

EXECUTIVE SUMMARY

The Assessment of Development Results (ADR) in Egypt is an independent country-level evaluation conducted by the Evaluation Office of the United Nations Development Programme (UNDP). It assesses UNDP's overall performance and contribution to development in Egypt and draws lessons for future UNDP support to Egypt.

This is the second ADR conducted in Egypt and one of eight conducted in the region. The ADR covers the period 2004 to the present, focusing on the most recent planning cycle, 2007–2011. The ADR emphasizes interventions planned in Egypt through the UNDP country programme and corresponding Country Programme Action Plan (CPAP). These planning documents are considered within the wider context of the United Nations Development Assistance Framework (UNDAF) for Egypt, as well as the Government of Egypt's Sixth Five-Year Plan.

The evaluation was already underway when social unrest in Egypt peaked from 25 January to 11 February 2011, bringing down the previous government. The Evaluation Office opted to delay completion of the evaluation pending a new government, consistent with the UNDP management decision to delay completion of a new country programme. While the political transition in Egypt has not yet ended, it is nevertheless time to complete this exercise.

The ADR considers each UNDP practice area: democratic governance, poverty reduction, environment and energy, and crisis prevention and recovery, plus cross-cutting priorities such as women's empowerment and South-South partnerships. The intended audience includes the UNDP Executive Board, UNDP management and UNDP partners at local, national and international levels.

COUNTRY CONTEXT

Egypt has made substantial economic, social and development gains over the past two decades, achieving many of its Millennium Development Goals (MDGs) and moving into the ranks of middle-income countries. Yet significant development challenges remain, including the inequitable distribution of wealth, high population growth, gender inequality, inadequate opportunity for youth, low levels of political participation, public sector inefficiency and corruption. At the same time, Egypt is grappling with development challenges that emanate from outside its borders, including the global economic recession and climate change. While the political and social upheavals of 2011–2012 raise hope for political reform and greater social justice, the long transition period has intensified existing social and economic problems. With respect to MDG fulfilment, there has been progress towards all goals, but some are off track and others will be difficult to achieve. Egypt has met its income, child mortality and drinking water targets, but is missing targets related to women in the workplace and HIV/AIDS treatment.

Macroeconomic indicators paint a picture of economic improvement in Egypt over the past decade; however, the positive GDP numbers mask the reality that the changing Egyptian economy has not lifted all boats equally. An estimated 25.5 percent of the population lives below the international poverty line of \$2 a day. There are regional economic disparities along the urban/rural divide, and problems are especially acute in Upper Egypt, which is home to 36 percent of the population. Egypt's demographics place relentless pressure on its economy to continue rapidly expanding. In 2010, the population was estimated at 84.5 million people—more than double the population just 30 years previously. The high annual population growth rate of 1.73

percent has created a ‘bubble’ in the population, with close to 32 million citizens under the age of 18. Meanwhile, chronic unemployment continues to challenge the Egyptian economy. Egypt’s official unemployment rate was 12.4 percent in the 2010/2011 fiscal year (24 percent for women). Almost 60 percent of the unemployed in Egypt are new entrants to the labour force. To satisfy the demand of new job seekers entering the market, 650,000 new jobs are needed each year, requiring annual GDP growth between 6 and 8 percent.

UNDP IN EGYPT

The UNDP country programme 2007-2011 is consistent with UNDP corporate strategic goals and takes into account the findings and recommendations from the previous ADR, the Egypt human development reports and progress reports on MDG achievement. UNDP’s programme budget for Egypt for the 2007-2011 cycle was five times higher than it was 20 years ago, and has shifted dramatically from UNDP core financing to non-core resources. Eighty-two percent of UNDP’s total annual budget in 2011 came as cost-sharing from the Government of Egypt (USD 286.8 million).

In July 2011, in the wake of the popular uprising that began on 25 January 2011, UNDP adopted an interim plan entitled ‘Supporting Egypt’s Transition to Democracy, 2011-2012’. The UNDP transition strategy notes the positive opportunities presented by the political transition: a new democracy brought new political parties to the fore and created more room for civil society. Public awareness has grown exponentially—especially among Egyptian youth—and citizens have escalated their demands for improved protection of their rights and an end to corruption. The transition has also brought challenges for Egypt and UNDP, including an uncertain security situation, an economy in recession and a diminished role for women in the political process. The transition strategy builds on the existing country programme and notes that UNDP will continue to provide support in the

areas of its previous engagement: poverty reduction, strengthening democratic governance and human rights, and sustainable management of the natural environment.

UNDP’s work in the area of poverty reduction encompasses three outcomes. The first focuses on improved national capacity to design, apply and monitor pro-poor policies. The second focuses on national strategies that are formulated, tested and implemented to facilitate increased access to and foster the use of information and communication technology (ICT) to achieve development goals. The third outcome addresses the empowerment of women to contribute to political, economic and social change and development. Together these outcomes encompass 14 outputs and dozens of projects.

UNDP has supported the Government of Egypt’s efforts to directly reduce poverty, in particular through the Social Fund for Development (SFD), which started in 1991 as a UNDP project to provide a social safety net for vulnerable groups most affected by the Government’s economic reforms and structural adjustments. Since then, the SFD has evolved into a large, quasi-governmental fund focused on micro-, small- and medium-size enterprise development and job creation. During this programming cycle, UNDP worked with the Egypt Ministry of Economic Development to closely monitor Egypt’s progress towards achieving the MDGs. UNDP’s work on MDG monitoring has been highly relevant, generating five updates that are widely recognized for their thorough analysis of Egypt’s progress towards meeting the MDGs.

A highlight of UNDP’s work in Egypt has been its support for strategies to fight poverty through information and communication. The ‘ICT Programme to Foster Egypt’s Sustainable Human Development’ (ICT4D) comprises five interrelated projects focusing on illiteracy eradication, community knowledge/e-library, community portals, smart schools and a mobile internet unit. The programme seeks to stimulate awareness of the benefits of ICT and to make ICT

more accessible and affordable for all citizens. The 'ICT4D' programme is respected by UNDP partners and many of its interventions can be considered best practice. UNDP's close partnership with the Ministry for Communications and Information Technology (MCIT) is considered a success by many observers and the partnership has engaged other government entities, including the Ministry of Health and the Postal Authority, as well as the private sector. Through the ICT4D programme, UNDP has helped the Government expand access to education through e-learning, reaching over 1 million citizens.

Gender equality is a significant human development challenge for Egypt. UNDP has been active in supporting increased women's participation in the political and judicial systems and has worked with UNICEF and UN Women to support the National Council for Childhood and Motherhood in its efforts to reduce the prevalence of traditional circumcision practices for girls, known as female genital mutilation (FGM). These efforts included the development of 120 'FGM-free Villages' across Upper and Lower Egypt.

UNDP is recognized in Egypt by a broad array of stakeholders for its publication of the Egypt human development reports (EHDRs), which are frequently cited as influencing national policy. The 2005 EHDR in particular, with its focus on 'a new social contract', was considered a breakthrough document for opening public discourse on the need to address regional economic disparities and pockets of poverty, especially in Upper Egypt.

UNDP has not been called on to play a significant role in disaster or conflict prevention and recovery in Egypt, even during the recent uprisings. UNDP has essentially focused on three discrete conflict prevention and recovery interventions: landmine clearing in the North West region, support to the Cairo Centre for Training on Conflict Resolution and Peacekeeping in Africa', and assistance in the fight to contain and neutralise the avian and H1N1 influenza pandemics in 2006 and 2009.

UNDP's decentralization assistance to the Government of Egypt is made up of four elements: policy formulation, institutional support, capacity development and coordination activities. UNDP's contribution to decentralization has been generally well conceived and carried out, and has enabled the Government of Egypt to better articulate a decentralization strategy. UNDP support in the governance area included a capacity-building initiative to expand awareness and respect for human rights among the judiciary, police and prison wardens. Because there were no follow-up assessments, it is unclear whether this human rights training programme had any impact on the views and actions of participating police, prison wardens, legal officials and media.

UNDP has developed a large and varied environmental project portfolio in Egypt and has successfully mobilized substantial resources, especially with the Global Environment Facility and bilateral donors. With UNDP support, the Government developed and implemented a National Strategy for Improving Energy Efficiency. Management at the Egyptian Environmental Affairs Agency indicate that UNDP policy and technical support has been of great benefit as Egypt strives to meet international environmental convention and protocol obligations.

The evaluation led to eight conclusions:

Conclusion 1: UNDP has contributed to Egypt's key development priorities as set out in government planning frameworks and reiterated in the situation analyses of the Cairo Agenda for Action. Country engagement with the UNDP programme is strong. The prevailing government view is that partnership with UNDP enhances opportunities for Egypt to secure international funding and to obtain high-quality technical support informed by international best practices.

Conclusion 2: UNDP has demonstrated that it can provide both strategic upstream advice and effective downstream programme management

support to the Government of Egypt across a broad portfolio of development programmes.

Conclusion 3: UNDP efforts to promote a culture of human rights in Egypt are highly relevant to the Government and citizenry, but have had little discernible impact.

Conclusion 4: UNDP has actively promoted women's empowerment and gender issues across its portfolio of programmes, and through its own hiring and human resources. Nevertheless, progress on women's empowerment in Egypt has recently stalled and is in danger of regressing.

Conclusion 5: UNDP has contributed to the Government's ongoing decentralization efforts, especially through its support for drafting a National Decentralization Strategy and efforts to enhance national government capabilities to implement this strategy. UNDP has shown that it can provide effective technical assistance to local governments on capacity building, planning support and progress monitoring for improved service delivery. UNDP has been less successful in helping the Government to scale up and replicate piloted decentralization approaches.

Conclusion 6: UNDP has had a measure of success in prompting the Government of Egypt to better address critical environmental issues facing the country.

Conclusion 7: UNDP has served the Government of Egypt as an incubator and strategic advisor for new institutions and initiatives. This additive approach has resulted in real service delivery improvements, but carries some risk over

the long term because it bypasses the need for comprehensive civil service reform.

Conclusion 8: The revised set of priorities envisioned in the 2011–2012 transition strategy are well-reasoned and build appropriately from the existing UNDP support framework, taking into consideration current national circumstances.

The evaluation puts forward four recommendations for UNDP to consider in the next Egypt country programme:

Recommendation 1: UNDP should expand its support to local governments and urban communities, emphasizing integrated planning and community participation, and focusing on economically disadvantaged communities.

Recommendation 2: UNDP should engage with the Government of Egypt in a renewed effort towards civil service reform, especially in support of government efforts to tackle corruption and promote transparency and integrity.

Recommendation 3: UNDP, together with its UN and national partners, should continue to promote the empowerment and participation of women in Egypt, and should focus special attention on opportunities for technical training.

Recommendation 4: UNDP should enhance its support in the area of environmental protection by helping the Government of Egypt to replicate and upscale successful pilot projects. In particular, UNDP should focus increased attention on energy efficiency and land degradation issues.