

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

(APRIL-JUNE 2002)

Report No. 63

JUNE 2002

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(APRIL-JUNE 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:

- ◆ Irrigation Management Transfer: Monitoring and Evaluation study
- ◆ Irrigation Management Transfer: Transfer of Infrastructure Study
- ◆ Public Participation Implementation study
- ◆ Integrated Water Management Implementation Study
- ◆ Market-Based Instruments (MBI) Study
- ◆ National Conference on Water Policy
- ◆ Impact Assessment
- ◆ Final Report Preparation

II. ACCOMPLISHMENTS DURING THE REPORTING PERIOD

During the 2nd quarter, April through June 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).

Impact Assessment

Dr. John Keith, STTA Economist was mobilized for a short assignment to complete this activity. During his stay in Cairo, he accomplished the following:

- ◆ Reviewed work products prepared prior to his arrival
- ◆ Reviewed and analyzed all data collected prior to his arrival and collected supplemental data identified as being required.
- ◆ Prepared the impact assessment report, EPIQ Report No. 58
- ◆ Prepared a power point presentation regarding project impacts for use at the APRP Impact Conference and at the National Conference on Water Policy.
- ◆ The activity was completed during the period with issuance of the final report.

Knowledge, Attitudes and Practices Survey (KAP)

This activity was completed during the period. The main report (in English) and the summary report (in Arabic) were printed and distributed. The subcontractor, El Zanaty & Associates, also prepared a power point presentation and made a presentation to MWRI officials during the period.

Market-Based Instruments (MBI) Study

Final editing/formatting, printing and distribution of the final study report was completed during the quarter thereby completing this activity.

National Conference on Water Policy

Considerable effort was expended on this activity during the reporting period. The conference format was designed, keynote addresses and program presentations were prepared, handout materials prepared and reproduced, and all logistic arrangements finalized. The conference was held at the Palestine Hotel in Alexandria during 23-24 June. VIP guests included: H.E. Dr. Mahmoud Abu-Zeid, Minister of Water Resources and Irrigation; H.E. Dr. Mamdouh Riyad, Minister of State for Environmental Affairs; H.E. Mohamed Abdel Salam Mahgoub, Governor of Alexandria; and Mr. Willard J. Pearson, Director of the USAID Mission in Egypt. The conference was attended by a total of 53 participants and was judged to be very successful.

Irrigation Management Transfer: Monitoring & Evaluation Study

Dr. Robert Cardinalli (EPIQ Sociologist) is coordinating this study in cooperation with WPAU. This study is intended to establish an M&E framework for IMT and for future privatization initiatives envisioned within MWRI.

A working group was established and met on a regular basis. The group developed the framework, identified indicators for M&E and estimated the resources required to carry out an effective M&E program. A final draft report was completed during the reporting period and was undergoing review at the end of the period.

Irrigation Management Transfer: Transfer of Infrastructure Study

This study is intended to review the worldwide experience with IMT comparing results where infrastructure is transferred to water user associations and where it is not. The study then evaluated the Egyptian context to determine if infrastructure transfer would be

beneficial to MWRI's existing IMT policy. Dr. Robert Cardinalli (EPIQ Sociologist) is coordinating this study in cooperation with WPAU.

A working group was established and met on a regular basis throughout the period. An extensive literature search was completed and the experience from other countries was reviewed in light of conditions in Egypt. A final draft report was completed and undergoing review at the end of the period.

Public Participation Implementation Study

Dr. Robert Cardinalli (EPIQ Sociologist) is coordinating this study in cooperation with WPAU. The intent of this study is to review the general implementation plan developed during the policy benchmark process and identify specific procedures to be undertaken during implementation.

A working group was formed and regular meetings were held during the reporting period. One awareness workshop was conducted for MWRI staff and a detailed plan developed for additional workshops. Institutional issues were addressed and resource requirements were defined. The draft final report was complete at the end of the reporting period with the exception of final editing and formatting.

Integrated Water Management Implementation Study

Dr. Robert Cardinalli (EPIQ Sociologist) is coordinating this study in cooperation with WPAU. The intent of this study is to review the preliminary implementation plan prepared by MWRI and to assist MWRI with finalizing it.

A working group was established and regular meeting were held during the reporting period. Organizational issues were studied, potential constraints identified and alternative

solutions proposed. Future TA requirements were evaluated. The final draft report, except for final editing, was completed during the reporting period.

Project Close-Out Activities

Several close-out activities were initiated and conducted on an intermittent basis during the reporting period as follows:

Final Report Preparation of this report was started in the previous quarter and continued on an intermittent basis during the reporting period.

Demobilization Plan Work on this plan continued during the period and reached 75% complete.

Workshops/Seminars

A one-day Public Participation awareness workshop was held in Ismailiya for MWRI staff from Sharkiya, Salhaiya, Ismailiya and West Sinai Directorates on 16 May 2002. A total of 70 participants attended. MWRI/WPAU conducted the workshop in Arabic to explain the Ministry's Policy regarding Public Participation, to define organizational responsibilities and to discuss the implementation details.

A National Conference on Water Policy was conducted in Alexandria during 23-24 June. The conference was attended by 53 participants including the Minister of Water Resources and Irrigation, Minister of State for Environmental Affairs, Governor of Alexandria and Director of USAID. The conference discussed issues impacting Egypt's water sector, policy reform achievements made by WPRP, impacts of WPRP, lessons learned, and considerations for future policy reform.

Reports

Three reports were issued during the reporting period as follows:

- No. 56 Quarterly Report (January-March 2002)
- No. 57 Economic Instruments for Improved Water Resources
 Management in Egypt (April 2002)
- No. 58 Assessment of the Impacts of the Water Policy Reform
 Program (June 2002)

III. ACTIVITIES PLANNED FOR NEXT QUARTER

Policy Sustainability Studies

Three studies conducted during the reporting period are programmed to be completed during the next quarter. These 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

Demobilization Plan

The demobilization plan is programmed to be completed and submitted to USAID early in the next period.

Water Quality Study

The general SOW for a study of Nile System pollution sources was transmitted to the TA Team in mid-June. The SOW will be finalized and the study completed during the coming period.

Final Report

Preparation of the final report will be completed in the coming period.

Final Close-Out

The project will be closed out and all project equipment /materials will be transferred in accordance with instructions provided by USAID.

IV. PROBLEMS AND ISSUES

A new study was defined by USAID near the end of the reporting period. Execution of this study will commence early in the next quarter and will be prosecuted with vigor, however, full completion will be problematic due to the limited time remaining in the contract.

V. IMPORTANT TRIPS, VISITS AND MEETINGS

DATE	LOCATION	PURPOSE
May 16	Ismaliya	Public Participation Awareness Workshop
April 29	Cairo	National Water Resources Plan Conference
June 1-4	Cairo	APRP Impact Conference
June 23-24	Alexandria	National Conference on Water Policy

VI. STAFF LEVEL OF EFFORT

The EPIQ resident team had a maximum technical consulting staff of two people (expatriate) during the reporting period. The administrative support staff consisted of nine 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
Dr. Robert Cardinalli	Senior Sociologist (Assignment Completed 30 May)

LOCAL STAFF

NONE

SHORT TERM STAFF DURING THE REPORT PERIOD

EXPATRIATE

NAME	POSITION
Dr. John Keith	Agricultural Economist
Dr. Mark Svendsen	Water Resources Specialist
Dr. Richard Brown	Winrock Vice President
Mr. Doug Clark	IRG Vice President

LOCAL EGYPTIAN

NAME	POSITION
Dr. Ibrahim Ellassiouty	Water Resource Management Specialist
Dr. Elsayed Mahdy	Water Resource Economist
Eng. Hussein El Atfy	Undersecretary of State to the Minister's Office
Eng. Elamir Osman	Chairman of the Irrigation Department
Dr. Ragab Abdel Azim	Irrigation Engineer
Eng. Salah El Shazly	Director, Minister's Office Affairs
Eng. Essam Barakat	Undersecretary of Irrigation Advisory Service
Dr. Hesham Kandil	Director of Technology and Information, Minister's Office
Dr. Hesham Moustafa	Director of Water Communication
Dr. M. Moustafa	Assistant Professor, NWRC
Eng. Ali Khalil	General Director for Studies, MED
Mr. Amr Thakeb	Designer

VII. STATUS OF FINANCES AND EXPENDITURES

EPIQ WPRP Financial summary for 2nd Quarter 2002 (April-June 2002)

	Itemized Budget	Prior Claimed (Thru 5/31/02)	Current Claim (April-June)	Claims to Date (Thru 6/30/02)	Remaining Balance	Budget Claimed
Direct Labor	\$7,340,836	\$6,968,132	\$156,000	\$7,124,132	\$216,704	97%
Travel & Transp.	\$341,500	\$313,679	\$16,000	\$329,679	\$11,821	97%
Per Diem	\$343,000	\$310,475	\$16,000	\$326,475	\$16,525	95%
Allowances	\$1,353,500	\$1,225,337	\$11,000	\$1,236,337	\$117,163	91%
Other Direct Costs	\$1,802,174	\$1,672,381	\$53,000	\$1,725,381	\$76,793	96%
Total	\$11,181,010	\$10,490,004	\$252,000	\$10,742,004	\$439,006	96%

Source: IRG Invoices 59 and 60 plus estimate of June 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
40	Quarterly Report (January-March 2001)	July 2001

No.	NAME	DATE
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 (English & Arabic Sum.)	March 2002
55	Matching Irrigation Supplies and Demands – Potential Impact on Water Conservation	March 2002
56	Quarterly Report (January-March 2002)	April 2002
57	Economic Instruments for Improved Water Resources Management in Egypt	April 2002
58	Assessment of the Impacts of the Water Policy Reform Program	June 2002