to Execution and Follow-up**

During the research some specific aspects showed to be essential for the coordinating role of the MIC, these are discussed in the following.

**A new Ministry – a new Structure of National Aid Coordination**

Indeed, one must allow the MIC some additional years to operate before a fair evaluation can be executed. It is a new Ministry that needs to build up its competences over the years to come. At the same time, if the government really wants a strong MIC that follows up on projects and programs and ensures aid coordination, it should support MIC with more funds, higher salaries to attract good researchers etc. An uplifting recent development is the newly published DCR 2003 from November 2005 that has chosen coordination and harmonization as main topics. In this report, the public is being informed on the initiatives done by GoE, especially the MIC, in an effort to increase donor coordination. These initiatives – the DAG, the DCRs etc - are also mentioned in the present report.

In spite of the positive developments, the basic legitimacy of this new Ministry is worth questioning. An interviewee stated that the creation of the MIC is an example and a result of the Egyptian system’s way to react when it identifies a problem – they create
something new.\textsuperscript{167} As a consequence of the lack of coordination, the government created a new Ministry: the MIC. However, as concluded by an interviewee “The creation of the MIC does not automatically solve the problem that all the other Ministries do not collaborate.”\textsuperscript{168} It might have been more effective if the MIC task was taken care of by MoP that is already in charge of planning and have developed experiences within strategy making.\textsuperscript{169} Trying to make double capacity building in the MIC and in the MoP may not be worthwhile and justified\textsuperscript{170}, one interviewee argued. At the same time, one key senior official in MIC did not find anything flawed with the overall structure in which MIC finds itself or the way the functions were implemented by the Ministry\textsuperscript{171}. This was stated in spite of the fact the interviewee also commented that there were a multitude of issues that needed to be resolved within the MIC.

The Practical Role of the MIC

When asked the question of whether Egypt executes any aid coordination, a former manager in a Ministry answered: “There is no (or very little) national aid coordination, there is no (or very little) local aid coordination and there is no (or very little) sector aid coordination – because the system is wrong”. He defined the MIC as a “bureaucratic paper-shifting organ” that is not strong enough to stand alone and which is only capable of taking complaints. He summarized his assessment of the MIC by stating, “It could not be any worse - there is no coordination.”\textsuperscript{172} By and large, outsiders generally viewed the MIC’s role as minimal. Another person, representing civil society, summarized the situation this way; “My

\textsuperscript{167} (4.1) \textsuperscript{168} (3.2) \textsuperscript{169} (4.1) \textsuperscript{170} (3.2) \textsuperscript{171} (2.1) \textsuperscript{172} (4.1)
conviction is that it does not make a difference with the MIC or not.” These comments from line Ministries and civil society must make one wonder how much coordination the MIC does indeed accomplish.

Centralized Decision-making Process

One of the main causes resulting in the shortcoming of clear-cut sector targets, policies, and strategies might be the relatively high degree of centralization in Egypt’s decision-making process, in which decision-making powers are rarely conveyed to lower levels of civil servants. The implementation and use of the plans in coordination of aid is (to the extent it takes place) very centralistic and top-down. This may explain the vague answers of some interviewees in the MoP and the MIC when they were asked specific questions. It became clear, that they were focused on the planning or formal coordination that takes place on their level. However, they had often not thought about whether and how their planning could effect implementation in practice. The MIC would greatly profit from and create more interest in its operation by improving their communication with the line Ministries, donors and civil society.

Lack of Information

An interviewee inside the MIC declared “sometimes one finds some similar projects close to each other that are financed by different donors. The lack of previous coordination is due to MIC’s need for more information.” The staff in the Ministry said they needed full information to facilitate coordination and take the right decisions. When Egyptian authorities do not know the country’s needs, they cannot say ‘no’ to new donor programs. This hampers national planning and coordination. Egypt should be able to express which

173 (4.2)
174 (2.2)
175 (2.2, 2.3, 2.4)
programs are needed and not accept other offers. However, this certainly does not yet happen. A member of the private sector strongly believed that Egypt is not prepared to manage national coordination, as it is simply neither prepared nor able to tell the donors what the country’s needs are.

According to a source in the MIC, the Ministry has asked a donor to provide a Geographical Information System (GIS) in technical assistance so that the MIC can get an overview of the developmental projects and programs in the country.\textsuperscript{176} Also, the UNDP and the EU has helped the MIC with tools and capacity to execute its functions. This means that the MIC is getting help to improve its tasks, which seems to be a very positive trend.

\textbf{Lack of Competences}

The different needed competences with respect to development strategy, writing of program documents, and methods of evaluation are lacking in the MIC.\textsuperscript{177} Most of the staff within the Ministry cannot see the differences between different projects or programs, an outsider said.\textsuperscript{178} A senior official in the MIC backs up this point by saying that when it comes to the evaluation of projects, MIC personnel needs to learn how to distinguish between good and bad projects. The senior official in the MIC said they were in the process of learning – the willingness was there – but the knowledge and skills were still missing.\textsuperscript{179} Indeed, if the plans were outlined in proper detail and the aid capacity were present inside the MIC, the Ministry would be able to fulfill its role of “driving and executing Egypt's Development Plan”. However, this goal has not yet been achieved, as there is no capacity to execute the plan properly in the first place.

\textsuperscript{176} (2.2)  
\textsuperscript{177} (2.4, 4.1)  
\textsuperscript{178} (4.1)  
\textsuperscript{179} (2.4)
Lack of National Coordination: also the Donors’ Fault

There are many examples of donors not willing to be responsive to the needs formulated by the country’s own authorities. Also donors are often not interested in joint projects or programs. In addition to this, unpredictability is a problem for the national coordination authorities. A senior member of staff in the MIC raised this question in an interview “How do I know if we get 5 or 50 million LE? And how do we plan and coordinate, if we do not know?” Also, the problem is that donor commitment is established and defined well in advance of the donor activities actually being initiated. Basically very few factors are predictable. These are some of the external factors challenging national aid coordination in Egypt. However, the research of this thesis is on how the partner country’s authorities fill out the necessary prerequisites for managing national coordination.

Prerequisites for National Aid Coordination in Egypt

The previous sections tackled the prerequisites for donor coordination on the partner country’s side. These prerequisites are formulated by the UNDP.

1) A clear policy framework at the national level to ensure a long-term development visions are in focus when national priorities and strategies are decided upon;

2) A system of medium-term rolling development programs is required with budget estimates tied to sector strategies, programs and projects; and

3) A clear division of responsibility between core and line Ministries.

4) A governmental forum to secure efficient government-donor partnership needs to be established.

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180 (2.1)  
181 (4.2)  
182 UNDP, vi, 29-30.
The following discussion presents an analysis of the extent to which Egypt fulfills the above-mentioned prerequisites for national coordination. The Vision 2022 is supposedly functioning as the ‘policy framework and long-term development visions’ and is referred to in the five-year and the one-year plans. In practice, the existence of this Vision 2022 document means that there is a policy framework and long-term development visions in Egypt. However, it has been difficult to document whether this vision functions well as the policy framework and long-term development vision since it is only being referred to and yet not made available. At any rate, as judged from the summaries of this vision document, it appears unlikely that it meets the requirements defined by the UNDP. A comprehensive vision would ensure that national governance could undertake widest possible participation in decision-making. Furthermore, an ideal vision includes incentives to ensure and qualify to which extent society moves towards implementing the vision, and means in the form of regulations and service deliveries to optimize the goals stipulated in the vision document. Vision 2022 does not contain such information.

This conclusion is supported by the fact that none of the interviewees mentioned either the former or the current vision documents. This indicate that only a minority of the people who would be expected to be responsible for implementing the Vision document are aware of its existence. According to officials in the MIC, the MoP keeps the vision document within its own Ministry, and does not distribute it to line Ministries. The argumentation for the rational behind this decision is that the line Ministries are solely supposed to implement and follow-up the five-year plans.

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183 A UNDP definition of a policy framework and long-term development vision includes for example how the population’s future living conditions and opportunities in the country shall be affected by socio-economic and political means; what the political structures of participation are; and the roles that should be instrumented by all the different groups in society in order to achieve this vision. UNDP, 29.

184 UNDP, 29.

185 The MIC has a long technical version of the previously mentioned five-year plan “The Economic and Social Development Plan for 2002-2007”, which contains all the activities accepted by the MoP on its more than 2050 pages (2.5).
The Five-year plan for socio-economic development fills out the formal and theoretical role as a medium-term plan. However, just as it was the case with the 20-year vision document mentioned earlier, it does not fully meet the UNDP standard requirements for a five-year plan. Such a medium-term plan, according to UNDP, must include budget-estimates tied to sector strategies, programs, and projects. When such information is lacking, the experience of UNDP is that the actors outside the implementing institutions cannot define or find their own roles and contributions. For donors, these concrete programs are necessary as a starting point to channel any scheme of aid to a country.186

Egypt’s five-year plan is without any budgetary estimates tied to programs and projects of specific sector strategies. The strategies mentioned in the five-year plan are very general and are not prioritized. Therefore the donors in Egypt have heavily criticized this lack of medium-term program planning.187 According to the Development Cooperation Report 2002, donors have expressed concern that the GoE has not yet formulated clear-cut sector targets, policies, and strategies – apart from the broad development objectives and priorities already indicated. If these existed, they could surely guide donors and help pivot the entire scheme of aid coordination.188 As a matter of fact, in the DCR 2002, which briefly tackles the coordination of ODA disbursement, it is written that the donors request that the GoE make more clear-cut sector strategies, policies, and targets to guide the donors’ disbursements. The reply by the MIC in the DCR 2002 on this request was that “The initiatives taken by the MIC in this regard aims at addressing this issue”. However, the precise nature of these taken initiatives was not specified anywhere in the response. The report goes on stressing that better coordination between the MIC and donors is essential to ensure maximum utilization of funds. While decentralization should reduce administrative

186 UNDP, 30.
and management costs, it is mentioned that this should not undermine the central coordinating role of the Ministry.\(^{189}\)

In conclusion it can be said that it is simply unclear from the MoP’s Vision 2022 and its five-year socio-economic plan what the main priorities of the GoE are. Consequently, this means that it is complicated for the MIC to execute the developmental plans, thus fulfilling its role as aid coordinating body.

The role of the Steering Committee with regard to prioritizing the wish lists of the line Ministries is not at all transparent. Therefore, the third prerequisite for aid coordination does not seem to be fulfilled.

According to UNDP, the greatest weakness pertaining to aid coordination today is the absence of a dialogue between the government and the various donors at the country level.\(^{190}\) Indeed, partnership is a central part of national coordination. In practice the coordination does not take place if the GoE and the development stakeholders do not have consultations, cooperation, or collaboration regarding policies, principles and priorities, procedures and practices.\(^{191}\) Inspired by the Paris Declaration in 2005, which Egypt has signed,\(^{192}\) the senior staff in the MIC proclaims that the Ministry is trying to fulfill this commitment by establishing a Committee of MoP, MoF, MIC, line Ministries and donors. These parties have indeed already met on a few occasions. At these meetings each donor supposedly provides the others with a proposal and each representative gives his/her opinion in person, concerning aid disbursement. Obviously, the MIC could have a very important function as coordinating body of such meetings and thus fulfill their main task.\(^{193}\) However, this series of meetings are


\(^{190}\) UNDP, vi.

\(^{191}\) Claret de Fleurieu, 18-20.


\(^{193}\) (2.2)
not yet fully institutionalized and thus do not yet fulfill the role of a governmental/donor forum for coordination of aid.

In developing countries, the lack of such an efficient forum reflects a lack of the necessary capacity. Ministries of finance and planning need to have devised a medium-term development strategy, and line departments must be capable of conducting the necessary sector policy dialogues. When these elements are not present, it is difficult if not impossible for the authorities to establish such an aid coordination forum.\(^\text{194}\)

In Egypt, the UN Resident Coordinator has assessed that these necessary capacities were not in place and has therefore set up the Donor Association Group (DAG) and provided a matrix containing the donors’ contribution to all ten development programs/areas as defined in the previously mentioned speech by the Prime Minister in 2004. The DAG consists of two groups: the large donor group with a representative from about 50 embassies or organizations that provide the most aid to Egypt. There are no representatives from civil society, private sector or NGOs. Moreover, there are 8 DAG subgroups divided into different fields of development. Most sub-groups have two chairs, often one from a donor agency and one Egyptian official working in a key position within the respective field. The sub-groups are supposed to meet every month where they attend a presentation by a government official or someone from the academia.

The purpose of the DAG meetings are obviously to attempt to compensate for the MIC not taking on the responsibility of national aid coordination, as well as Egypt not having a Poverty Reduction Strategy that could potentially guide the donors. In fact, a representative from the DAG executive Secretariat explained that the GoE is doing its best to coordinate

\(^{194}\) UNDP, vi.
between donors, but is obstructed by not having the needed human resources and funds to undertake the task properly.⁹⁵

The coordination operations of the DAG meetings take place at different levels. In the plenary DAG, where all the Embassies and organizations are present, the coordination effort can be characterized as being on a consultation level.⁹⁶ Conversely, in the DAG thematic sub-groups, the coordination is more aligned to the government and line Ministries and the kind of coordination taking place could be defined as being on the level of cooperation. The third and most extensive level of effective coordination collaboration only happens in some of the most active sub-groups and it is still only on the agenda for others.⁹⁷

According to a key official at the Royal Danish Embassy in Cairo the best coordination of aid activities in Egypt happens in the DAG. Unfortunately, Egyptian authorities do not have the ownership of the coordination that takes place in DAG. The DAG Secretariat under the UN Resident Coordinator would have liked to see a national ownership of aid coordination, but this cannot happen as long as the necessary capacity has not been developed in the MIC.

The lack of national coordination in Egypt is not solely a problem that could be solved by institutional support and capacity development, despite the fact that it could appear to be the case at the first glance. In addition, a willingness at the presidential and ministerial level to allocate the necessary national resources to the MoP and the MIC is absolutely necessary before these prerequisites can be fulfilled.

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⁹⁵ (5.2)
⁹⁶ (5.2)
⁹⁷ (5.2)
Conclusions

Officially, Egypt does have national aid coordination. The MoP is the Egyptian authority with the responsibility to coordinate foreign aid programs as accomplished by planning and financial follow-up. The MIC is responsible for executing the plans and developmental follow-up. Thus it is not the same authority that is responsible for preparing and executing the plans.

In practice, the MoP produces a long-term vision, medium-term plans and annual plans: However, the plans are by and large so general that they do not provide the necessary details for priority setting at the MIC as needed for implementation. Donor strategies indicate that some donors align their official approaches to the MoP’s national visions and plans. This means that the MoP does indeed to some extent foster national coordination by producing national vision and strategies. Furthermore, on the strategic level as well, the MoP actively collaborates in producing reports on poverty reduction with donors such as the WB and the UN, thus consulting and cooperating with donors. Unfortunately, the impact of these efforts is severely reduced by the centralistic nature of the MoP operations. This results in a low level of participation of non-governmental stakeholders in the planning process.

The MIC, which has the task to mediate contact to donors, uses the five-year plans when coordinating with donors. However, the coordination is insufficient as it only involves scarce consultation with donors. As the plans are not very detailed, donor-proposed activities can easily be fitted into the plan, making the notion of national donor coordination somewhat useless. The financial follow-up by the MoP seems to be working, whereas the MIC’s follow-up on impact is very limited.

This research investigation has demonstrated that there is a consistent discrepancy between the official policies and the practice regarding national aid coordination in Egypt. Sometimes,
as in the case of the Steering Committee, it has not been possible to elucidate what is the reality of national coordination of aid in Egypt. The prerequisites for national aid coordination as listed by UNDP are therefore according to this research concluded not to be fulfilled in Egypt. The long and medium term planning provided by the Egyptian authorities is simply not adequate to serve as efficient tools for the MIC coordinating foreign aid activities. Also, clear division of responsibility between core and line Ministries is deficient due to a lack of transparency with respect to decisions and procedures in the Steering Committee. There is no national-led forum for coordinating aid in Egypt and the overall strategies, priorities and programs are not formulated based on a participatory approach with donors, private sector and civil society entities. It is thus virtually impossible to ensure smooth and shared implementation of policies agreed upon by the government and donors.

This research investigations shows that Egypt has major difficulties in deciding on foreign aid priorities and administration and with respect to having the ownership of the aid activities. In this context it is important to note that agencies like Danida now has decided to gradually shift parts of its development assistance to partner countries to budget support as a replacement for program support. It is clear from this research that a country like Egypt would need many more years of capacity development and institutional strengthening before it is able to prioritize, plan, coordinate as well as follow up on foreign assistance. At the moment the planning process at the top of the system is non-transparent. Previously the national plans, strategies and priorities have been too general, and the donors have not known, understood or followed a scheme of national coordination. With certainty, Egypt could benefit a lot from receiving capacity building to the MoP and the MIC before receiving direct budget support.
It is known that Denmark phases out its aid to Egypt by 2008 so the question of Danida shifting to budget support in Egypt is not realistic. However, had Denmark not decided to withdraw its assistance to the country, and Egypt instead had received more capacity building in the years to come, the country might have been able to profit from budget support in the future. Had Danida begun to give budget support to Egypt these years, it must be envisioned that inefficient use of its resources in Egypt would have become a major issue in the years to come. The political consequence of this could be that the Danish government decides to reduce its foreign aid.
CHAPTER 3

Environmental Sector Program - and its Internal National Involvement

The general conviction among the interviewed environmental stakeholders in Egypt was that foreign aid programs do not have a satisfactory impact on improving the environment. It must therefore be relevant to investigate whether this is due to a lack of national coordination between institutions in the field of environmental policy. This research will focus on the Environmental Sector Program (ESP) in Egypt and investigate whether insufficient national coordination has limited the intended impact of the program. This chapter investigates the features of national involvement in the ESP and how it affects the intended outcome of the program. Firstly, an overview of environmental aid to Egypt is provided, showing the broader context of the ESP. Secondly, the case study of the Environmental Sector Program will illustrate how national involvement in the program can affect the outcome of the program.

Account on Environmental Aid to Egypt

A recent World Bank study on cost assessment of environmental degradation, estimates the damage cost to be LE 10-19 billion per year (or 3.2-6.4 percent of GDP). The environmental situation is worsened by the rapid population growth, which damages Egypt’s national resources. This estimate additionally stresses the need for efficient environmental foreign aid and national aid coordination is one of the factors that possibly can increase the impact of the environmental aid to the country. The latest official data available from the MIC from 2003 shows that the donors’ total disbursement for targeting MDG 7

(environmental sustainability) amounted to US$383 million, which is a 7 percent increase from 2002. During the same period, the number of environmental development projects operating decreased from 233 to 209. In 2003, the main donors contributing to Goal 7 were the African Development Bank (ADB) with 24 percent, followed by the USAID with 20 percent and the European Investment Bank (EIB) with 15.7 percent. With regard to the environmental MDG, donors have committed a net budget of US$8.98 billion until the year 2009. Concerted or joint initiatives, including “basket funding” have, so far, been rare in the sector of environment.

In Figure 6, the chart shows the distribution of ODA disbursements by MDG in US$ million during the period 2001-2003. The donor funds allocated within the environmental field in Egypt are relatively high compared to the other areas of the MDGs.

![Figure 6: Distribution of ODA disbursements by MDG, 2001-2003, US$ million](image)

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All interviewees from the government’s environmental sector stated that Egypt has received a considerable amount of funds compared to the improved environmental impact that the assistance brought about.\textsuperscript{204} For example, Danida has spent somewhere around 300 million LE on environment aid to Egypt since year 2000. According to some managers in EEAA, this high investment did not result in the expected and desired improved environmental outcome.\textsuperscript{205} A similar opinion was expressed by a manager at the MIC responsible for coordinating USAID’s environmental aid to Egypt. This interviewee thought that the relatively modest accomplishments achieved using USAID support in this area were disproportionate with the allocated funds.\textsuperscript{206} One explaining factor of the limited outcome of the foreign environmental aid programs could be lack of coordination. But it should also be remembered that environmental issues are typically complex and difficult to resolve.

Figure 7 shows the disbursements of ODA by geographical allocation in 2002-2003 weighed against the regional standards of environment as defined by the percentage of Egyptian households with access to piped water and sanitation in 2001 in different regions. The MIC uses access to piped water and sanitation as an indicator of environmental conditions. However, it can always be debatable whether this measure is adequate and sufficient. The graph shows some selected governorates, stated to be medium- and low-ranking governorates that were targeted by ODA. However, the MIC also acknowledges that the governorates of Menoufia, Assiout, Matrouh and South Sinai (which are not included on the graph) had the lowest access to piped water and sanitation and yet received the lowest percentages of ODA disbursements. The MIC recognizes that this knowledge of a disproportionate distribution of environmental aid should be reflected in future re-allocations of ODA to increase efficiency of resources.\textsuperscript{207}

\textsuperscript{204} (3.7)
\textsuperscript{205} (2.2, 3.10)
\textsuperscript{206} (2.2)
The Environmental Sector Program

During the 1997 annual consultation between the governments of Denmark and Egypt, it was agreed that future environmental co-operation between the two countries would be structured as Sector Program Support (SPS). Danida first introduced this kind of assistance strategy in 1994 to ensure that Danish support would be harmonized with the sector policies of the different partner countries regarding mutual cooperation. Before 2001, Danida had been giving project support to Egypt in the fields of environment, water, and energy, but by January 2000 the SPS was appraised. January 1st, 2001 was the starting date for the Environmental Sector Program (ESP), where the Egyptian Environmental Affairs Agency (EEAA) under the Ministry of State for Environmental Affairs (MSEA) became cooperating agency in Egypt with Danida. The total budget of the SPS program, including the already

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209 “Sector Program Support” replaced the previously used “Project Support”
ongoing projects, was DKK 432.1 million equal to US$58 (DKK 7.44 = US$ 1) spread over the period 2001 to 2006.\textsuperscript{211}

The developmental objective\textsuperscript{212} of the ESP is to contribute to the efforts of the Egyptian government to improve environmental conditions, and furthermore to develop environmental management capacity of institutions by provision of frameworks of compliance with environmental regulations.\textsuperscript{213} This goal is to be achieved through effective implementation of environmental management and improvement activities at the local level. Also, the ESP aims at supporting the EEAA’s strategy for rationalization of its services and functions as well as providing institutional support to two selected governorates, Aswan and Beni Suef. Furthermore, the ESP aims at assisting Egyptian industry in improving compliance with environmental regulation through a focus on implementation of cleaner production systems.\textsuperscript{214}

**Structure of the ESP**

The ESP consists of several components and support activities, some of which have changed during the course of the program. In June 2005 the components within the program were SDEM (EMU, DEM, EMG), ACI, CEM, and EIMP. The *Decentralized Environmental Management (DEM)* component is responsible for setting up Regional Branch Offices (RBOs) that lead to a decentralization of the environmental management in Egypt. The *Environmental Management in the Governorates (EMG)* component, however, is expected to set up Environmental Management Units (EMUs) in the Governorates. Collaboration on rules and cooperation takes place between RBOs and EMUs. The *EMU* component is a pilot project that had the purpose of establishing the EMUs to show that for a fairly small amount

\textsuperscript{211} DMFA, “Final Sector Programme Support Document - Danish Support to the Environment Sector,” x.

\textsuperscript{212} For details see Appendix C

\textsuperscript{213} (DMFA, “Final Sector Programme Support Document - Danish Support to the Environment Sector,” viii.

\textsuperscript{214} (DMFA, “Final Sector Programme Support Document - Danish Support to the Environment Sector,” viii.
of money the EMUs could be set up, and decentralization achieved.\textsuperscript{215} The new structure of the ESP stipulates \textit{Support to Decentralized Environmental Management (SDEM)}.\textsuperscript{216} This entity is thus made responsible for the three abovementioned components under a common planning, budgeting and work-planning framework. This system was introduced to augment and enhance coordination and effective use of Danida funding within the three components.\textsuperscript{217} The \textit{Achieving Compliance in Industry (ACI)} component’s development objective is to improve compliance with the environmental legislation through cleaner production in a number of Egyptian industries.\textsuperscript{218} The \textit{Communication in Environmental Management (CEM)} component provides support in the form of increased communication and awareness within EEAA, the RBOs and EMUs, which is necessary for the other components intended activities to take place.\textsuperscript{219} The \textit{Environmental Information and Monitoring Program (EIMP)} component aims at enhancing knowledge and understanding of environmental quality and pollution sources and their interaction via primarily supporting the Environmental Quality Department within EEAA.\textsuperscript{220} The \textit{Fertiliser and Ferrosilicon Plant (KIMA)} component that was designed to prevent and control pollution from the KIMA fertilisers and ferrosilicon plants was removed from the ESP in 2003.\textsuperscript{221}

A senior official at the Royal Danish Embassy in Cairo has the overall responsibility of the ESP. Inside the program itself, which is implemented in EEAA, the highest level of responsibility of the ESP is placed in the Program Coordination Committee (PCC) of which

\textsuperscript{216} The SDEM now contains the EMU (12 EMUs), DEM (that does the RBOs), and the EMG (EMUs) that all are described in “Draft Final Component Description”. Egyptian Environmental Affairs Agency and Danish Ministry of Foreign Affairs. \textit{Draft Final Component Description - Support to Decentralisation of Environmental Management (SDEM)}. (Egypt: 2005).  
\textsuperscript{218} Egyptian Environmental Affairs Agency and Danish Ministry of Foreign Affairs. “Adjusted Sector Programme Support Document – Danish Support to the Environmental Sector”, 25-30  
\textsuperscript{220} DMFA, “Final Sector Programme Support Document - Danish Support to the Environment Sector,” 79.  
\textsuperscript{221} DMFA, “Final Sector Programme Support Document - Danish Support to the Environment Sector,” 89.
the chair is the Minister of MSEA. This committee meets 2-3 times every year. The Program Steering Committee consists of the governors of Aswan and Beni Suef, a representative from the Royal Danish Embassy in Cairo, the Chief Executive Officer (CEO) from EEAA, the ESP coordinator (Egyptian), Chief Technical Advisor (foreign), a representative from MIC, and a representative from Department of International Cooperation (DIC) in MSEA. Until 2004, the Program Steering Committee (PCC) was under the supervision of the Program Support Unit (PSU) responsible for all components. However, due to the second review mission in October 2004, the PSU became a Program Management Unit (PMU) that monitors SDEM, gives support to EEAA’s strategy, the Environmental Protection Fund (EPF), budget support to CEM (communication) and EIMP (information). The Program Management Unit (PMU) consists of a (local) Program Coordinator and this person’s counterpart (a foreign Chief Technical Advisor) and a (local) Technical Coordinator. The PMU is accountable to Danida for monitoring and follow-up. Also, the PMU is responsible for helping EEAA on a strategic level, e.g. making the NEAP into an Action Plan, delegating responsibility to magistrates, and improving communication flow in EEAA.

In addition, every component has a local manager who has an advisor by his/her side. Thus the program is designed with two managers in each leading position; an Egyptian and a foreign advisor. This means that there are two Program Coordinators responsible for the entire ESP and two managers of each of the components. The advisors are meant to develop the capacity of the Egyptian counterparts, yet the Egyptians are supposed to be the responsible part, leading the implementation.

The ESP’s structure as well as its internal flow of information is conducive to national involvement and coordination. There seems to be a satisfactory flow of information

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222 (3.5, 3.12)
224 (3.12)
from the ground level of the program (the components and the SDEM) to the PMU and the PCC, as well as structured interaction and internal coordination. The relations between the mentioned levels of management in the ESP can be found in Appendix D.

Account of the Environmental Sector Program

The first program document and the introduction to EEAA staff of the ESP was donor driven. This became clear from interviews with experienced Danida employees as well as local members of staff in EEAA. According to some local staff members, the first time they were made aware of the program, it was presented as an already made and finalized program. Some local managers were indeed consulted about the program. Yet, it was their impression that Danida made the final decisions without their involvement. Also, the first program document was too difficult to grasp due to the program’s complexity, the numerous substructures and abbreviations used. In addition, the first program document was written using Danida terminology, and although translated from English into Arabic the language made the local staff members in EEAA alienated and disconnected from the new program. According to senior staff in EEAA, most employees were confused in the beginning and the introductory courses of the ESP were insufficient to make the Egyptians feel ownership of the program.

On the positive note, this research investigation strongly indicates that the situation has improved and that there is now generally a great satisfaction with the current proceedings used by Danida. It appears as if the current officials are able to accommodate the local staff members and involve them in a constructive way. This is a clear shift in comparison to the

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225 (3.8, 3.14)
226 (3.8)
227 (The language policy of Danida has been changed and all documents are now translated into unproblematic Arabic. Danida uses some of the best translators although some in MSEA find them too expensive (3.14)).
228 (3.8, 3.14)
initial phase where some local staff members in EEAA felt looked down upon, pushed and given order by the Royal Danish Embassy in Cairo and Danida.

The donor driven characteristics of the initial phase of the ESP have caused a subsequent delay in the phase of program implementation. The current Danida staff greatly regrets that the program was rushed through in 2000/2001. However, due to disbursement pressure there was no other alternative available at the time. One member of staff in DIC said that this is an example of Danida’s focus on results instead of being process-oriented.

Owing to a greater effort by present Danida staff at the embassy and in the program, the apathy among the EEAA staff during the first couple of years with a consequent low program output has now been replaced by progress. In October 2004, the implementation had begun and the program finances were beginning to be spent. The staff in EEAA now understands the program, feels a higher degree of ownership, and thereby makes a lot more progress than previously with regard to the implementation of the program.

At the High Level Negotiations in 2003, it was decided to phase out the program in the year 2008. This decision shortened the period available to embed the program into the relevant national structures, and made the time for the phasing out approach much sooner than planned. The Danida advisors are now in a difficult situation. They need to push the program forward at the same time ensuring its self-sustainability by letting local staff take on increased responsibility. Due to dissatisfaction, the latest Review Mission (2005) resulted in a memoir being written jointly by local and foreign consultants. The recommendations in this “Aide Memoir - from a Joint Review of the proposed Reshaped ESP April-May 2005” were that the ESP document should be modified so that the ESP includes elements of strategic

229 (3.14) 230 (3.10) 231 (3.8, 3.12) 232 These changes can be found in the “Adjusted Sector Program Support Document – Danish Support to the Environmental Sector” from 2005, and in the “Draft Final Component Description – Support to Decentralization of Environmental Management (SDEM)”. Egyptian Environmental Affairs Agency, and Danish Ministry of
support to different EEAA departments, support to the Environmental Protection Fund, a ceasing role of the PMU at the end of the program period, and increased clarity about division between EEAA, RBOs and EMUs.\textsuperscript{233} The PCC approved these changes August 22nd 2005. In summer/fall 2005, the PMU started making an exit-strategy, where the procedure for the EEAA taking over the responsibility of the funding and the implementation of the ESP is described.\textsuperscript{234}

\section*{Analysis}

\subsection*{Counterparts}

Some interviewees from EEAA pointed out that the set-up of two managers in the same position in the program as the only right way to implement an aid program. However, others said that this is an impossible construction creating conflicts and unclear leadership.

The double-staffed positions are meant to foster capacity development of the EEAA and to demonstrate that the program is nationally owned and driven. However, certain challenges obstruct the actualization of this scheme. The local private consultancy EcoConServ’s report \textit{Donor Assistance to Egypt in the Field of Environment} from June 2005 contains a summary of the findings from a survey on donors and Egyptian counterparts and is a good account of the lessons learned during the last ten years of cooperation in the field of environmental aid. One finding is that there is no equal standing between donor and counterpart in the design phase of aid programs. This has also been seen to be the case with

\begin{flushright}
\textsuperscript{233} Egyptian Environmental Affairs Agency and Danish Ministry of Foreign Affairs. \textit{Draft Final Component Description - Support to Decentralisation of Environmental Management (SDEM)}.
\textsuperscript{234} (3.6, 3.12)
\end{flushright}
the ESP. The Egyptian counterparts state in the survey that this is one of the main difficulties, concluding that “..Counterparts are viewed as recipients and not real partners”. 235

In reality, it depends on the situation whether the Egyptian staff member or the foreign advisor make a certain decision. Some local staff members mentioned that often when an Egyptian takes the lead, the foreign advisors are correcting him or her. It is difficult for the Danida advisors to hand over the full responsibility e.g. when the issue is money expenditures. Some Danida advisors still request to sign all checks that might as well just be signed by local staff. Another key element of the ESP that is dominated by the donor becomes apparent when a program is to be reshaped. Danida staff seems to be more enthusiastic than the Egyptians. The Egyptians, in many cases, view this process as too time consuming, too focused on written documents and small details, and with far too many meetings and workshops involved. 236 This means that the resulting overall strategic changes, as the formation of the SDEM, ends up as a mostly donor driven process.

The management system in Egypt is, as mentioned earlier, very centralized with orders normally coming form above. This has cultivated an organizational culture where middle and lower rank staff members are not used to make decisions and to take on responsibility. Consequently, there is a tendency of local staff members to prefer that the Danida advisors make the final decisions, so that they do not have the responsibility when something goes wrong. However, on a positive note, most interviewees in EEAA are of the impression that the ESP in general is lead, coordinated and influenced by local staff. 237

The alternative to the structural set-up with counterparts in the ESP is that the management becomes purely Egyptian or purely Danish/international. If it were purely Egyptian, the changes that the ESP seeks to achieve in the EEAA would probably not have

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235 EcoConServ, Donor Assistance to Egypt in the Field of Environment – Ten Years of Donors’ Experience in Environmental Management - The Lessons Learned and the Way Forward. (Egypt: EcoConServ/Egyptian Environmental Affairs Agency, 2005), 10.
236 (3.5, 3.7, 3.8)
237 (3.2, 3.7, 3.10, 3.12)
been initiated due to lack of funds, and technical and human resources. Nonetheless, had it been purely done by Danish and international development officials – which some local staff members would have preferred – the activities would not be sustainable when the Danida support is phased out. It seems as if the current structure is appropriate as well as challenging and time-consuming. The basic understanding that great patience is necessary to achieve the build-up of capacity development and institutional development seems to have been a bit lacking. The ESP would have increased its chances to achieve the intended impact and to become sustainable, had it been given more time.

Alternatively, had the ESP started off in the design phase with equal input from Danida staff and local staff, it would have seemed more plausible that the role of Danida advisors could have been toned down over the years. Conversely, due to the lack of EEAA’s participation in the initial phases of the program (and the slow start of the program itself) and due to Danida’s pulling out before time, the program is in a phase where the Danida staff feels a need to coordinate and push the program, because the time for the exit strategy is getting close. While conducting the interviews in July/August 2005, the preparations of an exit strategy were finally on the agenda. It shall be a demanding, however, not impossible process, to make the ESP sustainable when the Danida funds run out in 2008. The Egyptian authorities could have demanded that the initial phases of the program had been instrumented in close coordination with national authorities. Just an upfront decision would have increased the overall outcome of the ESP.

**Capacity Development**

The capacity development that takes place as a major element of the ESP is also a factor of different opinions among the staff in EEAA. Most interviewed employees within and outside the EEAA said that judged upon the actions of the Ministry it is difficult to argue that the
capacity development is working. One local member of staff in EEAA thought that capacity development was a bigger success for Danida in the past when the agency trained local lower/middle rank staff, compared to now when Danida attempts to develop the capacity of managers/leaders. Some local and international staff members in EEAA and a former manager of EEAA said that it is almost naive of Danida to believe it can change the overall Egyptian management style. It has shown to be very difficult and would require a lot of concerted initiatives to achieve.

One aspect that certainly complicates the capacity development is the well-known fact that the two cultures – the Danish/Scandinavian and the Egyptian/Arab lie far apart from each other on a cultural spectrum. Edward Hall’s theory of “Low versus High Context Cultures” and Melton Bennett’s theory of “Individualistic versus Collectivist Societies” shows that the Egyptian and Scandinavian culture could be placed towards each end on such continuums. The Canadian International Development Agency (CIDA) in Cairo has published two books on these matters. One book explains the Canadian culture to Egyptians, and the other provides the Canadian aid workers with the values of the Egyptians. CIDA produced these books after the management realized that lack of cultural understanding negatively influences the implementation of aid programs. Without going into detail, it is clear from the two books that each culture has their own working styles, learning styles, way of communicating at work and preferred relationships with colleagues.

These cultural differences mean, that what is the appropriate management style in the view of the local manager might be viewed as the wrong way of doing things by the international counterpart. One divergence is that some Danida staff prefer that the

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238 (3.5, 3.10, 4.1, 4.2)
239 (3.5)
242 (3.5)
Egyptian counterparts talk openly of all kinds of structural, management, and efficiency problems at meetings, whereas the Egyptian part would rather not be so frank and critical in forums where superiors are present.\textsuperscript{243} The foreign advisors would in general - in an attempt to solve problems – prefer to talk openly about the challenges faced, whereas the Egyptians generally have a tendency not to expose problems at open meetings. The Egyptians respect the levels of hierarchy to a much larger extent than persons coming from an anti-authoritarian Scandinavian culture would generally do. Therefore, it is not comfortable for an Egyptian to mention ground-level problems in front of a higher ranked manager. The Egyptian staff members do not always find that superiors accept and understand problems on the ground-level, and the consequence of this lack of understanding can be that ground-staff gets blamed and punished for their openness.\textsuperscript{244} On the other hand, Western workers have a tendency to worry about whether they meet the expectations of their superiors if actual problems are being hidden or toned down.

Concerning capacity development, national coordination could also have played a constructive role; if the MIC or MSEA had focused their negotiations with Danida to achieve a longer-term assistance from Danida, the gradual results of capacity development would have had more time to make the intended positive impact.

**Findings and Conclusions**

The initial phase of the ESP did not encourage national ownership of the program, as it was donor-driven. However, the program’s placement in EEAA during the phase of implementation is conducive for national involvement. Also the set-up of the ESP has continuously been adjusted to enhance internal coordination. The execution of the ESP by a national authority and national staff facilitates an ongoing alignment of the program to

\textsuperscript{243} (3.5, 3.12)  
\textsuperscript{244} (3.10, 3.12)
national priorities. The arrangement of counterparts on the managerial positions in the program supports national involvement in the decision making process. Still the influence of national authorities and staff on daily operations and on the coordination of the ESP could have been much stronger, had the capacity and institutional framework been at place in the MSEA. The set-up with counterparts does foster capacity development. However, the expected managerial and institutional changes in EEAA will take a long time to achieve. The intended national ownership of the ESP nevertheless increases the chances of the program being nationally well coordinated as well as sustainable. There is a need for increased capacity and organizational restructuring in EEAA before national involvement to the greatest extent possible helps the ESP reaching its intended outcome.

In the following chapter, it shall be scrutinized whether/how Egyptian authorities have coordinated the ESP both on a sectoral level (by MSEA) and on a cross-sectoral level (by MoP and MIC). It shall be evident whether the national sectoral and cross-sectoral aid coordination has supported or delayed the ESP in reaching its intended outcome.
CHAPTER 4
Environmental Sector Program – and its Sector and Cross-Sector National Coordination

Does sector and cross-sector national coordination of the ESP have an effect on the program reaching its intended outcome? This chapter argues that national coordination by the Ministry of State for Environmental Affairs, the MoP and the MIC could have played a much stronger role in coordinating the ESP, had the mentioned institutions been better equipped for executing their respective responsibilities.

Ministry of State for Environmental Affairs, Egyptian Environmental Affairs Agency

Firstly, the Ministry is introduced and its goals, visions and objectives are presented. Thereafter, the functions and structure of the Ministry is described and the biggest challenges for national environmental aid coordination by MSEA are discussed. Hereafter follows accounts of MSEA’s official as well as practical use of national environmental development strategies, follow-up procedures, and use of a participatory approach. Lastly it is being scrutinized whether the MSEA has coordinated the ESP.

The environment came on the national agenda in Egypt in the 1970s/80s because of an increased international focus on environmental issues and activities and consequently by the local civil society\textsuperscript{245}. The Minister for Public Sector Industries, that simultaneously was the Minister of State for Local Development, was also appointed Minister for Environmental Affairs\textsuperscript{246}. In the 1980s and onwards there were only laws on environmental issues related to protected areas as well as irrigation and agriculture. It was not until 1994, when Law 4/1994

\textsuperscript{245} (3.10, 4.2)
\textsuperscript{246} (3.10)
for the Protection of the Environment\textsuperscript{247} was introduced, that the first comprehensive environmental law was put into action.\textsuperscript{248} Law 4/1994\textsuperscript{249} established the Egyptian Environmental Affairs Agency (EEAA) that initiated its operations in 1995 as affiliated with the Cabinet of Ministers. In 1997, the Ministry of State for Environmental Affairs was established and the Egyptian Environmental Affairs Agency (EEAA) became its executive body. The EEAA is the central government institution for promoting sustainable development and environment in Egypt.\textsuperscript{250} In June 1997, Egypt's first full time Minister of State for Environmental Affairs was assigned as stated in the Presidential Decree no. 275/1997. From thereon, the new Ministry focused, in close collaboration with the national and international development partners, on defining environmental policies, setting priorities and implementing initiatives within a context of sustainable development.\textsuperscript{251}

The Ministry of State for Environmental Affairs (MSEA) and more specifically its executing body, the EEAA, is the entity responsible for the coordination of environmental programs on a sector level. In the following section, the official objective and strategies of the MSEA and EEAA is presented. Subsequently, it shall be analysed whether and how the MSEA/EEAA has played a coordinating role in the case of the ESP.

\textsuperscript{247} Law 4/1994, has a greater role with respect to all governmental sectors as a whole. The law has been designated as the highest coordinating body in the field of the environment that will formulate the general policy and prepare the necessary plans for the protection and promotion of the environment. It will also, follow-up the implementation of such plans with competent administrative authorities. The law dictates that the EEAA must formulate the national plan and its projects and prepare environmental profiles for new and urban areas, and set the standards to be used in planning for their development (http://www.eeaa.gov.eg).

\textsuperscript{248} (3.10)


\textsuperscript{250} “Agreed Minutes of the Development Cooperation Consultations between The Kingdom of Denmark and The Arab Republic of Egypt, (Egypt: 3-7 May 2003), 2.

\textsuperscript{251} EEAA’s webpage: http://www.eeaa.gov.eg
Goals, Vision and Objectives

The EEAA has three main objectives; the strategic objective aims at introducing and integrating environmental dimensions in all national policies, plans, programs relevant to protection of human health and management of natural resources. The medium-term objective is to preserve the natural resource base, national heritage and biodiversity within a context of sustainable development. The short-term objective is to reduce current pollution levels and thereby to minimize health hazards and to improve quality of life.252

Functions

Official Procedure

The principle functions253 of the EEAA are to formulate environmental policies and prepare the necessary plans for environmental protection and environmental development projects, as well as to follow-up on their implementation, and to undertake pilot projects. Furthermore, the agency is the national authority in charge of promoting environmental relations between Egypt and other States, as well as regional and international organizations.254

As with every other line Ministry, the MSEA sends its prioritised program proposals to the MoP every year. Furthermore, regarding foreign aid programs, the EEAA designs programs in collaboration with donors or send program proposals to the MIC to apply for external funding. In general, the MSEA communicates through MIC if they need additional funds, new projects to be financed, extension of projects, and if there are problems of implementation.255 Moreover, the MSEA collaborates with donors and other line Ministries when executing the national as well as the donor funded programs.

252 http://www.eeaa.gov.eg
253 For further details on the tasks that the EEAA has to undertake to fulfill the objectives, see Appendix E.
254 http://www.eeaa.gov.eg
255 (2.1, 2.2, 3.1, 3.9)
Practical Implementation

In practice, the formulation of environmental policies and the preparation of the necessary plans for environmental development projects in EEAA take place in the department of “Foreign Relation & Technical Cooperation” (from now on called Department of International Cooperation (DIC)), the “Planning and Follow-up Unit” and the “Financial Affairs Unit”. Finally, the Chief Executive Officer (CEO) reads all the projects after which the recommended projects are shown to the Minister.

The CEO is responsible for the environmental coordination. Yet it seems that this is more a formal procedure that is not sufficiently followed in practice within the MSEA. Few of the interviewees in EEAA seemed to be concerned with the actual requirements and managerial procedures. According to five different interviewees in EEAA and a former EEAA manager, the Planning and Follow-up Department does not have the needed capacity and management structures in place to prepare the necessary plans.\(^{256}\) As explained by the interviewees, the Planning and Follow-up Department is one of the weakest in the agency, and therefore the DIC has become the driving force in environmental coordination.

Structure

Official Procedure

The Minister of State for Environmental Affairs is directly accountable to the Prime Minister. This is partly due the fact, that the MSEA is not an implementing Ministry but a coordinating Ministry, whose role is to ensure environmental policies are implemented through other relevant Ministries.

\(^{256}\) (3.10, 3.12)
Figure 8 below provides an overview of the EEAA organizational structure. The chart is eleven years old, from 1994; however, a new organizational chart was announced in August 2005 but not yet approved by the central authorities. The fundamental structure is not changed in the new organization but approximately 48 new departments have been added.

![Image of EEAA Organization Chart]

Figure 9: Egyptian Environmental Affairs Agency (EEAA) Organization Chart.

The chart shows that the EEAA contains a Planning and a Follow-up Department, which is the department responsible for the National Environmental Action Plan (NEAP) and the planning of future projects in MSEA. Just below this department on the chart, one finds the Department of International Cooperation entitled “Foreign Relations and Technical Cooperation”. This department is responsible for obtaining the needed external funding in MSEA through MIC. The MIC is also the external link to the MoP, responsible for delivering

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project and program proposals that the MSEA would like to have accepted in the yearly technical plan, which is the responsibility of the MoP. Furthermore, at the bottom left corner of the chart one finds a department entitled “Financial Affairs” that manages the internal financial aspects in the Ministry. According to interviewees, the relevant technical department for a certain project prepares the project documents or proposals together with Department of International Cooperation and the Department of Planning and Follow-up (different views in MSEA exist regarding this procedure).259

**Practical Implementation**

It was impossible to get clear-cut information about the structural procedures for communication between the departments in EEAA, which seems to be a symptom of weak official coordination within the agency. Genena stated in the country environmental analysis from 2003, that the relationships between the different departments of the EEAA need to be more formalized.260

From interviews with staff within the MSEA, past employees, and outside stakeholders, it became apparent that the Ministry is known to be one of the more complicated Ministries to work within as well as to collaborate with. This reputation is partly derived from previous chaotic periods with lack of effective management and good organization.261 The structure of the MSEA is still to this day a mix of the political and executive branches. This has been criticized by many interviewees as limiting the civil servants’ focus on scientific knowledge in the executive branch. The executing branch is supposed to function as a non-political, scientific and technical agency, yet the politicians in MSEA interfere with their work.262 It seems as if consistency of work progress and the institutional memory in the EEAA suffers

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259 (3.6, 3.7, 3.10)
261 (3.2, 3.3, 3.12, 4.1).
262 (3.12, 4.1)
under the ongoing political changes taking place in the GoE. At the same time, the EEAA is known as a good agency compared to the agencies of other Ministries, as its employees are active, responsive and interested in programs.²⁶³

The fact that the Planning and Follow-up Department is weak means that the planning authority inside the MSEA is not capable of fulfilling its function of contacting other line Ministries to make them fund and/or implement environmental policies. Also when DIC contacts the MIC to obtain external funding, internal staff members in DIC acknowledge that the quality of the projects could be made better. This issue will be discussed in the section on DIC²⁶⁴.

One local senior staff member of EEAA was fascinated by planning and cited different scientist within the field of sustainable development. This interviewee saw a great need for improved environmental planning according to a system including: needs, budgets, the element of sustainability, the roles of NGOs, donors, civil society and the national budget. He told that recent debate on sustainable development strategies has led to a proposal for EEAA to be the coordinator of a sustainable development strategy with other Ministries in Egypt. This proposal is currently awaiting the approval of the Prime Minister.²⁶⁵

This encouraging initiative to ensure sustainability in Egypt can pave the way for more staff being trained to meet the technical challenges faced to run the Ministry, as well as to ensure sufficient funds and implementation of more up-to-date laws.²⁶⁶ According to Law 4, the EEAA is officially already the coordinating body for sustainable development in Egypt. However, these recent developments involve making the MSEA the leading Ministry of national sustainable development strategies. If this comes through, this would simultaneously provide the Ministry with increased authority to ensure implementation of

²⁶³ (3.3)  
²⁶⁴ (3.1, 3.10)  
²⁶⁵ (3.11)  
²⁶⁶ (3.11)
environmental policies. At the time of the interview, the CEO had approved an “Institutional Framework for Sustainable Development”,

which could open the door for a “National Strategy for Sustainable Development” (NSSD) that through its national enforcement could foster coordination in environmental and sustainable developmental matters in Egypt. However, according to a senior staff member in EEAA, there needs to be an increased dissemination of environmental knowledge at highest level for any coordination progress to happen.

It is crucial for the overall cross-sectoral national coordination of environmental aid that the MSEA knows its priorities. As stated by a former EEAA manager: “Outsiders cannot judge what a country needs, a sectoral Ministry knows best.” Consequently, if the MSEA does not know what it wants or needs, then national environmental aid coordination becomes very complicated. Some interviewees were therefore of the opinion, that it would be unreasonable to expect MoP to be able to plan and coordinate environmental aid when the plans and priorities from the sector Ministry are of such low quality as in the case of the plans provided by the MSEA. The MoP builds its plan upon information from line Ministries, following (formally at least) the line Ministries’ priorities and plans. This bottom-up mechanism is indeed essential for good planning. However, the MSEA is one of many examples of line Ministries that does not have the competences to implement this communication mechanism.

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267 (3.11)
268 (3.11)
269 (4.1)
270 (3.2, 3.12, 4.1)
271 (3.12, 4.1, 4.2)
Issues pertaining to Coordination of Environmental Aid

Listed below are the different factors, that the author, on the basis of the current research investigations, have identified as the main challenges for national environmental aid coordination by MSEA. They are concerned with the national commitment to ensure environmental sustainability, capacity in the field of environment, management culture and leadership, parallel structures within the bureaucracy, the relationship between MSEA and other line Ministries and finally ministerial and bureaucratic structure.

National Commitment to ensure Environmental Sustainability

In Egypt, the MoP and the UN both assessed the possibility of attaining the environmental MDG target of environmental sustainability as a “potential” probability. Actually the country’s ‘state of supportive environment’ (that indicates the commitment and the priority that environment gets in Egypt) was evaluated as “fair”. This assessment was better than the two worse alternatives “weak but improving” and “weak”. On the other hand, it was not assessed as “strong”, the highest state of supportive environment.272 Only one other area of the MDGs (HIV/AIDS) receives a worse assessment of state support, which shows the somewhat difficult conditions that the MSEA is working under.273

Capacity in the field of Environment

The Millennium Development Goals Second Country Report made by MoP and the UN assesses the Egyptian capacity in the different fields of the Millennium Development Goals (MDGs). MDG number 7 is the environmental Millennium Development Goal, which aims at “Ensuring Environmental Sustainability”. The three targets of the MDG 7 are: 1)

integrating the principles of sustainable development into country policies and programs, and reverse the loss of environmental resources; 2) halve, by 2015, the promotion of people without sustainable access to safe drinking water and basic sanitation; and 3) have achieved, by 2020, a significant improvement in the lives of at least 100 million slum dwellers.\footnote{MIC, “Development Cooperation Report 2002”, 92.}

The authors of the report have assessed Egypt’s “Monitoring and Evaluation Capacity” within the field of the environmental MDG as the second weakest area of capacity out of the 9 areas of MDGs. Only the 9\textsuperscript{th} MDG - developing a global partnership for development – had slightly less capacity in Egypt than the environmental field.\footnote{United Nations, and Ministry of Planning. “Millennium Development Goals – Second Country Report Egypt 2004”, 9.} The field of environment was thereby the second weakest field within the 9 MDGs concerning data gathering capacity, quality of survey information, statistical tracking, statistical information policy and monitoring and evaluation. This supports the view of the critics cited above.\footnote{United Nations, and Ministry of Planning. “Millennium Development Goals – Second Country Report Egypt 2004”, 9.}


Data on Egypt’s environment exists and is mainly provided by donors as the WB and the UN.\footnote{(5.2, World Bank, Arab Republic of Egypt – Country Environmental Analysis (1992-2002) (World Bank, 2005))} However, according to Tarek Genena’s A Consultant Report on the Country Environmental Analysis (CEA) from 2003, there is a serious deficiency in data and information regarding health impacts of environmental problems as well as cost benefit analyses of different environmental challenges and priorities.\footnote{Tarek Genena, “A Consultant Report on the Country Environmental Analysis (CEA),” 54.} The EEAA is in need of
regular data and information gathered by the monitoring activities within the agency. This means, that it is actually difficult for the MSEA to devise plans even if the budget and the people knowledgeable with respect to planning issues were available. The EEAA suffers from serious shortages of human resources both in quantitative and qualitative terms. As a consequence, the most efficient staff including the Minister is always being overloaded. There is a strong need for better human resources as well as an organizational structure and culture that uses the knowledge available in the system. There is a high turning over of staff in EEAA because of political and financial reasons. The competent and well-trained staff members are attractive to the private sector, where they can easily increase their value on the job market. The staff is therefore tempted to move away from the EEAA, which risks lowering the human capacities inside the agency.

One aspect that the author believes could increase environmental capacity in EEAA would be if the agency were better at preserving documents and ensuring efficient archives that would make it easy to retrieve documents internally as well as for external users. This could increase the institutional memory of important success stories. Some employees within the DIC uttered that the frequent turnover causes the lack of institutional memory and the inefficient use of experiences gained during work with former plans. When staff is not used to using and following a plan, it cannot be a surprise that making a helpful plan becomes difficult. EcoConServ’s research of the donors and Egyptian counterparts’ experiences in the field of environmental management also leads to the conclusion by the Egyptian

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282 (3.1, 3.12)
283 (3.10)
284 (3.10)
285 (3.1)
counterparts\textsuperscript{286} that it is a constraint that there is “no building on previous experiences” in the project preparations phase.\textsuperscript{287}

Management Culture and Leadership

A strong leader with a controlled organizational apparatus underneath is a suitable and common characterization of the management and leadership styles in the public sector of Egypt. Along the same lines – as viewed by staff in MSEA - a superior in EEAA typically decides and dictates what needs to be done in the departments beneath his own. Consequently, everyone underneath the superior is waiting for orders and many interviewees referred to the problem of passiveness and not daring to initiate activities themselves. Because of this lack of influence in the overall process, some employees in the EEAA become indifferent to the impact of the aid programs as a whole, resulting in little concern with work of colleagues in other departments.\textsuperscript{288}

Ideally, coordination comes from discussions, sharing of information and collaboration between levels and departments as well from a strong feeling of ownership among the employees. The knowledge flowing upwards in the system is also restricted under the current management structure. It is customary that a sub-manager does not discuss any problems directly with managers in other departments. This structure restricts and complicates the internal flow of knowledge in the EEAA. According to some interviewees, inside EEAA this results in collaboration most commonly taking place within the possibilities of the bureaucratic structure, which is not necessarily the most efficient

\textsuperscript{286} (The Egyptian counterparts that have answered the EcoConServ’s questionnaires include; EEAA, Ministry of Water Resources and Irrigation, Ministry of Local Development, Governorates, NGOs, private sector and consulting firms)

\textsuperscript{287} EcoConServ, 10.

\textsuperscript{288} (3.5, 3.12)
approach. Employees are hesitant to attempt alternative approaches, since their superiors can interpret this as criticism.\textsuperscript{289}

In this organizational culture, the director can interfere all the way down to the lowest ranks of employees, making it unclear what are his/her main responsibilities. This leaves the CEO with an excessive workload. Due to the structure of the EEAA, as seen in Figure 10, nineteen people are referring to the CEO. This structure means that the politically responsible – the CEO – would most likely have too little time left to pay attention to long-term planning and strategies.

Another issue that interviewees found problematic with regard to the current leadership was the selection of ministers in the field of environment. In an interview, an environmental NGO representative and a former EEAA manager stated that the problem of environmental aid coordination factually lies on the ministerial level, through the process of the selection of the Minister of State for Environmental Affairs him/herself. Indeed, from all the interviews made it became clear that there has been much dissatisfaction with the Prime Minister’s former appointments to the position of Ministers of State for Environmental Affairs. The point of the interviewees were that, as long as an incompetent person can become a Minister and turn everything upside down, it is hard to reach the Ministry’s goals, visions and objectives.\textsuperscript{290} Ministers have in general not acknowledged the plans of their previous counterparts and, instead, they mostly attempted to alter such plans, also before having been properly briefed by senior staff in MSEA.\textsuperscript{291} One environmentalist said in frustration of the history of leadership in EEAA “You can’t blame the Ministers for what they do or don’t do. But the procedures for the selection of the Minister of State for Environmental Affairs must be done

\textsuperscript{289} (3.5, 3.12)
\textsuperscript{290} (4.1, 4.2)
\textsuperscript{291} (4.1)
with certain relevant criteria.\textsuperscript{292} The source stressed the importance of the Prime Minister selecting the Minister for Environment with criteria such as the person’s experience with international, national, and local environmental issues. As it is now, most of the ministers are often one-sided and not well rounded when it comes to environmental awareness, management skills, and personality.\textsuperscript{293}

Parallel Structures within the Bureaucracy

Military ranks create their own kind of structure that sometimes suspend/contradict with the bureaucratic structure. An employee that attained a high title in the army as Marshal, Major General or General can due to his rank in the military take on a more powerful role in a Ministry than the person would be entitled to based on his relevant skills even without any protests from colleagues.\textsuperscript{294}

MSEA and other Line Ministries

According to the international agenda, the Rio Summit and Agenda 21, all Ministries need a strategy for sustainable development – and this strategy will without a doubt impinge on a multitude of areas. The environmental concerns are thus the responsibility of most Ministries and not only of the Ministry of environment. The participants on the Summit of Sustainable Development in Johannesburg in 2002 agreed, that all countries must have a strategy of sustainable development implemented by 2005. This is also what some senior officials in MSEA are trying to set up.\textsuperscript{295}

There are different views of whether the MSEA fulfills its mission of environmental development not being an implementing Ministry with its own funding. Some interviewees

\textsuperscript{292} (4.2)  
\textsuperscript{293} (4.2)  
\textsuperscript{294} (3.2, 3.12)  
\textsuperscript{295} (3.11)
inside the EEAA said that the MSEA has failed its coordinating role, as it has not managed to coordinate the other Ministries. It requires a more developed and less hierarchical structure to have a Ministry of environment that coordinates. Until the communication between the Ministries is improved, the MSEA is unlikely to achieve an efficient promotion of the environment. However, other members of staff stated that a Ministry of environment functions better when it implements through other Ministries, as the environment is a cross-cutting issue that should be integrated into other relevant Ministries.296

It is difficult for the MSEA to implement and follow-up a certain scope of policies, when it is relatively weak compared to the other line Ministries that are older, bigger, and richer and rather more respected and established in the realm of the Egyptian government.297 Also, people in other Ministries need to be more aware of environmental issues if the tasks of the MSEA are to be implemented. It would be beneficial if the Ministries would look at the environment as a benefit instead of a cost.298 According to a high official in MSEA, every line Ministry in Egypt has a department of environment299 that helps the MSEA execute environmental policies. Conversely, an official from DIC stated that only approximately six Ministries have established internal departments for environmental concerns.300 These departments are helpful for line Ministries to understand the needs of the environment and help the EEAA integrate environmental concerns in the work plan of their respective Ministries.301

According to Salwa Sharawi Gomaa, the author of the book from 1997 Environmental Policy Making in Egypt, the MSEA has clear policy goals. The problem is that some of these goals are undermined by conflicting policies in other Ministries and
agencies that were supposed to implement the environmental policies. The author’s description of the MSEA in 1997 is generally much more positive than the view of this research’s interviewees. This difference might be explained by looking at the leadership in the MSEA at the time Gomaa conducted her research, which was, according to many interviewees, the best period regarding the leadership of and management in the EEAA. Gomaa’s point, nevertheless, stresses the need for a common view among decision makers on environmental issues.

Therefore, one could argue that, in order for the MSEA’s goals to be achieved, the Ministry should be allotted much more political power by the state itself. A coordinating Ministry needs a proper status, sufficient respect, and the ability to exercise law enforcement mechanisms. It would, for example, be useful if more funds were given to the MSEA for it to distribute to implementing Ministries. Another option is for the other line Ministries to be able to receive funding earmarked for environmental initiatives.

Ministerial and Bureaucratic Structure
An important structural obstacle is that a staff member in an Egyptian Ministry need to obtain a protocol signed by the Minister to be allowed to communicate with a staff member in another Ministry. This protocol needs to be elaborated upon by the Chief Executive Officer (CEO) that clarifies what the Ministries can discuss. Every time a new Minister is appointed, all the protocols written by the former Minister are discarded and new ones needs to be established and implemented. This consequently results in a very low level of communication between Ministries as the time-consuming/administrative protocols in effect function as an incentive not to make a connection to another Ministry. The procedure

303 (3.1, 3.10, 3.12, 4.1, 4.2)
304 (3.2, 3.3, 3.12, 4.1)
305 (3.2, 4.1)
hampers and limits the internal collaboration, continuity, coherence and long term planning and coordination between Ministries that otherwise could foster holistic developmental planning.\textsuperscript{306}

On top of this, the fact that political and executive branches of Ministries are sometimes mixed with each other also makes it difficult for the technical experience inside the Ministries to play its rational and intellectual role. Different interviewees inside EEAA thought that the Minister’s secretariat would be better placed if situated separately from the executing branch of the MSEA. When the implementing agency is mixed with political agendas, this influences the technical assessments.\textsuperscript{307}

\textit{National Environmental Development Strategies}

The MSEA has currently two plans for coordination of environmental aid programs; a long term “National Environmental Action Plan 2002-2017” and a five-year plan. There is no one-year plan for the environmental field in Egypt. There have currently been produced seven Governmental Environmental Action Plans (GEAPs) in Egypt, and in the future regional environmental action plans (REAPs) are expected to be produced.\textsuperscript{308} These action plans are supposed to guide stakeholders e.g. donors in their formulation of environmental aid programs.

Gomaa has examined the first NEAP and paid attention to three key elements: its lack of priorities, the lack of initiative concerning the impact of the growing population on environmental degradation as well as the relation between poverty and the environment. Gomaa concludes, “Consequently the NEAP became more like a shopping list of projects to be presented to donor countries than a National Environmental Plan to solve the country’s

\textsuperscript{306} (3.12)  
\textsuperscript{307} (3.2, 3.3, 3.12)  
\textsuperscript{308} (3.11)
basic problems.”  

The second NEAP (2002-2017) that appeared after the design of the ESP in 2000, is also, but to a lesser extent, a donor-led report made by EEAA in collaboration with UNDP and Capacity 21.  

However, in 1998, the Minister of State for Environmental Affairs issued a seven-point directives framework “Egyptian Policy Framework for the Environmental Sector” that is seen in Table 2.

Practical Implementation

The first NEAP provided an agenda for the MSEA and donors. However, it is questionable to which degree other Ministries viewed the plan as reflecting their priorities. When it comes to coordination with other line Ministries, the updated NEAP has not worked the way it should either. One environmentalist outside MSEA held the view, that line Ministries need to meet and coordinate before the line Ministries would feel the need to implement environmental policies. The internal authority of the NEAP in MSEA is also relative and unclear. When a new Minister was appointed after the second NEAP had been launched, he did not respect the plan and changed the priorities. This is an example of the plan aligning to the system, instead of the system aligning to the plan.

The donors interviewed did not perceive the NEAP as an ideal plan or strategy. This reflects a different view of what a plan is supposed to contain and provide. Most donors view the NEAP as a background document. Some of the reasons for this assessment were: “There is no commitment in this document; it does not have a schedule, national resources,

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310 (3.10)
312 (3.12, 4.1, 4.2)
313 (4.1)
314 (3.12, 3.14, 4.1, 4.2)
an action plan and priorities.”\(^{315}\) Another environmental stakeholder stated: “It does not have a plan of relations with donors or a strategy of relations to geographic areas that donors should help with.”\(^{316}\) One very critical former employee in EEAA said: “It is mostly a dream” and “In Egypt a plan on paper is never implemented.”\(^{317}\) It was not possible for me to be ascertained by staff in EEAA, that the plan was not changed when a donor comes with a certain new idea and funding offer.\(^{318}\)

According to local staff, however, the updated NEAP is very useful. A couple of local staff representatives assigned the plan as their bible. However, the expatriates call it a wish list of limited use. At any rate, the NEAP has, in general, not had the greatest success with regards to coordinating environmental aid programs as well as environmental activities in other Ministries. The report by EcoConServ concludes, based on both donor and Egyptian perspectives, that there is a need for a vision and a strategy for the environment in Egypt.\(^{319}\) Also, Genena states in the 2003 consultant report, that even after the updated NEAP, there is a need for a vision and a strategy that prioritize environmental problems, a need to achieve consensus between key institutional players, and to assign clear roles and responsibilities, to set quantitative goals and a follow-up mechanism as well as a guide to donor support.\(^{320}\)

Capacity development is crucial in relation to the NEAP. Donors could with great results help to review and update the NEAP without taking ownership. Many interviewees have mentioned that the NEAP desperately needs to be transformed into a real action plan that could be used in practice.\(^{321}\) As the agenda and approaches to the environment are different within and outside Egypt, it would be of great use for donors to participate in a dialogue with MSEA on environmental strategies. One Egyptian environmentalist was of the

\(^{315}\) (3.12)  
\(^{316}\) (4.2)  
\(^{317}\) (4.1)  
\(^{318}\) (4.1)  
\(^{319}\) EcoConServ, 2, 10.  
\(^{321}\) (3.3, 3.12)
opinion, that the environmentalists in the West have new and different concepts and approaches to the environment than those of Egyptian environmentalists. Therefore, the donors are in a position where they would be able to share new concepts of environmental programs and ideas with the Egyptian environmentalists.322

Follow-up

Official Procedure

Officially, it is stated on the EEAA web page that the agency needs to conduct follow-up of its projects, which is the responsibility of the department “Planning and Follow-up” within the EEAA. In the MSEA, the CEO of EEAA is in dialogue with all high level managers about results and future plans at a monthly or every two months basis.323 Every third month, the CEO meets with a group of managers and collectively evaluates the current projects and programs. According to top-officials in the EEAA, the Planning and Follow-up Department supposedly discusses the status of financial disbursement every 6 months, and the Minister meets with Directors of projects every half a year. Every three months, an impact assessment is made to managers in EEAA.324

Practical Implementation

The follow-up is a task that needs to be undertaken by the line Ministries. According to staff in EEAA and sources outside the Ministry, the lack of follow-up is one of the biggest weaknesses of the MSEA.325 According to a senior staff-member in the ESP, there is no follow-up in the MSEA, stating that “It is relatively easy to produce something that looks like a plan. However, follow-up that requires evaluation tools is much more difficult to carry

322 (3.11)
323 (3.6)
324 (3.6)
325 (3.10, 3.12, 4.1, 4.2).
In the opinion of a senior local staff member in MSEA, it is relatively new for the Egyptians to work with planning, which naturally means that follow-up is also a new concept.

The follow-up approach in EEAA was described as ad hoc, reactive and unstructured. Staff members in MSEA were of the opinion, that the reason for the poor follow-up was lack of capacity. The interviewees were concerned with the absence of the necessary skills required to evaluate and follow-up on a development program as well as of the lack of knowledge on how to structure ones time, and lack of knowledge of developmental and environmental programs. Furthermore, in a follow-up an assessment is necessary, which makes it a much more demanding and subjective task than making plans. This adds to the difficulties faced by the personnel within the EEAA.

If the EEAA’s follow-up mechanism had worked properly, it would have ensured that the ESP as a whole (like each of its components) as a part of this exercise would have acquired a developmental objective that would have made it possible to evaluate the program. It could have been a useful scheme of national coordination, if the EEAA had set up certain standards and rules of evaluation and follow-up procedures for donor-funded programs. This could have helped increasing the impact of the ESP. From the beginning of the program, there was no log-frame made regarding ESP as a whole, but only of its subcomponents. No impact-assessment has therefore been conducted on the ESP; only performance (output/outcome) has been reviewed. However, most recently, strategic indicators for impact assessment are in the process of being prepared. In 2004, the “Review and Adjustment of Program Indicators” focused on future indicators used in an impact assessment of the overall program. All of the components of the ESP do have log-frames, however, not with developmental objectives and immediate objectives that could be used in
the follow-up process. In the summer of 2005, the components were indeed provided with development objectives. So progress is indeed being made.

*Participatory Approach*

**Official Procedure**

The field of environment planning would benefit from participation of the civil society that knows of local environmental issues and thereby can contribute to the planning process. In the “Report on the State of the Environment in Egypt” published in 2005, it is stated that the report is done in consultancy with NGOs. Also, “The National Environmental Action Plan 2002-2017” (NEAP) stresses that it was prepared with a participatory consultative process favorable to sustainable development. The section of the report on the consultative process, within which the plan was made, looks impressive. However, interviewees from outside the MSEA say that there was no real partnership between the MSEA and all the environmental stakeholders. The Fifth Five-Year Plan on environment does not mention a participatory approach. Nevertheless, in High Governmental Committees within the governorates, the civil society is supposed to play a role.

**Practical Implementation**

The “Report on the State of the Environment in Egypt” published in 2005, states that the document is written in consultancy with NGOs. However, a representative from one of the oldest and largest environmental NGOs had not been notified of its commencement before it was finished. The interviewee proclaimed, that the Ministry uses the phrase ‘participation of others’ in the report for PR purposes, as recipients accept a report much better if it says it has been made in collaboration with non-governmental entities. However, according to this director of an environmental NGO, the reality was that the NGOs had only been informed not
involved. The aforementioned representative cannot feel there is a real scope of partnership between the EEAA and NGOs. In the mid 1980s and 1990s, there was indeed an actual sense of partnership between the two entities. However, after the mid 1990s and till 2005, the partnership was not any longer institutionalized\(^\text{329}\). Interviewees outside the EEAA believe, that realistically the staff in MSEA could and should be participatory in their approach\(^\text{330}\).

The widespread conviction amongst these sources was that EEAA’s hierarchical structure does not appreciate influence from civil society. Whether inside or outside the Ministry, the majority of the interviewed sources assured that no one in EEAA would understand why people from the outside should be asked or involved. This phenomenon makes sense in the light of the abovementioned top-down and centralistic government of Egypt. The participatory approach then becomes an alien way of thinking for many civil servants. No procedures are in operation to specify how information derived from a participatory approach should be used by or communicated within the organization by the civil servant.

These findings regarding scarce participation by EEAA are supported by EcoConServ’s report from 2005. Their research among the donor community shows, that the donors believe that targets groups often are not sufficiently integrated into the design process. Furthermore, donors evaluated that there is an “initial resistance to participatory planning” within Egyptian counterparts in the phase of implementation\(^\text{331}\). The ESP’s EMG and EMU components are supposed to support decentralization of the EEAA through a participatory approach. The GEAPs are made in working-groups with a participatory approach. This is, in effect, an unusual example of a bottom-up approach in the field of environment in Egypt\(^\text{332}\).
Sector-coordination of the Environmental Sector Program

Official Procedure and Practical Implementation

The ESP has been coordinated after the overall national environmental priorities in the “Egyptian Policy Framework for the Environmental Sector”, which was launched by the Minister of State for Environmental Affairs in 1998. Danida has according to its first program documents from 2000 until 2005 been looking at the Egyptian Policy Framework for the Environmental Sector when designing and adjusting the program. The alignment of the ESP’s goals and objectives to the “Egyptian Policy Framework for the Environmental Sector” can be seen in Table 2. When looking at the Table, it becomes clear that the design of the SDEM and ACI components, helped and facilitated by the support activities (CEM and PMU), focus on assistance to three specific goals of the Egyptian Policy Framework for the Environmental Sector. The three goals of the GoE that the ESP supports are; “Implementation of Law 4/94 for the protection of the environment; Support to institutional capacity development in the Egyptian Environmental Affairs Agency, its RBOs and EMUs in 26 governorates; and lastly Support to sustainable environmental management systems.”

Factually, Danida’s alignment to national priorities show that MSE A executed national coordination on Danida’s initial three phases of formulating program support through the Egyptian Policy Framework for the Environmental Sector. The MIC and the Danish Ministry of Foreign Affairs formally agreed upon the ESP in 2001. However, the first program document was according to all sources interviewed (inside MSEA/EEAA and Danida) a very donor driven document where only the official objectives of MSEA played a coordinating role.

The alignment of the ESP’s goals and objectives to the “Egyptian Policy Framework for the Environmental Sector” shows that national environmental coordination has taken place. However, this is not to say that the Egyptian authorities made this happen, as Danida’s own policy was to follow priorities of partner countries when designing the ESP. According to a senior staff member, the EEAA could not really support and modify the ESP in the initial phase of the program, as the ESP came into being in a stage of awakening in EEAA after a predominantly donor-driven era.\(^{337}\) However, according to a senior local staff member, the ESP fits well into the NEAP, and there is coherence between the EEAA’s strategy and the goal of the ESP.\(^{338}\)

The environmental “Fifth 5-Year Plan (2002-2007)” by MSEA/EEAA, which has come after the construction of the ESP, emphasizes sustainable development. The goals of the ESP are also coherent with the strategic (and broad) goal of the MSEA listed in this plan. The ESP’s developmental objective is furthermore in direct support of MDG 7: Ensure Environmental Sustainability,\(^ {339}\) which demonstrates that the MDGs also have guided the donor when formulating the aid program.

\(^{337}\) (3.10)
\(^{338}\) (3.10)
### Egyptian Policy Framework for the Environmental Sector

- Fostering partnerships, coordination and collaborative work between the different segments of the society at the National level.
- Fostering partnerships at the bilateral, regional and global levels.
- Implementation of Law 4/94 for the protection of the environment.
- Development and upgrading of natural protectorates and protection of biodiversity.
- Support to institutional capacity development in the Egyptian Environmental Affairs Agency, its RBOs and EMUs in 26 governorates.
- Support to sustainable environmental management systems.
- Operationalisation of market-based instruments in the field of environmental protection.

### Environmental Sector Program

**Development Objective**
To contribute to the efforts of the Egyptian government to achieve its environmental objectives with particular regard to improving environmental conditions, developing environmental management capacity of institutions, which can support communities in maintaining a cleaner and healthier environment and by providing frameworks for compliance with environmental regulations.

<table>
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<th>Components</th>
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<tr>
<td>Support to Decentralized Environmental Management (SDEM)</td>
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<td>Achieving Compliance in Industry (ACI)</td>
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<th>Support Activities</th>
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<tr>
<td>Communication for Environmental Management (CEM)</td>
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<th>Program Management Unit (PMU)</th>
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Table 2: Egyptian Policy Framework for the Environmental Sector and the Environmental Sector Program.
Department of International Cooperation in the Ministry of State for Environmental Affairs

The Department of International Cooperation inside the MSEA plays the most important role as coordinator between environmental activities. Therefore it is important to scrutinize whether this department has had an effect on the ESP.

To promote coordination between donors inside the EEAA, UNDP initially funded a project where a department denoted the Technical Cooperation Office for Environment (TCOE) was set-up in the MSEA. This department was in 1998/1999 restructured and renamed the Department of International Cooperation (DIC). At this occasion the technical staff from the original department left the DIC for other departments in EEAA, leaving only planning, negotiating and administrative staff. This restructuring phase greatly reduced the environmental know-how of the department.

Sector-coordination of the Environmental Sector Program

Official Procedure

The MSEA is according to Law 4/1994 responsible for the coordination of environmental projects in Egypt. It is the role of the DIC to make sure that the environmental programs, like the ESP, fits into the NEAP ensuring synergy with other programs. The DIC’s main task is managing the donor proposals in the MSEA that are either produced in collaboration with the departments in the EEAA or sent from donors through the MIC. According to officials within the DIC, the department is meant to brief the MIC of what the environmental sector within the country needs the most. This link from the DIC to the MIC is supposed to transfer ground level-knowledge on the environment upwards in the system. According to top

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(3.1)
officials in the ESP, the role of the DIC is also to interfere in programs, involve other departments, and produce environmental strategies.\textsuperscript{341}

**Practical Implementation**

According to a couple of interviewees, the DIC plays *the most crucial role* in the coordination of environmental aid to Egypt, also in the case of the ESP. Compared to the engagement found in the other departments of the EEAA, single staff members in the DIC have acquainted themselves very well with all environmental activities implemented by MSEA. These employees have thereby been able to improve the national coordination of environmental aid. The key staff in the DIC has been collaborating regarding the reshaping of the ESP, such that it does not overlap with other environmental projects and programs.\textsuperscript{342}

At the same time there are problems pertaining to the role of the DIC as coordinating body in the MSEA. Key employees both inside and external to the DIC stated, that the DIC does not have a strategy for what is needed from donors.\textsuperscript{343} This makes the coordination insufficient as donors in contrast often have strong priorities when approaching the MSEA, and in negotiations with DIC, these are supposed to be modified and fitted into the national environmental strategy.\textsuperscript{344}

In practice, the DIC seems to prioritize coordination quite highly. However, insiders in the EEAA, external to the DIC, say that these intentions burst due to the fact that the meetings of the DIC are often very inefficient. The meetings are often slowed down by needless attendance of irrelevant staff members resulting in the agenda being slowed down and important communication being delayed.\textsuperscript{345} Another factor that often delays the commencement of meetings is the lack of attendance or late arrival of key participants. As

\textsuperscript{341} (3.12) 
\textsuperscript{342} (3.12) 
\textsuperscript{343} (3.10, 3.12) 
\textsuperscript{344} (3.10) 
\textsuperscript{345} (3.12)
such, this high degree of participation, which one would assume to be positive, in fact weakens the national coordination. It is a problem that there are no taskforces where only the relevant people within a certain issue can meet and discuss and coordinate.\footnote{3.12} The reason for the long lists of participants to each meeting was described as a consequence of the Egyptian culture, where it is not polite to exclude individuals. The meetings are prolonged further, because the decision-making process is very slow at these meetings.

Furthermore, when the DIC conducts a coordination meeting and reaches certain decisions, there is no mechanism that would actually ensure that these decisions are followed and implemented. If these managerial elements were improved, the Egyptian impact on the coordination of environmental programs would increase.

The people working in the DIC are mostly educated within administrative fields, and do not have sufficient technical or environmental knowledge.\footnote{3.1} It is therefore, crucial for the success of the DIC coordination of environmental activities, that DIC receives technical information from other units in the EEAA. Some interviewees have indicated that more environmental knowledge in the DIC would enhance the utilization of the department. It would appear to be both the responsibility of the DIC and the other units in the EEAA, that the coordinating entity receives the necessary information. If the DIC does not know what priorities to tell the MIC or the donors, the bottom-up structure of national coordination does not function properly. In fact, a representative from the DIC said that the department ensures that it receives information on a yearly basis.\footnote{3.10} However, according to EEAA staff, the DIC is still in need of a better understanding of the environmental priorities in the EEAA to be able to manage the environmental programs efficiently.\footnote{3.1} A very clear strategy would have
made the DIC capable of coordinating aid activities with the current capacity. However, as the NEAP and the five-year plan lack clear priorities, the DIC fails to fulfill its role.

Staff in the DIC furthermore affirms that there is a need for raising the quality of project proposals from the EEAA departments, so that the donor community more easily becomes interested in funding them when approached by the MIC. Sometimes, the DIC staff hesitates to involve the MIC, only doing so after the donor has agreed to fund a certain environmental project in EEAA. The DIC does this, based on the opinion that DIC knows which donor is most experienced in the particular activity. The fact that DIC directly contacts donors and thus circumvents the MIC is frustrating for the MIC. MIC would argue that in these cases they might have been able to attain cheaper funding from another donor. However, as long as the MIC does not have any specialists in the field of environmental aid (as will show later in this chapter), the DIC will often have more technical information available on appropriate donors as well as the needed environmental activities than is available within the MIC. This situation clearly would give rise to conflicts, which would further inhibit collaboration between these entities.

There are different views within the EEAA regarding the kind of coordination that should be undertaken by the DIC. Some staff members in EEAA external to the DIC would like to see the DIC’s role strengthened, such that it could receive more funding through the MIC. However, representatives from the DIC hold the view that the DIC should not be managing the affairs of the MSEA but rather play a coordinating role. Moreover, most of the insiders in the DIC are of the opinion, that time constraints are a main problem in their department and admit that time is not properly managed, and therefore it seems more logical that others, for instance ESP managers, to handle the coordination in the MSEA. It would
be a problem though, if international consultants were to coordinate aid activities, since this would not be national coordination and therefore most likely be less sustainable.

According to the interviews it seems as if the Danida advisors already have spent a lot of time briefing and coordinating between people. The permanent staff appears to be less concerned with the overall picture and devote their attention to their own department or main task in opposition to the program or the Ministry’s function as a whole.\textsuperscript{354} Thus, Danida advisors asserted that they have to coordinate despite the fact that their main role is to implement the program. If they do not ensure that coordination takes place, initiatives to coordinate are simply not taken at a regular basis and in an efficient manner.\textsuperscript{355} As previously stated in this research investigation, the narrow focus of the Egyptians is likely to result from the organizational culture and public sector characteristics of strong top-down leadership. This takes away incentives from employees to consider more than their own narrowly defined interests. "Who would think of the bigger picture if one’s opinion was never listened to anyway?" one local staff replied when asked about the causes for this characteristic.\textsuperscript{356}

One staff member of the EEAA would prefer if representatives from DIC (as well as from the Planning and Follow-up Department) participated in the meetings between ESP components and the PMU, in order for the staff at the two departments to increase their understanding of the mechanisms in the ESP. Such joint meetings could provide a good forum and serve as capacity development in environmental problem solving and follow-up.\textsuperscript{357}

In Appendix F, details are given of the procedures of coordination between the DIC and the PMU and between the DIC and the MIC. The former connection could provide the DIC with ground level knowledge from the implementation of the ESP. The latter link

\begin{itemize}
\item \textsuperscript{354} (3.5, 3.12)
\item \textsuperscript{355} (3.2, 3.12)
\item \textsuperscript{356} (3.5)
\item \textsuperscript{357} (3.12)
\end{itemize}
between the DIC and the MIC could facilitate upward transfer of sectoral knowledge to the
cross-sector coordinating authority. Also, this link is where the cross-sectoral strategies can
trickle down into practice on the field of environment, which is dealt with in the section of
the MIC’s coordination of the ESP.

From this research it seems reasonable to conclude that higher focus on capacity
development of senior civil servants in the DIC should have greater priority in foreign
environmental aid.

Ministry of Planning

Cross-sectoral national coordination of the Environmental Sector Program

Official Procedure and Practical Implementation

A key official at the Royal Danish Embassy in Cairo, EEAA representatives and
environmental stakeholders stated that it was unlikely that the MoP and GoE had followed
the NEAP in its cross-sectoral planning.358 Along the same lines, Genena stated “The extent
to which these policy directives [The Egyptian Policy Framework for the Environmental
Sector by the Minister of State for Environmental Affairs] represent a common and
coordinated GoE approach to environmental management, as opposed to the Minister of
Environment and EEAA’s view, is questionable”.359

The general impression from the present research as well as the literature previously referred
to360 is that environmental policy decisions are not made at the highest levels of government
and therefore they do not have the necessary support to be implemented.

358 (3.12, 3.14, 4.1, 4.2)
Environmental Analysis (CEA),” 52-53; United Nations, and Ministry of Planning. “Millennium Development
With regard to the MoP’s plans and strategies, the environment has been mentioned in the cross-national plans. Nonetheless, neither the objectives of the “Long Term Development Vision 2022”, nor the pre-requisites for achieving the objectives mention the environment. However, in the medium term plan “The Fifth Five-Year Plan for Socio-Economic Development (2002-2007) & First Year”, environment is the last item on a list of what the plan seeks to achieve when fostering economic development which is to “preserve and protect the environment from all sources of pollution”. It is surely a positive feature that the environment is mentioned once (although at the bottom of a list). Still, if this is the only mention of the environment in the plan it is quite vague, and without any prioritization asserted. Also, if the MoP had incorporated the strategic goal of the MSEA’s Fifth 5-Year Plan (2002-2007) [for Environment] into “The Fifth Five-Year Plan for Socio-Economic Development (2002-2007) & First Year”, the latter would have emphasized the environmental dimensions within the whole plan e.g. with regards to agriculture, health, and tourism. Yet the socio-economic plan emphasizes economic development and does not make strong emphasis on sustainable development as the environmental plans do. The one-year plan “The Economic and Social Development Plan for 2003/2004”, produced by the MoP, has a chapter on Human Development that provides objectives and policies relating to the environment. The plan says: “Environment has become a vital component in Egypt’s sustainable development”. The main objectives in relation to the environment in “The Economic and Social Development Plan for 2003/2004” are perfectly in line with the objectives proclaimed in the Fifth 5-Year Plan (2002-2007) [Environment] the year before.

361 Ministry of Planning, 4-9.
362 Ministry of Planning, 39)
364 (3.12, 4.1, 4.2)
366 (The main objectives in relation to the environment in “The Economic and Social Development Plan for 2003/2004” can be found in Appendix H).
This is a very positive step towards integrating environmental plans into cross-sector planning. However, the line Ministries as mentioned in chapter two are only responsible for implementing the five-year plan. It is therefore detrimental that the environment is not a recurrent issue in all sectors in this plan.

In practice, the MoP could not find the ESP in the internal technical plan. However, updated data on actions by Danida between 2002-2005 existed in the database of financial follow-ups in the MoP. If the ESP was not actually included in the technical plan of concrete projects, then it is an apparent error.\(^{366}\)

A promising indication of GoE’s stronger commitment to the field of the environment, materialized in 2002 when President Mubarak called a top level ministerial meeting to discuss an Environmental Strategy for Egypt.\(^{367}\) Also, the speech to the People’s Assembly by the Prime Minister Dr. Ahmed Nazif in December 2004 provided an environmental program named “Protection of Natural Resources” that had the objective to achieve sustainable development, create environmental balance and efficiently using natural wealth.\(^{368}\) This speech could indicate that the agenda of sustainable development coming from the MSEA/EEAA is influencing the national priorities and plans. It shows that there is a notion of sustainability and holistic thinking when making plans and strategies, at least on the official level. An optimistic perspective would therefore be that the MoP would position the environment as a cross-sectoral issue in the upcoming five-year plan for 2008-2013.

\(^{366}\) The MoP demonstrated how they had all environmental programs in Egypt in their big technical plan where environmental projects were divided into projects/programs implemented inside and outside the MSEA. It was not possible during the meeting in the MoP to gain access to the plan with the help of an Arab translator, as it seemed to be an internal governmental document.


\(^{368}\) Ahmed Nazif, “Governmental Statement to the People’s Assembly,” 30-32.
Ministry of International Cooperation

The MIC is the responsible national authority for aid coordination in Egypt, therefore the MIC’s role in coordinating the ESP is offered.

Cross-sectoral National Coordination of the Environmental Sector Program

Official Procedure

At the time of the formation of the ESP, the responsibility of international cooperation was under the Ministry of Planning and International Cooperation (1997-2000). Conversely in 2001, when the ESP was actually started, international cooperation in Egypt was the responsibility of the International Cooperation Sector in the Ministry of Foreign Affairs (2001-2004). During the ESP’s current phase of implementation, the MIC is responsible for its coordination.

Due to the fact that there is no department in the MIC responsible for environmental aid, as the Ministry is divided into regional areas, the Danish desk within the Department for European Countries is responsible for the connection between the MIC and the DIC. Therefore, the MSEA’s DIC collaborates with several different departments in the MIC where donors support the environment. There is consequently no focal point through which the DIC staff in the MSEA can channel the environmental priorities. In general, no simple body is clearly responsible for coordinating environmental aid programs in Egypt. Paradoxically, the MIC’s responsible person for coordinating all USAID to the environment does not have access to the NEAP. When this person receives the separate proposals from donors, it is therefore unknown whether/how prioritization takes place. It also appears as if sectoral strategies are almost unknown and only modestly used in coordination of foreign environmental aid with other sector strategies, which is due the fact that the MIC is not

369 (2.2, 2.5)
divided into sectors. It therefore seems plausible, that the extent of environmental coordination that takes place in Egypt is carried out in the DIC within the ranks of the MSAE and not on the highest national level in the MIC.

It was not possible to arrange an interview with the responsible party for the ESP in the MIC. Due to this specific interviewee’s insecurity of whether this research investigation would bring out confidential information, he chose not to take part in an interview on the MIC’s role in the coordination of the ESP.  

The person responsible for the ESP at the Royal Danish Embassy in Cairo stated that the national authority of international cooperation had been used as partner when the ESP was initiated. The MIC had later been used successfully when there were problems of smaller-scale mis-use of funding in the ESP. The MIC then took contact to the Minister in MSEA and this always solved the problems.

Conclusion

National Sector and Cross-sector Coordination in the different Phases of the ESP

The national coordination of the ESP according to official policy and actual implementation is illustrated in Table 3 below. The table is structured after the policy cycle defined by Premfors, where the policy phases are classified as: problem identification, alternative solutions, recommendations, decision-making, implementation, and evaluation. The author has added a last phase; “feedback”, which is essential for the acquired knowledge of the evaluation (in Egyptian terminology follow-up) phase to be utilized.

The ESP has already gone through most of its policy phases, since it is currently in the phase of implementation. The role played by national coordination in all of these phases

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370 However, the role played by the MIC in coordinating and follow-up on the ESP became apparent after interviews with other employees in MIC as well as outsiders dealing with the MIC.

371 (3.14)

372 Rune Premfors, Policyanalys. (Studenterlitteratur: Lund, 1989), 44.

373 Premfors
is summarized on the foundation of the abovementioned descriptions and analysis of the roles of MSEA, MoP and MIC. National authorities would affect all policy phases if the national coordination were to work efficiently.

Table 3 shows that in the phases of problem identification, alternative solutions, recommendations, and decision-making, the ESP has been nationally coordinated after the “Egyptian Policy Framework for the Environmental Sector”, which was launched by the Minister of State for Environmental Affairs in 1998. The strategic aim of Danida was to design a program that would on the same time meet the development objectives of Danida and be fully consistent with the environmental policy, priorities and ongoing initiatives within Egypt. In the same phases, the MoP should have ensured that this sector strategy created synergy with other sector strategies by making environmental concerns visible within the strategies of other sectors. However, in practice this overall holistic cross-sectoral development planning does not seem to take place. The MIC was stipulated to play a coordinating role in the initial phases of the program to ascertain that the program would fit into national strategies and other donor activities, but this also did not seem to take place in practice.

In reality, most employees working on the ESP in EEAA are Egyptian and at this particular time of the program’s implementation it seems as if most Egyptians feel ownership of the program. This implies that the Egyptian environmental authorities and staff are able to follow the program closely and to influence its coordination. National authorities (the EEAA) are thereby responsible for the implementation of the program, yet Danida still has the final say in the decision-making.

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375 (DMFA, “Final Sector Programme Support Document - Danish Support to the Environment Sector,” 3, and as someone currently working in the ESP for Danida confirmed, “Danida would like to fulfill and follow the needs and wishes of a partner country”, 3.12, 3.14)
<table>
<thead>
<tr>
<th>Problem identification</th>
<th>Official National Responsibility of Coordination of the ESP</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSEA</td>
<td>Problem identification for the ESP</td>
</tr>
<tr>
<td>MoP</td>
<td>MSEA (Egyptian Policy Framework for Environmental Sector)</td>
</tr>
<tr>
<td>MIC</td>
<td>Danida</td>
</tr>
<tr>
<td>Alternative Solutions</td>
<td></td>
</tr>
<tr>
<td>MSEA</td>
<td>Alternative Solutions for the ESP</td>
</tr>
<tr>
<td>MoP</td>
<td>Danida</td>
</tr>
<tr>
<td>MIC</td>
<td>(Egyptian Policy Framework for Environmental Sector)</td>
</tr>
<tr>
<td>Recommendation</td>
<td></td>
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<tr>
<td>MSEA</td>
<td>Recommendation for the ESP</td>
</tr>
<tr>
<td>MoP</td>
<td>Danida</td>
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<tr>
<td>MIC</td>
<td>(Egyptian Policy Framework for Environmental Sector)</td>
</tr>
<tr>
<td>Decision-making</td>
<td></td>
</tr>
<tr>
<td>MSEA</td>
<td>Decision-making for the ESP</td>
</tr>
<tr>
<td>MoP</td>
<td>Danida</td>
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<tr>
<td>MIC</td>
<td>MSEA</td>
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<tr>
<td>Implementation</td>
<td></td>
</tr>
<tr>
<td>MSEA</td>
<td>Implementation for the ESP</td>
</tr>
<tr>
<td>Evaluation</td>
<td></td>
</tr>
<tr>
<td>MSEA (environmental)</td>
<td>Evaluation for the ESP</td>
</tr>
<tr>
<td>MoP (financially)</td>
<td>Danida</td>
</tr>
<tr>
<td>MIC (developmental)</td>
<td>MSEA/EEAA</td>
</tr>
<tr>
<td>Feedback</td>
<td></td>
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<tr>
<td>MSEA (environmental)</td>
<td>Feedback for the ESP</td>
</tr>
<tr>
<td>MoP (financially)</td>
<td>Danida</td>
</tr>
<tr>
<td>MIC (developmental)</td>
<td></td>
</tr>
</tbody>
</table>

Table 3: National Coordination in the different policy phases of the ESP
**Evaluation** is officially the responsibility of the MSEA and the donor, whereas the MoP has an obligation of financial follow-up along with the MIC that is obliged to follow-up on the developmental impact of the program. The MoP follow-up on Danida’s disbursement of funds. However, the MIC does not appear to fulfill its role of evaluating the program. Danida has regularly evaluated on the components, and are currently setting up indicators such that the whole program can be evaluated according to its intended impact.

In the last phase; feedback, it is ensured that evaluations are used in the particular program as well as in future programs. This task is the responsibility of the MSEA, MIC, and the donor. The feedback mechanism works as intended in Danida where Joint Sector Reviews and Aide Memoirs have resulted in adjustments and restructuring of the program. Conversely, in the case of the MSEA and the MIC, the feedback mechanism seems insufficient.

**The Influence of National Aid Coordination on the ESP**

Some interviewees in the EEAA stated that national coordination in certain phases of the ESP were more important than in others, for the ESP to reach its intended impact. At the same time, other senior staff members stated, that national coordination was equally important on all stages.³⁷⁶

It seems reasonable to say that national coordination was important in the *start-up phases* (problem identification, alternative solutions, recommendation, and decision-making) where the program is shaped. At this initial stage of the program, it is crucial that people communicate to form the most needed and best fitted program. It is equally important, that everyone involved feels ownership of the program, are convinced of the basic ideas and the validity of the program. The Planning and Follow-up Department inside the EEAA is

³⁷⁶ (3.2, 3.3, 3.12, 5.1)
responsible for this part of national coordination. It is clear that in this phase of the ESP the donor was in control when it came to the degree of the influence that the staff members in EEAA had on the program design. Barely any more than the goal of the program was made in coherence with the formal strategy of MSEA, which nevertheless is a formidable example of national coordination.

In addition, another interviewee was of the opinion that the national coordination in the exit strategy was of utmost importance. This view was based on the fact that if there were no national interference and authority over the exit phase of the program, the national authorities would not feel enough responsibility to carry on without the presence of the donor agency.  

Many improvements of national coordination could take place within the MSEA. It would be beneficial if the NEAP were made more operational by the Planning & Follow-up Department. Also, the Department of Financial and Administrative Affairs could have helped to the outcome of the program by securing a technical organization that would have been beneficial to the implementation of the program. The rules and procedures for communication within the EEAA could have been improved through the CEO office and Department of Administrative Affairs. The Ministers office could improve the ESP by providing services to the Minister, assisting him in making balanced decision and prioritizations. Additionally, it is also important that the IT department assists the EEAA in providing informative communication to outsiders about the program. The Planning and Follow-up Department could play an increased role in following up on the ESP. The DIC could also play an essential role in coordinating all the environmental programs. If the donors perform these tasks themselves, the know-how, the experiences, and the overall coordination

\[377\] \[378\]
capacity will eventually disappear when they pull out of the program in Egypt. Consequently, many aspects of national coordination could have increased the ESP’s chances of reaching its intended impact.

**Insufficient National Aid Coordination**

Both the bottom-up mechanism of national coordination (from MSEA to the cross-sectoral level) and the top-down mechanism (from MoP/MIC to the line Ministries) do not work efficiently when it comes to environmental planning of the ESP. In the case of the ESP, it was the sectoral priorities that made the donor align the program to national priorities. The environment-sector national aid coordination in the form of the Egyptian Policy Framework for the Environmental Sector by MSEA has shaped the ESP, as Danida has aligned to these national priorities. Nevertheless, no cross-sectoral national activities seem to have helped the program reach its intended impact.

**Skilled and Efficient National Aid Coordination can enhance the Outcome of Aid Programs in Egypt**

The national aid coordination instrumented by MSEA has been beneficial to the outcome of the environmental aid program, since the Egyptian Policy Framework for the Environmental Sector harmonizes donor efforts. In addition, the senior DIC staff makes sure that the environmental programs are well aligned. The DIC plays a central role in coordinating the ESP in relation to other environmental programs. The DIC seems to have good relations to MIC. However, it does not appear as if the skills, tools and level of environmental knowledge regarding national coordination is sufficient in any of the national entities, least of all in the MIC.
Cross-sector planning or coordination by the Egyptian authorities has not helped the ESP reaching its outcome as the socio-economic plans in practice have not incorporated or enforced environmental sustainability as a goal for all sectors. One of the aims of the ESP is to strengthen the environmental awareness and standards in Egypt. The ESP has attempted to make the MSEA capable of this mainly through ensuring that environmental policies are implemented in other line Ministries. The fact that the national socio-economic or technical plans have not made environment a cross-cutting issue in all sector policies has made this outcome of the ESP difficult to achieve. Nationally given incentives to incorporate environmental concerns into the sector policies were almost non-existing in the other Ministries.

According to interviewees, the national aid coordination was not sufficient on the governorate or regional level due to the fact that the administration of the country needs to be decentralized before the local institutions can start coordinating. A few interviewees said that the aim of decentralization through Danida’s ESP was too ambitious as there is a need for political decentralization before actual decentralized decisions can be taken.379

Consequently, capacity development in the field of environment as well as in the field of planning and evaluation, followed by a restructuring of the MIC, could be the most useful improvements for national coordination of environmental aid in Egypt.

379 (3.2)
CHAPTER 5
Findings and Conclusions

The new agenda in the field of development states that national coordination together with donor alignment to national priorities are the two key elements to ensure that the Millennium Development Goals are achievable. Yet, the inherent dilemma of this approach lies in the fact that the partner country faces great difficulties in carrying out efficient aid coordination. Nonetheless, it is supposed to be the responsible entity. The donor countries on the other hand have the necessary resources to carry out efficient aid coordination. However, this would directly counteract the key purpose of its presence: sustainable development.

This research effort has investigated and analyzed the national coordination of aid in Egypt through in depth analysis of the performance of the responsible national authorities: the MSEA, the MoP, and the MIC. The central question that emerged is whether the necessary prerequisites are in place in the Government of Egypt to administer the task of national coordination. With the outset in the Environmental Sector Program initiated by Danida the sectoral and cross-sector coordination in Egypt was found to be deficient, as the prerequisites for national coordination formulated by the UNDP were not in place.

The main findings of this research investigation are that the kind of national coordination that is present in Egypt is mostly sporadic, ad hoc, and does not seem to be taking place in accordance with a particular holistic developmental strategy. Moreover, the people responsible do not manage it with the required skills.

Lessons learned for the Government of Egypt

Everyone that was asked the question “Is national coordination one of the answers to more effective aid programs?” has answered positively along the same lines. Here, the rationale is
that the GoE should have a complete overview of where funding is most needed compared to outside agencies.

The goal of the ESP is to contribute to the efforts of the Egyptian government within the environmental sector to improve environmental conditions, to develop environmental management capacity of institutions and to provide frameworks of compliance with environmental regulations.\(^{380}\) If environmental planning by the MSEA were implemented by the other relevant line Ministries (e.g. industry, agriculture, water) these goals would be more easily achieved. However, the deficiency of internal coordination between sectors in Egypt counteracts the environmental efforts.

On a cross-sectoral level, the national coordination of aid apparently does not help the ESP reaching its outcomes. At this point of time, the individuals most knowledgeable about the environmental issues in Egypt do not plan and coordinate. Preferably, the MoP, MoF, MIC, MSEA and the Ministry of Local Development would meet regularly in a focus group (e.g. a Environmental Executive Board) to enable enforcement of environmental considerations in all line Ministries in Egypt.\(^{381}\) Increased planning, monitoring, training and evaluation by the MoP and the MIC would improve the impact of aid. “Institutional development is key to successful coordination since this establishes national rules of the game that are managed by national authorities and which all actors must follow.”\(^{382}\)

The GoE should deal with the environment as an asset to reach further socio-economic development and not deal with it as a liability. If long-term strategies were to be made, then the reduced cost of environmental degradation would show that the environment could be an asset not a burden.\(^{383}\)

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\(^{381}\) (3.11)

\(^{382}\) Disch, 8.

A central question that remains is whether there is the necessary motivation in the very top of the Egyptian government to meet the necessary preconditions for efficient national planning and coordination.

Lessons learned for Donors

The key effort of the donors should be to improve capacity development in the Ministry of Planning to strengthen national coordination in Egypt – since the MoP has the responsibility for the planning. This would build the foundation for the coordination between the relevant Ministries in the GoE.

Egypt surely needs capacity development while retaining the ownership of the planning and coordination of aid activities. Therefore, the trend of donors aligning to national priorities, giving the partner country responsibility for the activities is a constructive framework for providing assistance. Thus, donors must provide a longer-term commitment so that national planning and coordination authorities can plan ahead with some sense of predictability.

Key questions that donors could ask themselves are: what kind of government capacity is required for effective and accountable aid coordination and management to be sustainable? How can governments acquire sufficient capacity to coordinate and manage aid, replacing (although at times insufficient) donor coordination by national ownership? Which instruments are available for donors to build capacity for aid coordination and management? What is needed for a partner country to increase its capacity in the area of aid coordination?384

With the new aid agenda stressing the need of the partner country to take the dominant role, it is important that the donors do not overlook and ignore the countries with

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384 UNDP, 7.
the weakest institutions, just because they cannot as yet be trusted the obligation of planning, coordination and implementation of aid activities. A consequence of such priorities would be that the countries, which need aid and development the most, would suffer from decreasing donor funds.

One of the newest trends and goals on the international aid agenda is that donors should try to work towards providing aid in the form of budget support to the national governments in the developing world. However, this research shows that a developing country like Egypt – albeit a middle-income developing country - needs to improve the national planning, coordination and follow-up capacity, as well as institutions, before being able to make efficient use of increased funding through budget support.

This research investigation also shows that further development within the structural parameters of democracy, good governance, accountability, freedom of speech at work, the structure and functions of the bureaucracy, and transparency is needed before budget support would be an efficient way of providing aid. In addition to this, the political climate needs to be open towards discussing poverty reduction in public, and making a Poverty Reduction Strategy Paper (PRSP) or a national sustainable development plan. Key tools that could be improved are for instance the availability of accurate national statistically reliable data, management skills, know-how of making plans, follow-up and evaluation.

It seems to be a step in the right direction to work towards budget support. Yet, this could take a decade or two of capacity development, institutional strengthening and democratization before this kind of aid would be successful. Development takes time and the international community needs to be patient. This is exactly the dilemma of national coordination – donors would like the partner countries to be in charge of national

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385 (4.1)
386 Dichter, 292.
coordination, nonetheless the time-consuming process that this will take is not always welcomed.

The donors need to be able to adjust their way of support according to the political developments in the partner country. *Flexibility* by the donor agencies becomes a key issue, so that the population of a partner country can continue to receive the promised assistance although there are negative set backs in the country’s governance. If donors decide to give a fixed amount of assistance in either project, program sector or budget support this would hinder the right combination of the three kinds of assistance to an individual country. Shifting some of the development assistance between project, sector program support and budget support does not necessarily leave out the poor countries that are not yet ready for receiving a particularly kind of support.

The trend is that improvements in the area of national aid coordination do indeed take place. The positive findings of this study are not the particular state of national coordination but rather the fact that national coordination has been placed on the agenda in Egypt. With time the country will increase its aid coordination capacity if the responsibility and thereby ownership of the aid activities continue to be national.
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APPENDIX

A: Details on Short, Medium and Long Term Planning Documents in Egypt

Development Objectives of “Long Term Development Vision 2022”
(MoP 2002, 4-9).

- Conservation of natural resources and directions of urban growth
  Towards desert land
- Steady reduction of current population growth
- Achievement of high and sustainable GDP growth
- Gradual removal of balance of payments deficit
- Alleviation of poverty and attenuation of income disparities
- Development of human capital and attainment of full employment
- Improvement of social services.

Strategic elements of The Fifth Five-Year Plan for Socio-Economic Development
(MoP 2002, 36).

- Embracing an export promotion strategy to reduce balance of payments and augment job opportunities
- Deepening the industrialization process
- Eliminating unemployment
- Increasing competitiveness of Egyptian firms
- Rationalizing investment incentives to maximize net economic benefits
• Directing development efforts towards desert land
• Asserting equity considerations and lessening the poverty rate
• Increasing women’s participation in the development process

Focus of “The Economic and Social Development Plan for 2003/2004”
(MoP 2003, 9)

• Restoring the economic growth rate to its level before the negative impacts of international and regional events on the Egyptian economy
• Concentrating on human resource development as the main driving force for development
• Continuing the efforts to curtail the problems of population growth and unemployment
• Spreading the development efforts to cover all geographical areas through the provision of infrastructure for ill-served areas, especially the South Valley governorates
• Intensifying efforts aiming at boosting exports by focusing on areas where Egypt enjoys competing advantage, modernizing domestic industry, and opening new markets through regional and bilateral agreements
B: Details on Responsibilities and Functions of the Ministry of International Cooperation

MIC’s responsibilities according to Presidential Decree 303 of year 2004
(MIC April 2005, 3)

- Preparation of draft laws and decrees that support the accomplishment of the Ministry’s goals and objectives in the field of international cooperation
- Proposal of and formulation of criteria and monitoring guidelines for external borrowing
- Preparation of bilateral and multilateral agreements in the fields of economic and technical co-operation, fulfilling ratification procedures, following up on the implementation of these agreements with concerned governments, international and regional organizations.
- Preparation of agreements for loans, grants, and financial guarantees, and assuming responsibility for the allocation of ODA, guarantees, and facilities
- Preparation of agreements on debt rescheduling, debt swaps with foreign governments and agencies, fulfilling ratification procedures, and following up on their implementation
- Management of Egypt’s relationship with organizations, authorities, and institutions involved in economic co-operation and international and regional finance and investment guarantees, as well as with specialized United Nation agencies promoting economic cooperation
- Preparation of compensation agreements with foreign governments and fulfillment of ratification procedures, as well as following up on their implementation and resolving all problems related to these
• Proposal of the participation of the Arab Republic of Egypt in establishing common economic co-operation projects with Arab and foreign countries and other donor parties

• Supervising and monitoring the progress of development projects funded by the UNDP

The main functions of the MIC strategy to fulfill its mandate
(MIC April 2005, 3-4)

• Act as the national coordinator between government sectors, Ministries, and foreign organizations in order to secure foreign resources required by the National Development Plan

• Obtain the most concessionary assistance that does not burden the government’s budget

• Undertake measures in increase the effectiveness of development co-operation and maximize the benefits thereof

• Ensure that there is no duplication in the development assistance provided

• Follow up on the progress of projects and programs, from inception to impact assessment, with particular focus on the impact of development, co-operation on services provided to Egyptian citizens

• Identify and address problems faced during project implementation

• Ensure that feasibility studies are reliable and effective

• Expand debt swap arrangements aiming at transferring debts into local currency to be utilized in financing development projects

• Monitor expenditures related to feasibility studies, expatriates, and consultants, to ensure cost-effectiveness
C: The immediate Objectives of the Components in the Environmental Sector Program

(“Agreed Minutes of the Development Cooperation Consultations between Denmark and Egypt”, May 2000, ix).

- EEAA capacity for decentralized environmental management strengthened.
- Selected Regional Branches Offices of the EEAA able to fulfill their mandates according to Law #4/94.
- Dissemination of environmental information to support the priority [of] environmental strategies of the EEAA, Environmental Management Units of the Governorates (EMUs) and other partner stakeholders.
- Awareness of environmental issues and capacity of decision-makers, implementers in the EEAA, governorates, and the industrial sectors enhanced.
- The EMUs in Aswan and Beni Suef enabled to carry out their mandated environmental management functions.
- Governmental Environmental Action Plan (GEAP) process functioning in Beni Suef and Aswan that involves people at the community level in identifying and rectifying local environmental problems through community based and replicable projects.
- Awareness and usage of cleaner production in at least three sectors of the Egyptian industry.
- Egyptian technical consultants promote and implement cleaner production in the industry.
- Environmental Compliance Office at FEI serves as a link between the industry, the Egyptian technical consultants, EEAA, and financial facilities.
D: Collaboration between Components and Program Management Unit & between Program Management Unit and Program Coordination Committee

Collaboration between the Components and the PMU

This connection between the components and the PMU is the briefing conjunction, merging the technical knowledge from the components and the coordination effort in the PMU. Regular weekly meetings take place between the PMU and the different components of ESP, and follow-up meetings take place between PMU and the components SDEM and ACI every month. According to staff, the creation of SDEM enhanced the coordination between the different components. Everyday the SDEM - the umbrella of the components EMU, DEM and EMG - consults the EEAA and the EMUs. Also, every month there is a “Management Forum Meeting” with all components. The PMU has a standard agenda for these meetings, however, there are also loose ad hoc meetings. Minutes called “Actions to Do” are made after these meetings. Permanent staff members in EEAA, regularly contact the responsible at the Royal Danish Embassy in Cairo, who most EEAA staff members perceive as a helpful person to go to.

The change from PSU to PMU is a favorable alteration that morphs the PSU from a reporting body to an implementing entity. Subsequently, all the components present quarterly progress reports to PMU. Then the PMU presents progress reports from the different components to PCC when they meet three times a year. The PCC then takes decisions on how to move forward. The entirety of the ESP is checked annually by Joint Sector Reviews. In charge of this, there is a mission/international consultant who conducts this review together with an Egyptian from DIC, a representative from MIC and a local

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387 (3.3)
388 (3.5, 3.12)
consultant in the environmental sector\textsuperscript{389}. This link of internal coordination in the program is described very positively. It appears as if the PMU’s coordination of the components work fine.

**Collaboration between PMU and PCC**

The PCC holds its meetings twice a year\textsuperscript{390}. The PCC is where the overall assessment of the management of objectives, finance, and audits takes place. The PMU meets with the PCC three times a year. The PMU’s role is to present the results of monitoring the program. There is a standard agenda to these meetings regarding the ESP’s progress, budget, last meeting, arising matters. The PMU then asks the PSS for feedback on what could be done better. Minutes from these meetings then come out\textsuperscript{391}. The PCC approves the new program document that describes how the program is changed in coherence with the previous Aide Memoirs. The responsible person for the ESP at the Royal Danish Embassy in Cairo looks after whether the Danida responsible for the PMU does the job, whereas the CEO looks after whether the Egyptian counterpart fulfills the requirements. A member of the PCC asserted that it would be beneficial if more donors participated in the PCC. Yet other members did not like the idea of more participants as they find that the forum should be responsible for taking care of coordination issues inside the ESP, not outside the program\textsuperscript{392}.

\textsuperscript{389} (3.5, 3.12)  
\textsuperscript{390} (3.7)  
\textsuperscript{391} (3.12)  
\textsuperscript{392} (3.12, 3.14)
E: Tasks that the EEAA has to undertake to reach its objectives

(http://www.eeaa.gov.eg)

- Preparing draft legislation and decrees related to the fulfillment of its objectives
- Preparing state of the environment studies and formulating the national plan for environmental protection and related projects.
- Setting the standards and conditions to which applicants for construction projects must adhere before working on the site and throughout operations.
- Periodically collecting national and international data on the actual state of the environment and recording possible changes.
- Setting the principles and procedures for mandatory Environmental Impact Assessment (EIA) of projects.
- Monitoring Programs and employing data and information gained thereof.
- Coordinating with other empowered authorities for the control and safe handling of dangerous substances.
- Listing of national establishments and institutions, as well as experts qualified to participate in the preparation and implementation of environmental protection programs, and coordinating measures with the Ministry in charge of international Cooperation to ensure that projects funded by donor organizations and states are compatible with environmental safety.
- Preparing an annual report on the state of the environment to be submitted to the President and the Cabinet of Ministers.
F: Coordination between Department of International Cooperation and the Program Management Unit

**Official Procedure**

No official linkage is established between the PMU and the DIC though the two parties serve as the link between the pt. biggest environmental program in Egypt and the sector-coordinator of environmental programs. In the Agreed Minutes between Denmark and Egypt from 2003, PSU’s (later changed to the PMU) role as coordinator of the program internally within the EEAA, and with other related programs and activities is underlined. However, factually speaking, the personnel from the PMU and the DIC only meet randomly in the corridors and on the staircases a couple of times every week. The coordination between these links must therefore be described as ad hoc. However, as conveyed by senior officials in the ESP, the responsible at the Royal Danish Embassy in Cairo would find out if this connection did not work at all.

**Practical Implementation**

Some staff members in the ESP would like the DIC to hold meetings regularly for the reason that it is important that they know what is going on in the environmental field so that they can get the right funding and advice donors through MIC to support what is needed. It would be beneficial if the DIC were playing a stronger strategic and coordinating role, as the department is the responsible national body for coordination of environmental projects and programs.

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393 (DFM 2003, 8)
394 (3.12)
G: Environmental objectives in “The Economic and Social Development Plan for 2003/2004”

(MoP 2003, 33)

- Improving air quality
- Protection the River Nile from pollution
- Protecting nature and preserving biological diversification
- Expanding green areas and tree plantation
- Increasing public environmental awareness
- The policies in achieving the objectives are based on a pro-active approach, seeking to prevent pollution and environmental deterioration. The first two policies mentioned to attain this are: Strengthening the environment management systems
- Supporting the institutional capabilities of Environmental Affairs Authority and its regional braches.
**H: Interview Guide**

Professional and Academic info of the Interviewee

a. Full name:
b. Occupation, previous and current:
c. Responsibility:
d. Similar experience:
e. Donor coordination:
f. Academic standing:

**Introduction to Aid and Coordination**

*Coordination of Aid and Impact of Aid*

0. What thoughts do you get in your head if I say the term *aid coordination*? What does it mean to you?

- Definition of Aid Coordination: *In my research I focus on the recipient’s government’s role in coordinating aid activities, so when I say aid coordination I mean the coordination taken on by the government. You can talk about other coordination affords just have in mind what I am referring to*…

*National Coordination and Impact of Aid*

1. Do you think there is a relationship between that national coordination of Aid and Impact of Aid?

*Projects to Programs*
2. Do you think coordination plays a different role in Projects as opposed to Programs?

*Coordination versus Competition of Aid*

3. Do you think aid programs better reach their goals through *competition* bw donors/donor programs than through *coordination* (the opposite)?

*Obstacles that impede Coordination of Aid Programs*

4. Have you faced any obstacles that impede coordination of aid programs?

*Methods of Coordination of Aid Programs*

5. Do you know any methods of National Coordination of Aid Programs – some you like, some you don’t like?

5A. Do you know of any entity, which is *currently* trying to coordinate aid in Egypt?

*Coordination of Aid in Egypt*

Questions to people inside the MIC

*Coordination in Egypt before the Ministry of International Cooperation*

6. Were aid activities coordinated prior to the establishment of MIC?

- If so, then how?
7. Do you know of any entity, which *has been* trying to coordinate aid in Egypt, before the MIC?

- What do you think of these attempts? – Positive/negative comments…

*Ministry of International Cooperation (MIC)*

Goals, Vision and Objectives

8. What are the MIC’s goals (general), vision (outlook) and objectives (specific)?

Collaboration/coordination with other Ministries in Egypt

9. How does MIC collaborate/coordinate with other Ministries in Egypt?

National Development Strategy

10. Is there a national development plan?

11. Is there a holistic national development strategy?


- Is it well-acknowledged and known within entities working with development (governmental/NGO/Foreign bilateral/ IMF WB)? Who is more supportive than the other within these entities?

12. What are the main problems and obstacles of implementing the coordination?

13. How is the document being used in the planning of aid?
14. What is the difference between the aspired versus the actual role of the MIC?

14A. Is the program coordination on the macro level (national level in Egypt) in the Ministry of International Cooperation (MIC) beneficial to the output of aid programs?
   Yes, how? Examples
   No, why not? Examples

15. Does the MIC follow a participatory approach, whether a sectoral or a grassroots one, in prioritizing aid activities? (Define participatory approach from your viewpoint).

Impact on aid programs

15A Does coordination take place between different sector experts in the forum of MIC to match foreign aid activities?
   - Examples?

Questions to people outside the MIC

17. What do you know about the Ministry of International Cooperation? What’s your feedback on their work?

18. Do you know whether aid activities were coordinated prior to the establishment of MIC?
   - If so, then how?

7A. Do you know of any entity, which has been trying to coordinate aid in Egypt, before the MIC?
- What do you think of these attempts? – Positive/negative comments…

Overview of Environmental Sector Program (ESP) (within the context of the MSEA)

Ministry of Environmental Affairs

Questions to people inside the MSEA

Role and level:
18. What is the main role of the MSEA regarding ESP?
19. Is the MSEA playing a role in coordinating the ESP in Egypt?
   - If yes, how? In what ways – on what levels? – National? Sectoral?
   - If no, why not?

19A. Is the afford to coordinate in the MSEA prioritized?
   - Examples
19B. Does the employees in the MSEA view/witness that the coordination affords are detrimental for the outcome of the program?

19 C. Is MSEA monitoring and coordinating environmental initiatives in other Ministries? (besides Ministry of Local Development (pays for EMUs) and Min. of Industries (ACI))
   - If yes, how?
   - If no, why not?

Phases:
20. What phases of the program are you more involved in?

21. Does coordination play a more important role in a particular phase more than another?
Why? /Why not?
- Good impact on program?
- Bad impact on program?

Coordination’s impact on aid programs

21B. Is the program coordination on the sectoral/ministerial level in the Ministry of State for Environmental Affairs (MSEA) beneficial to the output of the aid program?
Yes, how? – Examples
No, why not? - Examples

21B. Does the coordination set-up help or hinder the ESP program in reaching its goals?
Yes, how? – Examples
No, why not? - Examples

21C Is it good for the impact of the Ministry of Environmental Affairs that it doesn’t receive money directly to implement its programs, and therefore needs to coordinate environmental initiatives between other Ministries?

Questions to people outside the MSEA

Role and level:
22. Do you think the MSEA plays a role in coordinating the ESP in Egypt?
- If yes, how? In what ways – on what levels? – National? Sectoral?
- If not, why?

23. Would it be beneficial for the impact of aid in Egypt if the MSEA coordinates more?

24. Would it be better if the MSEA weren’t coordinating the ESP on a national or sectoral level? (Having their own money and spending it themselves)? Why?

Phases:
25. What phases of the program are you more involved in the program?

26. Does coordination play a more important role in a particular phase more than the other? Why? / Why not?

*Egyptian Environmental Affairs Agency (EEAA)*

*Questions to people inside the EEAA*

Role and level:
27. What is the main function of the EEAA regarding ESP?

28. Is the EEAA playing a role in coordinating the ESP in Egypt?

- If yes, how? In what ways – on what levels? – National? Sectoral?

- If no, why not?

28A. Is the afford to coordinate in the EEAA prioritised?

- Examples
28 B. Does the employees in the EEAA view/witness that the coordination affords are detrimental for the outcome of the program?

28C. How does your function increase the chances of the ESP reaching its intended outcome?

**Phases:**

29. What phases of the program are you more involved in the program?

30. Does coordination play a more important role in a particular phase more the other?

Why? / Why not?

**Questions to people outside the EEAA**

**Role and level:**

31. Do you think the MSEA plays a role in coordinating the ESP in Egypt?

- If yes, how? In what ways – on what levels? – National? Sectoral?

- If not, why?

32. Would it be beneficial for the impact of aid in Egypt if the MSEA was coordinating more?

33. Would it be better if the MSEA wasn’t coordinating on a national or sectoral level? (i.e: Having its own money and spending it themselves)

**Phases:**

34. What phases of the program are you more involved in the program?

35. Does coordination play a more important role in a particular phase more than the other?

Why? / Why not?
Components of the Environmental Sector Program

Role and level:

36. Are the different components of the Environmental Sector Program coordinated together?

37. What is the structure of this coordination?

38. Does the Structure of the Environmental Sector Program help the coordination?
   - Is the structure useful?, If yes, how? / If not, why?
   - How often do people meet to coordinate?

39. Who sets the agenda?

- Physical placement of the different people involved in the Environmental Sector Program?
  - Promote coordination on national and sectoral level?

Phases:

40. What phases of the program are you more involved in the program?

41. Does coordination play a more important role in any particular phase more than another?
   Why? / Why not?

Department of International Cooperation (DIC) in the MSEA

Questions for people inside the DIC

Role and level:

42. How does your function increase the chances of the ESP reaching its intended outcome?

43. What is the main role of the DIC regarding ESP?

44. Is the DIC playing a role in coordinating the ESP in Egypt?
   - If yes, how? In what ways – on what levels? – National? Sectoral?
   - If no, why not?
Phases:
45. What phases of the program are you more involved in the program?
46. Does coordination play a more important role in any particular phase more than the other? Why? / Why not?

Questions for people outside the DIC

Role and level:
31. Do you think the DIC plays a role in coordinating the ESP in Egypt?
- If yes, how? In what ways – on what levels? – National? Sectoral?
- If not, why?

32. Would it be beneficial for the impact of aid in Egypt if the DIC was coordinating more?

Other stakeholders in the Environmental Sector Program

47. Does outside stakeholders affect the ESP? In what manner?

Role and level:
48. What is the main role of the stakeholders regarding ESP?
49. How does your function increase the chances that the ESP reaches its intended outcome?
50. What is the main role of your organization regarding ESP?
51. Are stakeholders playing a role in coordinating the ESP in Egypt?
- If yes, how? In what ways – on what levels? – national? Sectoral?
- If not, then why no?
Phases:

52. What phases of the program are you more involved in the program?

53. Does coordination play a more important role in any particular phase more than another? Why? / Why not?

The coordination's impact on the outcome of the ESP

Illustrate the coordination all the way down

A- Coordination between MIC & Department of International Cooperation in MSEA

Action:

54. Is there a scheme of coordination that is going on bw MIC and DIC?
   - If so, for how long has it been going on?
   - How often do the people from MIC and DIC meet?
   - Who sets the agenda?, do people prioritise going to these meeting? – Do people read the memos/documents launched after these coordinating meetings? – Does change happen as a result of these meetings? (Ask for examples)
   - Who monitors this connection and the success of the coordination?

54A. Does the Department of International Cooperation in MSEA have good contacts to MIC in a way that influences how much money and to what activities donor funds are being used in the field of Environment?
Yes, examples, procedure?

No, why not/

Structure:

55. How is the structure of the coordination bw MIC and DIC?

- Who is in charge of the Coordination?

55A. Does the way of coordinating the program (between national and local level) have beneficial elements of the participatory approach?

- Is the structure actually good, but practice or incentives are missing?

- Has the structural and organizational changes of the ESP enhanced the coordination?

B- Coordination between the Department of International Cooperation in MSEA and Program Support Unit (PSU)/Environmental Sector Program (ESP) Coordinator

Action:

56. Is there a scheme of coordination going on bw DIC and PSU?

- If so, for how long has it been going on?

- No, why not? And is MIC aware?

56A How often do the people from DIC and PSU meet?

- theoretically

- in practice?

56B. Who sets the agenda?
56C. Do people prioritise going to these meetings? - Do people read the memos/documents launched after these coordinating meetings? – Does change happen as a result of these meetings? (Ask for examples)

56D. Who monitors this connection and the success of the coordination?

Structure:

57. How is the structure of the coordination bw DIC and PSU?
- Who is in charge of the Coordination?
- Is the structure actually good, but practice or incentives are missing?
- Has the structural and organizational changes of the ESP enhanced the coordination?

C- Coordination between the PSU (ESP Coordinator and Chief Advisor) and the Program Coordination Committee (PCC)

Action:

58. Is there a coordination going on bw PSU and PCC?
- If so, for how long has it been going on?
- How often do the people from PSU and PCC meet?
- Who sets the agenda? Do people prioritise going to these meeting? – Do people read the memos/documents launched after these coordinating meetings? – Does change happen as a result of these meetings? (Ask for examples)
- Who monitors this connection and the success of the coordination?

Structure: How is the structure of the coordination bw PSU and PCC?

59. Who is in charge of the Coordination?
- Is the structure actually good, but practice or incentives are missing?
- Has the structural and organizational changes of the ESP enhanced the coordination?

D- Coordination between the PSU + the Program Coordination Committee (PCC) and the Components

Action:

60. Is there a coordination going on bw PSU/PCC and Components?
- If so, for how long has it been going on?
- How often do the people from PSU/PCC and Components meet?
- Who sets the agenda? Do people prioritise going to these meeting? – Do people read the memos/documents launched after these coordinating meetings? – Does change happen as a result of these meetings? (Ask for examples)
- Who monitors this connection and the success of the coordination?

Structure:

61. How is the structure of the coordination bw PSU/PCC and Components?
- Who is in charge of the Coordination?
- Is the structure actually good, but practice or incentives are missing?
- Has the structural and organizational changes of the ESP enhanced the coordination?

E- Coordination between outside stakeholders e.g. donor agencies and the ESP

Action:

62. Is there coordination going on bw donors and the ESP?
- If so, for how long has it been going on?
- How often do the people from other donor organizations and ESP meet?
- Who sets the agenda? do people prioritise going to these meeting? - Who monitors this connection and the success of the coordination?

Structure:

63. How is the structure of the coordination bw donors and the ESP?

- Who is in charge of the Coordination?

- Is the structure actually good, but practice or incentives are missing?

Has the structural and organizational changes of the ESP enhanced the coordination?

What are the incentives, norms, work chats, the perspectives on the structure of coordination, the aim of coordination, rewards for results?

Findings and Conclusions

64. Is National Coordination one of the answers to more effective Aid Programs?

65. Would it be fruitful for the Donors in Egypt to support the MIC to make it capable of playing a stronger Role in the process of Coordination in Egypt?

66. Would a stronger (planning, monitoring, training, evaluating) MIC be beneficial for the outcome of Aid?

a. For example, is the MIC aware of the deficiencies in EEAA and, if so, is it capable of dealing with these deficiencies?
67. Can we induce Lessons about Aid Coordination in Egypt from this Case Study?

68. Where in between the MIC and the Egyptians, do you think the coordination is working best?
- where is it worse?

WHY???

69. Would the ESP had been managed and coordinated differently if there had been no MIC?
- better or worse for the impact of the program?

What are the biggest obstacles for the program to reach its intended outcome?