

Policy Brief **6**

Moving Governmental Staff to the New Capital City

2018

This Brief provides decision-makers with background on different experiences of moving a capital city. Some examples include Sadat City in Egypt as well as the international experiences of Malaysia, Germany and Tanzania. A review of these examples shows that the Malaysian model is the closest one to the Egypt's new capital experience. This Brief also addresses the main challenges that the Egyptian government faces in moving its employees to the new administrative capital, including modernization and technology, payment methodology, transportation, and employee relocation. Furthermore, it highlights how the government can face such challenges, especially those related to government employees' refusal to move. Finally, it suggests some recommendations based on a review of the different models and interviews conducted with experts in urban development.

Policy Problem

There are a number of different possible schemes for the relocation of public employees:

- Some staff members will commute two ways on a daily basis from the Ministry locations in Cairo to the new Ministry locations in the New Capital City (NCC) using transportation provided by the Ministry.
- Some staff members will commute on Sunday morning from their hometowns to the New Capital City and will return from the New Capital City to their hometowns at the end of the workday on Thursday. They will live in residential apartments owned by the Ministries during the weekdays and return to their hometowns for the weekend.
- Other staff will buy new residences with long-term installment plans or will rent in the New Capital City and reside there.

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Comparative Cases:

Malaysia

This Brief presents several cases of countries that moved their capital cities, like Malaysia, Germany and Tanzania. The most successful case was Malaysia, which moved its capital city from Kuala Lumpur to Putrajaya. Putrajaya is supported by commercial centers and public amenities that integrated garden city theme, which became an ideal 'live-work' environment. Nevertheless, none of the embassies, consulates, or high commissions in Malaysia were moved to the new capital, and their assigned locations are still unutilized in Putrajaya.

Advantages and challenges of the policy:

Advantages:

- Solve the problem of traffic jams in Cairo resulting from over-concentration in the old Capital city.
- Having the New Capital City in proximity to Cairo makes it easier to come and go by car, bus, or monorail.
- Digitizing governmental institutions will promote efficiency in quality and time especially at the first phase of moving to the NCC.
- Solve the problems of government office space shortage.

Challenges:

- Modernization of government and cooperation between the government institutions.
- Affordability of moving to the New Capital City.
- Connectivity and transportation (public and private transportation).
- Employee responses towards the decision of moving their entities.



Recommendations:

- The government should guarantee that the New Capital City project will be finished according to the current plan even with the Cabinet reshuffling, in order not to repeat the Sadat City experience.
- Coordination will be necessary among different stakeholders, especially the New Urban Communities Authority, the ministries, and the New Capital City to ensure that housing options are not restricted to high-income citizens and are available for citizens of different socioeconomic levels. This effort has already been initiated, in part, on the advocacy level as well as on the marketing of housing to be constructed in the NCC.
- Incentives should be implemented, especially those supporting relocation to the NCC, in order to avoid the same outcomes as the Tanzanian case. For example, subsidies/discounts may be offered for the NCC apartments, and long-term payment plans can be extended to new residents.
- Working hours should be reduced from 8 to 6 hours per day, to accommodate a daily two-hour commute.
- Government offices should adopt electronic approval/signature, and ensure Internet connection and infrastructure are reliable.
- Provide services at the same price as they are available in Cairo.
- Provide transportation facilities inside and from/to the New Capital with discounts or annual membership schemes.
- Provide housing accommodations for single women and single men, and for small families.
- Like Germany, it is not recommended to maintain two capital cities as this incurs extra cost in terms of transportation and flying over documents.
- Ensure funding allocation for the transportation system to avoid Malaysia's experience with the monorail.



Conclusions:

Moving Cairo's capital to the NCC is a mega project that requires dedication and includes different challenges. This policy Brief describes these challenges and sets recommendations for policy makers to facilitate the decision making process.

The Brief suggests three main scenarios that may be implemented in parallel or successively. These options include daily commutes from the ministries' current locations to the NCC, weekly commutes with accommodations provided for employees during the work week, or staff some apartments in the NCC with long-term installments enabling employees buy these apartments and relocate to the NCC.

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The Public Policy HUB provides a processing unit where policy teams are formed on a regular basis, combining experienced policy scholars/mentors with young creative policy analysts, provide them with the needed resources, training, exposure, space, tools, networks, knowledge and contacts, to enable them to come up with sound, rigorous and yet creative policy solutions that have a greater potential to be effectively advocated and communicated to the relevant policy makers and to the general public.

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