

**STATUS OF PROJECTS IN EXECUTION – FY05**  
**SOPE**  
**REGION: MIDDLE EAST AND NORTH AFRICA**  
**COUNTRY: EGYPT, ARAB REPUBLIC OF**

Operations Policy and Country Services  
SEPTEMBER 23, 2005



**Report on the Status of Projects in Execution - FY05**  
**Region: Middle East and North Africa**  
**Country: Egypt, Arab Republic of**

**Introduction**

The Status of Projects in Execution (SOPE) Report for FY05 provides information on all IBRD/IDA projects that were active on and beyond June 30, 2005. Thus it bridges the gap in information available to the public between the Project Appraisal Document, disclosed after the Bank approves a project, and the Implementation Completion Report, disclosed after the project closes.

The World Bank has issued a SOPE Report every year as an internal communication to the Board of Executive Directors. Now, in accordance with the Bank's revised disclosure policy, the SOPE Report is also available to the public. By publishing this improved report, we have addressed one of the main concerns we heard from the public during disclosure consultations – that the public has very little access to information on projects while they are being implemented. Readers familiar with past reports will note that projects that closed during the fiscal year are no longer included in the SOPE, since their Implementation Completion Reports are now also disclosed.

The FY05 SOPE introduces a new element: in order to disclose project-by-project comparisons of disbursement estimates and actual disbursements, the SOPE report contains a line chart<sup>1</sup> showing the original estimated disbursement schedule, the latest approved revised schedule (if any) and actual disbursements for investment operations and a table showing the loan/credit/grant amount and disbursements to date.

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<sup>1</sup> Notes:

- Amounts for Projects in currencies other than U.S. dollars may not match exactly due to exchange rate fluctuations over the life of the project.
- Disbursement graphs are not included for Development Policy Loans, which provide quick-disbursing external financing to support policy and institutional reforms. For these loans, funds are disbursed in one or more stages (tranches), released when the borrower complies with agreed conditions.
- Projects which are not yet effective may not have a planned disbursement schedule and thus may not include a graph.

**Country: Egypt, Arab Republic of**

**Project Name (ID):** Education Enhancement (P005169)

**Country:** Egypt

**Board Approval Date:** 12/24/1996

**Midterm Review Date:** 02/08/2002

**Closing Date:** 08/31/2006

**Loan/Credit/Grant Number:** IDA-N0080

**Sector(s):** Primary education (56%), Tertiary education (40%), Central government administration (4%)

**Theme(s):** Education for all (P), Gender (P), Rural services and infrastructure (P), Access to urban services and housing (P), Education for the knowledge economy (S)

**Project Development Objectives:**

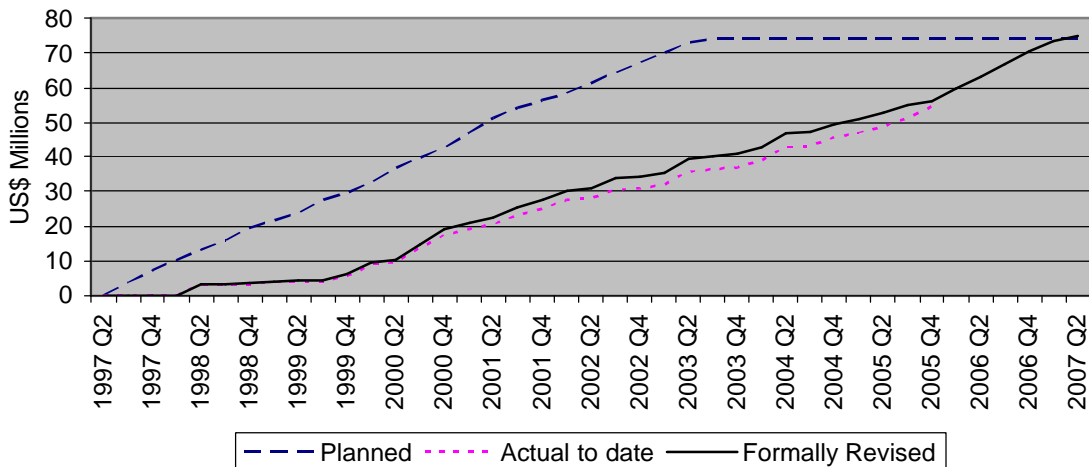
To increase access and equity, improving quality, and enhancing system efficiency.

**Progress toward achieving development objective(s):**

The project continues to make progress toward achieving its development objectives. Net enrollment rate has reached 90.6% for primary girls and 92% for primary boys (up from 87.5% and 90.9% respectively). Student under-achievement decreased in 11 project governorates to 16% in Arabic (from 27%); 39% in math (from 91%); and 44% in critical thinking (from 53%).

**Lending Information/Disbursement Summary (USD millions, as of June 30 2005)**

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-N0080	Effective	75.15	54.56	16.81	0.00



**Project Name (ID):** Irrigation Improvement (P005173)

**Country:** Egypt

**Board Approval Date:** 12/22/1994

**Midterm Review Date:** 05/03/2000

**Closing Date:** 06/30/2006

**Loan/Credit/Grant Number:** IBRD-38320, IDA-26720

**Sector(s):** Irrigation and drainage (92%), Central government administration (8%)

**Theme(s):** Rural services and infrastructure (P), Water resources management (P), Environmental policies and institutions (P), Participation and civic engagement (P)

### Project Development Objectives:

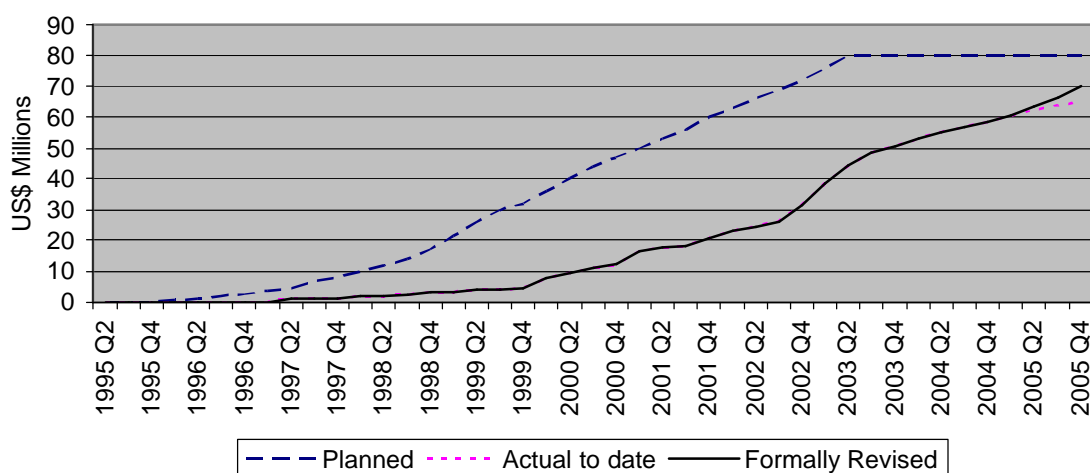
The Project Development Objective is to increase agricultural production and farmers' income through improved, more equitable and sustainable irrigation.

### Progress toward achieving development objective(s):

About 87% of the construction has been completed. The project has been extended by one year to June 30, 2006, and this is expected to enable the project to achieve substantially its development objectives, and be fully implemented and disbursed. Pilot activities to be implemented in the project's last year will introduce innovative design solutions to irrigation improvements. The results of these pilots will be incorporated in the recently approved Integrated Irrigation Improvement and Management Project.

### Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-38320	Effective	26.70	18.12	8.58	0.00
IDA-26720	Closed	52.09	47.06	0.00	0.00



**Project Name (ID):** Health Sector Reform (P045175)  
**Country:** Egypt  
**Board Approval Date:** 05/21/1998  
**Midterm Review Date:** 12/13/2001  
**Closing Date:** 06/30/2006  
**Loan/Credit/Grant Number:** IDA-30760, JPN-27142  
**Sector(s):** Health (70%), Compulsory health finance (30%)  
**Theme(s):** Health system performance (P), Gender (S), Child health (S)

### Project Development Objectives:

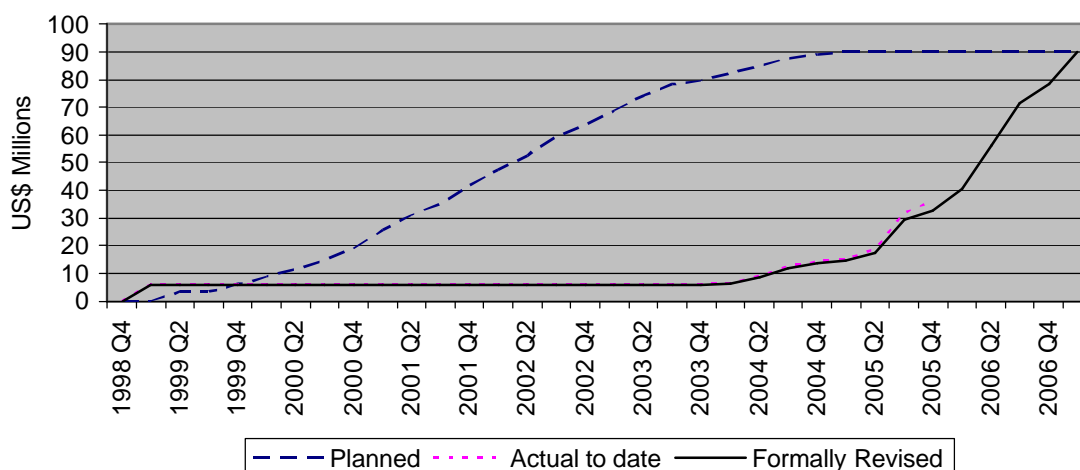
The project development objectives are to: (i) expand health coverage with a basic package of primary health care and public health services to the poor population in two pilot governorates (Alexandria and Menoufia); and (ii) improve access, efficiency, and quality of primary health care services through rationalization of health infrastructure in the two pilot governorates.

### Progress toward achieving development objective(s):

Progress toward achieving the revised development objectives has been made. In terms of accessibility in the two pilot governorates, the package of PHC services became accessible to 1.7 million persons, representing 48% of the revised end-of-project target, through 181 operational family health facilities. Coverage has been provided to 1.3 million persons through 167 facilities accredited by the Family Health Funds. This coverage includes a total of 760,694 people who are not covered by any health insurance scheme under the Health Insurance Organization to provide coverage among the poorest population, representing about 70% of the revised end-of-project target.

### Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-30760	Effective	97.47	36.02	61.90	0.00
JPN-27142	Closed	0.31	0.30	0.00	0.01



**Project Name (ID):** Second National Drainage (P045499)

**Country:** Egypt

**Board Approval Date:** 06/15/2000

**Midterm Review Date:** 04/09/2005

**Closing Date:** 06/30/2007

**Loan/Credit/Grant Number:** IBRD-45620, JPN-26126

**Sector(s):** Irrigation and drainage (95%), Central government administration (5%)

**Theme(s):** Water resources management (P), Environmental policies and institutions (P), Rural services and infrastructure (P), Participation and civic engagement (S), Rural policies and institutions (S)

### Project Development Objectives:

The Project Development Objectives are to: (a) increase the agricultural productivity of about 0.8 million feddans of irrigated land by improving drainage conditions through evacuation of excess irrigation water with subsurface drains into existing open drains; and (b) avoid yield and production losses on this land, which would result if water logging and soil salinity problems were to persist.

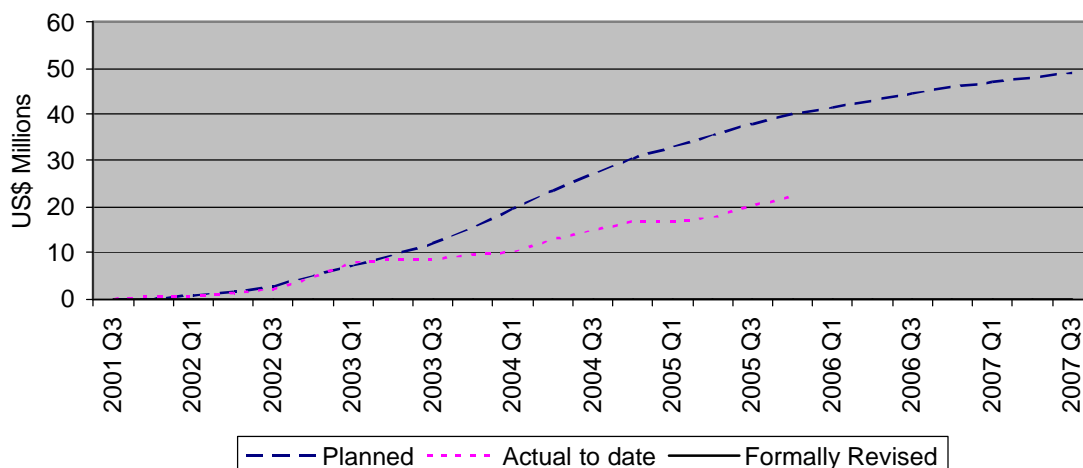
### Progress toward achieving development objective(s):

To date, progress has been made and physical targets are gradually being achieved. About 0.4 million feddans have been provided with subsurface drainage and 0.2 million feddans with open drains. Sixty four man months have been allocated for technical assistance and 1,300 man months for training, all of which have had a positive effect on yields (15% increase), on salinity (45% of the areas with no salinity problems (up from 0%) and depth to groundwater (more than 1 m) in all areas provided with new or rehabilitated sub-surface drainage as well as surface drainage.

The number of families benefiting from the improved conditions to date total 210,000.

### Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-45620	Effective	50.00	22.20	27.80	0.00
JPN-26126	Closed	0.25	0.24	0.00	0.01



**Project Name (ID):** East Delta Agriculture Services (P049166)

**Country:** Egypt

**Board Approval Date:** 11/04/1997

**Midterm Review Date:** 02/21/2002

**Closing Date:** 12/31/2005

**Loan/Credit/Grant Number:** IDA-30020, IFAD-04160

**Sector(s):** Micro and SME finance (41%), General agriculture, fishing, and forestry (22%), Agro-industry (21%), Water supply (13%), Central government administration (3%)

**Theme(s):** Rural services and infrastructure (P), Other rural development (P), Rural markets (P)

### Project Development Objectives:

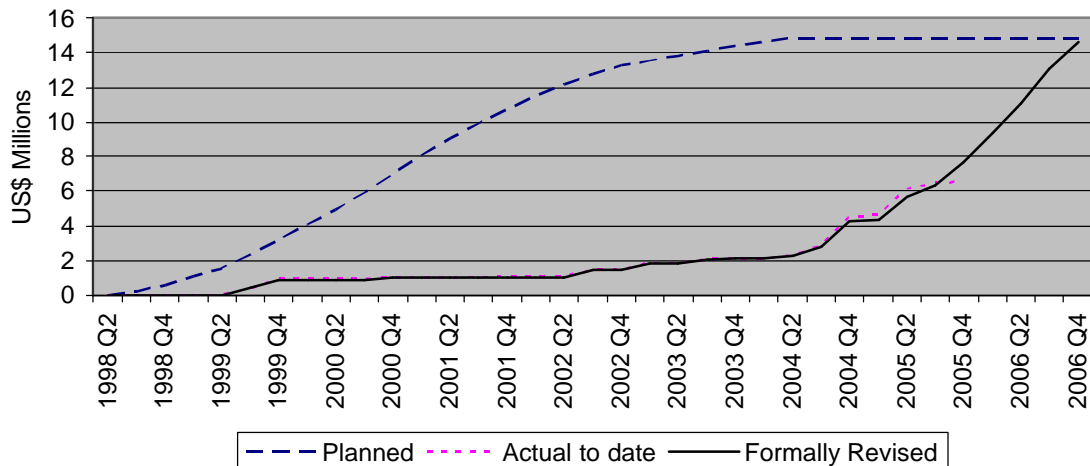
The development objective is to improve agricultural production and through it increased farm incomes for about 29,000 low income families in the project area through provision of essential infrastructure and agricultural support services.

### Progress toward achieving development objective(s):

Since July 2004 the project has been under investigation by Egyptian authorities, and as a result disbursements were suspended effective May 4, 2005. The Bank is awaiting further clarification from the Government on the status. The project is currently due to close December 31, 2005. However, if the disbursement suspension is lifted, the Bank may consider a government request to extend the project. Despite the current context, the project has continued implementation, albeit at a slower rate. The area under cropping in the winter season of 2004 - 2005 increased 33% over that of the previous winter season and reached 62% of the project target of 130,000 feddans. Thirteen actively operating Community Development Associations have been formed, with a high proportion of female members. Project infrastructure activities (irrigation and drainage infrastructure and water supply and wastewater infrastructure) are behind schedule: the slowdown is in the order of 20-40% of the works currently under execution.

### Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-30020	Effective	16.20	6.62	9.48	0.00
IFAD-04160	Closed	25.24	13.41	11.37	0.00



**Project Name (ID):** Skills Development (P049702)

**Country:** Egypt

**Board Approval Date:** 07/31/2003

**Closing Date:** 06/30/2008

**Loan/Credit/Grant Number:** IBRD-71890

**Sector(s):** Vocational training (75%), Central government administration (25%)

**Theme(s):** Education for the knowledge economy (P), Other financial and private sector development (S), Other public sector governance (S), Improving labor markets (S)

### Project Development Objectives:

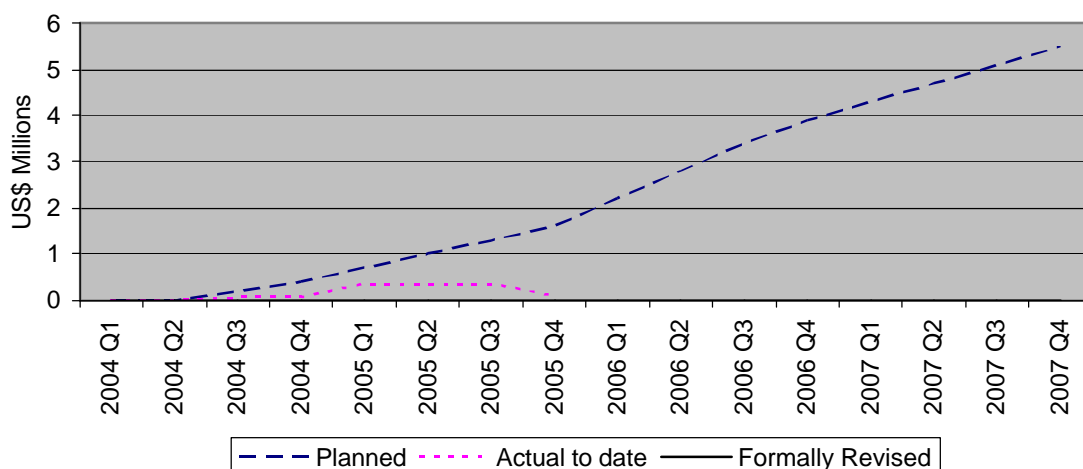
The objective of the Project is to assist the Borrower in carrying out a pilot program to stimulate private sector demand for skills training development through a demand-driven and competitively-based mechanism.

### Progress toward achieving development objective(s):

The Project was declared effective in March 2004 and is now fully operational. Project Intermediaries have started to operate. The percentage of Beneficiary Firms requesting training (of those contacted) has reached 61% (from 10% during the dry run) and the average amount for a training contract has increased to US\$37,000 (from US\$9,000 during the dry run). These are indications that the project is moving toward its objectives by stimulating private sector demand for skills training.

### Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-71890	Effective	5.50	0.09	5.42	0.00



**Project Name (ID):** Secondary Education Enhancement (P050484)

**Country:** Egypt

**Board Approval Date:** 04/15/1999

**Midterm Review Date:** 03/05/2005

**Closing Date:** 06/30/2006

**Loan/Credit/Grant Number:** IDA-31940

**Sector(s):** Secondary education (80%), Other social services (5%), Sub-national government administration (5%), Tertiary education (5%), Central government administration (5%)

**Theme(s):** Education for all (P), Education for the knowledge economy (P), Participation and civic engagement (S), Social analysis and monitoring (S)

**Project Development Objectives:**

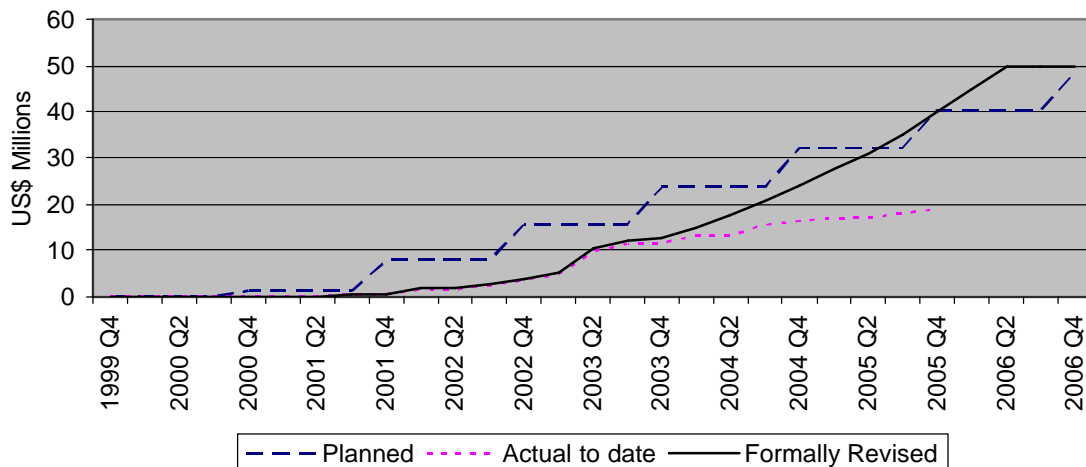
To improve the quality and opportunity in secondary education.

**Progress toward achieving development objective(s):**

The project continues to make progress toward achieving its development objectives. Share of general secondary schools (vis a vis commercial/ technical schools) has increased to 39% (from 30%) and National Standards for effective school management has been developed and training is in progress. The project is moving ahead in the area of quality improvement/curriculum revision for the secondary level.

**Lending Information/Disbursement Summary (USD millions, as of June 30 2005)**

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-31940	Effective	52.24	18.87	32.09	0.00



**Project Name (ID):** Third Social Fund (P052705)

**Country:** Egypt

**Board Approval Date:** 06/01/1999

**Midterm Review Date:** 12/24/2003

**Closing Date:** 02/28/2006

**Loan/Credit/Grant Number:** IDA-32300

**Sector(s):** Other social services (64%), Micro and SME finance (15%), Health (11%), General education (10%)

**Theme(s):** Participation and civic engagement (P), Improving labor markets (P), Rural services and infrastructure (P), Small and medium enterprise support (P)

**Project Development Objectives:**

The objective is to help create jobs and provide community infrastructure and services through labor intensive works.

**Progress toward achieving development objective(s):**

Overall, the Social Fund for Development (SFD) has been successful in achieving its objectives and has met almost all of its original project targets. The SFD has created 35,000 jobs, and has reached more than three million beneficiaries.

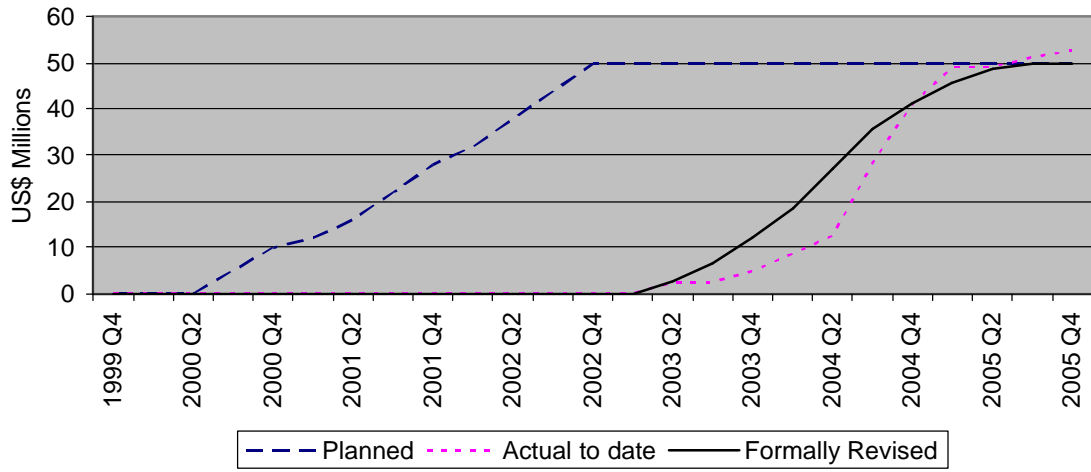
The Public Works Program has contracted 36 subprojects (33 completed) amounting to LE 275 million, and reaching 707 villages in 22 governorates. It has achieved an overall average of 112% of its infrastructure targets in the form of completed water and wastewater networks (1226 km), canal covering and protection (95 km), road paving (216 km), and public building refurbishments (158). On average, almost one quarter (26.3%) of the funds were spent on intensive labor programs.

The Community Development Program has contracted 88 subprojects (68 completed) amounting to LE 62 million. It has achieved an overall average of 89% of its infrastructure targets in the form of renovating and/or establishing health clinics, literacy and nursery classes. As a result, utilization of health facilities has increased to 80%, 14,200 people passed a literacy test, and 316 NGOs were able to deliver health and education services.

**Lending Information/Disbursement Summary (USD millions, as of June 30 2005)**

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-32300	Effective	53.84	52.60	1.14	0.00

Status of Projects in Execution - FY05



**Project Name (ID):** Higher Education Enhancement (P056236)

**Country:** Egypt

**Board Approval Date:** 04/16/2002

**Closing Date:** 12/31/2007

**Loan/Credit/Grant Number:** IBRD-46580

**Sector(s):** Tertiary education (49%), Law and justice (20%), Vocational training (18%), Central government administration (13%)

**Theme(s):** Education for the knowledge economy (P), Law reform (S), Other financial and private sector development (S)

**Project Development Objectives:**

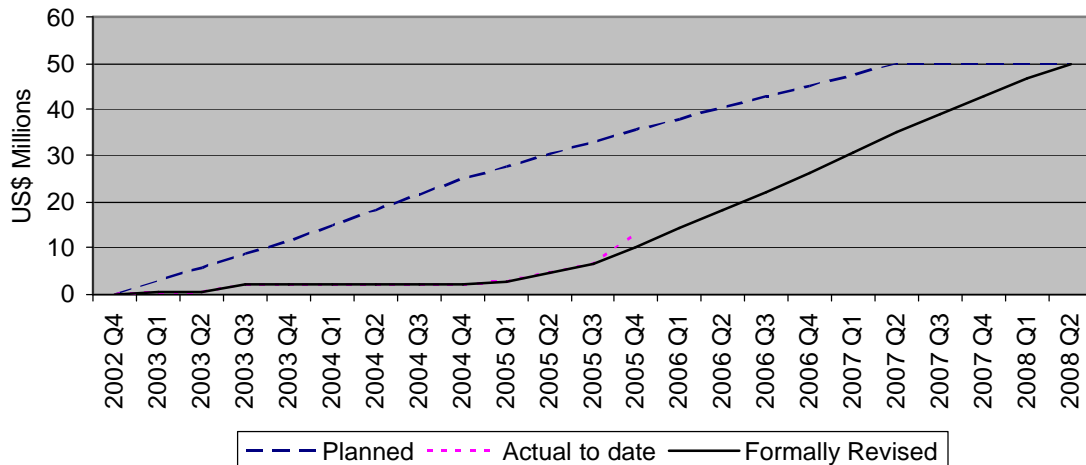
To create conditions fundamental to improve quality and efficiency of the higher education system through legislative reform, institutional restructuring, and establishment of independent quality assurance mechanisms and monitoring systems.

**Progress toward achieving development objective(s):**

The project is moving toward achieving its developmental objectives as it has engendered a very conducive context in higher education institutions for improvement in quality and efficiency through the execution of competitive grants (159 projects in 12 universities; the target was for 50% of universities to have grants by 2007, which has already been met and exceeded); faculty leadership and training programs (32,000 staff trained, or 41% of the planned target); quality assurance projects (113 projects in all universities under implementation); consolidation of the 45 Middle Technical Institutes into 8 Technical Colleges; and establishing the Supreme Council for Technical Colleges and the Boards of Trustees completed ahead of schedule.

**Lending Information/Disbursement Summary (USD millions, as of June 30 2005)**

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-46580	Effective	50.00	13.16	36.84	0.00



**Project Name (ID):** Sohag Rural Development (P040858)

**Country:** Egypt

**Board Approval Date:** 08/27/1998

**Midterm Review Date:** 09/25/2003

**Closing Date:** 04/30/2007

**Loan/Credit/Grant Number:** IDA-31270, IFAD-04420, JPN-29555

**Sector(s):** General agriculture, fishing, and forestry (42%), General public administration (19%), Water supply (14%), Other social services (14%), Micro and SME finance (11%)

**Theme(s):** Participation and civic engagement (P), Rural services and infrastructure (P), Rural non-farm income generation (P), Improving labor markets (P), Rural markets (S)

### Project Development Objectives:

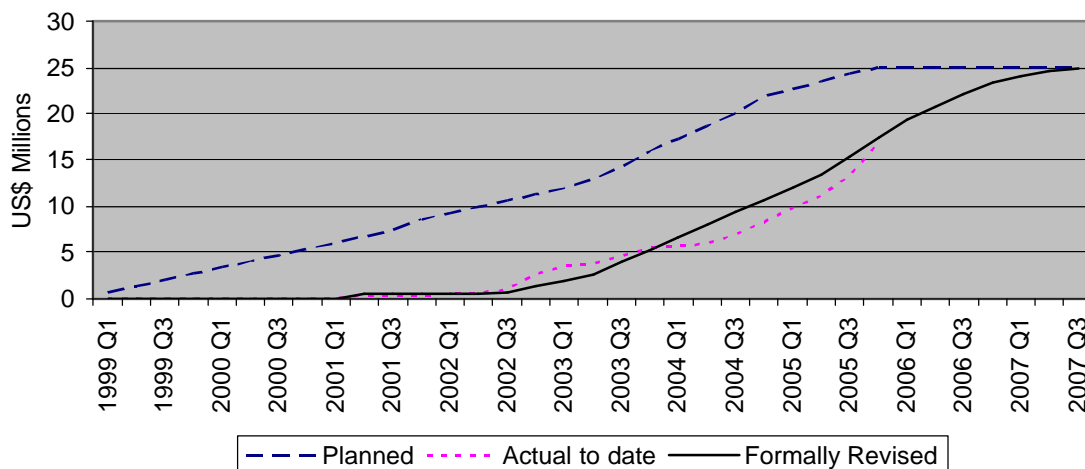
The Project Development Objective is to support the sustainable development (incomes and quality of life) of Sohag rural villages through the participatory approach initiated by the National Program for Integrated Rural Development.

### Progress toward achieving development objective(s):

The project has made remarkable contributions in terms of improving the access and quality of public infrastructure services in the rural areas of Sohag through a large number of subprojects that created good quality infrastructure across Sohag. Community participation in investment costs has reached US\$2.1 million, providing assurances for the sustainability of the investments. The project has also contributed positively to institutional development by increasing participation in public decision making, improving local planning and promoting coordination between sectoral agencies. The credit component of the project, which intended to finance income generating activities for rural people, is not performing as well. The Local Development Fund, one of the implementing agencies of this component, has prepared action steps to accelerate activities. The credit activities to be implemented by the Principal Bank for Development and Agricultural Credit are behind schedule. However, the Bank is providing assistance to address the problems with this component.

### Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-31270	Effective	27.14	16.78	10.00	0.00
IFAD-04420	Closed	27.50	6.70	20.58	0.00
JPN-29555	Closed	0.10	0.10	0.00	0.00



**Project Name (ID):** Third Pumping Stations Rehabilitation (P041410)

**Country:** Egypt

**Board Approval Date:** 08/06/1998

**Midterm Review Date:** 03/24/2004

**Closing Date:** 08/31/2006

**Loan/Credit/Grant Number:** IBRD-43860

**Sector(s):** Irrigation and drainage (90%), Central government administration (10%)

**Theme(s):** Rural services and infrastructure (P), Environmental policies and institutions (P), Water resources management (P), Rural policies and institutions (S)

**Project Development Objectives:**

The objectives are to improve the efficiency and reliability of delivery of irrigation water and timely evacuation of drainage water to prevent the losses in crop yields resulting from aging pumping stations on the irrigation and drainage system.

**Progress toward achieving development objective(s):**

After slow implementation during the first three years, good progress has been achieved during the last two years. To date, about 1 million feddans, serving about 0.5 million families, have been provided with adequate pumping facilities. Delivered water was increased by about 84 million m<sup>3</sup> per year, operation and maintenance costs were reduced by about US\$0.9 million per year and energy consumption was reduced by about US\$1.3 million per year. In addition, most of the man months foreseen for training have been utilized.

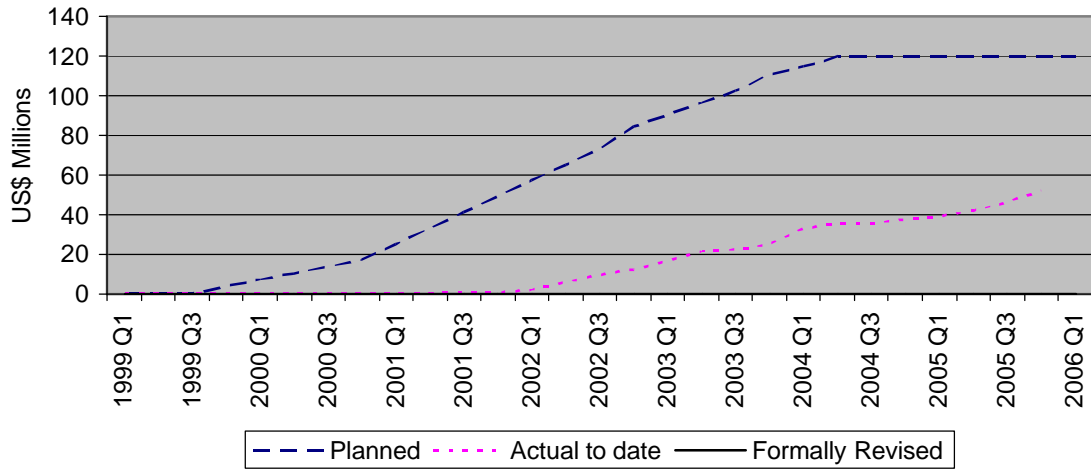
The project closing date was extended to August 31, 2006 and due to lower than expected costs, a cancellation of US\$20.00 million is under consideration.

It is expected that most of the targets set at the Mid-Term Review will be met by the revised closing date.

**Lending Information/Disbursement Summary (USD millions, as of June 30 2005)**

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IBRD-43860	Effective	120.00	52.13	67.87	0.00

Status of Projects in Execution - FY05



**Project Name (ID):** Integrated Irrigation Improvement and Management (P073977)

**Country:** Egypt

**Board Approval Date:** 05/03/2005

**Closing Date:** 03/31/2014

**Loan/Credit/Grant Number:** IBRD-72910, JPN-26826

**Sector(s):** Irrigation and drainage (94%), Central government administration (4%), Solid waste management (1%), Sanitation (1%)

**Theme(s):** Rural services and infrastructure (P), Participation and civic engagement (P), Water resources management (P), Rural policies and institutions (S), Decentralization (S)

### Project Development Objectives:

The project development objective is to assist Egypt in improving the management of irrigation and drainage in the project area to increase the efficiency of irrigated agriculture water use and services, expected to have positive impacts on water distribution quantity, quality, equity and timeliness.

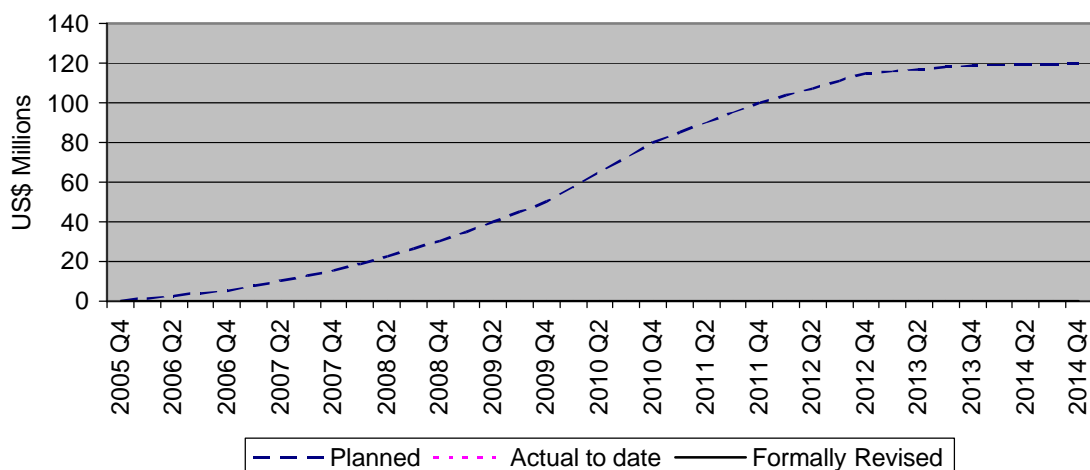
### Progress toward achieving development objective(s):

The Project was presented to the Board on May 13, 2005 and is currently is under the Governmental processing process. Cabinet Approval and Presidential Decree Clearance has been obtained. The next standard governmental step in the process would be Parliamentary Approval (referendum). Effectiveness is expected by mid-February, 2006. Project co-financiers (KfW and Dutch Cooperation) are currently beginning their appraisal missions which are expected to be completed by October, 2005. Given that Parliament is currently in "recession", there is a legal query from the Bank's Legal Department that is pending to a "Formal Legal Opinion" from the Government of Egypt General Consul to accept a Presidential Decree. By other hand, Parliament is scheduled to resume its activities on early November, 2005. Under these regular conditions effectiveness could be from end of the 2005 CY to early-2006.

A pre-effectiveness mission is agreed with Government and scheduled to visit Egypt from August 20 to September 1, 2005.

### Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-72910	Not Effective	120.00	0.00	120.00	0.00
JPN-26826	Closed	0.45	0.26	0.19	0.00



**Project Name (ID):** Airports Development (P082914)

**Country:** Egypt

**Board Approval Date:** 03/30/2004

**Closing Date:** 06/30/2009

**Loan/Credit/Grant Number:** IBRD-72220

**Sector(s):** Aviation (97%), Central government administration (3%)

**Theme(s):** Trade facilitation and market access (P), State enterprise/bank restructuring and privatization (P), Regulation and competition policy (P)

### Project Development Objectives:

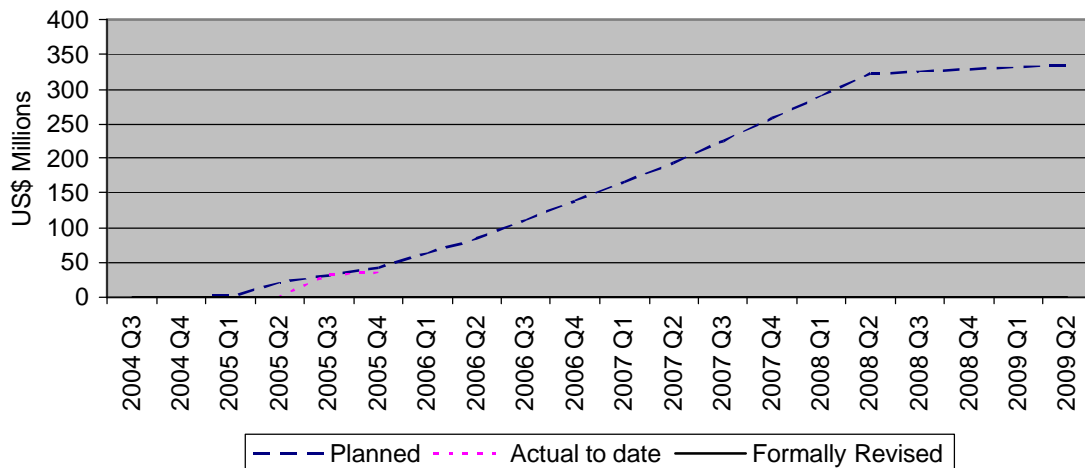
The objectives are to eliminate capacity bottlenecks to growth in airport traffic, raise the quality of services to international best practice standards at Cairo International and Sharm El Sheikh Airports, and promote private sector participation in airport management and service delivery.

### Progress toward achieving development objective(s):

The Project is progressing well. Although the contractors have slightly fallen behind their intended schedules, construction of both terminals is going ahead on all fronts. All studies under the institutional component have started or about to start.

### Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-72220	Effective	335.00	34.97	300.03	0.00



**Project Name (ID):** Early Childhood Education Enhancement (P082952)

**Country:** Egypt

**Board Approval Date:** 02/15/2005

**Closing Date:** 12/31/2010

**Loan/Credit/Grant Number:** IBRD-72740

**Sector(s):** Pre-primary education (98%), Central government administration (2%)

**Theme(s):** Education for all (P), Gender (S), Education for the knowledge economy (S), Participation and civic engagement (S)

### Project Development Objectives:

To support the Arab Republic of Egypt in providing quality early childhood education that improves the school readiness of 4 and 5 year old children, particularly the disadvantaged.

### Progress toward achieving development objective(s):

The project was ratified by the Egyptian parliament on June 13, 2005. The Project is not yet effective.

### Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-72740	Not Effective	20.00	0.00	20.00	0.00

