

Ministry of Water Resources and Irrigation
US Agency for International Development
Agricultural Policy Reform Program
Environmental Policy and Institutional Strengthening Indefinite Quantity Contract

**APRP – Water Policy Activity
Contract PCE-I-00-96-00002-00
Task Order 807**

**QUARTERLY REPORT
(JANUARY-MARCH 2002)**

Report No. 56

APRIL 2002

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I. SUMMARY

The EPIQ Water Policy Reform Program (Contract PCE-I-00-96-00002-00, Task Order 807) is responsible for advising and providing technical assistance to the Ministry of Water Resources and Irrigation (MWRI) of the Government of Egypt (GOE) with respect to improved policy assessment and planning, improved irrigation system management, and improved private sector participation. EPIQ/WPRP is a component of the USAID Agricultural Policy Reform Program (APRP). EPIQ team members successfully completed Phase 2 of the Tranche IV Benchmarks and all three Tranche V Benchmarks in 2001. Activities during the reporting period focused on completing various loose ends related to the benchmark activities and on the following studies/activities:

- ◆ Knowledge, Attitudes and Practices (KAP) Survey.
- ◆ Market-Based Instruments (MBI) Study
- ◆ Impact Assessment
- ◆ Final Report Preparation

Specific Benchmark Related Accomplishments

TRIV-C.1. Matching Irrigation Supplies with Demands

In an effort to document the results of the benchmark pilot program, it was decided to prepare a Data Report for each pilot program. Each report describes the subject district, presents a user's manual for the Excel and Access computer tool, applies the tool to the data and describes how to utilize the tool as an aid in distributing water. Since these data reports were not required for verification of benchmark accomplishment, and since completion of the benchmark activities were accelerated; completion of these data reports was scheduled for the first quarter of 2002. Completion of the data reports was accomplished at the end of February.

The five pilot programs provided a long-term, valuable test of the MISD concept and procedures. It was decided, therefore to analyze the prediction of water requirements versus actual water releases to evaluate whether application of the MISD procedures would have resulted in a different pattern of releases and whether the difference would

result in releasing more or less water. This effort was undertaken during the reporting period resulting in issuance of Report No. 55, MISD-Potential Impact on Water Conservation.

TRIV-C.4. Irrigation Management Transfer

A limited effort was conducted during the reporting period in support of MWRI efforts related to implementation activities, identifying areas of required donor support and in organizing benchmark activity outputs.

TRIV-C.5 Revision of Law 12/1984 on Irrigation and Drainage

The EPIQ team provided limited support to MWRI through local consultants. This support consisted of conducting meetings with MWRI legal staff to clarify/explain the draft law and to assist with planning necessary actions required for securing adoption of the revised law.

Studies and Other Benchmark Related Activities

Knowledge, Attitudes and Practices (KAP) Survey.

All requirements of the survey, including the participatory Rural Appraisals were completed in the reporting period. The subcontractor delivered the final versions of the Main Report (in English), the summary report (in Arabic), the Power Point presentation and all backup documentation. Printing and distribution of the reports along with a formal presentation of results was scheduled for early in the coming quarter.

Market-Based Instruments (MBI) Study

Analysis of results, preparation of the draft report, the stakeholders workshop and the final report were completed during the period. Final editing/formatting of the report was underway at the end of the reporting period.

Impact Assessment

This activity progressed during the reporting period. The STTA economist was mobilized and accomplished the following:

- ◆ Reviewed and finalized the work plan
- ◆ Categorized policy achievements into themes
- ◆ Prepared assessment methodology and defined impact indicators
- ◆ Conducted planning session for data collection

Data collection was progressing at the end of the period with completion of the assessment scheduled for the coming quarter.

Training

The EPIQ team assisted MWRI/WPAU with preparing the Technical Specification forms for two in-counting training courses and four off-shore courses.

Contract Negotiations

USAID and MWRI mutually agreed to extend the EPIQ WPRP activity for six months through 30 September. The EPIQ team participated in defining the scope of work to be conducted during the extension period.

II. ACCOMPLISHMENTS DURING THE REPORTING PERIOD

During the 1st quarter, January through March 2002, the EPIQ TA team worked with USAID, Ministry for Water Resources and Irrigation (MWRI), Water Policy Advisory Unit (WPAU) and the other Agriculture Policy Reform Program (APRP) TA units on providing limited support related to policy sustainability and on other non-benchmark studies. The other TA units include the Monitoring, Verification and Evaluation Unit (MVE) and the Reform Design and Implementation Unit (RDI).

Benchmark Related Activities

TRIV-C.1. Matching Irrigation Supply and Demand (MWRI/MALR)

A Pilot District Data Report was prepared for each of the pilot areas. Each pilot area collected a large amount of data over the two-year policy benchmark development period and a computerized tool was developed to aid water distribution engineers in utilizing the data in computing water requirements. The water distribution tool was made available to the districts near the termination of the pilot program and therefore was not utilized until late in the program. Therefore, it was considered important to prepare these data reports to document all aspects of the pilot program and demonstrate how the MISD program can be used to achieve improved water management. Basically each data report includes:

- ◆ Physical description of the pilot district
- ◆ Cropping data collected throughout the pilot program
- ◆ Water monitoring (measurement) data collected during the pilot program
- ◆ User's manual for the computerized tool for calculating water requirements from the cropping data
- ◆ Results of applying the tool to historical data to calculate predicted water requirement
- ◆ Comparison of predicted historical water requirements versus actual water delivered.

Thus, the Pilot District Data Reports not only document the results of the program in one reference, it is also a manual that can be used as the MISD program is expanded nationwide to instruct district engineers on how to implement MISD in their district and how to use the computerized tool to aid them in calculating water requirements to match actual cropping patterns.

The effort of producing these five reports was started in the previous quarter and completed during the reporting period. Upon completion of the data reports, a separate

effort was undertaken to compare predicted water requirements in the five district with actual water deliveries. The objective of this study was to investigate the difference in water deliveries if the computer tool had been available and if water deliveries had been made in accordance with the predicted requirements. The study period covered one full water year and was completed during the reporting period. The results indicated that actual water delivered exceeded the predicted requirements by a significant amount.

Other

Limited efforts related to other Tranche IV and Tranche V policy benchmarks were conducted during the reporting period. This consisted primarily of organizing data and files, collecting reports in electronic format and documenting results of the policy benchmark efforts completed in 2001. In addition, the following activities were undertaken and completed during the period:

◆ *Tranche IV, C.4 Irrigation Management Transfer*

Assisted WPAU with drafting the technical specification form for two offshore training events in privatization. Reviewed and edited a brief white paper prepared by MWRI regarding implementation of IMT. Consulted with WPAU and MWRI regarding several implementation issues and prepared several iterations of a proposed IMT study to be undertaken during the project extension period.

◆ *Tranche IV C.5 Revision of Law 12*

Provided limited support by a local consultant to attend meetings with MWRI legal staff to discuss and provide clarifications regarding the proposed revision.

Studies & Other Activities

The terms of reference for the EPIQ task order is structured around a results package, jointly designed by USAID and MWRI, consisting of integrated water policy and institutional reforms. To support this results package, the EPIQ team is able to carry out studies that support policy reform or have the potential of leading to future policy

benchmarks. The EPIQ team is also involved in supporting select activities that relate directly to implementation of previous water policy benchmarks. Non-benchmark activities that fall into this category are discussed below.

Impact Assessment

Preliminary planning and development of the general framework for this effort was completed over one year ago and then the study was deferred in order to maximize the time available for the policies to result in measurable impacts. The study was reactivated during the reporting period.

Mr. Adrian Hutchens, STTA Economist was mobilized for a short assignment to lead the effort. During his stay in Cairo, he accomplished the following:

- ◆ Reviewed work products prepared prior to his arrival
- ◆ Finalized the study work plan and obtained concurrence of USAID and WPAU
- ◆ Prepared list of proposed impact indicators and discussed it with USAID, WPAU and MVE. A mutually agreed upon list resulted from this effort
- ◆ Prepared a draft of the final study report outline
- ◆ Defined data collection activities to be undertaken by local staff after his departure.

Knowledge, Attitudes and Practices Survey (KAP)

Dr. Robert Cardinalli (EPIQ Sociologist) is coordinating this study in cooperation with WPAU and the Ministry's Water Communication Unit. This survey is intended to be a follow-on to the previous KAP survey conducted by Greencom in 1998. It is intended to provide information regarding the effectiveness of the policy reforms implemented under APRP and also provide input to the Impact Analysis. The present study generally replicates the questionnaire and sample population of the first study, with addition of a sampling of reclamation areas "new lands", as well as a qualitative community case study

component using Participatory Rural Appraisal (PRA) methods to supplement and verify the veracity of quantitative results.

All requirements of the study were completed during the reporting period by the subcontractor, El Zanaty and Associates. The draft main report in English was completed and was reviewed by EPIQ, WPAU, WCU and USAID. Review comments were provided to the subcontractor, revisions were made and the final, camera ready copy was delivered. An Arabic language summary report was developed using the same process and it was delivered in final format during the period. The subcontractor also prepared a power point presentation and submitted it during the reporting period.

Market-Based Instruments (MBI) Study

During the process of negotiating the contract extension period, it was jointly decided by MWRI, USAID and the EPIQ contractor that a study related to Market-Based Instruments (MBIs) be undertaken. The objective is to study issues related to the use of MBIs and identify MBIs that have the potential to achieve additional improvements in irrigation efficiency and water quality. The intent is to define policy adjustments that will facilitate the use of MBIs by MWRI.

Dr. David McCauley, Supervisory Resource Economist is responsible to design, oversee and coordinate this study through a Short Term Technical Assistance arrangement. Dr. Elsayed Mahdy, EPIQ Economist and Dr. Ibrahim Ellassiouty, EPIQ Water Resources Specialist provide primary support to the study team. The study progressed on schedule during the reporting period. An analysis of disaggregated water quantity and water quality problems was conducted and a preliminary, long list of potential MBIs was identified to address the problems. A screening criteria and methodology was devised and applied to the long list of MBIs. A draft study report was prepared and distributed to USAID and WPAU for review. A stakeholder workshop was conducted with participants from MWRI, USAID, Ministry of Health and Population, Ministry of Environment, RDI,

MVE, University Professors and members of other USAID TA Consultant teams in attendance. The draft study report was revised prior to the end of the reporting period. Final editing/formatting, printing and distribution of the final study report were scheduled to be completed early in the next quarter.

Project Close-Out Activities

The USAID Mission and MWRI jointly decided to request a six month extension of the WPRP activity. Although not formalized until the very end of the reporting period, it was concluded that final approval of the extension would be forthcoming. Therefore, the TA Consultant programmed his project close-out activities for final completion on 30 September. Several close-out activities were initiated on an intermittent basis during the reporting period as follows:

Final Report A preliminary outline was prepared and individual team members prepared brief write-up of achievements made on activities they were responsible for.

Demobilization Plan Models from other USAID projects that had terminated in the last year were collected and reviewed in order to establish the format to be used for the WPRP demobilization plan.

Project Completion Conference The proposed SOW for the extension period includes designing and conducting a project completion conference. A preliminary draft format and agenda document was prepared and circulated to USAID, WPAU and MWRI for review and comment.

Workshops/Seminars

An MBI seminar was conducted by the MBI study team on 14 January. The objective was to provide a general overview of MBIs and to present a status update on the WPRP MBI study. Participants from USAID and MWRI attended.

A one day stakeholders workshop was conducted on 24 March in Cairo. Sixty two participants were invited and 55 attended.

Reports

Eight reports were issued during the reporting period as follows:

- No. 45a Matching Irrigation Supplies and Demands (Pilot District Data Report) Abou Hummus District (February 2002)
- No. 45b Matching Irrigation Supplies and Demands (Pilot District Data Report) Abou Kebir District (February 2002)
- No. 45c Matching Irrigation Supplies and Demands (Pilot District Data Report) Beba District (February 2002)
- No. 45d Matching Irrigation Supplies and Demands (Pilot District Data Report) East Esna District (February 2002)
- No. 45e Matching Irrigation Supplies and Demands (Pilot District Data Report) Luxor District (February 2002)
- No. 52 Quarterly Report (October-December 2001)
- No. 53 Annual Report (January-December 2001)
- No. 55 Matching Irrigation Supplies and Demands-Potential Impact on Water Conservation (March 2002)

III. ACTIVITIES PLANNED FOR NEXT QUARTER

Policy Sustainability Studies

Three studies are programmed to be completed during the next quarter. The agreed upon studies are:

Sustainability of Privatization Policy Achievements

Monitoring & Evaluation for privatization initiatives

Implications of Infrastructure Transfer

Sustainability of Public Participation Policy

Sustainability of Integrated Water Management District

Project Completion Conference

Detailed planning and arrangement of logistic will be conducted during the next period. The conference is tentatively planned to be held at the end of the coming period, however that decision was not finalized at the time of writing this report.

Demobilization Plan

The demobilization plan is programmed to be completed and submitted to USAID prior to the end of the next period.

Final Report

Preparation of the final report will continue on an intermittent basis throughout the coming period.

IV. PROBLEMS AND ISSUES

Definition of the scope of work to be accomplished during the extension period was not finalized until late in the reporting period. Thus, execution of the extension period activities will be done under a very tight schedule.

V. IMPORTANT TRIPS, VISITS AND MEETINGS

DATE	LOCATION	PURPOSE
Jan. 8	MALR	Joint MALR/MWRI MISD Implementation Meeting
Jan. 14	MWRI building	MBI seminar
Jan. 16	Damanhour	MBI study field trip
Jan. 28	Gharbiya	Public Participation follow-up field trip
Jan. 30	Ain Sokhna	Water Boards Conference
March 4	Behera	Impact assessment data collection field trip
March 9	Gharbiya	Impact assessment data collection field trip
March 24	Cairo	MBI study workshop

VI. STAFF LEVEL OF EFFORT

The EPIQ resident team had a maximum technical consulting staff of eight people (4 expatriate and 4 local professionals) during the reporting period. The administrative support staff consisted of ten people throughout the reporting period.

The LTTA and STTA staffing list for the quarter is shown below:

RESIDENT STAFF

EXPATRIATE

NAME	POSITION
Mr. Andrew Tczap	Chief of Party
Greg Olson	Administrative Officer
Dr. Larry King	Senior Irrigation Engineer (departed 27 February)
Dr. Robert Cardinalli	Senior Sociologist

RESIDENT STAFF

NAME	POSITION
Dr. Ahmed F. Khattab	Co-Team Leader (departed 9 January)
Dr. Ibrahim Elassiouty	Senior Water Resources Management Specialist
Dr. Elsayed Mahdy	Economist (departed 31 January)
Eng. Ragab Abdel Azim	Drainage Engineer (departed 31 January)

SHORT TERM STAFF DURING THE REPORT PERIOD

EXPATRIATE

NAME	POSITION
Adrian Hutchens	Agricultural Economist
Louise Kemprecos	Communications Specialist
Robert Anderson	Environmental Resource Economist
Richard Bowen	Resource Economist
David McCauley	Resource Economist

LOCAL EGYPTIAN

NAME	POSITION
Hussein Elwan	Irrigation Management Specialist
Ahmed Maher Ghydan	Senior Irrigation Specialist
Mohamed Badran	Legal Specialist
Hesham Moustafa	Communications Specialist
Essam Barakat	Senior IAS Specialist

VII. STATUS OF FINANCES AND EXPENDITURES

EPIQ WPRP Financial summary for 1st Quarter 2002 (January-March 2002)

	Itemized Budget	Prior Claimed	Current Claim	Claims to Date	Remaining Balance	Budget Claimed
Direct Labor	\$7,117,553	\$6,685,308	\$282,824	\$6,968,132	\$149,421	98%
Travel & Transp.	\$330,000	\$293,702	\$19,977	\$313,679	\$16,321	95%
Per Diem	\$340,000	\$291,812	\$18,663	\$310,475	\$29,525	91%
Allowances	\$1,370,000	\$1,206,625	\$18,712	\$1,225,337	\$144,663	89%
Other Direct Costs	\$1,717,050	\$1,605,436	\$66,945	\$1,672,381	\$44,669	97%
Total	\$10,874,603	\$10,082,883	\$407,121	\$10,490,004	\$384,599	96%

Source: IRG Invoices 56 and 57 plus estimate of March expenditures

VIII. LIST OF REPORTS

The following table presents a list of reports produced from program inception to date.

No.	NAME	DATE
1	APRP Tranche II Policy Benchmark Background Documentation	August 1997
2	Project Implementation Plan	October 1997
3	Annual Technical Progress Report (7 May-31 Dec 1997)	January 1998
4	Annual Work Plan (Jan.-Dec 1998)	April 1998
5	Quarterly Report (Jan.-March 1998)	April 1998
6	Assessment of Egypt's Rice Policy and Strategy for Water Manag.	June 1998
7	Egypt's Irrigation Improvement Program I. Performance Assessment II. Proposed National Strategy	June 1998
8	National Policy for Drainage Water Reuse	June 1998
9	Water User Association Formation Outside the Irrigation Improvement Program Area	June 1998
10	Hydrogeology of Deep Aquifers in the Western Desert and Sinai	August 1998
11	Quarterly Report (April-June 1998)	August 1998
12	WRRP Tranche III Benchmark Work Plan	November 1998
13	Quarterly Report (July-September 1998)	December 1998
14	Quarterly Report (October-December 1998)	January 1999
15	Quarterly Report (January-March 1999)	May 1999
16	Policies and Procedures for Free-Flowing Groundwater Management in Egypt's Western Desert	June 1999
17	Establishment of Branch Canal Water User Associations in the Egyptian Irrigation System	June 1999
18	Institutionalization of the Irrigation Advisory Service in the Ministry of Public Works and Water Resources	June 1999
19	Water Saving Through Utilization of Short Duration Rice	June 1999

No.	NAME	DATE
	Varieties: National Policy Package, 1999-2000	
20	Intermediate Drainage Reuse in Bahr Bagar Drain Basin	June 1999
21	Revision of Law 48 of 1982 for the Protection of the Nile River and its Waterways from Pollution	June 1999
22	Short Duration Rice Variety Pilot Program Results	July 1999
23	Quarterly Report (April– June 1999)	August 1999
24	Tranche IV Water Policy Benchmark Implementation Plan	November 1999
25	Quarterly Report (July - September 1999)	November 1999
26	Rice Water Use Policy Phase1: Water Monitoring and Evaluation Program with Appendices	December 1999
27	Review of the Agricultural Sector Model of Egypt (ASME97): 1999 Version	December 1999
28	Quarterly Report (October-December 1999)	January 2000
29	Annual Report (January – December 1999)	February 2000
30	Quarterly Report (January- March 2000)	May 2000
31	Quarterly Report (April- June 2000)	August 2000
32	Quarterly Report (July-September 2000)	
33	Reducing Mismatch of Irrigation Deliveries, Phase I: Pilot Program	November 2000
34	Policies and Procedures for Improved Urban Wastewater Discharge and Reuse	November 2000
35	Water Management at the Directorate Level	November 2000
36	MWRI Policy on Irrigation Management Transfer (Phase I)	December 2000
37	Analysis and Review of Modifications in Law 12 of 1984 on Irrigation and Drainage	December 2000
38	Quarterly Report (October-December 2000)	May 2001
39	Irrigation Management Transfer Public Awareness Campaign	June 2001

No.	NAME	DATE
	Phase 1: Strategy	
40	Quarterly Report (January-March 2001)	July 2001
41	Quarterly Report (April-June 2001)	August 2001
42	IMT Public Awareness Campaign: Phase II	To be submitted
43	PPDM User's Manual	October 2001
44	Quarterly Report (July – Sept 2001)	Nov. 2001
45	Matching Irrigation Supplies and Demands	Nov. 2001
45 a	Matching Irrigation Supplies and Demands (Pilot District Data Report) Abou Hummus District	February 2002
45b	Matching Irrigation Supplies and Demands (Pilot District Data Report) Abou Kebir District	February 2002
45c	Matching Irrigation Supplies and Demands (Pilot District Data Report) Beba District	February 2002
45d	Matching Irrigation Supplies and Demands (Pilot District Data Report) East Esna District	February 2002
45e	Matching Irrigation Supplies and Demands (Pilot District Data Report) Luxor District	February 2002
46	Application of Policies and Procedures for Improved Urban Wastewater Discharge and Reuse with Appendices	Nov. 2001
47	MWRI Policy on Irrigation Management Transfer with Appendices	Dec. 2001
48	Revised Law 12 of 1984 on Water Resources and its Executive Regulation with Appendices	Nov. 2001
49	Integrated Water Management District with Appendices	Dec. 2001
50	Public Participation in Decision-Making with Appendices	Dec. 2001
51	Environmental Management at MWRI with Appendices	Dec. 2001
52	Quarterly Report (October-December 2001)	Jan. 2002
53	Annual Report 2001	March 2002
54	Knowledge, Attitudes and Practices of Egyptian Farmers towards Water Resources, National Survey 2001	March 2002
55	Matching Irrigation Supplies and Demands – Potential Impact on Water Conservation	March 2002