



## EG: Household Natural Gas Connection Project (P146007)

MIDDLE EAST AND NORTH AFRICA | Egypt, Arab Republic of | Energy & Extractives Global Practice |  
IBRD/IDA | Investment Project Financing | FY 2015 | Seq No: 6 | ARCHIVED on 06-Jun-2017 | ISR27170 |

Implementing Agencies: Government of Egypt, Ministry of International Cooperation, Egyptian Natural Gas Holding Company

## Key Dates

## Key Project Dates

Bank Approval Date:24-Jul-2014

Effectiveness Date:11-Feb-2015

Planned Mid Term Review Date:31-Oct-2017

Actual Mid-Term Review Date:--

Original Closing Date:30-Jun-2019

Revised Closing Date:30-Jun-2019

## Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The project development objective is to assist the Arab Republic of Egypt to increase household access to reliable, lower cost, grid connected natural gas supply.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

## Components

Name

Gas Network Expansion and Household Connections:(Cost \$1395.00 M)

Financial Support for Household Connection Charges in Disadvantaged Areas:(Cost \$61.20 M)

Institutional Strengthening:(Cost \$17.70 M)

## Overall Ratings

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

## Implementation Status and Key Decisions



Project implementation is progressing well, though the pace of progress is slower than had originally been envisioned when the project was approved. Part of the reasons for this delay is the high complexity of dealing with a large number of procurement packages and the need for site-specific data for the routes of the low pressure pipelines and the location of the pressure reduction stations. The project also needed multiple different environmental and social impact assessments covering individual sites where construction work is expected to take place.

The Government has requested an extension of the project's closing date to June 30, 2021 and inclusion of nine additional Governorates to the project scope. The Bank is currently considering this request. Financing of this expansion would come from savings expected from lower than anticipated expenditures to achieve the project's original scope. As such, no additional financing is envisioned to cover the contemplated expanded scope. This expansion is expected to add about 800,000 new connections in additional 9 Governorates. Estimation of additional connections expected from intensification activity is yet to be determined.



## Risks

### Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	● Substantial	● Substantial
Macroeconomic	--	● Moderate	● Moderate
Sector Strategies and Policies	--	● Moderate	● Moderate
Technical Design of Project or Program	--	● Moderate	● Moderate
Institutional Capacity for Implementation and Sustainability	--	● Moderate	● Moderate
Fiduciary	--	● Moderate	● Moderate
Environment and Social	--	● Moderate	● Moderate
Stakeholders	--	● Moderate	● Moderate
Other	--	--	--
Overall	--	● Moderate	● Moderate

## Results

### Project Development Objective Indicators

#### ► Natural gas household connections financed by the project in targeted areas. (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	1,500,000.00
Date	17-Jun-2014	26-Aug-2016	26-Aug-2016	28-Dec-2018

#### ► Government annual savings from reduction in LPG imports due to decreased LPG consumption in the targeted project areas. (Amount(USD), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	406,000,000.00



Date	17-Jun-2014	26-Aug-2016	26-Aug-2016	28-Dec-2018
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► Gas leaks per 1000 consumers per year of distribution networks installed in targeted governorates not to exceed agreed reliability level of 5. (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	N	N	Y
Date	17-Jun-2014	26-Aug-2016	26-Aug-2016	28-Dec-2018

► Direct project beneficiaries (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	6,750,000.00
Date	17-Jun-2014	26-Aug-2016	26-Aug-2016	28-Dec-2018

▲ Female beneficiaries (Percentage, Custom Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	50.00

▲ Direct project beneficiaries who are poor benefiting from financial support to connection fees. (Percentage, Custom Supplement)



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	0.00

## Overall Comments

## Intermediate Results Indicators

► Kilometers per year of new distribution networks installed in target areas (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	8,500.00
Date	30-Jun-2014	26-Aug-2016	26-Aug-2016	28-Dec-2018

► Reduction of LPG consumption in the target area. (Tones/year, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	495,000.00
Date	17-Jun-2014	26-Aug-2016	26-Aug-2016	28-Dec-2018

► PRSs developed and operational serving targeted areas (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	25.00
Date	17-Jun-2014	26-Aug-2016	26-Aug-2016	28-Dec-2018



► Customer service centers in targeted areas established and operational. (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	11.00
Date	17-Jun-2014	26-Aug-2016	26-Aug-2016	28-Dec-2018

► LDC average response time per 1000 calls by household consumers in targeted area calling the emergency national phone number (129) not exceeding 15 minutes (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	N	N	Y
Date	17-Jun-2014	26-Aug-2016	26-Aug-2016	28-Dec-2018

► Targeting and disbursement mechanism for the financial support of connection charges to the poor is in place. (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	N	N	Y
Date	17-Jun-2014	26-Aug-2016	26-Aug-2016	28-Dec-2018

► EGAS Financial Reporting by the new FMIS. (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	N	N	Y
Date	17-Jun-2014	26-Aug-2016	26-Aug-2016	28-Dec-2018



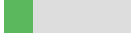
► Establishment of a Gas Regulator. (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	N	N	Y
Date	17-Jun-2014	26-Aug-2016	26-Aug-2016	28-Dec-2018

## Overall Comments

### Data on Financial Performance

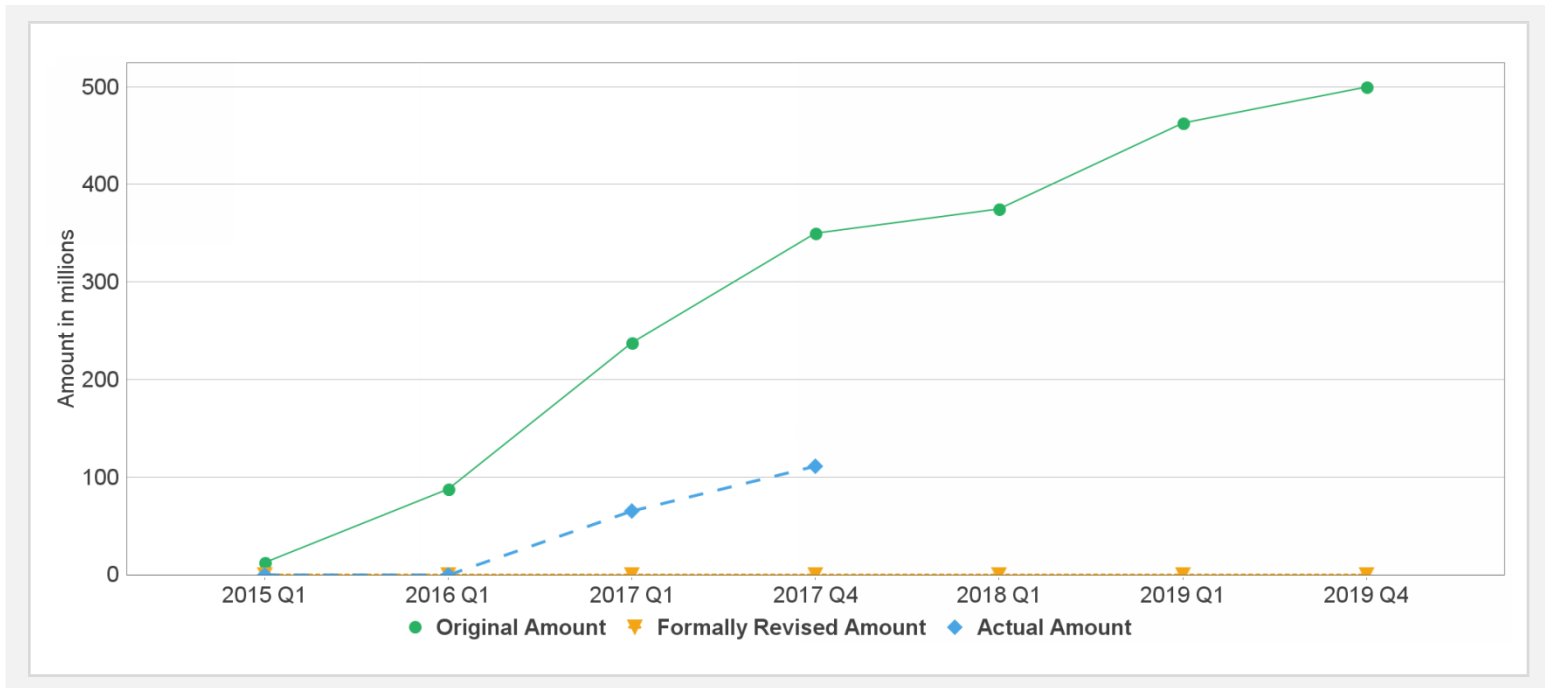
#### Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P146007	IBRD-84110	Effective	USD	500.00	500.00	0.00	111.03	388.97	 22%

#### Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P146007	IBRD-84110	Effective	24-Jul-2014	11-Sep-2014	11-Feb-2015	30-Jun-2019	30-Jun-2019

#### Cumulative Disbursements



## Restructuring History

There has been no restructuring to date.

## Related Project(s)

There are no related projects.