



U.S. ECONOMIC ASSISTANCE PROGRAM IN EGYPT

USAID Assistance Agreement No. 263-0286

EIGHTH AMENDMENT

TO

ASSISTANCE AGREEMENT

BETWEEN THE

ARAB REPUBLIC OF EGYPT

AND THE

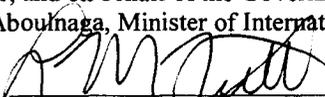
UNITED STATES OF AMERICA

FOR

BASIC EDUCATION

Dated: 27 JUN 2010

"Certified to be a true copy of the original document signed on behalf of the Government of U.S. by Ms. Hilda Arellano, USAID Director, and on behalf of the Government of Egypt By Ms. Fayza Aboulnaga, Minister of International Cooperation."


Lafanya Mapp-Frett, Program Office Director

FUNDS RESERVED / OBLIGATED	
SO#: <u>50-022</u>	Activity #: <u>2630286.00</u>
Amount: <u>\$40,000,000.00</u>	
EOCC: <u>4100100</u>	BFY: <u>2009/2010</u>
Oblig Start Date: _____	Oblig. End Date: <u>09/30/2016</u>
By: <u>EA</u>	Phoenix: <u>EA</u> Date: <u>6/23/10</u>

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A078

Eighth Amendment (“Amendment”), dated 27 JUN 2010 to the Assistance Agreement, dated September 30, 2002, between the Arab Republic of Egypt (“A.R.E.” or “Grantee”) and the United States of America, acting through the United States Agency for International Development (“USAID”) (collectively, the “Parties”) for Basic Education (the “Assistance Agreement”).

SECTION 1. The Assistance Agreement is hereby amended as follows:

A. Article 2, Section 2.1 is amended by deleting the sentence “In order to further the foreign assistance objective of Investing in People (the “Objective”), the Parties hereto agree to work together by focusing on activities in the area of Education.” and substituting “In order to further the foreign assistance objectives of Economic Growth and Investing in People (the “Objective”), the Parties hereto agree to work together by focusing on activities in the areas of Private Sector Competitiveness and Education.” therefore.

B. Article 2, Section 2.2 is amended by inserting the words “Workforce Development,” immediately after the words “achieve results in:”.

C. Article 3, Section 3.1(a) is amended by deleting “Three Hundred Ninety-Two Million Seven Hundred Eighty-Nine Thousand Eight Hundred Seventeen United States (“U.S.”) Dollars (\$392,789,817)” and substituting “Four Hundred Thirty Two Million Seven Hundred Eighty-Nine Thousand Eight Hundred Seventeen United States (“U.S.”) Dollars (\$432,789,817)” therefor.

D. Article 3, Section 3.1(b) is amended by deleting “Three Hundred Ninety-Two Million Seven Hundred Eighty-Nine Thousand Eight Hundred Seventeen United States (“U.S.”) Dollars (\$392,789,817)” and substituting “Four Hundred Thirty Two Million Seven Hundred Eighty-Nine Thousand Eight Hundred Seventeen United States (“U.S.”) Dollars (\$432,789,817)” therefor.

E. Article 3, Section 3.2(b) is amended by deleting “One Hundred Sixty Three Million Twenty Three Thousand Egyptian Pounds (LE 163,023,000)” and substituting “Two Hundred and Twelve Million Five Hundred and Twenty Three Thousand Egyptian Pounds (LE 212,523,000)” therefor.

F. Article 4, Section 4(a), is amended in its entirety to read as follows: “The Completion Date for all activities is September 30, 2016. The Completion Date is the date by which the Parties estimate that all the activities necessary to achieve the Objective and Results will be completed.”

G. Article 5 is amended by deleting the heading “Section 5.1. First Disbursement” and substituting “Section 5.1 (a) First Disbursement” therefor.

H. Article 5 is further amended by adding the following new subsection immediately following Section 5.1 (a) First Disbursement: “Section 5.1(b) Disbursements to any Government of Egypt implementing

entity. Prior to any disbursement under the Agreement, or to the issuance by USAID of any documentation pursuant to which disbursements will be made, to the Ministry of Higher Education or any other identified implementing Government of Egypt entity after the effective date of the Eighth Amendment to this Agreement, the Grantee will, except as the Parties may otherwise agree in writing, be subject to an assessment by USAID, the results and findings of which must be satisfactory to USAID in form and substance, that the financial management, accounting, management, reporting and procurement systems of the Ministry of Higher Education and any other identified implementing Government of Egypt entities to be funded through subsequent implementing agreements are acceptable to USAID. ”

I. Article 6 is amended by adding the following new subsections immediately following Section 6.3 Monitoring and Evaluation:

Section 6.4 Steering Committee. Funding and implementation of the activities addressed herein related to the Cairo Initiative (as defined

and described more fully in Annex 1) shall be done in coordination with the Steering Committee. The Steering Committee shall:

- (i) Be comprised of no less than 6 and no more than 7 permanent members. Those members shall include, at minimum, 2 representatives of USAID, 1 representative from the Ministry of Higher Education, 1 representative from the Ministry of Education, 1 representative from the Ministry of International Cooperation and 1 representative from the Ministry of State for Administrative Development.
- (ii) Oversee the development of both the US and Egypt based portions of the Cairo Initiative addressed in this Agreement.
- (iii) Allow participation of observers and special experts from both governmental and non-governmental entities in the Steering Committee as deemed necessary by any of its members.
- (iv) Carry out the preliminary selection of participants eligible under this Agreement to include both governmental and non-governmental participants.
- (v) Promote, facilitate, and approve work force strategy plans to

guide ministries in the selection of beneficiaries, including ensuring adequate and appropriate job descriptions for returning scholarship and training recipients upon re-entry.

Section 6.5 Branding and Marking. In the spirit of true cooperation, the Parties, both individually and through the Steering Committee, will publicize all activities related to the Cairo Initiative under this Agreement as joint USAID-A.R.E. activities. The Parties will seek opportunities to promote awareness of this joint project, and will include the logos of both USAID and the A.R.E. implementing entities in all publication materials, including on any orientation materials for prospective students and trainees.

J. Annex 1 of the Assistance Agreement is deleted in its entirety and replaced by the Annex 1 attached hereto.

SECTION 2. Language of Amendment. The Amendment is prepared in both English and Arabic. In the event of ambiguity or conflict between the two versions, the English language version will prevail.

SECTION 3. Except as specifically amended or modified herein, the Assistance Agreement shall remain in full force and effect in accordance with all of its terms.

SECTION 4. Ratification. The A.R.E. will take all necessary action to complete all legal procedures necessary for ratification of this Eighth Amendment and will notify USAID of such ratification.

SECTION 5. Effectiveness. The Amendment shall enter into force when signed by both Parties hereto.

IN WITNESS WHEREOF, the Arab Republic of Egypt and the United States of America, each acting through its respective duly authorized representatives, have caused this Eighth Amendment to be signed in their names and delivered in Cairo on 27 JUN 2010 .

ARAB REPUBLIC OF EGYPT

BY: 

NAME: Fayza Abounnaga

TITLE: Minister of International Cooperation

UNITED STATES OF AMERICA

BY: 

NAME: Hilda Arellano

TITLE: Director, USAID/Egypt

Annex 1
Amplified Program Description
For the Basic Education
Assistance Agreement

I. INTRODUCTION

This Annex 1 describes the activities to be undertaken and the progress and achievements to be made with the funds obligated under this Agreement. Nothing in this Annex 1 shall be construed as amending any of the definitions or terms of the Agreement and all of the definitions set forth in the Agreement shall apply to this Annex. Annex 1 may be amended by authorized representatives of the Parties through Implementation Letters (ILs) as provided under Article A. Section A.2 of the Standard Provisions (Annex 2) to the Agreement, without formal amendment of the Agreement, provided that the definition of the Objective and Program Areas, as set forth in Article 2 of this Agreement, are not altered thereby.

II. BACKGROUND

Egypt needs a high quality education system that prepares its young people for the local labor market, and allows Egypt's participation in the highly competitive global market. A quality education system is also needed to enable Egypt's young to live healthy lives, raise their quality of life, and participate actively in society. The low quality of the educational system has many clear manifestations including low completion rates; low internal efficiency: high dropout and repetition rates; low reading, writing, and numeracy acquisition and retention rates leading to low literacy rates; graduates and dropouts that do not have the needed employment skills; heavy reliance on private tutoring leading to an increased gap between rich and poor in access to educational services and in educational attainment; a curriculum and assessment system that relies mostly on rote learning and does not develop in learners critical thinking and problem solving skills, all highly needed for participation in the modern workforce and effective engagement as empowered citizens in a modern society.

In order to raise the quality of education, improvements in the quality of teaching, assessment, and teacher support systems, as well as increased enrollment and retention rates in disadvantaged areas, are all necessary.

Also important are improving students' critical-thinking and problem-solving skills, increasing parental participation in local school management, and providing less crowded classrooms. Those living in underserved rural areas need additional support to successfully build girls' life skills, extend basic skills to second chance learners who have dropped out of the system, and reduce the high illiteracy rate, especially among girls and women.

In higher education the system continues to suffer from insufficient access and low market relevance of offered programs. USAID's strategy in the higher education arena in Egypt is targeted at strengthening select Egyptian higher education institutions, fostering leadership and professional development opportunities for disadvantaged youth, and creating sustainable links between U.S. and Egyptian scientists.

Over the coming years USAID will shift its support for primary education from school-based demonstration activities to sustaining and taking to scale broad GOE reform, including new emphasis on preparatory, secondary, and technical school reforms, and in higher education, USAID will support twinning of U.S. and Egyptian universities, and scholarships for disadvantaged Egyptians to attend universities in Egypt. There will be increased emphasis in USAID assistance on human resource development consistent with the priorities addressed by President Obama in his June speech at Cairo University as well as the priorities of the GOE. This will include expansion of scholarship programs and U.S. internships; investments in online learning for teachers and children; supporting technological development for job creation; and developing centers of scientific excellence.

III. OBJECTIVES:

Objective: INVESTING IN PEOPLE

Program Area: Education

The Investing in People Objective, Education Program Area, focuses on improving access, quality, equity and efficiency of basic and tertiary education in Egypt. Investments in education yield important social and economic benefits through improvements in labor productivity as well as improved health. Activities funded hereunder will emphasize the reduction

of barriers to the education of girls; and assist the GOE in its education reform efforts. Activities will include improving the quality of teaching and learning; increasing the access of Egyptian children to quality education with a special emphasis on those in underserved areas; improving school management and community participation in the oversight and delivery of educational services; decentralizing school financing and administration and strengthening data for decision making. It is expected that these activities and reforms will provide Egyptian students with the skills and knowledge to become active citizens in their communities and contribute to the global economy.

Program Elements: Basic Education and Higher Education:

There are two Program Elements under the Education Program Area: Basic Education and Higher Education:

Under the Basic Education Program Element, USAID aims to sustain improvements in learning outcomes in K-12 schools . This is achieved by improving the quality of teaching and learning, expanding equitable access and coverage, and strengthening school management and community participation in education. USAID supports improved teaching and learning through teacher training as well as the -provision of school libraries and information technology. Expanded equitable access to and coverage of the educational system is provided via school construction, early childhood development for school readiness, parent education program regarding girls education, girls scholarships and adult literacy. Finally, to strengthen the management of the K-12 educational system, USAID trains school supervisors and administrators, increases community participation via Boards of Trustees (BOTs) and other groupings, and decentralizes management of schools.

Under the Higher Education Program Element, USAID's strategy targets, among other goals, expanding access to quality higher education and fostering skill development opportunities for disadvantaged youth. Activities include scholarships for disadvantaged students from across Egypt to receive an undergraduate education at the American University in Cairo and other private universities, as well as Master's Degree training in the U.S for Fulbright fellows.

Objective: Economic Growth

Program Area: Private Sector Competitiveness

Egypt's youth need market relevant skills to compete for jobs and contribute to economic development. USAID will support activities that aim to improve workforce skills in critical sectors to be more responsive to market demand.

Program Elements: Work Force Development

Under this Program Element, USAID will support youth activities such as University Career Development Centers, Youth Employability Centers, the development of science and technology secondary school excellence centers, and provision of English language training. Activities will also target short and long term, degree and non-degree US based training, internships, and other U.S. educational and professional exposures for private and public sector employees with leadership potential, as well as Egypt based interventions improving the employability of youth and their job creation potential.

IV. RESULTS AND INDICATORS

USAID assistance under this Agreement will focus on results that contribute to the achievement of the Investing in People Objective, Education Program Area and results that contribute to the Economic Growth Objective, Private Sector Competitiveness Program Area. The results contributing to the Education Program Area are: 1) Improved Quality of Teaching and Learning in K-12 Schools; 2) Expanded Equitable Coverage at K-12 Schools; and 3) Strengthened Management of K-12 Schools. Annual targets are for the period up to December 31st, 2011. The result contributing to the Workforce Development Program Area is to improve workforce skills in critical sectors to be more responsive to market demand.

Education Program Area Result 1: Improve the Quality of Teaching and Learning in K-12 Schools:

This result measures success in providing quality student-teacher and on-the-job teacher (in-service) training using active, child-centered teaching

methodologies to sustain improved learning outcomes. Based on the Egyptian national education standards, the impact measure used is the Standards-based Classroom Observation Protocol for Egypt (SCOPE) which assesses improvements in teaching behaviors in USAID-supported schools. Annual Target: A 15% annual increase in SCOPE scores in USAID-assisted schools.

Education Program Area Result 2: Expand Equitable Coverage at K-12

Schools: This result measures success in providing equitable access to and coverage of basic education, with a focus on socio-economically disadvantaged populations and girls. USAID assistance supports raising community awareness of the importance of education, with a special emphasis on girls, and provides school construction and community schools to respond to the increased demand. In addition, USAID's support for the MOE's Adult Education Authority increases the functional literacy of the adult population, especially women who have an impact on student learning. Scholarships are financed for girls in targeted areas.

Expanded access results in increased coverage as measured by completion. The Completion Rate for the Primary Stage will be used measure success in this area. This measure is defined as the percentage of children joining the primary stage who complete it in the intended 6 years in USAID-supported school. Target: An annual increase in the Primary Stage Completion Rate of 7% is expected over baseline level in USAID-supported schools.

Education Program Area Result 3: Strengthen Management of K-12

Schools:

This result measures success in strengthening the management of K-12 schools as reflected in the Egyptian national standards. To improve the efficiency of the K-12 educational system, USAID will support management training of school administrators, increased community participation via Boards of Trustees and other groupings, and decentralized management of schools. USAID will provide support to local organizations in creating collaborative, local partnerships for participation in the delivery and oversight of educational services. The achievement of this result is measured using the Management Assessment Protocol (MAP). Target: A minimum of 7 % annual improvement in MAP scores in USAID-supported schools.

Workforce Development Program Area Result: Improve workforce skills in critical sectors to be more responsive to market demand.

This result measures the improved skills of the workforce in order to respond to market demands. This result will be measured using two indicators:

- 1) number of persons completing USG-funded workforce development programs; and
- 2) number of workforce development initiatives created through USG assisted public-private partnerships.

Targets for these indicators will be developed and recorded in future amendments to this Assistance Agreement.

V. ACTIVITY DESCRIPTIONS

In order to satisfy USAID's planning requirements, activities must meet essential selection criteria. These include demonstrated conformity with the Objectives and Program Areas, a clear relationship with the intended results, the measurability of results and distinct identity of the activity, and proposed costs which are commensurate with anticipated benefits.

The planned level of assistance for each project is subject to the achievement of performance standards, the availability of funds to USAID for this purpose, and the mutual agreement of the Parties to proceed, at the time each increment is provided.

Following are descriptions of the main activities supported from the funds allocated to this Agreement.

i) **Alam Simsim:**

The purpose of the Alam Simsim II activity is to provide a bridge to sustainability for the Alam Simsim show which prepares children for school, promotes the education of girls, and encourages positive health and environmental behavior practices. The last series of episodes funded by USAID will be completed by December of 2010. (Counterpart: Ministry: MOE)

ii) **The New School Program (NSP) and Girls Improved Learning Outcomes:**

The purpose of NSP is to increase access and enrollment of girls in underserved communities in Minya, Beni Suef and Fayoum. This is achieved through a mix of advocacy work, community mobilization, new school infrastructure (primary, preparatory and community multi-grade schools), and improvements in teaching quality. Through a Global Development Alliance (GDA) with Vodafone Egypt Foundation, the new schools were provided with school-based Information Communication and Technology (ICT) Centers, thus introducing computer-based learning for students, teachers, administrators and community members. This activity has become a model of school-based reform, piloting child-centered learning, educational standards, cumulative assessment, strong community engagement, and effective use of IT in public schools, among others;
(Counterpart: Ministry: MOE)

iii) **Education Reform Program**

The purpose of Education Reform Program (ERP) is to support sustained improvements in learning outcomes in the seven focus governorates by improving the quality, coverage and management of K-12 schools. While one part of the ERP (EQUIP 1) implements innovative approaches to improve school quality, community participation, teaching and learning processes and school management in a selected family of schools (FOS), 30 to 40 schools in one district in each of the seven governorates, the other part of the program (EQUIP 2) establishes the foundation for sustainable reform through institutional and systemic improvements. This multi-level approach stimulates interest and commitment to quality education at all levels of society, from the parents, the community, and the local education officials up to the Ministry of Education (MOE) senior officials at the highest levels.

EQUIP 1 provides training for teachers in child-centered methodologies in Arabic, Science and Math and for administrators in school management, and helps establish Boards of Trustees in 256 primary, preparatory, and secondary schools in seven districts. To improve access and reduce overcrowding, it also constructs schools; provides scholarships for underserved populations, especially girls; and supports adult literacy

programs.

EQUIP 2 supports the MOE in: 1) developing a quality assurance system to improve education in accordance with the national educational standards; 2) establishing sustainable systems for educators' professional development through the Teachers' Cadre, the related Teachers' Academy, and the Leadership Program; 3) decentralizing finances and decision-making authority to the district and school levels to increase efficiency and improve the quality of education; and 4) Strengthening Educational Management Information Systems (EMISs) at all levels to support information-based decision making. *(Counterpart Ministry: MOE)*

iv) **The School Team Excellence Awards Program:**

The purpose of STEAP is to motivate: 1) schools to work as teams to improve school quality; and 2) teachers to improve student learning through active learning methodologies. In this nationwide grassroots effort, teams of teachers, administrators and community members from all primary and some preparatory schools strive to improve their schools based on the Egyptian national education standards. Using a cascade, incentives-based approach, the program trains master trainers and teachers to work with schools and other MOE personnel at all levels to develop and implement school improvement plans. Awards are based on objectively verifiable data and independent assessment; *(Counterpart: Ministry: MOE)*

v) **Good Governance in Education:**

The purpose of the Good Governance in Education activity is to support Egyptian civil society in its efforts to: 1) improve the standards of accountability and transparency for the delivery of education; 2) provide for greater citizen participation in the design and oversight of schools, and 3) encourage the development of civil society partnerships for the purposes of policy dialogue and service delivery; *(Counterpart: Ministry: MOE)*.

vi) **Technology for Improved Learning Outcomes :**

The purpose of TILO is to sustain improvements in learning outcomes through the use of information technology (IT). TILO is designed to improve student learning by upgrading the quality of teaching as well as school management through the use of technology in 210 public primary and preparatory schools in USAID's 7 focus governorates plus 85 of the Ministry of Communications and Information Technology's (MCIT) public experimental Smart Schools at the preparatory level. *(Counterpart Ministry: MOE).*

vii) **Girls Improved Learning Outcomes:**

The purpose of GILO is to improve the quality of education and learning achievements of girls in K-9 in at least 300 schools by: 1) expanding equitable access and coverage of K-9 education for children, especially girls, in remote and deprived areas; 2) improving the quality of teaching and learning in targeted districts and schools; 3) strengthening education management through increased parent, community and civil society participation in supporting education; and, 4) strengthening the organizational and institutional capacity of the relevant GOE authorities to adopt innovative approaches for increasing the efficiency of school construction and maintenance. *(Counterpart Ministry: MOE)*

viii) **Environmental Education:**

The purpose of the Environmental Education activity is to foster environmental education in schools and community organizations in ways that actively engage students in their neighborhoods and local environments; and to increase community participation by building awareness of the relevance and value of environmental education. *(Counterpart Ministry: MOE)*

ix) **Integrated School Sanitation and Hygiene Project:**

The purpose of this activity is to promote sanitation and hygiene through schools by adopting a child to child, child to parents and parents to the community approach and use it as an entry point to secure a safe environment which promotes children's physical, mental and emotional growth and development, and to improve community access to safe water, improved sanitary facilities and better hygiene practices. *(Counterpart Ministry: MOE).*

x) **The American University in Cairo (AUC) LEAD Scholarship Program:**

The purpose of the AUC LEAD activity is to provide a group of qualified public school graduates, who otherwise could not afford it, with access to a western, liberal arts education at AUC. These young men and women will be prepared to enter the job market and will gain the skills and knowledge necessary to become leaders in development in Egypt and their communities. Two students, one male and female, from each governorate are selected annually for the program based on comprehensive selection criteria, including academic achievement and community service. *(Counterpart Ministry: MOHE)*

xi) **The Egypt Scholarship Program with the Binational Fulbright Commission in Egypt (ESP):**

The purpose of this grant is to enhance the Egyptian Student Program of the Binational Fulbright Program, which provides one-year master's degree grants to Egyptian students wishing to pursue postgraduate studies in the U.S. USAID's support will 1) increase the number of Egyptians who participate in the program; 2) lengthen the duration of awards from one to two years; and, 3) reach wider and deeper into Egypt's minorities and governorates so that students of merit will have access to the program, regardless of where they live. Over two consecutive years, 29 Egyptian students will be selected to complete two-year Master's degree programs at U.S. universities. *(Counterpart Ministry: MOHE)*

xii) **The New Scholarship Program:**

The ultimate goal of this program is to offer full undergraduate scholarships to high quality universities in Egypt, to exceptional students with high academic and leadership potential from disadvantaged backgrounds, that are committed to breaking the cycle of poverty, developing a functional democracy, and sustaining a competitive, open economy in Egypt. Students will be selected based on their potential to play a leadership role in areas of high demand that are critical to Egypt's development. Through academic courses and career development opportunities, students will be supported throughout the period of their scholarship to help them gain practical experience and leadership skills in these areas. A minimum of 58 scholarships will be awarded – for a male and female student from each governorate – to allow for an equal gender balance and full country coverage. (*Counterpart Ministry: MOHE*).

xiii) **Cairo Initiative Program:**

The Cairo Initiative Program responds to the Government of Egypt's desire to improve Egypt's human resources in order to sustain its economic growth, and at the same time responds to the priorities addressed by President Obama in his June speech at Cairo University. Activities under the Cairo Initiative Program will be coordinated by a Steering Committee which includes representatives from USAID and the Ministries of Education, Higher Education, International Cooperation and Administrative Development.

The Cairo Initiative Program will be funded under several bilateral grant agreements. The activities that will be funded under this agreement are as follows:

a) **Middle Manager Competency Development Program**

The purpose of the Competency Development program (CDP) is to provide educational and professional development opportunities for middle managers in the Egyptian education system to improve their management competencies as effective educational leaders. The program will offer two year degree programs, masters and MBA degrees, as well as three to six month professional development opportunities for selected candidates in Egypt and in the USA. (*Counterpart Ministry: MOHE*)

b) Specialty Science and Technology Schools:

Specialized high schools focusing on providing excellent and talented students with strong preparation in science, technology, and mathematics are present in many educational systems and have well established benefits for the continued outstanding performance of the graduating students, and positive returns to the economies hosting these school systems. Many studies and analyses have recognized the importance of building a strong human resource capital base of Science, Technology, Engineering and Mathematics (STEM) professionals for a country's ability to compete globally. STEM excellence schools will be developed to operate as active demand driven partners in lively linkages with business, industry, and government, and not as supply driven academic providers, independent of market needs and demands. (*Counterpart Ministry: MOE*)

c) Youth Development Program (YDP):

Egypt suffers from a serious unemployment problem. The major part of the unemployment burden is born by youth between the ages of 15 and 29 years. Two activities will address problems facing youth by helping to solve their employment problems. These will improve youth preparation for work and may also improve their potential for self employment.

(i) Youth Employability Centers:

This activity will provide young men and women with progressive learning environments that train youth for career success, leadership and personal growth. The current programs offered by youth centers will be enhanced to provide English language training for employability, employment and life skills training, job placement services and social and cultural enrichment activities.

Because of the wide geographic coverage of youth centers and their clients who come from disadvantaged economic classes, this program will have a positive effect on closing gaps in employment rates across regional areas and economic classes. (*Counterpart Ministry: MOE and National Council for Youth*)

(ii) University Career Development Centers

Under this activity USAID will support, in collaboration with the GOE, the establishment of career development centers (CDCs). These centers will be located throughout the university campuses and will address all factors affecting youth employment. The CDCs will link employers to universities by ensuring that their real skill needs are addressed by the CDCs. The centers will provide a broad range of “employability skills” services to graduates including entrepreneurship, life-skills, job matching, presentation skills, time management, team skills, English language and computer training. CDCs will link students to training courses, mentorship opportunities, workshops, conferences, student activities, internships and business competitions. (*Counterpart Ministry: MOHE*)

d) Non-Degree Training Activities:

A diverse set of higher education training activities will be funded. These will include Egypt-based activities and U.S. training opportunities, and will utilize exceptional learning facilities in Egypt, the United States, and in third countries and will result in better trained professionals in all occupational sectors including economic growth, education, healthcare and science and technology fields. The training programs will aim to promote academic and leadership skills as well as cross-cultural learning that will promote socio-economic progress and contribute to USAID’s core development goals.

Short term and intermittent training will promote human and institutional capacity development within Egypt and will include technical training, study visits, leadership development, and non-degree study and research. Training interventions will be designed to address skill and knowledge gaps in specific sectors, especially the education sector. This non degree training program has the potential to contribute to Egypt’s socioeconomic development and to build regional networks and linkages between individuals and educational institutions in Egypt, the United States, and third countries. Leadership grants will be used for more focused support for public, private, and nongovernmental organization leaders, in order to build management and technical capacity to support Egypt’s development objectives.

The short-term, non-degree training component will support (i) U.S. Based Leadership Internships for Civil Leaders; (ii) Short-term internships for governmental middle managers; and (iii) Short-term leadership training exchanges for local government officials.

The mix of program participants under each subcomponent, selection criteria of candidates, as well as other implementation details will be determined by the Steering Committee (SC) on an annual basis to respond to Egyptian training needs. The nature and content of the training to be offered will be based on training needs assessments, and rigorous monitoring and follow-up to ensure efficient use of resources and achievement of results. *(Counterpart Ministry: MSAD)*

e) Long-Term Training Activities:

Long-term training opportunities include both US-based Master's, doctoral, and fellowship programs as well as in-country MBAs. A limited number of PhDs for university and private industry researchers will be provided to build capacity in specialized fields in which commercial application of scientific research holds promise.

A significant share of resources will be devoted to Master's Degrees and Fellowships, which will be fully funded one- and two-year academic programs in-country and offshore, for mid-level professionals in targeted fields from the public and private sectors who have demonstrated exceptional competence and leadership capacity. High quality in-country graduate programs offer a significant multiplier effect on important institutional reform in the context of specific development strategies and will be used accordingly to maximize the benefits from the program.

The long-term training component will fund (a) U.S. based Science and Technology Ph. D. Fellowships; (b) in country Master's degrees in Economic Reforms; and (c) MBAs for Health Care Providers and Administrators at Cairo University. *(Counterpart Ministry: MOHE)*

VI. ROLES AND RESPONSIBILITIES OF THE PARTIES

USAID and the Ministry of International Cooperation (MIC) will manage this Agreement jointly; in particular signing and amending the Agreement.

Implementation of activities funded under this Agreement may be carried out by the GOE and a combination of U.S., international and local organizations working under grants, cooperative agreements and contracts in support of the Objective.

A. Grantee: The Government of Egypt

As the provider of public services in Egypt, the GOE establishes policies and program guidelines within which development partners provide assistance. Each counterpart Ministry identified under Section VI above will be responsible, on behalf of the Government of Egypt (GOE), for overall implementation of the respective activity. The counterpart Ministries are responsible for ensuring that appropriate staff and infrastructure are in place to support the education activities to be carried out hereunder. In addition, they are responsible for collaborating with USAID to review program priorities and approaches, and to participate in planning and implementation processes.

B. USAID

USAID, as the funding agency for this Agreement, is responsible for executing contracts and grants to implement approved activities needed to achieve the results described in this Agreement. USAID will enter into such grants, cooperative agreements and contracts after consultation with the relevant GOE implementing partner.

C. Steering Committee for Cairo Initiative Program:

A Steering Committee will be formed from no less than six and no more than seven permanent members from the Government of Egypt and USAID, as per the Agreement. The primary role of the Steering Committee, is clearly defined in the Agreement. Examples of their activities include the selection of candidates for all scholarship opportunities offered under the

Cairo Initiative Program. In addition to the selection of scholarship candidates, the Steering Committee will promote, facilitate, and approve work force strategies to guide ministries in the selection of beneficiaries, including ensuring adequate and appropriate job descriptions for returning scholarship and training recipients upon re-entry.

VII. MONITORING AND EVALUATION

The customized and standard indicators specified above will be used to track and measure progress toward achievement of the objectives of this Agreement, as well as influence the allocation of financial resources, and monitor performance. Management information systems, complemented by activity reports, will provide the basis for annual assessments of overall progress toward program goals and objectives. Therefore, all activities funded under this Agreement will include reporting requirements to help USAID and the GOE to monitor achievement of activity results and performance targets. In addition, USAID, in consultation with the appropriate partner, will use performance data as the basis for recommending adjustments in targets, indicators and activities.

Measures of performance will be based on several sources, including the GOE, USAID and other donor-financed studies, and partner activity reports. The monitoring and evaluation part of this Agreement will collect data for measuring performance towards achieving the results specified above, results of the Agreement, and specific project and activity level results and accomplishments.

Ad hoc evaluations and assessments may be conducted to answer specific program design and implementation questions.

VIII. FUNDING

The financial plan for the Program is set forth in the attached tables. Changes may be made to the financial plan by representatives of the Parties without formal amendment to the Agreement, if such changes do not cause USAID's contribution to exceed the amount specified in Section 3.1 of the Agreement.

**BASIC EDUCATION ASSISTANCE AGREEMENT
ILLUSTRATIVE FINANCIAL PLAN
USAID Contribution (\$)
NO. 263-0286**

Budget Input	Previous Obligations	This Obligation	Total Obligations to Date	Total Planned USAID Contribution
		\$	\$	\$
Education Reform and Pilots Training	176,924,789	-	176,924,789	176,924,789
NGOs Services and Scholarship Project Management (per. Audit, ass. Evalu.)	33,499,876	-	33,499,876	33,499,876
	9,151,374	-	9,151,374	9,151,374
	3,911,345	-	3,911,345	3,911,345
Subtotal	223,487,384	-	223,487,384	223,487,384
<u>3.2 Education</u>				
3.2.1 Basic Education	132,116,521	-	132,116,521	132,116,521
3.2.2 Higher Education	36,185,912	-	36,185,912	36,185,912
4.6 Private Sector Competitiveness				
4.6.3 Workforce Development	-	40,000,000	40,000,000	40,000,000
6.1.1 Program Design and Learning	1,000,000	-	1,000,000	1,000,000
Subtotal	169,302,433	40,000,000	209,302,433	209,302,433
Total	392,789,817	40,000,000	432,789,817	432,789,817

**BASIC EDUCATION ASSISTANCE AGREEMENT
ILLUSTRATIVE FINANCIAL PLAN
GOE Contribution (LE 000)
NO. 263-0286**

Budget Input	Previous GOE Contribution FT-800	GOE Cash Contribution	Total GOE Contribution
Education Reform and Pilots Training, LEAD Scholarships, FOE Reform NGOs Services and Scholarship Project Management (per. Audit, ass. Evalu.) Employer Share of Social Insurance, airfare tickets and medical U.S. Science and Technology Ph.D.Fellowship Program	0 66,000 75,000 0 22,023 0		0 66,000 75,000 0 22,023 49,500
Total	163,023	49,500	212,523

* Necessary In-Kind contributions are now described in physical terms and are no longer monetized as per prior year Illustrative Financial Plans.

* The amount added for the U.S. Science and Technology Ph.D. Fellowship program is the LE equivalent of \$9 million, using the exchange rate of \$1/LE 5.5. This activity is financed under the Cairo Initiative Program.