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**Executive Board
Annual Session**

Rome, 12–16 June 2006

DRAFT COUNTRY PROGRAMMES

Agenda item 8

For consideration



Distribution: GENERAL
WFP/EB.A/2006/8/4/Rev.1
16 June 2006
ORIGINAL: ENGLISH

DRAFT COUNTRY PROGRAMME — EGYPT 10450.0 (2007–2011)



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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

Over the past three decades, the Government of Egypt has embarked on an ambitious programme of economic, social and political reform, resulting in significant improvements in the country's socio-economic indicators. Despite these encouraging transformations at the national level, poverty, food insecurity, malnutrition and gender disparities are still significant problems at the regional level. Governorates in Upper Egypt and communities such as the Bedouin in the Red Sea and Sinai remain food-insecure and have the highest levels of poverty.

The proposed country programme aims to strengthen government capacity to reduce poverty, food insecurity and malnutrition in Egypt. This will be achieved through WFP support to the reform of existing food-based safety net programmes in order to increase their efficiency and effectiveness in line with the Government of Egypt's Poverty Reduction Strategy Paper and sectoral strategies. WFP envisages that this country programme will be the final WFP development operation in Egypt, particularly in light of ongoing economic growth and the successful realization of current reform efforts.

The country programme will concentrate on providing two kinds of support: technical assistance to strengthen institutional capacity, and small-scale demonstrations of best-practice models in food-for-education and food-for-assets activities. Areas of focus will include pro-poor resource allocation and improved management practices. Institutional strengthening and knowledge transfer will support a smooth phase-out of WFP food-based activities by the end of the country programme in 2011. Any continued need for food assistance will be accommodated under the strengthened Government of Egypt food-based safety net programmes.

The intended outcomes of the country programme are:

- strengthened government capacity to reform safety net programmes, launch national nutrition strategies and prepare for and respond to emergencies, through updated food security and vulnerability information and training (WFP Strategic Objective 5);
- reduced gender disparity in access to education, and increased access to pre-school education (WFP Strategic Objective 4);
- improved capacity of children to concentrate and assimilate information, through the relief of short-term hunger (WFP Strategic Objective 4);
- improved livelihoods for vulnerable communities through empowerment and physical and human assets creation (WFP Strategic Objective 2); and
- reduced levels of micronutrient deficiencies, especially of iron and folic acid, through food fortification (WFP Strategic Objective 3).

The country programme is based on the experiences and lessons learned from the preceding country programme 10142.0, aiming to support Egypt's national Poverty Reduction Strategy



Plan (2004) and the United Nations Development Assistance Framework (2007–2011), which foresees collaboration with the United Nations Children’s Fund, the United Nations Development Programme, the International Fund for Agricultural Development, the Food and Agriculture Organization of the United Nations, the World Health Organization, the World Bank and other bilateral development partners. Its objectives are consistent with WFP’s Strategic Plan 2006–2009 (WFP/EB.A/2005/5-A/Rev.1) and respond to the five areas of focus proposed in the Enabling Development Policy document (WFP/EB.A/99/4-A) and in WFP’s Enhanced Commitments to Women (WFP/EB.3/2002).

It is expected that multilateral resources will be available at approximately US\$8.0 million (US\$1.6 million a year for five years), which will cover 20,904 mt of food needs for 80,150 beneficiaries. However, WFP will seek additional funding beyond regular pledges and contributions to meet the additional CP requirements of US\$44.1 million, which would be used to reach 396,000 beneficiaries with direct food support, and indirectly assist the neediest segments of the population through enhanced government safety-net programmes, facilitating a smooth phase-out of WFP food-aid assistance by 2011.

DRAFT DECISION*

The Board endorses draft country programme Egypt 10450.0, Enabling Livelihoods, Nutrition and Food Security, 2007–2011 (WFP/EB.A/2006/8/4/Rev.1).

In line with WFP’s General Rules, the “countries of concentration” policy and the limited availability of resources for development, the budget for Board approval was capped at approximately US\$8.0 million — US\$1.6 million a year for five years. These resources will cover 20,904 mt of food for 80,150 beneficiaries.

The Board also endorses WFP’s strategy for an expanded country programme for a total of US\$44.1 million, considering ongoing reform efforts by the Government of Egypt and the urgent need to improve government food-assisted development activities. WFP will seek additional funding beyond regular pledges and contributions to support Egypt in meeting these needs. The expanded country programme will assist approximately 396,000 beneficiaries with direct food support, and will enable millions more poor people to secure food and other basic services under enhanced government safety-net programmes, facilitating a smooth phase-out of WFP assistance by 2011.

The Board authorizes the Secretariat to formulate a country programme, taking into account the comments of Board members.

* This is a draft decision. For the final decision adopted by the Board, please refer to the Decisions and Recommendations (document WFP/EB/A/2006/16) issued at the end of the session.



SITUATION ANALYSIS

1. The past three decades have seen Egypt's human development index increase by almost 50 percent, but the country is still ranked only 119 out of 177. Current gross domestic product (GDP) per capita is estimated at US\$1,074, with a growth rate of 4.9 percent and a Gini coefficient of 35.2.¹ The population is 69.9 million, 16.74 percent of whom — almost 11.7 million people — live below the lower poverty line;² by international standards this is considered moderate. Declining national poverty levels belie alarming regional disparities, and poverty and food insecurity persist in Egypt. Measures such as devaluation of the Egyptian pound in 2003, which contributed to the improved overall national fiscal situation, are estimated to have increased poverty by 7 percent and had a negative impact on the purchasing power and consumption of households, leading to a reported doubling of malnutrition rates.³
2. With ongoing development efforts and continuing growth, it is expected that most of the national-level Millennium Development Goals (MDGs) may be achieved by 2015. Given the stark regional disparities, however, they may not be realized in all governorates. A significant number of people are still very poor at the regional level, where even slight shocks affect the capacity of vulnerable groups to meet their basic needs, especially in Upper Egypt and Bedouin communities in Sinai and the southern region of the Red Sea. In Upper Egypt, 34.2 percent of the population, or 8.84 million people, live below the poverty line, and an estimated 36.4 percent, or 9.41 million people, consume less than the minimum level of dietary energy recommended by the World Health Organization (WHO).⁴ Two thirds of the poor whose expenditures are insufficient to meet their basic food and non-food needs are in Upper Egypt, underscoring the need for better-targeted investments.⁵
3. Nationally, the prevalence of stunting among children under 5 is 15.6 percent,⁶ but regionally disaggregated data indicate that it reaches more than 20.1 percent in Upper Egypt; a recent WFP/National Nutrition Institute (NNI) study found malnutrition rates of up to 30 percent among the nomadic Bedouin of Sinai and Red Sea governorates.⁷ As a result of poverty and gender discrimination in these communities, girls generally suffer higher occurrences of all types of malnutrition and higher infant and child mortality rates.
4. Micronutrient deficiencies are also disturbing. An estimated 31 percent of all children under 5 and 52 percent of Egypt's 7.5 million schoolchildren suffer from iron-deficiency anaemia; 7 percent of children under 6 have sub-clinical vitamin A deficiency, and the country's total goitre rate is 12 percent.⁸ Such deficiencies have profound negative impacts

¹ Egypt Human Development Report, 2005.

² UNCCA. 2005, p. 94, using CAPMAS 2005 data.

³ United Nations and Ministry of Planning. 2004. *Millennium Development Goals, Second Country Report*, p. 14.

⁴ Ibid, p. 14, II.2. Dietary energy requirements are differentiated by sex, age, weight and activity level.

⁵ Egypt Human Development Report, 2005, pp. 32–33.

⁶ Egypt Interim Demographic and Health Survey, 2003, p. 81.

⁷ WFP/NNI, 2004, Joint Nutrition Survey in Bedouin Communities.

⁸ Micronutrient Initiative: Egypt Country Report, 2004.



on health, learning capacity and academic and work performance. The government has made efforts to address these issues with intervention programmes such as salt iodization and post-partum vitamin A supplementation, but these have been too patchy to make a significant impact on the public health status of the population.

5. Regarding food availability, the Food and Agriculture Organization of the United Nations (FAO) defines Egypt as a low-income, food-deficit country. Egypt imports nearly 45 percent of its grain requirements, amounting to an annual import of approximately 12.5 million mt of wheat and coarse grains.⁹ The National Agriculture Strategy for 2000 to 2017 aims to achieve greater self-sufficiency in basic foodstuffs by increasing local cereal production to meet 75 percent of consumption requirements, and to improve incomes and standards of living. Given that nearly all the population lives on less than 4 percent of the national territory, the Government is investing in initiatives such as a desert land reclamation project and resettlement strategies.
6. The shocks that characterize most contemporary food security concerns in Egypt are economic, with household income diminished by inflation, currency devaluation, very high unemployment of 10.6 percent,¹⁰ low wages and low producer prices. A recent WFP study in 11 target governorates estimated that 16 percent of the households surveyed had a member looking for work and 21.5 percent of household members had no permanent job,¹¹ demonstrating the fragility of many households' economic situation, which compromises their access to food. Food safety nets have long been instituted and play an important role in addressing food security and poverty in Egypt. More than 50 million Egyptians benefit from, and to some extent depend on, an extensive food subsidy programme. This was estimated at US\$2 billion in 2004/2005 and subsidizes bread, sugar, oil, rice, macaroni, lentils and tea at less than a quarter of market prices to fulfill basic food needs. The government also provides fuel and electricity subsidies to nearly all the population, both poor and non-poor.
7. Considering the high investments made in subsidy programmes, amounting to approximately 12 percent of total government expenditure in 2004–2005, and the current budget deficit, with foreign debt of more than US\$29 billion and net public debt of more than US\$53 billion,¹² the government recognizes that there are long-term sustainability issues and a need to use available resources more effectively to ensure that the most vulnerable and needy can benefit fully.¹³ WFP and the government conducted an extensive national survey to review the food subsidy system and inform future policy decisions. This found that an estimated 7 million vulnerable people do not have access to ration cards and are therefore not supported by the food subsidies.¹⁴ To make the system more effective, improved targeting based on vulnerability and food insecurity information systems is needed. Current policy and programme discussions focus on upgrading the registration system, issuing new electronic ration cards to help determine eligibility, improving the food basket, linking the programme to other development efforts such as health, education or community development, and enhancing the bread subsidy through geographical targeting and improved nutritional content such as flour fortified with iron and folic acid.

⁹ FAO, December 2005, Food Outlook, No. 4.

¹⁰ CCA Egypt, 2005, p. 23.

¹¹ WFP/MOSIT, October 2005, Vulnerability Analysis and Review of Food Subsidy in Egypt.

¹² IMF, June 2005, Public Information Note No. 05/72.

¹³ WFP/MOSIT, October 2005, Vulnerability Analysis and Review of Food Subsidy in Egypt.

¹⁴ Ibid.



8. Major efforts to reform the education system have increased enrolment, and nearly 15.5 million students now attend school. National enrolment statistics show more than 94 percent net enrolment at the primary level, and a girl to boy ratio of 90.9. Egypt still has very high adult illiteracy rates, however, ranking fifteenth globally.¹⁵ The government recognizes the economic benefits of early childhood education (ECE) programmes, and their importance in improving the quality of primary education, but current net enrolment for ECE is an extremely low 13 percent. The government has made ECE a top priority in its sectoral plan and aims to expand its coverage to 60 percent by 2010.
9. Optimistic national statistics obscure regional and gender disparities, which the Government is addressing as a priority in order to achieve its MDG goals. Many areas of Upper Egypt and Sinai still lack education services — net enrolment at the primary level is 83 percent — and illiteracy rates are still up to 58 percent in some governorates.¹⁶ Many girls do not attend school because of traditional stigmas and the value to households of girls' help at home; gender gaps of more than 17 percent highlight the need to improve access and equity. "Invisible" street or working children are a growing phenomenon in Egypt, where between 2.6 and 3.3 percent of all children are estimated to be working and between 80,000 and 200,000 are living on the street.¹⁷ Many low-income families rely on children to supply the household budget, and the children themselves view education as a less attractive option to earning a wage. The government is experimenting with programmes to reintegrate these children into school and society.
10. For many years, the government has distributed school snacks to students all over the country to stimulate enrolment and retention and improve the nutritional status of children. In 2004–2005, approximately 12 million students benefited from school feeding, which comprised 71 percent of total enrolment at all educational levels. Support ranged from the provision of biscuits to more than 7 million primary children, to serving dry or cooked meals to 3 million children in selected special education schools. Despite government expenditure of US\$62.8 million in 2004–2005, the impact of the school feeding programme is limited by its restricted duration, covering only about 40 of a total 150 school days a year. In addition, the foods supplied do not provide adequate nutritional support to children. One of the Government's ongoing concerns is therefore to ensure that current FFE expenditures reach their target groups, efficiently, equitably and effectively.
11. Egypt has a high political profile, enjoys excellent relationships with many other countries and continues to demonstrate political leadership in the region. For many years, it has hosted Palestinian, Sudanese and Somali refugees in large numbers, which could increase should instability in the region intensify. The country has recently embarked on a programme of economic, social and political reform, illustrated by recent private sector growth, increased GDP and democratic elections, which saw the emergence of new opposition parties. Egypt receives a significant US\$1.5 billion of development support annually and has 24 United Nations and affiliated agencies.
12. The focus of the United Nations Development Assistance Framework (UNDAF) for Egypt for 2007 to 2011 is on addressing disparities in development among different regions of the country by targeting the poorest regions. The proposed country programme (CP) was developed within this framework, and is consistent with WFP's

¹⁵ UNESCO. 2005. Institute of Statistics.

¹⁶ Egypt Human Development Report, 2005.

¹⁷ Egypt CCA, 2005.



Strategic Objectives 2, 3, 4 and 5 and with Enabling Development Policy priorities 1, 2, 3 and 5.

PAST COOPERATION AND LESSONS LEARNED

13. Egypt's poorest and most food-insecure households are the focus of WFP assistance, which centres on women and children. To date, the CP for 2002–2006 has served more than 343,000 beneficiaries with 29,380 mt, or 45.7 percent, of its planned distributions. Although WFP support is a relatively modest 20 to 25 percent of the total cost of each activity, it has served as a catalyst for generating substantial additional resources from the government and other sources, which complement help to the poor. The CP has helped 14,000 poor landless families to establish new communities, create physical assets and develop sustainable livelihoods; it has used food assistance to encourage 255,000 children to attend primary school, contribute to reduced gender gaps in enrolments — 3,000 children are enrolled in special girl-friendly community schools — and address short-term hunger and improving education. The CP has also initiated a number of capacity-building efforts to support national food-based safety-net programmes, including a review of the national food subsidy programme, vulnerability analysis and mapping (VAM) of Upper Egypt, a study of micronutrient status in Egypt, development of a national nutrition strategy, establishment of a food security monitoring unit, and the sharing of two policy papers¹⁸ highlighting ways to strengthen and improve the targeting and effectiveness of ongoing food subsidy programmes.
14. A mid-term self-evaluation in April 2004, an impact study in May 2005 and a review of the CP in November 2005 underlined the critical role of WFP food assistance during the initial phase of establishing new livelihoods for the landless poor in settlements in harsh desert environments, particularly because ongoing government safety-net programmes do not include any of the beneficiaries of WFP activities. Guaranteed access to land titles and identity cards as a precondition for food assistance has empowered women and improved their status within the community. The specific targeting of households headed by women and widowed or divorced women, combined with microcredit support and life-skills training, has significantly improved food security among the poorest and most vulnerable. Nonetheless, limited access to health and education services is forcing many settlers to remain in their places of origin, hampering the full achievement of the project's self-sufficiency objective. The importance of food support and the role of WFP in attracting other partners with forms of complementary assistance, such as access to public infrastructure and basic services, are well recognized.
15. Under the school feeding component, a project funded through the Italian–Egyptian Debt-for-Development Swap Initiative complements the government's coverage by providing meals throughout the school year to improve children's capacity to concentrate and learn. A WFP baseline study and internal evaluations concluded that regular food support in schools has contributed to sustaining high attendance — of 98.6 percent — and enhancing performance, especially for the 52 percent of children who eat no breakfast before coming to school. Provision of more cost-effective and nutritionally balanced meals at competitive prices through private sector engagement would enhance this effectiveness.

¹⁸ WFP Egypt. December 2005. *Reform Options in the Production and Distribution of Subsidised Bread*; WFP Egypt. November 2005. *Policy Paper on Options for Reform policies in the Ration Card System*.



16. A new activity supporting the Girls' Education Initiative, which was launched in September 2004 in coordination with the National Council for Childhood and Motherhood (NCCM) using part of the government's increased contributions to WFP, addresses the high gender gaps in education that still exist in the poorest areas. Internal evaluations noted that take-home rations for students contributed to maintaining a high attendance rate for girls of 90 percent and provided valued economic and nutritional support to vulnerable households. Experimental partnerships with local non-governmental organizations (NGOs) also had positive results.
17. In addition to the direct food-assisted activities, the government requested WFP to review the food subsidy system and its targeting mechanisms through a national survey funded by a Department for International Development grant and aimed at improving the understanding of the livelihoods and food security situation. This capitalized on WFP's vulnerability assessment expertise and strong targeting and food management experience, and is helping the government's reformed food subsidy programme to target poor households currently not included. Such efforts will contribute to a smooth phase-out of WFP assistance at the end of this CP. Follow-up activities include WFP support to the establishment of an advisory body to improve government operations and inform pro-poor policy decision-making and the drawing up of an action plan for reforming the food subsidy system as part of the National Poverty Reduction Strategy and to complement other reform efforts.
18. A WFP study, funded by a Canadian Impact Grant in October 2005,¹⁹ identified problems with micronutrient deficiencies and food fortification in Egypt and highlighted the short-term, unsustainable nature of existing measures to combat these issues. The study culminated in WFP supporting the government's development of a national strategy to address these concerns and the identification of integrated approaches to addressing micronutrient deficiencies, including food fortification with iron, as a priority issue for Egypt. The study recommended that nutrition be mainstreamed into all food-based and safety-net interventions.
19. The level of WFP assistance proposed in this CP is insignificant compared with 0.1 percent of current production and import levels, and would have no impact on local production or the market situation.

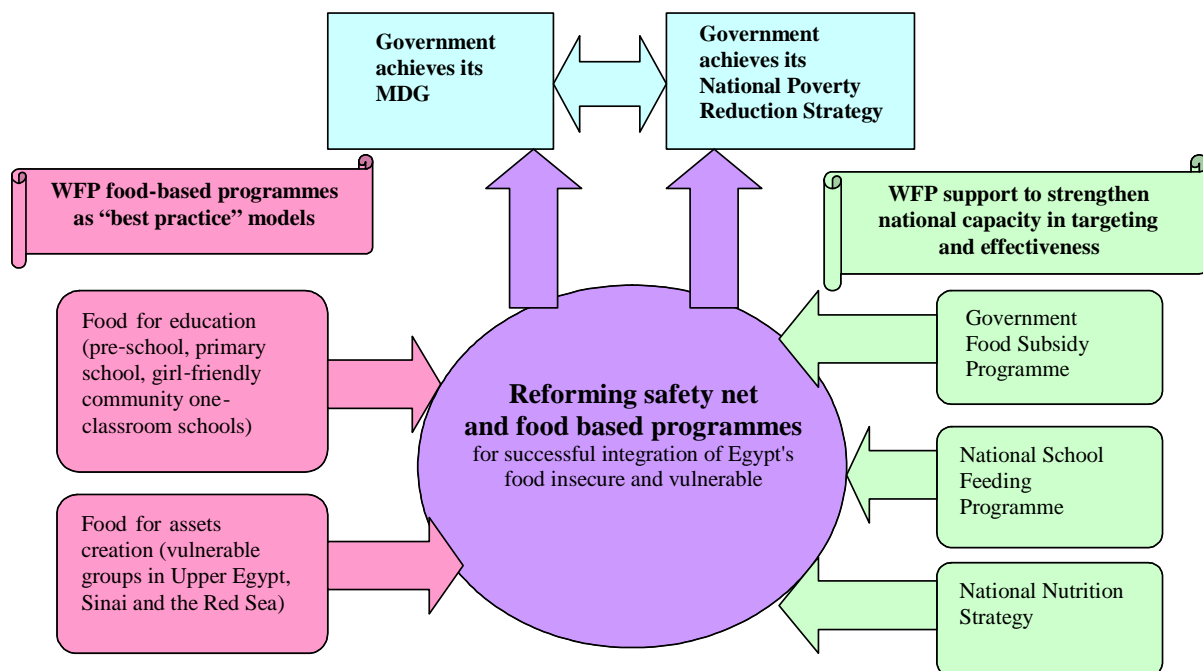
STRATEGIC FOCUS OF THE COUNTRY PROGRAMME

20. Given its years of experience with targeted food transfers to vulnerable population groups, its excellent rapport with the Government of Egypt and the current policy environment in Egypt, WFP could play a key role in assisting the government's current social reform efforts. WFP can help the government to improve its food-based safety nets and roll out its reform and poverty reduction agenda. The CP aims to strengthen government capacity to reduce poverty, food insecurity and malnutrition in Egypt. This will be achieved through WFP support to improved targeting of existing food-based safety-net programmes, to increase their efficiency and effectiveness in line with the Government of Egypt's Poverty Reduction Strategy Paper and sectoral strategies, as illustrated in Figure 1.

¹⁹ WFP Egypt, Quentin Johnson and Osman Galal, 2005, Micronutrient Study.



Figure 1: Enabling Livelihood, Nutrition and Food Security in Egypt



21. The CP will concentrate on providing two kinds of support: technical assistance to strengthen institutional capacity, and small-scale demonstrations of best-practice models in FFE and FFA activities. Areas of focus will include pro-poor resource allocation and improved management practices. The focus on institutional strengthening and knowledge transfer will support a smooth phase-out of WFP-supported food-based activities by 2011, and the eventual accommodation of WFP beneficiaries into strengthened government food-based programmes.
22. The activity summary for each of the components highlights a specific phase-out strategy, which will be finalized prior to the start of the CP and reflected in the respective Letters of Understanding (LOUs) between the Government of Egypt and WFP.²⁰ This will ensure that lessons learned are mainstreamed and that adequate attention is paid to meeting the needs of target beneficiaries after the termination of WFP assistance to the government programme.
23. Capacity-building support will target the government institutions that administer the food subsidy and school feeding programmes. These include the Ministry of Agriculture and Land Reclamation, the Ministry of Social Solidarity, the Ministry of Planning and Local Development, provincial governorates, the Ministry of Education and NNI/the Ministry of Health, as well as NGOs engaged under the CP.
24. Through modest food-based activities, the CP will help promote sustainable livelihoods by developing human capital and physical assets. Small-scale, targeted programmes for best practices in school feeding and vulnerable group asset creation will be established. WFP's continued engagement in small-scale projects provides it with a platform for policy advocacy at the national level. The government will receive initial technical support in scaling up and replicating best practices in the national programme, as appropriate.

²⁰ See paragraphs 33, 40 and 45 for further details.

25. WFP's cooperation will complement other resources in order to achieve the goals of the national poverty reduction plan. Building on existing close cooperation with development partners, WFP will form strategic partnerships to expand impacts beyond the project level. It is expected that WFP cooperation, although modest, will exert high leverage and provide maximum impact on policies and operations supporting the poor and food insecure.
26. Nutrition considerations will cut across all WFP operations, and concerted efforts will be made to strengthen nutrition programming at the national level, particularly to combat micronutrient deficiencies and launch a comprehensive national nutrition strategy, including food fortification and a deworming campaign.
27. Target groups for WFP food-based programmes include pre-school and primary school-aged schoolchildren, especially girls, in vulnerable and food-insecure governorates in Upper Egypt and Sinai. Working children and street children will also be supported by a pilot in selected urban centres. Poor vulnerable and food-insecure households in farming communities of Upper Egypt and Bedouin communities in Sinai and southern regions of the Red Sea will be targeted for FFA activities. The most food-insecure governorates are selected for food assistance on the basis of VAM findings and household surveys. WFP will seek to enhance the inclusion of women and girls in the benefits of all its activities.
28. WFP cooperation is in line with the UNDAF, contributing to four out of its five outcomes, particularly in capacity-building, reducing regional human development disparities in Upper Egypt and Frontier governorates, and reducing gender gaps. The CP continues to support the Government of Egypt in achieving its targets in MDGs 1, 2, 3, 4 and 5.
29. The CP addresses WFP Strategic Objectives 2, 3, 4 and 5. Its expected outcomes include:
 - strengthened government capacity to reform safety-net programmes, launch national nutrition strategies and prepare for and respond to emergencies, through updated food security and vulnerability information and training (WFP Strategic Objective 5);
 - reduced gender disparity in access to education, and increased access to pre-school education (WFP Strategic Objective 4);
 - improved capacity of children to concentrate and assimilate information, through the relief of short-term hunger (WFP Strategic Objective 4);
 - improved livelihoods for vulnerable households through community empowerment and physical and human assets creation (WFP Strategic Objective 2);
 - reduced levels of micronutrient deficiencies, especially of iron and folic acid, through food fortification (WFP Strategic Objective 3).
30. WFP's contribution to the proposed programme is expected to be approximately US\$8.0 million; the implementation of activities requiring US\$36.1 million of additional funding will be subject to the availability of bilateral or directed multilateral funding and government contributions to the CP. All WFP resources depend on voluntary donor contributions.



Component 1: Supporting Reform through Capacity-Building

31. Under this component, WFP will provide expertise in VAM, targeting and food systems management to help the government reform its food-based social protection programmes — the food subsidy and school feeding programmes — and use food security support to benefit the poorest and most vulnerable.²¹
32. WFP will work in the following five areas:
- Technical support for the recently established Food Security Analysis and Monitoring Unit within the Ministry of Planning and Local Development, to ensure that timely, accurate and relevant information about the changing nature of food insecurity and vulnerability in different geographic regions or social groups is available to the government for policy decision-making.
 - Technical support for the Ministry of Social Solidarity — which is responsible for poverty alleviation initiatives — to enhance the analysis, management and targeting of the food subsidy programme and explore alternative options. This will be implemented in cooperation with the World Bank, for technical assistance and loans for policy reform, United Nations Development Programme (UNDP) and FAO. Reforming the national food subsidy programme is estimated to cost the government about US\$20 million.
 - Helping the Ministry of Education to operate a more equitable, effective and efficient national school feeding programme that will contribute to improved educational outcomes. Specifically, WFP technical assistance will support the School Feeding Steering Committee in enhancing collaboration and coordination; improving programme design, targeting and the nutritional compositions of food baskets; establishing monitoring and reporting systems; and effective management of information on feeding and nutrition awareness.
 - Technical assistance for NNI/the Ministry of Health to improve the assessment, collection, analysis and dissemination of nutrition data. This will include establishing a National Nutrition Surveillance System and enhancing government emergency response capacity and preparedness measures, through training and limited technical support. The United Nations Children's Fund (UNICEF) and WHO will be WFP's key cooperating partners in this initiative.
 - Start-up expenses for the Ministry of Social Solidarity for the upgrading of flour mills and initial supplies of iron and folic acid pre-mix. The government will mainstream similar flour fortification systems nationally, at an estimated cost of US\$23.5 million. WFP will also assist the coordination and launching of a comprehensive National Micronutrient Strategy, in coordination with the Ministry of Social Security and NNI/the Ministry of Health, including micronutrient fortification of wheat flour, education and awareness raising, diversification of food consumption, and a national deworming programme. WFP will work with UNICEF and WHO and will seek partnerships with other international specialized agencies such as the Global Alliance for Improved Nutrition and the Micronutrient Initiative.

²¹ The new government six-year action plan, presented in the Prime Minister's January 2006 address to Parliament, specifically addresses the Government of Egypt's renewed commitment to reforming the subsidy programme. The expanded role of the new Ministry of Social Solidarity strengthens its efforts to implement the government's new social contract.



33. LOUs will be drawn up with the Ministries of Social Solidarity, of Planning and Local Development and of Education and with NNI/the Ministry of Health. These will outline the roles and responsibilities for each institution, with details of WFP support, including phase-out mechanisms. They will be formalized on programme approval. WFP support to each institution will be reviewed during the third year to assess the overall impact and to guide continuation.
34. WFP will seek support from development partners to finance these activities and will be responsible for coordinating interventions among government institutions, drawing up detailed action plans, monitoring progress and reporting on achievements and overall funds management. Part of the resources needed for this component have already been mobilized, and further support is expected from other bilateral donor contributions and specific grants.

Component 2: Food for Education: Supporting Equitable Access and Quality Learning

35. This component aims to enable poor households to invest in human capital and improve their living conditions through increased access and participation in schools and non-formal education centres for the most vulnerable groups of children, especially girls. Children's capacity to concentrate and assimilate information will be improved by relieving their short-term hunger.
36. WFP will provide limited, targeted food support for girl-friendly single-classroom community schools,²² primary schools and pre-schools in selected vulnerable governorates demonstrating best-practice school feeding models that could be replicated and mainstreamed into national FFE activities. The best practices demonstrated will include school feeding support in deprived areas throughout the whole school year, the provision of fortified food support with adequate nutritional value and micronutrient content, feasible options for food choices, the targeting of vulnerable children, especially poor girls, and the investment in early childhood development programmes.
37. A daily light meal of high energy biscuits or pies and a portion of whole milk, consistent with the Government's new programme, will be given to children at the first morning break to help alleviate short-term hunger, thereby improving children's capacity to concentrate and assimilate information. It is anticipated that nutrient-rich fortified foods will supply children with high-quality protein and vitamins to support growth development, making the following contributions to recommended daily intakes: 41 percent iron, 60 percent iodine, 96 percent calcium, and 62 percent vitamin A. Ration compositions and sizes will vary according to the children's ages and dietary requirements (see Annex I-B) and the availability of funding. Monthly take-home rations of rice will be distributed to children who regularly attend girl-friendly community single-classroom schools, to encourage poor households to send and maintain their girls in school.
38. WFP funding will provide take-home rations of rice and daily snacks of biscuits or pies to girls in girl-friendly single-classroom schools. Milk rations will be provided subject to extra-budgetary support, and not through WFP multilateral funding.

²² These are schools that cater specifically to the needs of girls by being located near girls' homes, having female facilitators, etc.



39. On a pilot basis, the CP will continue its collaboration with NCCM, UNICEF, the International Labour Organization (ILO) and the United Nations Educational, Scientific and Cultural Organization (UNESCO) to benefit vulnerable children at risk in selected urban areas of Cairo and Alexandria through promoting access to non-formal literacy and numeracy classes by offering on-site meals to children who attend regularly.
40. NCCM will be WFP's principle coordinating partner for the girl-friendly community schools project, with local NGOs implementing delivery, distribution, community mobilization and monitoring activities. The Ministry of Education's project unit for the Early Childhood Education Enhancement Project (ECEEP) will be WFP's principal implementing partner for the ECE intervention; the primary school intervention will be implemented in conjunction with the Basic Education Department of the Ministry of Education, the School Feeding Service and the Ministry of Agriculture and Land Reclamation's School Nutrition Unit, as relevant. It is anticipated that the national school feeding programme will absorb WFP beneficiaries progressively throughout the CP up to WFP's phase-out in 2011.
41. The Ministry of Education, NCCM, NNI and local NGOs will be involved in implementing this component, which will have close linkages with, and will benefit from, multilateral and bilateral donor interventions supporting the education sector programme. Close partnerships have already been established with the World Bank and the Canadian International Development Agency, including the signing of a Memorandum of Understanding with the World Bank in support of ECEEP.²³ Collaboration in Italy's debt-swap programme supports primary schoolchildren, and is expected to continue under the new CP, as is collaboration with UNICEF to promote girls' education. A formal agreement between the two agencies will expand this partnership to all FFE activities, with UNICEF providing complementary support in such aspects as nutrition education, water and sanitation. Further expansion and collaboration with other bilateral donors in Egypt, and the securing of increased government contributions to support these activities are being discussed.

Component 3: Support to Vulnerable Groups through Assets Creation

42. WFP will continue to partner the Ministries of Agriculture and Land Reclamation and of Housing and New Communities to improve the sustainable livelihoods of poor and chronically food-insecure households in Assiut, Sohag, Aswan and Bedouin communities in Sinai and the southern region of the Red Sea through creating individual and community assets. Housing, crop farms and livestock, life skills and literacy training, and income-generating skills and activities will improve the physical and human capital of target populations, empower communities, provide the landless poor with access to credit from market channels and ultimately enable beneficiaries to achieve full, sustainable livelihoods.
43. A monthly family food ration will be distributed to all food-for-work and food-for-training participants; complementary inputs from the government and other partners will improve incomes, sanitation, nutrition, education, income-generating skills, etc. WFP resources will be allocated to the most food-insecure and poor communities in Sinai and Upper Egypt governorates such as Assiut, Sohag and Aswan. Subject to the

²³ World Bank. 2005. *Project Appraisal Document: Early Childhood Education Enhancement Project*. Total estimated funding for ECEEP is US\$108 million, all of which is confirmed, except for WFP's estimated US\$16.4 million.



availability of additional resources, WFP support may be extended to Fayoum, Beni Sweif, Menia and southern regions of the Red Sea.

44. A participatory process, funded by a grant from the German Agency for Technical Cooperation, will develop participatory modalities for WFP and its partners to apply in the planning, implementation and monitoring of activities to create community ownership, enhance community capacity in development planning and ensure the sustainability of project outcomes.
45. For two years, beneficiaries will receive WFP food assistance complemented by other development supports such as income-generating training, health and sanitation support, literacy classes and access to microcredit. Complementary inputs will be provided through joint programmes between WFP and UNDP, the International Fund for Agricultural Development, ILO and FAO. Target groups' future food assistance needs will be provided through the strengthened Government of Egypt safety-net programme.
46. Project management units within the Ministries of Agriculture and Land Reclamation and of Housing and New Communities have cooperated with WFP in the past and will continue to execute the project in close liaison with WFP. WFP will provide technical assistance to strengthen management and ensure that best practices are mainstreamed. Local NGOs will support implementation in some areas.
47. Funding for these activities is based on projections of increased government and directed multilateral/bilateral contributions.

PROGRAMME MANAGEMENT, MONITORING, AND EVALUATION

48. During formulation of this CP, WFP had extensive consultations with ministries, government institutions and donors. The Ministers of Agriculture and Education, WFP, the Government of Egypt, UNDP, UNICEF, FAO, WHO, ILO, the World Bank and donor representatives participated in a high-level strategic workshop to prioritize activities and areas for implementation. Appraisal missions were conducted for each of the proposed components to determine the technical, social, economic and logistical feasibility of the CP activities, based on strategic reviews, baseline surveys, mid-term self-evaluation exercises and follow-up impact studies. Detailed component summaries are being finalized.
49. Commodities to be supplied under the CP may be imported or locally procured, depending on the availability and kind of contributions received. The Ministry of Agriculture and Land Reclamation will be the focal point for all food and logistics matters concerning imports, and will be responsible for related import documentation and the facilitation of duty-free privileges. As in the previous CP, the Government of Egypt will finance all food logistic arrangements, including inland transport, storage and handling costs. Most shipments arrive at the port of Alexandria, where the government takes possession at the time of discharge. Food will either be directly delivered to the project sites or stored in a transit warehouse in Alexandria managed by the Ministry of Agriculture and Land Reclamation, which has expertise and capacity in the management of WFP food. The implementing authorities for each activity will be responsible for costs related to transport and delivery to projects. Warehouses and food movements will be tracked in quarterly reports; WFP officers will verify these reports during regular monitoring.



50. WFP will liaise directly with the relevant authorities to arrange the distribution of local purchases. Inland transport, storage, handling and delivery costs for local purchases will be covered by the respective line ministries. Local purchases and implementation issues for each component will be managed and accounted for by the respective line ministry or implementing partner, in coordination with WFP and where necessary the Ministry of Agriculture and Land Reclamation. The Ministry of International Cooperation will provide overall coordination and support among the various ministries to facilitate cooperation with WFP, as it does for other United Nations agencies. WFP will seek support from the Ministry of Foreign Affairs on protocol and representational matters, and will be a focal point for disaster management and preparedness matters.
51. In concurrence with the policy directive in WFP/EB.A/2002/5-C, a results-based monitoring and evaluation (M&E) system has been developed to enable WFP Egypt to fulfil its mandate and commitments regarding management, performance measurement, accountability, learning and advocacy. A log frame has been developed and is presented in Annex II. WFP will focus its efforts and resources on the expected results, improved effectiveness and sustainability of operations and on improved accountability for resource use. The country office has strengthened its management and analytical capacity and established dedicated VAM and M&E units to respond to the changing demands in Egypt. Provisions have been made to reinforce WFP monitoring support through the establishment of a joint sub-office with UNICEF and UNDP in either Assiut or Sohag governorate.
52. Implementing partners will monitor activities daily; WFP will conduct regular independent monitoring of management practices and implementation, advising implementing partners accordingly. Reporting will be monthly, quarterly and annually, in line with current practice. WFP will play a key role in supporting and monitoring the project activities of implementing partners, including computerizing the monitoring systems of counterparts and partners to facilitate information exchange, creating common databases to ensure the consistency of data, and providing M&E capacity-building.
53. WFP will undertake baseline surveys for all activities before the start of the new CP. Ad hoc evaluations, including internal self-evaluations and external mid-term and end-of-project evaluations, will be made during the CP. During the CP's final year, WFP will conduct quantitative and qualitative impact studies for all activities, drawing on baseline surveys to measure the results of programme interventions. As relevant, components will be audited annually with support from external auditors, as per WFP standard procedure and guidelines.
54. WFP will continue to be an active member of the United Nations Development Group. It is currently chairing the United Nations Disaster Management Team, which will continue to take a lead in strengthening the currently very limited government capacity in disaster preparedness and response, together with donors such as the United States, Canada, the European Community and the World Bank. WFP will also continue its involvement within the Donors' Assistance Group and technical subgroups on poverty, gender and education.
55. The CP is proposed for US\$44.1 million for five years. In the light of the "countries of concentration" policy, only US\$8.0 million of WFP multilateral funding is planned. The remaining balance of US\$36.1 million will be mobilized through funding mechanisms such as debt swaps, directed multilateral/bilateral financing and increased government sharing of responsibilities. Increased efforts will advocate for private-sector and other support. Country office management capacity in fundraising will be strengthened; the budgetary provisions for additional staff have already been made.



56. A high level of bilateral cooperation, numerous donor representations and the presence of many multinational private organizations provide good opportunities to seek local cooperation and support in Egypt, as has recently been demonstrated. In the context of the UNDAF, a more unified approach to financing United Nations programmes should facilitate joint advocacy to secure funding for proposed CP activities.



ANNEX I-A

BENEFICIARY COVERAGE BY COMPONENT AND FOOD ALLOCATIONS							
Country Programme component	Sub-component	Quantity of commodities (mt)	Distribution by component (%)	Number of beneficiaries (CP period)			% of female beneficiaries (CP period)
				Male	Female	Total	
Food for education	Girl-friendly community schools (in-school feeding)	870	4	3 000	12 000	15 000	80
	Girl-friendly community schools (take-home rations)	7 373	35	17 628	16 272	33 900	48
	Total	8 243	39	20 628	28 272	48 900	58
Food for assets creation for vulnerable groups	Assiut, Sohag, Aswan	6 584	31	8 450	7 800	16 250	
	Sinai	6 077	29	7 800	7 200	15 000	48
	Total	12 661	61	16 250	15 000	31 250	48
Total Country Programme		20 904	100	36 878	43 272	80 150	54

ANNEX I-B

COMMODITY TYPE AND RATION SIZE						
CP component	Beneficiary type	Type of food commodities (name)	Individual ration size (per person per day) (g/ml)	Nutritional content		
				kcal	protein (g)	% kcal from protein
Food for education	Girl-friendly community schools (in-school feeding)	HEB*	80	360	10	11
		Milk (cow, whole, UTH)	200	132	6	19
		Total		492	16	13
	Girl-friendly community schools (take-home rations)	Rice**	15 kg per month per family	54 000	1 050	8
		Total		54 000	1 050	8
	Food for assets creation for vulnerable groups	Assiut, Sohag, Aswan and Sinai	Wheat Flour	450	1 575	52
Vegetable Oil			30	266	0	0
Lentils			50	170	10	24
Sugar			20	80	0	0
Salt			5	0	0	0
Total				2 091	62	12

* HEB = high-energy biscuits.

** Monthly take-home ration of 15 kg of rice is distributed to families of students with more than 80 percent attendance rates in girl-friendly community schools. Local market value of rice is LE 2/kg, so 15 kg of rice is worth LE 30, corresponding to about 10 to 20 percent of average household food expenditure (based on a WFP survey of beneficiary households for a similar ongoing project).

ANNEX II: RESULTS AND RESOURCES MATRIX OF DRAFT COUNTRY PROGRAMME EGYPT 10450.0 (2007–2011)

Results hierarchy	Performance indicators	Risks and assumptions
UNDAF outcomes	UNDAF outcome indicators	
UNDAF Outcome 1: By 2011, the State's performance and accountability in programming, implementing and coordinating actions, especially those that reduce exclusion, vulnerabilities and gender disparities, are improved	1.1 Poverty rate	
UNDAF Outcome 2: By 2011, unemployment and underemployment are reduced and worst forms of child labour are eliminated	2.1 % of people employed	
UNDAF Outcome 3: By 2011, regional human development disparities are reduced, including reducing the gender gap, and environmental sustainability is improved	3.1 Net enrolment in primary education in Upper Egypt and Frontier Governorates by gender	
	3.2 Under-5 mortality rate per 1,000 live births	
UNDAF Outcome 4: By 2011, women's participation in the workforce, political sphere and in public life is increased and their human rights are increasingly fulfilled	4.1 Literacy rate for females (15-24 years)	
WFP CP outcomes	WFP CP outcome indicators	Risks and assumptions
Component 1		
Outcome 1.1: Strengthened government capacity to reform safety net programmes and launch strategies (WFP Strategic Objective 5)	1.1.1 Percentage of poor who benefited from food-based safety-net programmes	Resource is mobilized Government commitment is met
Outcome 1.2: Reduced level of micronutrient deficiencies, especially iron and folic acid, among women and children (WFP Strategic Objective 3)	1.2.1 Prevalence of micronutrient deficiencies in children under-5 and women of child-bearing age	
Outcome 1.3: Increased capacity of national school feeding programmes (WFP Strategic Objective 5)	1.3.1 Capacity of national school feeding programmes to target vulnerable children (no. of vulnerable children supported by the national school feeding programmes as a percentage of total number of vulnerable children)	
Component 2		
Outcome 2.1: Reduced gender disparity in access to education (WFP Strategic Objective 4)	2.1.1 Ratio of girls and boys enrolled in WFP-assisted schools	Data available are accurate teachers' perception is partial



ANNEX II: RESULTS AND RESOURCES MATRIX OF DRAFT COUNTRY PROGRAMME EGYPT 10450.0 (2007–2011)

Results hierarchy	Performance indicators	Risks and assumptions
Outcome 2.2: Increased access to pre-school education (WFP Strategic Objective 4)	2.2.1 Absolute enrolment: No. of boys and girls enrolled in WFP-assisted pre-schools	
Outcome 2.3: Improved capacity to concentrate and learn among boys and girls (WFP Strategic Objective 4)	2.3.1 Teachers' perception of children's ability to concentrate and learn in WFP-assisted schools as a result of school feeding	
Component 3		
Outcome 3.1: Improved livelihoods for vulnerable households through community empowerment and physical and human asset creation (WFP Strategic Objective 2)	3.1.1 Proportion of beneficiary household expenditures devoted to food	Household expenditure data are reliable
Key CP outputs	Key CP output indicators	Risks and assumptions
Component 1		
Output 1.1: Provision of capacity-building assistance to Ministry of Social Solidarity	1.1.1 No. of ministry staff trained on subsidy and food security at the central and district levels	New knowledge and skills utilized Qualified staff in place
	1.1.2 No. of policy recommendations accepted and implemented by government in favour of the poor	
Output 1.2: Provision of capacity-building assistance to Ministry of Planning and Local Development	1.2.1 No. of studies/surveys by the specialized unit undertaken to inform government policy	
	1.2.2 No. of training sessions conducted for ministry staff on preparing maps indicating food security at national and district level	
Output 1.3: Provision of capacity-building assistance to NNI	1.3.1 No. of NNI staff trained on data collection and analysis	
	1.3.2 No. of assessments and surveys on health and nutrition conducted	
	1.3.3 No. of reports on nutrition published	
Output 1.4: Provision of capacity-building assistance to Ministry of Education	1.4.1 Improved M&E system established	
	1.4.2 Increased resource allocation to vulnerable areas	



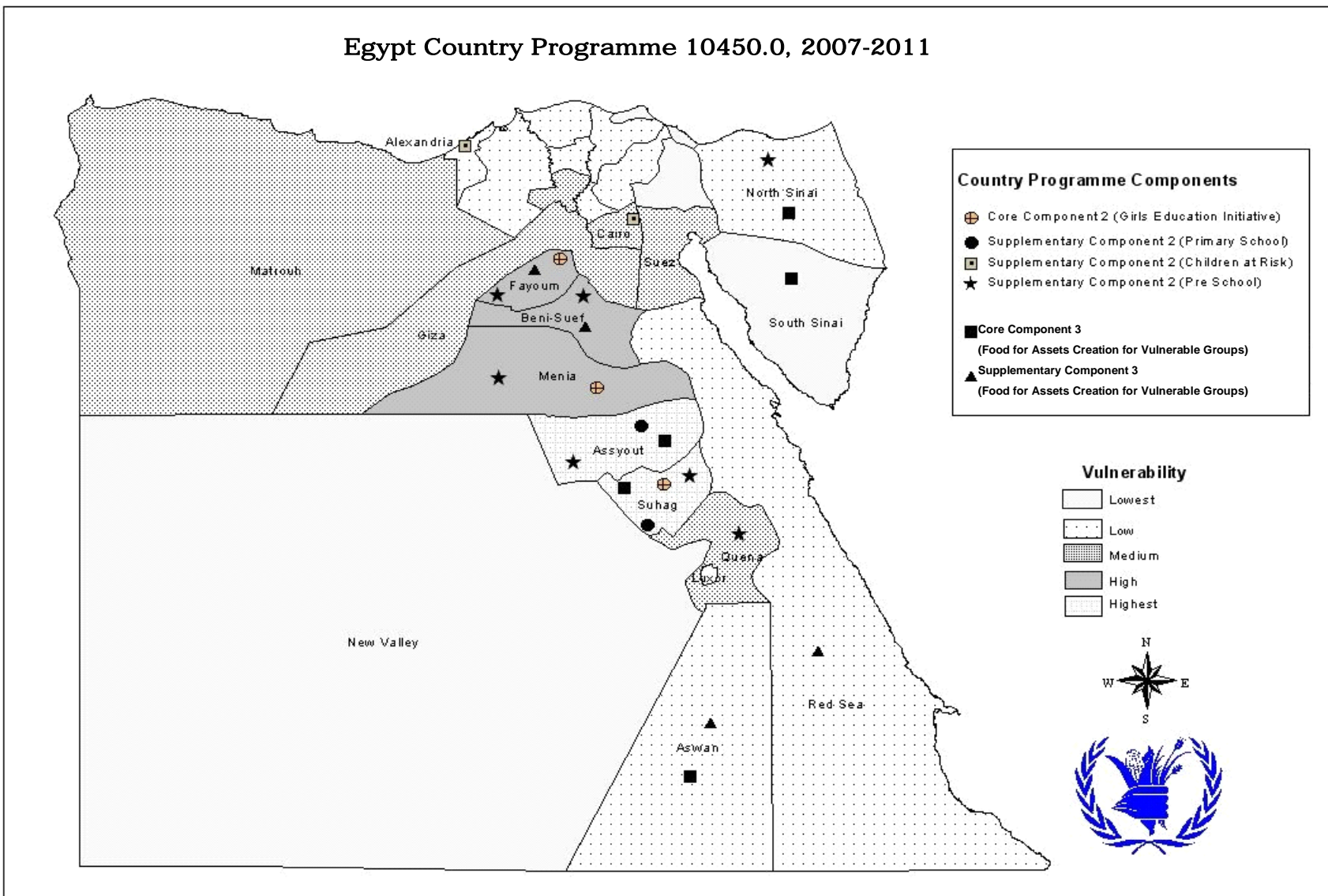
ANNEX II: RESULTS AND RESOURCES MATRIX OF DRAFT COUNTRY PROGRAMME EGYPT 10450.0 (2007–2011)

Results hierarchy	Performance indicators	Risks and assumptions
Component 2		
Output 2.1: Timely provision of food in sufficient quantity for targeted school children	2.1.1 No. of girls and boys receiving WFP food assistance by project	Resource is mobilized Qualified staff in place
	2.1.2 Actual metric tons of food supplied, by project	
Component 3		
Output 3.1: Timely provision of food in sufficient quantity for targeted vulnerable beneficiaries	3.1.1 No. of beneficiaries receiving WFP food assistance, by age group and sex	Resource is mobilized Qualified staff in place NGO and community involvement in place
	3.1.2 Actual metric tons of food distributed	
Output 3.2: Provision of adult education and vocational training to selected vulnerable groups	3.2.1 No. of beneficiaries provided with literacy, numeracy and/or vocational training	
Output 3.3: Increased access to income-generating activities	3.3.1 No. of beneficiaries trained in non-agricultural/basic micro-business financial skills	



ANNEX III

BUDGET PLAN FOR CP EGYPT 10450.0 (2007–2011)				
All Components				
	Component 1: Supporting Reform through Capacity- Building	Component 2: Food for education - Supporting Equitable Access and Quality Learning	Component 3: Food for asset Creation for Vulnerable Groups	Total (Components)
Food Commodities (mt)	This component will not be funded through WFP multilateral funding	8 243	12 661	20 904
Food Commodities (US\$)		2 887 313	3 489 742	6 377 055
External Transport (US\$)			287 530	287 530
LTSH (total)				0
LTSH (US\$/mt)				0
ODOC (US\$)		40 700	75 600	116 300
Total Direct Operational Costs (US\$)		2 928 013	3 852 872	6 780 885
DSC (US\$)		304 063	377 808	681 870
ISC (US\$)		226 245	296 148	522 393
Total WFP Costs (US\$)		3 458 320	4 526 827	7 985 147
Government Contribution (US\$)			2 221 000	11 790 543



The designations employed and the presentation of material in this publication do not imply the expression of any opinion whatsoever on the part of the World Food Programme (WFP) concerning the legal status of any country, territory, city or area or of its frontiers or boundaries.

ACRONYMS USED IN THE DOCUMENT

CP	country programme
ECE	early childhood education
ECEEP	Early Childhood Education Enhancement Project
FAO	Food and Agriculture Organization of the United Nations
FFA	food for assets
FFE	food for education
GDP	gross domestic product
ILO	International Labour Organization
LOU	Letter of Understanding
M&E	monitoring and evaluation
MDG	Millennium Development Goal
NCCM	National Council for Childhood and Motherhood
NGO	non-governmental organization
NNI	National Nutrition Institute
ODC	Regional Bureau Cairo (Middle East, Central Asia and Eastern Europe)
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations Children's Fund
VAM	vulnerability analysis and mapping
WHO	World Health Organization