



Concept Environmental and Social Review Summary

Concept Stage

(ESRS Concept Stage)

Date Prepared/Updated: 11/18/2021 | Report No: ESRSC02440



BASIC INFORMATION

A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
Egypt, Arab Republic of	MIDDLE EAST AND NORTH AFRICA	P177720	
Project Name	Modernization of Egyptian Property Registration Project		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Urban, Resilience and Land	Investment Project Financing	4/26/2022	6/15/2022
Borrower(s)	Implementing Agency(ies)		
Arab Republic of Egypt	Ministry of Justice		

Proposed Development Objective

The project development objective is to establish the foundations of a modern and efficient land administration and management system at national level and scale up property registration in selected new urban communities.

Financing (in USD Million)	Amount
Total Project Cost	230.00

B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

No

C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]

The proposed project supports the implementation of the first phase of the long-term National Program for the modernization of Egypt’s property registration system, which aims to provide a modern, efficient land and property registration service that operates across Egypt, covers all properties in the country and which is accepted and used by people, businesses, and financial institutions as a foundation for economic growth and creating jobs. The project will support the modernization of offices and the introduction of e-services for registering property in selected REPD offices, as well as the registration of all properties in selected NUCs. As part of the modernization of property registration, the project will build a geospatial database of properties linked to existing registered deeds in the REPD database, by building on the lessons of the ongoing pilot conducted by MoJ in Port Said. In this first phase, emphasis



will be placed on encouraging public participation in the property registration process; streamlining and automating procedures; building capacity of key relevant stakeholders; and improving the public perception of property registration services to generate a culture of formal registration. Attention will also be placed on the establishment of effective systems at national level that efficiently and correctly document property ownership and transaction information. The project will further support preparation activities, including business processes reviews and data collection, for systematic property registration in existing urban centers in view of a national roll out once the new Title Registration Law is approved. Supporting the implementation of the National Program will significantly improve the tenure security of the Egyptian public, particularly those most vulnerable including women and youth. It will further significantly reduce conflict on property rights and build institutional capacity to effectively adjudicate and mediate disputes.

D. Environmental and Social Overview

D.1. Detailed project location(s) and salient physical characteristics relevant to the E&S assessment [geographic, environmental, social]

The project will be providing support to the Government of Egypt to establish an efficient land administration and management system. The project activities will be carried out countrywide in all the Egyptian governorates. More specifically component 1 will support streamlining the land registration process in the 61 new cities in Egypt which are located in 24 out of 27 Egyptian governorates, and registration in selected new cities. Component 2 will provide on demand technical assistance for the drafting of executive regulations of the new law for Title Registration Bill to replace the law 143/1964 that is currently being considered by Parliament. Also, component 2 will support streamlining the land registration process in the old existing cities, once the law is approved, as well as developing a detailed program for scaling up registration at the national level. It will also support the development of cadastral maps for selected existing cities and the collection of relevant data. Component 3 will provide support to all Real Estate Publicity Department (REPD) offices in the country in all governorates through business process reengineering to be customer centric as well as modernization and automation of selected REPD offices. Component 4 will support overall project management and implementation. Although the total number of the expected project direct and indirect beneficiaries is difficult to be estimated at this stage, it could be assumed that the baseline of the project is more or less the country at large with more direct impacts expected on both the current and the future residents of the new communities and indirect impact on both the current and the future residents of the existing communities. Egyptian society and the expected beneficiaries of the project are quite diverse in terms of geographic affiliation, socioeconomic background, type of properties' ownership and title as well as the historical attachment to the land. This needs to be comprehensively assessed at the preparation stage and the design of the project to ensure the introduction of any needed differentiated measures that would contribute to inclusive results for the operation. The project will not support any construction works or rehabilitation of the REPD offices, but it will procure the needed software, electronic equipment (i.e., computers, scanners, etc.) for a number of REPD offices that will be selected based on a needs assessment to enable scaling up e-service provision.

D. 2. Borrower's Institutional Capacity

The key institutions responsible for implementing the project are the Ministry of Justice (MoJ), New Urban Communities Authority (NUCA) and the Ministry of Communications and Information Technology. The implementing agency (borrower) of this project will be the Ministry of Justice. This IPF operation represents MoJ's first experience as an implementing agency for a World Bank financed project. Project management team will be established in the MoJ to manage project activities and be responsible for overall project management and implementation, including



project planning and budgeting, procurement, financial management, monitoring and evaluation, quality control/quality assurance as well as environmental and social management. A dedicated team/office will also be formed within NUCA to oversee the process of completing the database and transferring the relevant documents to the REPD as requested by Law 27/2018.

MoJ as well as other partners have limited capacity in the Bank ESF and no prior exposure to the safeguard policies nor to the ESF. Furthermore, the registration process is institutionally complicated with many involved parties and fragmented responsibilities. As such, the implementing agency will need to closely coordinate with each of these key entities to ensure that all activities pertaining to management of environmental and social (E&S) risks are integrated into the project design and its implementation. Such activities include, but are not limited to, development of a Stakeholder Engagement Plan (SEP) and an Environmental and Social Commitment Plan (ESCP), as well as implementation of these plans in coordination with the different parties involved.

The Project Management Unit (PMU) is yet to be formed under the MoJ. The Bank ESF team will therefore take the opportunity to advise the implementing agency on the expected responsibilities and the potential makeup of the PMU from an E&S perspective. In that sense, the current level of capacity of the related institutions is assessed to be limited relative to the size of the project, the associated social risks, indirect environmental risks and the commitments needed for engaging with stakeholders. The Borrower’s capacity to manage E&S risks will be further assessed during project preparation to determine any capacity gaps and specific training needs in relation to the ESF.

II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC)

Substantial

Environmental Risk Rating

Moderate

Environmental Risk Rating Moderate The environmental risk rating of the project is Moderate. The project activities will include (i) deployment of project workers in all new cities and a number of old cities for short term to support the data collection, capacity building, cadastral mapping and other processes to streamline the registration process, (ii) procurement of software and electronic devices (i.e. computer, scanners, servers, etc.) and furniture for a number of REPD offices across the country and (iii) technical assistance in drafting the executive regulation of the new registration law and designing awareness campaign for rolling over the new registration processes. The project will not include any construction or rehabilitation works. The identified environmental risks include (1) occupational health and safety (OHS) risks especially for surveyors while working outdoors including exposure to COVID-19 and accidents (2) electronic waste management and disposal after the lifetime of the equipment to be procured by the project. The environmental risks are expected to be temporary, site-specific with a low probability of serious adverse effects.

Social Risk Rating

Substantial

Weak system for property registration is a challenge in Egypt and has been historically identified as a hinderance that threatens the security of tenure and subsequently entitlements of different groups of Egyptian citizens. Less than 10% of properties in the country are legally registered, approximately 25% of agricultural land in the title system, and only a small fraction of properties in urban areas under the deed system. As such, the Project is expected to offer very needed intervention that will contribute to the security of property tenure through direct

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interventions in the new community as well as enabling digitalized services in the existing communities that should help in applying the new Title Registration Law. The social risk of the project is stemming from the following: Large and direct scale of implication on almost all citizens owners of different assets and also subsequently on tenants: It affects citizen rights to housing and ownership patterns. This large-scale impact will be positive in case the project brings positive changes, while it is a big risk in case the Project changes are not aligning with citizens' aspirations and expectations. Legacy related to the complicated, lengthy, expensive and unclear process: The very low rate of registered properties in Egypt is a manifestation of the difficulty of the process and the failure of majority of the citizens (particularly in the existing communities) to complete the registration. Number of steps needed, complex bureaucracy encountered as well as the requested fees, are seen by property owners to be too complex and key factors for discouraging citizens historically from registering their property. In the meantime, Government has not been serious about it in the past and no measures were taken on those who do not register their property. Market transactions continued to happen actively informally given lack of registration. Those aspects need to be addressed to enhance a voluntary registration process. Registration deadlines and enforcement need to be gradual to ensure better participation of the citizens. Special constrains on women and other vulnerable groups: Certain groups from the community are even more challenged to comply and fulfill those requirements related to registration. This applies to women who are generally less capable on maneuvering the administrative system and less aware of the complex legal system. It also applies to other groups of people with special needs and elderly. There also could be some particular unintended impact on vulnerable stakeholders without formal or recognizable rights risks (such as squatters). Risk of unresolved disputes and loss of rights and entitlements: Particularly in the existing communities with historical transactions and multiple owners. Conflict on ownership and risk of losing rights project should be addressed through design measures. Widening the gaps of the practices between the different areas across the country: Compared to new communities, land registration process in the existing communities is more complicated and challenging. The latter is much wider and more complicated in scale. The project may unintentionally contribute to widening gap to the favor of new communities and this could be one of the reasons for weakening the marketability and value of properties in existing communities of old cities. Weak capacity of the entities in charge: In addition to the fact that citizens have to deal with large number of organizations for the registration process, majority of these institutions (e.g. REPD) have limited capacities in dealing with social risk and skills for engaging with stakeholders including different groups of citizens . Uncertainties related to the new Title Registration Law: Law is currently at the Parliament for final ratification. The quality of the Law and ability to tackle challenges is not guaranteed. In the meantime, to Team's knowledge, no consultation was done on the law.

B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered

B.1. General Assessment

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

Overview of the relevance of the Standard for the Project:

ESS1 is relevant to the project. The absence of a comprehensive register of real estate in Egypt results in loss of the rights of millions of Egyptians, in addition to violations related to attempts to extract these rights outside the scope of the law. The project is anticipated to result in a wide range of benefits to be introduced to the public at large. The phased approach recommended by the Project including starting with the new communities is expected to contribute to positive and relatively quick results while initiating the work in areas for which there is an enabling legal framework and with much less historical complexity and, conflict. The process of establishing a modern model office and the



introduction of e-services for registering property in selected REPD offices, as well as the registration of 80 percent of properties in selected NUCs are expected to bring a range of positive outcomes in case those are designed to consider important elements for the citizens such as a simplified and clear process, a solid grievance mechanism to deal with potential on-going and future concerns and disputes. The implementation of dashboards to track the performance and collect statistics on land disputes and resolution times is also expected to monitor the performance and increase the efficiency of the process in a fashion that is in favor for citizens and their time.

The project also includes a number of design measures to ensure equitable benefits to women, including on both project-related employment as well as for women beneficiaries of the proposed improvements. The latter includes but is not limited to developing a gender sensitive outreach strategy ensuring women’s participation and raising awareness of the legal framework for the protection of women’s rights. To enhance women’s safety while receiving the service and an effective service, separate counters and dedicated areas with hindrance-free access to registration services for women in REPD’s modernized offices will be established.

On the social front, at this stage of the project conceptualization, it is not quite clear if the proposed interventions will result in negative impacts. The above-mentioned risks and uncertainties are still valid and will need to be examined in more detail during the project preparation and design measures should be considered to mitigate those potential risks. The Bank will initiate a rapid social due diligence assessment to get a better sense of the issues and the potential risk of the project and to help in reaching critical design measures to be included to maximize the social benefits and eliminate any risk. The results of the rapid social due diligence assessment should help the client in developing ToRs for a comprehensive social impact assessment to be conducted, reviewed and approved by the Bank by the project appraisal. The client should commit in the ESCP to implement the measures of the SIA and to monitor the various social aspects to be identified by the SIA

Initial important design measures to consider should include:

1. Establishing, announcing and enforcing a clear, and simplified set of procedures with least trouble possible on the beneficiaries to allow the citizens to receive a decent and effective service in reasonable timeframe.
2. The upgrade of the REPD as well as NUCA’s offices should integrate the principles of accountability to citizens by, for instance, including a grievance system that could be operated and monitored by the MoJ and roll out a performance-based system in the REPDs offices that will be supported by the project to integrate citizens feedback and scoring. Those systems should be widely announced through media and outreach campaigns to raise the awareness of citizens about their rights and encourage them to use those mechanisms.
3. Principles to prevent different forms of misconduct should be introduced in all the offices that the project will support. This should specifically include zero tolerance policy on sexual exploitation, abuse and harassment (SEA/H) through enforcing code of conduct for employees to adhere to. Raising citizens’ awareness about their rights should be publicly announced.
4. The project should also consider an incentivizing process for citizens to start using the upgraded system to register their properties. One key incentivizing element could be a gradual incremental fees approach that can start with a service that is free of charge with an increasing fee beyond specific timeframes.
5. Part of the capacity building packages to be provided to the governmental entities should include modules to strengthen the capacity of employees in communicating and interfacing with the citizens and to tackle risks of unconscious biases. Some important (and constitutional) values like respect, integrity, citizen right to efficient and quality service, non-discrimination, equity, objectivity, dignity for all need to be established, enforced and monitored.



6. Although the upgrade of REPD offices is expected to focus on the digitalization of the service and will not entail any civil work, the project should promote, where feasible and technically doable, to reinforce considerations related to improved access including for groups and individuals with limited abilities.

On the environmental front, the following issues are considered salient for the identified activities:

1. Occupational Health and Safety risks (OHS) risks especially for surveyors while working outdoors including exposure to COVID-19 and accidents. Therefore, the project labor management procedures should include safety procedures for the various activities to be carried out during the project implementation including land surveying safety procedures
2. Electronic waste management and disposal after the lifetime of the equipment to be procured by the project. The governmental offices' current practices include periodic auctions for selling scrap and electronic devices for reuse or recycling. At this stage it is not clear if the REPD offices are following these practices and if the electronic devices are auctioned to authorized suppliers by the Ministry of Environment in line with the new solid waste management law in Egypt which its executive regulation was issued recently. This will be further investigated before project appraisal to determine if the current practices are aligned with the ESF requirements or if the counterpart will need to prepare an electronic waste management plan for the project.
3. Community health and safety impacts: The COVID-19 pandemic introduces potential risks of community exposure through contagion pathways such as meetings, stakeholder engagement sessions and physical awareness campaigns.

The borrower will need to prepare and implement an ESCP, which should set out the necessary actions, with timeframes, to ensure that the project is compliant with the applicable ESSs. The ESCP should set dates and responsibilities for implementing the SIA, the SEP and the LMP (Labor Management Procedures). The borrower will also need to disclose a draft ESCP, SIA, LMP and the SEP before project appraisal. Furthermore, the borrower shall commit to conduct regular social assessment throughout the project lifecycle, in order to identify potential risks or existing adverse impacts and address them in a proper and timely manner. The Bank team will be working with the implementing agency to ensure that the PMU, which will be established, hires qualified social officer(s) to work under ToRs/scope of work that is acceptable to the Bank.

Areas where “Use of Borrower Framework” is being considered:

Borrower framework is not considered for this operation

ESS10 Stakeholder Engagement and Information Disclosure

Under the provisions and the principles of ESS10, the borrower is expected to prepare a Stakeholders Engagement Plan (SEP) for the whole project. This should start with a comprehensive stakeholder mapping exercise to determine individuals or groups who (a) are affected or likely to be affected by the project (project-affected parties); and (b) may have an interest in the project (other interested parties). The SEP will set out the following: (i) stakeholder identification and analysis; (ii) planning how the engagement with stakeholders will take place; (iii) disclosure of information; (iv) consultation with stakeholders; (v) addressing and responding to grievances; and (vi) reporting to stakeholders. In the meantime, and due to the complex nature of the project, its significant social risks and the facts that it deals with a lot of legacy complications, the Bank team will advise the Borrower to commence the consultation



process at the earliest stage possible of the project design to ensure that the concerns of different groups are integrated to the extent feasible in the design of the project.

In very general terms, the project is expected to tackle the property and the assets of large part of the Egyptian households in a direct and indirect way. Properties owners in different locations (new and existing communities) of the countries are direct and key stakeholders of the operation. Unpacking the different groups of citizens and identifying potential vulnerable groups in the context of the project is very important to be done at an early stage. For instance, it is expected that certain vulnerability factors may exist due to geographic location or legal title and documentation. Women are also more vulnerable in the context of this project, not due to legal barrier but rather cultural and awareness barriers that are hindering them from accessing and securing property.

Governmental organizations in charge of running the registration process will be involved in the project as interested parties. This includes but will not be limited to Ministry of Justice, Real Estate Publicity Department of the Ministry of Justice, Ministry of Communications and Information Technology, New Urban Communities Authority established by Law 59 of 1979 under the Ministry of Housing and the Egyptian Survey Authority. Egypt also has a wide range of non-governmental actors (civil society organizations) who are knowledgeable in the area and can add value to the project so they should be included in the SEP and should be engaged in the project preparation through a meaningful consultation process as key informants.

The preparation and the implementation of a comprehensive SEP is one of the most crucial tasks that should, not only help in sharing information about the Program, but also support establishing a constructive relationship between the project and the different stakeholders, to enhance trust and pave the way for a nation-wide real estate registration process. This is particularly important given the scale of the project and the inherited complexity of the topic.

At the moment, and to the best knowledge communicated at the concept stage, there is no established grievance mechanism (GM) that is specialized and focused on the scope of the project in the respective organizations. However, Egypt in general has significantly advanced in the last few years in establishing diverse platforms to deal with citizens' complaints and concerns. Those platforms are both central (Government e-portal) as well as sector specific. Several of the established complaints mechanisms are striving to meet the different good practices including clear business standards in response, referral pathways and offering timely feedback to close the feedback loop. A project level GM should be established emphasizing all the principles of ESS10 and its Annex A. An effective GM should also contribute to strengthening people's trust in the project and should contribute to the successful implementation throughout the subsequent rollout phases. Given the substantial risk of the project, important principles related to diverse channels, publicity, transparency, confidentiality and clear appeal protocols should be emphasized in the design of the system. The preparation stage will look at different GM scenarios including the integration of GM as part for REPD upgrade and business standards as one of the key accountability mechanisms. In the meantime, and before the REPD offices are upgraded, transitional GM arrangement should be in place, potentially under MoJ to capture grievances at earlier stages of the project. In the meantime, connections with the exiting national system (e.g. the Government e-portal) which will remain operational and open for citizens to use, should be established to allow for timely capturing and response to the complaints. The SEP that will be prepared by the client should provide more details about the GM including different uptake locations, feedback cycle and litigation process.

B.2. Specific Risks and Impacts



A brief description of the potential environmental and social risks and impacts relevant to the Project.

ESS2 Labor and Working Conditions

This ESS is relevant to the project. The project will likely entail only direct workers and contracted workers as stipulated in the ESS2. The PMU is expected to appoint civil servants and non-civil servants, on a full-time basis, as well as temporary contractors who would be commissioned to carry out specific tasks under the project all over the country. The expected number of direct workers is not known at this stage, but it should be estimated before appraisal. There could be also contracted workers such as land surveyors and e-waste management workers that may work for the project. Accordingly, the borrower shall develop and implement a LMP that should set out the way in which direct workers will be managed, in accordance with the requirements of national law and ESS2. The LMP should consider the OHS risks associated with the project activities and should include a separate grievance mechanism for project workers to raise and resolve workplace-related concerns. The project components are yet to be further elaborated; accordingly, the implementing agency will be advised by the Bank team on the components to be included under the LMP.

ESS3 Resource Efficiency and Pollution Prevention and Management

ESS3 is relevant. Inadequate waste management of electronic wastes that will be generated after the lifetime of the devices to be procured by the project may pose serious threats to public health and can release toxic chemicals that would impact air, soil and water. The governmental offices' current practices include periodic auctions for selling scrap and electronic devices for reuse or recycling. At this stage it is not clear if the REPD offices are following this practice and if the electronic devices are auctioned to authorized suppliers by the Ministry of Environment in line with the new solid waste management law in Egypt which its executive regulation was issued recently. This will be further investigated before project appraisal to determine if the current practices are aligned with the ESF requirements or if the counterpart will need to prepare a simplified ESMP/checklist for the devices to be procured by the project.

ESS4 Community Health and Safety

Community interactions with project workers might pose risks of inappropriate conduct or sexual harassment. Also, the COVID-19 pandemic introduces potential risks of community exposure through contagion pathways such as meetings and stakeholder engagement sessions. the Project LMP shall take into consideration of those risks and include Safety procedures related to COVID-19 pandemic and to introduce codes of conduct for all the project workers.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

The project will not finance any investments requiring land acquisition or conversion of any land per se. However, ESS5 may also be applicable in the case of land readjustment and/or if persons are required to vacate land as a direct result of a project-supported determination that the land in question is state land. Such risks and mitigations will be considered in the proposed Bank due diligence assessment as well as in the SIA. Relevant instrument (e.g. Resettlement Framework) might be needed. This will be confirmed by the due diligence. If needed, it will be prepared by the client, cleared and disclosed prior to appraisal.



ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

The project will not finance any civil or rehabilitation work, however, ESS6 relevance will be further assessed during project preparation.

ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

As no indigenous communities, according to ESS7, are present in the targeted geographic locations of the project, the ESS7 is currently not considered relevant to the project.

ESS8 Cultural Heritage

The project will not finance any civil or rehabilitation works, however, ESS8 relevance will be further assessed during project preparation.

ESS9 Financial Intermediaries

ESS9 is not currently relevant as it is not envisaged to use this financing modality.

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways No

OP 7.60 Projects in Disputed Areas No

III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE

A. Is a common approach being considered? No

Financing Partners

NA

B. Proposed Measures, Actions and Timing (Borrower’s commitments)

Actions to be completed prior to Bank Board Approval:

Prepare and disclose the following Environmental and Social instruments before appraisal by the client:

Social Impacts Assessment (SIA)

Labor Management Procedures (LMP)

Public Disclosure



Stakeholder Engagement Plan (SEP)

Resettlement Framework (RF) - in case confirmed by the DD to be needed.

Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):

- Management of electronic waste to be generated after their lifetime according to the best international practices.
- Implementation of SEP,
- Regular social monitoring and/or implementation of actions identified in the SIA,
- Implementation of the RF
- Managing the labor risks through the implementation of the LMP

C. Timing

Tentative target date for preparing the Appraisal Stage ESRS

30-Apr-2022

IV. CONTACT POINTS

World Bank

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Borrower/Client/Recipient

Borrower: Arab Republic of Egypt

Implementing Agency(ies)

Implementing Agency: Ministry of Justice

V. FOR MORE INFORMATION CONTACT

Public Disclosure



The World Bank

Modernization of Egyptian Property Registration Project (P177720)

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VI. APPROVAL



Task Team Leader(s):	Mohamed Nada, Anna Corsi
Practice Manager (ENR/Social)	Pia Peeters Recommended on 17-Nov-2021 at 09:20:27 GMT-05:00
Safeguards Advisor ESSA	Gael Gregoire (SAESSA) Cleared on 18-Nov-2021 at 22:12:23 GMT-05:00