

## GEF SECRETARIAT REVIEW FOR FULL/MEDIUM-SIZED PROJECTS

Country/Region: Egypt  
 Project Title: Egypt: MED Enhanced Water Resources Management  
 GEFSEC Project ID: **3991**  
 GEF Agency Project ID: GEF Agency: World Bank  
 GEF Focal Area (s): International Waters  
 GEF-4 Strategic Program (s): IW-3;  
 Anticipated Project Financing (\$): PPG: \$0 GEF Project Allocation: \$6,682,000 Co-financing: \$28,121,000 Total Project Cost: \$34,803,000  
 PIF Approval Date: May 06, 2009 Anticipated Work Program Inclusion: June 24, 2009  
 Program Manager: Ivan Zavadsky GEF Agency Contact Person: Song Li

Review Criteria	Questions	Secretariat Comment at PIF/Work Program Inclusion	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	27th of april 2009 (cseverin): Yes, Egypt is eligible	Yes.
	2. If there is a non-grant instrument in the project, check if project document includes a calendar of reflows and provide comments, if any.		N.A.
	3. Has the operational focal point endorsed the project?	27th of April 2009 (cseverin): Yes, the GEF operational focal point have endorsed the project proposal.	
	4. Which GEF Strategic Objective/ Program does the project fit into?	27th of April 2009 (cseverin): The proposed project will support IW Strategic programme 2 & 3.	IW SP 2 and 3
	5. Does the Agency have a comparative advantage for the project?	27th of April 2009 (cseverin): Yes, the World Bank has substantial experience from working with the relevant sectors in Egypt, while also having experiences from the first tranche of the GEF World Bank-GEF Investment Fund for the	Yes.

		Mediterranean Sea Large Marine Ecosystem Partnership, which was renamed Mediterranean Sustainable Development Program - Sustainable MED.	
Resource Availability	5. Is the proposed GEF Grant (including the Agency fee) within the resources available for (if appropriate):		
	<ul style="list-style-type: none"> <li>• The RAF allocation?</li> <li>• The focal areas?</li> </ul>	27th of April 2009 (cseverin):  The proposed project GEF grant of \$6,682,500 + fee is within what is available under the IW focal area, programmed under the mediterranean Sustainable Development Program.	Yes.
	<ul style="list-style-type: none"> <li>• Strategic objectives?</li> <li>• Strategic program?</li> </ul>		
Project Design	6. Will the project deliver tangible global environmental benefits?	27th of April 2009 (cseverin):  It is not very easy to identify the tangible outcomes of this proposed intervention, nor the GEBs. Please reformulate so that the GEBs and associated outputs becomes more tangible.  May 04, 2009 (IZavadsky): The agency revised the PIF and resubmitted. The GEB are now clearly formulated, the expected outcomes and associated outputs were also reformulated in satisfactorily way.	
	7. Is the global environmental benefit measurable?		27th of April 2009 (cseverin):  As an effect of the GEBs not being that easy to identify in the PIF as presented, it is also rather difficult to establish if they are quantifiable.  Jan 23, 2012 (IZ): Yes, the Incremental Cost Analysis provides measurable outputs of the projects

	<p>8. Is the project design sound, its framework consistent &amp; sufficiently clear (in particular for the outputs)?</p>	<p>27th of April 2009 (cseverin):</p> <p>Please rewrite the objective of the project, it is very hard to identify what objective the project will be working towards. Please only the actual objective into the project framework, by including all the additional information, it gets a little messy.</p> <p>Please work on the identified and included outcomes and outputs. The presented list is very long and wordy. It would improve the PIF considerable if the wording could become more precise. Maybe it will help if the rationale for each output indicator is not included. The same goes for additional info on fundings etc.</p> <p>Please reformulate the output indicators to become more quantifiable.</p> <p>May 04, 2009 (IZavadsky): The project objective, expected outcomes and outputs were revised in the resubmitted PIF satisfactorily.</p>	<p>in terms of GEB.</p> <p>The request for CEO endorsement states that the project goal is the same and the project objectives and design have been improved. Since the key criteria for assessing this statement in this review is how the original Expected Outcomes from the PIF has been retained, the agency is asked to revise the Component 1 Expected Outcomes in order to reflect also the outcomes related to improved groundwater management and use of treated wastewater for irrigation in targeted pilot schemes.</p> <p>Only one measurable indicator on BOD(5?) reduction is listed in Table A. Does this BOD (5?) reduction from 216mg/l to 30 mg/l applies for all three pilots. The project result framework comprise more measurable indicators than this one.</p> <p>In general, the original PIF was much more specific in terms Expected Outcomes and Outputs than the recent request for CEO endorsement. According to information provided in the PAD, the Table A should give more details, minimum at the level of PIF, including listing proposed indicators.</p> <p>In Annex 2 to the PAD under Component 1 on Okda/Tellin Pilot Scheme also Activity 1 on EIA is proposed. Please note and make specific referrence that this will not be fund by GEF grant -it is not eligible under GEF policy.</p> <p>March 20, 2012 (IZavadsky): The project framework was revised and the outcomes and outputs were specofied sufficiently. Explanation of GEF funding</p>

			eligibility of the Okda/Tellin Pilot Scheme Activity 1 was accepted. Cleared.
	9. Is the project consistent with the recipient country's national priorities and policies?	27th of April 2009 (cseverin): yes, the proposed project is consistent with Egypt's national priorities, which among others have been discussed during consultations in June 2007.	Yes.
	10. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	27th of April 2009 (cseverin): Yes, the PIF identifies a number of national pipelined and ongoing project activities that the project will be coordinated with. Moreover, as the Bank is also in charge of the overarching Sustainable MED project, regional coordination will be ensured.	Yes.
	11. Is the proposed project likely to be cost-effective?	27th of April 2009 (cseverin):  As mentioned above it is a little hard to understand what the objective and the potential outputs will be from the project, hence it is a little hard at this stage to pinpoint if the project will be cost effective. However, the fact that the project will be under the Sustainable MED project will mean that it will be one among a 10 projects all together, which will effect and hopefully benefit from the catalytic role of the Sustainable Med programme, in the end making the investment cost effective.  May 04, 2009 (IZavadsky): The likelihood of cost-effectiveness of the project is now sufficiently discussed in the resubmitted PIF.	
	12. Has the cost-effectiveness sufficiently been demonstrated in project design?		Yes.
	13. Is the project structure sufficiently close to what was presented at PIF?		This is not clear from the submitted documents. Despite the statement in the text

			in Part IV on restructured project during the design phase, only a table with information on restructuring of the project components, according to broad stakeholders consultation, is provided. However, in line with a comments in box 9 above more detailed information on alignment of the project outcomes with those in the PIF (including indicators) is needed.
	14.Does the project take into account potential major risks, including the consequences of climate change and includes sufficient risk mitigation measures?	27th of April 2009 (cseverin):  Please elaborate more on the section on the identified risks. Please include as part of this section a matrix where the identified risks are listed along with possible mitigation strategies as well as an assessment of the seriousness of the risk (low, medium, high).  May 04, 2009 (IZavadsky): The agency elaborated a matrix on the potential risks satisfactorily.	Yes.
Justification for GEF Grant	15.Is the value-added of GEF involvement in the project clearly demonstrated through incremental reasoning?	27th of April 2009 (cseverin): Please strengthen the incremental reasoning so that it becomes clearer what the "business as usual" scenario is and what the increment is when GEF invests. It would be good if it is possible to be more detailed (eg what it will mean on outcome and output level).	Yes. The Incremental Costs Analysis is provided.
	16.Is the type of financing provided by GEF, as well as its level of concessionality, appropriate?	Yes.	
	17.How would the proposed project outcomes and global environmental benefits be affected if GEF does not invest?		Without GEF investment the high pollution loads from the drains will continue to negatively impact on biodiversity in the northern lagoons and the Mediterranean Sea. An IWRM approach will not be broadly used to provide a strong mechanism for more operational linkages across the concerned implementing agencies. Different stakeholders' commitments to a common

			water resources and environmental management agenda will not be reached.
	18. Is the GEF funding level of project management budget appropriate?	27th April 2009 (cseverin):  Yes, the indicated PM budget is appropriate, as the GEF grant is at \$50K and the co-financing \$450K. Hence, it also satisfied the GEF guidance on the relationship between the PM budget and the overall budget.	Yes, the project management costs (including M&E) are proportional with regard to the overall co-financing ratio. It makes 6.6% of the GEF grant, which is in line with GEF acceptable practice.
	19. Is the GEF funding level of other cost items (consultants, travel, etc.) appropriate?		Yes, the GEF funded project management costs are reasonable and proposed consultancy rates are within GEF acceptable practice range. The question is why all the consultants and other management costs are entirely covered by the GEF grant, while the project management costs are co-financed by a substantial amount of \$1.618 mill.
	20. Is the indicative co-financing adequate for the project?	27th of April 2009 (cseverin):  Yes, the co-financing is indicated at \$34,3 million, which is equivalent to ~ 1:5.  Please make sure that Table C presents the correct figures (if the GEF Grant is \$6,682,500, then the Fee can not be higher than \$668,250. Please revise)  May 04, 2009 (IZavadsky): The tables on financial information were revised and corrected.	
	21. Are the confirmed co-financing amounts adequate for each project component?		The co-financing of each project component is adequate. There is a discrepancy between the co-financing letter from GoE and the amount in the Table B, please correct either the Table B or provide corrected letter. There is no written confirmation of the co-financing from project beneficiaries, as listed in Table B. Neither the Agreed Minutes from

			<p>Negotiations provide necessary reference to this amount. Please clarify or correct.</p> <p>March 20, 2012 (IZavadsky): The revised endorsement request now corresponds with the structure and amounts of the project co-financing as listed in the PAD. Cleared.</p>
	22.Has the Tracking Tool been included with information for all relevant indicators?		Yes.
	23.Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		Yes.
Secretariat's Response to various comments from:	STAP		
	Convention Secretariat		
	Agencies' response to GEFSEC comments		
	Agencies' response to Council comments		
<b>Secretariat Decisions</b>			
Recommendation at PIF	<b>24. Is PIF clearance being recommended?</b>	<p>27th of April 2009 (cseverin): No, CEO clearance is not being recommended. Please revise according to the comments above.</p> <p>May 04, 2009 (IZavadsky): The agency resubmitted the PIF with revisions and corrections addressing all GEFSEC comments. The PM, therefore, recommends the clearance of the PIF.</p>	
	25.Items worth noting at CEO Endorsement.	The agency is expected to work with GEF co-funded Nile Basin Initiative and the Eastern Nile WB Project in order to avoid any	

		overlapping activities and to maximize synergy of interventions in Egypt.	
Recommendation at CEO Endorsement	<b>26. Is CEO Endorsement being recommended?</b>		Not yet. The agency is asked to provide additional information, clarification and revisions in line with comments above.  March 20, 2012 (IZavadsky): All comments were addressed satisfactorily in the revised submission, therefore the PM recommends CEO endorsement.
Review Date	1 <sup>st</sup> review		
	2 <sup>nd</sup> review		
	3 <sup>rd</sup> review		

### REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	
	2. Is itemized budget justified?	
	3. Is the proposed GEF PPG Grant (including the Agency fee) within the resources available under the RAF/Focal Area allocation?	xxPPGResorcesxx
	4. Is the consultant cost reasonable?	
Recommendation	<b>5. Is PPG being recommended?</b>	
Other comments		27th of April 2009 (cseverin):  Please delete the guidance (pp 13-16) before resubmitting next time, this is purely cosmetic, but something that most other agencies does.
Review Date	1 <sup>st</sup> review	
	2 <sup>nd</sup> review	
	3 <sup>rd</sup> review	



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