



Inclusive Housing Finance Program (P150993)

MIDDLE EAST AND NORTH AFRICA | Egypt, Arab Republic of | Finance, Competitiveness and Innovation Global Practice | Requesting Unit: MNC03 | Responsible Unit: GFCMW
IBRD/IDA | Program-for-Results Financing | FY 2015 | Team Leader(s): Laurent Gonnet, Jean Michel Lobet, Laila Ashraf AbdelKader Ahmed

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Program Development Objectives

Program Development Objective (from Program Appraisal Document)

The objective of the Program is to improve the affordability of formal housing for low-income households in the Arab Republic of Egypt and to strengthen the Social Housing Fund's capacity to design policies and coordinate programs in the social housing sector.

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Moderately Satisfactory	● Moderately Satisfactory
Overall Implementation Progress (IP)	● Moderately Satisfactory	● Moderately Satisfactory

Implementation Status and Key Decisions

The highlights of the implementation support missions held in July and August 2018 are as follows:

Progress towards achievement of PDO and overall implementation progress remain moderately satisfactory; however, some obstacles ahead can potentially derail the effective implementation of the project. Three years after effectiveness, the PforR is contributing to improving the affordability of formal housing for low-income households and to the strengthening of the Social Housing Fund's capacity to design policies and coordinate programs in the social housing sector, which are the Project Development Objectives. All institutional capacity indicators (PDO, intermediate and DLI) have been met. As a result, the project has disbursed well, and disbursement rate has reached 52%. Thanks to this increased capacity, the Social Housing and Mortgage Finance Fund (formerly Social Housing Finance) has been able to deliver close to 180,500 subsidies since it started operations. However, there are a few key issues that can potentially hamper the effective implementation of the project. First, the 20 billion EGP CBE line of credit that feeds the whole social housing subsidy system is about to expire at the end of January 2019. Second, a couple of components, key for the effective delivery of housing subsidies, are lagging behind namely the rental component (DLI 6) and the participation of the private sector in developing affordable housing (DLI 8). The World Bank team jointly with the government of Egypt will work during the following months to address these issues to ensure continued effective project implementation.

Data on Financial Performance

Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P150993	IBRD-84980	Effective	USD	500.00	500.00	0.00	258.06	241.94	52%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P150993	IBRD-84980	Effective	05-May-2015	10-Jun-2015	11-Nov-2015	30-Jun-2020	30-Jun-2020



Program Action Plan

Action Description	Multi-institutional governance structure established and functioning to facilitate coordination across Government entities (Advisory Committee)				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Client	No		30-Jun-2015		Completed
Comments					

Action Description	Establishment and functioning of a housing monitoring and evaluation system and an M&E unit within SHF, and the preparation of the Multi-Year Plan and Annual Targets informed by the M&E system				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Client	Yes	Yearly		Establishing a housing M&E system functioning and informing the Multi-Year Plan and Annual Targets	Completed
Comments					

Action Description	Establishment by SHF of a functioning mechanism to monitor occupancy and vacancy of housing units by households receiving demand-side housing subsidy				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Client	No		30-Jun-2016	Establishment and functioning of an accountability and transparency mechanism	Completed
Comments					

Action Description	Full staffing of SHF based on agreed organizational structure and staff skills				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Client	No		31-Jan-2016		Completed
Comments					

Action Description	Integrate housing location criteria and requirement to collect physical coordinates into housing program guidelines				
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Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Client	No		30-Jun-2017		Completed
Comments					

Action Description					
Monitoring and enforcement of location criteria for housing programs					
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Client	No		30-Jun-2016		Completed
Comments					

Action Description					
The annual audited financial statements of the Program are issued on a timely basis and made public.					
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Client	Yes	Yearly			Completed
Comments					

Action Description					
The SHF needs to establish robust integrated grievance redress mechanism and link it to the local level grievance redress system. SHF will also need to design and implement an improved mechanism for disseminating information.					
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Both	No		30-Jun-2016		Completed
Comments					

Action Description					
Provide incentives for energy savings among Program beneficiaries through setting targeted energy consumption rates and awareness leaflets about the best practices for energy saving. Households achieving the targets are subject to incentives.					
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Both	Yes	CONTINUOUS			Delayed
Comments					

Action Description					
Establishment of unified beneficiary database					
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Client	No		30-Jun-2016		Completed



Comments	
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Action Description	The operational and financial management arrangements for the rental subsidy should be laid out in regulation and detailed in a Procedures Manual, consistent with GSF's Manual when applicable.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Client	No		30-Jun-2016		Delayed
Comments					

Action Description	SHF programs should be integrated with the State budget, using the national budget classifications and chart of accounts.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Client	No		01-Jan-2016		Completed
Comments					

Action Description	For the new rental subsidy programs, beneficiary enrollment, monitoring, and payment databases should be integrated in the program's management information system (MIS)				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Client	No		30-Jun-2016		Delayed
Comments					

Action Description	Establishment and operation of an internal audit function within SHF providing assurance service for the ownership and rental programs affiliated with the SHF.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Client	No		31-Dec-2016		Completed
Comments					

Action Description	The SHF and its sub-programs should be subject to periodic and timely reporting on budget execution, using the GFMS or an accounting system that can seamlessly feed information into the GFMS. The financial reports should be publicly available.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Client	No		30-Jun-2016		Delayed
Comments					



Action Description	Raise beneficiaries' awareness about waste management through distributing leaflets that explain the importance of waste management at the household level.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Client	Yes	CONTINUOUS			Delayed
Comments					

Action Description	Ensure that beneficiaries use safe buildings through Including building validity certificate among required application documents				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Client	Yes	CONTINUOUS			Delayed
Comments					

Action Description	Guidelines and training provided to SHF staff and other stakeholders about addressing occupational safety related to construction activities and handling of building chemicals and construction wastes				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Both	No		31-Jan-2016		Delayed
Comments					

Action Description	Deliver training and capacity building to the SHF and other relevant stakeholders on issues related to land acquisition, involuntary resettlement				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Both	No		31-Jan-2016		Delayed
Comments					

Action Description	Strengthening the institutional Setup through developing comprehensive ToRs for the social team to be hired, and hiring social officers				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Both	No		31-Jan-2016		Delayed
Comments					



Action Description	Strengthening the institutional capacity through developing and delivering training packages to the relevant teams, and sharing best practices and similar successful global experiences				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Both	No		31-Mar-2016		Delayed
Comments					

Action Description	Designing and implementing context sensitive information sharing and disclosure mechanisms				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Both	No		31-Mar-2016		Delayed
Comments					

Action Description	Designing and implementing consultation, communication and reaching out plans				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Both	No		31-Mar-2016		Completed
Comments					

Action Description	Establishing robust integrated grievance redress mechanism and link it to the local level grievance redress system				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Both	No		31-Mar-2016		Completed
Comments					

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	● Substantial	● Substantial
Macroeconomic	--	● Substantial	● Substantial
Sector Strategies and Policies	--	● Substantial	● Substantial
Technical Design of Project or Program	--	● Substantial	● Substantial
Institutional Capacity for Implementation and Sustainability	--	● High	● High

Fiduciary	--	● Substantial	● Substantial
Environment and Social	--	● Low	● Low
Stakeholders	--	● Substantial	● Substantial
Other	--	--	--
Overall	--	● Substantial	● Substantial

Results

PDO Indicators by Objectives / Outcomes

PDO				
▶ Number of targeted households accessing ownership and rental housing units with support from the Program (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	115,817.00	180,463.00	830,000.00
Date	01-Apr-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				
▲ female-headed households as a percentage of beneficiaries (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	16.60	18.70	24.00
▶ Percentage of Program beneficiaries in bottom 20% of the income distribution (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	40.00	40.00	50.00
Date	01-Apr-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				
▶ Percentage of income spent on housing costs by Program beneficiaries (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	37.50	37.50	30.00
Date	01-Apr-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				
▶ Establishment of a housing M&E system functioning and informing the Multi-Year Plan and Annual Targets (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	No	Yes	Yes	Yes
Date	01-Apr-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				

Intermediate Results Indicators by Results Areas

Strengthening Governance and Institutional Set-up of Housing Sector				
► Completed executive by-laws, organizational structure, financing model, fiduciary arrangements, operating systems for the SHF (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				
► SHF fully staffed as per organizational plan (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				
► Internal audit function providing assurance services for the ownership and rental programs affiliated with the SHF established and operating (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				
► Adequate staffing of social officers as per organizational plan (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				
► Number of capacity building and training workshops conducted for the hired social workers at the Central and Governorate level. (Number, Custom)				



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	15.00	21.00	27.00
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				

Enhancing Transparency and Accountability of Social Housing Programs

► Mechanism to monitor occupancy of housing post-subsidy established and functioning as per DLI definition (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				

► Percentage of rental housing units occupied by targeted beneficiaries at least 1 year after lease (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	100.00	100.00	75.00
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				

► Percentage of housing units occupied by low-income residents after at least 1 year (AMP) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	100.00	100.00	85.00
Date	10-Aug-2015	29-Apr-2018	29-Apr-2018	30-Jun-2020
Comments				

► Establish a unified social programs and beneficiary databases (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				

► Establish an accountability and transparency mechanism established and functioning as per DLI definition (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
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Value	No	Yes	Yes	Yes
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				
►Average time required to resolve complaints in AMP (days) (Days, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	60.00	3.00	30.00	20.00
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				
►Percentage of resolved complaints received by SHF and Governorate housing offices (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	92.00	92.00	90.00
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				
►Annual published reports on complaints and how issues were resolved, including resolution rates (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				

Improving Access to Affordable Housing

►Number of households receiving demand side housing subsidies (AMP) for new units (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	115,817.00	180,463.00	725,000.00
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				
►Number of households participating in rental subsidy programs (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1,578.00	1,578.00	105,000.00



Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				
►Number of previously vacant units occupied 1 year after inclusion into the Program (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	91,514.00	91,514.00	30,000.00
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				

Promoting Well Located Social Housing				
►Percent of demand-side subsidies supporting the purchase or rental of housing units within a 60 minute travel time to an employment center (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	100.00	100.00	50.00
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				
►Percent of demand-side subsidies supporting the purchase or rental of housing units within a 45 minute travel time to an employment center (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	100.00	100.00	50.00
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				
►Percent of demand-side subsidies supporting the purchase or rental of housing units within a 30 minute travel time to an employment center (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	100.00	100.00	15.00
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020
Comments				
►Percentage of land made available for SHF developments that complies with location and service criteria stated in Law (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	100.00	100.00	100.00
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020



Comments

Promoting Private Sector Participation in Low-Income Housing

▶Number of demand-side subsidies supporting the purchase or rental of housing units developed by the private sector (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1,814.00	1,945.00	250,000.00
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020

Comments

▶PPP guidelines publicly disseminated (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020

Comments

▶%of demand side subsidy supporting the purchase or rental of housing units developed by private sec (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1.50	1.50	43.00
Date	10-Aug-2015	29-Apr-2018	28-Sep-2018	30-Jun-2020

Comments

Disbursement Linked Indicators

▶DLI 1 Establishment and operation of an internal audit function within SHF providing assurance service for the ownership and rental programs affiliated with the SHF (Process, 25.00, 60%)

	Baseline	Actual (Previous)	Actual (Current)	2020
Value	No	Yes	Yes	Yes
Date	01-Apr-2014	30-Jun-2017	28-Sep-2018	--

Comments

▶DLI 2 Establishing a housing M&E system functioning and informing the Multi-Year Plan and Annual Targets (Process, 25.00, 20%)

	Baseline	Actual (Previous)	Actual (Current)	2020
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Value	No	Yes	Yes	Yes
Date	01-Apr-2014	30-Jun-2017	28-Sep-2018	--
Comments				

►DLI 3 Establishment and functioning of an accountability and transparency mechanism (Process, 50.00, 40%)				
	Baseline	Actual (Previous)	Actual (Current)	2020
Value	No	Yes	Yes	Yes
Date	01-Apr-2014	30-Jun-2017	28-Sep-2018	--
Comments				

►DLI 4 Establishment by SHF of a functioning mechanism to monitor occupancy and vacancy of housing units by households receiving demand-side housing subsidy (Process, 50.00, 40%)				
	Baseline	Actual (Previous)	Actual (Current)	2020
Value	No	Yes	Yes	Yes
Date	01-Apr-2014	30-Jun-2017	28-Sep-2018	--
Comments				

►DLI 5 Number of households receiving demand-side homeownership subsidies for new housing units in each Fiscal Year during Program implementation under the AMP (Outcome, 225.00, 6%)				
	Baseline	Actual (Previous)	Actual (Current)	2020
Value	0.00	115.34	180,463.00	725.00
Date	01-Apr-2014	29-Dec-2017	28-Sep-2018	--
Comments				

►DLI 6 Number of new households participating in rental subsidy programs in each Fiscal Year during Program implementation (Outcome, 48.75, 1%)				
	Baseline	Actual (Previous)	Actual (Current)	2020
Value	0.00	1.40	1.40	102.40
Date	01-Apr-2014	30-Jun-2017	28-Sep-2018	--
Comments				



►DLI 7 Percentage of demand-side subsidies provided supporting the purchase or rental of housing units located within a commute of 60 minutes or less to an employment centre (Outcome, 25.00, 20%)

	Baseline	Actual (Previous)	Actual (Current)	2020
Value	0.00	100.00	100.00	50.00
Date	01-Apr-2014	30-Jun-2017	28-Sep-2018	--
Comments				

►DLI 8 Number of demand-side subsidies provided supporting the purchase or rental of housing units developed by private sector entities (Output, 50.00, 1%)

	Baseline	Actual (Previous)	Actual (Current)	2020
Value	0.00	1.68	1,945.00	250.00
Date	01-Apr-2014	30-Jun-2017	28-Sep-2018	--
Comments				