



EG: Household Natural Gas Connection Project (P146007)

MIDDLE EAST AND NORTH AFRICA | Egypt, Arab Republic of | Energy & Extractives Global Practice |
IBRD/IDA | Investment Project Financing | FY 2015 | Seq No: 12 | ARCHIVED on 31-Jul-2020 | ISR41079 |

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

Key Dates

Key Project Dates

Bank Approval Date: 24-Jul-2014

Effectiveness Date: 11-Feb-2015

Planned Mid Term Review Date: 15-Mar-2019

Actual Mid-Term Review Date: 22-Mar-2019

Original Closing Date: 30-Jun-2019

Revised Closing Date: 30-Jun-2021

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

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

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

No

Components Table

Name

Gas Network Expansion and Household Connections:(Cost \$1195.00 M)
Financial Support for Household Connection Charges in Disadvantaged Areas:(Cost \$61.20 M)
Institutional Strengthening:(Cost \$17.70 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<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

Component 1: Gas Network Expansion and Household Connections: Implementation under this component has been progressing very well until the outbreak of COVID-19. Implementation rate has declined by around 70 percent during January to June 2020, whereby the number of households connected to the natural gas network declined to approximately 50,000 in the first quarter of the year compared to an average of 50,000 to 60,000 connections per month in previous quarters. As of June 2020, the number of household connections in 11 governorates has reached 1.56 million, contributing to around 67 percent of the targeted connections under the Project. Nonetheless, due to the wide geographic spread of the Project, it's critical for the Egyptian Natural Gas Holding Company (EGAS) to ensure adequate implementation and supervision of Environmental (including Health and Safety) and Social Safeguards instruments. The Project's progress towards achievement of Project Development Objective (PDO) and the overall implementation progress are rated as Moderately Satisfactory.



Component 2: Targeted financial support to disadvantaged households of Gas Network. The number of households who benefit from subsidized connection fees through the European Union grant started to pick up and is expected to rapidly increase in the coming period. As of June 2020, this number has reached 92,000 out of the targeted 400,000 households.

Component 3: Institutional Strengthening to the Egyptian Natural Gas Holding Company (EGAS) and the Gas Regulatory Authority (GasReg) through the European Union grant is greatly advancing. EGAS continues to implement the ambitious schedule required by the Ministry of Petroleum for adopting an Enterprise Resource Planning (ERP) system as a pilot in the oil and gas sector. Deployment continues to be observed with several modules implemented, other modules are still in progress. Also, the technical support to the gas regulator (GasReg) is in progress.

Risks

Systematic Operations Risk-rating Tool

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

Results

PDO Indicators by Objectives / Outcomes

to assist Egypt to increase household access to reliable, lower cost, grid conn

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

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1,500,000.00	1,560,000.00	2,300,000.00
Date	17-Jun-2014	31-Dec-2019	30-Mar-2020	30-Jun-2021



► Gas leaks per 1000 consumers per year of distribution networks installed in targeted governorates not to exceed agreed reliability level of 5. (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	17-Jun-2014	31-Dec-2019	20-Jun-2020	30-Jun-2021
► Direct project beneficiaries (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	6,000,000.00	624,000.00	10,250,000.00
Date	17-Jun-2014	31-Dec-2019	30-Mar-2020	30-Jun-2021
□ Female beneficiaries (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	50.00	50.00	50.00
□ Direct project beneficiaries who are poor benefiting from financial support to connection fees. (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	26,334.00	92,145.00	495,000.00
► Kilometers per year of new distribution networks installed in target areas (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	5,573.00	4,679.00	8,500.00
Date	30-Jun-2014	31-Dec-2019	30-Mar-2020	30-Jun-2021

Intermediate Results Indicators by Components

Gas Network Expansion and Household Connections				
► LDC average response time per 1000 calls by household consumers in targeted area calling the emergency national phone number (129) not exceeding 15 minutes (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	17-Jun-2014	31-Dec-2019	30-Mar-2020	30-Jun-2021
► Customer service centers in targeted areas established and operational. (Number, Custom)				



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	11.00
Date	17-Jun-2014	31-Dec-2019	30-Mar-2020	30-Jun-2021

Financial Support for Household Connection Charges in Disadvantaged Areas

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

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	17-Jun-2014	31-Dec-2019	30-Mar-2020	30-Jun-2021

Institutional Strengthening

► PRSs developed and operational serving targeted areas (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	6.00	14.00	33.00
Date	17-Jun-2014	31-Dec-2019	30-Mar-2020	30-Jun-2021

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

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	17-Jun-2014	31-Dec-2019	30-Mar-2020	30-Jun-2021

► Increased compliance with ESMPs in targetted areas (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	92.00	92.00	80.00
Date	17-Jun-2014	31-Dec-2019	30-Mar-2020	30-Jun-2021

► Complaints resolved as a percentage of the total received complaints at the project level (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	82.00	98.00	70.00
Date	17-Jun-2014	31-Dec-2019	30-Mar-2020	30-Jun-2021



► Community meetings and Consultations (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	139.00	224.00	200.00
Date	17-Jun-2014	31-Dec-2019	30-Mar-2020	30-Jun-2021
► Establishment of a Gas Regulator. (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	17-Jun-2014	31-Dec-2019	30-Mar-2020	27-Jun-2019
► EGAS and LDCs staff trained on Citizen Engagement related activities (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	29.00	94.00	35.00
Date	17-Jun-2014	31-Dec-2019	30-Mar-2020	30-Jun-2021

Performance-Based Conditions

Data on Financial Performance

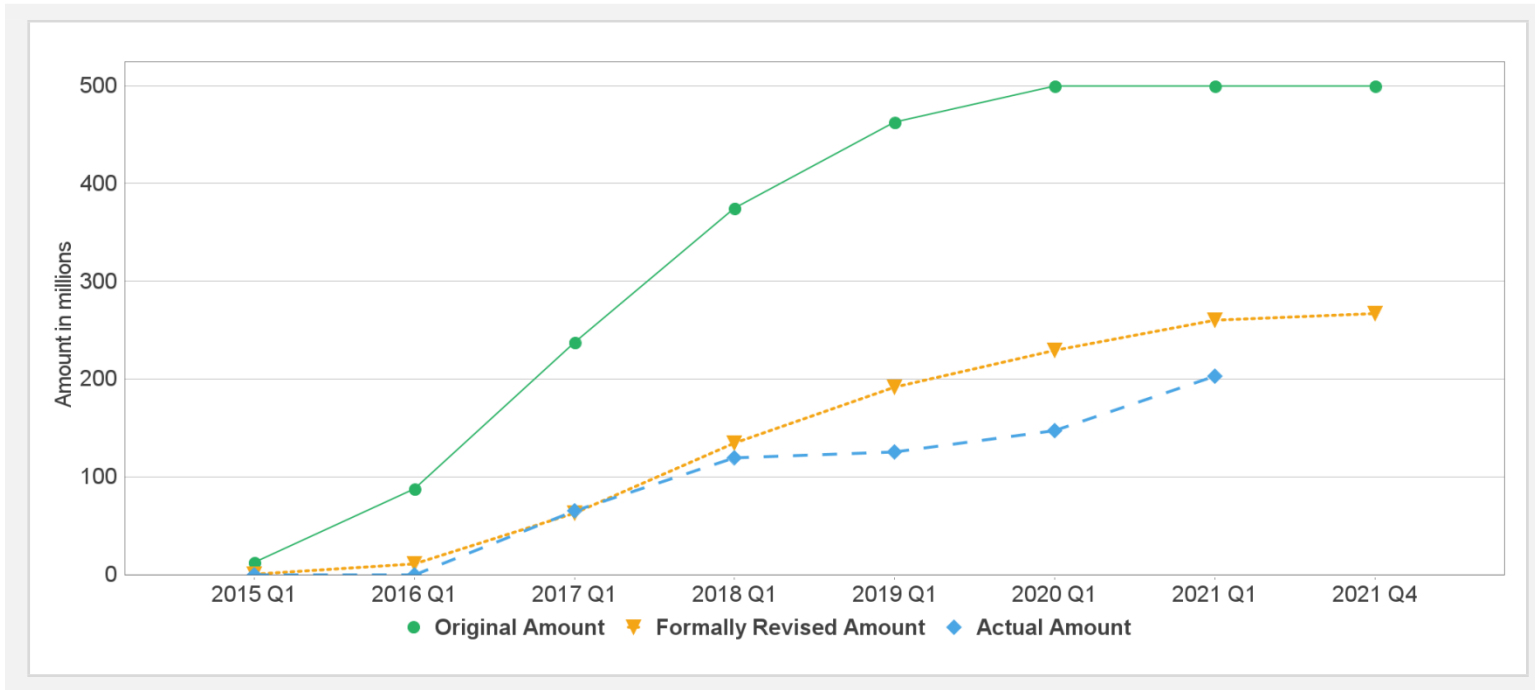
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P146007	IBRD-84110	Effective	USD	500.00	300.00	200.00	202.83	97.17	68%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P146007	IBRD-84110	Effective	24-Jul-2014	11-Sep-2014	11-Feb-2015	30-Jun-2019	30-Jun-2021

Cumulative Disbursements



PBC Disbursement

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

Restructuring History

Level 2 Approved on 01-Nov-2017

Related Project(s)

There are no related projects.