

Fourth Pillar: Transparency and Efficiency of Government Institutions

Overview of Current Situation

The State's administrative system is facing a wide range of challenges that have accumulated over many decades. One of the key challenges is the complexity of the organizational structure of the State due to the number of ministries, agencies, and different administrative bodies and the overlapping and conflicting jurisdictions among them. As well, there has been inflation of employment in the public sector and an increase in its total costs, which reached 26% of the total public expenditure of 2014-2015 budget, not including the salaries bill of the economic agencies. One of the main challenges that affects the efficiency of these institutions, in the light of the low productivity of the government employee and the spread of masked unemployment, is that the number of current public employees is estimated at nearly 6.4 million, with an average of one employee per 13.2 citizens, which is considered a low ratio compared to global rates. Besides, the public sector is suffering from the absence of transparency and accountability and the discrepancies of salaries between and inside the different entities, which led to the spread of corruption, favoritism, and power abuse. In addition, the large amount of conflicting legislation has led to the spread of fraud, and predominance of bureaucracy due to centralization inside the government's organs.

All these factors have contributed to a clear setback in the efficiency of the public sector's institutions and the bad status of public services that resulted in citizen dissatisfaction and the increase of the trust crisis between the citizen and the government. As a result of these repercussions, Egypt ranked low in some of the global indicators measuring the efficiency of the State's administrative organs. Despite the relative improvement of Egypt's ranking in the World Competitiveness Indicator, from 119 of 144 countries in 2014-2015 to 116 of 140 countries in 2015-2016 and also the improvement of Egypt's ranking that measures the efficiency of state institutions, from 100 of 144 countries to 87 of 140 countries during the same period; however, the road is still open for more improvements on this important indicator that significantly affects the competitiveness of the Egyptian economy and the flow of local, regional, and international investment that is necessary for the economic boost and jobs creation.

On this framework and for 2 years, the Egyptian government has adapted a comprehensive plan for a reform program of the administrative system, including institutional development, and the development of government services, as well as the development of a planning and resource management system in government institutions, and the creation of a national database. The Civil Service Law, issued in March 2015, comes on the top of these efforts, which is considered an important step towards the reform of the State's public sector apparatus, and aims at an increase of the efficiency of the service delivery process and the enhancement of transparency and accountability. Moreover, the law establishes a new system for recruitment, promotion, and appointment of senior positions in order to achieve justice and equality of opportunity, ending favoritism, in addition to the reform of the salaries structure in order to decrease the