IMPLEMENTATION COMPLETION AND RESULTS REPORT
(P102807)

ON A

TRUST FUND GRANT No. TF-058320

IN THE AMOUNT OF US$7.1 MILLION

TO THE

ARAB REPUBLIC OF EGYPT

FOR

AVIAN AND HUMAN INFLUENZA CONTROL AND PREVENTION PROJECT

June 26, 2012
CURRENCY EQUIVALENTS

(Exchange Rate Effective March 21, 2012)

Currency Unit = Egyptian Dollar (EGP)
US$1.00 = EGP 6.05
EGP1.00 = US$0.17

Government Fiscal Year: July 1 – June 30

ABBREVIATIONS AND ACRONYMS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>AHI</td>
<td>Avian and Human Influenza</td>
</tr>
<tr>
<td>AHIF</td>
<td>Avian and Human Influenza Facility</td>
</tr>
<tr>
<td>BSL-3</td>
<td>Bio-Safety Level 3 laboratory</td>
</tr>
<tr>
<td>CLQP</td>
<td>Central Laboratory for Quality Control of Poultry Production</td>
</tr>
<tr>
<td>EMP</td>
<td>Environmental Management Plan</td>
</tr>
<tr>
<td>GOVS</td>
<td>General Organization for Veterinary Services</td>
</tr>
<tr>
<td>HPAI</td>
<td>Highly Pathogenic Avian Influenza</td>
</tr>
<tr>
<td>ICR</td>
<td>Implementation Completion and Results Report</td>
</tr>
<tr>
<td>ISR</td>
<td>Implementation Status and Results Report</td>
</tr>
<tr>
<td>INP</td>
<td>Egypt Integrated National Plan for Avian and Human Influenza</td>
</tr>
<tr>
<td>MoALR</td>
<td>Ministry of Agriculture and Land Reclamation</td>
</tr>
<tr>
<td>MoIC</td>
<td>Ministry of International Cooperation</td>
</tr>
<tr>
<td>PDO</td>
<td>Project Development Objectives</td>
</tr>
<tr>
<td>PMU</td>
<td>Project Management Unit</td>
</tr>
</tbody>
</table>
Vice President: Inger Andersen
Country Director: A. David Craig
Sector Manager: Hoonae Kim
Project Team Leader: Maurice Saade
ICR Team Leader: Maurice Saade
Arab Republic of Egypt
Avian and Human Influenza Control and Prevention Project

CONTENTS

Data Sheet
   A. Basic Information
   B. Key Dates
   C. Ratings Summary
   D. Sector and Theme Codes
   E. Bank Staff
   F. Results Framework Analysis
   G. Ratings of Project Performance in ISRs
   H. Restructuring
   I. Disbursement Graph

1. Project Context, Development Objectives and Design ........................................ 1
2. Key Factors Affecting Implementation and Outcomes ......................................... 6
3. Assessment of Outcomes ....................................................................................... 10
4. Assessment of Risk to Development Outcome ..................................................... 13
5. Assessment of Bank and Borrower Performance .................................................. 14
6. Lessons Learned ..................................................................................................... 19
7. Comments on Issues Raised by Borrower/Implementing Agencies/Partners .......... 20
Annex 1. Project Costs and Financing ......................................................................... 22
Annex 2. Outputs by Component ................................................................................ 23
Annex 4. Stakeholder Workshop Report and Results .................................................. 26
Annex 5. Summary of Borrower's ICR and/or Comments on Draft ICR ...................... 27
Annex 6. Comments of Cofinanciers and Other Partners/Stakeholders ....................... 35
Annex 7. List of Supporting Documents ..................................................................... 37

MAP .......................................................................................................................... 38
### A. Basic Information

<table>
<thead>
<tr>
<th>Country:</th>
<th>Egypt, Arab Republic of</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Name:</td>
<td>Avian and Human Influenza Control and Prevention</td>
</tr>
<tr>
<td>Project ID:</td>
<td>P102807</td>
</tr>
<tr>
<td>L/C/TF Number(s):</td>
<td>TF-58320</td>
</tr>
<tr>
<td>ICR Date:</td>
<td>06/28/2012</td>
</tr>
<tr>
<td>ICR Type:</td>
<td>Core ICR</td>
</tr>
<tr>
<td>Lending Instrument:</td>
<td>ERL</td>
</tr>
<tr>
<td>Grantee:</td>
<td>EGYPT, ARAB REPUBLIC</td>
</tr>
<tr>
<td>Original Total Commitment:</td>
<td>USD 7.14M</td>
</tr>
<tr>
<td>Disbursed Amount:</td>
<td>USD 3.53M</td>
</tr>
<tr>
<td>Revised Amount:</td>
<td>USD 7.14M</td>
</tr>
</tbody>
</table>

**Environmental Category:** B

### Implementing Agencies:
- Ministry of Agriculture and Land Reclamation
- Ministry of International Cooperation

### Cofinanciers and Other External Partners:

### B. Key Dates

<table>
<thead>
<tr>
<th>Process</th>
<th>Date</th>
<th>Process</th>
<th>Original Date</th>
<th>Revised / Actual Date(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concept Review:</td>
<td>02/09/2007</td>
<td>Effectiveness:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appraisal:</td>
<td>04/18/2007</td>
<td>Restructuring(s):</td>
<td>06/27/2010</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Closing:</td>
<td>07/31/2009</td>
<td>06/30/2011</td>
</tr>
</tbody>
</table>

### C. Ratings Summary

#### C.1 Performance Rating by ICR

<table>
<thead>
<tr>
<th>Outcomes:</th>
<th>Unsatisfactory</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk to Development Outcome:</td>
<td>High</td>
</tr>
<tr>
<td>Bank Performance:</td>
<td>Unsatisfactory</td>
</tr>
<tr>
<td>Grantee Performance:</td>
<td>Unsatisfactory</td>
</tr>
</tbody>
</table>

#### C.2 Detailed Ratings of Bank and Borrower Performance (by ICR)

<table>
<thead>
<tr>
<th>Bank</th>
<th>Ratings</th>
<th>Borrower</th>
<th>Ratings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality at Entry:</td>
<td>Unsatisfactory</td>
<td>Government:</td>
<td>Unsatisfactory</td>
</tr>
<tr>
<td>Quality of Supervision:</td>
<td>Moderately Unsatisfactory</td>
<td>Implementing Agency/Agencies:</td>
<td>Moderately Unsatisfactory</td>
</tr>
<tr>
<td>Overall Bank Performance:</td>
<td>Unsatisfactory</td>
<td>Overall Borrower Performance:</td>
<td>Unsatisfactory</td>
</tr>
</tbody>
</table>
C.3 Quality at Entry and Implementation Performance Indicators

<table>
<thead>
<tr>
<th>Implementation Performance</th>
<th>Indicators</th>
<th>QAG Assessments (if any)</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potential Problem Project at any time (Yes/No):</td>
<td>No</td>
<td>Quality at Entry (QEA):</td>
<td>None</td>
</tr>
<tr>
<td>Problem Project at any time (Yes/No):</td>
<td>Yes</td>
<td>Quality of Supervision (QSA):</td>
<td>None</td>
</tr>
<tr>
<td>DO rating before Closing/Inactive status:</td>
<td>Moderately Satisfactory</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

D. Sector and Theme Codes

<table>
<thead>
<tr>
<th>Sector Code (as % of total Bank financing)</th>
<th>Original</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural extension and research</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Animal production</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>General public administration sector</td>
<td>20</td>
<td>20</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Theme Code (as % of total Bank financing)</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Other rural development</td>
<td>33</td>
<td>33</td>
</tr>
<tr>
<td>Rural services and infrastructure</td>
<td>67</td>
<td>67</td>
</tr>
</tbody>
</table>

E. Bank Staff

<table>
<thead>
<tr>
<th>Positions</th>
<th>At ICR</th>
<th>At Approval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vice President:</td>
<td>Inger Andersen</td>
<td>Daniela Gressani</td>
</tr>
<tr>
<td>Country Director:</td>
<td>A. David Craig</td>
<td>Emmanuel Mbi</td>
</tr>
<tr>
<td>Sector Manager:</td>
<td>Hoonae Kim</td>
<td>Luis F. Constantino</td>
</tr>
<tr>
<td>Project Team Leader:</td>
<td>Maurice Saade</td>
<td>Jean-Philippe Tre</td>
</tr>
<tr>
<td>ICR Team Leader:</td>
<td>Maurice Saade</td>
<td></td>
</tr>
<tr>
<td>ICR Primary Author:</td>
<td>Zuzana Boehmova</td>
<td></td>
</tr>
</tbody>
</table>

F. Results Framework Analysis

Project Development Objectives (from Project Appraisal Document)
The overall development objective of the grant is to minimize the threat posed to humans and poultry in Egypt by Highly Pathogenic Avian Influenza (HPAI) infection and other zoonoses in domestic poultry and to prepare for, control and respond to an avian influenza pandemic and other infectious diseases emerging in humans

Revised Project Development Objectives (as approved by original approving authority)
Unchanged
### (a) PDO Indicator(s)

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Baseline Value</th>
<th>Original Target Values (from approval documents)</th>
<th>Formally Revised Target Values</th>
<th>Actual Value Achieved at Completion or Target Years</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Indicator 1:</strong> Enhanced rapid response capacity and field surveillance of veterinary services</td>
<td>Value (quantitative or Qualitative)</td>
<td>Date achieved</td>
<td>Comments (incl. % achievement)</td>
<td></td>
</tr>
</tbody>
</table>

### (b) Intermediate Outcome Indicator(s)

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Baseline Value</th>
<th>Original Target Values (from approval documents)</th>
<th>Formally Revised Target Values</th>
<th>Actual Value Achieved at Completion or Target Years</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Indicator 1:</strong> National coverage of operational veterinary surveillance network</td>
<td>Value (quantitative or Qualitative)</td>
<td>Date achieved</td>
<td>Comments (incl. % achievement)</td>
<td></td>
</tr>
<tr>
<td><strong>Indicator 2:</strong> Enhanced diagnostic capacity of Cairo laboratory</td>
<td>Value (quantitative or Qualitative)</td>
<td>Date achieved</td>
<td>Comments (incl. % achievement)</td>
<td></td>
</tr>
</tbody>
</table>

### G. Ratings of Project Performance in ISRs

<table>
<thead>
<tr>
<th>No.</th>
<th>Date ISR Archived</th>
<th>DO</th>
<th>IP</th>
<th>Actual Disbursements (USD millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>06/30/2008</td>
<td>Unsatisfactory</td>
<td>Unsatisfactory</td>
<td>0.70</td>
</tr>
<tr>
<td>2</td>
<td>12/30/2008</td>
<td>Moderately Unsatisfactory</td>
<td>Moderately Unsatisfactory</td>
<td>0.70</td>
</tr>
<tr>
<td>3</td>
<td>06/29/2009</td>
<td>Moderately Unsatisfactory</td>
<td>Moderately Unsatisfactory</td>
<td>0.87</td>
</tr>
<tr>
<td>4</td>
<td>12/28/2009</td>
<td>Moderately Satisfactory</td>
<td>Moderately Satisfactory</td>
<td>3.11</td>
</tr>
<tr>
<td>5</td>
<td>06/29/2010</td>
<td>Moderately Satisfactory</td>
<td>Moderately Satisfactory</td>
<td>3.83</td>
</tr>
<tr>
<td>6</td>
<td>01/24/2011</td>
<td>Moderately Satisfactory</td>
<td>Moderately Satisfactory</td>
<td>3.84</td>
</tr>
</tbody>
</table>
### H. Restructuring (if any)

<table>
<thead>
<tr>
<th>Restructuring Date(s)</th>
<th>Board Approved PDO Change</th>
<th>ISR Ratings at Restructuring</th>
<th>Amount Disbursed at Restructuring in USD millions</th>
<th>Reason for Restructuring &amp; Key Changes Made</th>
</tr>
</thead>
<tbody>
<tr>
<td>06/27/2010</td>
<td>MS</td>
<td>MS</td>
<td>3.83</td>
<td></td>
</tr>
</tbody>
</table>

### I. Disbursement Profile

![Disbursement Profile Graph](image-url)
1. Project Context, Development Objectives and Design

1.1 Context at Appraisal

**Sector Background:** In February 2004, widespread outbreaks of Highly Pathogenic Avian Influenza (HPAI) in poultry were reported in different parts of the world, including Cambodia, Taiwan, China, Hong Kong SAR, China, Malaysia, Indonesia, Japan, Laos, South Korea, Thailand, and Vietnam. The HPAI H5N1 virus was first confirmed in Egypt on February 17, 2006. It spread extremely rapidly in most parts of the country within three months, affecting much of the poultry production system, from large and small commercial production units, and in backyard productions, village and urban roof-top settings. Since February 2006, Egypt has reported the highest number of human infections on the African continent with 22 confirmed cases to date, including 13 deaths (60% percent case fatality). From October 2005 to May 2006, the economic losses due to sharp decline in domestic poultry consumption and prices; ban on poultry exported from Egypt; closing of poultry farms; costs of culling and decontamination were estimated about 4 billion Egyptian Pounds (around US$ 700 million). During the same period, over 50 million poultry was either culled or died from the disease.

Combating this disease was made more difficult given Egypt’s poultry systems and the social and cultural factors that assisted the disease’s rapid spread in the country. Prior to the outbreak, nearly one-third of Egyptians owned poultry (around one-half of the rural population). Although the total numbers owned by the very poor was smaller than that owned by the less poor, the contribution to household income was highest in the poorer areas, such as Upper Egypt. There was clearly a high value in poultry proteins for the Egyptian community where poultry has traditionally been a significant part of the diet.

The Government's response to the outbreak in poultry, and later in humans, was swift despite limited resources and logistical difficulties on the ground. Egypt adopted the strategic use of vaccines in addition to other control measures such as stamping out; bio-security; disinfection and hazard free disposal. Compulsory vaccination using inactivated vaccine was used in response to outbreaks within a ring of 10 kilometer diameter from the border of epidemic zone. By May 2006, approximately 50 million doses of vaccine had been used through government subsidized programs for backyard poultry vaccination. However, lack of resources seriously limited the scope of vaccination program. It is estimated that less that 20% of the backyard poultry population was vaccinated at the time at the time of project appraisal.

The diagnostic system relied heavily on the Cairo-based Central Laboratory for Quality Control of Poultry Production (CLQP) which was not well equipped for serological work and live virus isolation. Similarly, each Governorate had a nominal laboratory but with minimal capabilities. The CLQP therefore needed urgent upgrading along with protective equipment to staff. It was also necessary to strengthen the national animal disease surveillance and diagnostic capacity of the General Organization for Veterinary Services (GOVS) through the provision of training and quarantine staff and adequate equipment and transport for the field monitoring and surveillance teams.
It is against this backdrop that the Avian and Human Influenza Control and Prevention Project was conceived.

The Avian and Human Influenza Facility (AHI Facility), a multi-donor financing mechanism, was established to assist developing countries in meeting financing gaps in their integrated country programs to minimize the risk and socioeconomic impact of avian and possible human pandemic influenza. The World Bank administers this financing mechanism and receives and processes funding request and proposals.

The Government of Egypt’s request to the Avian and Human Influenza Facility was based upon the priority investment areas identified in the Egypt Integrated National Plan for Avian Influenza (INP) approved in March 2007. The urgent priorities were divided among donors and technical agencies, with USAID addressing the public health component, FAO (through USAID funding) the technical assistance and policy dialogue, UNICEF for the communication strategy, etc. At the same time, the Bank responded by agreeing to cover some priority public health activities through an on-going Health Sector Reform Project (P045175). This project added a new sub-component focusing on Avian Influenza with a reallocation of US$3.10 million in 2006.

Given the coordinated division of labor between various donor agencies and projects, the main funding gaps that the AHI Facility Grant was requested to fill related to enhancing the capacity of the specialized agencies under the Ministry of Agriculture and Land Reclamation (MoLAR) through the provision of laboratory equipment and consumables to upgrade the AI diagnostic and rapid detection capacity as well as field vehicles to enhance the mobility of veterinary services and their ability to conduct effective disease surveillance, detection and control. The request also included the provision of protective equipment and training on activities related to disease management and control (such as poultry vaccination, culling, serological surveys, etc.). The request also aimed at filling an important funding gap for the purchase of additional poultry vaccines needed for the planned national campaign for the vaccination of backyard poultry.

1.2 Original Project Development Objectives (PDO) and Key Indicators (as approved)

The project development objective of the project are to: (a) minimize the threat posed to humans and poultry in Egypt by HPAI infection and other zoonoses in domestic poultry; and (b) to prepare for, control and respond to an Avian Influenza pandemic and other infectious diseases emerging in humans.

The Grant Funding Request lists the following Key Performance Indicators: (i) Government approval of reviewed policies and regulations on animal disease surveillance and control; (ii) Training courses implemented and evaluated; (iii) National coverage of operational veterinary surveillance network, (iv) National vaccination campaigns for backyard poultry throughout the country, and (v) Cairo laboratory fully upgraded, and laboratory technicians trained.

1.3 Revised PDO (as approved by original approving authority) and Key Indicators

The PDO was not revised within the course of the project. The project team nevertheless fine-tuned some of the existing indicators to better reflect the first part of the PDO, namely “to minimize the threat posed to humans and poultry in Egypt by HPAI infection and other zoonoses
in domestic poultry”. Since the first ISR, prepared on June 30, 2008, the Project Development Objective Indicator was defined as: “Enhanced rapid response capacity and field surveillance of veterinary services”. Intermediate Outcome Indicators were defined as (i) National coverage of operational veterinary surveillance network, (ii) Enhanced diagnostic capacity of Cairo laboratory.

No indicators were included for the second part of the PDO “..to prepare for, control and respond to an Avian Influenza pandemic and other infectious diseases emerging in humans”.

1.4 Main Beneficiaries

The project was implemented at a national level with the main focus on the people living in the Delta region and along Nile River, where around half of the rural population owned poultry. Other beneficiaries included commercial poultry farmers. MoALR also benefited by way of receiving capacity building support to the two concerned agencies, namely GOVS and ČLQP.

1.5 Original Components (as approved)

The total project cost was US$7.14 million, which was fully financed through Multi Donor Avian and Human Influenza (AHI) Facility, administered by the Bank.

Component A: Improved disease management and surveillance (estimated cost: $4.9 million; actual cost: $1.7 million).

This component will provide support for the strengthening of disease control and surveillance capacity by providing equipment and training.

1. Strengthening disease control and management capacity: this component will support the following activities: (a) culling of infected and at-risk poultry; (b) disposal of carcasses and potentially infective materials in a bio-secured and environmentally acceptable manner; (c) enhanced bio-security at poultry farms and associated premises, through bio-containment and bio-exclusion training and community awareness programs; (d) vaccination programs for backyard poultry and purchase of good quality and non anti-viral HPAI vaccines produced according to OIE standards and implemented according to OIE guidelines. The grant will provide funds to equip staff with basic bio-security equipment such as sprayers and protective equipment. This component focuses on providing large amounts of animal vaccine to respond to the GOE national strategic priority to vaccinate poultry, with a special focus on backyard farms.

2. Strengthened animal disease surveillance and diagnostic capacity building through: (a) provision of training to field and quarantine staff; (b) improvement of animal health information flow among relevant agencies; (c) rapid detection, reporting and follow-up of reported cases; (d) routine serological surveys and epidemi-survey at migratory birds habitats and backyard levels; and (e) adequate equipment and transport for field monitoring and surveillance teams.

Component B: Review of regulatory and legal framework of veterinary services (estimated cost: $45,000; actual cost: $ 0.00).
This component will support a review of the current regulatory and legal framework of veterinary services to ensure adherence to OIE standards. It will also support the strengthening of the Cairo laboratory services. These activities are aimed at improving the country's capacity to withstand veterinary emergencies.

The goal of this component is to improve the regulatory and legal framework of veterinary services. This component will provide technical assistance to support reviews of existing regulation and policies to address key policies issues to ensure that the recommended disease control, prevention and eradication measures are implemented in a uniform way and in accordance with OIE standards and guidelines. The review will also provide support for key diagnostic and assessment studies, including an efficient compensation strategy framework, vaccination regulation and exit strategy and sector restructuring options. As a preliminary step to this component, a Performance Vision Strategy (PVS) evaluation of local veterinary services will be conducted to better inform donors, including the Bank, on key policies issues to address in Egypt veterinary services. This prerequisite PVS evaluation will be carried out in May 2007 and funded through the OIE World Animal Health and Welfare Fund.

Component C: Improved Cairo laboratory services (estimated cost: $2.1 million; actual cost: $1.5 million).

The diagnostic capacity of public veterinary services will be improved through the upgrading of the existing veterinary laboratory in Cairo: the Central Laboratory for Quality Control of Poultry Production (CLQP). Each Governorate has a nominal laboratory but their current capabilities are very minimal. At present, the needed skills for laboratory testing reside only in Cairo and the focus of the component will be to improve and continue to utilize this existing facility. Support will also be provided for training of laboratory technicians. This component will provide support for rapid testing capacity and acquisition of modern laboratory equipment. The objectives are to: (a) maintain and develop the central testing capabilities of the Cairo laboratory; (b) fund the provision of laboratory consumables and materials to enable sample submission and testing; (c) ensure that workplace health and safety is secured by providing necessary protective equipment to staff, including bio-safety hoods; (d) develop serological capabilities and virus isolation abilities in Cairo; (e) establish expertise in each Governorate to ensure that samples submitted are of high quality; and (f) transfer some serological testing capability closer to Upper Egypt and to the Nile Delta areas in the longer term. The component will also support training for laboratory staff to enable the isolation and bio-typing of AI viruses (third safety level).

Component D: Project Management (estimated cost: $88,000; actual cost: $33,000).

This component will support the establishment of a Project Management Unit (PMU) within the Ministry of Agriculture and Land Reclamation, at the General Organization for Veterinary Services (GOVS) level. It will finance staff costs, office supplies and equipment. The PMU will be composed of three main staff: a project manager, a financial management specialist and a procurement specialist. These staff will not be civil servants nor on the government payroll but rather fixed term consultants recruited for the duration of the project and for the sole purpose of project implementation. This component will also support consultancy services for the preparation of the project's Environmental Management Plan (EMP) as well as financial audit services which will be conducted once a year.
1.6 Revised Components

Based on the Government’s request to the Bank in its letter dated February 18, 2010, a Level-II Project Restructuring was approved June 26, 2010 and the Grant Agreement was amended accordingly. The following changes were introduced in the project design: (i) cancellation of poultry vaccines contract under Component A and procurement of laboratory equipment under Component C from the savings accrued; (ii) reallocation of funds for studies under component B to Component A since the studies had already been carried out by OIE and FAO; and (iii) increase in funds under Component D (project management) to cover staff salaries as a result of extensions of project closing dates.

<table>
<thead>
<tr>
<th>Reallocation by Component</th>
<th>Original</th>
<th>Revised</th>
</tr>
</thead>
<tbody>
<tr>
<td>A: Improved disease management and surveillance</td>
<td>4.94</td>
<td>2.98</td>
</tr>
<tr>
<td>B: Review of regulatory/legal framework of veterinary services</td>
<td>0.05</td>
<td>0.00</td>
</tr>
<tr>
<td>C: Improved Cairo laboratory services capacity</td>
<td>2.06</td>
<td>4.06</td>
</tr>
<tr>
<td>D: Project management</td>
<td>0.09</td>
<td>0.10</td>
</tr>
<tr>
<td><strong>Total Reallocation</strong></td>
<td><strong>7.14</strong></td>
<td><strong>7.14</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reallocation by Category of Expenditure</th>
<th>Original</th>
<th>Revised</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) For Part A.1. of the Project</td>
<td>4.66</td>
<td>2.70</td>
</tr>
<tr>
<td>(b) For other parts of the Project</td>
<td>2.03</td>
<td>3.99</td>
</tr>
<tr>
<td>Consultants Services:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) For Part A.1. of the Project</td>
<td>0.54</td>
<td>0.54</td>
</tr>
<tr>
<td>(b) For other parts of the Project</td>
<td>0.30</td>
<td>0.32</td>
</tr>
<tr>
<td>Operational expenses</td>
<td>0.23</td>
<td>0.22</td>
</tr>
<tr>
<td><strong>Total Reallocation</strong></td>
<td><strong>7.14</strong></td>
<td><strong>7.14</strong></td>
</tr>
</tbody>
</table>

1.7 Other significant changes

**Extension of Grant Closing Dates:** Due to a variety of reasons, including initial start up delays, the project was extended four times at the request of the Government to facilitate completion of project activities. The original closing date was July 31, 2009 but was closed June 30, 2011.

*First extension:* Granted on July 26, 2009 until September 30, 2009 for two months since a longer extension was conditional on the extension of the global EU funding window for AHIF.  
*Second extension:* Six month extension granted on September 23, 2009 until March 31, 2010.  
*Third extension:* On March 30, a three month extension was granted until June 30, 2010 to allow project team to carry out background work to appraise Government’s request to re-allocate $2.0 million from the cancelled vaccine contract.  
*Fourth extension:* As part of the restructuring package approved on June 27, 2012, a one year extension was granted until June 30, 2011 to allow implementation of activities following project restructuring, particularly the equipping of CQLP with BSL-3 laboratory facility.

*A fifth extension was requested* by the Government on May 3, 2012 but was rejected by the Bank as a result of major fiduciary concerns following the abrupt resignation of the PMU Director and FM Specialist and the major delays in submission of the annual audit report.
Although the project closed on June 30, 2011, the Government requested on August 16, 2011 an exceptional waiver to extend the closing date in light of Egypt’s special political circumstances. This second request was rejected by the Bank on October 18, 2011 following submission of an unsatisfactory audit report and the Bank FM team’s assessment that the project was in non-compliance with the Grant Agreement and constituted a high fiduciary risk.

**Extension for Delivery Date of the ICR:** A six month extension was provided on November 10, 2011 until June 30, 2012 to complete the ICR. This was due to the instability in the country and impossibility to carry out missions, and due to the fact that the Bank wanted to wait to receive an acceptable overdue audit report before confirming that the project closing date could not be extended.

2. **Key Factors Affecting Implementation and Outcomes**

2.1 **Project Preparation, Design and Quality at Entry**

**The Quality at Entry (QAE):** The QAE was not formally reviewed and the project team did not get the benefit of the necessary guidance by the Quality Assurance Group.

**Link with Government’s National Strategy for AHI:** The project’s development objectives at appraisal were consistent with the four pillars of interventions that were outlined in the Egypt’s Integrated National Plan for Avian and Human Influenza, prepared in March 2007, namely: (i) increase resistance of poultry to HPAI and limit spread of virus; (ii) minimize likelihood of human exposure from infected poultry; (iii) early detection and management of HPAI; and (iv) adequate preparedness for pandemic through social mobilization and communication strategies. The interventions were divided among donors and technical agencies, including USAID addressing the public health component, FAO (through USAID funding) focusing on technical assistance and policy dialogue, UNICEF on communications etc. Based on coordination with others, the AHI Facility project’s role was to fill in the gap for urgently needed laboratory equipment to enhance diagnosis and, improved mobility of veterinary services to enhance surveillance and disease control capacity, procurement of poultry vaccines and support to the national campaign for the vaccination of backyard poultry, and financing of related training and capacity building.

**Project Preparation and Design:** No baseline values were set up in the project proposal and critical data such as the number of existing backyard chickens were either missing or ambiguous. No results framework was included in the original design and no specific indicators or deliverables were spelled out. The outcome indicators were only added in June 2009. The Monitoring & Evaluation indicators were established in the design but no provision was made to recruit an M&E specialist to monitor results. Delays in procurement processes were correctly identified as a Risk Affecting Grant Implementation in the funding proposal. The proposed mitigation measure was “The PMU will be staffed with personnel with strong procurement and financial skills. They will work closely with the Bank procurement specialist to develop a strong procurement plan.”

**Project Readiness:** The project became effective on October 29, 2007, six months after approval and the PMU did not get fully staffed until June of 2008. The Operations Manual was ready only in a draft form at the time of approval while the Compensation Manual was not ready
until after project effectiveness. The project Procurement Plan was not drafted at time of initiation, and neither was the Implementation Plan. The PMU procurement specialist was not recruited until the second year of project implementation. The Project Information Document and Integrated Safeguards Data Sheet were not prepared until 4 months after project initiation. Finally, a formal stakeholder workshop was not organized by the MoALR until February 4, 2009, and the project could therefore not fully benefit from technical guidance from partner agencies. The project did not require any exceptions from Bank policies.

2.2 Implementation

Start-up delays: The project was declared effective on October 29, 2007, yet the PMU was not established, and no project activities were initiated, until the end of May 2008. The first request for advance was received in April 2008, but no procurement documents were prepared by then.

The largest procurement package for the “nationwide vaccination program for backyard poultry” totaling US$2.1 million had to be abandoned while it was already well underway. The reasons to cancel the planned vaccinations were based on solid technical advice, because (i) the Government at the same time received a donation through OIE (30 million doses), and therefore wanted to spend Grant proceeds on other priority equipment, and (ii) following the first vaccination campaign (using OIE provided vaccines) FAO correctly assessed and advised that a continuation with mass vaccination of poultry was not effective at the time, a decision which was supported by the Bank’s technical team. However, from a procurement perspective, there were serious shortcomings as how the cancelation was handled by GOVS. For example, prior to the ultimate cancelation, there were two unresponsive bids which stretched over long periods. The final bid went into a very advanced stage and was canceled at the moment of bid opening. Many months were lost due to GOVS’ indecision on next steps and due to its failure to formally inform the Bank in a timely manner of the bid cancelation, thereby complicating a speedy reallocation of funds that were saved.

Mid Term Review (MTR): The MTR was carried out during February 8 to March 31, 2009 at which time the project was found to be showing some good results even though significant delays were observed. The MTR recommended 6-8 months of project extension because of delayed start-up in project activities. The MTR team highlighted the need to improve coordination at all levels of governments but with emphasis at the governorate and district levels. The team also emphasized strong involvement of extension workers from MoALR and community health workers from the MOH. The MTR team also recommended strengthening communication and information campaign at local levels especially in areas of low income population affected by HPAI. The team highlighted the need to verify nationwide number of poultry raised as well as verification of number of people working in the backyard poultry industry. The urgency of setting up compensation fund was also highlighted.

It should be noted that the MTR missed the opportunity to re-assess the disconnect between the PDO and project design and components. Given that project components and performance indicators were addressing only the first part of the PDO (“to minimize the threat posed to humans and poultry in Egypt by HPAI infection and other zoonoses in domestic poultry”) and no activities were envisaged for the second part of the PDO (to prepare for, control and respond to
an Avian Influenza pandemic and other infectious diseases emerging in humans”), the PDO should have been revised to drop this second part.

**Project at Risk Status:** During appraisal the preparation team only highlighted two risks with mitigating measures that included delays in procurement processes and inadequate institutional capacity to supervise technical aspects of the project. During project implementation, the team adequately highlighted risks and alerted Bank management of consequences were those risks not mitigated. The project was never declared “at risk”. Nevertheless, it has likely reached this status after the 2011 revolution in Egypt, in the aftermath of which the leadership of both implementing agencies was repeatedly changed, and the future of the project was at best uncertain.

### 2.3 Monitoring and Evaluation (M&E) Design, Implementation and Utilization

**Monitoring and Evaluation:** The project design did not make any provision for M&E, nor was an M&E Unit established in the PMU. At appraisal however, the project activities were to be monitored and evaluated against five key indicators: (i) government approval of policies and regulations on animal disease surveillance and control; (ii) training courses implemented and evaluated; (iii) national coverage of operational veterinary surveillance network; (iv) national poultry vaccine campaigns throughout Egypt; and (v) CLQP fully upgraded and technicians trained. However, since there was no M&E staff recruited it was difficult to track or validate progress on these indicators.

**Reporting:** Initially, reporting was done only sporadically. However this changed during project implementation when the Grant Reporting and Monitoring (GRM) system was introduced for all AHI Facility Grants. With the migration of the AHI Facility documentation from the Lotus Notes database to the GRM system, regular reports started to become available since 2009. During this time, a Results Framework was also created with M&E section which was attached to the GRMs.

### 2.4 Safeguard and Fiduciary Compliance

**Environment and Social Safeguards:**

**Environmental Safeguard:** The project took into account the Bank’s safeguards policies and included procedures to ensure full consideration of environmental safeguards in accordance with OP 4.01. Guidance on procedures for environmental screening, environmental assessment, consultations disclosures, and Environmental Management Plan (EMP) was clearly stated in the Operational Manual. The CLQP also appointed staff for the purpose of environmental monitoring and mitigation as per the EMP. No safeguards issues were triggered during project implementation.

**Social safeguard:** OP 4.12 was not triggered since no land acquisition resulted from any activity.

**Financial Management (FM):** The project's FM arrangements were frequently found to be ‘Unsatisfactory’. The establishment and maintenance of the FM arrangements were assigned to the PMU which employed a Project Director, an FM Specialist and a Procurement Specialist. The FM Specialist’s performance was consistently found to be weak despite close support and training provided by the Bank’s FM team. The FM’s weak performance was repeatedly flagged.
with the government but only limited progress was noticed. Few months before project closure, 
the Project Director and the FM Specialist resigned without providing hand-over notes to their 
successors. This compounded the impact of FM’s weak performance. Transactions were 
executed keeping manual records. The quality of the Financial Monitoring Reports (FMRs) was 
repeatedly rejected by the Bank’s FM team requiring resubmission on several occasions during 
the life of the project. Traditional disbursement method (i.e. Designated Accounts) was adopted 
where Grant funds were comingled with other sources of financing on more than one occasion. 
This noncompliance required the Bank’s FM team to intervene and carry out several follow up 
visits to review DA statements to ensure the issue was resolved.

The weak FM performance is attributed mainly to the lack of the authority responsibility balance 
where the project FM specialist was responsible for the implementation of the project FM 
arrangements while the authority to implement FM arrangement remained with the Finance 
Departments within the GOVS and CLQP. The impact of this deficiency was compounded by 
the project management’s consistent reluctance to address and resolve in a timely manner the 
concerns raised on numerous occasions by the Bank’s FM specialists, primarily pertaining the 
weak reporting quality and audit non-compliance.

Audits: The audit reports were consistently overdue and required intensive efforts from the 
Bank’s FM team to receive the reports that were in the form and substance acceptable to the 
Bank. All audit reports were found to be unacceptable and had to be resubmitted and the 
accompanied Management Letters highlighted internal control weaknesses which were never 
resolved by the Project Director or by the Borrower. The final audit report for the period January 
1, 2011 through June 30, 2011 (due December 31, 2011) remains pending as of the date of this 
report.

Tax Exemption Issue: According to the Grant Agreement, the Grant was not going to cover 
local taxes and duties. The implementing agencies expected to receive a waiver from the 
Ministry of Finance. However, the Ministry of Finance was unable to issue ‘exemption 
certificate’ well after the MTR in 2009 which caused extensive delays in delivery of goods and 
equipment including vehicles. Several suppliers refused to sign contract in the absence of 
exemption certificate.

Procurement: The quality of procurement was considered moderately satisfactory throughout 
implementation. The procurement task was carried out by the Procurement Specialist in the PMU 
who received basic World Bank procurement training to manage procurement of goods and 
consultants’ contracts, as well as close support by the Bank team. The bidding document used 
for procurement of goods was the translated version of the Bank’s standard document and 
contained all the necessary instructions and information. The evaluation report prepared by the 
PMU followed a standard format and consisted of bid opening details, recorded minutes, and a 
checklist of submitted documents. The evaluation process and results were subject to PMU 
Director’s approval.

The first Procurement Plan was prepared in 2008, the last approved update on record. A revised 
Procurement Plan from both agencies, reflecting the changes resulting from project restructuring, 
was due September 30, 2010, but it was never finalized. Therefore, the implementing agencies 
launched procurement packages without obtaining an approval for a Procurement Plan update.
All bidding packages launched under this project were subject to Bank procurement Prior Reviews (mainly due to the high risk rating due to counterpart low procurement capacity). The procurement cycle was relatively very long mainly due to the weak and slow decision making process within GOVS. This was particularly the case with the vaccines bid package, which was launched twice and then cancelled after several months. Similarly, CLQP’s slow decision making process regarding the design of the proposed BSL-3 facility eventually resulted in the cancellation of this important activity by the time the project was closed.

2.5 Post-completion Operation/Next Phase

To date, the government has no investment envisaged to take forward the AI reform agenda in Egypt, and maintaining the improved capacity will depend on future funding and strong leadership within the implementing institutions. Because of recent political changes that have resulted in frequent changes in leadership in the implementing agencies, the future is somewhat uncertain. This is particularly true for GOVS where a succession of directors with conflicting visions seem to have further weakened the veterinary services ability to control the spread of HPAI in Egypt where the disease continues to cause major losses in the poultry industry as well as occasional human deaths. Until the political situation is more stable in Egypt, it does not appear likely that a follow-up project will be requested from the World Bank management.

An important product of the project is a near-final blueprint prepared under Component C, for the establishment of a BSL-3 facility at the CLQP. It is highly recommended that CLQP should capitalize on the existence of the design document for the proposed BSL-3 to pursue funding from other donors in order to further advance the project objectives, as well as broader sector objectives. The EU office in Cairo has expressed keen interest in helping CLQP to ensure the needed funds.

3. Assessment of Outcomes

3.1 Relevance of Objectives, Design and Implementation

Relevance of Objective:

The project development objective of the Grant consisted of two distinct parts, as clearly stated in the Grant Agreement:

(a) to minimize the threat posed to humans and poultry in Egypt by HPAI infection and other zoonoses in domestic poultry; and

(b) to prepare for, control and respond to an Avian Influenza pandemic and other infectious diseases emerging in humans.

The PDOs were clearly in line with the overall objective of the AHI global TF as well as with Egypt’s Integrated National Plan (INP) for AHI control and preparedness. Although the Egypt AHI project was clearly designed to fill some specific funding gaps identified in the INP related exclusively to PDO objective (a), the overall PDOs, design, and implementation experience
remain relevant. They also remain highly relevant to Egypt’s neighbors and the rest of the world. Besides HPAI, other animal health issues, such as the recent outbreak of a new virulent strain of Foot-and-Mouth Disease (FMD) continue to burden the animal sector in Egypt. The PDOs were also relevant to the emergency public and animal health concerns, especially after H5N1 virus was first reported in poultry in February 2006, and after the first human case occurred the same year in Egypt. With H5N1 becoming endemic and widespread among poultry, livelihoods and food security are under continuous threat in Egypt. Humans continue to be exposed to the virus and new cases and deaths will continue to occur as long as the virus continues to circulate in poultry. The risk of an HPAI pandemic continues to be real and the possibility that such a pandemic might start in Egypt is a serious concern for Egypt and for global public health. The project objectives corresponded to the severity of Egypt’s situation. Further, the design of the AHI project fitted squarely under the overall umbrella of the Integrated National Plan for Avian and Human Influenza prepared by the Government of Egypt in 2007. The objectives also continue to be in line with the recommendations of the Joint United Nations Assessment of Government of Egypt’s Efforts to Control H5N1 (Final report, February 2010).

3.2 Achievement of Project Development Objectives

Overall Rating: Unsatisfactory

The PDO (a) “to minimize the threat posed to humans and poultry in Egypt by HPAI infection and other zoonoses in domestic poultry” is rated as Moderately Unsatisfactory.

The project was part of a countrywide effort to combat HPAI and could only fill a small gap in the overall control, response and preparedness. At the same time, it contributed significantly to meeting the equipment requirements for control and response (mainly by providing vehicles, personal protective equipment, and laboratory equipment) by central and local animal health services and laboratories, which in turn lead to improved surveillance and diagnostic abilities. The capacity of CLQP and its satellite laboratories especially was substantially enforced, and the facilities are now capable of rapid sample collection and identification of the virus. The project also contributed to enhancing the mobility of veterinary services, although this was not sufficient given structural weaknesses that continue to hinder GOVS from carrying out effective disease surveillance and management.

PDO (b) “to prepare for, control and respond to an Avian Influenza pandemic and other infectious diseases emerging in humans” is rated as Highly Unsatisfactory.

While many projects that were being simultaneously implemented by other entities clearly successfully contributed to this objective, the Grant did not address the PDO (b) in its design or implemented activities and is therefore assessed as highly unsatisfactory.

3.3 Efficiency

The project was designed as an emergency operation, so financial and economic assessments were not undertaken. In the post-project situation, HPAI has become more endemic compared to the situation before the project. It is unrealistic to assume that the “without project” situation could have been much worse, given that the main reason for the continued spread of the disease
is due to the failure of the government to implement key policies and measures identified by the INP and its apparent reluctance to revise the INP based on new developments on the ground, rather than limited capacity and equipment. Nonetheless, the project had clear and tangible positive outcomes in enhancing the country’s capacity for rapid sample collection and diagnosis in addition to improving the surveillance capacity of GOVS by improving its mobility. On the other hand, given the emergency nature of the project, it was very inefficient in making use of the available funds in a timely fashion to help in controlling the disease. This was mainly a result of weak and slow decision making process which led to excessive delays in project implementation and ultimately resulted in the closure of the grant with less than 50% of the funds disbursed (refer to Annex 1).

3.4 Justification of Overall Outcome Rating

Rating: Unsatisfactory

The main outcomes of the project included: (i) improved and more comprehensive analysis of surveillance samples from the field, thanks to enhanced diagnostic capacity of the CLQP in Cairo and five regional laboratories; (ii) effective disease surveillance, rapid response and reporting due to increased mobility of the veterinary services staff in the governorates most affected by HPAI; and (iii) improved capacity of animal health workers and veterinarians at the central and local level to diagnose and report the disease and to provide the basis for an early warning system at the district level, diagnostic speed has greatly increased. Surveillance capacity was strengthened in high-risk governorates where samples are analyzed and HPAI outbreaks are monitored by regional satellite labs.

At the same time, many opportunities were also missed. The project closed with a significant undisbursed balance. The decisions and reallocations were not made efficiently or in a timely fashion. In spite of strong ownership by the CLQP, the GOVS and the Ministry of Agriculture in general have demonstrated wavering commitment to the project. Clearances and approvals were time consuming, resulting in unwarranted delays. Changing priorities and shifts in leadership also weakened the project further.

The World Bank performed its administrative role with some shortcomings as well. While the project was relevant to the country needs as identified by the INP and correctly identified emergency funding gaps that should be filled, it did not recognize sufficiently the magnitude of the risks to development outcome. A key shortcoming was in the disconnect between PDOs and project design and activities. The Bank missed numerous opportunities to revise the PDOs, including during the design, MTR and restructuring phases.

3.5 Overarching Themes, Other Outcomes and Impacts

(a) Poverty Impacts, Gender Aspects, and Social Development

Poultry raising and selling plays an important role in Egypt for poverty alleviation, female rural employment, and providing a key source of protein for many poor households. These activities contribute directly or indirectly to the livelihoods of a large sector of the Egyptian rural and semi-urban population. However, direct impact of the project on lower-income population and
other vulnerable groups was not taken into consideration during appraisal, and no poverty analysis was conducted at the project preparation stage.

As for gender issues, it was known at the onset that women were the most vulnerable segment of the society being affected by this disease, however, specific gender aspects were not included in the design of the project or monitored during implementation.

(b) Institutional Change/Strengthening

The implementing agencies’ capacity (both human capacity and equipment) was substantially strengthened, which enabled them to continue performing key tasks after project completion. However, political changes currently underway in Egypt have complicated continuation of some activities, but they are unlikely to jeopardize results achieved on the CLQP side, since project ownership is still high among CLQP personnel and management. While capacity at GOVS was also strengthened, long-term impacts are uncertain due to changes in GOVS leadership and limited budget. An opportunity to build institutional capacity was missed by creating the PMU from consultants - as opposed to from (unsalaried) civil servants – who did not have a strong sense of belonging to a government project.

(c) Other Unintended Outcomes and Impacts (positive or negative)

The project made contributions to building capacities in the Ministry of Agriculture to deal with the future HPAI-related outbreaks. The understanding of the importance of reducing the burden of zoonotic diseases has been deepened, and indirect impact by substantially reinforcing local capacity to combat animal diseases in general has been strengthened. This was illustrated during the recent outbreak of Foot-and-Mouth Disease (FMD), when CLQP proved very effective in quickly isolating and identifying the new highly virulent strain of the virus thanks to the equipment and training financed under the project.

3.6 Summary of Findings of Beneficiary Survey and/or Stakeholder Workshops

No formal beneficiary survey or stakeholder workshop was organized. However, the ICR mission carried out discussions with the representatives of FAO, UNICEF, USAID, and other technical agencies and development partners who were briefed on the situation at project’s closing and on the tentative future plans for the proposed BSL-3. In February 2012, similar discussions were by the Bank team held with the EU office in Cairo.

4. Assessment of Risk to Development Outcome

Risks that current capacity will not be sustained: “High”

Decreasing attention to veterinary services: In the short term, the project helped GOVS and the veterinary services that are generally underfunded in receiving government attention. Nevertheless, that attention has now waned and the veterinary services continue to struggle for resources. In terms of political influence, the veterinary services are on the sidelines as they were before the project. If significant resources are not dedicated to supporting the sector immediately, capacity that was built up during the project will gradually diminish. Further
upgrade in equipment, refresher training courses, and most importantly, strong leadership and improved management is needed.

**Waning attention to HPAI:** Coordination among external partners, including UN agencies, OIE and donors had worked well throughout the course of the project. This is due to the fact that (i) other partners had their own active projects and had an acute interest in not overlapping, and (ii) at the start of the project, HPAI was considered a very high priority across the board. In addition, the AHF inter-ministerial “Supreme Committee” was initially an effective mechanism for HPAI response and overall cross-sector coordination, and which continued to meet regularly until 2010. In the aftermath of the 2011 revolution, the Committee has met only about once every three months, and political attention to HPAI has lost momentum in spite of the continued spread of the disease.

**Political instability:** Controls have been more difficult to enforce since the 2011 revolution resulting in increased number of HPAI cases. Improvements were achieved in the area of quarantine but current political instability and changes in the borders surveillance may jeopardize these outcomes.

**Limited Simulation Exercises:** Efforts to further HPAI pandemic preparedness and coordinate with other national, provincial, and local disaster responses were made by involving animal as well as human health partners at national and provincial level in pandemic planning. Desktop simulation exercises were implemented in one governorate. However, the current security situation in the country has put these efforts on hold.

5. **Assessment of Bank and Borrower Performance**

5.1 **Bank Performance**

(a) **Bank Performance in Ensuring Quality at Entry**

**Rating: Unsatisfactory**

While the technical needs were well assessed and the components were designed to address the most urgent funding gaps under the INP, the project lacked a viable monitoring and evaluation framework. The team did not get the benefit of the necessary guidance as the Quality at Entry Assessment (QEA) was not carried out. The Project did not specify any ‘outcome’ indicators’. In addition, it did not call for an appointment of an M&E specialist appointed from the Ministry of Agriculture. A risk matrix was adequately prepared and some major risks were highlighted. The PMU was not staffed with personnel with strong procurement and financial skills. Once staff was put in place, they were to work with the Bank procurement specialist to develop strong procurement plan – this did not take place as effectively as it should. The project was designed with four distinct components, envisioning utilization of a broad range of procurement methods within a period of 2 years. Considering that the implementation agencies had no prior experience with Bank projects, a longer implementation period should have been planned. The Grant proposal did not encourage counterpart to create a clear organizational structure to clarify responsibilities vis-à-vis the PMU, GOVS and CLQP. Finally, a key shortcoming was in the
disconnect between PDOs and project design and components. Once the project components were agreed with the borrower, the PDOs should have been stated in a more specific and relevant way to closely reflect the agreed upon components.

(b) Quality of Supervision

Rating: Moderately Unsatisfactory

Overall Supervision

Although the project was designed as an emergency project under OP/BP 8.00, the start was very slow in the first few months. The PID and ISDS were prepared four months after project initiation. The PMU was not formally established until 2008, and there is no record of Bank’s supervision teams attempting to speed up the process, including no filed aide memoires or back to office records prior to 2008. The first two years of supervision can be assessed as spotty at best. For example, the circumstances around the Project Operations Manual preparation are not clear from filed documentation. In addition, the project experienced high staff turnover with three different TTLs between 2007 and 2011. The transition between TTLs did not come hand in hand with thorough documentation and hand-over notes. It should be mentioned that reporting was much strengthened after 2009, and the Bank supervision and constructive involvement continued to improve until project closure. Records also clearly show that the last Bank team actively looked for various solutions to move the project forward.

The MTR was carried out in a satisfactory manner and the Bank team was able to benefit from its recommendations. In particular, the technical recommendation regarding the inefficiency of the backyard poultry vaccination campaign was later adopted by GOVS and led to the cancellation of the largest procurement package for the “nationwide vaccination program for backyard poultry” totaling US$2.1 million.

Project implementation was somewhat complicated by the H1N1 influenza outbreak in late 2009, which led the government to request reallocation of funds from the project to the Ministry of Health for the purchase of H1N1 vaccines. This request was dropped few months later, but the uncertainty resulted in a major delay in the Bank efforts to restructure the project. The Bank supervision team correctly decided to address the changing government priorities by carrying out a Level II restructuring, which reallocated the unused funds to promising new priority activities, such as the establishment of a BSL-3 facility at CLQP.

A key shortcoming in supervision was the failure of the Bank team to revise the PDOs, including during MTR and restructuring, to align them closely to the project components and activities. This was reflected in the “Moderately Satisfactory” ratings of project outcomes during the final 3 ISRs, where it was clear that the team was basing its ratings on the project’s performance vis-a-vis the intermediate outcome indicators rather than the PDOs. The first “MS” rating was issued when disbursement had picked up rapidly and most procurement packages were being properly processed. The second “MS” rating was issued at the time of restructuring in light of CLQP’s clear commitment and ownership to the proposed BSL-3 facility. The last “MS” rating was issued following the last supervision mission in December 2010, when the design of the BSL-3 lab was in its final stages and the CLQP was getting ready to prepare the relevant bidding
documents. The last ISR set a deadline of March 31, 2011 for launching the procurement process as a pre-condition for further extension of the grant closing date (June 30, 2011).

Ultimately, all project supervision activities were put on hold due to the revolution and government instability in 2011. The resignation of the PMU Director and FM Specialist in April 2011 created major fiduciary concerns about the project which resulted in the Bank not accepting to further extend the project beyond its planned June 30, 2011 closing date. As a result of the political situation, the project team did not have the opportunity to carry out a final supervision mission. Moreover, the multiple changes in leadership in the implementing agencies, as well as the uncertainty about the extension of the project closing date did not allow the team to prepare a final ISR to document the serious deterioration in performance during the last 6 months of the project. However, the Bank team did clearly raise its serious concerns about the fiduciary situation of the project and the Bank repeatedly communicated these concerns to the Borrower.

**Procurement and FM Supervision**

The procurement of goods and services, which were the main elements of the project, started only in August 2008. Project documents show that the Procurement Plan was last updated in 2008. A revised Procurement Plan from both agencies, reflecting the changes resulting from project restructuring, was due on September 30, 2010, but was never finalized. The implementing agencies therefore launched procurement packages that were not included in an approved Procurement Plan.

There was lack of clarity on how PMU staff was appointed. According to the project proposal, prior to the recruitment of the three main staff of the PMU (project manager, financial management specialist and procurement specialist), the Bank team should have provided no objection. No such record is available.

The PMU was continuously assessed as weak by the Bank team. The Bank repeatedly sent the Borrower notes on poor PMU performance including delays in reporting. Although the Bank team explored possible recruitment of a new PMU director as well as new Procurement and FM specialists, it was finally agreed that this step could cause disruptions due to the long procedures for the Ministry to recruit new project personnel. Instead, the Bank team agreed to provide a closer support to the PMU to ensure better quality control. It should be acknowledged that the Bank was actively looking for creative solutions, including deciding to work directly with the senior and support staff of the two implementing agencies (CLQP and GOVS) as much as possible, rather than relying too much on the weak PMU staff.

Similarly the FM specialist, from the Bank’s Cairo office, was expected to closely monitor the annual external audit exercises to avoid excessive delays. This too could not prevent delays. In hind sight, the Bank team should have considered closing the project after cancellation of the poultry vaccination campaign. However, the Borrower was very reluctant to lose grant funds and

---

1 The PMU staff themselves do not recall a formal selection process.
put pressure on the Bank to keep extending the project closing date. Despite close supervision, the Borrower and the implementing agencies were indecisive about next steps after the cancellation of the poultry vaccination.

(c) Justification of Rating for Overall Bank Performance

Rating: Unsatisfactory

Inadequate design, poor monitoring and evaluation framework, lack of active supervision in the first year of the project, multiple TTL changes coupled with incomplete hand-over documentations, all meant that the Bank missed a number of opportunities to effectively guide the project for speedy implementation and full disbursement. At the same time, the project team was under pressure from the counterpart not to cancel the Grant at a time of rapid HPAI spread, and despite shortcomings and marked delays in implementation and in reporting, the closing date was repeatedly extended.

Most importantly, the Bank failed to effectively align the PDO with project components and activities, leaving the project with broad and unachievable objectives. While the first part of the PDO (to minimize the threat posed to humans and poultry in Egypt by HPAI infection and other zoonoses in domestic poultry) remained relevant and linked to one PDO indicator (Enhanced rapid response capacity and field surveillance of veterinary services), the rest of the stated objective remained unaddressed. The Bank should have recognized the need to properly formulate the PDO, as well as relevant indicators at project design. Subsequently, it failed to take steps to address the PDO disconnect from the project activities at the time of MTR as well as at the time of restructuring.

5.2 Borrower Performance

(a) Government Performance

Rating: Unsatisfactory

Despite initial strong commitment, the Government did not always play a unifying role nor took decisive steps when needed. For example, an Egypt Integrated National Plan for Avian Influenza (INP) was prepared in May 2007 before the start of the project. The INP was relatively coherent. The project included an allocation to assist the Government of Egypt to update the INP should new developments arise. However, the GOE failed to implement some critical components such as the Compensation Plan, which discouraged farmers from reporting the disease and undermine the reporting and surveillance efforts. Moreover, the situation on the ground took turn for the worse with a rapid spread of the disease throughout the country. There was a clear need to reconsider original strategies, such as stamping-out, as well as the ineffectiveness of vaccination of backyard poultry. The donor community, including the Bank, repeatedly pressured the Government to revise the INP to take into consideration these new developments, as recommended by the Joint UN assessment report of February 2010. However, the GoE showed lack of responsiveness and continued with its ineffective and ad hoc approach in attempting to control and manage the disease.
By the time of the H1N1 pandemic in 2009, a revision to the INP was still being requested by donors and the UN agencies. Nevertheless, the concerned ministries (Health, Agriculture & Environment) did not take any action to update the INP. Meanwhile, the Government requested to utilize $2 million of Grant funds for the purchase of H1N1 vaccines, and asked to add the Ministry of Health as an additional implementing agency. The proceeds were to come from Component A, which was implemented by GOVS but they were not formally consulted. The Government request for H1N1 vaccines was dropped few months later, but it resulted in a major slow down in project implementation in the second half of 2010 and in the postponement of project restructuring until June 2012.

In addition to the above, the PMU was staffed with inexperienced personnel with limited prior knowledge of World Bank procedures. The events following the revolution at the beginning of 2011 caused further disruptions and exacerbated the poor performance by the PMU team. The PMU Director and FM Specialist left the project abruptly in April 2011 but the Government failed to notify the Bank in a timely manner. This sudden void at the PMU created major fiduciary concerns about the project which resulted in the Bank not accepting to further extend the project beyond its planned June 30, 2011 closing date. Later, only one of the three original PMU staff met with the ICR mission and made partial, mostly procurement-related documents available. The other two original PMU members did not respond to meeting invitations.

The Grant closed with an undisbursed balance of around $3.3 million, underutilizing its potential. According to the Bank’s records, the project still needs to reconcile a balance of around $670,000.

(b) Implementing Agency or Agencies Performance

Rating for GOVS: Highly Unsatisfactory

Rating for CLQP: Moderately Satisfactory

The General Organization for Veterinary Services (GOVS) was responsible for implementing ‘component A’ and was able to procure some essential equipment, including 38 vehicles, culling bags and personal protective clothes. GOVS also organized training sessions on vaccination, culling and disinfection; sample collection and transportation; quarantine; bio-safety; and bio-security activities. Despite these achievements there were serious shortcomings in its performance throughout implementation. The agency had changes in leadership (eight times) during project implementation which led to significant delays in decision making process as well as a clear lack of ownership. Failure to make timely decisions on various implementation issues, such as the cancelation of backyard poultry vaccination in 2009 at an advance stage (opening of bidding documents) and a lack of effective follow up showed limited ownership and commitment to the project. Ultimately, the GOVS did not complete the two large procurement packages, including purchase of 350 motorcycles and computers and communication equipment, which could have significantly advanced surveillance and reporting activities at the local level.

The Central Laboratory for Quality Control of Poultry Production (CLQP) was responsible to implement ‘component B and C’. The CLQP leadership was proactive and showed strong technical expertise and project ownership throughout project implementation. In fact, in the
absence of a set an organogram for the project specifying responsibilities, it ended up dominating implementation decisions. For example, once the Ministry of Health decided against the purchase of H1N1 vaccines – to be financed from funds originally allocated to GOVS under Component A - the CLQP successfully petitioned the Minister of Agriculture to request reallocation of these funds for component C to establish a BSL-3 facility at CLQP.

Although CLQP failed to bring the BSL-3 initiative to completion due to indecisiveness about the design, followed by the interruptions in the aftermath of the 2011 revolution, the CLQP nevertheless disbursed more than 70% of the original funds allocated under component C prior to restructuring (refer Annex 1). As a result, the CLQP was completely upgraded and equipped, and six satellite laboratories became fully operational and staffed with trained technicians. These achievements significantly contributed to animal disease monitoring and diagnostics. Sample collection and analysis was markedly improved, as did information exchange between the regions and central level. Biosafety practices and awareness were strengthened. The satellite laboratory facility in Luxor, which the ICR mission visited, was also supplied with the new equipment and provided technical assistance to build its diagnostic capacity through staff training and new machinery. All equipment purchased by CLQP was properly marked with the project logo which ensured AHI Facility visibility. With solid ownership of the project, CLQP’s ability to coordinate and communicate with other relevant partners, including development agencies and the private sector, was also improved. Despite some delays and indecisiveness during project implementation, CLQP is now well positioned to continue to expand its capacity, for example by pursuing the finalization of BSL-3 facility.

(c) Justification of Rating for Overall Borrower Performance

Rating: Unsatisfactory

The Unsatisfactory rating of the Borrower is mainly a reflection of the combined Highly Unsatisfactory performance of GOVS and the Moderately Satisfactory performance of CLQP. Moreover, the waning political support to HPAI, as illustrated by the attempt to reallocate project funds for the purchase of H1N1 vaccines, undermined overall Government support to the project, including the support of the MoALR. As a result of waning support and indecisiveness about the reallocation of funds, the project closed down with an undisbursed balance of $3.3 million at a time when the country is suffering from the uncontrolled spread of the disease in poultry as well as occasional human deaths.

6. Lessons Learned

a) Project Design: Emergency projects should be kept ‘simple’ in design and be limited to critical activities, keeping in mind the emergency nature of intervention. This is especially true for PDO, which need to be kept fully in line with project components. Similarly, a strong monitoring and evaluation framework needs to be developed so that the Bank team has a clear mechanism to follow up on progress.

b) Quality: The emergency nature of an operation should not be a reason to compromise with the quality at entry. In this case, a monitoring and evaluation framework was not designed,
provisions for procurement were not done correctly and in a timely fashion, Project Implementation Plan was not ready, Quality at Entry was not assessed at project design and preparation, PMU was not well staffed at effectiveness, and reporting at the early stages was poor, all of which contributed to unsatisfactory outcomes. Regardless of project size, quality assurance (especially from management side) is critical at all levels including review of Project Concept Notes, Grant Funding Requests, Ratings, hand-over notes, etc.

c) **Effective use of supervision mechanisms:** The Bank needs to fully utilize critical junctures at project supervision, including the use the Mid-term review and project restructuring as an opportunity to take a critical look at project implementation as well as objectives.

d) **Need for Involvement of Bank management:** There is clearly a need for consistency of leadership from the Bank side to prevent frequent TTL hand-overs, and to make sure that courageous decisions are made at critical times. At the same time, it is apparent that the Bank team was under a lot of pressure not to cancel the project despite financial management and other shortcomings. This would have been a good time for the Country Management Unit to step in to support closing of the project.

e) **Selection of implementing agencies:** Chronic underfunding of a sector or a Ministry leads to weak capacity to implement any activity when an emergency occurs, as well as to insufficient project ownership. Further, building capacity in Veterinary Services and enhancing their Governance in developing/transition countries should become a priority as their current weakness poses a threat to the economies and to public health.

f) **Realistic timeframe:** Projects of this nature generally take an average of five years to achieve results. Considering that the implementation agencies had no prior experience with Bank projects, a period longer than two years to implement should have been ensured.


g) **Clarity of Tax exemption status:** A factor common to all AHI Facility projects funded from the Mediterranean Littoral/EU window is the exclusion of local taxes and duties for all Grant activities. Experience has shown there is need for preparation teams to discuss this clause in great length with the Government and not simply including the wordings in the Grant Agreement.

h) **Supervision Budget:** The AHI Facility projects do not receive any supervision support from Grant proceeds and therefore supervision budget has to be sought from year to year from Bank/Country Management Unit budget. Uncertainty in supervision funds complicates planning of missions and diligence in supervision.

7. **Comments on Issues Raised by Grantee/Implementing Agencies/Donors**

(a) **Grantee/Implementing agencies**

The feedbacks from the implementing agencies during the preparation of the ICR are provided in Annex 5. No comments were received on the final draft ICR.

(b) **Co-financiers/Donors**

The European Union is main contributor to the AHI Facility, and the key funder for the project through the Mediterranean Littoral window. The main feedback from the EU was provided by the **EC Monitoring Report (10 July 2011).** The Report generally concurred with the Bank team
assessment regarding the efficiency of implementation, effectiveness, impact prospects and potential sustainability. The Report specifically recommended that the EC should envisage launching a twinning project with the CLQP, specifically oriented to the setting up of the new BSL-3 laboratory. The summary and conclusions of the EC Monitoring Report are presented in Annex 6.

(c) Other partners and stakeholders

The FAO indicated that while a number of projects in the period of 2007 – 2011 made a dramatic difference in Egypt’s preparedness and ability to deal with zoonotic emergencies, surveillance systems have started to go down as a result of the revolution. Reporting became more lax, and human cases continue to emerge. FAO was providing technical backstopping during the course of the project, including input to the Integrated National Plan for Avian Influenza, advising on some of the technical issues, such as purchasing of special culling bags (that the agency ended advising against), or on the issue of backyard poultry vaccination (concluding that it would have no impact on the spread of the disease or human infection). On the issue of compensation, FAO noted that the approach was never effective in Egypt due to accountability and monitoring issues.

UNICEF is aware of the project and its role within country-wide AHI efforts. In the area of avian influenza, the agency focuses primarily on human health, H1N1, communications and outreach campaigns, including to children. UNICEF confirmed that it was repeatedly invited to briefings by project TTLs. UNICEF’s recent strategic objective includes community outreach programs in rural areas in all governorates, targeting poultry breeding families and children; strengthening community outreach systems; promoting positive attitudes and practices that affect women and children. UNICEF continues to support the government in developing and implementing comprehensive communication campaigns, taking into account lessons learnt from affected countries and pre-tested messages.

USAID’s assessment is that the Government of Egypt continues to make significant resource allocation specifically dedicated to HPAI work. These resources often go to deployment of staff for surveillance, outbreak response and training activities. According to USAID, compensation has no benefit at this stage and no provision is made for it. Instead, compensation may be considered at a later stage after a significant risk reduction measures are implemented and by the time when an eradication program will be launched. USAID in Egypt is currently starting the process of conducting a performance evaluation of the USAID-funded Avian and Pandemic Influenza Program, to which USAID invested more than $30 million from 2006 – 2011. This evaluation is meant to serve a dual purpose: (i) to learn the extent to which program’s objectives and goals contributed to the achievement of its intended results; and (ii) to provide recommendations and information to inform the design of a follow-on integrated API program. USAID anticipates the final report to be available in December this year.
Annex 1. Project Costs and Financing

a) Project Cost by Component (US$ Million)

<table>
<thead>
<tr>
<th>Components</th>
<th>Appraisal Estimate</th>
<th>Actual</th>
<th>Percentage of Appraisal</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Improved Disease Management and Surveillance</td>
<td>4,938,891</td>
<td>1,655,462</td>
<td>33.5%</td>
</tr>
<tr>
<td>B. Review of Regulatory and Legal Framework of Veterinary Services</td>
<td>45,000</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>C. Improved Cairo Laboratory Services Capacity</td>
<td>2,069,951</td>
<td>1,479,173</td>
<td>71.5%</td>
</tr>
<tr>
<td>D. Project Management</td>
<td>88,000</td>
<td>33,407</td>
<td>38.0%</td>
</tr>
<tr>
<td><strong>Total Baseline Cost</strong></td>
<td>7,141,842</td>
<td>3,168,042</td>
<td>44.4%</td>
</tr>
</tbody>
</table>

Outstanding balance to be documented or refunded:\(^*\) 362,307

**Total Project Costs** 7,141,842 3,530,349\(^*\) 49.4%\(^*\)

\(^*\)Note: As of 6/27/2012, the final audit was not yet completed, so the figures for the balance to be refunded and for the total Actual Costs are not final yet.

(b) Financing

<table>
<thead>
<tr>
<th>Source of Funds</th>
<th>Type of Cofinancing</th>
<th>Appraisal Estimate (USD millions)</th>
<th>Actual/Latest Estimate (USD millions)</th>
<th>Percentage of Appraisal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avian and Human Influenza Facility</td>
<td></td>
<td>7.14</td>
<td>7.14</td>
<td>100%</td>
</tr>
</tbody>
</table>
Annex 2. Outputs by Component

**Component A: Improved Disease Management and Surveillance**

The following outputs were produced under this component:

**Training:**

Around 500 GOVS personnel received training on vaccination; culling and disinfection; sample collection and transportation; quarantine; and bio-safety and bio-security activities.

**Goods and Vehicles:**

- Thirty eight (38) vehicles were distributed to GOVS for surveillance and rapid response
- 6,000 culling bags were purchased and distributed
- Personal protective clothes; equipment and rapid detection field tests were procured and distributed to field veterinarians and workers.

**Component B: Review of Regulatory and Legal Framework of Veterinary Services**

The component was canceled because this activity was undertaken by OIE and FAO.

**Component C: Improved Cairo Laboratory Services Capacity**

**Goods, Equipment, and Vehicles:**

- Laboratory equipment was procured, installed and operationalized
- Two vehicles for CLQP use were procured and are in use.
- Trainings were completed, including capacity building for staff to use equipment procured under the project.

**Component D: Project Management**

- PMU established; Project Director; FM Specialist; and Procurement Specialist hired
- Environmental Management Plan developed
- Necessary Operations Manuals completed
- Office equipment and supplies, including computers procured
- Audits carried out

**Additional comments:**

**Re: Component A:**

- Procurement of 350 motorcycles, a priority need identified during 2010 restructuring, was not completed. The motorcycles were to enhance the mobility of field veterinarians at the
district and village levels and allow them to conduct better disease monitoring and surveillance, and to deliver advice to backyard farmers. Note that this would have complemented the vehicles provided by the Grant, which enhanced the mobility of veterinary health workers between the central facilities and services in Cairo and the main affected governorates.

- Computers and related communication equipment to enhance the capacity of field veterinary clinics at the district and village levels to communicate with GOVS health officials at the Central and Governorate levels were not purchased.

- Active surveillance that was ongoing during the project has in the last 12 months been weakened by political instability.

Re: Component C:

- This component went beyond the Cairo laboratory and focused on upgrading laboratory capacity of five key satellite laboratories as well. For example, the satellite facility in Luxor that the ICR mission visited was supplied with new equipment, and built up its diagnostic capacity through staff training and new machinery. All equipment purchased by CLQP is properly marked with the project logo, ensuring EU visibility. Purchased and installed equipment includes incubators, autoclave, hot ovens, defreezer, refrigerator, biosafety cabinets, and small tools. Completed and evaluated trainings for the staff at the satellite laboratory include sessions in biosafety, biosecurity, sampling, serological tests, ELISA testing, PCR training, etc.

- A proposal in for a BSL-3 facility (adjacent to CLQP) was created in accordance to FAO and OIE specifications and standards. Nevertheless, preparation works were slow, and became entangled in non-responsive procurement call for proposal/bid (total three tenders, local versus international companies, maintenance and warranty issues, change in approach after a consultation with FAO, late preference for a turn-the-key delivery, operational budget concerns etc.) and came to a complete stop after the revolution started. As a result, the CLQP is still sending HPAI samples to Italy, Germany to FAO reference labs.

- As a result, activities identified during restructuring but not completed under this component include:
  - The building and installation of all structural components (HVAC, electricity, water, sewer, etc.) in the projected laboratory in Cairo.
  - International consultant to prepare detailed proposal for the BSL3 lab, and to prepare technical specifications for the equipment (including site visit 3 weeks).
Annex 3. Bank Lending and Implementation Support/Supervision Processes

(a) Task Team members

<table>
<thead>
<tr>
<th>Names</th>
<th>Title</th>
<th>Unit</th>
<th>Responsibility/ Specialty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mohamed Yahia A. Said Abd El Karim</td>
<td>FM Specialist</td>
<td>AFTFM</td>
<td></td>
</tr>
<tr>
<td>Syviengay Creger</td>
<td>Temporary</td>
<td>MNSPR</td>
<td></td>
</tr>
<tr>
<td>Akram Abd El-Aziz H. El-Shorbagi</td>
<td>Sr FM Specialist</td>
<td>MNAFM</td>
<td></td>
</tr>
<tr>
<td>Wael Ahmed Elshabrawy</td>
<td>FM Analyst</td>
<td>MNAFM</td>
<td></td>
</tr>
<tr>
<td>Marie A. F. How Yew Kin</td>
<td>Language Assistant</td>
<td>MNSSD</td>
<td></td>
</tr>
<tr>
<td>Badr Kamel</td>
<td>Sr. Procurement Specialist</td>
<td>MNAFM</td>
<td></td>
</tr>
<tr>
<td>Enas Shaaban Mahmoud</td>
<td>Program Assistant</td>
<td>MNC03</td>
<td></td>
</tr>
<tr>
<td>Jean-Philippe Tre</td>
<td>Sr. Agriculture Economist</td>
<td>AFTAR</td>
<td>1st TTL</td>
</tr>
<tr>
<td>Julie G. Viloria-Williams</td>
<td>Sr. Institutional Dev. Spec.</td>
<td>SASDA</td>
<td>2nd TTL</td>
</tr>
<tr>
<td>Maurice Saade</td>
<td>Sr. Agriculture Economist</td>
<td>MNSAR</td>
<td>3rd TTL</td>
</tr>
<tr>
<td>Implementation Completion Report</td>
<td>Zuzana Boehmova</td>
<td>MNSSD</td>
<td>ICR Primary Author</td>
</tr>
</tbody>
</table>

(b) Staff Time and Cost

<table>
<thead>
<tr>
<th>Stage of Project Cycle</th>
<th>Staff Time and Cost (Bank Budget Only)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of staff weeks</td>
</tr>
<tr>
<td>Lending</td>
<td></td>
</tr>
<tr>
<td>FY07</td>
<td>10</td>
</tr>
<tr>
<td>Total:</td>
<td>10</td>
</tr>
<tr>
<td>Supervision/ICR</td>
<td></td>
</tr>
<tr>
<td>FY08</td>
<td>14</td>
</tr>
<tr>
<td>FY09</td>
<td>14</td>
</tr>
<tr>
<td>FY10</td>
<td>12</td>
</tr>
<tr>
<td>FY11</td>
<td>6</td>
</tr>
<tr>
<td>FY12</td>
<td>9</td>
</tr>
<tr>
<td>Total:</td>
<td>65</td>
</tr>
</tbody>
</table>

Note: The above table was updated manually to fill in missing data that was not automatically generated by the Operations Portal.
Annex 4. Stakeholder Workshop Report and Results

No formal in-country donor meeting was held at appraisal stage. A Stakeholder Workshop was organized by the MALR in February 4, 2009, with participation of more than 30 officials and staff of MALR from headquarters and governorates, and officials from the Ministry of Health. The workshop was also attended by FAO and UNICEF, and covered issues of coordination aspects at all levels with emphasis on the governorate and district levels, nationwide communication campaign, lack of compensation, the purchase of culling bags, and the role of technical agencies.

The EU, FAO, and USAID officials were also continuously briefed on status of the project and its activities. A matrix of interventions was prepared during the Mid-term review to monitor activities in the country and to prevent potential duplication of activities, and shared with the above-mentioned agencies, as well as WHO and UNICEF.

Close collaboration was maintained with the FAO Cairo office from the beginning of the project. A compensation manual for the project was developed by FAO, and it was reviewed and endorsed by the national AI technical committee. However, the manual never became operational due.
Annex 5. Summary of Borrower's ICR and/or Comments on Draft ICR

Annex 5.1: Comments received from the National Laboratory for Quality Control of Poultry Production (NLQP)

Avian and Human Influenza Control and Prevention (P102807) – Evaluation of Results and Lessons Learned

1. Did the project meet its objective?

Yes as the project objectives for NLQP was “Improve the laboratory diagnostic capacity to enhance efforts for control of AI in Egypt”

2. Was the project well designed?

Yes, as we had specific requirements to improve the laboratory diagnostic capacity at central and regional levels and we purchased laboratory equipments and provided training for lab staff in regional labs

3. Is the project’s impact relevant today?

Yes, we use these upgrading regional laboratories in central Lab governorates for collect samples and diagnosis of all poultry diseases not only avian Influenza diseases

4. What were project’s main achievements?

1- **Enhance efforts for control of AI in Egypt by:**

- Upgrading 25 AHRI regional labs.
- Upgrading 6 Satellite labs of NLQP.
- Improve quality of field samples and information.
- Build lab. Network between central lab. Satellites labs and other regional labs.

2- **Upgrade laboratory and personnel biosafety measures.**

- Analyst training.

---

2 National Laboratory for Quality Control of Poultry Production (NLQP) is the new name for the CLQP.
[ ] Provide biosafety equipment (biosafety cabinet and autoclave…etc).

3- **Improve diagnostic capability of lab analyst.**

[ ] Analyst training.

[ ] Provide AI diagnostic equipment

4- **Prepared The Environmental Management Plan (EMP) with GOVS**

5. **How did the coordination among sectors work? Among Ministries?**

We have cooperation between NLQP, GOVS, Ministry of Agriculture (animal production sector), Ministry of Health, Ministry of Environment, private sector, Poultry producers union, UN agencies (WHO, FAO, UNICEIF,..etc)

6. **Was the Avian Influenza Steering Committee involved, and how?**

Not in direct way, but Dr Mona Mehrez, the former director of the laboratory was member at this committee and she always mentioned in her presentation about the NLQP activities for control of AI disease in Egypt, that NLQP had a project funded from EU/WB to improve the laboratory diagnostic capacity at central and regional level

7. **What are the main things that you have learned thanks to the project?**

(Collaboration between sectors, coordination with external partners including UN agencies, use of compensation funds, communications, project design etc.?)

- During the project period there were several meetings were conducted from with WB specialist at WB, FAO, EU, GOVS and NLQP to share information, recommendations and exchange experience between the partners.

- Strengthening the cooperation with SAIDR project funded by USAID and regular meetings were conducted with SAIDR team at GOVS and FAO to discuss the activities of the two projects to avoid overlapping.

- Improve communication with relevant authorities, ministries, private sector,

8. **Avian and Human Influenza Control and Prevention was designed as an emergency project. Were project processes moving faster than usual, both on the side of the Bank and on your end?**

Actually, The project processes were moving slower than usual on the side of the Bank and our institutes
9. **What problems did the project encounter?**
   - Delayed in budget transfer in the beginning of the project, it took long time to start the project
   - Long procedures for bidding
   - Delay in reply the emails sometimes from the bank and institute
   - Problem of governmental taxes on all imported equipments

10. **Did the Bank team assist you in resolving problems during regular missions?**
    Yes, they did their best to assist us many times to resolve these problems

11. **Did the project and the experience from its implementation improve the capacity at your organization?**
    Yes, we purchased laboratory equipment for the central and regional labs, diagnostic kits for AI serological test, swabs, syringes and tubes for serum samples, disposable plastic wears, supplies, PPs and 2 vehicles for field visits

12. **What arrangements are currently in place to make sure that the capacity is sustained?**
    We secure fund for sustainability of NLQP activities, surveillance activities, accreditation of lab, equipments maintenance from other resources like signed agreement with Poultry Producers Union, scientific researches, other projects, lab test fees on importation & exportation of poultry products, pre-slaughter examination of poultry flocks,…..etc

13. **Is some cooperation between animal and human health services likely to be sustained?**
    Yes, we sustained cooperation between Ministry of Agriculture & Ministry of Health and now there is a project called “4 way linking between animal and public health sectors” initiated and progressing well. We share information, recommendations and exchange experience in lab diagnosis and training

14. **Is there more interest in reducing the burden of zoonotic diseases in Egypt thanks to the project?**
    During the project period, there was a good impact of the project in reducing the AI disease in poultry and human but in 2011 there was a political and economical changes which affected on the efforts of control of AI in Egypt

15. **Has the government moved to arrange dedicated resources to the area of animal health and zoonotic diseases?**
Yes, now we have a promise from the government to allocate some resources for control of animal diseases of socio economical importance in Egypt.

16. **How would you rate your organization’s performance in this project?**

The performance of NLQP in this project was 80%.

17. **Is the current preparedness for avian influenza adequate?**

Yes, it is adequate and regularly revised but the problem in the effective implementation of control measures due to the following challenges:

1. Complex poultry production system and wide spread of household sector hinders effective implementation (specially surveillance)

2. Recent Socio-political changes undermined field level HPAI achievements and the utilization of previous investments

3. Lack of trust between public and private sectors

4. Absence of clearly defined roles and responsibilities of the players involved in response interventions

5. Presence of multiple risk factors favouring sustained circulation of A/H5N1 virus

6. Biosecurity level in small-scale and household poultry farms is weak

7. Cultural preference for fresh poultry meat and poor hygienic practices in LBMs

8. Lack of clear and appropriate policy and weak enforcement capacity

18. **How do you evaluate the risk of HPAI before the project started and today?**

During the project period the risk of HPAI was under control and many efforts was done to control of the disease in poultry & human and we are looking forward to continue our efforts to control the disease through the following activities:

- Implement the Animal Health and Livelihood Sustainability Strategy
- Promote feasible biosecurity measures both in commercial facilities and household sectors
- Implement the risk and value chain based HPAI surveillance strategy
- Assess and improve the HPAI outbreak management system
- Use available technological innovations to dramatically reduce viral load in the environment
- Implement the Animal Health and Livelihood Sustainability Strategy
• Promote feasible biosecurity measures both in commercial facilities and household sectors
• Implement the risk and value chain based HPAI surveillance strategy
• Assess and improve the HPAI outbreak management system
• Use available technological innovations to dramatically reduce viral load in the environment

19. Is pandemic preparedness and response being effectively coordinated between your organization and other national, provincial/local disaster responses?

Yes, there was a pandemic preparedness and response plan which prepared in cooperation with Ministry of Health, GOVS, NLQP, Ministry of Environment, Prime Minister Council, Ministry of Interior and Crisis Management Unit

20. How do you evaluate the performance of the World Bank in this project?

The performance of the World bank was 80 %

21. What would be the situation today of the project did not happen at all?

We will find some difficulties to purchase the new lab equipments for rapid diagnosis of A/H5N1, establishment of six satellite laboratories and accredited according to international ISO 17025, upgrading the 25 regional labs in governorates and increasing skilled manpower for HPAI diagnosis centrally and at regional levels.
Annex 5.2: Comments received from the General Organization for Veterinary Services (GOVS)

Avian and Human Influenza Control and Prevention (P102807)-Evaluation Of Results and Lessons Learned

1- Did the project meet its objective?
The fund was not enough to cover all activities reflecting name deficits in control action such as compensation.

2- Was the project well designed?
From the control measures aspect, the project was well planned to achieve the objectives, however from the administrative aspect the project faced many of obstacles reflected on achieving some goals.

3- Is the project’s impact relevant today?
The project objective reflected on control policy of the disease, nowadays the result of training improves surveillance and number vehicles and also improves rapid response to infection by avian flu through using culling bags.

4- What were project’s main achievements?
- Increase the investigation and capabilities rapid response and control of the disease by well training of the official vets and improving availability of the logistics also biosecurities of farms are improved.
- Quarantine initial improved but after revolution it lost great extent.
- Follow up of information between ministries was improved.
- Rapid detection reporting and follow up was improved to some extent.
- Epidemiosurveillance through the project and other projects is improved.

5- How did the coordination among sectors work? Among ministries?
-The coordination among sectors work is good and also among ministries as all are members of the highs committee for avian influenza and because of the project and other sharing projects.

6- Was the avian influenza steering committee involved and How?
Yes, through regular monthly meeting between assigned ministries, relevant authorities to facilitate all obstacles, after the revolution and because the changing the government several times these meeting may be every 2-3 months.

7- What are the main things that you’ve learned thanks to (because of) the project?
Collaboration between sectors, coordination with external partners including UN agencies, use of compensation funds, communications, projects designs etc.,?
- Collaboration between different sectors.
- Collaboration between all international organizations.
- Good communication.
- Are methods for project evaluation.
8- Avian and Human Influenza control and prevention was designed as an emergency project. Were project process moving faster than usual, both on the side of the Bank & on your end? It moves very slowly.

9- What problems did the project encounter? Long-term procedures.

10- Did the bank team assist you in resolving problems during regular mission? Yes.

11- Did the project and experience from its implementation improve the capacity at your organization? Yes.

12- What arrangements are currently in place to make sure that the capacity is sustained? Continuous training, update control strategies and follow up implementation policy

13- Is some corporation between animal and Human Health services likely to be sustained? Yes, we share now 4 way link between both sides Agricide [GOVS & lap. ] health side prevention medicine in coordination with FAO and Lap. and WHO.

14- Is there more interest in reducing the burden of zoonotic diseases in Egypt thanks to the project? Yes.

15- Has the government moved to arrange dedicated resources to the area of animal health and zoonotic diseases? Yes.
16- How would you rate your organization’s performance in this project?
I think outside has delayed sometimes during this project owing to changing the policy of vaccination after taking many steps in purchasing AI vaccine and because of changing policy we stopped the steps of purchasing the vaccine then we write to the bank to reallocate the fund to buy vehicles utensils and another training courses etc.

17- Is the current preparedness for avian influenza adequate?
- We are in need for upgrading all our veterinary units in village.
- Upgrading surveillance programmed and systems.
- Continuous training for vets and their assistants.

18- How do you evaluate the risk of HPAI before the project started and today?
Before the project there was very high risk but nowadays it is lower. Thanks to the project & other projects.

19- Is pandemic preparedness & response being effectively coordinated between your organization & other national, provincial/ local responses?
Yes, there is disaster steering committee under the prime minister.

20- How do you evaluate the performance of the World Bank in this project?
The administrative & the financial procedure were very long & complicated, this leads to long time & efforts before the bank bought any items.

21- What would be the situation today of the project did not happen at all?
- If the project did not happen at all we will try to get money from other areas which would suffer too.
Annex 6. Comments of Cofinanciers and Other Partners/Stakeholders

EC MONITORING REPORT
Report date 10/07/2011
Project title Avian Influenza and Global Influenza Pandemic Preparedness

GRADINGS
1. Relevance and quality of design: b
2. Efficiency of Implementation to date: c
3. Effectiveness to date: b
4. Impact prospects: b
5. Potential sustainability: b
Note: a = very good; b = good; c = problems; d = serious deficiencies

SUMMARY OF CONCLUSIONS

Efficiency and Implementation
A grant amount of US$ 7.14 million was approved for Egypt in October 2007. This is by far the highest amount granted in the MENA region. To date, only 54% of this amount has been disbursed. This is essentially due to the cancelation in 2009 of the foreseen poultry vaccination campaign, which released about $3.3 million. The project was restructured in June 2010 to allow re-allocation of remaining funds: $2.1 million were allocated to the Central Laboratory for Quality control of Poultry production (CLQP) for the establishment of a Biosafety Level 3 (BSL-3) laboratory facility, while the remaining $1.2 million were allocated to GOVS for the procurement of motorcycles, IT equipment and protective clothing for local veterinary technicians and clinics.

With the closing date of June 30, 2011 approaching, the government submitted an official request to extend the project by 12 months until June 30, 2012. However, the Administrative Grant Agreement between the EU and the World Bank (covering several AHIF grants), which ends on Dec. 31, 2011, has been under prolonged negotiations for extension for another year. The grant still has an unspent balance of about $3.3 million.

Till the end of 2010, the implementation of the project was reasonably smooth, although with substantial delays caused by cumbersome decision processes inside the Egyptian administration. The events following the revolution at the beginning of 2011 have caused serious disruptions. As a consequence the project has not been able to disburse much since it was restructured in June 2010. Also, preparation works for the envisaged BSL-3 facility were slow and came to a complete stop after the revolution started.

In general terms, and in spite of strong ownership by final beneficiary institutions like the CLQP, the Ministry of Agriculture has demonstrated weak efficiency in the implementation of the project. Clearances and approvals were very time consuming, resulting in delays. Apart from this, the contribution of the Egyptian partner has been adequate. The World Bank performed its administrative role correctly. The Bank issues Grant Reporting and Monitoring Reports twice a year. Such reports are internal Bank documents and therefore not forwarded to the EU.

Effectiveness:
To date, the results of the project in Egypt are the following:
1) Enhanced diagnostic capacity of the CLQP in Cairo and of five regional laboratories thus allowing better and more comprehensive analysis of surveillance samples from the field

35
2) Increased mobility of the veterinary services in the main governorates affected by AI, thus allowing more effective disease surveillance and reporting
3) Improved capacity of animal health workers and veterinarians at the central and local level to diagnose and report the disease and to provide the basis for an early warning system at the district level.

No specific activity has been undertaken under the second specific objective of the project, dealing with human influenza pandemic preparedness.

**Impact Prospects**
Considering that HPAI remains endemic in Egypt and widespread throughout most governorates, the project filled only a small gap in the overall country action plan against AI. However, active public information campaigns considerably raised public awareness of the dangers and symptoms of HPAI. Also, the project contributed significantly to filling the gap in equipment (mainly vehicles and lab equipment) requirements by the General Organization of Veterinary Services (GOVS), the Cairo CLQP and regional labs. Political changes currently underway in Egypt have already delayed some activities, but they are unlikely to jeopardize achieved results because project ownership is very high among CLQP personnel.
The project has an indirect impact by substantially reinforcing Egypt’s capacities to struggle against animal diseases in general. This was illustrated on the occasion of the outbreak of swine flu (H1N1) in 2009. Also, particularly at regional level, laboratory equipment designed to track AI are used to analyse samples in cases of suspected HPAI in humans.

**Potential Sustainability**
From the onset, the project has been adequately supported by Egyptian authorities. Later, continuous support was provided by the government to the fight against AI through legislation regulating sanitary control for poultry. Controls have been more difficult to enforce since the revolution began, resulting in an increase in the number of AI and HPAI cases in Egypt. However, international sanitary institutions are likely to renew their pressure on Egyptian authorities in order to avoid further loosening of controls.
The level of ownership among the staff of control institutions such as the CLQP is very high. Also, the enhanced capacity of the labs will have a synergistic effect with other ongoing donor-supported activities such as the USAID activities and the large FAO ECTAD project.
Setting up a modern BSL-3 lab at CLQP would be essential for future development of activities related to preventive and curative actions against AI in Egypt. Also, it would enable the CLPQ to become a reference lab for the Middle East, with links to European specialized labs, and could contribute to enhancing capabilities and efficiency of national laboratories in the fight against AI and other zoonoses.

**Key Observations and Recommendations**
The EC should request the World Bank to be copied their internal Grant Reporting and Monitoring Reports systematically.
The EC should answer favorably to the request for extension put forward by Egypt.
The EC should envisage launching a twinning project with the CLQP, specifically oriented to the setting up of the new BSL-3 laboratory.
Annex 7. List of Supporting Documents

1. Project Information Document
2. Grant Funding Request
This map was produced by the Map Design Unit of The World Bank. The boundaries, colors, denominations and any other information shown on this map do not imply, on the part of The World Bank Group, any judgment on the legal status of any territory, or any endorsement or acceptance of such boundaries.