

LOCALIZATION OF SUSTAINABLE DEVELOPMENT GOALS — IN EGYPT —



Part II: Planning System in Egypt - Current Situation and Future Steps

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Introduction

Egypt is the first country to localize SDGs in a way that depends on setting quantitative targets for each governorate to achieve, with the aim of accelerating the achievement of SDGs in Egypt.

In this context, the Ministry of Planning and Economic Development, in cooperation with the United Nations Population Fund and Baseera Center, launched “SDGs Localization at the Governorate Level” Project. We focused in the first phase of the Project on setting quantitative targets for indicators to follow up achievement of SDGs in each governorate. This helps the governorate to develop appropriate plans and determine its priorities in order to achieve these goals. During the second phase of the project, five governorates were selected to hold workshops with planning and follow-up officials in order to familiarize them with the sustainable development goals, their indicators, and the quantitative targets for each governorate. During the third phase of the project, the rest of the governorates of the Republic were covered.

During its three phases, a number of research papers was prepared in the Project. This paper is one of the important papers issued in the Project, as it discusses the current situation of the planning system in Egypt and the proposed mechanisms for promoting SDGs localization at the governorate level in Egypt.

The Project in general focuses on the situation of Egypt. However, and as the planning system in Egypt is similar to the planning system in many Arab countries, the Arab countries can benefit from this paper to develop their planning system in a way helping acceleration of achieving SDGs in the Arab countries in general.

I accordingly present this paper and hope that it will contribute to enriching the field of SDGs in Egypt, so that Egypt will achieve its goal of improving the situation and well-being of the Egyptian people.

Localization of SDGs and Planning System in Egypt

Current Situation and Future Steps

Introduction

SDGs represent the generally agreed comprehensive framework to achieve development. The development goals were not only integrated, but intersected and concerted to give an integrated picture of the nature and joint forms of development. The local context, its nature, and its ability to implement those goals were observed in the national development goals. This led to drawing attention to SDGs localization, which is based on the frameworks that these goals can provide for local development policies. SDGs localization is also based on the support provided by local administration units in achieving SDGs.

This Chapter focuses on SDGs localization in Egypt, and sheds light on certain international practices in achieving SDGs. This Chapter analyzes planning process in Egypt, including the opportunities available to enhance localization. This Chapter also monitors the currently implemented SDGs localization tools in Egypt and the future steps through specific interventions to institutionalize and strengthen localization.

First: Planning in Egypt

- The legal framework that governs planning

The legal framework is a main component on which planning is based. Planning methodology and tools are governed by many legislations. In addition to the Constitution, the laws and legislation regulating planning in Egypt include Unified Building Law No. 119/2008, Local Administration Law No. 43/1979 and Law No. 70/1973 on Preparing the Plan and Following-up its Implementation.

As the framework governing laws in the Country, the Constitution provides for set of clauses defining the nature of economic activity. This activity aims to achieve prosperity through sustainable development, achieve social justice, raise the standard of living, adhere to standards of transparency and governance, encourage investment, support competitiveness, and promote geographically, sectorally and environmentally balanced growth, and other goals ensuring a decent life for the Egyptian people. All these constitutional provisions and commitments should be observed in the planning. Therefore, the Government launched the Sustainable Development Strategy (SDS):

Egypt Vision 2030 to serve as the cornerstone for achieving those commitments stipulated in the Constitution.

The Constitution is also directly concerned with the planning. Article 167 of the Constitution provides that the Government's functions include: preparing the draft general plan of the state and the draft annual state budget law. The Constitution provides also that the general plan and budget of the state shall be presented to the House of Representatives.

Planning, according to time frame, is governed by Law No. 70/1973 on Preparing the Plan and Following-up its Implementation, which is the regulator of the bases and procedures for preparing and following up the national plan with its various terms. National plans are legally developed based on a set of foundations, including centralization of planning and broader participation of local and economic units and the people in developing and implementing the plan. It is based also on sectoral, administrative and geographical distribution of economic and social development plan projects. This Law defines three levels of planning: the national, regional and local levels.

Local Administration Law No. 43/1979 addresses the role of local administration units in preparing the local development plan and planning at the regional level. The Law stipulates that the Governorate's planning bodies, in partnership with the planning commissions and concerned ministries, shall study projects of the Plan and coordinate between various sectors in the Governorate to develop a draft annual plan along with the draft budget. This Law provides also for the role of regional planning bodies that study the capabilities and natural and human resources of the region's governorates, coordinate and propose projects that achieve economic and social development for the region.

Unified Building Law No. 119/2008 regulates urban planning through achieving sustainable urban development i.e. managing urban development by making optimal use of natural resources. Urban development strategic plans define the future vision for urban development at the national, regional and local levels.

In addition, the Urban Planning Authority develops strategic plans for national and regional urban development and governorates plans. The regional offices of the General Authority for Urban Planning (GAUP) provide technical support to the general departments of urban planning and development in the governorates. Detailed plans are

developed in accordance with the planning and building requirements for land use areas, programs and priorities of integrated development projects in the general strategic plan.

It is worth noting that during 2017 and 2018, the Egyptian government prepared two drafts of the State's General Planning Law and the Local Administration Law and presented the same to the House of Representatives.

It should be noted that there are many challenges related to planning-regulation laws in Egypt, which negatively affect the localization. These challenges are as follows:

- Lack of consistency between the Unified Building Law and the Plan Preparation and Following-Up Law. The preparation of the economic and social development plan and the strategic plans for urban development is not properly coordinated. \
- The current law for preparing and following up the plan is somehow centralized, as the same was issued during Egypt's adoption of socialist policies based on central planning. At the same time, the Local Administration Law permits executive and elected councils to have a role in the planning. However, the law is faced by the limited scope of investment projects that fall under the jurisdiction of local administration units.
- The mechanisms related to regional planning have not been activated as stated in the Local Administration Law, especially the roles of regional planning bodies, with regard to coordination between governorate plans and approval of the proposed priorities.
- - Preparation of Economic and Social Development Plan

The economic and social development plan is prepared through making and taking decisions regarding the projects to be implemented by the State to achieve all dimensions of sustainable development. This process is only a part of the institutional framework governing the planning, as it is a dynamic process that includes many relationships and interdependencies exceeding the governing official frameworks. This process relates to many political, economic, social and cultural dimensions, upon which decisions are made about programs and projects.

The Ministry of Planning and Economic Development is responsible for preparing a draft medium and long-term economic and social development plan in light of the general objectives of the State. The Ministry also study the proposed plans; analyze economics of each project therein; and review studies of the implementing agencies pursuant to Law No. 70/1973 on Preparing the Plan and Following-up its Implementation.

The Ministry of Planning, Follow-up and Economic Development develops the economic and social plan in accordance with a specific program to ensure compliance with the timelines stipulated by the Constitution. During quarter 1 of the fiscal year preceding the plan's year, the Ministry's plan preparation sector starts to prepare the initial framework for the project of the economic and social development plan, taking into account the economic and social changes, the State's general objectives and policies, and the Government's work program. The sector determines the volume of total investments required to achieve the objectives of the economic and social development plan in cooperation with other qualitative sectors in the Ministry. Government investments, financiers thereof, and the amount of public treasury financing from government investments are determined.

Second: Supportive tools for SDGs localization in Egypt

Local economic development faces a number of problems that limit SDGs localization in Egypt. Some of these problems, which comprehensively express local development beyond government investments to generally include governmental or private investments, were monitored through field visits and

workshops that were prepared with general diwans of all governorates and directorates in order to improve various development indicators in the governorates for promoting localization, including:

- Develop plans and determine financial allocations for the same; then, and after commencement of implementation, the National Investment Bank provides funds less than the previously approved allocations;
- Workers of the governorate information centers do not have the required competence and are unable to collect the data needed to calculate SDGs indicators and indicators for following up on national sectoral strategies;
- Planning officers do not have the required competence to set priorities in the governorates, and there is poor communication between the Ministry of Planning and directorates of various ministries in the governorates, as well as the planning and follow-up units in the governorate's general diwan.
- There are several challenges facing small and micro enterprises, the most important of which is providing finance to obtain the raw materials needed for production, providing

ways to market products, and linking small projects with large projects so that small projects provide intermediate goods to large projects.

- Local units do not obtain the available powers and financial resources that would enable them to deal with the special problems experienced by the same, especially with regard to social and health services and services targeting women.

These challenges, and other previously mentioned challenges facing planning in Egypt, are related to the lack of consistency between laws; poor coordination between the economic and social development plan and the strategic plans for urban development; the strong centralization of the legal framework during plan preparation; the limited scope of investment projects that fall under the jurisdiction of local administration units; failure to activate regional planning mechanisms; lack of coordination between governorate plans and non-approval of priorities proposed by regional planning bodies. However, there are certain available opportunities or incentives involved in the current planning system, especially in the wake of

the initiatives adopted by the Ministry of Planning and Economic Development during the past few years, which pave the way for SDGs localization. Localization Incentives include the following:

The Ministry of Planning and Economic Development attaches great importance to SDGs localization and its ability to facilitate localization and focus on providing support for development programs and plans that achieve local development indicators, whether through application of certain decentralization mechanisms in planning

or allocation of government investments. SDGs localization is usually associated with accelerating achievement of social goals on local education and health. Consequently, the benefits secured by the Egyptian Constitution on promoting finance of health, education and scientific research services may entirely support the provision of financial resources necessary for localization. This goal can be achieved by pumping more allocations into these areas and raising related indicators at the local level.

The opportunities include the general controls stipulated in the State Budget Circular. These controls are related to observing spatial dimension and ensuring development of feasibility studies that clarify the economic feasibility of projects, which helps in reaching the best possible allocation of economic resources, and contributes to making sound investment decisions, especially those related to investment priorities. These controls are also related to focusing on urgent investments and completion of ongoing

or open projects, which helps accelerate development by maximizing the return on investments. Therefore, such controls help to bridge the development gaps through a fair distribution of investments. This is in addition to the major national projects that are being implemented to achieve social and economic development, create job opportunities, improve living conditions, and attract local and foreign investments in specific regions. It is a main gateway to achieving SDGs, especially in regions that have similar characteristics that help them achieve integrated and comprehensive development.

Clear cooperation and coordination between the Ministry of Planning and Economic Development and the Ministry of Local Development in developing the local planning system is an opportunity available for localization. According to Ministers Joint Decision No. 121/2018, the development is based on cooperation and coordination with the governorates and local units by taking the necessary decisions and measures to develop the local planning system. This leads to ensure wide participation of the local community groups through transparent organized mechanisms in preparing local development plans based on the citizens' priorities. These mechanisms include the establishment of local economic development councils and investment at the local level. This decision acts as a supporter to SDGs localization because of its mechanisms that enable the local level to take more decisions with regard to setting development priorities. This decision is also an essential step in the implementation of decentralization in Egypt.

As noted above, the Egyptian government prepared two drafts of the State's General Planning Law and the Local Administration Law and presented the same to the House of Representatives. Both laws ensure the trend towards decentralization in implementing the Constitutional Entitlements. A joint committee was previously formed between both ministries to ensure consistency of both projects in general concepts and trends, and to deepen the concept of localizing sustainable development. Subsequently, both projects are an important opportunity to enhance localization.

Decentralization must be gradual. Hence, the State has experimentally implemented decentralization through the Local Development Program in Upper Egypt. This is a program funded by a loan of 500 million dollars from the International Bank for Reconstruction and Development and a similar amount from the state's public treasury to support the Egyptian government's comprehensive development program for the poorest areas. This program is launched in Sohag and Qena in order to improve competitiveness and provide high-quality infrastructure and services to citizens. This

program is funded according to the results achieved on the ground. The program relies on various institutional frameworks that support decentralization in both governorates. Therefore; such frameworks lead to great flexibility in local decision-making in a manner supporting localization. For example, the program provides for establishment of an economic council in each of both governorates, to be headed by the governor. The council includes representatives from the ministries concerned with economic development, civil society and the private sector, in addition to representatives from economic development forums. The council is in charge of reviewing the results of the performance appraisal, and publishing the results of the performance appraisal in the governorate's general diwan. The program's institutional arrangements include local development forums that facilitate people's participation in preparing the annual investment plan and its vision. These forums act as the local mediator to ensure that information reaches as many stakeholders as possible across the center, including local communities, private sector, marginalized groups, women, youth and civil society organizations.

Therefore, this program can often be considered the cornerstone for applying decentralization, through which we can achieve SDGs localization and deal with the problems facing local economic development.

Third: Mechanisms required to enhance localization in Egypt

SDGs localization is based on the frameworks that these goals can provide for local development policies. SDGs localization is also based on the support provided by local administration units in achieving SDGs. "Leaving no one behind" (LNOB) is a main objective of localization. This commitment means that marginalized and vulnerable groups should be taken into account to ensure their benefit and participation in development activities, and even to support areas that have not taken their share of development. Localization contributes to provide assistance to reach these groups through inclusive policies and frameworks. Therefore, localization supports efforts to combat poverty, end all forms of violence, and improve people's economic and social level.

There are a set of issues and tools that must be improved and stimulated to achieve localization in Egypt. Such issues and tools are related to supporting decentralization, participation and accountability mechanisms, and support and capacity building. It is worth noting that most of these tools have either not been fully implemented or partly implemented in an incomplete and unsystematic manner because of being adopted

either individually or by support from international organizations. Therefore, this section represents the roadmap for integrally implementing localization.

- Decentralization Support

SDGs implementation often depends on the multiplicity of government levels, which have different authorities, responsibilities and functions that serve various sustainable development indicators. Decentralization is an important pillar in improving local services quality, effectiveness and efficiency. Decentralization supports local planning, provides the necessary local resources to implement development projects, supports initiatives with the private and civil sectors, and enhances focus on the needs of marginalized groups. There are many tools that can be used in relation to decentralization and multiplicity of government levels, such as holding dialogues among various levels of the government regarding SDGs implementation. In addition, various assessments are to be conducted to determine the extent of societies' readiness to implement SDGs. The results of

implementing the Upper Egypt Development Project financed by the World Bank may provide many lessons that can be built upon in this context.

Decentralization and multiplicity of government levels greatly help in enhancing SDGs finance by improving local levels reliance on local sources of financing; strengthening those sources through imposing local taxes and fees; and providing non-traditional systems for financing, such as funds that locally support small projects. In addition, decentralization allows local authorities to borrow from third parties to enhance infrastructure projects and provide job opportunities, thus helping to localize SDGs. It should be noted here that both draft laws on local administration and State's general planning provide the necessary mechanisms to activate decentralization in Egypt.

- Support mechanisms related to enhancing participation

Participation is important to enhance SDGs implementation, which ensures participation of various parties, such as the private sector and civil society organizations, in developing policies and plans to enhance SDGs implementation. participation is concerned with somehow engaging various segments of society in developing and supervising the implementation of local development policies and projects, whether by their own efforts or in cooperation with government agencies. Thus, participation allows various groups of society to contribute to play a positive role in supporting, implementing and tracking the progress of development projects that affect their communities. In addition, they are allowed to help in rationalizing the distribution of services among various groups in society. The participatory approach

also strengthens the aspects of cooperation between the society parties and the government by providing an opportunity for democratic practice through decentralization.

Participation improves interaction among various local institutions, allowing for an integrated response to address several challenges faced by any region. In order to enhance the participatory approach, many mechanisms can be adopted, such as participatory planning and participatory budgeting. These mechanisms set the order of priorities according to the needs of citizens and identify the problems and actual needs of citizens, thus achieving efficient and optimal use of local resources.

The participatory approach is enhanced by holding dialogues among various levels of the government regarding SDGs implementation. For example, the Colombian government has established a multi-level and multi-institutional

high commission for effectively preparing and implementing SDGs. This commission is the official decision maker for public policies, plans and programs in relation to SDGs implementation.

- Support mechanisms related to enhancing accountability

SDGs implementation requires clear accountability mechanisms to ensure that officials are accountable for results. These mechanisms allow monitoring the progress of achieving SDGs, identifying challenges facing implementation, and proposing actions for development and overcoming various challenges. Accountability is integrated with transparency to get data and information and get the various parties in society engaged. The accountability-related tools are dissemination of local data and information through the official websites of local administrations or official communication channels, strengthening social accountability mechanisms, activating roles of supervisory authorities and civil society organizations and raising their awareness of SDGs, and promoting the use of information systems in the provision of local services.

The locally elected councils' awareness of SDGs and their role in achieving economic and social development should be taken into consideration. Strengthen the oversight role of those councils over local administrations to monitor the effectiveness and efficiency of the projects supporting achievement of SDGs should be also observed.

- Support and build human capabilities

Human and institutional capacities are the main driver of the development. Therefore, development and building of local capacities contribute to SDGs implementation. Sustainable development will not be achieved without fully understanding its goals and objectives and identifying the mechanisms necessary to achieve the same. This requires building human and institutional capacities in all sectors to reach optimal levels of performance in line with the current changes.

Capabilities building enhancement tools are training on online educational materials about SDGs, training local workers on specialized issues related to sustainable development, such as environment, water and governance issues, and launching initiatives for dialogue among local units to benefit from different experiences.

Building and strengthening institutional capacities, such as strengthening information technology systems, providing local electronic services, and establishing complaints systems, contribute to enhancing SDGs localization.

Conclusion:

In light of the opportunities currently available in Egypt that were presented in this section of the report, SDGs localization in Egypt requires moving through the following stages:

First: Taking advantage of the planning opportunities available in Egypt: The institutional arrangements for the local development program in Upper Egypt are the true cornerstone for SDGs localization, as they greatly empower the local entities and enhance participation and accountability through various mechanisms. Therefore, Qena and Sohag can be considered as the localization baseline, especially that the Ministry of Planning and Economic Development and the Ministry of Local Development intend to develop the local planning system and provide the necessary financing tools for the local development. However, given the challenges in this regard, development of the local planning system requires a change in the planning laws and regulations, which is currently old and overlapping. It also requires a great deal of work on building institutional and human capacities.

Second: Shifting towards decentralization and enhancing participation, accountability and capacity building: SDGs localization requires a serious effort to gradually shift towards decentralization and implement the related constitutional entitlements. This shift will be achieved only with existence of supporting tools, especially the State's general planning laws, local administration system, and human and institutional capacities building. Continuous political will comes at the top of the tools supporting the shift towards decentralization to ensure shift safety and effectiveness. Participation and accountability mechanisms should be strengthened within the framework of shift towards decentralization.