



Catalyzing Entrepreneurship for Job Creation (P162835)

MIDDLE EAST AND NORTH AFRICA | Egypt, Arab Republic of | Finance, Competitiveness and Innovation Global Practice | IBRD/IDA | Investment Project Financing | FY 2019 | Seq No: 5 | ARCHIVED on 22-Nov-2021 | ISR48589 |

Implementing Agencies: Arab Republic of Egypt, Micro, Small, Medium Enterprise Development Agency - MSMEDA

Key Dates

Key Project Dates

Bank Approval Date: 17-Apr-2019

Effectiveness Date: 15-Jan-2020

Planned Mid Term Review Date: --

Actual Mid-Term Review Date:

Original Closing Date: 30-Jun-2025

Revised Closing Date: 30-Jun-2025

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The project development objective is to foster job creation and improve other economic opportunities for targeted beneficiaries

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

No

Components Table

Name

I - Financial Support to MSMEs:(Cost \$146.00 M)

II - Risk Capital for Innovative Startups and High Growth SMEs:(Cost \$50.00 M)

III - Business and Capacity Development:(Cost \$3.50 M)

Overall Ratings

| Name | Previous Rating | Current Rating |
|--------------------------------------|--|--|
| Progress towards achievement of PDO | <input type="checkbox"/> Moderately Satisfactory | <input type="checkbox"/> Moderately Satisfactory |
| Overall Implementation Progress (IP) | <input type="checkbox"/> Moderately Satisfactory | <input type="checkbox"/> Moderately Satisfactory |
| Overall Risk Rating | <input type="checkbox"/> Moderate | <input type="checkbox"/> Moderate |

Implementation Status and Key Decisions

Implementation support continues to be provided remotely due to the pandemic and associated restrictions/closures and mission suspensions. Despite these challenges, the project is disbursing well and has reached a disbursement rate of 64%. The current disbursement of \$127.52 million exceeds the forecast of \$76 million by end-FY21 and \$121 million by end-FY22 per the PAD. Yearly target indicators are also on track.

Component 1: Financial Support to MSMEs has been progressing very well, despite the COVID-19 pandemic.

Component 2: Risk Capital for Innovative Start-ups and High-growth SMEs. Over the past 6 months, MSMEDA has further developed the Fund of Fund program (under Component 2), with full mobilization and functioning of Investment Committee (IC) and proactive cultivation of fund managers/RCIs who may apply for MSMEDA investment as per the program parameters. The Bank task-team commends the MSMEDA IVCD team on the progress and momentum over the past 6 months, and will continue to monitor progress and provide implementation support as needed to achieve the targets for the current FY.



Component 3: Business and Capacity Development. PMU's capacities improved in that space over the past months, due to the support of the task team (hosting a number of physical and virtual workshops), and the task team continues to provide the support needed to conduct an Annual Work Plan and Budget, as well as a realistic procurement plan. Under Component 3, MSMEDA has activated the capacity building of its staff, bringing in technical investment and legal advisors/experts to support Component 2 implementation, with plans for further staff training in FY22. Additionally – in partnership with the German Development Agency GIZ – it has developed and activated a training/capacity building program for first-time fund managers; a 5-day training workshop for first-time fund managers was conducted in July 2021 and MSMEDA expects to provide further training/support to these fund managers over the remainder of FY22.

Risks

Systematic Operations Risk-rating Tool

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

Results

PDO Indicators by Objectives / Outcomes

| Catalyzing Entrepreneurship | | | | |
|--|--|-------------------|------------------|-------------|
| ▶ Number of entrepreneurs receiving financing through the project (Number, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 12,881.00 | 46,483.00 | 85,200.00 |
| Date | 30-Jun-2019 | 04-May-2021 | 16-Nov-2021 | 30-Jun-2025 |
| Comments: | This indicator measures the total number of beneficiaries receiving debt and equity financing through the project. | | | |



| | | | | |
|---|-------------|-------------------|------------------|-------------|
| <input type="checkbox"/> Of which total women (Percentage, Custom Supplement) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 22.00 | 33.00 | 30.00 |
| <input type="checkbox"/> Of which women aged over 35 (Percentage, Custom Supplement) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 14.00 | 19.00 | 10.00 |
| <input type="checkbox"/> Of which youth (aged 21-35) (Percentage, Custom Supplement) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 40.00 | 41.00 | 30.00 |
| <input type="checkbox"/> Of which receive equity financing (Number, Custom Breakdown) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 0.00 | 0.00 | 190.00 |
| Date | 28-Jun-2019 | 04-May-2021 | 16-Nov-2021 | 30-Jun-2025 |
| <input type="checkbox"/> Of which: receive debt financing (Number, Custom Breakdown) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 12,881.00 | 46,483.00 | 85,010.00 |
| Date | 28-Jun-2019 | 04-May-2021 | 16-Nov-2021 | 30-Jun-2025 |

| | | | | |
|---|--|-------------------|------------------|-------------|
| Creating Jobs | | | | |
| ► Number of jobs created through the project (Number, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 33,808.00 | 90,448.00 | 100,000.00 |
| Date | 28-Jun-2019 | 04-May-2021 | 16-Nov-2021 | 30-Jun-2025 |
| Comments: | This number represents the number of jobs for micro enterprises at loan disbursement time. The Number of jobs for medium and small enterprises are calculated for actual formal insured jobs. The jobs before loan are considered as the baseline. Semi-annually the number of jobs after loans are calculated and the difference between the number of jobs after the loans compared to the baseline are the actual generated jobs. | | | |
| <input type="checkbox"/> Of which women (Percentage, Custom Supplement) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |



| | | | | |
|-------|------|-------|-------|-------|
| Value | 0.00 | 28.00 | 31.00 | 30.00 |
|-------|------|-------|-------|-------|

Intermediate Results Indicators by Components

| | | | | |
|--|--|-------------------|------------------|---------------|
| Component I, II and III | | | | |
| ▶ Risk capital intermediaries receiving equity financing (Number, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 0.00 | 1.00 | 10.00 |
| Date | 30-Jun-2019 | 04-May-2021 | 16-Nov-2021 | 30-Jun-2025 |
| Comments: | This indicator measures the total number of financial intermediaries that receive financing through the project (funds that receive follow-on financing through the project should only be counted once) | | | |
| ☐ of which: seed/acceleration stage (Number, Custom Breakdown) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 0.00 | 1.00 | 4.00 |
| Date | 30-Jun-2019 | 04-May-2021 | 16-Nov-2021 | 30-Jun-2025 |
| ☐ of which: SME/Venture capital stage (Number, Custom Breakdown) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 0.00 | 0.00 | 6.00 |
| Date | 30-Jun-2019 | 04-May-2021 | 16-Nov-2021 | 30-Jun-2025 |
| ▶ Financial intermediaries receiving debt financing through the project (Number, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 20.00 | 40.00 | 30.00 |
| Date | 30-Jun-2019 | 04-May-2021 | 16-Nov-2021 | 30-Jun-2025 |
| Comments: | Total number of Financial Intermediaries that receive debt financing through the Project for on-lending to microenterprises and SMEs. | | | |
| ▶ Volume of risk capital mobilized by private sector entities for innovative startups and high-growth SMES (Amount(USD), Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 0.00 | 0.00 | 89,000,000.00 |
| Date | 28-Jun-2019 | 04-May-2021 | 16-Nov-2021 | 30-Jun-2025 |



| | | | | |
|---|--|-------------------|------------------|-------------|
| Comments: | The indicator tracks the amount of direct financing (in the form of equity) mobilized by private entities, using private funding, to finance investments within an IBRD/IDA operation or investments | | | |
| ▶ Percent of Beneficiaries satisfied with project interventions (Citizen Engagement Indicator) (Percentage, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 0.00 | 0.00 | 70.00 |
| Date | 28-Jun-2019 | 04-May-2021 | 16-Nov-2021 | 27-Jun-2025 |
| Comments: | The percentage of entrepreneurs that are satisfied with the financial services provided through the project. This is to be outsourced. | | | |

Performance-Based Conditions

Data on Financial Performance

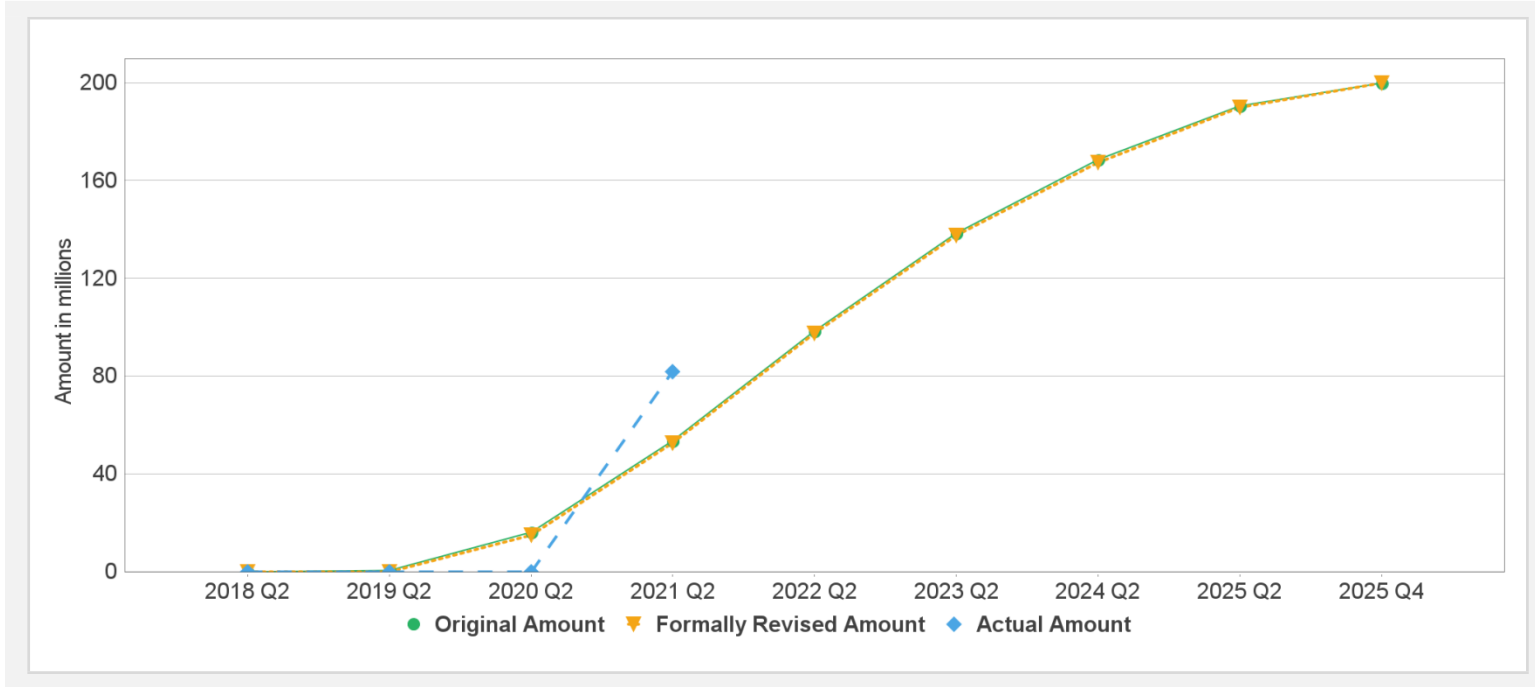
Disbursements (by loan)

| Project | Loan/Credit/TF | Status | Currency | Original | Revised | Cancelled | Disbursed | Undisbursed | % Disbursed |
|---------|----------------|-----------|----------|----------|---------|-----------|-----------|-------------|-------------|
| P162835 | IBRD-89510 | Effective | USD | 200.00 | 200.00 | 0.00 | 127.52 | 72.48 | 64% |

Key Dates (by loan)

| Project | Loan/Credit/TF | Status | Approval Date | Signing Date | Effectiveness Date | Orig. Closing Date | Rev. Closing Date |
|---------|----------------|-----------|---------------|--------------|--------------------|--------------------|-------------------|
| P162835 | IBRD-89510 | Effective | 17-Apr-2019 | 05-May-2019 | 15-Jan-2020 | 30-Jun-2025 | 30-Jun-2025 |

Cumulative Disbursements



PBC Disbursement

| PBC ID | PBC Type | Description | Coc | PBC Amount | Achievement Status | Disbursed amount in Coc | Disbursement % for PBC |
|--------|----------|-------------|-----|------------|--------------------|-------------------------|------------------------|
| | | | | | | | |

Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.