



1. Project Data

Project ID P120161	Project Name EG-Integrated Sanitation & Sew. Infra. 2	
Country Egypt, Arab Republic of	Practice Area(Lead) Water	
L/C/TF Number(s) IBRD-80690	Closing Date (Original) 31-Dec-2016	Total Project Cost (USD) 110,000,000.00
Bank Approval Date 30-Jun-2011	Closing Date (Actual) 31-Dec-2018	
	IBRD/IDA (USD)	Grants (USD)
Original Commitment	200,000,000.00	0.00
Revised Commitment	110,000,000.00	0.00
Actual	110,000,000.00	0.00

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2. Project Objectives and Components

a. Objectives

The Project Development Objective as stated in the Loan Agreement (Schedule 1, page 5) and the Project Appraisal Document (PAD, page 4);



" To provide targeted populations in the Governorates of Menoufia, Sharkeya, Assiut and Sohag with increased access to improved sanitation and sewerage services".

b. Were the project objectives/key associated outcome targets revised during implementation?

Yes

Did the Board approve the revised objectives/key associated outcome targets?

No

c. Will a split evaluation be undertaken?

No

d. Components

There were three components at appraisal (PAD, pages 4 - 5).

1. Water infrastructure systems in rural areas in Menoufia and Sharkeya. (estimated cost at appraisal: US\$149.75 million, of which US\$99.75 from the World Bank, and the balance from the Government; actual cost: US\$25.70 million). The actual cost was lower than appraised due to a significant reduction in project scope during implementation (see Section 2e). This component financed construction of wastewater infrastructure systems in nine villages in the Governates of Menoufia and Sharkeya. Activities funded included construction of sewerage systems (wastewater treatment plants and collection networks).

2. Water infrastructure systems in rural areas in Assiut and Sohag. (estimated cost at appraisal: US\$149.75 million, of which US\$99.75 from the World Bank, and the balance from the Government; actual cost: US\$79.50 million). The actual cost was lower than appraised due to the reduction in project scope during implementation. This component financed activities similar to the ones described above in 22 villages in the Governates of Assiut and Sohag.

3. Project Management. (estimated cost at appraisal: US\$10.00 million; actual cost: US\$5.20 million). The actual cost was lower for reasons cited above. This component provided technical assistance support for project management, monitoring and evaluation and environmental management to the National Organization for Potable Water and Sanitary Drainage (NOPWASD - the national agency in the Ministry of Housing, Utilities and Urban Communities (MoHUUC) in charge of planning water and wastewater infrastructure systems) and the Holding Company for Water and Wastewater (HCWW- the agency in charge of implementing water sanitation investments at the local level in the 26 governates).

A component was added with the project restructuring on June 22, 2015.

4. Support to MoHUUC Project Management Unit. Cost at appraisal US\$0.00 million. Actual cost US\$2.60 million. This component provided financing for establishing a PMU within the MoHUUC and preparing a follow-up project in the sanitation sector.



e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project cost. The cost at appraisal was estimated at US\$310.00 million. The scope of the project was reduced considerably during implementation for two reasons: (i) substantial reduction in counterpart financing; and (ii) partial cancellation of the Bank loan (discussed below). After restructuring in 2017 the revised estimate of project cost was US\$120.00 million, against an actual cost at closure of US\$113.50 million.

Project financing. The main source of funding for this project was an IBRD loan of US\$200.00 million at appraisal. There were major exchange rate changes during implementation, with the Egyptian Pound depreciating vis-à-vis the US\$, by about 6% at the time of signing of the loan to about 8%, when most contracts were signed and further by 18% during implementation. The exchange rate changes generated savings in local currency terms. About 45% (US\$90.00 million) of the Bank loan was cancelled, as they were deemed to be unusable in the remaining project lifetime, given the low disbursements during implementation. The revised estimates of the loan US\$110.00 million. This amount was fully disbursed by project closing.

Borrower contribution. A borrower contribution of US\$110.00 million was originally envisaged for the project. Actual counterpart funding was however reduced to only US\$10.00 million during implementation, on account of the government's fiscal constraints. The actual counterpart funding at closure turned out to be even lower – at US\$0.35 million.

Dates. The project was approved on June 30, 2011 and became effective 18 months later on December 16, 2012. It was scheduled to close on December 31, 2016, but was extended to December 31, 2018, for reasons discussed below.

Other changes. The project went through two Level 2 restructurings. The first restructuring took place on June 22, 2015, at which time only 1.5% of the loan had been disbursed. The poor disbursement rate was due to a combination of factors, including procurement delays by the National Organization for Potable Water and Sanitary Drainage (NOPWASD) and the Holding Company for Water and Wastewater), and disruption to activities during and after the Arab Spring from January 2011 to 2014. These changes were made through the restructuring: (i) Following the government's decision to reduce counterpart funding, the targets for the number of direct project beneficiaries and the volume of treated wastewater in project areas, were reduced by 27% and 34% respectively; (ii) The implementation arrangements were changed, with the Ministry of Housing, Utilities and Urban Communities (MoHUUC), placed in overall charge of project implementation and the MoHUUC was to delegate the responsibility for day-to-day responsibilities to the NOPWASD; (iii) The closing date was extended by a year to complete activities that had been delayed due to a combination of factors, including changes in implementation arrangements and the general political uncertainty in the wake of the Arab Spring.

These changes were made with the second project restructuring on November 1, 2017, a month before the revised project closing date, when 25% of the loan was disbursed; (i) US\$90.00 million of the Bank loan was cancelled, as they were deemed to be unusable; (ii) The targets of the indicators were reduced (discussed in section 9b); (iii) A project component was added; and (iv) The closing date was extended by a year for completing activities that had been subject to delays, following the devaluation of the Egyptian Pound and partial suspension of loan (discussed in sections 5 and 10a).



Split rating. Although targets for key outcome indicators were substantially reduced during implementation, through the project restructurings in June 2015 and November 2017, given that the project achieved limited results at the PDO level as compared to the targets and efficacy was negligible for all phases, this assessment is not based on a split rating of the project.

3. Relevance of Objectives

Rationale

Country context. There were vast regional and rural-urban disparities within Egypt in the years before appraisal. The incidence of poverty was disproportionately higher in Upper Egypt, with 34% of the population classified as poor, as compared to the heavily populated Delta region. Further, there were rural-urban disparities, with the poorest 40% of the Egyptian households located in rural areas. In terms of social indicators, only 12% of the rural population had access to sanitation services (as compared to 89% of the urban population) and only 6% of the Egyptian villages had facilities for safe collection, conveyance and treatment for wastewater. The PDO of improving sanitation and sewerage services in priority governorates was outcome-oriented and aimed at addressing the overarching goal of reducing geographic and rural-urban disparities in social indicators, that were in line with the Bank's strategy for Egypt discussed below. Egypt was undergoing a process of political and social transformation in the aftermath of the January 2011 revolution at appraisal. Although the transformation process was expected to take a relatively long period, it was also deemed that external assistance could yield disproportionate social returns.

Government strategy. The PDO was strongly aligned with the Government's Governorate-wide "National Rural Sanitation Master Plan" of 2008. This plan accorded high priority to safe disposal of wastewater in rural areas and targeted comprehensive sanitation coverage to the population in these areas, by 2037. The Master Plan prioritized sector investments and provided a roadmap for comprehensive rural sanitation coverage. The sector reform agenda was articulated by the MoHUUC in 2010 in a policy paper titled "Development Policies: Water and Wastewater Sector in Egypt". This policy paper provided a framework and direction for further sector development and for institutions operating in the sector.

Bank strategy. The PDOs were well-aligned with these three goals of the Bank's Country Assistance Strategy (CAS) for 2006-2009 at appraisal, namely: (i) reducing disparities between Upper and Lower Egypt (CAS, page 27); (ii) enhancing provision of public goods through expanded supply and improved efficiency of infrastructure services (CAS, page 95); and (iii) strengthening the accountability of public sector agencies in the water and sanitation sectors (CAS, page 26). The PDO continues to be relevant to the Bank strategy articulated in the Bank's current Country Partnership Framework (CPF) for the 2015-2019 period. Focus Area Three of the CPF reiterated the need for improving service delivery of water and sanitation services in rural areas through strengthening the accountability of public sector agencies in these sectors.

The Bank has a long history of engagement in Egypt. In support of the Government's sector reform agenda, the Bank was supporting an ongoing project -the Integrated Sanitation and Sewerage Project - aimed at improving sanitation in the three governorates in the Delta region, at appraisal. This project continued Bank support to the sector in priority governorates identified by the government.



Despite the relevance of the PDO to the government and Bank strategy, the project was unrealistic in terms of the number of direct project beneficiaries (defined as people benefitting from improved sanitation and sewerage services). The ICR (paragraph 16) notes that the original calculation of 1.2 million project beneficiaries, included in addition to the actual targeted households under the project, potential beneficiaries through household connections, not financed under the project and outside the scope of this loan. The revised target of 285,000 beneficiaries was more realistic in terms of what was feasible with this project.

Rating

Substantial

4. Achievement of Objectives (Efficacy)

OBJECTIVE 1

Objective

To provide targeted populations in the Governorates of Menoufia, Sharkeya, Assiut and Sohag with increased access to improved sanitation and sewerage services.

Rationale

Theory of Change. The project's results framework was appropriate and adequate to capture the intended results. The intended outcomes were clear and monitorable. The project activities, aimed at constructing additional wastewater connections, pumping stations and sewerage pipelines, were likely to increase the number of people with access to improved sewerage services. Constructing additional wastewater treatment plants to make the whole sewage chain functional to Egyptian effluent standards, was expected to increase the volume of treated areas in the selected villages. These activities together with the technical assistance activities aimed at environmental management at the national level and to the agency in charge of implementing water sanitation investments at the local level, were expected to contribute to the intended outcome of increasing access to better sanitation and sewerage services in the selected villages.

Outputs (ICR, pages 35-43).

- None of the planned wastewater treatment plants for sewage disposal were operational when the project closed (original target 15 and revised target five). The ICR (paragraph 28) notes that the government remains committed to constructing the plants using its resources.

For the governates of Menoufia and Sharkeya.

- No additional working wastewater connections were provided (target 5,637 connections).



- Eight pumping stations were constructed, as per the revised target.
- None of the wastewater treatment plants were operational at the 2017 design flow rate (target three).
- There was no treatment of wastewater plants in the project intervened areas, as none of the planned wastewater treatment plants were operational.
- 89.50 kilometers (km) of sewerage pipelines were provided, lower than the target of 93.40 Km.

For the governates of Assuit and Sohag.

- 5,000 additional working wastewater connections were provided at closure. This represented 10% of the target (51,285 connections).
- 24 pumping stations were constructed, as targeted.
- 241 km of sewerage pipelines were provided, as compared to the target of 282 pipelines.
- None of the wastewater treatment plants were operating at 2017 design flow rate, when the project closed (target of 2).
- 1.80 tones a year of Biochemical Oxygen Compound pollution load was removed under the Wastewater treatment plants when the project closed. This represented under 5% of the target of 39.96 tones a year.

Outcomes.

- 25,000 people beneficiaries all located in the Sohag governate, were provided with improved sanitation and sewerage services at closure. This represented about 9% of the revised target of 878,340 beneficiaries in the four governates.
- Since the planned wastewater treatment plants were not functional at closure, the outcome pertaining to the number of wastewater treatment plants meeting Egyptian effluent treatment standards was not monitorable. However, as noted in the beginning of this section, the government remains committed to completing the plants using its own financial resources.
- 3,262 cubic meters of wastewater was subject to treatment when the project closed. This represented about 6% of the target (55,000 cubic meters). The ICR (page 35) notes that since the wastewater treatment plants were not functional when the project closed, only additional wastewater at the existing Sohag wastewater treatment plant was being treated.

Rating
Negligible

OVERALL EFFICACY

Rationale

Only 84% of the planned construction activities were completed. The implementation arrangements with two centralized agencies was complicated and lack of collaboration between the agencies contributed to



implementation delays. About US\$90.00 million of the Bank Loan was cancelled, as they were deemed to be unusable in the remaining project lifetime. Although changes to encourage decentralization to the Water Sanitation Companies in the local level helped implementation in the final years, there was very limited achievement of objectives and targets and less than 10% of the beneficiaries were using the service. As the ICR (paragraph 24) notes the Wastewater treatment plants were the keystone to making the whole sewage chain functional. Without the plants and connection of households to a fully operational sewage, the economic impact of the project was negligible.

Overall Efficacy Rating
Negligible

Primary Reason
Low achievement

5. Efficiency

Economic and Financial analysis. The PAD (paragraph 35) notes that there was no economic analysis at appraisal, in view of the difficulties associated with quantifying project benefits. The expected qualitative benefits of the project were assumed to come from: (i) avoiding the direct negative impacts associated with the use of on-site systems (such as reducing the risk of flooding and inconvenience of removing septage); (ii) positive health and environmental benefits.

Cost effectiveness considerations. The PAD (page 10) notes that a cluster approach was used as the preferred option (Under this approach, several villages would be connected to a central treatment plant). This approach was deemed to be cost effective as compared to other options (such as improved on-site sanitation, decentralized treatment systems and constructing conventional sewer networks) for these reasons: (i) A treatment plant in an optimal location was expected to serve maximum number of villages; (ii) connecting project-financed networks to existing pumping stations and wastewater treatment plants was expected to minimize costs and maximize coverage with existing resources; and (iii) optimize treatment costs, by permitting contractors to submit a technology selection from a menu of treatment technologies appropriate for rural settings.

An ex post economic analysis was conducted at closure for project activities, which accounted for 93% of the actual cost under two scenarios: (1) The economic returns of completed household connections; and, (2) the potential economic returns, were the government to complete the connections for the remaining households. The project cost was not cost-effective at closure, (with the cost per connection high at US\$4,400.00), since only 9% of the population had been connected. If the remaining connections were to be completed with government financing, the project was expected to be cost-effective, with the cost per connection to households reducing to US\$657.00. The economic rate of return (ERR) for Scenario One was negative and for Scenario Two, 7.2% .The ICR (paragraph 34) notes that though the household sewerage tariffs had increased, the targeted water sanitation companies were making losses when the project closed.

Administrative and Operational Issues. The project became effective 18 months after the signing of the loan, due to delays in land acquisition and external factors such as political uncertainty and security issues in project areas. Considerable reduction in counterpart funding and exchange rate fluctuations resulted in reduction in project scope, and scaling back of project outcomes. There were further delays during implementation due to a combination of factors, such as ineffective implementation arrangements (with two



national agencies and water and sanitation companies at the local level), and temporary suspension of the Bank loan in the wake of a fatal accident at a construction site (discussed in section 10a).

In sum, given that the positive economic returns of the project is contingent upon construction of remaining household connections and the sewer network, efficiency is rated as negligible.

Efficiency Rating

Negligible

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 <input type="checkbox"/> Not Applicable
ICR Estimate	✓	7.00	93.00 <input type="checkbox"/> Not Applicable

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

Though the PDO remained substantially relevant to the Government and to the World Bank's strategy, efficacy of the single objective - to provide targeted populations with increased access to improved sanitation and sewerage services - is rated as negligible, before and after restructuring, in view of the limited achievement of objectives and the low likelihood of additional results by October 2019, given the unpredictability associated with government financing. Efficiency is rated as negligible as the economic returns of the project is contingent upon completion of ongoing activities by the government.

a. Outcome Rating

Highly Unsatisfactory

7. Risk to Development Outcome

Government commitment. Given that none of the planned wastewater treatment plants were operational when the project closed, there is risk that these plants may not be completed for lack of government financing. The ICR (paragraph 79) notes that although the government is committed to constructing the



plants, project implementation had stalled, as the contractors had not been paid since the closing date. About 200 million Egyptian Pounds (EGP) had been due to the contractors while the funding needs were estimated at 345 million EGP until June 2019, and 690 million EGP until the end of the project in October 2019. Given that the government had only paid 145 million EGP (42% by June 2019, there could be further delays if the contractors are not paid for their services.

Institutional risk. There is risk associated with the weak technical, procurement and financial management capacity of the Water Sanitation Companies. It is also not clear if there would be adequate funds for Operation and Maintenance of the wastewater treatment plants and the connections.

Financial risk. The water and sanitation companies do not have robust financial flows and depend on government subsidies. Without concerted action by the local water sanitation companies to improve cost recovery, there are risks associated with the financial sustainability of the companies.

8. Assessment of Bank Performance

a. Quality-at-Entry

This project was prepared based on the experience from an ongoing Bank-financed project (First Integrated Sanitation and Sewerage Infrastructure project). Lessons incorporated at design from the experience of the ongoing project included managing procurement more effectively through smaller procurement packages, detailed engineering designs in the bid documents of network cluster packages, and deferring activities associated with the more expensive decentralized wastewater systems until detailed cost evaluations had been conducted and implemented through a pilot operation. The arrangements made at appraisal for fiduciary and safeguards compliance were appropriate (discussed in section 10a and 10b).

There were major shortcomings at Quality at entry. (i) Despite the experience with the ongoing Bank financed project, the project underestimated the time required for land acquisition. This contributed to delays in project effectiveness, with the project becoming effective 18 months after loan approval. (ii) As indicated in Section 3, the target for intended project beneficiaries was unrealistic and based on erroneous calculations. This together with a substantial reduction in project activities due to the reduction in government and bank funding, necessitated substantial revision of targets during implementation. ((iii) The implementation arrangements at design, with agencies at the national level and Water Sanitation Companies (WSCs) were clearly inappropriate, as demonstrated by the experience of the ongoing Bank-financed project; (iv) The design focused mainly on hard infrastructure investments and did not incorporate activities pertaining to sector reforms in general, and financial sustainability of WSCs in particular (Borrower ICR, page 50); (v). Inadequate attention to safeguards resulted in a temporary suspension of the loan and to delays during implementation (discussed in section 10a) and (vi) There were shortcomings in M&E design (discussed in section 9a).

Quality-at-Entry Rating
Moderately Unsatisfactory



b. Quality of supervision

On average, supervision missions were held twice a year and 17 Implementation Status Results Reports were filed over the project lifetime of eight years. The support provided by the team aided in fiduciary compliance (discussed in section 10b). The proactive support of the team aided in resolving the issue associated with the partial suspension of the loan and the loan was revoked within three months. The support provided by the team aided in modifying the implementation arrangements and the project was restructured for resolving issues such as increasing the Bank financing percentage in the wake of drastic reductions in counterpart funding.

There were shortcomings during implementation. Given limited progress during implementation, the project restructuring, which extended the project closing date, was effected just a month before the revised closing date. The ICR (paragraph 78) notes that the Bank decided to cancel part of the loan, while the project still needed US\$38.00 million for completing ongoing activities. The continuity of leadership on the part of the Bank team was undermined by frequent changes in Bank leadership (with four task team leaders over eight years).

Quality of Supervision Rating

Moderately Satisfactory

Overall Bank Performance Rating

Moderately Unsatisfactory

9. M&E Design, Implementation, & Utilization

a. M&E Design

The three key outcome indicators - direct project beneficiaries (defined as the number of people with improved sanitation and wastewater services in the project intervened areas), the number of wastewater treatment plants meeting Egyptian effluent treatment standards and the volume of wastewater treated in the project areas - were appropriate for monitoring project performance. The Holding Company for Water and Wastewater (HCWW) was to be responsible for monitoring project performance.

There were shortcomings in M&E design: (1) the original target for direct project beneficiaries (1.2 million) was unrealistic and as explained in Section 3, based on erroneous calculations of beneficiaries. This necessitated recalculation of project beneficiaries during implementation; (2) The M&E framework relied on indicators (such as the number of wastewater treatment plants meeting Egyptian effluent standards and the volume of treated wastewater) which were achievable only after completion of the major infrastructure works. This limited the ability to measure economic indicators until all the infrastructure works had been completed. The ICR (paragraph 53) notes that M&E design could have included indicators to monitor progress on the interim, of some infrastructure projects, like the wastewater treatment plants.



b. M&E Implementation

The implementing agencies identified the M&E staff responsible for data collection, verification and monitoring of the relevant indicators. According to the information provided by the team, the project management staff visited the project sites regularly to monitor progress during implementation.

The ICR (paragraph 60) notes that shortfalls in occupational safety procedures could not be captured, due to shortcomings in the M&E system. This led to the partial suspension of the Bank loan, during implementation.

c. M&E Utilization

The quarterly reports, submitted regularly by the Project Management Unit, were used during supervision and the Mid Term Review for evaluating physical progress. The ICR notes that there were issues relating to candor and realism, and of adequacy of monitoring on safety issues. The ICR notes that though there were problems with the M&E system, it was adequate to perform the basic functions (such as assessing the achievement of objectives and testing links in the results chain).

M&E Quality Rating

Modest

10. Other Issues

a. Safeguards

The project was classified as a Category B project. Two safeguard policies were triggered at appraisal: Environmental Assessment (OP/BP 4.01) and Involuntary Resettlement (OP/BP 4.12) (PAD, page ii). The PAD (paragraphs 57, 59 and 60) states that an Environmental and Social Management and Monitoring Framework (ESMMF) and a Resettlement Policy Framework (RPF) was prepared and publicly disclosed at appraisal.

Environmental safeguards. The ICR (paragraph 61) notes that site-specific ESMMF was prepared during implementation. The ICR (paragraph 62) reports that a fatal incident occurred at one of the construction sites in Assiut Governate on October 14, 2016, due to a failure in the Occupational and Health Safety (OHS) measures. Following the incident, the Bank suspended the project and asked for a root cause analysis of the incident and an action plan to improve OHS measures. The action plan to improve OHS measures was completed and the suspension was lifted on March 26, 2017. The ICR notes that after the incident, dedicated safeguard missions conducted field visits to all construction sites to review the implementation of the action plan. The mission confirmed compliance with the plan and compliance with safeguards was deemed to be satisfactory during the remaining lifetime of the project.



Involuntary resettlement. The ICR (paragraph 64) notes that land plots were acquired in consultation with community members and with the help of community leaders and local nongovernmental organizations. The ICR (paragraph 65) notes that the multichannel grievance redress mechanism was established in the project intervened areas. About 561 complaints were received, of which 82% were resolved. The ICR also notes that various community-raising awareness measures were applied during the implementation of the project.

b. Fiduciary Compliance

Financial management. A financial management assessment of the Water and Sanitation Companies (WSCs) of Sharkeya, Menoufia, Assiut and Sohag, was conducted at appraisal. The assessment concluded that the financial management arrangements of the companies were satisfactory (PAD, paragraph 51). The ICR (paragraph 69) reports that financial management was deemed to be satisfactory during implementation and audit and interim financial reports were submitted in a timely fashion.

Procurement management. A procurement assessment of the four WSCs, mentioned above, was conducted at appraisal. Several procurement risks were identified at appraisal, including risks associated with lack of procurement specialists with experience in internationally-funded donor projects and output-based performance contracts, and lack of computerized systems. Mitigation measures incorporated at design, included appointing qualified procurement staff in the Rural Sanitation Unit of the four WSCs and training procurement staff (PAD, paragraph 54). The ICR (paragraph 67) notes that although there were some procurement delays during implementation, these were rectified with support from the bank team.

c. Unintended impacts (Positive or Negative)

d. Other

11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Highly Unsatisfactory	Highly Unsatisfactory	
Bank Performance	Moderately Unsatisfactory	Moderately Unsatisfactory	
Quality of M&E	Modest	Modest	
Quality of ICR	---	Substantial	



12. Lessons

The ICR draws the following main lessons from the experience of implementing this project, with some adaptation of language.

(1) Lessons from prior experience need to be appropriately reflected in project design.

Lessons from prior projects had highlighted the need for strong implementation arrangements. The implementation arrangements of this project (with two centralized implementing agencies) were clearly inappropriate, as demonstrated by the experience of the prior Bank financed project. This contributed to delays during implementation.

(2) The project scope should be based on a careful assessment of macroeconomic conditions at appraisal. The estimates of counterpart funding for this project were clearly unrealistic, given that economic growth had stalled in the wake of the 2007-2008 global financial crisis and economic growth was further expected to decline, in the wake of the unrest, following the January 2011 revolution. This risk could have been compartmentalized, by ensuring that the project could be scaled down, if the Government's contribution was not realized.

(3) Infrastructure investments aimed at improving service delivery need to be complemented with activities aimed at strengthening the capacity of implementing agencies at appraisal. This project focused mainly on financing and building infrastructure, without a clear focus on strengthening the capacity of water sanitation companies or sector reforms at the outset. Technical training, which aided in improving project performance during the final years, was provided only during the latter years of implementation.

13. Assessment Recommended?

No

14. Comments on Quality of ICR

The ICR is for the most part clear. It candidly discusses the methodology followed that led to erroneous estimates of direct project beneficiaries at design, reduction in project scope (due to the rather drastic drop in counterpart funding and cancellation of part of the Bank loan) and the deficiencies in M&E. The ICR is for the most part, evidence-based. The ICR draws reasonably good lessons from the experience of implementing this project. The ICR's rating for overall outcome is consistent with the guidelines.

a. Quality of ICR Rating

Substantial

