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SUMMARY EVALUATION REPORT COUNTRY PROGRAMME EGYPT 104500 (2007–2011)

**Enabling Livelihoods, Nutrition and Food
Security**

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NOTE TO THE EXECUTIVE BOARD

This document is submitted to the Executive Board for consideration

The Secretariat invites members of the Board who may have questions of a technical nature with regard to this document to contact the WFP staff focal points indicated below, preferably well in advance of the Board's meeting.

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EXECUTIVE SUMMARY

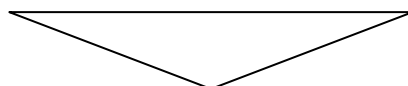
Egypt ranks 123rd of the 182 countries in the human development index. Of its 77 million people, 7.2 percent are not expected to reach 40; adult illiteracy is 33.6 percent, and 6 percent of children under 5 are underweight. Egypt's food-subsidy programme for staple foods, which started in 1945, was expanded in 2008 to mitigate the impact of the rise in world food prices.

Country programme 104500, WFP's only operation in Egypt, follows a number of preceding county programmes in aiming to enhance the Government's capacity to reduce poverty, food insecurity and malnutrition. The programme includes food-for-education and food-for-assets components for vulnerable populations in the poorest area, Upper Egypt; it was originally planned to end in December 2011.

The evaluation highlighted six main findings:

- **Capacity development.** WFP provided assistance in reviewing the Government's food-subsidy system, the reform of which appeared to be more politically than technically motivated. WFP's nutrition and education programmes appear to have increased government capacity to reduce food insecurity and malnutrition.
- **Food for education in Upper Egypt.** This component, the largest in the country programme, appropriately targets the poor and is designed to reduce gender disparity in education; as a result of funding delays and reductions, food rations have been reduced.
- **Food for assets.** This component, which provides food support for the landless and rural poor, has improved livelihoods by encouraging farmers to learn new agricultural skills; funding delays and reductions have reduced food rations.
- **Nutrition.** WFP had a fundamental role in implementing flour fortification and supported other government work to reduce malnutrition, but questions remain as to the appropriateness of folic acid as the micronutrient used.
- **Implementation.** WFP had effective partnerships with many internal and external partners, especially in the Combating Child Labour Project.
- **Sustainability.** The sustainability of the food fortification and food-for-education components is assured because the Government is committed to them, but work on enhancing government capacity in food subsidy reform and food security analysis is unlikely to be continued. In view of the remoteness and small numbers of beneficiaries, there is concern as to the sustainability of the food-for-assets activities in the High Dam Lake area.

DRAFT DECISION*



The Board takes note of “Summary Evaluation Report Country Programme Egypt 104500 (2007–2011) – Enabling Livelihoods, Nutrition and Food Security” (WFP/EB.A/2010/7-B) and the management response in WFP/EB.A/2010/7-B/Add.1 and encourages further action on the recommendations, taking into account considerations raised by the Board during its discussion.

* This is a draft decision. For the final decision adopted by the Board, please refer to the Decisions and Recommendations document issued at the end of the session.

BACKGROUND

1. Egypt ranks 123rd of the 182 countries in the human development index and 82nd of the 134 countries on the human poverty index. Of its 77 million people, 7.2 percent are not expected to reach 40; adult illiteracy is 33.6 percent, 2 percent have no access to clean water and 6 percent of children under 5 are underweight; 18.4 percent live on less than US\$2 per person per day. On the basis of 2000 data, it is estimated that 12 percent of Egyptians consume less than the minimum daily requirement of calories.
2. Egypt is a food-deficit country that imports 12 million mt of wheat and coarse grains annually – 50 percent of its grain requirements. Since 1945 it has operated a large food-subsidy programme to give people access to affordable staple foods and help to reduce malnutrition. But a number of studies have suggested that this programme is expensive to operate and is poorly targeted.
3. As a major food importer, Egypt was adversely affected by the world food price crisis of 2007–2008. To mitigate the impact on consumers, the Government expanded the food subsidy system in 2008, increasing the number of ration card holders and including additional foods. All Egyptians benefit from subsidized traditional bread (baladi); subsidized rice, tea, sugar and oil are available to ration card holders. In 2008 the cost of the food-subsidy system was estimated at US\$3.8 billion, a 500 percent increase since 1997.
4. Poverty and food insecurity vary substantially by region. The governorates in Upper Egypt are the worst off: rural Upper Egypt has the highest rate of poverty at 34.2 percent and the lowest rate of primary school enrolment at 83 percent; in 2001 it had the highest rate of child mortality at 46 per 1,000 live births. Inadequate food consumption compounded by poor hygiene, disease and poor dietary habits are among the causes of malnutrition among children in Upper Egypt.
5. The Bedouin communities in Sinai and on the southern coast of the Red Sea are among the poorest. Traditionally, Bedouin practise some agriculture in combination with nomadic herding, but both sources of livelihood are threatened by erratic weather and new border restrictions that have reduced the resources available. Only 23.8 percent of Bedouin school-aged children are enrolled in school, the lowest rate in Egypt.
6. Because Egypt has a large population living on a limited agricultural land base, desert land reclamation is a priority whereby the Government hopes to create more jobs in agriculture, reduce rural-to-urban migration and reduce dependence on food imports.
7. Country programme (CP) 104500 is WFP's only operation in Egypt. It follows several preceding CPs in supporting the Government in reducing poverty, food insecurity and malnutrition, and provides technical assistance to develop government capacity in food subsidies, food security analysis and micronutrient deficiency issues. It includes food-for-education (FFE) and food-for-assets (FFA) components for vulnerable populations in Upper Egypt, the poorest region. According to the project document, WFP envisaged a smooth hand-over of its food-based activities by the end of the CP in 2011, with further food assistance provided under the Government's enhanced food-based safety net programmes.

PERFORMANCE HIGHLIGHTS

Capacity Development

8. In response to the Government's request for assistance in reviewing its food-subsidy system, WFP produced the report "Vulnerability Analysis and Review of the Food Subsidy System in Egypt" in 2008: this examined ways to reform the targeting and effectiveness of food subsidies. In July 2007, WFP began capacity development assistance for the Ministry of Social Solidarity and has since established an advisory unit in the ministry to identify ways to reform the food subsidy system. Both of these activities are relevant to country needs.
9. Reform of the food subsidies did not seem entirely appropriate, however. In the 1990s various international organizations such as the International Food Policy Research Institute worked to reform the system by providing technical support for the Ministry of Social Solidarity, but there were no significant reforms in the system's targeting or administration. Interviewees from institutions in Cairo indicated that reform of the food-subsidy system seemed a political rather than a technical issue, and it was not clear whether WFP or any other international institution had anything new to add. Without a poverty or vulnerability specialist, the country office had to rely on outside consultants in its work with the ministry, which made it difficult to ensure high quality work and sustained focus on policy issues.
10. Since the publication of the 2008 report, the Government has not substantively changed the targeting of the system: 83 percent of Egyptian households still buy subsidized baladi, and 80 percent still have a ration card, which means that food subsidies are not targeted to the poor. The evaluation therefore concluded that WFP's work on capacity development to reform the system was not effective. WFP's technical assistance for the Ministry of Planning and Local Development ended without any published outputs.
11. WFP's work on capacity development in the National Nutrition Institute (NNI) should continue to be coordinated with other United Nations organizations. Nutrition is traditionally the domain of the United Nations Children's Fund (UNICEF), the World Health Organization (WHO) and the Food and Agriculture Organization of the United Nations (FAO); WFP provides the Government with food-based interventions such as national food fortification programmes. The evaluation team believes that WHO rather than WFP should take the lead in developing nutritional capacity in Egypt, in line with a December 2009 Memorandum of Understanding between NNI, WHO, UNICEF and WFP that defines the roles of each agency, with WFP focusing on food fortification.
12. According to the revised logframe, the aim of the CP is "... the provision of capacity-building assistance for NNI": the output indicators are "number of NNI staff trained" and "number of reports produced", in line with WFP corporate indicators. But these indicators are insufficient to demonstrate that capacities have been developed.
13. Until recently, the country office has had limited in-house expertise in nutrition and poverty/vulnerability analysis: this is a problem when WFP attempts to develop capacity at local government institutions such as NNI. The need for a full-time nutritionist was recognized in the country office, and a national expert in nutrition was recruited in 2009.
14. WFP's nutrition and education programmes seem to have increased government capacity to reduce food insecurity and malnutrition: the flour fortification programme, for example, was a success and increased the commitment of the Ministry of Social Solidarity and the

Ministry of Education to undertake additional initiatives aimed at reducing malnutrition; the FFA programme increased the commitment of the Ministry of Agriculture and Land Reclamation and the Ministry of Housing to pursue programmes for reducing food insecurity in Upper Egypt and Sinai. Capacity development in NNI was not very effective, but analytical capacities were enhanced so that NNI could carry out vulnerability assessments.

Food for Education in Upper Egypt

15. Food for education, the largest component of the CP, provides in-school fortified date biscuits and take-home rations of rice for primary schoolchildren. The schools include Girls Education Initiative (GEI) schools run by the National Council for Childhood and Motherhood in Fayoum, Beni Suef, Minya and Asyut governorates and the one-room community schools supported by UNICEF in Asyut and Sohag governorates. All of these schools are in poor villages in Upper Egypt, so FFE seems to be appropriately targeted to the poor.
16. WFP assistance under the FFE programme is designed to reduce gender disparity in education. In the WFP-supported GEI schools 90 percent of beneficiaries are girls, as one would expect in such “girl-friendly” schools; in the UNICEF-supported community schools, 60 percent of the children are girls.
17. The Early Childhood Education Enhancement Project (ECEEP) is a feeding programme for pre-school children in Upper Egypt. It includes schools in urban and rural areas, but feedback from teachers during the evaluation field visits indicated that it should focus on rural areas because in the urban areas many children bring sandwiches from home.
18. Child labour involves between 7 percent and 21 percent of children aged 6 to 14. The Combating Child Labour Project (CCLP) in the Upper Egyptian governorates of Beni Suef, Asyut and Sohag is designed to prevent child labour by providing in-school fortified date biscuits and take-home rations of rice for schools and apprentice programmes for children aged 6 to 16. The project is relevant to government objectives stated in the National Strategy for the Elimination of Child Labour.
19. Several issues make it difficult to compare planned and actual food deliveries in the FFE programme. Delays and reductions in funding reduced the amount of food given to beneficiaries; activities varied with the availability of funding, making the original plans and targets obsolete. The deletion of milk from the in-school food ration in July 2008 created a discontinuity in tonnage figures; CCLP and ECEEP food and beneficiary figures were not included in the original CP document.
20. Table 1 shows that the original budget allocation from WFP resources envisaged 19,560 beneficiaries for 2007–2008, but the country office raised funds from private sources to expand the number of FFE beneficiaries. The additional funds for the expanded programme enabled WFP to increase the number of planned beneficiaries to 323,460, of whom 311,402 – 96 percent – were actually reached.

TABLE 1: NUMBER OF FFE BENEFICIARIES, 2007–2008									
	2007			2008			2007–2008		
	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%
CP	9 780			9 780			19 560		
Expanded programme	149 474	137 831	92.2	173 986	173 571	99.8	323 460	311 402	96.3

21. Table 2 shows that food deliveries in FFE did not expand as quickly as the number of beneficiaries. Under the expanded programme for the same 2007–2008 period, planned food delivery was 8,104 mt, but the actual tonnage delivered was only 2,553 mt – 31.5 percent of the total planned. It is difficult to explain why actual food deliveries were only a third of planned food deliveries: the reason could include discontinuities in data, the deletion of milk from the school feeding ration in 2008 and delays in funding, which contributed to the gaps in food deliveries.

TABLE 2: FFE FOOD DELIVERIES, 2007–2008 (mt)									
	2007			2008			2007–2008		
	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%
CP	1 648.6			1 648.6			3 297.2		
Expanded programme	2 106.0	806	38.3	5 998.0	1 747	29.1	8 104.0	2 553	31.5

22. The funding problems were caused by delays in the transfer of WFP resources and finalization of Italian Debt Swap Phase 2 funding. As a result, WFP was only able to provide in-school food rations for 100 of the 150 planned days to children in ECEEP pre-schools and CCLP schools.

Food for Assets

23. Food for assets in Upper Egypt and the Sinai and Red Sea governorates provides rice or wheat flour and dates for two years, targeting landless farmers and smallholders in Asyut, Sohag, Minya and Aswan governorates in Upper Egypt and poor Bedouin communities in the Sinai and Red Sea governorates. The food meets the needs of the poor, especially because it is complemented by government non-food inputs in terms of housing, infrastructure and schools.
24. In the High Dam Lake area in Aswan governorate, FFA targets landless farmers who are reclaiming desert land. Given the importance of land reclamation for the Government, FFA appears to be necessary and also timely in view of climate change forecasts projecting losses of fertile agricultural land in the northern delta areas.
25. Field visits to the Sinai and the High Dam Lake area indicated that most FFA beneficiaries belonged to the target groups. In North Sinai, communities were selected on the basis of vulnerability analysis and mapping data; individuals were chosen by the Ministry of Housing in cooperation with community organizations.

26. In all FFA sites, delays and reductions in funding reduced the amount of food delivered to beneficiaries. Monthly rations were reduced from five foods to rice or wheat flour and dates, and even these were not always delivered on time. In the High Dam Lake area, WFP provided only 30 percent of the rations listed in its agreement with the Ministry of Agriculture and Land Reclamation.
27. Food-for-assets inputs were effective in improving livelihoods by encouraging poor farmers to learn new agricultural skills. Beneficiaries received training in new agricultural techniques such as drip and sprinkle irrigation, organic farming supported by the Centre for Bio-Organic Agricultural Services and income-generation skills.
28. Table 3 shows that the number of FFA beneficiaries reached was almost as planned. In Sinai and Middle and Upper Egypt, more beneficiaries received WFP support than planned; in Sinai this was achieved by using funds remaining from the previous CP. In the High Dam Lake area, the 1,750 beneficiaries enrolled was well below the planned 3,125. The Ministry of Agriculture and Land Reform was responsible for enrolling more beneficiaries in the High Dam Lake area, but it experienced financial constraints.

TABLE 3: FFA: ACTUAL VERSUS PLANNED BENEFICIARIES, 2007–2011					
	Households		Beneficiaries		%
	Planned	Actual	Planned	Actual	
Sinai	1 500	1 591	7 500	7 955	106
Red Sea	500	431	2 500	2 155	86.2
Middle and Upper Egypt*	1 000	1 236	5 000	6 180	123.6
High Dam Lake	625	350	3 125	1 750	56
Total	3 625	3 608	18 125	18 040	92.9

* Activities based in Sohag and Asyut

29. Table 4 shows the numbers of households headed by men and those headed by women. In the FFW component in Sinai there were more households headed by men; in FFT, there were more households headed by women.

TABLE 4: FFW AND FFT: NUMBER OF HEAD OF HOUSEHOLD BENEFICIARIES 2007–2011, BY GENDER							
	FFW			FFT			Total
	Men	Women	Total	Men	Women	Total	
Sinai	66	6	72	318	1 201	1 519	1 591
Red Sea			36		395	395	431
Middle and Upper Egypt			0		1 236	1 236	1 236
High Dam Lake			350			0	350
Total	66	6	458	318	2 832	3 150	3 608

Nutrition

30. WFP's support for flour fortification is particularly important. Anaemia is a major public health problem in Egypt, and adding iron and folic acid to baladi wheat flour is part of the national strategy to address it. During the CP, WFP had a significant role in implementing flour fortification – a considerable achievement in view of the failure of earlier attempts. The flour fortification programme has now been implemented in 25 of the 29 governorates; it is still to be introduced in the governorates around Cairo.
31. The flour fortification programme has created a favourable momentum for other government work on reducing malnutrition: the 2008 National Food and Nutrition Policy and Strategy document, for example, was endorsed by the Cabinet. The favourable momentum towards improved nutrition should benefit future WFP initiatives to fortify oil and rice and to implement de-worming programmes in schools.
32. The evaluation team raised questions about the appropriateness of the micronutrient used in flour fortification. WHO recommends using iron and folic acid in flour fortification, but neither the CP nor the Global Alliance for Improved Nutrition (GAIN) could justify the inclusion of folic acid. When the flour fortification project was designed, there was no data suggesting that folic acid deficiency was a problem and it is not clear whether this micronutrient is needed.

Implementation

33. WFP formed effective partnerships with internal and external partners. For flour fortification, WFP worked with NNI, the Ministry of Social Solidarity and GAIN: NNI provided advocacy and oversight under the health authorities, the ministry promoted and helped to implement the national programme and GAIN provided start-up funding. For FFE, WFP formed an effective partnership with the Ministry of Education, in particular its school feeding and ECEEP units. For FFE, WFP worked with local non-governmental organizations and community development associations in each governorate.
34. WFP's management of CCLP was an example of effective partnership: the programme requires collaboration among WFP, UNICEF and the International Labour Organization and is a good example of the United Nations "Delivering as One" initiative.
35. With regard to monitoring and evaluation, the evaluation team found it difficult to establish an overview of country office monitoring and evaluation of its wide range of activities. This was partly a result of the expansion of activities far beyond the original CP document.
36. With regard to procurement, WFP's management of the purchase and quality control of foods for FFE and FFA were satisfactory. All food was purchased in-country; all consumables went through WFP and government quality controls at the national and governorate levels.
37. The evaluation team did not examine logistics in detail, partly because no major issues were identified. The country office reported losses in the pipeline within the acceptable level of 1 percent.

Sustainability

38. The sustainability of WFP activities is uncertain in some cases. Sustainability of the food fortification and FFE components is assured because the Government is committed to continuing them. But capacity development for the Government in food subsidy reforms and food security analysis is unlikely to be sustained. With regard to FFA in Sinai, some members of the evaluation team were concerned that the creation of assets might not be sustainable, and in the High Dam Lake area there was concern as to the remoteness of project areas and the small numbers of beneficiaries enrolled.

CONCLUSIONS AND RECOMMENDATIONS

Overall Assessment

39. Country Programme 104500 is relevant and consistent with beneficiary and country needs and WFP priorities. Because the Government operates a large food subsidy programme, WFP's work to develop government capacity to reform the programme is relevant; and because anaemia is a major health problem, WFP's support for flour fortification is also appropriate. In view of the poverty and food insecurity in Upper Egypt, FFE and FFA support for school-aged children and poor and landless farmers is appropriate.
40. The efficiency of WFP's work varied. Attempts to develop capacity in government institutions such as the ministries of planning and local development and social solidarity and NNI, accomplished little. Implementation of FFE and FFA was adversely affected by funding delays. WFP's management of food purchases, supply and quality controls was efficient, as was its management of the complex CCLP programme.
41. The effectiveness of CP 104500 was mixed. WFP's work on food subsidy reform was not effective. The evaluation team found, however, that the FFE component was successful in reducing gender disparity in education, but with regard to FFA it was concerned about the cost-effectiveness of government-supervised land reclamation.
42. The impact of CP 104500 on the Government's capacity to reduce food insecurity and malnutrition was positive with one exception, which was that WFP's attempts to reform the food subsidy system met with little success. In nutrition and education, however, WFP programmes enhanced government capacities: the flour fortification programme, for example, helped the Government to reduce micronutrient deficiencies, and FFA helped to reduce food insecurity in Upper Egypt and Sinai.
43. The sustainability of WFP activities in this CP is uncertain in some cases. Capacity development for the government in food subsidy reform and food security analysis is unlikely to be sustained, while sustainability of the food fortification and FFE components is assured because the Government is committed to these programmes. The evaluation team is concerned about the sustainability of FFA activities in the High Dam Lake area and, for some members of the evaluation team, in the Sinai as well.

Lessons for the Future

44. One of the main lessons for the future is that it is difficult to develop government capacity to reform safety nets and improve nutritional analysis: either the Government lacks the political will to reform the food-subsidy system, or WFP lacks the technical expertise to help it to do so. The question is therefore how WFP might make progress in developing government capacity in Egypt.
45. Related to this is the fact that when WFP is able to obtain government backing for its initiatives, the likelihood of success increases: once WFP had obtained approval from NNI for the flour fortification programme, for example, it became successful across the country.
46. Another lesson concerns the adverse effects of funding delays on WFP programmes. One of the best designed components of CP 104500 was the FFE programme, particularly in terms of its support for GEI-supported and UNICEF-supported community schools in Upper Egypt. The FFE projects attempted to reduce gender disparity and improve school attendance in some of the poorest areas of Egypt, but they were undermined by funding delays that delayed food deliveries. A way of reducing or eliminating such delays needs to be found.
47. In the light of the preceding issue, it has to be asked what WFP's role should be in private-sector fundraising in Egypt. In view of the diminishing resources for development work in middle-income countries, should other WFP country offices follow the example of the Egypt country office by mobilizing private-sector funding for CPs? In the case of CP 104500, most FFE work was implemented with the help of private funding. Is this the way forward for WFP offices in middle-income countries?

Recommendations

48. **Recommendation 1:** The country office should retain its full-time nutritionist post to increase its in-house expertise in nutrition, to make it more effective in developing capacity in national institutions such as NNI and to upgrade its ability to develop future initiatives.
49. **Recommendation 2:** The country office should recruit a full-time consultant for vulnerability, poverty and food security analysis to increase its ability to assist the Government in these areas. If the country office is unable to do this, it should reconsider its involvement in reform of the food subsidy system: without an in-house expert WFP is unlikely to succeed in this work, especially in view of the political nature of the issue.
50. **Recommendation 3:** With respect to flour fortification, the following should be evaluated before the programme is handed over to the Government: i) the effectiveness of ferrous sulphate fortification in increasing the iron micronutrient status of baladi consumers; and ii) the continued use of folic acid in flour fortification.
51. **Recommendation 4:** With regard to the FFE component, WFP should find ways to: i) minimize disruptions of the food pipeline to ensure that children receive the full ration for the whole school year; and ii) build a stable stream of private-sector donations.
52. **Recommendation 5:** For ECEEP, in-school feeding for pre-school classes in towns in Upper Egypt should be reviewed, particularly with respect to targeting.
53. **Recommendation 6:** The Combating Child Labour Project appears to be making steady progress in reaching its target, but in view of the scale of the problem the country office should consider extending the programme for four more years. In particular, the Government needs to develop strategies to reduce child labour in agriculture, an issue that is not yet covered in the Egyptian Labour Code.

54. **Recommendation 7:** Food-for-assets support for land reclamation in the High Dam Lake area should be re-evaluated: the team was particularly concerned about the cost-effectiveness of government-supervised land reclamation. A new national study comparing government and private-sector approaches to land reclamation may suggest that WFP should re-orient its FFA support for land reclamation to work undertaken by the private sector: it might be possible, for example, for WFP to extend FFA support to poor agricultural labourers working in private land-reclamation projects.

ACRONYMS USED IN THE DOCUMENT

CCLP	Combating Child Labour Project
CP	country programme
ECEEP	Early Childhood Education Enhancement Project
FAO	Food and Agriculture Organization of the United Nations
FFA	food for assets
FFE	food for education
GAIN	Global Alliance for Improved Nutrition
GEI	Girls Education Initiative
NNI	National Nutrition Institute
UNICEF	United Nations Children's Fund
WHO	World Health Organization