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EGYPT - Cr 181 UAR

Vol. V



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Egypt - Nile Delta Drainage Project - Credit 0181 - Correspondence - Volume 5

CLOSE - OUT SHEET

This file is closed as of

Feb. 28, 1979

For further correspondence, please see

Vol. VII

RECORDS MANAGEMENT SECTION

ARAB REPUBLIC OF EGYPT
EGYPTIAN PUBLIC AUTHORITY
FOR DRAINAGE PROJECTS
5 a Elgoheiny St. Dokki Giza
Cable Address: Deltatile Cairo.
Chairman's Office

ECIT W/1287/637

ECIT W. 393

ECIT W. 121

February, 15, 1979 .

Mr. Peter Naylor,
Chief , Agriculture Division IV,
EMENA Projects Dept.,
1818 H Street, N.W.,
Washington, D.C. 20433 U.S.A.

EMENA	
AGRICULTURE DIVISION IV	
Rec'd 2/7	No. 163
Assigned to CN/ Zoononides	
Action required Nil	
3/7/79	
Filing Instructions:	
Project Sec. Informed:	
Project Name Egypt	
Loan/Credit No Drainage Projects	

Dear Mr Naylor,

Reference is made to your letter dated December 5, 1978 regarding the revised lists of equipment for the ongoing projects.

Please find enclosed herewith the revised lists signed by us.

With my best regards,

Sincerely yours

A. Fahmy
Eng. Ahmed Fahmy
Chairman

TELEX/LT
2222

February 12, 1979 92354
76061

927-92222

PARIS ECONOMIDES, WORLD BANK STAFF, HILTON, CAIRO, EGYPT. EGT. Cr. 181
HOTES PLANS VISIT EGYPT FEBRUARY 22-25 SPENDING FIRST TWO DAYS WITH
EXWAP AND LAST TWO WITH EPADP AND DRAINAGE RESEARCH INSTITUTE AND
MAKING FIELD TRIP. CONCERNED THAT BANK MAY BE OVERLOADING DRAINAGE
PEOPLE WITH TOO MANY VISITORS AND WOULD BE GRATEFUL YOUR URGENT
CABLED AFFIRMATION THAT THEY WOULD BE WILLING TO RECEIVE HIM ON
THESE DATES AND EMPHASIZING TO THEM HIS STATUS WITHIN BANK.
REGARDS NAYLOR

EGYPT Drainage Projects

PNaylor/hm

Peter E. Naylor

Chief, EMPA4

325 HOMER UN (Telex 10.)

WORLD BANK WASHINGTON DC

CAIRO 5/2/73

INCOMING TELETYPE From Cairo

1211 CV. 393

1211 1205/637

Mr. Najler

Mr. Koeppe

1211 CV. 181

Feb. 6, 1979

1211 1439/1440/779

TWO FOR NAYLOR. FOLLOWING DATA HAVE RECEIVED FROM EPADP TODAY
AAA AREAS REMODELED FOURTH QUARTER AND TOTAL YEAR, NILEDELTA ONE
36300, 123300 UPPER EGYPT ONE 11200, 46500 UPPER EGYPT TWO
27200, 70100 NILEDELTA TWO 19900, 60700 TOTAL 95100, 301100.
BBB FIELD DRAINAGE FOURTH QUARTER AND TOTAL YEAR, NILEDELTA
ONE 41800, 130500 UPPER EGYPT ONE 8200, 37000 UPPER EGYPT TWO
2400, 3600 TOTAL 52400, 176100.
SHORTAGE OF CEMENT WAS MAIN REASON FOR POOR PERFORMANCE. OUT
OF 212 THOUSAND TONS REQUESTED EPADP RECEIVED 160 THOUSAND TONS
ONLY INCLUDING CEMENT PROCURED FROM ABROAD.
REGARDS ECONOMIDES

440098 WORLDBANK

325 HOMER UN

AAA

Quarter
95100

Year
301,100

BBB

52400

176100

AGRICULTURE DIVISION
Re'd. 2/6/77
Assigned to Naylor
Action required
Filing Instructions:
Project Sec. Informant:
Project Name: Egypt
Project Credit No.

248423 WORLDDBK

INCOMING TELEX

92222HILTLS UN

CAIRO 29.1.1979

TODTEBEX USA 248423 W

ATTN. HEIDHUEUS

AAA LEAVING TOMORROW FOR THENS

Bose/Hing
BBB PLEASE TELEX NAMES DATE, FLIGHTS ETC FOR
SUPERVISION MISSIONS TO MINAG, PBDAC, BANK
MISR BECAUSE NOBODY HERE AWARE OF DETAILS

Schwemmer
CCC YOU WILL BE RECEIVING CABLE FROM EPADP
ABOUT CEMENT TENDER SOON. EYE BELIEVE WAS
GENUINE CASE OF BID DELAY DUE TO CIRCUMSTANCES
BEYOND CONTROL. SUGGEST, IF CABLE DOES NOT
SATISFY YOU TO THIS EFFECT, YOU WAIT TILL
ECONOMIDES HAS HAD TIME TO REVIEW CASE AND
GIVE YOU HIS VIEWS

Schwemmer
DDD CABLE TO EPADP AGREEING
TO PURCHASE STEEL REINFORCING BARS WHICH
EYE SIGNED EARLY JANUARY NOT RECEIVED.
PLEASE REPEAT

EMMA
family notif.
EEE DELL ARRIVED
REGARDS
NAYLOR

++

92222HILTLS UN

+

248423 WORLDDBKLLL

EGT W 1276
EGT W 181
EGT W 293
Distribution: fca
Mr. Naylor's Office ✓
Ms. Dell's Office

EGT W 1285/687
EGT 429/1040/719

AGRICULTURE DIVISION IV
Revised 4/29 No. 077
Assigned to <i>Heidhues</i>
<i>As indicated</i>
Action required <i>Reply sent by telex 2/29/79</i>
Filing Instructions:
Project Sec. Informed:
Project Name
Loan Credit No. <i>1276 EGT</i>
<i>830 EGT</i>

OFFICE MEMORANDUM

DATE January 26, 1979

TO: Mr. Hans-Eberhard Köpp, Chief, EM1A
FROM: Franz Heidhues, Acting Chief, EMPA4
SUBJECT: EGYPT - Amendment of Project Agreement for the
Nile Delta Drainage II Project

1. With the attached draft letter to Mr. Ahmed Fahmy, Chairman of EPADP, we are proposing to amend four outstanding provisions of the Project Agreement for Nile Delta Drainage II Project and related amendments to the Project Agreements of other drainage projects. The reasons for these changes are explained below:

(a) Section 2.06 - Evaluation of the Effect of Drainage Works on Crop Yields

Section 2.06 of the Project Agreement provides for the completion of the evaluation of the effect of drainage works not later than June 30, 1978, for areas under Nile Delta I Project and not later than June 30, 1979, for areas under Upper Egypt I Project.

These provisions were based on the assumption that existing yield data, collected by cooperatives, would be used. However, experience showed that these data were not reliable due to the fact that they did not account for factors other than drainage that affect yields (cultural practices, inputs, pest problems, etc.). We therefore proposed and EPADP agreed to initiate a new monitoring and evaluation program which would, with an improved methodology, provide the information needed to scientifically and accurately evaluate the effects of drainage on crop yields.

The new monitoring and evaluation program is divided into two distinct parts: (i) a crash program, and (ii) a long range program. The crash program will be limited to two years and will cover three representative areas. It is designed to provide as quickly as possible reliable information on the effects of drainage on crop yields. This data, although only available in part by then, will be used for the Nile Delta III Drainage Project scheduled for appraisal in May 1980. The crash program started November 1978.

The long range program is more comprehensive than the crash program, and will last for five years. It will cover six to ten representative areas. Because of its scope, the long range program will not only evaluate the effects of drainage over the years on crop yields in Upper and Lower Egypt, but it will also indicate how drainage might influence cropping patterns, land use, income level and distribution, use of inputs, as well as a number of other factors.

Mr. Hans-Eberhard Köpp

January 26, 1979

The proposed amendment of Section 2.06 of the Nile Delta Drainage II Project Agreement (see draft letter attached) reflects the new situation.

(b) Section 2.07 - Study of the Ability of Farmers to Pay for Drainage Works

Section 2.07 of the Project Agreement provides for the completion of the study on the ability of the beneficiaries of the drainage works to pay for the investment, operation, and maintenance costs. However, this study is a follow up of a general socio-economic and farm management study carried out by the Ministry of Agriculture with technical and financial assistance from the Ford Foundation. Collection of data for the general studies has been completed after several months of delay, but tabulation and report writing are still underway. Since the study on the ability of beneficiaries to pay for the drainage works will be based on the findings of this general socio-economic study, and since it has not yet been completed, we propose to extend the date for the completion and furnishing to the Bank of the report on the ability of farmers to pay, to December 31, 1979. (See draft letter attached.)

(c) Section 3.03 - Training Program

Section 3.03 of the Project Agreement provides for carrying out by EPADP of a training program for (i) supervisors and technicians, and (ii) mechanics and operators.

Training programs for EPADP supervisors and technicians and the extension agents of the Ministry of Agriculture are being carried out as the need arises. But it is no longer appropriate for EPADP to carry the responsibility for training of mechanics and operators in the operation and maintenance of the equipment, since all equipment provided under the project is now sold to the contractors. Training of operators and mechanics is the responsibility of the contractors and is being carried out with the assistance of foreign technicians provided by the suppliers of the machinery. The proposed amendment of this section reflects this situation. (See draft letter attached.)

(d) Section 4.03 - Establishment of Cost-Accounting System

Considerable delays occurred in the establishment of a cost-accounting system in EPADP, required under 4.03 section of the Project Agreement, due to lack of experience and staff. The Bank suggested, and EPADP agreed, to hire a local consulting firm to assist in establishing the cost-accounting system and to train EPADP's staff. Bank provided its assistance to EPADP by drafting Terms of Reference for the design, training of staff, and implementation of the cost-accounting system by a local consulting firm. Negotiations are underway for the recruitment of one of the consulting firms, namely Dr. Hegazy and Co.

Mr. Hans-Eberhard Köpp

January 26, 1979

EPADP has recruited a number of new accountants who, after training, will form the cost-accounting unit. Training activities were expected to start in January. Because of the above mentioned difficulties, the cost-accounting system is not expected to become operable before the end of 1979. Therefore, we are proposing that this section be amended to reflect the actual state of affairs.

2. If you approve the attached draft letter to Mr. Ahmed Fahmy, you may have it signed by Mr. Paijmans. Please note that this Department and Mr. Krishna of the Legal Department have cleared the letter.

Attachment

cleared and cc: Mr. D. Haynes(EMP)

cc: Messrs. R. Krishna(LEG), F. Sands(EMP), and S. Rehman(EMP)
Division Project Black Book

PEconomides/mcg

OFFICE MEMORANDUM

TO: Mr. Fenton B. Sands, EMPA4

FROM: Franz Heidhues, Acting Chief, EMPA4

SUBJECT: EGYPT: Terms of Reference--Supervision of Nile Delta Drainage I (Cr. 181-EGT), Upper Egypt Drainage I (Cr. 393-EGT) and the Fruit and Vegetables Development Project (Ln. 1276-EGT)

DATE: January 25, 1979

1. On or about January 29 you should arrive in Egypt for about two weeks to supervise the above projects.
2. You will pay specific attention to the progress being made with the Crash and Long Range Monitoring and Evaluation Programs on the drainage projects being implemented with assistance of the Dutch Consultants. You should review all procedures, especially the collection of field data.
3. You should also confer with the Director of the Drainage Research Institute and the Team Leader of the Dutch Consultant Group to secure information on their respective research programs, particularly accomplishments and conclusions reached to date.
4. In addition, you will look into the progress being made on the Fruit and Vegetables Project, especially the horticultural program of the Nubariya Seed Production Farm, the plastic house research project conducted by the Vegetable Research Institute, and the pilot, plastic house vegetable production program on winter vegetables conducted by the Union of Producers of Exportable Horticultural Crops. Discussions should be held with responsible persons regarding implementation of an effective monitoring and evaluation program for the above mentioned projects.
5. Time permitting, you should discuss the Giza Agricultural Development Project with Mr. Mostafa and his son, visit and evaluate their farm operations, and examine the proposed project site.
6. On your return to Washington, you will prepare a Back-to-Office report and a full supervision report at a later date.

cleared with & cc: Mr. Fares (EMI)

cc: Messrs: Paijmans, Kwaku, Köpp, Swayze (EMI); Haynes, K. Jones, Naylor(or), French-Mullen, Merghoub, Frank, Khorana, Hing, Economides (EMP); van der Tak(3)(PAS), Yudelma (2)(AGR), Krishnan (LEG), Hakim (CTR), Subramanian (CTR)

Mesdames: Minshall, Kelley (EMP)

OFFICE MEMORANDUM

TO: Mr. Franz Heidinger, Acting Chief, EMPA4

FROM: Paris Economides, EMPA4

SUBJECT: Forthcoming Supervision Mission to Egypt and Iraq

DATE: January 23, 1979

Attached please find a list of points that I intend to discuss
with Government officials during my supervision mission to Egypt and Iraq.

Attachment

cc: Messrs. Rehman(EMP) and Sands(EMP)

PEconomides/mcg

Yellow

Egypt Drainage Projects

EGT W. 1213

EGT 1225/1627

EGT 1429/1440/719

EGT W. 293

EGT W. 101

EGT W. 230

IRG W. 878

EGYPT - Supervision Mission February 1979

Main Points for Discussion

A. Ongoing Drainage Projects - LPALP

1. Tender for pumping stations under Nile Delta II Project
(Solution selected for pumping station Mehalla-F1-Kobra, issuing of tender, preparation of tenders for electrical transmission lines and for replacement pumps for pumping stations Bahr Saft and Kassaby.)
2. Results tender for procurement of 75,000 tons cement.
3. Preparation of tender for procurement of draglines and excavators under Nile Delta II Project.
4. Preparation of tender for procurement of vehicles under Upper Egypt II Project (see attached list).
5. Tender for procurement of steel bars under Nile Delta II Project.
6. Results of tests of PVC compound procured from Romania.
7. Issuing of tender for the installation of field drainage under Upper Egypt II Project.
8. Delivery of cement from Romania.
9. Progress with the procurement of machinery for the PVC pipe factories under Upper Egypt II Project (financed by USAID). Supplementary tenders for the above factories.
10. Revision of overall drainage program.
11. Revision equipment lists.

(cont'd)

12. Revised project areas.
13. Maintenance of open drains.
14. Audit report (1977).
15. Progress with the establishment of cost accounting system.
16. Arrangements made for the use of gravel crushers.
17. Progress with the installation of machinery in the three pumping station workshops.
18. Progress with cost recovery. Bonus for collectors.
19. Progress with soil amelioration study (preliminary report expected end of November, field investigation to be completed end of February).
20. Need for systematic monitoring of drainage discharge data in all drainage pumping stations and presentation in an annual report.
21. Letter requesting amendment of section 5.01(c) of Development Credit Agreement Nile Delta II Project.

B. Fruit and Vegetables Project

1. Progress with the ongoing contracts of Main Nubariya Drain (km 0-7.8).
2. Results of tender for Main Nubariya Drain (km 28.4-67.7).
3. Preparation of tender for the remaining part of the Main Nubariya Drain (km 7.8-28.4).
4. Progress with the design of the outfall structure of the Main Nubariya Drain.
5. Progress with the design and preparation of tender documents for the remodeling of the main open drains in the seed farm.
6. Field drainage in the seed farm. (Design criteria, need for a pilot drainage scheme, arrangements for design, execution and monitoring. Role of FAO/UNDP Project. Financing.)
7. Rehabilitation of the irrigation system of the seed farm. (Progress with design, preparation of tender documents. Supervision of execution and financing.)
8. Lining of the Nasr Canal. (Progress with Halcrow Report)
9. Maintenance of irrigation and drainage works in the seed farm.
10. Organizational aspects (Damanhur Unit, engineering section in the farm, improvement of irrigation practices.)

C. Agricultural Development Project

1. Arrangements made for preparation of design for the pilot irrigation scheme in Menufiya (recruitment of consultant, responsible agency for design, tender, execution, preparatory works, arrangements with Rural Electrification Authority, etc.)
2. Organization of farmers for collective irrigation.
3. Arrangements for the monitoring and evaluation.
4. Procurement of pump units. (Selection of size and type, organization of maintenance and operation, preparation of tender documents.)
5. Electrification of water pumps. (Preparation of design for electric transmission lines. Tender documents for the procurement of materials.)
6. Preparation of tenders for the procurement of farm machinery (including repair facilities).
7. Arrangements for training of tractor operators.
8. Preparatory works for the establishment of experimental mechanized farms. (Shandawell Station and location in Menufiya to be determined.)

IRAO - Supervision Mission February 1979

Main Points for Discussion

1. Land Redistribution: An early Government decision on the distribution of the reclaimed lands to the farmers is necessary so that the farmers could participate in the leaching and farming. Actual distribution should be limited on those lands that can reasonably sustain irrigated agriculture. It should be noted that leaching without farming may serve no useful purpose as on certain lands salts may by capillary action return to the surface if lands are left without cultivation.

2. Progress of Work

(a) K3 Contract (6,700 ha). Problems: Shortage of cement and compensation of landowners for site of pumping plant North Rashidya and feeder canal. Area reclaimed (irrigation, land leveling, drainage, leaching).
Expected completion date.

(b) K2 Contract (24,900 ha). Problems: Mobilization of equipment (lining machines) and shortage of labor (Pakistanis). Area reclaimed.
Expected completion date.

(c) K1 Contract (14,300 ha). Problems: Mobilization of equipment (lining machines), delays in the completion of concrete batching plants. Area reclaimed. Expected completion date.

3. Buildings and Housing for KAA Headquarters: Proposal to use the contractor's camps in K1 and K2 areas, and the consultant's office in K3 area. Doubtful if the temporary office facilities in K3 will be satisfactory.

4. Experimental Farm: Issuance of tender for buildings.
5. Drainage Engineer: T.O.R. Tasks: Determine design criteria, (gravel envelope, depth, drainage needs of rice fields). Develop monitoring and evaluation systems. Assist in the organization of maintenance.
6. Field Trials: Need to extend cropping trials in representative areas for demonstration purposes. An increase in strength of the agriculture staff of KAA and the recruitment of an agronomist by the consultant are required for this purpose.
7. Farm Mechanization: Selection of suitable machinery and establishment of repair facilities. Training of farm operators and mechanics (training program, instructors, overall responsibilities).
8. Irrigation Methods: Investigate the need for applying sprinkler irrigation in areas where land leveling is difficult.
9. Derhbandi Khan Dam: Bank wishes to receive copies of the consultant's reports on the dam stability.
10. Progress Reports: Last progress report received November 11, 1978. Government is requested to instruct the consultant to send copies of his progress reports to the Bank.

OFFICE MEMORANDUM

TO: Mr. P. Economides (EMP)

FROM: Raj Krishna (LEG) *all*

LCIT 1439/1440/71
LCIT 611
DATE: January 18, 1979
LCIT 61398

SUBJECT: EGYPT: Amendment of Project Agreements Relating to Drainage Projects

Attached is the draft letter amending the various Project Agreements relating to Drainage Projects. If you approve the text you may have it cleared by others directly.

Prior to the dispatch of this letter, a memorandum setting forth the reasons for amending the Project Agreements should be addressed to the senior management and their approval taken.

The Executive Directors should be informed of the amendments through the semi-monthly report.

cc: Mr. Swayze

DRAFT
RKrishna:mr
January 18, 1979

Mr. Ahmed Fahmy
Chairman
Egyptian Public Authority for
Drainage Projects
5A El Goheiny Street
Dokko-Giza
Egypt

Re: Amendments to Project Agreements for
(i) Nile Delta Drainage II Project,
(ii) Upper Egypt Drainage II Project,
and (iii) Upper Egypt Drainage Project

Dear Mr. Fahmy:

1. I refer to the discussions that the recent IDA/IBRD supervision mission has had with you regarding amendment to the following provisions of the Project Agreement for Nile Delta Drainage II Project:

- (i) Section 2.06 re: evaluation of the effect of drainage works;
- (ii) Section 2.07 re: study of the ability of the beneficiaries of the drainage works to pay for the investment, operation and maintenance costs;
- (iii) Section 3.03 re: training program; and
- (iv) Section 4.03 re: the establishment of the cost accounting system for the Authority.

2. In this connection, we propose the following amendments to the said sections and consequential amendments to other Project Agreements mentioned above:

- (i) "Section 2.06. (a) Except as the Association and the Bank shall otherwise agree, the Authority, in respect of selected areas, shall furnish to the Association and the Bank: (i) not later than February 28, 1979, an initial report, and thereafter, semiannual progress reports until December 31, 1980, on Authority's ongoing crash program for evaluating the

effects of completed drainage works under the Projects and other projects of the Borrower on crop yields; (ii) not later than February 29, 1980, an interim report on the said program; (iii) not later than February 28, 1981, a final report on the findings of the said program; (iv) not later than June 30, 1979, an initial report, and thereafter, semiannual reports until June 30, 1984, on the Authority's on-going long-range program for evaluating the effects of completed drainage works under the Projects and other projects of the Borrower on crop yields; and (v) not later than November 30, 1984, a final report on the findings of the said long-range program.

"(b) Section 2.08 of the Project Agreement (Upper Egypt Drainage II Project) between the Bank, Association and the Authority of June 11, 1976, is amended to read as provided in Section 2.06(a) of this Agreement."

(ii) Section 2.07 is amended by deleting the date set forth therein and by substituting the date "December 31, 1979" therefor.

(iii) "Section 3.03. (a) The Authority shall, as and when necessary, carry out training programs for its supervisors and technicians and the extension agents of the Ministry of Agriculture in drainage practices and maintenance. Prior to carrying out any such program the Authority shall furnish to the Association and the Bank the details thereof for their review and comments.

"(b) Section 3.03 of the Project Agreement (Upper Egypt Drainage Project) between the Association and the Authority of June 8, 1973, and Section 3.03 of the Project Agreement (Upper Egypt Drainage II Project) between the Bank, the Association and the Authority of June 11, 1976, are each amended to read as provided in Section 3.03 of this Agreement."

(iv) "Section 4.03. (a) The Authority shall, not later than ^{December 31,} ~~June 30,~~

1979, or such other date as may be agreed between the Association, the Bank and the Authority, establish, and thereafter, maintain a cost accounting system, satisfactory to the Association, the Bank and the Authority, for its operations.

"(b) Section 4.03 of the Project Agreement (Upper Egypt Drainage Project) between the Association and the Authority of June 8, 1973 and Section 4.03 of the Project Agreement (Upper Egypt Drainage II Project) between the Bank, the Association and the Authority of June 11, 1976, are each amended to read as provided in Section 4.03 of this Agreement."

3. If you agree with these proposals please signify your agreement by signing the attached copy of this letter and returning it to us.

4. In view of his interest in this matter, I am sending a copy of this letter to Mr. Samir Koreim, Undersecretary of the Ministry of Economy and International Cooperation.

Sincerely yours,

Martijn Paijmans
Director, Country Programs I
Europe, Middle East and North Africa
Regional Office

Confirmed:

EGYPTIAN PUBLIC AUTHORITY FOR
DRAINAGE PROJECTS

By _____
Authorized Representative

Date: _____

cc: Mr. Samir Koreim

To be cleared with and cc: Messrs. Naylor (EMP), Economides (EMP), Swayze (EM1),
Sands (EMP)

Class of Service: **TELEX/LT**Date: **January 16, 1979**Telex No. **927-348 GAFEC UN/DELTATILE**Originators Ext: **74515**0 **START
HERE**1 **TO****DELTATILE, CAIRO, EGYPT**

CITY/COUNTRY

MESSAGE
NO.:**FOR AHMED FAHMY, CHAIRMAN. RE CREDITS/LOANS 181, 393, 637/1285 AND****719/1439-40 AND LN. 1276-EGT. MEMBERS BANK PROGRESS REVIEW MISSION****SCHEDULED ARRIVE CAIRO AS FOLLOWS: AAA ECONOMIDES JANUARY 30,****FLIGHT TWA 840, TIME 18.25 BBB SANDS JANUARY 30, FLIGHT SN 243,****TIME 19.15. CCC REHMAN FEBRUARY 1, FLIGHT OA 260, TIME 18.25.****REGARDS HEIDHUES ACTING CHIEF INDEVAS**

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**END
OF
TEXT****NOT TO BE TRANSMITTED**

SUBJECT:

Ln. 1276

DRAFTED BY:

EGYPT: 181, 393, 637/1285, 719/1439-40**PEconomides/mco**

CLEARANCES AND COPY DISTRIBUTION:

AUTHORIZED BY (Name and Signature)

Mr. Franz Heidhues

DEPARTMENT:

Acting Chief, EMPA4**SECTION BELOW FOR USE OF CABLE SECTION**

CHECKED FOR DISPATCH

10/10/1979

10/10/1979

10/10/1979

10/10/1979

TELEX/LT
348 GAFEC UN/DELTATILE

January 11, 1979
74515

LWI tx

927-348
EGIT 1439/1440/719

EGIT 1439/1440/719
EGIT 1439/1440/719

DELTATILE, CAIRO, EGYPT

FOR AHMED FAHMY, CHAIRMAN. RE CREDITS/LOANS 181, 393, 637/1285 AND
719/1439-40-EGT. EYE WILL BE IN CAIRO IN CONNECTION WITH UNDP

MASTER PLAN FROM JANUARY 13 TO 28. I WOULD LIKE TO RECEIVE PROGRESS
REPORTS ON ONGOING DRAINAGE PROJECTS FOR LAST QUARTER 1978 BEFORE
MY DEPARTURE. DATA ARE REQUIRED FOR PREPARATION SEMIANNUAL REPORT
TO MR. MCNAMARA ON DRAINAGE PERFORMANCES IN EGYPT DUE JANUARY 31.
WILL CONTACT YOU SHORTLY AFTER ARRIVAL AS EYE WOULD LIKE TO MEET
YOU AGAIN. HOPE THIS TIME TO BE ABLE TO VISIT AREAS WHERE DRAINAGE
BEING INSTALLED. REGARDS NAYLOR INDEVAS

END
OF
TEXT

EGYPT:181, 393, 637/1285 & 719/1439-40 PEconomides/mcg

Cleared with & cc: Mr. Swayze(EM1)

Mr. Peter E. Naylor

Chief, EMPA4

cc: Progress Report File

OFFICE MEMORANDUM

TO: Mr. Peter E. Naylor, Chief, EMPA4

DATE: January 10, 1979

FROM: Paris Economides, EMPA4

SUBJECT: Discrepancies in Disbursements and Actual Expenditures of
Drainage Projects in Egypt

1. The comparison of our records on actual expenditures under the first two (Nile Delta I and Upper Egypt I) drainage projects in Egypt with the tables issued by the Controller on amounts disbursed or committed under these projects shows discrepancies in the total amounts under each project and in the partial amounts under the various categories.
2. I looked into the matter and found that in the past: (i) when procurement of equipment for the two drainage projects was combined in one tender (e.g., tile laying machines) in the application for disbursement, one project only was mentioned and consequently one project only had been charged; (ii) similarly, equipment belonging to more than one category (e.g., vehicles, spare parts) was charged to one category only, the one mentioned in the application; and (iii) on several occasions, the credit number and/or category are incorrectly stated in the applications.
3. Under these circumstances, the distribution of expenditures between the first two drainage projects and among the various categories, as is shown in the disbursement sheets, does not provide a real picture of the situation. This means also that the reallocation of funds among different categories, made repeatedly in the past, does not necessarily reflect overspending in one category and underspending in another.
4. I would like to make it quite clear that I do not consider the Controller responsible for these discrepancies. The Controller simply charges the amount of each application for disbursement on the credit number and category mentioned in it. On the other hand, the project officer has no way to check if an application was correctly charged since he never sees it.
5. It is extremely difficult and time consuming to correct these discrepancies on account of the lapse of time (most of these discrepancies occurred several years ago), the number of applications involved, and the poor description of goods provided in each application. But I think it ought to be possible to avoid a repetition of this irregularity in the future.
6. To ensure that an application for disbursement is issued with the correct credit number and category, the project officer should have the chance to look at it. However, it could be argued that if a system is established of official clearance of the applications by the project officer

(cont'd)

(cont'd)

before disbursement, this may cause unnecessary delays and it will complicate the procedure of disbursement. Another solution is for the Controller to proceed with the disbursement of the applications after previous consultation with the project officer by telephone (system practiced recently in the case of drainage projects in Egypt), but this again may cause delays in the case the project officer is absent, on mission, or on leave.

7. My suggestion is that the Controller be instructed to proceed without delay with the disbursement of the applications but to send a copy of them to the project officer after disbursement. In this way, if the project officer notices a mistake in the credit number or in the category stated in the application, he will ask the Controller to make the appropriate correction. The system will also allow project officers to know at any time the exact amount disbursed under each project and each category, to follow more closely the project's financial status, and to take proper action if necessary in time. Borrowers, on the other hand, should be instructed to make a more accurate description of the goods in their applications to allow the project officer to classify correctly the expenditures.

8. I am sure that these kind of discrepancies occur in other projects too, and I would suggest the matter to be discussed in one of the coming Division meetings.

cc: Messrs. Schwenneker (EMP), Heidhues (EMP), Swayze (EM1), Hakim (CTR),
and Krishna (LEG)

PEconomides/mcg

Ministry of Irrigation
DRAINAGE RESERCH INSTITUTE
13, Giza Street, Egypt

177
10/2/19

EGT 1285/4637 وزارة الري
EGT 1439/1440
EGT 1439/1440
م.س.د. محمد بحوث العرف
12 من الج. 1979

Date Dec. 31, 1978

Mr. Peter E. Naylor,
Chief, Agriculture Division IV
Europ, Middle East and North Africa Region
Projects Department,
1818 H. Street,
N.W., Washington, D.C. 20433, U.S.A.

AGRICULTURE DIVISION IV
Rec'd 1/8 No 059
Assigned to Economic/
Naylor (o/c) Sands
Action required
Letter of proposal prepared
Filing Instructions: 1/2/
Project Sec. Informed: 7
Project Name Egypt
Drainage Projects
Loan/Credit No.

Dear Mr, Naylor,

Thank you for your congratulations for my appointment as Director of the Drainage Research Institute, in your letter dated November 22, 1978. I would like to take the opportunity also to Congratulate you for the New year.

The reports of the Dutch - Egyptian Panel meetings are sent to you in a separate cover, Titles are written as attached. I hope these reports will be helpful to the Bank Staff. Future Publications shall be sent to your office too.

Concerning the criteria used for effective depth or the dewatering zone (1.0 m or 80 cm). I agree with you and as I mentioned to your staff that this creteria should be reviewed and modified from the agronomic and economic point of view to give the optimum requirements. We are starting a field layout construction at Shereshera area (200 feddans) near Damanhour City, where different depths of 1.00 - 1.25 - 1.30 - 1.40 - 1.50 - 1.60 meter are planned for this purpose (those depths represent light soil conditions.

" E "

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2.

Similary it is planned to consider the same creteria under heavy soil conditions. We are planning now Bahr Saft Area at Sharkia Governorate for this purpose.

I hope when you come to Cairo you can visit these two areas and discuss more about this creteria.

The second question is the gravel filter or gravel envelopes for field drains. This question is one of the main tasks of the Drainage Research Institute. As you know a decision was taken before by the Ministry that in areas where the clay content is 40 % or more no filter is needed. Most of literatature ~~is~~ in favour of such creteria, however my personnel view ~~co~~incide completely of what you mentioned that gravel envelops increase the hydraulic efficiency of field drains, and this is needed in clay soils rather than in light soils. For this reason I am including also the field tests at Shereshera area, the study of gravel filters. This also should be applied to Bahr Saft area (heavy soils).

I made already a grading curves for gravel filter to be used by EPADP in the Delta Area and Upper Egypt, (copy is inclosed) This is based on a long study for actual soil samples (about 1000 sample) However a better refinement is needed from our experimental field.

As you know EPADP have 9 crushers now, and use will be made of these grading curves.

Concerning the thesis of Dr. Hussan Aly Kedr thesis about drainage. I am sorry to say that up to this moment .

Ministry of Irrigation
DRAINAGE RESERCH INSTITUTE
13, Giza Street, Egypt

وزارة الري
مهد بحوث الصرف
١٣ ش الجزيرة

3.

I have no chance to study it. However I assure you that I will do my best to send you my comments on this.

Again I am sorry for my delayed letter and I am sure you will forgive me .

With my best regards,

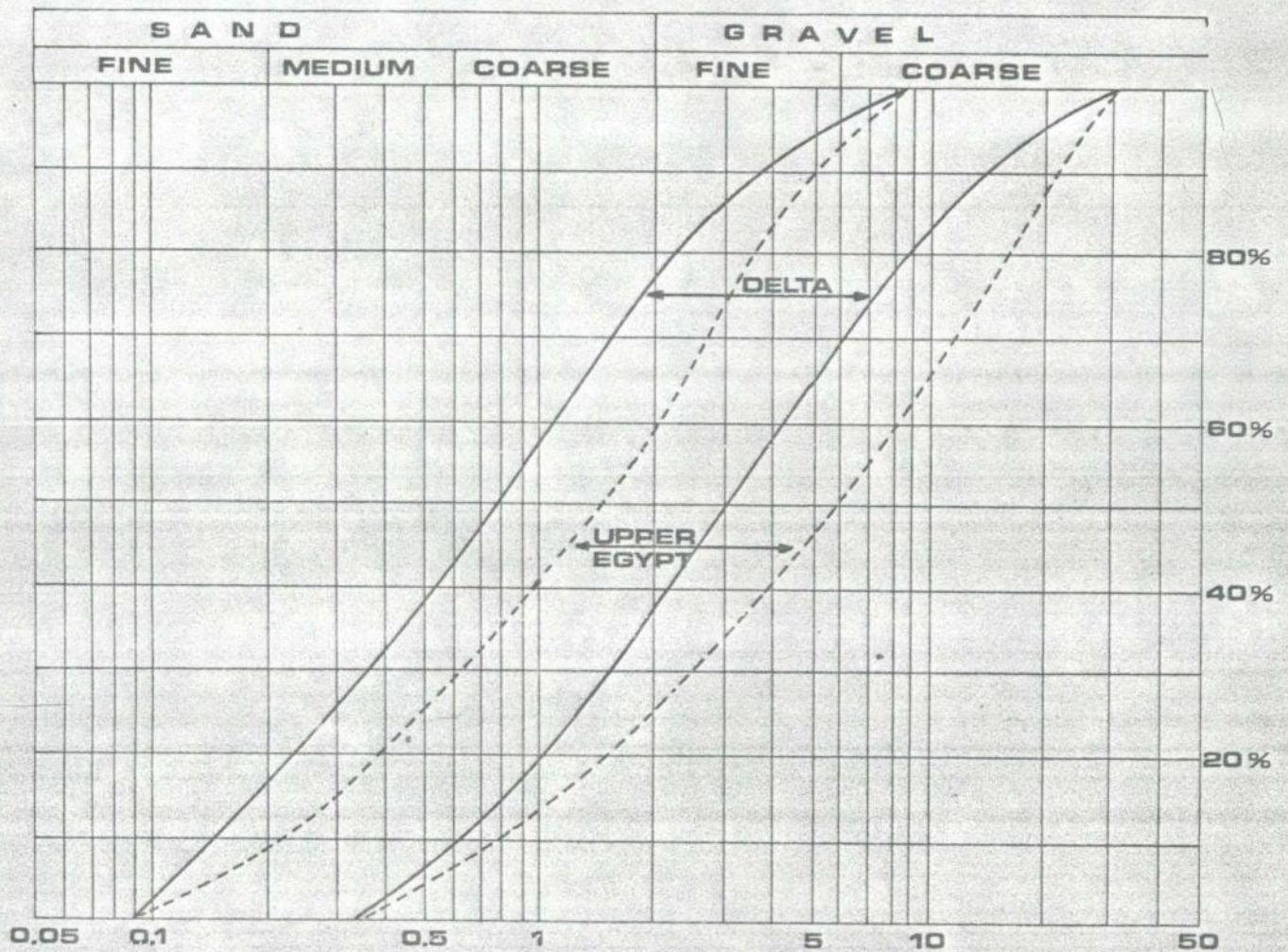
Sincerely yours,

M.H. Amer

Dr. Mohamed H. Amer

" E "

1. ALTERNATIVE CRITERIA AND PRINCIPLES
FOR THE DESIGN OF DRAINAGE NETWORKS
IN RICE GROWING AREAS.
2. NETWORK PLANNING UPPER EGYPT
3. PROPOSALS FOR REORGANISATION AND EXTENSION OF THE SET-UP
THE OUTFIT AND THE RESEARCH OF THE LABORATORY OF THE
DRAINAGE RESEARCH INSTITUTE IN CAIRO, EGYPT
4. ECONOMIC EVALUATION OF LAND DRAINAGE IN EGYPT
5. IMPROVEMENT OF MAINTENANCE OF SUBSURFACE
DRAINAGE SYSTEMS IN EGYPT.
6. REPORT OF THE PANEL'S FOURTH MEETING
7. WATER MANAGEMENT OF TILE DRAINED RICE FIELDS
8. RE-USE OF DRAINAGE WATER FOR IRRIGATION
9. ECONOMIC EVALUATION OF LAND DRAINAGE IN EGYPT
10. REPORT
" WORKSHOP WATER CONTROL FOR AGRICULTURAL LANDS "
11. REPORT OF THE PANEL'S THIRD MEETING
12. REPORT OF A VISIT TO THE ARAB REPUBLIC OF EGYPT
13. REPORT OF THE PANEL'S SECOND MEETING
14. REPORT OF THE PANEL'S FIRST MEETING



- Upper and lower limit of filter specification DELTA
 ---- Upper and lower limit of filter specifications UPPER EGYPT

fig 2.: Filter material specifications (in mm)

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STAT

MR NAYLOR ITRAFRA

WASHINGTON D.C

REUR CABLE DATED 20 CONCERNING

YOUR MISSION ON 20

JANUARY TO 10 FEBRUARY FOR DRAINAGE PROJECT STOP TIVING CONVENIEN

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ABDUL MCNEM ELGAMMAL

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Mr. Koepp	
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Mr. Naylor

Mr. Koepp

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OF MISSION CONVENTMENT WITH REGARDS

AHMED FAHMY CHAIRMAN

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Record Removal Notice

File Title Egypt - Nile Delta Drainage Project - Credit 0181 - Correspondence - Volume 5		Barcode No. 30173174		
Document Date 21 December, 1978	Document Type Telex			
Correspondents / Participants To: Ahmed Fahmy From: P. Naylor				
Subject / Title Egypt: Drainage Projects				
Exception(s) Personal Information				
Additional Comments		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group. <table border="1"><tr><td>Withdrawn by Steve Barrett</td><td>Date October 30, 2010</td></tr></table>	Withdrawn by Steve Barrett	Date October 30, 2010
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From

From:
CAIRO DECEMBER 17, 1978
ATT MR ESCHENBERG

Distribution

Mr. ~~Никитин~~ Коерр
Cont. Mr. Mitchell

REOURLET OF 16 JANUARY 1978 REGARDING AUTHORISED
PERSONS TO SIGN WITHDRAWAL APPLICATIONS OF THE CREDIT 719,
WOULD LIKE TO CONFIRM THAT SAME PERSONS ARE AUTHORISED
TO SIGN APPLICATIONS UNDER LOANS 181,393,1285 AND
CREDIT 637.

REGARDS

SAMIR KORAIEM

MM

EGT-Ln 143 / 144 / 145 / 146 / 147 / 148 / 149 / 150 / 151 / 152 / 153 / 154 / 155 / 156 / 157 / 158 / 159 / 160 / 161 / 162 / 163 / 164 / 165 / 166 / 167 / 168 / 169 / 170 / 171 / 172 / 173 / 174 / 175 / 176 / 177 / 178 / 179 / 180 / 181 / 182 / 183 / 184 / 185 / 186 / 187 / 188 / 189 / 190 / 191 / 192 / 193 / 194 / 195 / 196 / 197 / 198 / 199 / 200 / 201 / 202 / 203 / 204 / 205 / 206 / 207 / 208 / 209 / 210 / 211 / 212 / 213 / 214 / 215 / 216 / 217 / 218 / 219 / 220 / 221 / 222 / 223 / 224 / 225 / 226 / 227 / 228 / 229 / 230 / 231 / 232 / 233 / 234 / 235 / 236 / 237 / 238 / 239 / 240 / 241 / 242 / 243 / 244 / 245 / 246 / 247 / 248 / 249 / 250 / 251 / 252 / 253 / 254 / 255 / 256 / 257 / 258 / 259 / 260 / 261 / 262 / 263 / 264 / 265 / 266 / 267 / 268 / 269 / 270 / 271 / 272 / 273 / 274 / 275 / 276 / 277 / 278 / 279 / 280 / 281 / 282 / 283 / 284 / 285 / 286 / 287 / 288 / 289 / 290 / 291 / 292 / 293 / 294 / 295 / 296 / 297 / 298 / 299 / 300 / 301 / 302 / 303 / 304 / 305 / 306 / 307 / 308 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OFFICE MEMORANDUM

TO: Files

DATE: December 8, 1978

FROM: Fenton B. Sands, Agriculturist, EMPA4

SUBJECT: Comments on the Ph.D. Dissertation, "Evaluation of the Economic Feasibility of the Drainage Project in the Arab Republic of Egypt", by Dr. Hassan Aly Khedr, 1978

Based on my association with and knowledge of the Bank supported program in Egypt, I set forth the following comments concerning the above mentioned thesis.

1. While collecting data in October 1976 for appraising the Nile Delta II Drainage Project, Dr. Khedr was assigned to assist me by Dr. Mohamed Kamel Hindy, Director, Agricultural Economics, Research Institute, Ministry of Agriculture. Dr. Khedr did mention that he was assembling materials for his thesis which would be about the drainage program. He impressed me as being an eager, conscientious person anxious to make a name for himself. He did not appear to be opposed to the drainage program.

2. The substantive issue arising from Dr. Khedr's thesis is the conclusion based on the data presented and using regression equations, that drainage has zero impact on yields of cotton (p.165), rice (p.169) and wheat (p.173), but a significant impact on maize yields (p.180). Since the figures presented do not account for factors other than drainage that effect yields in farmers' fields, conclusions drawn from only these data can not possibly present an accurate evaluation of the drainage program. In any attempt to compare the influence of subterranean drains on crop yields in the project area as against yields outside the project area, one has to take into account whether or not the drains are in fact working,^{1/} the kind of management and cultural practices followed, the annual pest problems and their control, use of inputs and other variable factors. Yield data in isolation, or ignoring these mentioned factors, can not show a true picture of the influence of tile drainage on crop yields. Moreover, from an agronomic viewpoint, if drainage has a significant impact on maize yields, why would it have zero impact on cotton, in the same field, which has a much deeper root system and remains on the land twice as long as maize?

3. It was primarily because of the fact that only yield data, such as presented in the mentioned thesis, were used by the Evaluation Committee of the Egyptian Public Authority for Drainage Projects (EPADP) in its evaluation study, that the Bank has not accepted their findings. Their data, also secured from the Ministry of Agriculture, did not take into account variables other than drainage known to influence yields. The data presented by the Evaluating Committee, in contrast to those of Dr. Khedr's showed

^{1/} It is worth noting that most of the pumping stations, designated to evacuate the excess water from the drainage systems, only recently became operational.

positive net benefits in yields between areas inside the project area, as compared with areas outside the project area. This was true for wheat, maize, rice and cotton for most years, covering a four year period. Because of the Bank's insistence on a more accurate assessment of the influence of drainage works on crop yields than had been previously presented, a new crash and long range monitoring and evaluation program has been initiated by the Drainage Research Institute (DRI) on behalf of EPADP (see Nile Delta I and Upper Egypt Drainage I Supervision Reports, 11/30/78).

4. Another matter that distrubs me about the data, is the manner in which they have been collected. I was informed by the Director of EPADP's Evaluation Program, that EPADP has given to the Ministry of Agriculture designated areas as being within the drainage project. The execution of the tile drainage program within the perimeters of these areas has been undertaken in two, three, four and sometimes five years. I was also told that when crop samples were taken within the project area, no distinction was made between areas that had been supplied with drains and areas within the same project area that had not as yet been furnished with tile drains. Also the timing in those areas where drains have been installed was not noted. Hence, one can not be certain in any one year, that the crop yields reported inside the project area were from land that was actually drained, or from land that was intended to be drained, but had not at the time of sampling been supplied with drains. Furthermore, if samples were taken on the drained land, the length of time the land had been furnished with drains would be a point of consideration. It is also to be noted that each year in which the data are collected for the four crops, wheat, maize, cotton and rice, they are from farms that were not surveyed the previous year. It would seem, therefore, that such factors as differences in management and cultural practices followed by farmers would be all the more significant when interpreting results.

5. Closely associated with the matter referred to above, are the mechanics of the data gathering process. For wheat, rice and maize, crop samples were collected from an area of 6 x 7 meters, or 42 square meters. For cotton, it was 12 x 7 meters, or 84 square meters. The figures obtained from these plots are multiplied by 100 for the grains and 50 for cotton to secure yields per feddan. To obtain accurate figures in the field from a vast number of plots requires that the enumerators exercise great care, and that the entire process is under constant supervision. A small error in sampling, because it is being converted to a feddan basis, can result in large errors in the recorded figures.

6. With regard to IBRD's dependence (p. 139) on certain coefficients established by experiments to estimate incremental benefits attributable to drainage, this is partly true. The coefficients attained from experiments by the Ministries of Irrigation and Agriculture as well as by the Universities of Alexandria and Cairo were only used to help make a judgement as to what the incremental yields were likely to be. They were considered being fully aware of the limitations of the experiments that provided the data. The coefficients used by the Bank in its appraisal reports were lower than those

provided by experiments, more than 50% in some cases. Furthermore, the experimental coefficients were considered because they were the only data available. More precise figures than those reported by these experiments are still not available. Hence, the significance of the new monitoring and evaluation program mentioned in paragraph 3. In addition, caution was exercised in the appraisal through the sensitivity analysis used in the Nile Delta Drainage II Project, for example (with costs up by 25% and benefits down by 25%)* allowing for the possibility that yield levels could be lower than estimated.

7. Regarding the reference about maintenance work, which is without question one of the major factors why tile drains may not be functioning properly, this point has been cited frequently in supervision reports since 1975 as being in need of improvement. Since the maintenance responsibility has now been given to EPADP, and a satisfactory organizational and operational plan has been prepared, action appears to have been taken on this matter.

8. The point regarding the appropriateness of selected areas in the drainage project (p. 205) may be valid to a certain degree in some areas. No doubt the more aggressive farmers or more influential ones may exert pressure to see that their lands are supplied with drains first. It must be realized, however, that subterranean tiles are placed according to catchment areas which involve not only Class II soils but all classes of soils in any one catchment area. It would not be feasible to restrict the installation of drains to only Class III soils in any one catchment area. Moreover, tile drains are installed not only to reclaim waterlogged and saline soils, but also to prevent the deterioration of land due to waterlogging, i.e., preventing Class I from becoming Class II or Class III soils.

9. For wheat, cotton, rice and maize, the yield figures (Appendix Tables 1-21), inside and outside the project area fluctuate from year to year. This fluctuation could be due to the crop samples being collected from plots on different soil classes in all areas each year. It is my understanding that crop samples ignored soil classes both in the project area as well as outside the project site.

10. The inferences made in Chapter VIII: "Offsetting Factors Responsible for the Failure of the Drainage Project", that the drainage program ignored the socio-economic factors is not justified. Those involved in appraising the drainage projects were keenly aware of the farmers' views, needs and attitudes. This is the major reason why provisions were made in all drainage projects to assist the Extension Service to better serve the farmers in all areas where drainage works were completed and contemplated. This assistance was provided for in the form of technical assistance, equipment and supplies. At the same time, EPADP was required, under the terms of agreement, to provide training to the Extension Agents on matters related to the drainage program. Unfortunately, because of the lack of coordination between the Ministry of Irrigation and the Ministry of Agriculture, this

* Rate of return was still satisfactory, 15.3%

activity has been slow in being implemented. This has not been because the Bank has not pushed for it. The training programs for the Extension Agents that have recently been implemented have been due to Bank's insistence that EPADP follow through on its responsibilities. The reports from Extension Agents who have taken the course have been favorable. Thus, it is hoped that this training will help correct a number of conditions that are hampering the drainage projects.

11. It seems that Dr. Khedr, and many other people, have become confused about the role of the Bank in the drainage program. They sometimes mistakenly believe that the drainage projects are the Bank's projects and that the Bank is the implementing agency, the decision maker as well as the agency to back stop all activities.

12. The Bank has requested that DRI take the leadership in preparing a documented response to Dr. Khedr's thesis, and that the views of EPADP and those of the Ministry of Agriculture be incorporated in the reply. We have also asked that action be taken immediately, and that a copy of the response as soon as prepared be sent to the Bank for its records.

cc: Messrs: Naylor, Economides, Donovan (EMP)

FBSands/vfd

EGT 0181
EGT 0393
EGT 1285/0637

December 5, 1978

Mr. Ahmed Fahmy, Chairman
Egyptian Public Authority for
Drainage Projects
5A El Goheiny St.
Dokki-Giza
Egypt

Dear Mr. Fahmy:

Please find attached three tables showing the revised equipment lists for the ongoing drainage projects, Nile Delta I, Upper Egypt I and Upper Egypt II. No list has been prepared for Nile Delta II project since there is no substantial change since appraisal. The lists reflect the changes and proposed additions to the equipment, as discussed between your staff and the recent mission to Egypt.

I will be grateful if you would check carefully the attached tables and return them to us with your comments. After review and revision, if required, we will furnish you with new copies of these tables, which would then be considered the accepted equipment lists for the three projects.

Sincerely yours,

Peter E. Naylor
Chief, Agriculture Division IV
Europe, Middle East and North Africa Region
Projects Department

Attachments

Cleared with and cc:.. Mr. Swayze(EMI)

cc: Messrs. Schwenneker, Rehman(EMP), Hakim(CTR)

PEconomides:gk

Nile Delta Drainage I Project

Revised Equipment List (November 30, 1978)

Item	Appraisal Estimate		Revised Estimate		Awarded (Nov 30, 1978)		For Award	
	Quantity	Cost US\$'000	Quantity	Cost US\$'000	Quantity	Cost US\$'000	Quantity	Cost US\$'000
Tile laying machines	100	3,370	48	3,550	48	3,550	-	-
Pumping stations & workshops	11 }	6,830	11	6,670	11	6,670	-	-
Power transmission lines	50 }			1,200		1,200	-	-
Tile making machines	50	700	23	1,600	23	1,600	-	-
Hydraulic backhoes	10	300	10	300	10	300	-	-
Draglines - excavators	43	1,840	27	1,700	27	1,700	-	-
Transporters	14	510	7	450	7	450	-	-
Mobile cranes	4	120	3	180	3	180	-	-
Agricultural tractors	400	1,400	220	1,980	220	1,980	-	-
Agricultural trailers	1,000	1,150	480	570	480	570	-	-
Motor graders	4	170	4	100	4	100	-	-
Back fillers	50	280	-	-	-	-	-	-
Workshop equipment		390		-		-		
Jeeps and general purpose vehicles	100 }		100	560	100	560	-	-
Pickups	120 }	600	80	440	80	440	-	-
Station wagons	49 }		-	-	-	-	-	-
Microbuses	-	-	10	60	10	60	-	-
Trucks & trailers	107	960	131	2,230	131	2,230	-	-
Caravan trailers	60	270	-	-	-	-	-	-
Motorcycles	750	380	750	260	750	260	-	-
Forklifts	-	-	12	180	12	180	-	-
Wire ropes		-		160		160		-
Rubber tires		-		220		220		-
Laboratory - office equipment		180		30		30		-
Weed cutting equipment		-		100		100		-
Collector laying machines	-	-	1	130	1	130		-
Tile drainage maintenance equipment	40	200	-	-	-	-	-	-
Extension equipment		50		100		-		100
Crushers	-	-	3	80	3	80	-	-
Spare parts - miscellaneous		1,700		530		530		-
Spare parts tile making machinery		-		475		475		-
Spare parts(electric) pumping stations		-		6		6		-
Spare parts for draglines and dredgers		-		256		256		-
Spare parts for Volvo tractors		-		100		100		-
Subtotal		21,400		24,217		24,117		100
Consultants - training		600		700		700		-
Contingencies		4,000		1,083				-
TOTAL		26,000		26,000				

Upper Egypt Drainage I Project

Revised Equipment List (November 30, 1978)

Item	Appraisal Estimate		Revised Estimate		Awarded (Nov 30, 1978)		For Award	
	Quantity	Cost US\$'000	Quantity	Cost US\$'000	Quantity	Cost US\$'000	Quantity	Cost US\$'000
Tile laying machines	20	1,500	36	3,070	26	2,070	10	1,000
Pumping stations & workshops	4	5,480	4	3,940	4	3,940	-	-
Power transmission lines 11 kv	55km	1,180	55km	570	55km	570	-	-
Tile making machines	60	1,060	-	-	-	-	-	-
Hydraulic backhoes	6	230	-	-	-	-	-	-
Draglines - excavators	32	1,837	32	2,020	32	2,020	-	-
Transporters	7	390	7	600	7	600	-	-
Mobile cranes	3	130	3	310	3	310	-	-
Agricultural tractors	110	660	122	1,120	122	1,120	-	-
Agricultural trailers	200	260	212	300	212	300	-	-
Motor graders	3	100	3	80	3	80	-	-
Back fillers	20	440	-	-	-	-	-	-
Workshop equipment	-	525	-	-	-	-	-	-
Welding machines	6	24	6	140	6	140	-	-
Generators	20	110	20	270	20	270	-	-
General purpose vehicles	52	218	70	430	70	430	-	-
Station wagons	32	173	10	70	10	70	-	-
Pickups	33	146	33	140	33	140	-	-
Microbuses	3	15	3	70	3	70	-	-
Trucks & trailers	70	864	74	1,570	74	1,570	-	-
Motorcycles	94	52	54	20	54	20	-	-
Bicycles	300	18	300	10	300	10	-	-
Forklifts	-	-	8	80	8	80	-	-
Laboratory - office equipment	-	151	-	100	-	-	-	100
Weed cutting equipment	4	100	4	100	4	100	-	-
Mobile pump units	40	44	35	110	35	110	-	-
Bulldozers	6	360	-	-	-	-	-	-
Collector laying machines	-	-	24	5,200	14	3,000	10	2,200
Tile drainage maintenance equipment	20	155	-	-	-	-	-	-
Extension equipment	-	152	-	100	-	-	-	100
Crushers	-	-	6	380	6	380	-	-
Equipment for soil reclamation	-	820	-	400	-	-	-	400
Steel (bars and plates)	3,560	-	-	-	-	-	-	-
Miscellaneous equipment	186	-	-	-	-	-	-	-
Spare parts	2,550	-	-	1,710	-	1,710	-	-
Cement	-	-	75,000 tons	3,225	75,000 tons	3,225	-	-
PVC compound	-	-	1,000 tons	590	1,000 tons	590	-	-
Subtotal		23,490		26,725		22,925		3,900
Technicians		240		-		-		-
Consultants		1,000		-		-		-
Contingencies		4,800		1,370		-		-
Bilharzia control		6,470		7,905		-		-
TOTAL		36,000		36,000		-		-

Upper Egypt Drainage II Project

Revised Equipment List (November 30, 1978)

Item	<u>Appraisal Estimate</u>		<u>Revised Estimate</u>		<u>Awarded (Nov 30, 1978)</u>		<u>For Award</u>	
	Quantity	Cost US\$'000	Quantity	Cost US\$'000	Quantity	Cost US\$'000	Quantity	Cost US\$'000
Draglines (1-1.5m ³)	29	2,270	36	3,627	36	3,627	-	-
Hydraulic excavators (3/4 m ³)	12	720	20	1,200	-	-	20	1,200
Transporters	6	450	6	607	6	607	-	-
Extra transporter tractor	1	50	1	53	1	53	-	-
Trucks (7.5 tons)	35	525	15	225	-	-	15	225
Trailers (7.5 tons)	20	60	-	-	-	-	-	-
Pickups	65	390	65	390	-	-	65	390
Jeeps	65	390	65	390	-	-	65	390
Station wagons	12	72	12	72	-	-	12	72
Motorcycles	30	15	500	250	-	-	500	250
Buses	-	-	4	40	-	-	4	40
Microbuses	-	-	6	30	-	-	6	30
Dumpers	-	-	18	180	-	-	18	180
Vans	-	-	5	50	-	-	5	50
Mobile cranes	4	160	-	-	-	-	-	-
Workshop equipment	-	130	-	130	-	-	-	130
Tile drainage maintenance equipment	-	269	-	-	-	-	-	-
Spare parts for draglines	-	1,175	-	1,175	-	-	-	1,175
Spare parts for vehicles	-	240	-	240	-	-	-	240
Freight & insurance for above equipment	-	798	-	-	-	-	-	-
Pumping station(Menshat-el-Dahab)	-	123	-	570	-	570	-	-
Office & laboratory equipment	-	157	-	-	-	-	-	-
Extension equipment	-	196	-	250	-	-	-	250
Soil reclamation equipment	-	439	-	800	-	-	-	800
Cement	-	-	75,000 tons	3,500	-	-	75,000	3,500
Mobile PVC pipe plants	-	-	2	1,200	-	-	2	1,200
PVC compound	-	-	2,000 tons	1,400	-	-	2,000 tons	1,400
PVC pipes 80 mm	-	-	200 km	158	200 km	158	-	-
Subtotal		8,629		16,537		5,015		11,222
Installation field drainage (foreign cost)		21,571		21,571				
Contingencies		14,800		6,892				
Total		45,000		45,000				
Bilharzia Control		5,000		5,000				
GRAND TOTAL		50,000		50,000				

EGT- Ln 1439/1440/Cr 719
EGT- Ln 1285/Cr. 637
EGT- Agriculture Section
(Drainage V)
November 30, 1978

Mr. Ahmed M. Fahmy
Chairman
Egyptian Public Authority for
Drainage Projects
5A El Goheiny Street
Dokki, Giza
Egypt

Dear Mr. Fahmy:

I was pleased to learn from our recent project review mission that positive measures have been taken by EPADP for the maintenance of field drainage and that field maintenance units have been established all over the country. I also understand that arrangements are being made for the maintenance of open drains, an activity which will come under the responsibility of EPADP from January 1, 1979. I hope that these measures will lead to the solution of the problem of maintenance of drainage works, and I urge you to continue your efforts for improvement. The mission also reported that a training program of extension agents covering all drainage aspects, is underway. I was very pleased to learn this as I believe that a close collaboration of EPADP with the Extension Service is absolutely necessary for the improvement of the maintenance of drainage works and for the proper use of water for irrigation.

I was also very pleased to learn that action has been taken towards the evaluation of the drainage works and that a new evaluation program has begun which is expected within two years to provide accurate data on the effect of drainage works on yields and soil properties. The mission also reported that the evaluation committee, in which the Ministry of Agriculture is well represented, has been re-established and meetings are held regularly. The evaluation of the drainage works is vitally important as it will provide a basis of justification for the enormous investments and efforts the Egyptian Government is making and I seek your full personal support for the starting program so that it may be carried out successfully. I would like to re-emphasize what Mr. Economides told you about the impossibility of Board approval for another drainage loan without firm data on the benefits of drainage. I would also strongly recommend that the Drainage Research Institute include in their work program field studies on the depth of drains and on the use of gravel envelopes. This recommendation

November 30, 1978

was include in our letter to the Acting Director of the Institute, copied to you.

The performance of EPADP in field drainage is a matter of concern. According to the information furnished in the progress reports, the area covered with field drainage on Bank only projects during the first three quarters of 1978 was 124,000 feddans. In view of this, the mission estimates that the performance of the year will not exceed 180,000, maximum 200,000 feddans, compared to a target of 220,000 feddans. I understand the main reason for this slow performance is the shortage of cement, and hope that with the procurement of cement from abroad the situation will improve in the future.

Another matter of concern is the slow implementation of the Nile Delta Drainage II project. Considerable delays occurred in the preparation of tender documents for the four pumping stations and till now, no action was taken for the procurement of equipment under this project (draglines and excavators, vehicles, etc.). As Mr. Economides explained to you, the fact that the KFW loan has not yet been approved by the German Government should not be considered as a reason for non-disbursement. According to the Development Credit Agreement (Section 5.01) and the General Conditions Applicable to Development Credit (Section 6.02), "the Association may by notice to the Borrower suspend in whole or in part the right of the Borrower to make withdrawals from the Credit Account." We have already extended the date of the signature of the agreement with the German Government to December 31, 1978 and we are ready to consider a further extension if necessary. Therefore, there is no obstacle for disbursement and I urge you to proceed with the procurement of equipment as soon as possible.

The mission reported that the contract with Cincinnati Milacron Co. for the procurement and installation of the three PVC pipe making factories was signed on October 21. I hope this problem, that caused delay of one year in the implementation of the Upper Egypt Drainage II project, has finally been solved. I trust that EPADP will make every effort to ensure that the factories become operable on the foreseen dates. With the signature of the contract, I think it is time to advertise the international tender for the installation of field drainage under the Upper Egypt Drainage II project.

I was also made aware that six mobile crushers have been received by EPADP. I would like to know what arrangements you are planning to make for the use of the crushers. Taking into account the inadequate size of gravel currently used for gravel envelope, it is vitally important to start using the crushers as soon as possible so that the quality of the gravel used will be improved.

November 30, 1978

I would like to draw your attention to the fact that considerable delays occurred in the establishment of the cost accounting system and EPADP is in default in this respect. I understand that a number of accountants are now being recruited by EPADP to form the cost accounting unit. It is necessary that arrangements be made as soon as possible to enter into a contract with one of the local consultant firms so that the training of the accountants may start immediately. I believe with some effort the cost accounting systems could be established early next year.

Concerning the cost recovery of field drainage installation, although some improvement has been reported by the mission, there is still a lot to be done to become satisfactory. If by providing bonuses to the tax collectors you expect that you can reach the desired degree of cost recovery, please take the necessary action.

Finally, I should like to thank you again very much for the assistance and hospitality extended by you and your staff to our mission on its recent visit to review the progress of the ongoing projects.

With kind regards.

Sincerely yours,



Peter E. Naylor
Chief, Agriculture Division IV
Europe, Middle East and
North Africa Projects Department

cleared with and cc: T. Swayze

cc: Messrs. Sands and Rehman

PEconomides;eld 



Record Removal Notice



File Title Egypt - Nile Delta Drainage Project - Credit 0181 - Correspondence - Volume 5		Barcode No. 30173174		
Document Date 30 November, 1978	Document Type CV / Resumé			
Correspondents / Participants				
Subject / Title Curriculum Vitae of (Consultants) Evaluations and Monitoring Team at Drainage Research Institute				
Exception(s) Personal Information				
Additional Comments		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group. <table border="1"><tr><td>Withdrawn by Steve Barrett</td><td>Date October 30, 2010</td></tr></table>	Withdrawn by Steve Barrett	Date October 30, 2010
Withdrawn by Steve Barrett	Date October 30, 2010			

EGT- Cr. 181
11/30/78

IBRD AND IDA - SUPERVISION SUMMARY

This summary is ☐ the initial summary
☒ part of a mission report
☐ a semi-annual update
☐ the completion summary

Regional Office: EMENA	Project Name: Nile Delta Drainage I	Project Code: 5-EGT-AI-01	Loan ☐ Credit ☒ No.: 181-EGT	L/C Amount (\$xx.xm): 26.2 /1
Country: EGYPT	Borrower/Beneficiary: Egyptian Public Authority for Drainage Projects (EPADP)	Board Date: 3/24/70	Signing Date: 4/17/70	Effective Date: 12/22/70
Projects Dept./Div. Name: EMPA4	Org. Code No.: 156/13	Projects Officer: PEconomides	Loan Officer: T. Swayze	

SECTION 1: SUMMARY PROJECT DESCRIPTION

Lowering the water table on 950,000 feddans of irrigated land through installation of tile drains by manual and machine methods, remodelling about 1,700 km of open drains and construction of eleven pumping stations. Also included are the procurement of construction equipment and the provision of maintenance workshops, consultant services and staffing training programs.

SECTION 2: PERFORMANCE RATING

STATUS: 1 - Problem-free or Minor Problems; 2 - Moderate Problems; 3 - Major Problems

TREND: 1 - Improving; 2 - Stationary; 3 - Deteriorating

TYPES OF PROBLEMS: F - Financial; M - Managerial; T - Technical; P - Political; O - Other (Explain in Section 5)

If more than one type of problem, enter most critical factor first.

Designated a "problem project" in most recent SVP review? Y - Yes; N - No ☒ N

This Summary	Last Summary
2	2
1	1
T	T

SECTION 3: PROJECT DATA

Estimated/Actual:	Project Completion (Mo./Yr.)	Loan/Credit Closing (Mo./Day/Yr.)	Total Project Cost (\$xx.xm)	of which:		Cumulative Disbursements through most recent Quarter ended (9 / 30 / 78)
				Foreign Currency (\$xx.xm)	Local Currency (\$xx.xm)	
Appraisal Est.	<u>12.75</u>	<u>12.31.76</u>	<u>142.2</u>	<u>26.0</u>	<u>116.2</u>	<u>26.0</u> (Est.)
Last Summary (11/ 30/ 78)	<u>6.80</u>	<u>9.30.79</u>	<u>155.1</u>	<u>26.2/1</u>	<u>128.9/2</u>	
Current	<u>6.80</u>	<u>9.30.79</u>	<u>155.1</u>	<u>26.2/1</u>	<u>128.9</u>	<u>22.0</u> (Actual)

SECTION 4: MISSION SCHEDULE

	No. of Staff on Mission	No. of Days in Country	Return to HQ (Mo./Day/Yr.)	Final Report Date (Mo./Day/Yr.)
Latest/Present Mission	<u>3</u>	<u>7</u>	<u>10.30.78</u>	<u>11.30.78</u> (FS)
Previous Mission	<u>1</u>	<u>7</u>	<u>3.30.78</u>	<u>5.05.78</u> (FS)
Next Mission Departure (Mo./Yr.)	<u>2.79</u>	Recommended interval between missions (Months) <u>4</u>	End of period covered by latest progress report (Mo./Day/Yr.)	<u>9.30.78</u>

* Type of Report: FS = Full Supervision; CS = Combined Full/B-T-O; C = Completion; A = Appraisal; O = Other (explain below)

SECTION 5: COMMENTS (Explain "other" in Section 2 and clarify, if necessary, data in Sections 3 and 4)

- /1 Including US\$ 0.2 mil. exchange adjustment.
- /2 Calculated on the basis of the parallel market exchange rate (LE 1 = \$ 1.50)

SECTION 6: SUMMARY OF PROJECT STATUS, TREND, AND MAJOR PROBLEMS:

Ten of the eleven pumping stations are operational. Civil works for the last one have been completed and erection of machinery started. Civil works for the workshops at Kafr Sheikh and Damanhur have been completed. A total of 872,000 feddans has been provided with remodelled open drains. Field drainage installation is behind schedule with completion of 693,000 fed. as of September 30, 1978. During the three quarters of 1978 only 89,000 feddans were provided with field drainage. It is expected that the performance of the year for the Nile Delta I project will be about 140,000 feddans against a target of 170,000 fed. The main reason for this slow performance is the shortage of cement. For the same reason in the three tile making factories only one shift is being used. Sheds for curing pipes at Tanta are still not finished due to the shortage of asbestos sheets.

EPADP is proposing some changes in the project subareas to reflect revised priorities. These changes will not affect the total area of the project.

Preparing Officer: **PEconomides**

Initials: 

Date: **11/30/78**

Section 6. con't.

In view of the slow performance of the last two years, the overall drainage program has been revised. A new program, covering the period 1979-84 is now proposed by EPADP for Bank's approval. According to this program the project will be completed by mid-1980.

Satisfactory arrangements have been made by EPADP for the maintenance of field drainage. Arrangements are also underway for the maintenance of open drains, which according to a Ministerial decree, will come under the responsibility of EPADP from January 1, 1979.

Positive steps are also being taken for the implementation of the new drainage evaluation program. This program is being carried out by the Drainage Research Institute with the assistance of Dutch consultants under bilateral agreement.

No substantial progress was made in establishing the cost accounting system and in carrying out the socio-economic study on the ability of farmers to pay for the drainage works.

Section 7 ACTION TAKEN OR RECOMMENDED.

- Letters have been sent to the Chairman of EPADP discussing the findings of the supervision mission and providing approval for the new overall drainage program, and for the proposed changes in the project subareas.
- Cables have been sent to EPADP providing approval to tender documents for procurement of equipment.
- A letter has been sent to the Acting Director of the Drainage Research Institute discussing the findings of the supervision on the drainage evaluation program and making some recommendations for future action.

cc: Messrs. Paijmans, Kwaku, Köpp(3), Swayze(EM1); Haynes, K. Jones, Frank, French-Mullen, Merghoub, Khorana, Rehman, Sands, (EMP), van der Tak(3) (PAS); Yudelma(2) (AGR); Krishna(LEG), Hakim, Subramanian(CTR); Robless(PAB), Kordik(2) (OED)

The World Bank / 1818 H Street, N.W., Washington, D.C. 20433, U.S.A. • Telephone: (202) 393-6360 • Cables: INTBAFRAD

November 30, 1978

Mr. Ahmed M. Fahmy
Chairman
Egyptian Public Authority for
Drainage Projects
5A El Goheiny Street
Dokki, Giza
Egypt

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November 30, 1978

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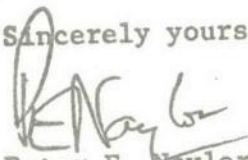
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Finally, I should like to thank you again very much for the assistance and hospitality extended by you and your staff to our mission on its recent visit to review the progress of the ongoing projects.

With kind regards.

Sincerely yours,



Peter E. Naylor
Chief, Agriculture Division IV
Europe, Middle East and
North Africa Projects Department

EGT- 01.293

EGT- Ln 1281/01.637

EGT- Ln 1439/1440/01.719

ANNEX 1-B

November 16, 1978

Mr. Ahmed Fahmy
Chairman
Egyptian Public Authority
for Drainage Projects
5A Elgoheiny Street
Dokki-Giza
Egypt

Dear Mr. Fahmy:

Reference is made to your letter of October 21 handed to our last project review mission, concerning the overall drainage program in Egypt.

Please find attached for your review and approval three copies of a revised overall drainage program for Bank projects only, concerning the period 1978-1984. You will notice that for the Year 1978, we have reduced the area expected to be provided with field drainage to 200,000 feddans. Since during the three quarters of this year the performance was only 124,000 feddans, we thought it was wiser to limit our expectations for the year to 200,000 feddans.

If you agree with the proposed program, please advise us accordingly.

With best regards.

Sincerely yours,

Peter E. Naylor
Chief, Agriculture Division IV
Europe, Middle East and
North Africa Projects Department

Attachment

cleared with and cc: Mr. Kaps

PEconomides;eld

EGT - Ln 1285

EGT - Ln 1285 / ANNEX 3-C

EGT - Ln 1439

EGT - Ln 1439 / 1440 / Ln 719

November 16, 1978

Mr. Ahmed Fahmy
Chairman
Egyptian Public Authority
for Drainage Projects
5 A Elgoheiny Street
Dokki-Giza
Egypt

Dear Mr. Fahmy:

Reference is made to your two letters dated September 19 and September 23 concerning proposed changes in the project area of Upper Egypt I and II projects and Nile Delta I and II projects.

On the basis of the information furnished, we have no objection to your proposals. We are including herewith four tables showing, for each project, the areas considered at appraisal and the areas proposed. We will be grateful if you would examine carefully these tables and let us know if you agree with the figures. New maps showing the areas under each project will be prepared subsequently.

Please note that, according to your proposals, the total areas in Nile Delta I and Nile Delta II projects are being increased by 10,000 and 18,000 feddans, respectively. We would like to avoid such an increase, thus, in reviewing the tables, please try to cut some areas in order to reduce the totals to the original figures.

Sincerely yours,

Peter E. Naylor
Chief, Agriculture Division IV
Europe, Middle East and
North Africa Projects Department

Enclosures

cleared with and cc: Mr. Kaps

PEconomides;eld

EGT Ln 1285-ANNEX 1-B 37
EGT Ln. 1439 / 1440 / 2 719

November 8, 1978

Dr. Almotaz Mobarak
Undersecretary
Ministry of Health
Cairo, Egypt

Dear Dr. Mobarak:

We were very pleased to learn from our consultant, Dr. G. Webbe, who recently visited Egypt, that snail control operations are continuing to be applied efficiently, and that mollusciciding in the Ibrahimia Canal again proved very successful, giving excellent coverage in the irrigated area under its command, and providing important protection against infestation by Biomphalaria alexandrina, along its course and in branch canals.

We were also pleased to learn that satisfactory progress is being made with chemotherapy in many parts of the project area. However, as Dr. Webbe discussed with you, a greater effort should be made to increase the rate of patient examination and treatment throughout the project area, particularly in Beni Suef Governorate, in order to obtain the optimum control benefit from the combined chemotherapy-snail control strategy.

We are very sorry to learn that the independent evaluation teams have not produced adequate epidemiological evaluation data, but are encouraged that new teams of Ministry personnel have now been trained to undertake this work, and that the collection, banking and analysis of epidemiological data are receiving high priority. We hope that initial results will be available for appraisal early in 1979 in order to estimate the cost-effectiveness of the control strategy. This is vitally important as a basis of scientific justification for the applied measures and in order to support the expansion of control activities in other areas.

We are also concerned that the garage complex in Minya is still not in use and that there are no central garage and maintenance facilities there or in Beni Suef. In addition, we hope that the question of payment of incentives and overtime to field staff involved in the Bilharzia control program will be settled soon.

Dr. Almotaz Mobarak

-2-

November 8, 1978

We are conscious of the need to consider the on-going application of control measures in the project area during the maintenance phase, i.e. post-1979. Accordingly, we would very much appreciate if you could attend a short meeting in Washington early in 1979 for this purpose, and to review the general progress of the work and the expansion of Bilharzia control activities in Upper Egypt. Please let us know when it would be convenient for you to come to Washington to discuss these matters.

Finally, we should like to thank you again very much for the assistance and hospitality extended by you and your staff to Dr. Webbe on his recent visit to review the progress of the program.

With kind regards.

Sincerely yours,

Peter E. Naylor
Chief, Agriculture Division IV
Europe, Middle East and
North Africa Projects Department

cleared with and cc: Mr. Swayze

Webbe/Economides;eld

cc: Messrs. Lee and Webbe

The World Bank / 1818 H Street, N.W., Washington, D.C. 20433, U.S.A. • Telephone: (202) 393-6360 • Cables: INTBAFRAD

November 22, 1978

Dr. Mohamed Hassan Amer
Acting Director
Drainage Research Institute
13 Giza Road
P.O. Box 33
Giza, Cairo
Egypt

Dear Dr. Amer:

Please accept our congratulations for your appointment as Acting Director of the Drainage Research Institute. We are confident that with your training, experience and interest in the drainage problems of your country, you will supply the leadership to conduct programs that will successfully meet all challenges.

On the last mission to Egypt, Mr. Sands had a rewarding experience talking with you, the Dutch Consultants and Engineer Farnad M. Ramadan about the monitoring and evaluation program as well as activities of the Drainage Research Institute. He also had a chance to review the various publications prepared by the Drainage Research Institute and the Dutch Consultants. These reports presented at the First Panel Meeting in January 1976 through to the Fifth Panel Meeting in August 1978 would be valuable to us, and we would appreciate having copies of them. The reports will help us to have a better understanding of the different components of the whole drainage program in Egypt, and also acquaint us with the research projects being conducted by the Drainage Research Institute. We would also like to be placed on your mailing list so that we can receive all future publications and reports prepared by the Dutch Consultants, especially those on the monitoring and evaluation program, and the Drainage Research Institute. We look forward to receiving these publications at your earliest convenience.

As you are aware, the criteria used for the design of the drainage system has been based on the principle that water table levels should be reduced to one meter below the ground surface within two to three days following irrigation. There still remains, however, some doubts as to whether the minimum, effective drainage depth of one meter is the optimum, agronomically and economically. With large future investments being scheduled, we believe that detailed field studies should be conducted in order to confirm or, if necessary, modify the design criteria. These studies, because of their importance, we hope you will include in the program of DRI.

Another highly significant subject, is that of gravel envelopes for field drains. Although it is true that the risk of sedimentation in the drains installed in clay soils is low, gravel envelopes could be justified in clay soils, on the basis of providing adequate permeability for the groundwater to move into joint openings without a significant loss of head. This improvement in hydraulic conductivity around the drains could be significant. We believe that the DRI could make a real contribution to the drainage program by conducting field tests, with an appropriate grade of gravel envelopes, to evaluate the benefits that could be derived from the use of gravel or other envelopes in each type of soil, and to determine the economic feasibility of using envelopes on tile drains. We trust you will give the above two matters priority in your research program.

I understand from our last mission that you have had only a brief chance to look over Dr. Hassan Aly Khedr's thesis expressing critical views on the drainage program. We urge you and your staff to review this thesis carefully so that a documented response can be prepared as soon as possible, in order to prevent inaccurate statements from being repeated. I know also that the Chairman of EPADP is also most anxious to put the record straight and wishes to assist you in preparing this reply. Dr. Yussef Wally of the Ministry of Agriculture has urged that his Ministry's views be taken into account as well. We would appreciate having a copy of your remarks as soon as prepared for our records.

Since the Chairman of EPAP is also keenly interested in our relationship with the drainage program, we have sent him a copy of this letter for his information.

With kind regards,

Sincerely yours,

Peter E. Naylor
Chief, Agriculture Division IV
Europe, Middle East and North Africa Region
Projects Department

cc: Mr. Ahmed Fahmy
-cc: Mr. Economides

FBSands/vfd

OCTOBER 20, 1978
75374

ANNEX 1-F

EGT. Cr. 393

FR/MT

EGT-Ln. 1285/Cr. 637

EGT-Ln. 1439/1440/Cr. 719

DELTATILE

CAIRO, EGYPT

FOR AHMAD FAHMY, CHAIRMAN. RE CREDITS 181 AND 393-EGT AND CREDIT/
LOAN 637/1285-EGT DRAINAGE PROJECTS EGYPT. ON BASIS OF REVIEW BY
ECONOMIDES AND PROVIDED SUGGESTED CHANGES MADE BANK HAS NO
OBJECTION TO SPECIFICATIONS AND ISSUANCE FOR AAA TWO PVC PLANTS AND
2000 TONS PVC POWDER, BBB TEN TILE LAYING MACHINES, AND CCC 75,000
TONS CEMENT. PLEASE ADVISE DATES BIDS TO BE RECEIVED AND FURNISH
TWO COPIES OF AS ISSUED SPECIFICATIONS. REGARDS NAYLOR INDEVAS

END
OF
TEXT

EGYPT - (1) Credits 181/393-EGT
(2) Credit/Loan 637/1285-EGT

cc: Messrs. Economides, Swayze

(10)
ALSchwenneker:sl
E. Naylor, Chief
EMPA IV

LT

NOVEMBER 6, 1978
75374

ANNEX 1-G
FR 1/1

DELTATILE

CAIRO, EGYPT

FOR AHMED FAHMY, CHAIRMAN. RE TENDER FOR TEN COLLECTOR PIPE LAYING
MACHINES UPPER EGYPT DRAINAGE PROJECT ONE CREDIT 393 FURNISHED
ECONOMIDES. WE NOTE THAT YOU HAVE DELETED OPTION OF REQUIRING FIELD
TESTS IN SPECIFICATIONS TO DETERMINE SUITABILITY OF MACHINES. YOU
MAY WISH TO RECONSIDER AND INCLUDE REQUIREMENT IF YOU RECEIVE REQUEST
FOR DOCUMENTS FROM FIRMS WHICH HAVE NOT TESTED MACHINE IN EGYPT
PREVIOUSLY. YOU COULD INCLUDE ALTERNATE SCHEDULE FOR PRICE WITH FIELD
TESTING. ALSO NOTE YOU HAVE FAILED TO INCLUDE DESIRED TIME FOR
DELIVERY IN CHAPTER THREE. CHANGES COULD BE FURNISHED PROSPECTIVE
BIDDERS BY SUPPLEMENTAL NOTICE. PLEASE FURNISH TWO COPIES OF ANY
SUPPLEMENTAL NOTICES ISSUED. REGARDS NAYLOR INDEVAS

21 END
OF
22 TEXT

EGYPT - Credit 393-EGT

cc: Messrs. Morse, Swayze
Cleared w/cc: Mr. Economides

(D)
ALSchwenneker:sl

P. Naylor, Chief
EMPA IV

LT

OCTOBER 30, 1978
75374

DELTATILE

CAIRO, EGYPT

FOR AHMED FAHMY, CHAIRMAN. RE CREDIT/LOAN 637/1285 AND YOUR LETTERS OF AUGUST 27 AND OCTOBER 14, 1978 ON AWARD OF 60 TON TRUCK TRAILERS. ON BASIS OF INFORMATION FURNISHED AND YOUR RECOMMENDATION BANK HAS NO OBJECTION TO YOUR AWARD OF CONTRACT FOR SIX TRUCK TRACTOR - TRAILER COMBINATIONS AND ONE STANDBY TRUCK TRACTOR FOR 1,414,270 DUTCH FLORINS WHICH INCLUDES TWENTY PERCENT FOR SPARE PARTS. PLEASE FURNISH TWO CONFORMED COPIES OF CONTRACT PROMPTLY AFTER AWARD AND PRIOR TO SUBMITTAL OF FIRST APPLICATION FOR WITHDRAWAL OF FUNDS WITH RESPECT TO THIS CONTRACT. REGARDS NAYLOR, INTBAFRAD

END
OF
TEXT

EGYPT - Credit/Loan 637/1285

cc: Messrs. Morse, Economides,

Swayze,

Hakim (CTR) with copy EMPA IV

of Em 384

ALSchwenneker:sl

P. Naylor, Chief

EMPA IV

ARAB REPUBLIC OF EGYPT

Nile Delta Drainage I

Places Visited and Officials Met

1. Places Visited

Cairo: October 3 - 9
October 14 - 23

Alexandria: October 10-13

Field trips: October 8: East Delta (Zagariq, Aga, Mansourah)
October 10: Middle Delta (Tanta)
October 11: West Nubariya
October 12: West Nubariya
October 14: West Delta (Damanhur)

2. Officials Met

EPADP

Eng. Ahmed Fahmy
Eng. Abdelmoneim El Inani
Eng. Kemal Fetiha
Eng. Ahmed Lutfi
Eng. Roushdi Sinarah
Eng. Toot Sherabim
Eng. Karam Gaid
Eng. Sami Mouhsim
Eng. Said Eid
Eng. Anis Naguib
Eng. Abdel Mooti El Desouki
Eng. Maurice Halim
Eng. Mahir Shita
Eng. Artin Halim
Eng. Ahmed Sawaf
Eng. Wadiya Raffla
Eng. Asaad Fahmy

Chairman
Vice Chairman for Nile Delta
Vice Chairman for Upper Egypt
Undersecretary for Finance
Undersecretary for Maintenance
Undersecretary for Mechanical Dept.
Undersecretary for Planning
Undersecretary for Upper Egypt
Undersecretary for Lower Egypt
Director General for Planning
Director General for Design
Director General for East Delta
Director General Middle Delta
Director General West Delta
Director Technical Office
Director Training and Evaluation
Chairman Evaluation Committee

Drainage Research Institute

Eng. Mohamed Hasan Amer
Eng. Mrs. El Guindy

Acting Director
Research Agronomist

Ministry of Irrigation

Eng. Abelhadi Sanaha
Eng. Mohamed El Guindy

Minister
Vice Minister

Ministry of Agriculture

Dr. Youssef Wally
Mr. Adel Sarki
Dr. Azmy Abu Hassein
Dr. Mohamed Moustafa Abdelwariz
Mr. Zaki Fahmy

Technical Advisor to the Minister
Controller for International Organizations
Chairman Soil Amelioration Authority
Director General Amelioration Authority
Technical Officer

Ministry of Health

Dr. O. El Zimaity
Eng. H. Olama

Director General Bilharzia Project
Chief Engineer Bilharzia Project

FAO

Mr. Akraim El Jaft
Mr. Pierre Bonmaison
Dr. Neguib Hasan
Mr. William Barber

FAO Country Representative
FAO/UNDP Project Manager
FAO/UNDP Director
FAO/UNDP Consultant

USAID

Mr. Philip Lewis
Mr. Keith Brown

Chief Engineer
Project Officer

ULG Consultants

Mr. M. J. Rayner
Mr. C. J. L. Warr

Team Leader
Deputy Team Leader

UNDP Office

Deputy Resident Representative

Water Master Plan

Mr. Fred Durrant
Mr. Desmond Carr

Manager, EXWAP
Systems Analyst, EXWAP

ARAB REPUBLIC OF EGYPT

Nile Delta Drainage I

Financial Aspects and Disbursements

1. Foreign exchange costs. No foreign exchange cost overrun.
2. Local currency costs. There is no local currency cost overrun since the last supervision mission.
3. Local currency availability. The 1978 allocation of EPADP was LE 44 million of which LE 33 million local cost and LE 11 million foreign cost. As of September 30, the amount spent was about LE 30 million. The project's special fund of LE 10 million has not been used. An additional allocation LE 21 million has been approved by the Ministry of Finance and is now in the Parliament for final approval. According to the new regulations, if there is any balance left, it will be transferred to the 1979 budget. This will solve the problem of shortage of local currency which usually occurs at the first quarter of each fiscal year. For the 1979 budget, an amount of LE 85 million has been requested by EPADP--LE 70 million for local costs and LE 15 million for foreign cost. The cost of maintenance of drainage works is included in the 1979 budget.
4. Disbursements. The amount disbursed as of September 30, 1978 was US\$ 22.04 million which represents 85% of the total foreign exchange cost of the project. A revised disbursement schedule is given in Table 1 of this Annex. The closing date remains the same, i.e. September 30, 1979.

ARAB REPUBLIC OF EGYPT

Nile Delta Drainage I

Schedule of Disbursements
(as of September 30, 1979)

Bank Fiscal Year and Quarter	Actual	Appraisal Estimate (by Year)	Latest Revised Estimate (March 31, 1977)	New Dis- bursement Estimate (Sept. 30, 1979)	Actual Estimate as % of Appraisal Estimate
<u>1971</u>					
September 30, 1970					
December 31, 1970					
March 31, 1971			6.40		
June 30, 1971					
<u>1972</u>					
September 30, 1971	0.06				
December 31, 1971	0.17				
March 31, 1972	0.25				2
June 30, 1972	0.33	15.90			
<u>1973</u>					
September 30, 1972	0.40				
December 31, 1972	1.20				
March 31, 1973	2.60				16
June 30, 1973	3.80	23.30			
<u>1974</u>					
September 30, 1973	4.30				
December 31, 1973	5.10				
March 31, 1974	7.40				33
June 30, 1974	8.29	25.00			
<u>1975</u>					
September 30, 1974	9.82				
December 31, 1974	11.12				
March 31, 1975	12.44				54
June 30, 1975	13.98	26.00 ^{1/}			
<u>1976</u>					
September 30, 1975	14.75				57
December 31, 1975	15.30				59
March 31, 1976	15.86				61
June 30, 1976	15.86				61
<u>1977</u>					
September 30, 1976	16.11				62
December 31, 1976	17.47				67
March 31, 1977	17.62				68
June 30, 1977	18.04		20.00		69
<u>1978</u>					
September 30, 1977	19.04		22.00		73
December 31, 1977	19.66		24.00		76
March 31, 1978	20.28		25.00		78
June 30, 1978	21.06		26.00		81
<u>1979</u>					
September 30, 1978	22.04			23.50	85
December 31, 1978				25.00	90
March 31, 1979				26.00	96
June 30, 1979					100

^{1/} Later increased to 26.20 for exchange adjustment

Closing date September 30, 1979

November 1978

ARAB REPUBLIC OF EGYPT

Nile Delta Drainage I

Execution of the Project

1. Pumping Stations. Ten out of eleven pumping stations are operational. Civil works for the last pumping station (No 5) have been completed and erection of machinery started. It will take four months to complete erection and test the pumps, therefore, the last pumping station will become operable by March 1979.

The operating stations are under the jurisdiction of the Mechanical Department of the Ministry of Irrigation. Records on the discharges and water levels for each station are kept regularly. One very interesting observation is that actual pumping needs are much inferior to the design discharge capacity. In fact, most of the pumping stations are operating with only one of the four pump units and exceptionally with two. The design discharge capacity of the project pumping stations have been determined on the basis of observations from existing old pumping stations in the Delta (in average 20 m³/feddan/day). Most of the areas served by these pumping stations were provided with an open drainage system, which farmers were using to evacuate the excess of irrigation water. With the installation of covered drainage, farmers no longer have this possibility, therefore, they are obligated to be more careful and to use for the irrigation of their lands only the amount of water that can be absorbed by the soil. If the coming years confirm this, the installation of covered drainage systems in Egypt will have a very important additional benefit, that of saving irrigation water.

2. Workshops for machinery of pumping stations. Civil works for the two workshops of Kafr-Sheikh and Damanhur have been completed. Installation of machinery started on November 1, and it is expected to be completed in three months. All equipment is on site. The two workshops will be provided with adequate facilities for any kind of repair of the pump units.

3. Remodelling of open drains. This activity of the project has been completed. To date some 870,000 feddans have been provided with new open drains or existing drains have been remodelled. The remodelling of open drains in the rest of the project area was done by the Government before the appraisal of the project. Equipment provided under the project for this operation is temporarily used for the remodelling of open drains in the Nile Delta Drainage II project. When new equipment under the latter project is procured, the remaining equipment of the Nile Delta Drainage I project will exclusively be used for maintenance of the open drains.

4. Field drainage. Progress with field drainage is slow. As of September 30, about 693,000 feddans have been provided with field drainage (about 73% of the total). The performance during 1978 is as follows: first quarter, 24,000 feddans;

second quarter, 30,000 feddans; third quarter, 35,000 feddans; total during the three quarters, 89,000 feddans. It is expected that during the remaining quarter another 50,000 feddans will be provided with the field drainage, raising the total performance of the year to about 140,000 feddans. This, compared to the target of 170,000 feddans, represents completion of 82%. The reason for this slow performance is mainly the shortage of cement (see below). As mentioned in the previous supervision reports, EPADP has discontinued the use of gravel envelope in clay soils.

5. Shortage of cement. According to EPADP's data, one feddan, to be provided with covered field drainage with cement pipes, requires the following amount of cement:

-- for tile drains (spacing 50m) and collectors	600 kg
-- for structures in open drains	100 "
-- for buildings (pumping stations, workshops, etc.)	20"
Total	720 kg.

The area of 250,000 feddans that was planned to be provided with drainage during 1978 (Bank and Government projects) would have required 180,000 tons of cement or about 15,000 tons per month. The Ministry of Housing has delivered during the first nine months of 1978 an average of 10,000 tons of cement per month.

Of the amount of 75,000 tons procured through the Ministry of Housing from Romania with Bank financing, the Ministry received till now only 27,000 tons. None of this has been delivered to EPADP. After long discussions, the Ministry of Housing agreed to deliver this quantity to EPADP in the coming two months, in addition to the regular quota of 10,000 tons per month. It was further agreed that any new shipment of cement from Romania will be delivered directly to EPADP. These arrangements will temporarily ease the problem of shortage of cement. The bid opening for the second procurement of 75,000 tons of cement, also financed by the Bank, took place on October 25.

It should be mentioned that prices of cement in the free market vary between LE 50 to 80 per ton compared to the official price of LE 16 per ton. This shows the seriousness of the shortage of cement in the country.

6. Tile making factories. Because of the shortage of cement all three factories of Tanta, Aga and Damanhur are working with one shift, and in the past few months even they have had to close down for a few weeks. Tile pipes of 10 cm are sold to the contractors at a price of LE 0.138 per meter ex-factory. The curing sheds in Tanta have not been completed due to shortages of asbestos sheets. Tests of pipes are made regularly one a week. The results are satisfactory. If there is sufficient cement all factories will be able to work with two shifts since sufficient personnel has been trained in the use of the machinery. A new order for spare parts has been placed to Hydrotile Co. Delivery is expected before the end of the year.

7. Procurement. During the reporting period, the following equipment was received, awarded or approved:

- (a) Equipment received: six mobile crushers
- (b) Equipment awarded: four collector laying machines
spare parts for tile making machines
spare parts for draglines and excavators
- (c) Equipment approved: Equipment for extension service

8. Maintenance of drainage works. The maintenance of the old and new open drains leaves a lot to be desired. This is a chronic problem and has been repeatedly discussed with the Chairman of EPADP. During field trips, the mission again noticed that, due to the inadequate maintenance of open drains, the outlets of collector pipes are often half or entirely covered with water. It should be mentioned that growth of weeds in the drains and canals in Egypt is so fast that maintenance should be applied at least twice a year.

Maintenance of covered drainage systems were improved considerably during the last months. It was noticed that, in some cases, damage of the covered drainage systems was due to deliberate action on the part of the farmers. In fact some farmers, after using excessive water for irrigation of their fields, look for a way to evacuate the excess of water, either by breaking the manholes or by uncovering and removing one of the tiles. This shows the importance of the role the Extension Service has to play to educate farmers on the proper use of water and on the maintenance of field drainage.

Some very positive steps have been taken recently by EPADP in organizing the maintenance of field drainage systems. A Maintenance Department has been established in Cairo and five field maintenance directorates, three in the Delta (Zagariq, Damanhur and Shibin-el-Kom) and two in Upper Egypt (Beni Suef and Qena). Each field directorate has been provided with staff, transportation, materials and equipment. The responsibility for maintenance is transferred from the contractors to the maintenance directorates one year after completion of the drainage system. For each catchment area of 10-20,000 feddans, there is one maintenance unit with an assistance engineer in charge assisted by four intermediate school agriculturalists. This maintenance unit is subdivided in 2-4 sub-units, each for 5,000 feddans, with a technician in charge with five laborers. The maintenance activities in each directorate are being conducted by two civil engineers under the supervision of the Regional Maintenance Director General. There are already 80 maintenance units established in the country and about 80 more will be established in the future. The functions of these maintenance units are to inspect at least once a month the whole area equipped with field drainage, to clean all the manholes and to repair any damage to the system. In addition they apply a systematic washing of all lateral and collector pipes twice a year. In average every year each maintenance unit replaces or repairs 20-30 laterals and 50-60 manholes. If the damage is due to negligence or deliberate action of the farmers, the repair cost is paid by him. In average the annual maintenance cost for field

drainage is estimated at LE 0.8-1.0 per feddan.

Arrangements are also underway for the organization of the maintenance of open drains, which, according to a Ministerial decree, will come under the responsibility of EPADP from January 1, 1979. Considerable preparatory work has been already done by listing all drains affecting covered drainage works, taking cross-sections and calculating the volume of excavation required. Contracts for the maintenance of open drains will be awarded to local contractors immediately after EPADP takes the responsibility for the work. Funds for this activity, estimated roughly at LE 4 million, will be included in EPADP's budget for 1979.

9. Training. A training program for agricultural staff (intermediate school graduates employed by EPADP) was successfully conducted from 7/15/78 to 10/30/78. The total number of people trained was 250 divided into five groups. The courses included design, execution and maintenance of drainage works, the irrigation and Drainage Law and field visits (Details in Table 1).

Similar training programs for about 140 Agricultural Extension District Managers and 400 village agents of the Ministry of Agriculture are underway in all the Governorates of Nile Delta and Upper Egypt (Details in Table 2).

Other training activities in EPADP include on-the-job training of design engineers and field supervisors and the training of new accountants for the Cost Accounting Unit.

Concerning overseas training, EPADP sends 4-6 engineers to Holland every year for a period of 2-3 months to be trained in drainage works, evaluation and economics under bilateral technical assistance. In addition, the suppliers of equipment provide two fellowships per contract (about 5-6 per year) for mechanical engineers in order to familiarize them with the maintenance of the equipment. Some of them have had special training in preparing technical specifications for tenders.

10. Evaluation of Drainage Works. Considerable preparatory work has been done for the implementation of the new drainage evaluation program (See Annex 5). By Decree 415 of 1978 the Evaluation Committee of Drainage Works has been re-established. The Committee comprises nine members of which five are from EPADP and four are from the Ministry of Agriculture. The Chairman of the Committee is Eng. Asad Fahmy, retired Undersecretary of the Ministry of Irrigation. The Committee meets at least once a month and discusses all problems related to the evaluation of drainage works.

11. Cost Accounting System. After EPADP's request for Bank assistance, draft terms of reference have been prepared and sent to EPADP for the design, training and implementation of the cost accounting system by a local consulting firm. EPADP

is now recruiting 18 accountants who will form the cost accounting unit. Negotiations are underway with one of the recommended consulting firms, namely Dr. A. M. Hegazy & Co. It is expected that training activities will start by January 1979.

12. Changes in Project Area. EPADP is proposing some changes in the project sub-areas without major change in the total project area. The main changes proposed are to shift some areas of second priority to Nile Delta II and III projects and to include instead new areas adjacent to the already drained areas. The suggested changes are shown in Table 3 of this Annex.
13. Revised Overall Drainage Program. In view of the low performances of the drainage works a revised overall program is now proposed by EPADP, covering the period 1979-1984. The program is shown in Table 4 of this Annex.
14. World Food Program. The World Food Program project to assist the Government in the implementation of the Nile Delta Drainage I project has been completed. The project consisted of providing food to the laborers working for the drainage works. The value of the provided food at local market prices was estimated at LE 0.32 per person per day of which the laborer paid only LE 0.18. The collected money went to a special account for financing local cost of the drainage works. It is estimated that about 50,000 feddans have been provided with field drainage under the Nile Delta I project with financing (local) by the World Food Program project. The contribution of the World Food Program to the Nile Delta I project was US\$ 12.5 million.
15. Cost Recovery. Some progress has been made with cost recovery of field drainage. The amount recovered during the first three quarters of 1978 was LE 463,600 while for the whole year of 1977 it was LE 241,400. However, this is a small fraction if it is compared to the total estimated amount of LE 5-6 million to be recovered for the past years for field drainage already installed. The collected money goes to the Ministry of Finance as an income of EPADP and EPADP is credited with it. Discussions are underway between EPADP and Ministry of Finance to improve the cost recovery performance. To this effect, it is envisaged to provide some bonus to the collectors (1% of the collected amount) as it is done for the tax collection.
16. Socio-economic study of the ability of farmers to pay for the drainage works. No substantial progress has been made for carrying out this study. The general socio-economic survey being carried out by Professor El Goweily with the collaboration of the Ford Foundation has not been completed. The socio-economic study of the ability of farmers to pay for the drainage works will follow the general socio-economic survey. It is not expected that EPADP will be able to submit the study for Bank's review by the amended date of December 31, 1978.

Training Program for Agricultural Extension Members

Public Administration, Drainage Authority
at East Delta//Zaqazeek

<u>Date</u>	<u>Subject</u>	<u>Lecturer</u>
Saturday 7/15/78	Underground Drainage Studies	Dr. Othman Alghamry or one of his Assistant
Sunday 7/16/78	Execution of Underground Drainage Network	Eng. Atfi M. Ali
Monday 7/17/78	Maintenance of Underground Drainage Network	Eng. Maurice Halim Hazmina
Tuesday 7/18/78	Irrigation and Drainage Law	Eng. Ahmad Rushdy Sunnarah
Wednesday 7/19/78	Irrigation and Drainage Law	Eng. Ahmad Rushdy Sunnarah
Thursday 7/20/78	Field Visit to a Project Area	(Eng. Riziq H. Minshawi & (Execution Engineer
Saturday 7/22/78	Examination	
Monday 7/24/78	Examination	
Tuesday 7/25/78	Examination	

Public Administration for Drainage Maintenance
Mid Delta/Shbeen El Kom

Saturday 7/29/78	Underground Drainage Studies	Dr. Othman Alghamry or one of his assistants
Sunday 7/30/78	Execution of Underground Drainage Network	Eng. Abdul Mu'ti Ad-dasouki
Monday 7/31/78	Maintenance of Underground Drainage Networks	Eng. Maher Mohamad Shta
Tuesday 8/1/78	Irrigation and Drainage Law	Eng. Ahmad Rushdy Sunnarah
Wednesday 8/2/78	Irrigation and Drainage Law	Eng. Ahmad Rushdy Sunnarah
Thursday 8/3/78	Field Visit to a Project Area	(Eng. Riziq Hasan Minshawi & (Execution Engineer
Saturday 8/5/78	Examination	
Sunday 8/6/78	Examination	
Monday 8/7/78	Examination	

Public Administration for West Delta/Damanhour

<u>Date</u>	<u>Subject</u>	<u>Lecturer</u>
Saturday 8/12/78	Underground Drainage Studies	Dr. Othman Alghamry or one of his Assistant
Sunday 8/13/78	Execution of Underground Drainage Network	Eng. Artin Halim Gabriel
Monday 8/14/78	Maintenance of Underground Drainage Network	Eng. Yahia Ahmad Daoud
Tuesday 8/15/78	Irrigation and Drainage Law	Eng. Ahmad Rushdy Sunnarah
Wednesday 8/16/78	Irrigation and Drainage Law	Eng. Ahmad Rushdy Sunnarah
Thursday 8/17/78	Field Visit to a Project Area	(Eng. Riziq H. Minshawi & (Execution Engineer
Saturday 8/19/78	Examination	
Sunday 8/30/78	Examination	
Monday 8/31/78	Examination	

Public Administration for East Delta/
Meet Chamr

Saturday 10/7/78	Underground Drainage Studies	Dr. Othman Alghamry or one of his assistants
Sunday 10/8/78	Execution of Underground Drainage Network	Eng. Abdul Mu'ti Ad-dasouki
Monday 10/9/78	Maintenance of Underground Drainage Networks	Eng. Maher Mohamad Shta
Tuesday 10/10/78	Irrigation and Drainage Law	Eng. Ahmad Rushdy Sunnarah
Wednesday 10/11/78	Irrigation and Drainage Law	Eng. Ahmad Rushdy Sunnarah
Thursday 10/12/78	Field Visit to a Project Area	(Eng. Riziq Hasan Minshawi & (Execution Engineer
Saturday 10/14/78	Examination	
Sunday 10/15/78	Examination	
Monday 10/16/78	Examination	

Public Administration for Drainage Maintenance/
Upper & Mid Egypt-Alminya

<u>Date</u>	<u>Subject</u>	<u>Lecturer</u>
Saturday 10/21/78	Underground Drainage Studies	Dr. Othman Alghamry or one of his Assistant
Sunday 10/22/78	Execution of Underground Drainage Network	Eng. Munir Kaldas
Monday 10/23/78	Maintenance of Underground Drainage Network	Eng. George Elias
Tuesday 10/24/78	Irrigation and Drainage Law	Eng. Ahmad Rushdy Sunnarah
Wednesday 10/25/78	Irrigation and Drainage Law	Eng. Ahmad Rushdy Sunnarah
Thursday 10/26/78	Field Visit to a Project Area	(Eng. Riziq H. Minshawi & (Execution Engineer
Saturday 10/28/78	Examination	
Sunday 10/29/78	Examination	
Monday 10/30/78	Examination	

Egyptian Public Commission for Drainage Projects
General Directorate of Field Studies and Design
13 Algeezah St.

Training program for the Ministry of Agriculture's District Managers and Village Extension Officers on underground drainage projects and their relationship with Agricultural Extension.

<u>Governorate</u>	<u>Dates of Seminars</u>			<u>Lecturer</u>	<u>Subject</u>
	<u>First</u>	<u>Second</u>	<u>Third</u>		
Alkaloubeyh	10/ 2/78	10/ 9/78	10/15/78	Eng. Othman Elghamry	Research
	10/ 3/78	10/10/78	10/16/78	Eng. Abdulmu'ty AdDa Souky	Execution
	10/ 4/78	10/11/78	10/17/78	Eng. Ahmad Rushdy Sunnarah	Maintenance
	10/ 5/78	10/12/78	10/18/78	Eng. Director of Extension	Agr. Extension
Ash-Sharkyeh	10/21/78	10/28/78	11/ 5/78	Eng. Fuad Naseer	Research
	10/22/78	10/29/78	11/ 6/78	Eng. Outfy Mohammad Ali	Extension
	10/23/78	10/30/78	11/ 7/78	Eng. Maurice Haleem	Maintenance
	10/25/78	10/31/78	11/ 8/78	Eng. Director of Extension	Agr. Extension
Almanoufyeh	11/ 5/78	11/19/78	11/26/78	Eng. Hasan Jaber Nada	Research
	11/ 6/78	11/20/78	11/27/78	Eng. Salah Fowzi	Execution
	11/ 7/78	11/21/78	11/28/78	Eng. Mahershata	Maintenance
	11/ 8/78	11/28/78	11/29/78	Eng. Director of Extension	Agr. Extension
Algharbyeh	12 /3/78	12/ 9/78	12/16/78	Eng. Dr. Othman Alghouri	Research
	11/ 4/78	12/10/78	12/17/78	Eng. Abdulmu'ti AbDaSouki	Executioner
	12/ 5/78	12/11/78	12/18/78	Eng. Abdulbaset Muhamad Ali	Maintenance
	12/ 6/78	12/12/78	12/19/78	Eng. Director of Extension	Agr. Extension
Albuheirah	12/10/78	12/17/78	12/24/78	Eng. FawziMuhamad Kamel	Research
	12/11/78	12/18/78	12/25/78	Eng. Artin Halim	Execution
	12/12/78	12/19/78	12/26/78	Eng. Yahia Daoud	Maintenance
	12/13/78	12/20/78	12/27/78	Eng. Director of Extension	Agr. Extension
Ad Duk-halyeh	12/10/78	12/17/78	12/24/78	Eng. Dr.Othman Elghamry	Research
	12/11/78	12/18/78	12/25/78	Eng. Abdulmu'ty Ad Dasouky	Execution
	12/12/78	12/19/78	12/26/78	Eng. Ahmad Rushdy Sunnarah	Maintenance
	12/13/78	12/20/78	12/27/78	Eng. Director of Extension	Agr. Extension

Ministry of Irrigation
 Egyptian Public Commission for Drainage Projects
 General Directorate of Field Studies and Design
 13 Algeezah St.

Training program for the Ministry of Agriculture's District Managers
and Village Extension Officers on underground drainage projects and their
relationship with Agricultural extension.

<u>Governorate</u>	<u>Seminar I</u>	<u>Seminar II</u>	<u>Lecturer</u>	<u>Subject</u>
Bani Sweif	10/10/78	10/15/78	Eng. Fathi Abdulhalim Mohamad	Execution
	10/11/78	10/16/78	Eng. George Elias	Maintenance
	10/12/78	10/13/78	Eng. Dir. of Extension	Agri. Extension
Alminya	10/15/78	10/28/78	Eng. Munir Kaldas	Execution
	10/16/78	10/29/78	Eng. Ahmad Rushdi Sinnara	Maintenance
	10/17/78	10/30/78	Eng. Dir. of Extension	Agr. Extension
Assyout	10/15/78	10/31/78	Eng. Mohammad Sami Muhsen	Execution
	10/16/78	10/22/78	Eng. Hussein Lashine	Maintenance
	10/17/78	10/23/78	Eng. Dir. of Extension	Agr. Extension
Souhagh	10/28/78	11/19/78	Eng. Sayed Faouzi Heeda	Execution
	10/29/78	11/20/78	Eng. Kamal Alhaj	Maintenance
	10/30/78	11/21/78	Eng. Dir. of Extension	Agr. Extension
Kana	10/29/78	-	Eng. Mohammad Hasanein	Execution
	10/30/78	-	Eng. Kamal Alhaj	Maintenance
	10/31/78	-	Eng. Dir. of Extension	Agr. Extension
Asna	-	11/19/78	Eng. Mohamad At-tayeb	Execution
	-	11/20/78	Eng. Mohamad Abdul Khalek Sha'ban	Maintenance
	-	11/21/78	Eng. Dir. of Extension	Agr. Extension
Kom Ambo	-	11/21/78	Eng. Nadi salim	Execution
	-	12/18/78	Eng. Fathi Algazzar	Maintenance
	-	12/19/78	Eng. Dir. of Extension	Agr. Extension

Nile Delta Drainage I Project

Revised Project Areas

Symbol	Catchment Area	Project Area			Remarks
		Appraisal	Revised June 1976	Proposed	
A. <u>Eastern Delta</u>		-----Feddans-----			
OE 1	Qalubiya	80,000	112,000	181,000	New areas included in the project
OE 2	Bahrsaft	} 128,000	} 146,000	{ 58,000	Adjusted areas
OE 3	Nizam			{ 69,000	" "
III	Sadaka	43,000	43,000	46,000	" "
OE 7	Bahr Saff	--	--	31,000	New area included in the project
OE 8	Belbis	--	--	15,000	Area shifted from Nile Delta II
	Subtotal	251,000	301,000	400,000	
B. <u>Middle Delta</u>					
OM 1	Sabal	} 40,000	} 40,000	{ 40,000	-- --
OM 2	East Menufiya			{ 27,000	New area included in the project
II	Mehalla-el-Roah	70,000	70,000	64,000	--
IV	P.S. No. 5	75,000	25,000	--	Area shifted to Nile Delta II
VII	Samatai	55,000	55,000	50,000	--
VIII	Segaeya	75,000	75,000	77,000	--
XI	Upper No. 8	34,000	34,000	39,000	--
OM1E	Sabal East	--	--	30,000	New area included in the project
OM3	Tala	--	--	6,000	New area included in the project
	Subtotal	349,000	299,000	333,000	
C. <u>Western Delta</u>					
OW	Delingat	65,000	65,000	43,000	Part of the area shifted to Nile Delta III
V	Khandak	38,000	38,000	36,000	--
IX	Khairi	57,000	57,000	52,000	--
X	Shereshra	90,000	90,000	--	Area shifted to Nile Delta II and III
XIV	Etai-el-Barud	24,000	24,000	24,000	--
XV	Shobrahit	76,000	76,000	72,000	--
	Subtotal	350,000	350,000	227,000	
	Total	950,000	950,000	960,000	

ARAB REPUBLIC OF EGYPT
Revised Drainage Program (November 1978)
(Bank Projects Only)

	Total Work	End 1975 Cumulative	1976	1977	1978	1979	1980	1981	1982	1983	1985
	←-----Actual-----→					-----Feddans----- -----Projected-----→					
<u>Remodelling Open Drains</u>											
Nile Delta I	860,000	560,000	135,000	90,000	75,000(c)	--	--	--	--	--	--
Upper Egypt I	300,000	130,000	40,000	36,000	94,000(c)	--	--	--	--	--	--
Upper Egypt II	500,000	--	4,000	85,000	91,000	170,000	150,000(c)	--	--	--	--
Nile Delta II	800,000	--	--	--	80,000	170,000	190,000	360,000	--	--	--
Total	2,460,000	690,000	179,000	211,000	340,000	340,000	340,000	360,000	--	--	--
<u>Installation Field Drainage</u>											
Nile Delta I	950,000	340,000	123,000	141,000	140,000	150,000	56,000(c)	--	--	--	--
Upper Egypt I	300,000	--	46,000	39,000	50,000	70,000	95,000(c)	--	--	--	--
Upper Egypt II	500,000	--	--	--	10,000	50,000	105,000	165,000	170,000(c)	--	--
Nile Delta II	400,000	--	--	--	--	--	44,000	135,000	150,000	71,000(c)	--
Nile Delta III /1	600,000	--	--	--	--	--	--	--	--	249,000	351,000(c)
Total	2,750,000	340,000	169,000	180,000	200,000	270,000	300,000	300,000	320,000	320,000	351,000

November 1978

(c) Completion

/1 Bank project scheduled for appraisal in 1978.

ARAB REPUBLIC OF EGYPT
NILE DELTA DRAINAGE I PROJECTS

Monitoring and Evaluation of Drainage Projects

Yields and Drainage

It is understood by most people that waterlogged and/or saline soils is not a soil environment in which most economic plants can grow. The plant's chances or ability to remain alive is broadly inversely proportional to the degree of waterlogging and salinity. It is also known by many persons that yields are a product of a number of factors; some operating alone, many in combination with each other. Thus, to determine, and ultimately contrast, benefits of drainage on soils with varying degrees of waterlogging and salinity, compounded by other factors that influence the productivity of the plants such as management practices, utilization of different inputs, genetic constitution of the plant, etcetera; one has assumed a difficult task.

In Egypt, as well as in many other countries, the influence of drains on crop yields has been measured under a controlled environment. That is, experiments have contrasted yields from crops grown on plots of the same soil type, with and without drains. Furthermore, most of the other factors have been kept, to a large degree, the same, especially cultural and management practices, use of inputs and so forth. In practically all cases, crop yields on the drained lands were significantly higher than on undrained lands. This can be seen in an UNSF/FAO team report of 1965, a report of the joint committee from the Ministry of Irrigation and Ministry of Agriculture, both found in the FAO Report, "Research on Crop Water Use-Salt Affected Soils and Drainage in the Arab Republic of Egypt"; and in publications and unpublished reports of the Land and Water Research Institute, The Agricultural Research Center, Ministry of Agriculture, Gizza, Egypt. To a large extent such an approach has validity, since it ostensibly removes the influence of factors other than drainage on crop yields, our objective. Where the Egyptian drainage program is concerned, however, tile drains have been installed on about 1.5 million feddans to date, owned and/or operated by a vast number of independent farmers, holding on the average around two feddans. While the cropping pattern is controlled by Government, that is the amount and the time cotton is to be planted, almost everything else stems from a decision made by the farmer. Consequently, the variables involved become extremely high.

Early Efforts in Evaluation

Prior to the implementation of the new monitoring and evaluation program, the Egyptian Public Authority for Drainage Project's (EPADP) Evaluation Division had been evaluating the drainage program using data supplied by the Statistical Section of the Ministry of Agriculture. Using 1970/71 crop year as a base, net yield changes were tabulated between plots inside the

project area (land scheduled for tile drains), and land not scheduled for tile drainage in a similar (soil, climate, etc.) area. The data covering four years have shown net increases per feddan in drained land over undrained land for wheat, maize, rice and cotton, for most years. The data have also shown for the four crops wide fluctuations in annual differences in responses to drainage. Because of the way the data was collected, and the fact that no account was made for other variables, such as differences in cultural and management practices, use or non-use of inputs, operation of the drains and other factors, this program was not acceptable to the Bank.

In March 1978, the Drainage Research Institute (DRI) working with the Evaluation Division of EPADP, conducted a statistical evaluation of crop production on drained vs undrained lands also using data from the Ministry of Agriculture. The preliminary results showed that yields on drained land after the first, second and third years were progressively higher than on undrained land by the following percentages: for wheat 12%, 17% and 25% respectively; for maize 13%, 20% and 26% and for rice 16%, 24% and 32%. Cotton values showed some discrepancies to the pattern of the other crops and further analysis of the data was being made. (See Supervision Report Nile Delta Drainage I, 5/05/78). Although this statistical analysis was a refinement over the procedure used in the first effort, it still did not take into account all the variables that influence yields mentioned above.

New Monitoring and Evaluation Program

The new monitoring and evaluation program has been developed primarily to meet the Bank's request for more accurate data, than have been previously supplied by the evaluation unit of EPADP, concerning the influence of the drains on crop yields. It has been instituted recently at DRI with the assistance of the Netherlands Government. For the new program, the basic procedure to be followed will be to compare areas which have been drained for a period of years with similar areas that have not been drained. This requires the selection of representative areas which are similar to each other in respect to soil and climate, but differ only in respect to drainage facilities. In addition, the selected areas are to represent large tracks of land, and not small, unusual situations. In fact, the consultants' goal is to have the representative areas meet 90% of the conditions under which the drainage program is being conducted. The consultants have therefore been meticulous about the selection of representative areas, and have used irrigation, drainage, and soil maps, as well as other available data to determine the parameters of each area. Within each representative area, farms on drained and undrained land near each other will be selected for data collection. The data obtained will cover activities on the whole farm as a unit, and not only crop yields.

The Crash Program

The crash program will take two years, and will cover data for four cropping seasons in three representative areas. In each of the three areas,

75 plots will be selected on farms on which tile drains have been installed approximately five years ago. Also in each area, 75 additional plots will be selected on farms that do not have drains, and are not likely to have subterranean drains for at least the next two years. This will provide a total of 450 plots for the program. On each plot, crop yields will be taken, salinity and soil conditions noted, and the level of the watertable recorded. Throughout the two years, these same plots will be monitored, and similar data secured. Because of the cropping patterns, each plot will have a different crop on it each season. The maximum plot size will be 2/3 of a feddan.

Through the use of a questionnaire, 1/ shown as Attachment I, information on other factors that influence yields, such as land preparation, irrigation periods, cultural practices, rotation followed, pest problems and control measures will be obtained. Also secured, will be data on fertilizers used, crop variety or strain planted, threshing and harvesting methods. In addition, information on the maintenance and operation of the drains as well as the irrigation system will also be recorded. Egyptian enumerators who have been posted to and are living in the area will, with the assistance of the agricultural engineers, secure the above information from the farmer. Since the enumerators have been trained to make the necessary measurements and to collect the information desired, and the entire operation will be carefully supervised by the consultants, credence can be put on the data collected. The consultants, working with the agricultural engineers, will interpret the results, and prepare reports on their findings. Because of the methodology, and the opportunity to remove factors other than drainage that influence yields, the data obtained should provide the information needed to scientifically monitor and evaluate the effects of tile drainage on crop yields. It is estimated that with 15 trained men it would require six weeks to secure data for one cropping season.

The crash program will start this November and the data is expected to be ready for presentation at the next meeting of the Drainage Panel, the latter part of January 1979. Unfortunately, the only crop in the field during this time will be cotton and rice. However, the questionnaire will make an attempt to secure the farmers estimate of the yields obtain in the previous season on the same plot.

The evaluation reports will be presented to the Advisory Panel for Land Drainage in Egypt which meets twice a year. On this panel are representatives from the Ministries of Irrigation and Agriculture (economics and soils), EPADP, faculty members from Egyptian agricultural institutions, and advisors and staff from the International Institute for Land Reclamations and Improvement in the Netherlands. Thus, the key persons in the ministries, at advisory and management levels, as well as the implementing agency (EPADP), will have direct access to the information for use in decision making and planning.

1/ Copy available in Division.

The Long Range Program

The long range program is planned to take five years and will study systematically on selected farms, all aspects of crop production and soil conditions over the years. For this program, approximately six to ten representative sites will be designated covering an area from five to ten thousand feddans. Within each representative area, about 25 farms on land which has already been drained, and 25 farms on land nearby which has not been drained, will be used for data collection. From the 25 farms in each of the drained and undrained lands, 75 plots will be identified as the unit for measurement. There will thus be 150 plots in each representative area. It is quite likely that some of the selected undrained farms plots will not remain in this state for the next five years. Nevertheless, the data collected on these farms could still be used in a before and after analysis.

The procedure followed will be essentially that outlined for the crash program mentioned above. However, some additional data will be collected, as each farm will contribute to an overall farm management study. At the time of the mission's visit, the data sheets on the farm management aspect had not been prepared, nor had the team decided on the exact location as well as the number of representative areas that will be used for the long range program. These decisions were expected to be made soon, and this phase of the program should be underway before the end of the next cropping season.

The information secured from the long range aspect of this study will broaden the scope of the program. It will not only show the effects of drainage over the years on crop yields, but it will also indicate how drainage may influence cropping patterns, land use, income level and distribution, use of inputs, as well as a number of other factors.

In order to make use of some of the data the Ministry of Agriculture has been collecting over the years, it was suggested that in each representative area, an effort should be made to find out the actual ground position where the yield samples were taken by the Ministry's enumerators. Since these figures go back in time, they may prove useful in some way. This, the monitoring and evaluation team agreed to do.

Staff and Training

The new monitoring and evaluation program is under the guidance and control of four Dutch consultants. These consultants have been assigned to assist DRI in drainage investigations, and to implement the decisions of the Drainage Advisory Panel. The team leader, Mr. Izak Risseuw, has had over 11 years experience outside of his country in Europe, North Africa and Cape Verde Islands. He holds an M.Sc. degree with honours from University of Agriculture at Wageningen. His training covers drainage, irrigation, soil physics, project planning and evaluation, and sociology of rural tropical areas. The mission considers him a capable leader, competent technically and fully aware of the drainage situation in Egypt.

Mr. Risseuw has as his assistant, Mr. Cornelis Roest, who also holds an M.Sc. degree with training in water management, irrigation, drainage, agricultural economics, and with seven years experience. The other staff members are: Mr. W. Van Schalk, who is a civil engineer with training in agronomy and soil science; and Mr. H. Nisland, a University Graduate with training in irrigation, drainage and soil science. A complete curriculum vitae on each person may be found in Attachment II. The monitoring and evaluation team will be able to call upon consultants in various disciplines from their country to assist in the resolution of special problems as the need arises.

To assist the program, and eventually to take it over, the consultants have trained 16 Egyptian agricultural engineers and 30 intermediate school (agriculture) graduates. The agricultural engineers will work at DRI with the consultants in the selection of representative areas, program planning, testing, analytical work and other activities associated with the evaluation program. They will also assist in field supervision and data collection. The intermediate school graduates will be assigned to the field, and live on or near the farms selected in the representative areas. They will be involved in data collection, checking water table fluctuations, and monitoring farm activities. The evaluation team and the enumerators have had some practical experience already through data collection for the water management of rice fields project. The staff is being supported by a new laboratory, and sufficient field equipment to enable them to carry out their assignment.

In addition to the above, the program calls for a series of short term, inservice training periods in the Netherlands for key personnel working with EPADP and DRI. This training will be practical, and will be given at the University of Wageningen and at various Government units conducting or dealing with subject matters for which training may be desired.

Because of the field training and experience, as well as the off shore training being provided, it is believed that when the consultants leave, there should be a well trained Egyptian cadre on board to competently carry on the monitoring and evaluation program.

Budget

Through a bilateral program with the Netherlands, 2.8 million Netherland Guilders (1.36 million US dollars)* has been allocated to support the evaluation program up to 1980. This amount is to cover staff, training programs, laboratory equipment, supplies and other items needed for the program. As of July 1978, 1.1 million Guilders (0.53 million US dollars)* has been spent. The consultants believe, that should more funds be needed before 1980 and afterwards, they will be forthcoming without difficulty. This is based on their knowledge that the Government of the Netherlands, the University of Agriculture at Wageningen and the International Institute for Land Reclamation and Improvement, have a deep interest in the Egyptian drainage programs.

* As of November 7, 1978.

Other Programs by Dutch Consultants

The Dutch consultants, in addition to the monitoring and evaluation program mentioned above, are conducting on their own several research projects on drainage. They are:

- (a) The East Bahr Saft Project - A pilot project of 40,000 feddans which will be supplied with PVC drainage pipes locally produced. Depth, size of pipes, spacing and other features will be studied. There will also be trials on mechanizing the laying of collector pipes. A mobile PVC plant has been tendered for and is expected to be operational by June 1979. The program is planned for 16 months, preceded by a four months mobilization period. Data on crop production are being secured now, inside and outside the project area.
- (b) Sherishra - On the unstable soils east of Damanhour, 200 feddans will be used to study the effects of filter materials on drains in sandy and unstable soils. Tests will involve the size, amount and position of gravel used with PVC and concrete pipes.
- (c) South Damanhour - This project involves following crop production on farmers' fields to determine the relationship between water and salt balances with and without drains.

In all of the areas where the consultants are planning to conduct their studies, they are busy collecting base data on farm management practices, crop yields, and other factors. Thus, they will be able to have a "before" and "after" picture when they interpret their results. The specific trials made with gravel envelopes, and the size, depth and spacing of the drains will undoubtedly be helpful to the drainage program.

DRI's Research Program

The DRI with its own staff is carrying out several experiments dealing with drainage. They are:

- Reuse of drainage water
- Analysis of soil and water samples for predrainage investigations at selected sites
- Beach erosion
- Tile drains and rice production
- Effects of tile drainage on sugar cane production

- Soil physical analysis on 23,000 feddans for drainage designs for the area
- Data collection in Nubariya drain to be used for a "model" for development
- Network planning for drainage in Upper Egypt
- Curriculum guidance at Zagazig University; agronomists and engineers to receive training in each others field
- Research and training on desalinization, working with students who are doing research for their degrees.
- Participation in training program for drainage maintenance crew of EPADP
- Study of gravel materials; establishing standards, mechanical analysis, size and position.

The new Acting Director, DRI, in a discussion with the mission, indicated that DRI is considering conducting tests on the use and economics of gravel filters. He also mentioned that the institute is closely following the study that is being conducted by the International Conference on Irrigation and Drainage on the use of synthetic materials to replace gravel. Although it is late in coming, it now appears that the nation's drainage program is about to receive some of the much needed back-up support required for the successful implementation of the drainage program.

Publications

Faculty members from the University of Wageningen and several Egyptian institutions as well as staff of DRI, and a number of foreign consultants, have prepared papers and reports on various aspects of drainage, and also on monitoring and evaluating the drainage program. These publications were briefly reviewed by the supervision mission and it is their opinion that copies of these publications should be in the Bank's files. They would undoubtedly enhance our knowledge of the drainage situation in Egypt. These reports were presented at the first meeting in January 1976 of the Advisory Panel for Land Drainage in Egypt and on through to the Fifth Panel Meeting in September 1978. A complete list of the mentioned publications may be found in Attachment III. In summary, the main subjects covered are:

- Drainage machinery
- Review on pipes and filters
- Use of different covers and envelopes
- Land drainage and water management

- Effect of land drainage on agricultural production in the Netherlands
- Water management of tile-drained rice fields
- Improvement of maintenance for subsurface drainage system in Egypt
- Economic evaluation of land drainage in Egypt
- Network planning for Upper Egypt
- Reuse of drainage water for irrigation
- Soil physical analysis and investigations on drained lands
- International experience with trenchless versus trenching drainage machines

The Dutch consultants indicated that they would be happy for the Bank to have these reports. They pointed out, however, that the reports are the property of DRI. Discussion with the Acting Director and other senior staff of DRI revealed that they have no objections to the Bank having these reports.

Recommendations

It is recommended by the mission that a formal request be made to the new Acting Director of DRI requesting DRI to:

- a) Send to the Bank copies of all the reports prepared by the Dutch consultants, staff of DRI and others that were presented to the First Meeting of the Advisory Panel for Land Drainage in Egypt through to the Fifth Panel Meeting in September 1978.
- b) Forward to the Bank all subsequent reports prepared by the Dutch consultants (particularly on the monitoring and evaluation) as well as reports prepared by DRI staff and others.
- c) Include in their research program, detailed field studies to ascertain if the presently used minimum effective drainage depth of one meter is the optimum agronomic and economic depth.
- d) Assign priority in the research program to evaluating the total benefits, or lack thereof, when gravel envelopes are used with tile drains in all types of soil.
- e) Take the leadership in preparing a documented response to the thesis of Dr. Hassan Aly Khedr which has expressed critical views on the drainage program.

It is further suggested that a staff member visit DRI around the latter part of January to review with the consultants the results of the first field data collected by the group, and to check on the procedures followed to secure said information.

In keeping with the recommendation, a letter to the Acting Director of DRI has been sent to him covering all of the above points (Annex 1-D). A copy has also been sent to the Chairman of EPADP. The mission is of the opinion that the requests will be granted. In regard to comments on the thesis, the mission also believes that since both men are keenly interested in the drainage program, have a sound knowledge of it and are best able to respond to the thesis, an accurate and dependable response will be prepared.

ARAB REPUBLIC OF EGYPT

UPPER EGYPT DRAINAGE I PROJECT

Persons Met

Drainage Research Institute

Dr. Mohamed Hassan Amer	-	Acting Director
Eng. Fonad Monsa Ramadan	-	Director of Works
		Deputy Director
Eng. Mrs. El Gindi	-	Research Agronomist

Dutch Consultants

Mr. Izak A. Risseuw	-	Team Leader
Mr. Cornelis W. J. Roest	-	Irrigation & Drainage
		Expert
Mr. Hendrick Jan Nisland	-	Soils and Agronomist
Mr. Wouterus Van Schaik	-	Drainage Expert.

ARAB REPUBLIC OF EGYPT

NILE DELTA DRAINAGE I PROJECT

Reports Submitted to the Advisory Panel for Land Drainage in Egypt

First Panel Meeting: January 1976

- I.00 Report of the Panel's First Meeting, Cairo, Egypt.
January 12 - 19, 1976.
- I.01 Agricultural production in Egypt and its relation to
drainage problems; Prof. Dr. Mostafa Elgabaly, Report
76.I.00 - Annex 1
- I.02 Planning and execution of drainage projects in Egypt;
Prof. Dr. Osman Elghamry, Report 76.I.00 - Annex 2.
- I.03 Review on drainage machinery, Ir. F. C. Zuidema;
Report 76.I.00 - Annex 3.
- I.04 Review on pipes and filters, Ir. J. C. Cavelaars;
Report 76.I.00 - Annex 4.

Second Panel Meeting: June 1976

- II.00 Report of the Panel's Second Meeting Utrecht, The
Netherlands, May 31 - June 4, 1976.
- II.01 Report on the use of difference cover and envelope
materials for subsurface drains; Ir. J. A. C. Knops
& Ir. F. C. Zuidema.
- II.02 A review on international experience with trenchless
versus trenching drainage machines; Ing. W. H. Naarding.
- II.03 Selection of pilot areas and preparation of a program of
investigations on land drainage and water management;
Mission Report: Ir. J. G. van Alphen, Ir. M. G. Bos
& Ir. F. C. Zuidema.
- II.04 The outline of the assignment of priorities as used in
planning for land development in The Netherlands;
Ir. J. M. Koopman, Report 76.II.00 - Annex 3 and 4.
- II.05 Review on the effect of land drainage on agricultural
production in The Netherlands; Ir. J. G. van Alphen.

- II. 06 Economic aspects of the evaluation of tile drainage projects in Egypt; Prof. Dr. Ahmed Elgoweily, Report 76.II.00 - Annex 5

Third Panel Meeting: May 1977

- III.00 Report of the Panel's Third Meeting Cairo, Egypt.
May 23 - 26, 1977
- III.01 The East Bahr Saft Project - Report of a visit to the Arab Republic of Egypt, November 24 - December 2, 1976.
Ir. W. M. K. van 't Hoff, Ing. W. H. Naarding & Ir. F. E. Schulz.
- III.02 Report of a visit to the Arab Republic of Egypt, January 8 - 21, 1977; Dr. Ir. H. ten Have, Ir. I. A. Risseuw & Ir. J. de Wolf.
- III.03 Outline for a study on the Economics of drainage works in Egypt; Drs. E. P. Riezebos and Economic evaluation of drainage in Egypt. Additional notes; Prof. Dr. Ahmed Elgoweily.
- III.04 Re-use of drainage water for irrigation; Prof. Dr. Mahmoud M. Abdallah & Prof. Dr. Osman A. Elghamry.
- III.05 Water management of tile-drained rice fields;
Prof. Dr. Mahmoud M. Abdallah.
- III.06 Operational aspects of subsurface drainage in the IJsselmeer Polders in The Netherlands; Ir. N. F. van der Kant & Ir. S. Spanjer.

Fourth Panel Meeting: January 1978

- IV.00 Report of the Panel's Fourth Meeting, Utrecht, The Netherlands, January 24 - 27, 1978.
- IV.01 Workshop on Water Control for Agricultural Lands.
Report of a Preparatory Mission by Ir. J. de Wolf, Wageningen, September 1977.
- IV.02 Improvement of Maintenance for Subsurface Drainage System in Egypt.
Report of a mission by Ing. J. De Weerd, Arnhem, December 1978.

- IV.03 Economic Evaluation of Land Drainage in Egypt.
 Tentative plan of operations.
 Report of a mission by Ir. C. de Jong, Wageningen,
 October 1977.
- IV.04 Proposals for reorganization and extension of the
 set-up, the outfit and the research of the laboratory
 of the DRI. Report of a mission by Mr. J. Hofstee,
 Lelystad, December 1977.
- IV.05 Water Management of Rice Fields. First report on the
 studies conducted by DRI and the Dutch team. Eng.
 Sabri Anis Salama et al., Ir. I. A. Risseeuw, Cairo,
 January 1978.

Fifth Panel Meeting:

- V.00 Network Planning Upper Egypt Drainage II Project
 In Ir. J. A. van Kampen.
- V.01 Alternative criteria and principle, for the design of
 drainage research in rice growing areas,
 May 2 - 12, 1978. J. C. Carelaars
- V.02 Economic Evaluation of Land Drainage in Egypt. Report
 of the mission of May/June by Ir. C. de Jong.
 Wageningen, August 1978.
- V.03 Economic Evaluation of Land Drainage in Egypt. Report
 of the mission of August by Ir. C. de Jong. Wageningen,
 August 1978.

Consultants' Reports

- 1) Consultancy reports on the reuse of drainage water
- 2) Consultancy on soil physical analysis and investigations
on drained lands.
- 3) Consultancy report on the Drainage Research Institute's laboratory.
-Inservice Training- (main topic)

ARAB REPUBLIC OF EGYPT

Nile Delta Drainage I

Organization and Management

Organization and Staffing. Several changes have taken place in the organization and staffing of EPADP. The two vice chairman posts, one for Nile Delta and one for Upper Egypt, have been re-established. Eng. Abdelmoneim El Inani is the vice chairman for Nile Delta and Eng. Kemal Fetiha for Upper Egypt. Each vice-chairman is assisted by one Undersecretary of Works. The U.S. for Nile Delta Eng. Said Eid has his duty station in Tanta and the U.S. for Upper Egypt, Eng. Sami Mouhsim, in Asyut. Undersecretary for Administration and Finance is still Mr. Ahmed Lotfy, but he is retiring next January.

In addition to the above, three more posts for Undersecretaries have been created: for Maintenance of Drainage Works, (Eng. Roushdi Sinarah), for Mechanical Equipment (Eng. Toot Sharabin) and for Planning, Evaluation and Training (Eng. Karam Gaid). This reflects the importance the new Chairman of EPADP is giving to these activities.

Chairman of the Drainage Evaluation Committee is the consultant (retired Undersecretary) Eng. Asaad Fahmy. Finally, Eng. Mohamed Hasan Amer has been appointed as Acting Director of the Drainage Research Institute, in replacing the late Osman El Ghamry.

Office Facilities. No progress has been made with the construction of the new office building of the Ministry of Irrigation and EPADP. The cost accounting unit will be located in the ex-training center of EPADP in Shoubra.

Class of Service: **LT**

Date: **11/27/78**

Telex No.:

Originators Ext: **74515**

EGT - Cr 181
EGT - Cr 393
HLIT
EGT - Ln. 1285 / Cr. 637

0 **START
HERE**

1 **TO** **DELTATILE, CAIRO EGYPT**

CITY/COUNTRY **FOR AHMED FAHMY, CHAIRMAN. AUDIT REPORT FOR 1977 NOT YET RECEIVED.**

MESSAGE NO.: **PLEASE CABLE IF REPORT HAS BEEN DISPATCHED. REGARDS NAYLOR**

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**END
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TEXT**

NOT TO BE TRANSMITTED

SUBJECT: **Cr. 181, 393,**
EGYPT - 637/1285;

DRAFTED BY:

PEconomides, eld

CLEARANCES AND COPY DISTRIBUTION:

AUTHORIZED BY (Name and Signature)

Peter E. Naylor, Chief, EMPA4

cc: T. Swayze

DEPARTMENT:

SECTION BELOW FOR USE OF CABLE SECTION
CHECKED FOR DISPATCH

DISPATCHED

Nov 27 7 01 PM 1978

COMMUNICATIONS
SECTION

THE EGYPTIAN PUBLIC AUTHORITY
FOR DRAINAGE PROJECTS
5 A EL GOHEINY STREET,
DOKKI - GIZA.

~~Nov~~

Dec. 25 th, 1978 .

Mr. Peter E. Naylor, Chief, Agriculture Division II,
Europe, Middle East and North Africa, Project Dept.,
Washington, D.C. 20433, U.S.A.

Dear Mr. Naylor:

Reference is made to credits 181 and 393 EGT and to Tender
No. 5/1978 for the of equipments required for soil amelioration
in Upper Egypt, please find enclosed two copies of each of the
following documents:-

- 1- The report of the Recommendation Committee.
- 2- Schedule for Technical Analysis.
- 3- Schedule for Financial Comparison.

Doc # 156.346 b

Doc. # 156.346 c

I have given my consent to the recommendation of the Committee,
awaiting for your prompt cable comment.

With our Kindest regards,

Sincerely yours,

A. Fahmy

Eng. Ahmed Fahmy
CHAIRMAN

"E"

AGRICULTURE DIVISION IV	Rec'd 12/11/78	Assigned to: Can. Dr. Abdel-Schamek	Action required: 12/11/78	Filing instructions: Project Sec. informed	Project Name: Egypt	Loan/Credit No. 181 & 393
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The World Bank / 1818 H Street, N.W., Washington, D.C. 20433, U.S.A. • Telephone: (202) 393-6360 • Cables: INTBAFRAD

Upper Egypt Drainage II

EGT-Cr. 181
EGT-Cr. 393

November 22, 1978

EGT-Ln. 1285 / Cr. 637
EGT-Ln. 1439 / 1440 / Cr. 719

Dr. Mohamed Hassan Amer
Acting Director
Drainage Research Institute
13 Giza Road
P.O. Box 33
Giza, Cairo
Egypt

Dear Dr. Amer:

Please accept our congratulations for your appointment as Acting Director of the Drainage Research Institute. We are confident that with your training, experience and interest in the drainage problems of your country, you will supply the leadership to conduct programs that will successfully meet all challenges.

On the last mission to Egypt, Mr. Sands had a rewarding experience talking with you, the Dutch Consultants and Engineer Farnad M. Ramadan about the monitoring and evaluation program as well as activities of the Drainage Research Institute. He also had a chance to review the various publications prepared by the Drainage Research Institute and the Dutch Consultants. These reports presented at the First Panel Meeting in January 1976 through to the Fifth Panel Meeting in August 1978 would be valuable to us, and we would appreciate having copies of them. The reports will help us to have a better understanding of the different components of the whole drainage program in Egypt, and also acquaint us with the research projects being conducted by the Drainage Research Institute. We would also like to be placed on your mailing list so that we can receive all future publications and reports prepared by the Dutch Consultants, especially those on the monitoring and evaluation program, and the Drainage Research Institute. We look forward to receiving these publications at your earliest convenience.

As you are aware, the criteria used for the design of the drainage system has been based on the principle that water table levels should be reduced to one meter below the ground surface within two to three days following irrigation. There still remains, however, some doubts as to whether the minimum, effective drainage depth of one meter is the optimum, agronomically and economically. With large future investments being scheduled, we believe that detailed field studies should be conducted in order to confirm or, if necessary, modify the design criteria. These studies, because of their importance, we hope you will include in the program of DRI.

Another highly significant subject, is that of gravel envelopes for field drains. Although it is true that the risk of sedimentation in the drains installed in clay soils is low, gravel envelopes could be justified in clay soils, on the basis of providing adequate permeability for the groundwater to move into joint openings without a significant loss of head. This improvement in hydraulic conductivity around the drains could be significant. We believe that the DRI could make a real contribution to the drainage program by conducting field tests, with an appropriate grade of gravel envelopes, to evaluate the benefits that could be derived from the use of gravel or other envelopes in each type of soil, and to determine the economic feasibility of using envelopes on tile drains. We trust you will give the above two matters priority in your research program.

I understand from our last mission that you have had only a brief chance to look over Dr. Hassan Aly Khedr's thesis expressing critical views on the drainage program. We urge you and your staff to review this thesis carefully so that a documented response can be prepared as soon as possible, in order to prevent inaccurate statements from being repeated. I know also that the Chairman of EPADP is also most anxious to put the record straight and wishes to assist you in preparing this reply. Dr. Yussef Wally of the Ministry of Agriculture has urged that his Ministry's views be taken into account as well. We would appreciate having a copy of your remarks as soon as prepared for our records.

Since the Chairman of EPAP is also keenly interested in our relationship with the drainage program, we have sent him a copy of this letter for his information.

With kind regards,

Sincerely yours,

Peter E. Naylor
Chief, Agriculture Division IV
Europe, Middle East and North Africa Region
Projects Department

cc: Mr. Ahmed Fahmy
cc: Mr. Economides

FBSands/vfd

EGT - Cn 393

EGT - Ln. 1285/Cn. 637

EGT - Cn 181

EGT - Ln 1439/1440/Cn 719

November 16, 1978

Mr. Ahmed Fahmy
Chairman
Egyptian Public Authority
for Drainage Projects
5 A Elgoheiny Street
Dokki-Giza
Egypt

Dear Mr. Fahmy:

Reference is made to your two letters dated September 19 and September 23 concerning proposed changes in the project area of Upper Egypt I and II projects and Nile Delta I and II projects.

On the basis of the information furnished, we have no objection to your proposals. We are including herewith four tables showing, for each project, the areas considered at appraisal and the areas proposed. We will be grateful if you would examine carefully these tables and let us know if you agree with the figures. New maps showing the areas under each project will be prepared subsequently.

Please note that, according to your proposals, the total areas in Nile Delta I and Nile Delta II projects are being increased by 10,000 and 18,000 feddans, respectively. We would like to avoid such an increase, thus, in reviewing the tables, please try to cut some areas in order to reduce the totals to the original figures.

Sincerely yours,

Peter E. Naylor
Chief, Agriculture Division IV
Europe, Middle East and
North Africa Projects Department

Enclosures

cleared with and cc: Mr. Kaps

PEconomides;eld

~~EGT~~ Cr 181
EGT - Cr. 393
EGT - Ln. 1285 / Cr. 637
EGT - Ln 1439 / 1440 / Cr. 719

November 16, 1978

Mr. Ahmed Fahmy
Chairman
Egyptian Public Authority
for Drainage Projects
5A Elgoheiny Street
Dokki-Giza
Egypt

Dear Mr. Fahmy:

Reference is made to your letter of October 21 handed to our last project review mission, concerning the overall drainage program in Egypt.

Please find attached for your review and approval three copies of a revised overall drainage program for Bank projects only, concerning the period 1978-1984. You will notice that for the Year 1978, we have reduced the area expected to be provided with field drainage to 200,000 feddans. Since during the three quarters of this year the performance was only 124,000 feddans, we thought it was wiser to limit our expectations for the year to 200,000 feddans.

If you agree with the proposed program, please advise us accordingly.

With best regards.

Sincerely yours,

Peter E. Naylor
Chief, Agriculture Division IV
Europe, Middle East and
North Africa Projects Department

Attachment

cleared with and cc: Mr. Kaps

PEconomides;eld

EGT- Cr. 181

11/8/78

OFFICE MEMORANDUM

TO: Mr. Peter E. Naylor, Chief, EMPA4

FROM: Paris Economides, EMPA4

SUBJECT: EGYPT - Back-to-Office Report--October 3-25, 1978 Mission

DATE: November 8, 1978

1. Drainage Projects 1/

Remodelling of open drains is progressing on schedule. Nile Delta Drainage I has been completed and it is anticipated that Upper Egypt Drainage I will be completed within the year.

Due to the serious shortage of cement in the country, progress with field drainage is behind schedule. As of September 30, about 124,000 feddans were provided with field drainage compared to a target of 220,000 feddans for the year. With the delivery of cement, procured with IDA funds from Romania, a better performance is expected for the fourth quarter. EPADP is confident that the target of the year will be attained, however, the mission thinks that the achievement of the year will be between 180,000 and 200,000 feddans.

Progress with pumping stations is satisfactory. Civil works for the last pumping station in Nile Delta I have been completed and installation of machinery will start soon. Moderate progress is being made with the construction of pumping stations in Upper Egypt.

The contract with Cincinnati Milacron Co. was signed on October 21, 1978 after almost six months of hard negotiations. The firm was the only bidder in the tender for the supply and installation of machinery for the three PVC pipe factories in Upper Egypt II, financed by USAID. According to the contract the first factory will become operable by September 1979, the second and third by October and November respectively, i.e. two years behind schedule.

Satisfactory arrangements were made by EPADP for the maintenance of field drainage. Arrangements are also underway for the maintenance of open drains, which, according to a Ministerial decree, will come under the responsibility of EPADP from January 1, 1979. These are encouraging steps towards the solution of the chronic problem of maintenance of drainage works.

Another positive step is that implementation of the new drainage evaluation program has begun. The program is being carried out by the Drainage Research Institute with the assistance of Dutch consultants, and it is expected, within two years, to provide accurate data on the effect of drainage works on yields and soil properties.

EPADP is proposing some minor changes in the project areas of the drainage projects to reflect priorities and delays in completion of pumping stations.

1/ Details will be provided in the supervision reports.

These changes will not affect the total area of each project. Revised maps and tables of areas to be provided with field drainage have been prepared to this effect.

In view of the performance of last year and the delays in the procurement of PVC factories, the overall drainage program has been discussed. A new program, covering the period 1979-1984, is now proposed by EPADP for Bank's approval.

No substantial progress was made in establishing the cost accounting system and in carrying out the socio-economic study on the ability of farmers to pay for drainage works.

2. Bilharzia Control Program^{1/}

The plan of operation for the Bilharzia Program under Nile Delta Drainage II Project (area covered from Asyut Barrage to Aswan Dam) has been prepared and submitted to the Bank for review.

Snail control operations from Giza to Asyut Barrage are proceeding on schedule. Chemotherapy is making good progress. The number of people examined reached 2,300,000 of whom about 700,000 were found to be infected. Re-examination after treatment were made on 356,000 people. The cure rate was found to be 88%.

Some progress is being made in the evaluation of the Bilharzia program. The collection of epidemiological data at field level will start in November using the new system. It is expected that by March 1979 some reasonable data will be available for review.

The Bilharzia Control program under Upper Egypt Drainage I and II Projects will be completed by the end of 1979, while the program under Nile Delta Drainage II Project will be completed by the end of 1981. The continuation of the Bilharzia Control effort after completion of the ongoing projects has been discussed with officials from the Ministry of Health and the Bank consultant. It was recognized that in order to maintain the good results already obtained and to prevent the infestation in Upper Egypt of Biomphalaria alexandrina, the snail host of S. mansoni, it is absolutely necessary to continue the snail control operations and the chemotherapy for at least another five years. It is estimated that, to maintain the Bilharzia Control in Upper Egypt, about 400 tons of molluscicide and adequate amount of drugs will be required annually at an estimated cost of US\$ 6 million. To this effect, it is proposed to invite the Undersecretary of State of the Ministry

^{1/} Details will be provided in the supervision reports and in Dr. Webbe's progress report.

of Health, Dr. Mobarak, and the Bank consultant, Dr. Webbe, to visit Washington for one week, by January 1979, to discuss the serious problem of continuation of the Bilharzia Control effort in Upper Egypt and the eventual expansion of the program in the Delta.

3. Nubariya Seed Farm

Opening of bids for the construction of the Main Nubariya Drain between km 28.4 and 67.6 is scheduled for November 17. Interest for the tender has been expressed by several foreign and local contractors. Estimated cost LE 10 mil.

Halcrow Consultants have submitted to EPADP a report examining the two alternative solutions, loop or tunnel, for the part of the Main Nubariya Drain between km 28.4 and 7.8. The cost for the two solutions is almost the same, about LE 14 million. EPADP has decided to proceed with the tendering, requesting the tenderers to submit offers for the two solutions alternatively. Tender documents are being prepared to this effect.

Progress with the three contracts awarded for the lower part of the Drain, from km 0.0 to km 7.8, (not financed by the Bank) is as follows:

Contract 1 (km 0 to km 2.3): Excavation will be completed by the end of 1978. Civil works for structures completed by 60%.

Contract 2 (km 2.3 to km 3.8): Completed

Contract 3 (km 3.8 to km 7.8): Earth works (dykes) completed by 60%.

Civil works for structures completed by 95%.

The study for the outfall structure carried out by the Drainage Research Institute is nearly completed. This structure will be included in the loop/tunnel tender.

It should be mentioned that the estimated cost for the parts of the drain financed by the Bank's loan (km 7.8 to km 76.7) is about LE 24 million compared to the appraisal estimate of about LE 14.3 million. Therefore, there is a total cost overrun of about LE 9.7 million. The estimated foreign exchange cost overrun is about US\$ 5 million.

Halcrow Consultants have also prepared draft tender documents and drawings for remodelling of the open drains in the seed farm. They are being reviewed by EPADP and the Nubariya Seed Farm. EPADP made an offer to execute this contract with a charge of 3% to cover administrative expenses.

A study is being carried out by the Drainage Research Institute to install covered field drainage in a pilot area of 200 feddans in the Seed Farm. This pilot drainage project aims at determining drainage criteria to be applied on the whole farm. An agreement has been reached between the Seed Farm and EPADP for the execution of the work upon completion of the study and for the monitoring of the drainage system thereafter.

Halcrow's study on the rehabilitation of irrigation networks has not yet been completed.

In view of the complexity of irrigation and drainage problems in the Nubariya Seed Farm and the delays that have occurred in the implementation of the rehabilitation program, a systematic and frequent supervision of the drainage and irrigation components is recommended.

4. New Lands Development - West Nubariya Irrigation Project

The preparation of the feasibility study of the West Nubariya project was discussed at a meeting with Mr. M. Rayner, team leader of ULG Consultants and his deputy Mr. C. Warr. The consultant team, consisting of more than 25 experts and consultants is arriving in Egypt and full activities are expected to start at the beginning of November. A total of about 140 man-months of expatriate consultants will be required to carry out the feasibility study which inter-alia will include a socio-economic and settlement study.

The Project Brief of June 14, 1978 has been discussed with the ULG team leader and some additional information and clarifications were given. The need to justify yield assumptions, farm prices and production costs in the feasibility report has been emphasized. A copy of the memo of Mr. Peters of August 9, 1978 with comments on soil suitability of the West Nubariya area and additional soil studies required has been handed to Mr. Rayner.

The interim report will be completed by end of February 1979 and the final report by the end of July 1979. Therefore, the preappraisal Bank mission should be postponed for the beginning of March 1979 in order to coincide with the review of the interim report. The appraisal mission should be rescheduled for mid-August 1979.

5. Mechanized Farm

Discussions were held with Mr. P. Bonmaison, team leader of the FAO/UNDP West Nubariya Project, Dr. Naguib Hassan, Director of the Project, Mr. A. El Jaff, FAO Country Representative and Dr. Youssef Wally, Technical Advisor of the Ministry of Agriculture, on the future of the Mechanized Farm in West Nubariya, which covers an area of 10,000 feddans. A visit was made to the farm during which the present situation of the irrigation and drainage systems was discussed with the engineer in charge. The general conclusion is that the farm needs complete rehabilitation. The objectives of the rehabilitation are to:

(a) improve the quality of water in the main canal (total salts exceeding 2,000 ppm) by constructing deep tile drains on both sides of the canal to intercept drainage water flowing into the canal and by evacuating the drainage water through small pump units into the El Nour drain;

(b) protect the banks of the main canal with gabions;

(c) remodel all the existing open drains (minimum required depth 2.50 m compared to the present depth of 1.50 m);

(d) install covered field drainage in the whole area of the farm;

(e) improve irrigation network and apply in the sandy soils (50-60% of the area) sprinkler irrigation;

(f) improve levelling for the remaining area of surface irrigation;

(g) revise cropping patterns and agricultural techniques;

(h) provide the necessary farm machinery and equipment; and

(i) study management and development alternatives including the distribution of the land to smallholders.

The estimated cost of the above works is about US\$ 20 million (including settlement cost) of which about US\$ 10 million foreign cost. Detailed field investigations have been carried out by the FAO/UNDP project. An invitation was sent to four consultant firms to submit proposals for the preparation of the feasibility study on the basis of terms of reference already prepared. The study will be financed by FAO/UNDP project. It is expected that the selection of the consultant firm will be made before the end of the year and the feasibility study together with detailed design and tender documents will be ready by the end of July 1979. During my discussions with Dr. Wally, I understood that the Government is interested in Bank financing of this project and that a decision has been already made by the Ministry for the distribution of the land to small settlers.

In view of the above developments, I would recommend to include the rehabilitation of the Mechanized Farm in the West Nubariya project. In this way the Bank will play a major role in the development of the country's land and water resources by introducing a sound strategy for development of new lands and for rehabilitation of areas that have not adequately reclaimed. The inclusion in the project of a small bilharzia control component, aiming at preventing the expansion of the disease in the project area, could also be considered. This should be discussed with Dr. Mobarak and Dr. Webbe during their next visit to Washington.

It is a happy coincidence that the feasibility study of both projects will be ready at the same time, i.e. by the end of July 1979. The New Lands Development preappraisal mission, scheduled to visit Egypt early March, could further discuss this matter with the Government. It is worth mentioning that the rehabilitation of the Mechnized Farm might be followed in the future by rehabilitation of similar projects in the Nubariya area such as Mariut, North Tahrir, Thawra, etc.

cc: Messrs. Paijmans, Kwaku, Köpp (3), Ikram, Swayze(EM1); Dubey(EMNVP); Haynes, K. Jones, ffrench-Mullen, Frank, Merghoub, Khorana, Sands, Donovan, Rehman(EMP); van der Tak(3) J.Lee(PAS); Yudelma (AGR); Chittleburgh(EDO); Krishna(LEG); Hakim(CTR); Subramanian (CTR); Robless(PAB); Kordik(2)(OED)

Ms. Kelley
Ms. Minshall

SGT- Cr 181
11/7/78

Back to office
report

EGT - Cr. 393
EGT - Cr. 181

OFFICE MEMORANDUM

TO: Mr. Peter E. Naylor, Division Chief, EMPA4

DATE: November 7, 1978

FROM: Fenton B. Sands, EMPA4 *FBS*

SUBJECT: EGYPT -- Monitoring and Evaluation of the Drainage Works of Nile Delta I
(Credit 181), and Upper Egypt I (Credit 393)
Back-to-Office Report

1. In accordance with the terms of reference of August 31, 1978, I visited Egypt from October 5 to 12, to discuss with the Drainage Research Institute (DRI) and the Dutch consultants the new monitoring and evaluation program. Since the representative areas for data collection had not been finally selected, there was no field activity to observe.

Monitoring and Evaluation Program

2. The monitoring and evaluation program being conducted at DRI has been designed by the consultants, and is completely under their direction and control. Primarily to meet the Bank's request, the program is divided into two phases: a crash program to take 2 years, and a long range program planned for 5 years. The short range program will obtain data from 450 plots, half of which will be on land not drained, and the other half on land which has been drained for approximately 5 years. There will be 3 representative areas involved. Data will be collected for 4 cropping seasons. It is estimated that with 15 trained men it would require 6 weeks to cover one crop season. The first run is planned to begin this November, and the data to be ready for presentation at the next meeting of the Drainage Panel in January. Regarding the long range program, it will cover 6-10 representative areas. The objective is to have the selected sites represent about 90% of the conditions under which the drainage program has been executed.

3. Because of the methodology, and the opportunity to remove factors other than drainage that influence yields, the data obtained should provide the information needed to scientifically monitor and evaluate the effects of tile drainage on crop yields. Full details of the above programs and subsequent points, will be presented in the full supervision report.

Staff

4. The evaluation team consists of 4 Dutch consultants well trained in the disciplines associated with drainage, and all have had many years of experience, in and outside of their own country, with drainage and irrigation projects. Bio-data on each team member has been secured. The consultants have trained 16 agricultural engineers and 30 other support staff as enumerators for data collection. In addition, annual, short term, in-service training periods in the Netherlands for key personnel has been included in the evaluation project. By this method, when consultants leave there

should be a well trained Egyptian cadre established to competently carry on the monitoring and evaluation program.

Budget

5. Through a bilateral program with the Netherlands, 2.8 million Netherland Guilders (1.36 million U.S. dollars)* has been allocated to support the evaluation program up to 1980. This amount is to cover staff, training programs, laboratory equipment, supplies and other items needed for the program. As of July 1978, 1.1 million Guilders (0.53 million U.S. dollars)* has been spent. The consultants believe, that should more funds be needed before 1980 and afterwards, they will be forthcoming without difficulty.

Other Programs

6. The Dutch consultants, in addition to the monitoring and evaluation program mentioned above, are also conducting several research projects on drainage. These projects cover the use of concrete and PVC drains in respect to spacing, depth, with and without various kinds of filters, and other conditions. The consultants and others have prepared a number of publications on monitoring and evaluation, as well as other aspects of drainage in Egypt. These publications have been noted and briefly reviewed. They should be in our files, as they would add to our knowledge about irrigation and drainage in Egypt. It is noteworthy that the DRI with its own staff is also implementing research projects. Under investigation are such factors as soil salinity, the physical and chemical status of drained and waterlogged soils, reuse of drainage water, pre-drainage investigations and other matters. All of the above mentioned activities represent positive steps that have been taken which should prove highly beneficial to the Egyptian drainage program in the future.

Recommendations

7. It is suggested that a formal request be made to the new Acting Director of DRI to send the Bank copies of all reports prepared by the Dutch consultants as well as those made by DRI. The consultants would be happy for the Bank to have these reports. They pointed out, however, that the reports are the property of DRI. Discussion with the Acting Director and other senior staff of DRI revealed that they have no objections to the Bank having the reports. A request should also be made to the Acting Director of DRI to furnish the Bank with all future reports made on the monitoring and evaluation

* As of November 7, 1978

program. In addition, a staff member should visit DRI in January to review with the consultants the results of the collected data, and to check on the procedures followed to secure said information.

cc: Messrs: Paijmans (EMI), Kwaku (EMI), Köpp (EMI) (3), Swayze (EMI), Haynes (EMP), K. Jones (EMP), French-Mullen (EMP), Merghoub (EMP), Frank (EMP), Khorana (EMP), van der Tak (PAS) (3), Yudelman (AGR) (2), Krishna (LEG), Hakim (CTR), Subramanian (CTR), Robless (PAB), Kordik (OED) (2)

vfd



MINISTRY OF ECONOMY
AND ECONOMIC COOPERATION

Economic Cooperation Division
Office Of The Under Secretary

2317 6
18/11/78

EGT A 181
EGT A 393

Mr. Martijn J.W.M. Paijmans
I.B.R.D
Washington, D.C
U.S.A.

Cairo 31 October, 1978

Re: Credits 181 and 393

Dear Mr. Paijmans,

Please find enclosed herewith, revised tables regarding the
above mentioned credits, duly confirmed by H.E Dr Hamed El-Sayeh,
Minister of Economy and Economic Cooperation.

With best regards.

Samir Koraïem
Under Secretary

Credit 181Schedule 1Allocation of Proceeds of Credit

<u>Category</u>	<u>Amounts Expressed in Dollar Equivalent</u>
I. C.i.f. cost of tile drainage construction equipment	9,500,000
II. C.i.f. cost of main drainage remodelling equipment	2,800,000
III. C.i.f. cost of pump stations--machinery, equipment and installation	8,500,000
IV. Training and consultants' services	600,000
V. C.i.f. cost of maintenance equipment	50,000
VI. C.i.f. cost of agriculture extension equipment and vehicles	100,000
VII. (a) C.i.f. cost of imported, and/or (b) ex-factory price of locally manufactured tractors, trucks and motorcycles	3,800,000
VIII. Unallocated	<u>650,000</u>
TOTAL	<u>26,000,000</u> =====

CONFIRMED

H/Amr A. El-Sayid
Minister of Economy and Economic
Cooperation

ARAB REPUBLIC OF EGYPT

Credit 393Schedule 1Withdrawal of the Proceeds of the Credit

1. The table below sets forth the Categories of items to be financed out of the proceeds of the Credit, the allocation of amounts of the Credit to each Category and the percentage of eligible expenditures so to be financed in each Category:

<u>Category</u>	<u>Amount of the Credit Allocated (Expressed in Dollar Equivalent)</u>	<u>% of Expenditures to be Financed</u>
I. Tile drainage construction and maintenance equipment, vehicles and materials under Part A(i) of the Project	21,900,000	100% of foreign expenditures or 65% of total expenditures if locally procured (representing the estimated foreign expenditure component)
II. Equipment, vehicles and materials for Parts A(ii), (v) and (vi) of the Project	2,500,000	100% of foreign expenditures or 65% of total expenditures if locally procured (representing the estimated foreign expenditure component)
III. Pumping stations; transmission lines; materials, equipment and installation under Parts A(iii) and (iv) of the Project	3,300,000	100% of foreign expenditures or 65% of total expenditures if locally procured (representing the estimated foreign expenditure component)
IV. Equipment, vehicles and materials for Part B of the Project	7,905,000	100% of foreign expenditures or 65% of total expenditures if locally procured (representing the estimated foreign expenditure component)

<u>Category</u>	<u>Amount of the Credit Allocated (Expressed in Dollar Equivalent)</u>	<u>% of Expenditures to be Financed</u>
V. Consultants' services and training of drainage personnel under Part A of the Project	--	--
VI. Consultants' services for Part B of the Project	--	--
VII. Unallocated	<u>395,000</u>	
TOTAL	<u>36,000,000</u> =====	

Paragraph 3(b) of Schedule 1 is amended by deleting the words "Categories IV and VI" and by substituting the words "Category IV therefor"

CONFIRMED

Hamed A. El-Sayeh
Minister of Economy and Economic
Cooperation

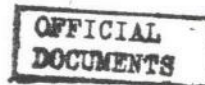
ARAB REPUBLIC OF EGYPT



MINISTRY OF ECONOMY
AND ECONOMIC COOPERATION

Economic Cooperation Division
Office Of The Under Secretary

2317 6, m.
18/11/78



CR. 393-EGT⁵
✓ CR. 181-EGT⁵

Mr. Martijn J.W.M. Paijmans
I.B.R.D
Washington, D.C
U.S.A.

Cairo 31 October, 1978

Re: Credits 181 and 393

Dear Mr. Paijmans,

Please find enclosed herewith revised tables regarding the
above mentioned credits, duly confirmed by H.E Dr Hamed El-Sayeh,
Minister of Economy and Economic Cooperation.

With best regards.

Samir Koraïem
Under Secretary

Credit 181

OFFICIAL
DOCUMENTSCR.181-EGT⁵

Schedule 1

Allocation of Proceeds of Credit

<u>Category</u>	<u>Amounts Expressed in Dollar Equivalent</u>
I. C.i.f. cost of tile drainage construction equipment	9,500,000
II. C.i.f. cost of main drainage remodelling equipment	2,800,000
III. C.i.f. cost of pump stations--machinery, equipment and installation	8,500,000
IV. Training and consultants' services	600,000
V. C.i.f. cost of maintenance equipment	50,000
VI. C.i.f. cost of agriculture extension equipment and vehicles	100,000
VII. (a) C.i.f. cost of imported, and/or (b) ex-factory price of locally manufactured tractors, trucks and motorcycles	3,800,000
VIII. Unallocated	<u>650,000</u>
TOTAL	<u>26,000,000</u> =====

CONFIRMED

Hamed A. El-Sayid
Minister of Economy and Economic
Cooperation
ARAB REPUBLIC OF EGYPT

64145 WORLDBANK

325 HOMER UN

(Telex NO.)

WORLD BANK

WASHINGTON DC-USA

INCOMING TELEX From Cairo

RECEIVED

Distribution:

1978 OCT 23 AM 8:21

COMMUNICATIONS DIVISION

Mr. Naylor
Mr. Koepp
Mr. Economides's ofc.
Comt. Mr. Mitchell

SIX FOR NAYLOR. AAA HAVE MOVED TO MERIDIEN.
BBB CONFIRM MY DEPARTURE OCTOBER 25 AND ARRIVAL
WASHINGTON SATURDAY OCTOBER 28 FLIGHT TWA 847
THROUGH BOSTON. PLEASE INFORM WIFE. CCC INCREASE
LETTER OF CREDIT TITОВI ZAVODI- CARRYING LETTER EPADP
REQUESTING DISREGARD FORM H5 DATED AUGUST 9 FOR
INCREASE LETTER OF CREDIT. TOTAL CALCULATED TEN PERCENT
INCREASE FOR PRICE ESCALATION ABOUT 480,000 DOLLARS OF WHICH
AMOUNT OF ABOUT 476,000 DOLLARS ALREADY PAID TO TITОВI
ZAVODI THROUGH APPLICATIONS 213 AND 239. REGARDS

ECONOMIDES.

64145 WORLDBANK

325 HOMER UN

EGT- Cr 181
sd EGT- Cr 393
EGT- L7 1285 / Cr 637
EGT- L7 1439 / 1440 / Cr 719

Euringa
Helen please
check whether
controllers received
fax
F called
to confirm
that Mr. Hatin
had received

6/122

MEMO	
AGRICULTURE DIVISION IV	
Rec'd	10/23 No. 1036
Assigned to: <i>H. Economides (or)</i>	
Action Required	
Filing Instructions	
Project Sca. Inform.	
Project Base: <i>Egypt</i>	
Loan/Credit: <i>Charge</i>	

cc: to
Hatin
with notify
wife
10/23/78

EMENA files

EGT- Cr. 181 9

ARAB REPUBLIC OF EGYPT
EGYPTIAN PUBLIC AUTHORITY
FOR DRAINAGE PROJECTS

5 a Elgoheiny St. Dokki Giza
Cable Address: Deltatile Cairo.

Chairman's Office

October 22nd, 1978.

Disbursement Division,
International Development Association,
1818 H street, N.W.,
Washington, D.C. 20433, U.S.A.

EMENA
AGRICULTURE DIVISION IV
Rec'd. 1/1 No 1068
Assigned to Economic
Action required None

Please
take
action

Re: Credit 181 EGT.
Application for approval of
amendment of L/C.

Dear Sir:

Reference is made to Form H 5 dated August 9th, 1978, applying for approval of amendment of letter of credit number 51749, and we hereby request you to please disregard the said application. It was through misunderstanding that that application was made.

We have instructed our local bank accordingly to instruct the Contractors bank in Yugoslavia.

Please excuse the inconvenience this has caused you, thank you.

Sincerely yours,

A. L. Abdelmonem
A. L. Abdelmonem
Undersecretary of State

Action to be taken
by controller

[Signature]
11/3/78

ARAB REPUBLIC OF EGYPT
EGYPTIAN PUBLIC AUTHORITY
FOR RAILWAYS

مستند رقم ١٥٨٥٢	
١٠٨٢	
رقم الصادر	١٠٨٢
التاريخ	١٠/٨/٩٠
معدل التكاليف	١٠٨٢
رقم الملف	١٠٨٢

المستند رقم ١٥٨٥٢
١٠٨٢
١٠/٨/٩٠

المستند رقم ١٥٨٥٢
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١٠/٨/٩٠

المستند رقم ١٥٨٥٢
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المستند رقم ١٥٨٥٢
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المستند رقم ١٥٨٥٢
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١٠/٨/٩٠

ARAB REPUBLIC OF EGYPT
EGYPTIAN PUBLIC AUTHORITY
FOR DRAINAGE PROJECTS

5 a Elgoheiny St. Dokki Giza
Cable Address: Deltatile Cairo.

Chairman's Office

EGT Cr. 181

EGT - Cr. 393

EGT - Ln 1285 / Cr. 637

EGT - Ln 1439 / 1440 / Cr 719

1/cx
C.I.A
V.I.V.I.C

Date: 21 October, 1978.

EGYPT	
AGRICULTURE DIVISION IV	
Rec'd	11/1 No. 1067
Assisted by Economides	
Gard	
Action required dr	
del 11/16/78	
Filing Instructions:	
Project Sec. Informant:	
Project Name - Upper Egypt	
Drainage I. 471	
Loan/Credit No. 313-4AR	
1985 EGT	

Mr. Peter Naylor,
Chief Agriculture Division IV,
Europe, Middle East & North Africa,
1818 H. Street N.W.
Washington D C 20433, U.S.A.

Re: Revised Program for Drainage

Projects financed by IBRD

Dear Mr Naylor,

With reference to the discussions with Mr Economides and his colleagues during the period October 4 to 21, 1978, I would like to enclose the revised program for Drainage projects agreed upon. Detailed schedules and follow up reports will be prepared accordingly.

Sincerely yours,

A. Fahmy
Eng. Ahmed Fahmy

Chairman

Class of Service: ETDate: OCTOBER 20, 1978

Telex No.:

Originators Ext: 75374

12

10

0 START
HERE

1 TO

DELTATILE

CITY/COUNTRY

CAIRO, EGYPT

MESSAGE
NO.:

FOR AHMAD FAHMY, CHAIRMAN. RE CREDITS 181 AND 393-EGT AND CREDIT/
LOAN 637/1285-EGT DRAINAGE PROJECTS EGYPT. ON BASIS OF REVIEW BY
ECONOMIDES AND PROVIDED SUGGESTED CHANGES MADE BANK HAS NO
OBJECTION TO SPECIFICATIONS AND ISSUANCE FOR AAA TWO PVC PLANTS AND
2000 TONS PVC POWDER, BBB TEN TILE LAYING MACHINES, AND CCC 75,000
TONS CEMENT. PLEASE ADVISE DATES BIDS TO BE RECEIVED AND FURNISH
TWO COPIES OF AS ISSUED SPECIFICATIONS. REGARDS NAYLOR INDEVAS

21 END
OF
TEXT
22

NOT TO BE TRANSMITTED

SUBJECT:

EGYPT - (1) Credits 181/393-EGT
(2) Credit/Loan 637/1285-EGT

CLEARANCES AND COPY DISTRIBUTION:

cc: Messrs. Economides, Swayze

DRAFTED BY:

AUTHORIZED BY (Name and Signature):
P. Naylor, Chief

DEPARTMENT:

EMPA IV

SECTION BELOW FOR USE OF ORIGINATOR
CHECKED FOR DISPATCH

DISPATCHED

OCT 20 6 38 PM 1978

COMMUNICATIONS
SECTION

440098 WORLDBANKVQ

440098 WORLDBANK

EGT - C 181
INCOMING+ TELEX

EGT C 393 sj
RECEIVED

Distribution

1978 OCT 19 AM 9:45
COMMUNICATIONS DIVISION

Mr. Naylor
Mr. Koepp
Mr. Economide's ofc.

440098 WORLDBANK

92222HILTLS UN (Telex Nr.)

HILTONCAIRO 19TH, OCT 1978

TO 440098 WORLD BANK WASHINGTON DC

FIVE FOR NAYLOR.

ALPHA- PLANNING LEAVE CAIRO OCTOBER 25 AND

RETURN WASHINGTON OCTOBER 28.

PLEASE INFORM WIFE.

BETA- PLEASE ADVISE CONTROLLER NOT REPEAT NOT
INCREASE LETTER OF CREDIT FOR TITTOVI ZAVODI . SEEMS

THERE IS MISTAKE IN CALCULATION PRICE ESCALATION.

AM FOLLOWING MATTER AND SHALL REPORT AS SOON

AS WHOLE SITUATION IS CLARIFIED.

GAMA- HAVE REVIEWED SPECIFICATIONS FOR

PROCUREMENT AAA 2 PVC PLANTS AND 2000 REPEAT

2000 TONS PVC POWDER BBB 10 TILE LAYING

MACHINES CCC 75000 TONS CEMENT. HAVE SUGGESTED

MINOR MODIFICATIONS FOR FIRST TENDER DUCUMENTS

WHICH WERE ACCEPTED BY EPADP. SPECIFICATIONS FOR

OTHER ITEMS DONOT DIFFER PREVIOUS ONES. PLS

SEND CABLE TO EPADP APPROVING ABOVE SPECIFICATIONS.

DELTA- HAVE MET ULG TEAM LEADER AND DISCUSSED

IN LENGTH WEST NUBARIYA PROJECT. REGARDS

ECONOMIDES.

++++

740

AGRICULTURE DIVISION IV	
Rec'd 10/19	No. 1025
Assigned to Naylor	
Schuennh	
Answered/Telex to	
DELTAFILE	
Action required	
Dated 10/20/78	
Filing Instructions:	
Project Sec. Informed:	
Project Name Egypt	
Drainage	
Loan/Credit No.	

cc to Hakim
notified wife
10/17/78

440098 WORLDBANKNNNNMO

0530 EDT

Class of Service:

Date:

Telex No.:

Originators Ext:

Oct 16/8 EGT - Cn. 181

EGT - Cn. 393

EGT - Ln 1205/Cn. 637

EGT - Ln 1439/1440/Cn. 719

Oman - 985

0 START
HERE
1 TO

CITY/COUNTRY

MESSAGE
NO.:

BOOK OF TWO

FR/TT

1) PARIS ECONOMIDES
BANK MISSION
HILTON HOTEL
CAIRO, EGYPT

2) x FENTON SANDS
BANK MISSION
GULF HOTEL
MUSCAT, OMAN

FR/TT

Telex: 92222 HILTLS UN

Telex: 84108

MB 214

3416

21 END
OF
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22

NOT TO BE TRANSMITTED

SUBJECT:

DRAFTED BY:

CLEARANCES AND COPY DISTRIBUTION:

AUTHORIZED BY (Name and Signature):

DEPARTMENT:

SECTION BELOW FOR USE OF CABLE SECTION
CHECKED FOR DISPATCH

Class of Service: _____ Date: _____

Telex No.: Telex _____ Originators Ext: _____

12

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END
OF
TEXT

FOR PARIS ECONOMIDES AND FOR FENTON SANDS. AAA HAVE JUST RECEIVED
CABLE FROM BAGHDAD REGRETING THAT ALL CONFERENCES, MEETINGS,
ETC. HAVE BEEN CANCELLED. DUE TO POSSIBILITY THAT IT WOULD BE
IMPOSSIBLE TO ADVANCE SUPERVISION TO START OCTOBER 20, I HAVE
DECIDED TO CANCEL SUPERVISION MISSION. PLEASE RETURN STRAIGHT
BACK TO BANK ON COMPLETION OF PRESENT MISSION. BBB CONTROLLERS
PRESSING FOR AUTHORIZATION FOR INCREASE IN LC TO TITОВI ZAVODI OF
YUGOSLAVIA AS EXPLAINED MY CABLE OF OCTOBER 5. HAVE YOU BEEN ABLE
DISCOVER DETAILS. REGARDS NAYLOR

NOT TO BE TRANSMITTED

SUBJECT: Oman - Technical Assistance
Egypt - Drainage Project

CLEARANCES AND COPY DISTRIBUTION:

cc: Messrs. Siebeck and Hakim

DRAFTED BY:

PNaylor:eld

AUTHORIZED BY (Name and Signature):

Peter E. Naylor, Chief, EMPA4

DEPARTMENT:

SECTION BELOW FOR USE OF CABLE SECTION
CHECKED FOR DISPATCH

DISPATCHED

OCT 16 11 50 PM 1978

COMMUNICATIONS
SECTION

OFFICE MEMORANDUM

TO: Files

DATE: October 13, 1978

FROM: Peter E. Naylor, Chief, EMPA4

SUBJECT: EGYPT: Drainage Projects
Award of Contract for Collector Laying Machines

I had a call from the Dutch ED's office (Mr. Wijenberg, Ext. 74900) on October 12, saying they had received a complaint from Barth about the award by EPADP of this contract to Hoes of West Germany. I explained to him the circumstance of the award and he agreed that as Hoes were the lowest bidder, the decision seemed fair. I said also that EPADP had later made an additional order from Barth of two machines in order to compare the two makes. I went on to say that there would be another tender soon for more such machines so that Barth would have another chance. He expressed himself satisfied.

cc: Messrs. Economides and Schwenneker (EMP)

PN/hm

Class of Service: *92354* telex
Telex No.: *927-92222* HILTLS UN

Date: 10/10/78

Originators Ext: 72447

EGT-Ln 1285/01.637
EGT-Ln 1439/1440/01.719
TRAQ
100 START
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1 TO

FOR ECONOMIDES, WORLD BANK STAFF MEMBER, HILTON HOTEL

CITY/COUNTRY

CAIRO, EGYPT

MESSAGE
NO.:

AAA RE SUPERVISION DRAINAGE PROJECTS PLEASE REVIEW PROGRESS IN
MONITORING AND EVALUATION SECTION 2.06 PROJECT AGREEMENT NILE
DELTA II AS OUR RECENT REPORT ON THE SUBJECT EMPHASIZED NEED TO
DO SO. BBB YOUR BAGHDAD SEMINAR PAPER. HAYNES CONFIRMS THAT
HE DOES NOT WISH IT TO BE REPRODUCED IN PUBLISHED PROCEEDINGS
BECAUSE NUMBER OF POINTS WHERE YOUR INTERPRETATION OF BANK
POLICY OPEN TO MISUNDERSTANDING. INTER ALIA THESE ARE PARAS.
24,33,37. ALSO TABLE ONE NEEDS TO SAY IF VALUES IN CURRENT
OR CONSTANT DOLLARS. CCC PLEASE TELL REHMAN THAT DATES FOR GREECE
VISIT REMAIN AS ORIGINALLY PROPOSED AND HE SHOULD PROCEED ACCORDING
TO TRAVEL SCHEDULE. REGARDS NAYLOR

21 END
OF
TEXT
22

NOT TO BE TRANSMITTED

SUBJECT:

Egypt Drainage/Seminar

CLEARANCES AND COPY DISTRIBUTION:

DRAFTED BY:

FHeidhues/PNaylor; sm

AUTHORIZED BY (Name and Signature):

Peter Naylor, Div. Chief

DEPARTMENT:

EMENA Projects

SECTION BELOW FOR USE OF CABLE SECTION
CHECKED FOR DISPATCH

DISPATCHED

OCT 11 2 30 PM 1978

COMMUNICATIONS
SECTION

440098 WORLDBANK

92222HILTLS UN (Tx.n0.) Cairo

HILTONCAIRO 08.10.1978

TO 440098 WORLD BANK WASHINGTONDC

TWO FOR NAYLOR AAA SANDS ARRIVED

ON SCHEDULE.AFTER OCTOBER 12 PLEASE

ADDRESS TO ME ALL MATERIALS FOR

SANDS.BBB. RECEIVED YOUR TLX ON

INCREASE CONTRACT PRICE FOR PUMPING

STATIONS UNDER CREDIT 181. SHALL

INVESTIGATE ON MONDAY AFTER MY

RETURN FIELDTRIP DELTA CCC HAVE

HAD INTERESTING DISCUSSION WITH

BONMAISON ABOUT DRAINAGE MECHANIZED

FARM.DISCUSSIONS WILL CONTINUE

WITH HASAN NEGUIB DURING MY

VISIT TO ALEXANDRIA.REGARDS

ECONOMIDES.

+++++ _____ Mr. Sands home number ublisted.

440098 WORLDBANKNNNNMO

INCOMING TELEX

1978 OCT -8 PM 1:32

COMMUNICATIONS DIVISION

DIST. - MR. NAYLOR
OFFICE OF MR. SANDS

AGRICULTURE DIVISION IV	
Rec'd <u>10/10</u>	No <u>993</u>
Assigned to <u>Naylor</u>	
Action required <u>advised 10/10</u>	
Filing Instructions:	
Project Sec. Informed:	
Project Name <u>Drainage</u>	
Loan/Credit No. <u>181-243 x 637/1285</u>	

719/1439-1440

EGT - Ch. 181 R/C

FRM

Class of Service: TELEXDate: October 5, 1978Telex No.: 2222Originators Ext: 7606112 927-92222 100 START
HERE

1 TO

HILTON HOTEL, CAIRO, EGYPT

CITY/COUNTRY

FOR PARIS ECONOMIDES, WORLD BANK STAFF MEMBER. HAVE RECEIVED

MESSAGE
NO.:

REQUEST FROM BORROWER FOR INCREASE IN LETTER OF CREDIT NUMBER

51749/19 IN FAVOR OF TITОВИ ZAVODI LITOSTROJ OF LYUBLIANA REFERENCE

CATEGORY 3 OF CREDIT 181. AMENDMENT IS FOR DOLLARS 312209

REPRESENTING 65 PERCENT OF 10 PERCENT INCREASE IN CONTRACT PRICE.

CAN FIND NO REFERENCE TO THIS IN YOUR OR SCHWENNEKERS DOCUMENTS.

PLEASE INVESTIGATE AND CABLE YOUR APPROVAL IF JUSTIFIED. REGARDS

NAYLOR

21 END
OF
TEXT
22

NOT TO BE TRANSMITTED

SUBJECT:
EGYPT: Nile Delta IDRAFTED BY:
PNaylor/hm

CLEARANCES AND COPY DISTRIBUTION:

AUTHORIZED BY (Name and Signature):
Peter E. Naylorcc: Mr. Schwenneker, EMP
Ms. Dowling, EMPDEPARTMENT:
Chief, EMPA4SECTION BELOW FOR USE OF CABLE SECTION
CHECKED FOR DISPATCH

Class of Service: **TELEX** Date: **October 5, 1978**

Telex No.: _____ Originators Ext: **74785**

12

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CITY/COUNTRY

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END
OF
TEXT

EGT - Cr. 681
EGT - Ln. 1482
EGT - Ln. 5.05
EGT - Cr. 576
EGT - Cr. 181

BOOK OF TWO

- 1) MR. ABDEL-MONEIM EL GAMMAL
MINISTRY OF ECONOMY AND ECONOMIC
COOPERATION 927-
TELEX: GAFEC UN 348
CAIRO, EGYPT
- 2) MR. ALI M. NEGM
CENTRAL BANK OF EGYPT
TELEX: 2237 MARKAZI
CAIRO, EGYPT

927-386

92237

92279

NOT TO BE TRANSMITTED

SUBJECT:

Egypt: Overdue Sevc. Payments

CLEARANCES AND COPY DISTRIBUTION:

DRAFTED BY:

AUTHORIZED BY (Name and Signature):

DEPARTMENT:

SECTION BELOW FOR USE OF CABLE SECTION

CHECKED FOR DISPATCH

Class of Service: **TELEX** Date: **October 5, 1978**
Telex No.: _____ Originators Ext: **74785**

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CITY/COUNTRY

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END
OF
TEXT

ADDRESSED MR. ABDEL-MONEIM EL GAMMAL, MINISTRY OF ECONOMY AND
ECONOMIC COOPERATION AND MR. ALI M. NEGM, CENTRAL BANK OF
EGYPT, CAIRO, EGYPT

AAA. RE CREDIT 681 EDUCATION US DOLLARS 3,417 DUE SEPTEMBER 15.
PARTIAL PAYMENT OF US DOLLARS 857.69 RECEIVED. WOULD GREATLY
APPRECIATE YOUR URGENT ASSISTANCE IN ARRANGING PAYMENT OF
REMAINING BALANCE.

BBB. RE OUR TELEX OF SEPTEMBER ONE ON SERVICE PAYMENTS DUE
ON OCTOBER ONE. LOAN 1482 SUEZ CANAL EXPANSION. US DOLLAR
PAYMENT RECEIVED BUT NETHERLANDS GUILDERS 84,647, JAPANESE
YEN 14,319,169, DEUTSCHE MARK 90,627, AND SWISS FRANCS
83,683 ARE STILL OUTSTANDING. LOAN S-005 IRON ORE BENEFICIATION
AND ENGINEERING. APART FROM FRENCH FRANCS 16,730 ALL PAYMENTS
RECEIVED. WOULD APPRECIATE THE OUTSTANDING PAYMENTS MADE
SOONEST.

CCC. FOLLOWING PAYMENTS WILL BE DUE ON NOVEMBER ONE COLON
CREDIT 576 BANK OF ALEXANDRIA II US DOLLARS 64,478 AND
CREDIT 181 NILE DELTA DRAINAGE US DOLLARS 79,949. PLEASE
ARRANGE PAYMENT TO IDA ACCOUNT B WITH FEDERAL RESERVE BANK
OF NEW YORK. OFFICIAL NOTICE OF AMOUNTS PAYABLE HAS BEEN
MAILED. BEST REGARDS. KOEPP, WORLD BANK.

NOT TO BE TRANSMITTED

SUBJECT:
EGYPT: Overdue Svc. Payments

CLEARANCES AND COPY DISTRIBUTION:

cc: Mrs. Pan

DRAFTED BY:

MBWegayehu MBW

AUTHORIZED BY (Name and Signature):

Hans-Eberhard Köpp, Div. Chief, EM1A

DEPARTMENT:

EM1SECTION BELOW FOR USE OF CABLE SECTION
CHECKED FOR DISPATCH

EGT - Cr. 181

EGT - Cr. 393

EGT - Ln. 1285 / Cr. 637

EGT - Ln. 1439 / 1440 / Cr. 719

9/26/78

EGT - Cr. 181

EGT - Cr. 393

EGT - Lr. 1285/Cr. 637

EGT - Lr. 1439/1440/Cr. 719

Mr. Franz Heidhues, Acting Chief, EMPA4

September 26, 1978

Paris Economides, EMPA4

Supervision Mission to Egypt - October 3 to 20, 1978

att
Attached please find a paper showing the main points we intend to discuss with the Egyptian Public Authority of Drainage Projects (EPADP) during our next supervision mission.

Attachment

cc: Messrs. Sands and Rehman

PEconomides;eld

EGYPT - Supervision Nile Delta I, Upper Egypt I
Upper Egypt II and Nile Delta II Drainage Projects

October 1978

POINTS OF DISCUSSION

1. Evaluation of Drainage Works

The new evaluation program of drainage works has been discussed on several occasions between EPADP and the Bank, and it was found satisfactory. The Bank mission emphasizes once more the importance of this program and the need to proceed as soon as possible to its implementation, in order to obtain reliable data on the effects of drainage works on crop yields and soil properties. The mission requests the full support of the Chairman of EPADP to this program. In view of the new approach to the problem and the time required to implement the program, there is a need to amend the Project Agreement of Nile Delta Drainage II Project (Section 2.06), accordingly. To this effect, a letter should be sent by EPADP to the Bank asking to postpone the date of submission of the interim report by two years.

2. Depth of Drainage

The design of the drainage system has been based on the principle that water table levels should be reduced to one meter below the ground surface within 2-3 days following irrigation. However, there are some doubts as to whether the adopted minimum effective drainage depth of one meter is the optimum, agronomically and economically. With such large future investments being scheduled, the mission thinks that detailed field studies should be conducted in order to confirm or, if necessary, modify the design criteria. These studies should be included in the program of the Drainage Research Institute (DRI).

3. Gravel Envelope

Gravel envelopes in field drains have two functions: to prevent sedimentation in the pipes and to provide adequate permeability for the groundwater to converge into joint openings without a significant loss of head. EPADP, on the basis of a recommendation of the Advisory Panel for Land Drainage in Egypt, has discontinued the use of gravel envelopes in areas with clay soils. Although it is true that the risk of sedimentation in the drainage pipes in clay soils is low, the use of gravel envelopes could be justified on the basis of the second function, i.e. the improvement of the hydraulic conductivity around the pipe. The mission recommends that

EPADP should carry out field tests in order to evaluate the advantages that could be derived from the use of gravel envelopes in each type of soil and the economic feasibility of such an operation. The Drainage Research Institute should include these tests in their program. The mission also would like to know if any arrangement has been made for the use of gravel crushers ordered under the drainage projects.

4. Drainage on Rice Fields

Because of the difference between rice and cotton in water management practices, farmers in some areas have been experiencing difficulties. Farmers growing rice often plug the drain collector pipe in order to keep their fields flooded at times. This is to the detriment of the adjacent cotton crop which demands free drainage all the time. To overcome this difficulty, the mission recommends that EPADP would design the drainage works in rice areas in such a way as to provide each lateral (serving about 2.5 feddans) with a simple inexpensive gate which would enable farmers to control the flow of water in each field drain at will.

5. Maintenance of Open Drains

The mission has learned with satisfaction that maintenance of open drains will be the responsibility of EPADP starting January 1979. In view of this, the mission would like to know: (a) what organizational changes are being envisaged in EPADP; (b) what financial implications will arise from this activity and how expenses will be covered; (c) what are the plans of EPADP for a better and more efficient way of organizing the maintenance of open drains; (d) what are the results of tests carried out in the past with weed cutting equipment provided under Upper Egypt Drainage I Project; and (e) what is the maintenance program for 1979.

6. Maintenance of Field Drainage

The mission wishes to be provided with a table showing for each Governorate (or EPADP Directorate) the number of field units established, the number of staff appointed (engineers, technicians, laborers) and the equipment allocated (vehicles, motorcycles, etc.)

7. Training Program

According to Project Agreement (Nile Delta II, Section 3.03), EPADP should provide the Bank with a training program for its engineers and technicians in drainage practices and for its mechanics and operators in the operation and

maintenance of equipment. The mission wishes to know: (a) when the training program will be submitted to the Bank; (b) who from EPADP is responsible for the implementation of the program; (c) where the training is taking place; (d) how many of EPADP's staff are being trained per year; (e) is there any fellowship provided to EPADP staff for training abroad; and (f) when the training center of Upper Egypt (Project Agreement Upper Egypt II, Section 3.03) will be established.

8. Cost Accounting System

A letter has been sent to the Chairman with draft terms of reference for a consulting firm to assist EPADP in the design and implementation of the cost accounting system. The mission wishes to know: (a) what arrangements have been made for the recruitment of new accountants and for assuring office space for them; (b) when EPADP expects to sign a contract with the consulting firm; and (c) when the cost accounting system will be established.

9. Audit Reports

The Bank has not yet received the audit reports for the year 1977. EPADP is asked to look into the matter, and try to find ways to accelerate the procedure for the preparation of the audit reports. The mission wishes to meet with representatives of the audit organization and discuss the problem with them.

10. Progress Reports

Delays also occur in the preparation of the quarterly progress reports. The Bank wishes to receive the reports within a maximum of two months after the end of each quarter. This means that the reports should be dispatched at the latest 40 days after the end of the quarter. If there is any suggestion from EPADP to simplify the reports, the Bank is ready to discuss it. Progress reports should be prepared for all four ongoing drainage projects.

11. Applications for Reimbursement

The mission wishes to draw the attention of EPADP to the following points: (a) applications should be accompanied by contracts; (b) Credit/Loan number and Category of expenses should be clearly mentioned in the application (this needs particular attention because if for instance there is a mistake in the number of the Category, the Controller's will charge the disbursement to the wrong category); and (c) applications requiring clarification should be accompanied by an explanatory note.

12. Consultants

The Bank has agreed to reallocate the amount of US\$ 1 million designated for consultant services and training. However, the Bank requests, officially, the names, qualifications and field of specialization of the Dutch consultants to EPADP and all the progress reports and technical papers prepared by them. Assurances to this effect are requested from the Chairman.

13. Training of Extension Agents

The mission wishes to be informed on the training of extension agents in drainage: (a) number of agents trained this year and location of training; (b) future training programs; and (c) evaluation of training.

14. Results on Negotiations for the PVC Factories

The mission wishes to be informed on the results of negotiations for the PVC factories and the dates the plants are expected to be operable.

15. Procurement under Upper Egypt Drainage II Project

The mission wishes to draw the attention of the Chairman to the fact that the cost of the equipment committed under this Project is about US\$ 15.5 million compared to an appraisal estimate of US\$ 6.5 million for the same items. The difference is due to the increase in quantities and the extra equipment and materials (cement, PVC plants, PVC powder, etc.). In view of this and the fact that the Bank cannot cover any cost overrun, the mission requests the Chairman to reconsider the purchase of the two PVC plants and PVC powder.

16. Workshops for Pumping Stations

The Bank is concerned about the delays in the establishment of the workshops. Now that all pumping stations in the Delta are operable, the workshops will soon be needed for maintenance work. The mission would like to know when the workshops will be ready.

17. Collector Laying Machines

Although one Barth machine has been with EPADP for almost two years, the Bank has not yet received a final report on the performance of the machine and the economics of its use. A detailed technico-economic study on the use of collector laying machines in drainage works should be carried out by EPADP as soon as possible and the report sent to the Bank for review.

18. Drainage Program 1979

The mission wishes to receive from EPADP the drainage program for 1979 together with the estimated cost.

19. Beni Suef Pilot Drainage with PVC Pipes

A study was requested during the previous supervision mission to compare field drainage costs with cement and PVC pipes. The mission wishes to know if such a study has been conducted and if not, when it is expected to be done. A copy of the study should be sent to the Bank. Also information is requested about the numbers of EPADP staff, staff of other Ministries, contractors, etc., who visited the pilot area and assisted in the installation of field drainage with PVC pipes.

20. Cost Recovery

The mission wishes to be informed on any new developments concerning this matter.

21. Test of Poclain Trenchless Machine

The mission has been informed that a test of this machine was carried out in the area of Beni Birkhet last April. The mission is very interested in getting the results of the test and in receiving the test report.

22. PhD Thesis written by Dr. Hassan Ali Khedr

The mission would like to receive comments of EPADP on the above thesis.

IMPORTANT (PLEASE READ INSTRUCTIONS BELOW BEFORE TYPING FORM.)

Class of Service: LT

Date: 9/25/78

Originators Ext: 74515

Telex No.:

EGT - Ln. 1439/1440/Cr. 719

0 START
HERE

1 TO DELTATILE, CAIRO, EGYPT

CITY/COUNTRY FOR AHMED FAHMY, CHAIRMAN. RECREDITS/LOANS 181, 393, 637/1285,

MESSAGE NO.: 719/1439-40. BANKS DRAINAGE REVIEW MISSION ARRIVING CAIRO

4 AS FOLLOWS COLON ECONOMIDES AND ABDUL REHMAN OCTOBER 3,

5 FLIGHT NUMBERS AZ-890 AND BA-151, ARRIVAL TIME 21.35 AND

6 21.55. SANDS OCTOBER 5, FLIGHT NUMBER BA-151 ARRIVAL TIME

7 21.55. REGARDS ECONOMIDES, ACTING DIVISION CHIEF

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END
OF
TEXT

NOT TO BE TRANSMITTED

SUBJECT: Cr. 181, 393, ~~367~~ 637, 719
EGYPT - Ln. 1285/1439-40

DRAFTED BY:

PEconomides;eld

CLEARANCES AND COPY DISTRIBUTION:

AUTHORIZED BY (Name and Signature):

Paris Economides, Acting Division
Chief

DEPARTMENT:

EMPA4

cc: Messrs. Rehman, Sands and
BlaySECTION BELOW FOR USE OF CABLE SECTION
CHECKED FOR DISPATCH

SEP 26 3 31 PM 1978

ARAB REPUBLIC OF EGYPT
EGYPTIAN PUBLIC AUTHORITY
FOR DRAINAGE PROJECTS

5 a Elgoheiny St. Dokki Giza
Cable Address: Deltatile Cairo.

Chairman's Office

23 September , 1978.

Mr Peter Naylor,
Chief Agriculture Division,
Europe, Middle East & North Africa,
1818 H. Street N.W
Washington D C 20433, U.S.A

Re: .Proposed Rescheduling of Areas:
under Nile Delta I and Nile Delta II
Delta II Drainage Projects.

EGT- Cr. 181	
EGT- Ln. 1439/1440/Cr. 719	
1/14 C. IV V.M.I.L.	
AGRICULTURE DIVISION IV	
Rec'd	11/1 No. 1066
Assigned to Economics	
Action required	
Filing Instructions:	
Project No. 1066	
Project Name: Nile Delta I & II	
Loan/Credit No. 02181-UAR	
1439/1440-EGT	

Dear Mr. Naylor,

A recent review of the Projects schedule revealed that the delay in completion of No 5 pumping station will not permit the implementation of the main drains remodelling and tile drains construction in this catchment area within the scheduled dates. Similary a decision concerning the tile drains in Shereshra area could not be made until results of investigations conducted in the experimental area for the treatment of the problem of ground water under hydrotatic pressure. As the definite results are antecipated to be obtained in some years, we propose to reschedule providing the chtchment area with tile drainage networks to a later date , i.e phase 2 of Nile Delta II Drainage Project.

Some areas which were already scheduled under ND project II (Phase 1) are proposed to be rescheduled under NDPI, in addition to some free flow drainage areas neighbouring the Zero Areas of NDPI, to be tile drained under NDPI, replacing the catchment areas of NO 5 PS and Shereshra PS.

The prosposed revised schedule, together with a map scale 1 : 500 000 are hereby enclosed. As soon as your

ARAB REPUBLIC OF EGYPT
EGYPTIAN PUBLIC AUTHORITY
FOR DRAINAGE PROJECTS

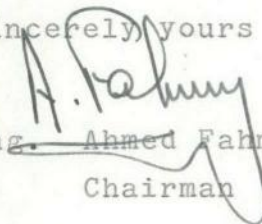
5 a Elgoheiny St. Dokki Giza
Cable Address: Deltatile Cairo.

Chairman's Office

approval will be received, the following progress reports
will be prepared accordingly.

With my best regards.

Sincerely yours


Eng. Ahmed Fahmy
Chairman

Class of Service:

Date: September 21, 1978

Telex No.:

Telex

Originators Ext: 6-1121

12

10

0 START
HERE

1

TO

CINNAFOREX

CITY/COUNTRY

LONDON, ENGLAND

MESSAGE
NO.:

ATTENTION - LETTERS OF CREDIT DEPARTMENT REF IDA CREDIT 181EGT

4

URREF 9N/309536/9 BANQUE DU CAIRE CAIRO ELCEE 57606/19 OUR

5

AGREEMENT/REIMBURSE NO 84 YOUR BANK'S REPORT OF PAYMENT DATED

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SEPTEMBER 11 DOES NOT INDICATE ACTUAL AMOUNT PAID TO A.P.E. ALLEN

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LTD STOP PLEASE TELEX ADVISE AMOUNT PAID BY YOU TO SUPPLIER INDEVAS

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END
OF

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TEXT

NOT TO BE TRANSMITTED

SUBJECT:

181 EGT - General

DRAFTED BY:

CHLINDER/csg

CLEARANCES AND COPY DISTRIBUTION:

Mr. Prudence; Agmt. No 84

AUTHORIZED BY (Name and Signature):

Norman J Bennett

DEPARTMENT:

Controller's

SECTION BELOW FOR USE OF CABLE SECTION
CHECKED FOR DISPATCH

1978 SEP 21 PM 7:51

EGT-Cr181 R/C
EGT-Cr393

OFFICE MEMORANDUM

TO: Mr. Martijn J. W. M. Paijmans, Director, EMI

DATE: September 18, 1978

FROM: Hans-Eberhard Köpp, Division Chief, EMIA

SUBJECT: EGYPT - Nile Delta Drainage Project, Cr. 181
Upper Egypt Drainage Project, Cr. 393
Reallocation of Credit Proceeds

1. Credit 181 for \$26.0 million for the Nile Delta Drainage Project was signed on April 17, 1970 and became effective on December 22, 1970. The closing date, originally December 31, 1976 was postponed twice to September 30, 1978 and September 30, 1979. As of August 31, 1978, \$21.6 million were disbursed and an additional \$1.6 million committed under contracts.

2. Credit 393 for \$36.0 million for the Upper Egypt Drainage Project was signed on June 8, 1973 and became effective on November 29, 1973. The closing date is December 31, 1979. As of August 31, 1978, \$24.0 million were disbursed and additional \$4.6 million committed under contracts.

3. A reallocation of proceeds of both credits was made on January 25, 1977. By letter of August 15, 1978, after a review of disbursements and commitments and additional requirements under each category, the Egyptian Public Authority for Drainage Project (EPADP) requested a further reallocation. We concur with this request. A comparison of the present and proposed allocations is given in the attachment. Main features of the proposed reallocation are as follows.

4. Under Credit 181, increases would be made in the amounts under Category I (tile drainage construction equipment) to facilitate purchase of additional spareparts and under Category III (pump-stations-machinery, equipment and installation) to take account of cost escalation due to inflation. The amounts would be reduced for Category IV (training and consultants' services), Category V (maintenance equipment) and Category VII (tractors, trucks and motorcycles) to reflect the actual cost of contracts let. The allocations for Category II (main drainage remodelling equipment) and Category VI (agriculture extension equipment and vehicles) are considered adequate to meet the cost of existing contracts and would remain unchanged. We propose to retain a relatively large amount under Category VIII (unallocated - \$650,000 out of uncommitted funds of \$2.8 million) since project implementation is far less advanced than the status of disbursement might suggest and we anticipate the need for a further extension of the credit closing date.

5. Under Credit 393, the amounts would be increased for Category I (tile drainage construction and maintenance of equipment, vehicles and materials under Part A(i) of the Project) to allow for purchase of additional construction machinery needed since at the present level of mechanization of works, construction targets cannot be achieved; and for Category IV (equipment, vehicles and materials for Part B of the Project) to conform to final disbursements for the Bilharzia control program. The allocations for Category II (equipment, vehicles, and materials for Parts A(ii), (v) and (vi) of the Project) and for Category III (pumping stations transmission lines, materials, equipment and installation under Parts A(iii) and (iv) of the Project) would be reduced to reflect lower prices of contracts awarded. The allocations under Categories V and VI (consultants' services and training of drainage personnel under Part A of the Project and consultants' services for Part B of the Project respectively)

would be deleted. Consultants under the Dutch Aid Program are adequately providing technical assistance to EPADP on all technical aspects of the Project including the evaluation of the effects of drainage works on crop fields which is a key issue. The Bilharzia program is complete and consulting services for this purpose are no longer needed. The unallocated amount under Category VII would be reduced to \$395,000.

6. If you agree with these recommendations a letter proposing appropriate amendments of the development credit agreements is attached for your signature.

NTA

Attachment

Cl. w & cc: Messrs. Economides, Krishna, Hakim

HSchlechtriem:ap

Reallocation of Credit Proceeds

Nile Delta Drainage Project Credit 181

<u>Category</u>	<u>Present Allocation</u> (\$ equivalent)	<u>Proposed Allocation</u>
I. C.i.f. cost of tile drainage construction equipment	9,140,000	9,500,000
II. C.i.f. cost of main drainage remodelling equipment	2,800,000	2,800,000
III. C.i.f. cost of pump stations--machinery, equipment and installation	7,870,000	8,500,000
IV. Training and consultants' services	700,000	600,000
V. C.i.f. cost of maintenance equipment	200,000	50,000
VI. C.i.f. cost of agriculture extension equipment and vehicles	100,000	100,000
VII. (a) C.i.f. cost of imported, and/or (b) ex-factory price of locally manufactured tractors, trucks and motorcycles	4,500,000	3,800,000
VIII. Unallocated	<u>690,000</u>	<u>650,000</u>
TOTAL	<u>26,000,000</u> =====	<u>26,000,000</u> =====

Reallocation of Credit Proceeds

Upper Egypt Drainage Project Credit 393

<u>Category</u>	<u>Present Allocation</u> (\$ equivalent)	<u>Proposed Allocation</u>
I. Tile drainage construction and maintenance equipment, vehicles and materials under Part A(i) of the Project	17,950,000	21,900,000
II. Equipment, vehicles and materials for Parts A(ii), (v) and (vi) of the Project	4,000,000	2,500,000
III. Pumping stations; transmission lines; materials, equipment and installation under Parts A(iii) and (iv) of the Project	4,900,000	3,300,000
IV. Equipment, vehicles and materials for Part B of the Project	5,850,000	7,905,000
V. Consultants' services and training of drainage personnel under Part A of the Project	1,000,000	--
VI. Consultants' services for Part B of the Project	50,000	--
VII. Unallocated	<u>2,250,000</u>	<u>395,000</u>
TOTAL	<u>36,000,000</u> =====	<u>36,000,000</u> =====

EGT-G181 R/C
EGT-G393

September 18, 1978

His Excellency
Dr. Hamd Abdel-Latif Al-Sayeh
Minister of Economy and Economic Cooperation
Ministry of Economy and Economic Cooperation
8 Adly Street
Cairo
Arab Republic of Egypt

Re: Development Credit Agreement (Nile Delta Drainage Project),
Credit Number 181 UAR and
Development Credit Agreement (Upper Egypt Drainage Project),
Credit Number 393 UAR

Your Excellency:

We have reviewed the reallocation of the proceeds of the above credits which the Egyptian Public Authority for Drainage Projects requested in Mr. A. L. Abdelmonem's letter of August 15, 1978. The Association is agreeable to the proposed reallocation. I attach to this letter the revised Schedule 1 for each of the aforesaid credits showing the new allocations. If you agree with the changes, please sign the attached Schedules in the appropriate places and return the signed copies to us.

In view of his interest in this matter, I am sending a copy of this letter to Mr. Ahmed Fahmy, Chairman of EPADP.

Sincerely yours,

Martijn J. W. M. Pajmans
Director, Country Programs I
Europe, Middle East and North Africa Region

Attachments

cc: Mr. Ahmed Fahmy
Chairman
Egyptian Public Authority for Drainage
Projects
5A El Goheiny Street
Dokki, Cairo
Arab Republic of Egypt

Cl. w & cc: Mr. Naylor

PEconomides/FKaps:ap

Credit 181

Schedule 1

Allocation of Proceeds of Credit

<u>Category</u>	<u>Amounts Expressed in Dollar Equivalent</u>
I. C.i.f. cost of tile drainage construction equipment	9,500,000
II. C.i.f. cost of main drainage remodelling equipment	2,800,000
III. C.i.f. cost of pump stations--machinery, equipment and installation	8,500,000
IV. Training and consultants' services	600,000
V. C.i.f. cost of maintenance equipment	50,000
VI. C.i.f. cost of agriculture extension equipment and vehicles	100,000
VII. (a) C.i.f. cost of imported, and/or (b) ex-factory price of locally manufactured tractors, trucks and motorcycles	3,800,000
VIII. Unallocated	<u>650,000</u>
TOTAL	<u>26,000,000</u> =====

CONFIRMED

Minister of Economy and Economic
Cooperation

ARAB REPUBLIC OF EGYPT

Credit 393Schedule 1Withdrawal of the Proceeds of the Credit

1. The table below sets forth the Categories of items to be financed out of the proceeds of the Credit, the allocation of amounts of the Credit to each Category and the percentage of eligible expenditures so to be financed in each Category:

<u>Category</u>	<u>Amount of the Credit Allocated (Expressed in Dollar Equivalent)</u>	<u>% of Expenditures to be Financed</u>
I. Tile drainage construction and maintenance equipment, vehicles and materials under Part A(i) of the Project	21,900,000	100% of foreign expenditures or 65% of total expenditures if locally procured (representing the estimated foreign expenditure component)
II. Equipment, vehicles and materials for Parts A(ii), (v) and (vi) of the Project	2,500,000	100% of foreign expenditures or 65% of total expenditures if locally procured (representing the estimated foreign expenditure component)
III. Pumping stations; transmission lines; materials, equipment and installation under Parts A(iii) and (iv) of the Project	3,300,000	100% of foreign expenditures or 65% of total expenditures if locally procured (representing the estimated foreign expenditure component)
IV. Equipment, vehicles and materials for Part B of the Project	7,905,000	100% of foreign expenditures or 65% of total expenditures if locally procured (representing the estimated foreign expenditure component)

<u>Category</u>	<u>Amount of the Credit Allocated (Expressed in Dollar Equivalent)</u>	<u>% of Expenditures to be Financed</u>
V. Consultants' services and training of drainage personnel under Part A of the Project	--	--
VI. Consultants' services for Part B of the Project	--	--
VII. Unallocated	<u>395,000</u>	
TOTAL	<u>36,000,000</u> =====	

Paragraph 3(b) of Schedule 1 is amended by deleting the words "Categories IV and VI" and by substituting the words "Category IV therefor"

CONFIRMED

Minister of Economy and Economic
Cooperation

ARAB REPUBLIC OF EGYPT

EGT - Cr. 181
EGT - Cr. 393

September 18, 1978

His Excellency
Dr. Hamed Abdel-Latif Al-Sayeh
Minister of Economy and Economic Cooperation
Ministry of Economy and Economic Cooperation
8 Adly Street
Cairo
Arab Republic of Egypt

Re: Development Credit Agreement (Nile Delta Drainage Project),
Credit Number 181 UAR and
Development Credit Agreement (Upper Egypt Drainage Project),
Credit Number 393 UAR

Your Excellency:

We have reviewed the reallocation of the proceeds of the above credits which the Egyptian Public Authority for Drainage Projects requested in Mr. A. L. Abdelmonem's letter of August 15, 1978. The Association is agreeable to the proposed reallocation. I attach to this letter the revised Schedule 1 for each of the aforesaid credits showing the new allocations. If you agree with the changes, please sign the attached Schedules in the appropriate places and return the signed copies to us.

In view of his interest in this matter, I am sending a copy of this letter to Mr. Ahmed Fahmy, Chairman of EPADP.

Sincerely yours,

Martijn J. W. M. Paijmans
Director, Country Programs I
Europe, Middle East and North Africa Region

Attachments

cc: Mr. Ahmed Fahmy
Chairman
Egyptian Public Authority for Drainage
Projects
5A El Goheiny Street
Dokki, Cairo
Arab Republic of Egypt

Cl. w & cc: Mr. Naylor

PEconomides/FKaps:ap

Credit 181

Schedule 1

Allocation of Proceeds of Credit

<u>Category</u>	<u>Amounts Expressed in Dollar Equivalent</u>
I. C.i.f. cost of tile drainage construction equipment	9,500,000
II. C.i.f. cost of main drainage remodelling equipment	2,800,000
III. C.i.f. cost of pump stations--machinery, equipment and installation	8,500,000
IV. Training and consultants' services	600,000
V. C.i.f. cost of maintenance equipment	50,000
VI. C.i.f. cost of agriculture extension equipment and vehicles	100,000
VII. (a) C.i.f. cost of imported, and/or (b) ex-factory price of locally manufactured tractors, trucks and motorcycles	3,800,000
VIII. Unallocated	<u>650,000</u>
TOTAL	<u>26,000,000</u> =====

CONFIRMED

Minister of Economy and Economic
Cooperation

ARAB REPUBLIC OF EGYPT

Credit 393Schedule 1Withdrawal of the Proceeds of the Credit

1. The table below sets forth the Categories of items to be financed out of the proceeds of the Credit, the allocation of amounts of the Credit to each Category and the percentage of eligible expenditures so to be financed in each Category:

<u>Category</u>	<u>Amount of the Credit Allocated (Expressed in Dollar Equivalent)</u>	<u>% of Expenditures to be Financed</u>
I. Tile drainage construction and maintenance equipment, vehicles and materials under Part A(i) of the Project	21,900.000	100% of foreign expenditures or 65% of total expenditures if locally procured (representing the estimated foreign expenditure component)
II. Equipment, vehicles and materials for Parts A(ii), (v) and (vi) of the Project	2,500,000	100% of foreign expenditures or 65% of total expenditures if locally procured (representing the estimated foreign expenditure component)
III. Pumping stations; transmission lines; materials, equipment and installation under Parts A(iii) and (iv) of the Project	3,300,000	100% of foreign expenditures or 65% of total expenditures if locally procured (representing the estimated foreign expenditure component)
IV. Equipment, vehicles and materials for Part B of the Project	7,905,000	100% of foreign expenditures or 65% of total expenditures if locally procured (representing the estimated foreign expenditure component)

<u>Category</u>	<u>Amount of the Credit Allocated (Expressed in Dollar Equivalent)</u>	<u>% of Expenditures to be Financed</u>
V. Consultants' services and training of drainage personnel under Part A of the Project	--	--
VI. Consultants' services for Part B of the Project	--	--
VII. Unallocated	<u>395,000</u>	
TOTAL	<u>36,000,000</u> =====	

Paragraph 3(b) of schedule 1 is amended by deleting the words "Categories IV and VI" and by substituting the words "Category IV therefor"

CONFIRMED

Minister of Economy and Economic
Cooperation

ARAB REPUBLIC OF EGYPT

EGT - Cr. 181
EGT - Cr. 393

Mr. Martijn J. W. M. Paijmans, Director, EMI

September 18, 1978

Hans-Eberhard Kupp, Division Chief, EMIA

EGYPT - Nile Delta Drainage Project, Cr. 181
Upper Egypt Drainage Project, Cr. 393
Reallocation of Credit Proceeds

1. Credit 181 for \$26.0 million for the Nile Delta Drainage Project was signed on April 17, 1970 and became effective on December 22, 1970. The closing date, originally December 31, 1976 was postponed twice to September 30, 1978 and September 30, 1979. As of August 31, 1978, \$21.6 million were disbursed and an additional \$1.6 million committed under contracts.
2. Credit 393 for \$36.0 million for the Upper Egypt Drainage Project was signed on June 8, 1973 and became effective on November 29, 1973. The closing date is December 31, 1979. As of August 31, 1978, \$24.0 million were disbursed and additional \$4.6 million committed under contracts.
3. A reallocation of proceeds of both credits was made on January 25, 1977. By letter of August 15, 1978, after a review of disbursements and commitments and additional requirements under each category, the Egyptian Public Authority for Drainage Project (EPADP) requested a further reallocation. We concur with this request. A comparison of the present and proposed allocations is given in the attachment. Main features of the proposed reallocation are as follows.
4. Under Credit 181, increases would be made in the amounts under Category I (tile drainage construction equipment) to facilitate purchase of additional spareparts and under Category III (pump-stations-machinery, equipment and installation) to take account of cost escalation due to inflation. The amounts would be reduced for Category IV (training and consultants' services), Category V (maintenance equipment) and Category VII (tractors, trucks and motorcycles) to reflect the actual cost of contracts let. The allocations for Category II (main drainage remodelling equipment) and Category VI (agriculture extension equipment and vehicles) are considered adequate to meet the cost of existing contracts and would remain unchanged. We propose to retain a relatively large amount under Category VIII (unallocated - \$650,000 out of uncommitted funds of \$2.8 million) since project implementation is far less advanced than the status of disbursement might suggest and we anticipate the need for a further extension of the credit closing date.
5. Under Credit 393, the amounts would be increased for Category I (tile drainage construction and maintenance of equipment, vehicles and materials under Part A(i) of the Project) to allow for purchase of additional construction machinery needed since at the present level of mechanization of works, construction targets cannot be achieved; and for Category IV (equipment, vehicles and materials for Part B of the Project) to conform to final disbursements for the Bilharzia control program. The allocations for Category II (equipment, vehicles, and materials for Parts A(ii), (v) and (vi) of the Project) and for Category III (pumping stations transmission lines, materials, equipment and installation under Parts A(iii) and (iv) of the Project) would be reduced to reflect lower prices of contracts awarded. The allocations under Categories V and VI (consultants' services and training of drainage personnel under Part A of the Project and consultants' services for Part B of the Project respectively)

September 18, 1978

would be deleted. Consultants under the Dutch Aid Program are adequately providing technical assistance to EPADP on all technical aspects of the Project including the evaluation of the effects of drainage works on crop fields which is a key issue. The Bilharzia program is complete and consulting services for this purpose are no longer needed. The unallocated amount under Category VII would be reduced to \$395,000.

6. If you agree with these recommendations a letter proposing appropriate amendments of the development credit agreements is attached for your signature.

Attachment

Cl. w & cc: Messrs. Economides, Krishna, Hakim

HSchlechtriem:ap

ds hhl.

Reallocation of Credit Proceeds

Nile Delta Drainage Project Credit 181

<u>Category</u>	<u>Present Allocation</u> (\$ equivalent)	<u>Proposed Allocation</u>
I. C.i.f. cost of tile drainage construction equipment	9,140,000	9,500,000
II. C.i.f. cost of main drainage remodelling equipment	2,800,000	2,800,000
III. C.i.f. cost of pump stations--machinery, equipment and installation	7,870,000	8,500,000
IV. Training and consultants' services	700,000	600,000
V. C.i.f. cost of maintenance equipment	200,000	50,000
VI. C.i.f. cost of agriculture extension equipment and vehicles	100,000	100,000
VII. (a) C.i.f. cost of imported, and/or (b) ex-factory price of locally manufactured tractors, trucks and motorcycles	4,500,000	3,800,000
VIII. Unallocated	<u>690,000</u>	<u>650,000</u>
TOTAL	<u>26,000,000</u> =====	<u>26,000,000</u> =====

Reallocation of Credit Proceeds

Upper Egypt Drainage Project Credit 393

<u>Category</u>	<u>Present Allocation</u> (\$ equivalent)	<u>Proposed Allocation</u>
I. Tile drainage construction and maintenance equipment, vehicles and materials under Part A(i) of the Project	17,950,000	21,900,000
II. Equipment, vehicles and materials for Parts A(ii), (v) and (vi) of the Project	4,000,000	2,500,000
III. Pumping stations; transmission lines; materials, equipment and installation under Parts A(iii) and (iv) of the Project	4,900,000	3,300,000
IV. Equipment, vehicles and materials for Part B of the Project	5,850,000	7,905,000
V. Consultants' services and training of drainage personnel under Part A of the Project	1,000,000	--
VI. Consultants' services for Part B of the Project	50,000	--
VII. Unallocated	<u>2,250,000</u>	<u>395,000</u>
TOTAL	<u>36,000,000</u> =====	<u>36,000,000</u> =====

INCOMING CABLE

EGT- Cn. 181
EGT- Cn. 393

SS

1978 SEP 18 AM 11:34
COMMUNICATIONS DIVISION

DISTRIBUTION

Mr. Naylor
MR. Köpp

EGT- Ln. 1281 / Cn. 637
EGT- Ln 1439-1440 / Cn 719

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UWNX CO UNCA 040

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ETAT INDEVAS

September 16

WASHINGTONDC USA

MR PARIS ECONOMIDES ACTING CHIEF AGRICULTURE DIVISION IV

EMENA REUR CABLE SIX INSTANT REMISSION REVIEW PROGRES

ONGOING DRAINAGE PROJECTS PLS ADVISED TIMING MOST

CONVEYENT AND MISSION WELOCMED REGDS

ENG AHMED FAHMY CHIRMAN DELATILE

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EMENA
AGRICULTURE DIVISION IV
Rec'd 9/18 No 934
Assigned to Economides
Action required NTL
Filing Instructions:
Project Sec. Informed:
Project Name Egypt
Loan/Credit No. Drainage Projects

EGT - Ln. 1285/01.637
B708

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INCOMING TELEX

DISTRIBUTION

~~EGT - C. 181~~
EGT - 01.393

Mr. Naylor
Mr. K8pp

EGT - Ln. 1439-1440/01.719

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(Telex No)
440098

CAIRO AT SEPTEMBER 17 1978

ATTN MR ECONOMIDES

REUR CABLE DATED 5 CONCERNING YOUR MISSION ON 3 OCTOBER TO 20
FOR DRAINAGE PROJECTS. TIMING CONVENIENT

REGARDS

SAMIR KOBIM

AGRICULTURE DIVISION IV	
Rec'd	9/18 No 930
Assigned to <u>Economides</u>	
<u>Anna info</u>	
Action required <u>Nil</u>	
Filing Instructions:	
Project Sec. Informed:	
Project Name <u>Egypt</u>	
<u>Drainage Projects</u>	
Loan/Credit No.	

EGT - Ln. 1439-1440/Cr. 719
EGT - EPADP, General
EGT. Cr. 181
~~EGT - Cr. 393~~
EGT - Ln. 1285/Cr. 637

September 13, 1978

Mr. Ahmed M. Fahmy
Chairman
Egyptian Public Authority
for Drainage Projects
5A El Goheiny Street
Dokki, Giza
Egypt

Dear Mr. Fahmy:

Reference is made to Section 4.03 of the Project Agreement for Nile Delta Drainage II Project and the discussions you had in Cairo with Mr. Arif Zulfiqar, concerning the establishment of a cost accounting system. Please find attached the terms of reference that you requested for consultants to design and establish the cost accounting system in EPADP.

Mr. Zulfiqar, during his recent visit to Cairo, located two local firms that seemed reasonably well-qualified to perform the job, namely: Dr. A. M. Hegazy & Co. and Mustapha Chawki & Co. However, you may wish to invite proposals from other accounting firms of your choice. We understand that a critical element in the successful implementation of the cost accounting system is the shortage of accountants in EPADP. To overcome this difficulty, it is necessary that EPADP recruit as soon as possible an additional number of suitably qualified accountants.

We will be pleased to receive word that steps are being taken to recruit staff and select consultants in order to avoid further delays in the implementation of the cost accounting system for the drainage projects.

In view of his interest, we are sending a copy of this letter to Dr. Samir Koraïem of the Ministry of Economy.

With best regards.

Sincerely yours,



Peter E. Naylor
Chief, Agriculture Division IV
Europe, Middle East and
North Africa Projects Department

Attachment cleared by and cc: Mr. Kaps(EM1A)

PEconomides;eld

EGYPT

EPADP DRAINAGE PROJECTS

Terms of Reference for Consultants for
A Cost Accounting System

I. General Objectives and Outline

1.01 A qualified firm of accountants, experienced in the design and operation of cost accounting systems, is to be selected by the Egyptian Public Authority for Drainage Projects (EPADP) to design and establish a cost accounting system for EPADP, its Regional Offices, and the drainage projects being constructed under its supervision.

1.02 Drainage project works under the general supervision of EPADP include, among other items, the construction (including both civil works and installation of equipment) of pumping stations, transmission lines, covered field drains and pipe collectors, the excavation or remodelling of open main and branch drains and the construction of related structures (bridges, culverts, syphons, etc.). While the actual construction work is largely carried out by public contractors, EPADP itself provides a number of technical services in the field, including design, field investigations, supervision of equipment installation and maintenance of field drainage. It is also responsible for overall administration, finance, planning, budgeting and maintenance of project accounts. The Regional Offices also have responsibilities for some design work and field supervision.

1.03 Consultant services are proposed to be engaged for the task of designing and establishing a system of construction cost accounting for drainage projects in Egypt. The primary objective of such a system would be to facilitate the estimation of actual costs incurred on construction of various facilities under

these projects (including the true economic costs of these investments to the country, and their foreign exchange components). This is expected to permit the planning and design of economical structures, the selection of proper plant and equipment, the allocation of costs to functions, and the development of rates to be charged for use of the completed project facilities.

1.04 The consultants' task would consist essentially of the following main components:

(a) Preparation of a uniform classification of cost accounts for application to all drainage projects and EPADP offices.

(b) Development of a cost manual, including procedures and forms for recording and reporting all costs on construction work in progress, and design of criteria for allocation of multipurpose (or indirect) project costs to particular functions.

(c) Proposals for integration of the proposed cost system with existing public works accounting.

(d) Recommendations on changes in organization and duties of personnel to facilitate effective operation of the proposed cost system.

(e) Limited initial involvement with implementation of the proposed system, in order to iron out difficulties encountered in practice and to train EPADP employees engaged in cost engineering and accounting work.

II. Detailed Description of Task Requirements

2.01 Analytical breakdown of project works into major construction steps and definition of specific work items or project segments, and the basis for a

detailed level of construction cost identification (including both temporary and permanent cost accounts) and establishment of control accounts for construction work in progress.

2.02 Preparation of a master code or uniform classification of cost accounts for application to all drainage projects and to associated overhead functions, in order to place the projects on a comparative basis and to facilitate reporting and control.

2.03 Categorization of all costs into their equipment, material, labor and overhead components, and also their breakdown into foreign exchange (both direct and indirect) and local currency elements.

2.04 Spot checks and time studies (with the assistance of EPADP staff) of important construction operations to determine performance rates of labor and equipment.

2.05 Design of improved methods and forms for use in accounting for payrolls, purchases, inventories, inter-project transfers, indents, sanctions, and general administration.

2.06 Design of cost ledger forms for continuous and cumulative recording over the construction period of all costs from their source documents to each cost account, so as to accurately reflect physical progress of project works at any given time.

2.07 Design of procedures and forms for the cumulative reporting of engineering quantities and other expenditures, and for the distribution of all costs including depreciation. In this regard, particular attention should be paid to the following:

(a) design of journal vouchers, labor time cards, equipment and material use reports, warehouse stock issues, shop orders (for carpenter/machine shops), etc.;

(b) inclusion in equipment costs of all production and transport costs, including freight, insurance, handling and assembly at job;

(c) equitable allocation of costs to the project (based on use rates) of major construction equipment that would also be used outside the project;

(d) inclusion of all relevant costs for operation of construction equipment, including wages, fuel, power, servicing, repairs, and permanent stock of spare parts; and

(e) separate accounting, wherever possible, for taxes, duties, subsidies and all other transfer-payment components of costs, in order to arrive at true economic costs.

2.08 Design of cost accounts for overhead engineering, design and administrative work; and design of criteria and procedures for the allocation of these and other multipurpose project costs to particular functions or investments.

2.09 Design of an adequate control system to ensure accuracy and completeness of costs and for comparing progress on projects to plans.

2.10 Design of an appropriate cost reporting system, including daily and monthly cost reports for project supervisors, monthly cost reports for headquarters, and final cost reports on completion of each project or major structure.

2.11 Proposal of methods for: (a) the development of rates to be charged for drainage use, and (b) analyses of costs.

2.12 Development of one or more indices of construction costs (on the basis, for example, of prices of selected volumes of particular skilled and unskilled workers and materials) to serve as a guide for planning and estimating future work and to permit correct interpretation of historical cost data.

2.13 Recommendations on the integration of the proposed cost system with existing public works accounting (including double coding or regrouping of some costs to fit within present expenditure and revenue heads, and possible revisions to existing financial controls and procedures).

2.14 Proposals for staffing and organization of cost engineering/accounting cells in Cairo and in regional offices, and for the coordination of responsibility for costs on each project among the various offices. Recommendations on modifications in overall EPADP organization and duties of personnel to facilitate effective operation of the proposed cost system.

2.15 Involvement with initial implementation of the proposed cost system for at least one year in order to:

(a) incorporate necessary changes to meet difficulties encountered in practice, and

(b) train EPADP employees engaged in cost engineering and accounting work.

III. Reporting

3.01 The consultants will submit quarterly reports on progress of work, the first due three months of the date of signing the contract, and a final report which will be submitted within one month of the end of the consultant's involvement with implementation of the proposed systems and training program.

EGT - Ch. 181
 EGT - Ch. 393
 EGT - Ln 1285/Ch 637
 EGT - Dairy Dev. Project
 EGT - New Lands Project
 September 11, 1978
 EGT - Water Master Plan
 EGT - Agric. Sector
 (Seeds)
 (Research Project)
 (Pricing & Policy Study)

Mr. Graeme Donovan, EMPA4

Peter E. Naylor, Chief, EMPA4

ECYPT - Agricultural Sector and Projects Visit
Terms of Reference

1. You will arrive in Egypt on or about September 19 for a visit of about four weeks. During your visit you will engage in the following activities:

- (a) organization of and information gathering for an agricultural sector pricing and policy study;
- (b) followup on the Dairy Project Identification Report;
- (c) assistance with followup on preparation of the New Lands Project;
- (d) assistance with supervision of drainage monitoring studies; and
- (e) further reconnaissance for possible projects in research, extension and seeds production.

2. You will have discussions with appropriate persons in the Ministries of Agriculture, Irrigation, Land Reclamation, Industry, Supply, Trade, Planning, Finance, and Economy and Economic Cooperation, and make any field visits necessary to gather information relevant to the above activities. You will join Mr. Naylor in discussions with relevant Ministries to organize the agricultural policy study, and to ascertain their reaction to the Dairy Project Identification Report. In collaboration with Mr. Imam you will gather information relevant to the sections of the policy study dealing with effects of policy changes on domestic consumption, incomes, the fiscal system and balance of payments. Working with EXWAP staff you will examine progress on preparing data for the sector programming model, and define further data needs and other aspects of the programming exercise. You will establish, in discussion with the Misr Milk and Food Company, further steps which need to be taken for preparation of the Dairy Project. With Mr. Economides you will discuss progress on preparation for the New Lands Project with the Ministry of Land Reclamation and with the consultants carrying out the feasibility study. With Mr. Sands you will examine progress on drainage monitoring studies.

3. You should consult with agencies of the United Nations, and representatives of various bilateral aid organizations to complete the above work and to assist with coordination of aid activities in Egypt.

4. On your return you should prepare a back to office report describing the outcome of your various activities.

cc: Messrs. Dubey(EMNVP), Paijmans/Kwaku(EMI), Köpp(EMI), Blay(EMI), Ikram(EMI), Imam(EMI), Haynes(EMP), K. Jones(EMP), French-Mullen(EMP), Frank(EMP), Merghoub(EMP), van der Tak(PAS)(3), Yudelman(AGR), Chittleburg(EDO), Hodges(EMP), Economides(EMP), Sands(EMP), Khorana(EMP).

Mesdames. Minshall, Kelley.

MSD.
 GDonovan: gk

Class of Service: _____

Date: _____

9/11/78

Telex No.: _____

Originators Ext: _____

74515

EGT - Cr 181

EGT - Cr 393

EGT - Ln 1281/Cr 637

EGT - 1439/1440/Cr 719

0 START
HERE

1 TO

DELTATILE

CITY/COUNTRY

CAIRO, EGYPT

MESSAGE
NO.:

FOR AHMED FAHMY, CHAIRMAN. PROGRESS REPORTS ON DRAINAGE
PROJECTS FOR QUARTER ENDING JUNE 30 NOT YET RECEIVED.
PLEASE CABLE IF REPORTS HAVE BEEN DISPATCHED. REGARDS
NAYLOR INDEVAS

21 END
OF
TEXT
22

NOT TO BE TRANSMITTED

SUBJECT:

Egypt - Cr. 181, 393, Cr. 637/Ln. 1285 PEconomides;eld

CLEARANCES AND COPY DISTRIBUTION:

DRAFTED BY:

AUTHORIZED BY (Name and Signature):

Peter E. Naylor, Chief

DEPARTMENT:

EMPA4

cc: Mr. F. Kaps, EMLA

SECTION BELOW FOR USE OF CABLE SECTION
CHECKED FOR DISPATCH

SEP 11 1978

OFFICE MEMORANDUM

EGT-EPADP
~~EGT~~-Cr. 181

TO: Mr. Paris Economides, Acting Chief, EMPA IV

FROM: Mr. Arif Zulfiqar, EMPA IV *D.*

SUBJECT: Cost Accounting System for Egyptian Drainage Projects

DATE: September 8, 1978

EGT-Cr. 393

EGT-Ln. 1285/Cr. 637

EGT-Ln. 1439/1440/2719

1. Please find attached the draft terms of reference you had requested for consultants to design and establish a construction cost accounting system for EPADP-supervised drainage projects. I have tried to make these TOR fairly comprehensive; however, you may wish to suggest changes in their overall scope or in particular aspects, based upon your more specific knowledge of the situation and requirements.

2. I recommend that we send these draft TOR (modified as necessary) for EPADP's comments and consideration, and that proposals be invited from qualified accounting firms to carry out the tasks described. During my recent visit to Egypt, I had located two local firms that seemed reasonably well-qualified to perform the job, namely: Dr. A. M. Hegazy & Co. and Mustapha Chawki & Co. However, EPADP may also wish to invite proposals from other accounting firms of its choice. As we discussed earlier, a critical element in the successful implementation of any cost accounting system for EPADP would be the recruitment of suitably qualified accountants by the Authority. Since this is a major weakness in its organization at present, I suggest that we should continue to raise the issue with EPADP over the coming months, with a view to achieving timely improvements.

A.Zulfiqar:kd

cc: Mr. Naylor (o/r)

Attachment

EGYPT
EPADP DRAINAGE PROJECTS

Terms of Reference for Consultants for
A Cost Accounting System

I. General Objectives and Outline

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1.03 Consultant services are proposed to be engaged for the task of designing and establishing a system of construction cost accounting for drainage projects in Egypt. The primary objective of such a system would be to facilitate the estimation of actual costs incurred on construction of various facilities under these projects (including the true economic costs of these investments to the country, and their foreign exchange components). This is expected to permit the planning and design of economical structures,

the selection of proper plant and equipment, the allocation of costs to functions, and the development of rates to be charged for use of the completed project facilities.

1.04 The consultants' task would consist essentially of the following main components:

(a) Preparation of a uniform classification of cost accounts for application to all drainage projects and EPADP offices.

(b) Development of a cost manual, including procedures and forms for recording and reporting all costs on construction work in progress, and design of criteria for allocation of multipurpose (or indirect) project costs to particular functions.

(c) Proposals for integration of the proposed cost system with existing public works accounting.

(d) Recommendations on changes in organization and duties of personnel to facilitate effective operation of the proposed cost system.

(e) Limited initial involvement with implementation of the proposed system, in order to iron out difficulties encountered in practice and to train EPADP employees engaged in cost engineering and accounting work.

II. Detailed Description of Task Requirements

2.01 Analytical breakdown of project works into major construction steps and definition of specific work items or project segments, as the basis for a detailed level of construction cost identification (including both temporary and permanent cost accounts) and establishment of control accounts for construction work in progress.

2.02 Preparation of a master code or uniform classification of cost accounts for application to all drainage projects and to associated overhead functions, in order to place the projects on a comparative basis and to facilitate reporting and control.

2.03 Categorization of all costs into their equipment, material, labor and overhead components, and also their breakdown into foreign exchange (both direct and indirect) and local currency elements.

2.04 Spot checks and time studies (with the assistance of EPADP staff) of important construction operations to determine performance rates of labor and equipment.

2.05 Design of improved methods and forms for use in accounting for payrolls, purchases, inventories, inter-project transfers, indents, sanctions, and general administration.

2.06 Design of cost ledger forms for continuous and cumulative recording over the construction period of all costs from their source documents to each cost account, so as to accurately reflect physical progress of project works at any given time.

2.07 Design of procedures and forms for the cumulative reporting of engineering quantities and other expenditures, and for the distribution of all costs including depreciation. In this regard, particular attention should be paid to the following:

- (a) design of journal vouchers, labor time cards, equipment and material use reports, warehouse stock issues, shop orders (for carpenter/machine shops), etc.;
- (b) inclusion in equipment costs of all production and transport costs, including freight, insurance, handling and assembly at job;
- (c) equitable allocation of costs to the project (based on use rates) of major construction equipment that would also be used outside the project;
- (d) inclusion of all relevant costs for operation of construction equipment, including wages, fuel, power, servicing, repairs, and permanent stock of spare parts; and

- (e) separate accounting, wherever possible, for taxes, duties, subsidies and all other transfer-payment components of costs, in order to arrive at true economic costs.

2.08 Design of cost accounts for overhead engineering, design and administrative work; and design of criteria and procedures for the allocation of these and other multipurpose project costs to particular functions or investments.

2.09 Design of an adequate control system to ensure accuracy and completeness of costs and for comparing progress on projects to plans.

2.10 Design of an appropriate cost reporting system, including daily and monthly cost reports for project supervisors, monthly cost reports for headquarters, and final cost reports on completion of each project or major structure.

2.11 Proposal of methods for: (a) the development of rates to be charged for water and drainage use, and (b) analyses of costs.

2.12 Development of one or more indices of construction costs (on the basis, for example, of prices of selected volumes of particular skilled and unskilled workers and materials) to serve as a guide for planning and estimating future work and to permit correct interpretation of historical cost data.

2.13 Recommendations on the integration of the proposed cost system with existing public works accounting (including double coding or regrouping of some costs to fit within present expenditure and revenue heads, and possible revisions to existing financial controls and procedures).

2.14 Proposals for staffing and organization of cost engineering/accounting cells in Cairo and in regional offices, and for the coordination of responsibility for costs on each project among the various offices. Recommendations on modifications in overall EPADP organization and duties of personnel to facilitate effective operation of the proposed cost system.

2.15 Involvement with initial implementation of the proposed cost system for at least one year in order to:

- (a) incorporate necessary changes to meet difficulties encountered in practice, and
- (b) train EPADP employees engaged in cost engineering and accounting work.

III. Reporting

3.01 The consultants will submit an interim report on progress of work within three months of the date of signing the contract, and a final report not later than six months after contract signature. A revised version of the final report will be submitted within one month of the end of the consultants' involvement with implementation of the proposed systems and training program.

3.02 All reports will be submitted in at least 30 copies.

EGT-Cr. 181

EGT-Ln. 1285/Cr. 637

EGT-Cr. 393

EGT-Ln.

1439-1440/Cr. 719



London School of Hygiene and Tropical Medicine

Winches Farm Field Station 395 Hatfield Road St. Albans Herts

Telephone St. Albans 53858

Station St. Albans City

Mr. P. Economides,
Irrigation Engineer,
Agriculture Division IV,
E.M.E.N.A. Region,
The World Bank.
1818 H Street, N.W.,
WASHINGTON, D.C. 20433.

AGRICULTURE DIVISION IV	
Rec'd	9/14 No 921
Assigned to Economides	
Action required Nil	
Filing Instructions: Local	
Project Sec. Information:	
Project: Egypt	
Nile Delta II Upper Egypt I + II	
Loan/Credit: Cr. 393; Cr. 719/1+39-40	
637/1285 } EGT	

7th September, 1978.

Dear Paris,

Many thanks for your letter of August 28th and for the copy of the letter which you sent to Dr. Mobarak.

I am quite clear about the order for trucks but obviously Mobarak was never fully aware of the additional vehicles which were supplied for this purpose. We may, however, have to provide two more which, as you say, should not prove too difficult.

I am glad to have the terms of reference for the forthcoming mission and I will, of course, visit NAMRU. I can well believe that they consider that the Ministry of Health's figures on control are over optimistic - on the other hand, NAMRU has no expertise in the field of epidemiology in Egypt and I don't understand how they can comment on results which they have no capability to monitor. Of course, as you know, I have had cause to question "numbers" given to me by the Ministry and I am very cautious to cross check what I can on the field visits which are made. Inevitably one must expect that these results depend very much on the integrity of local staff.

I shall look forward to meeting you in Egypt during the period October 13th - 22nd.

With best wishes.

Yours sincerely,

Dr. G. Webbe. D.Sc.
Scientific Director.

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1978 SEP 13 AM 11: 03

INCOMING MAIL UNIT



Record Removal Notice

File Title Egypt - Nile Delta Drainage Project - Credit 0181 - Correspondence - Volume 5		Barcode No. 30173174		
Document Date 05 September, 1978	Document Type Telex			
Correspondents / Participants To: Ahmed Fahmy From: P. Economides				
Subject / Title Egypt Credit 181, 393, and Cr. 637				
Exception(s) Personal Information				
Additional Comments		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group. <table border="1"><tr><td>Withdrawn by Steve Barrett</td><td>Date October 30, 2010</td></tr></table>	Withdrawn by Steve Barrett	Date October 30, 2010
Withdrawn by Steve Barrett	Date October 30, 2010			

EMENA

OFFICE MEMORANDUM

EGT- Cn 181

EGT- Cn 393

EGT-Ln 1285/Cn 637

DATE: August 31, 1978

EGT-Ln 1439/1440/Cn 719

TO: Messrs. Paris Economides, Fenton Sands and
 FROM: Seikh Abdul Rehman
 Teketel Haile-Mariam, Acting Chief, EMPA4
 SUBJECT: EGYPT - Terms of Reference - Supervision Nile Delta I, Upper Egypt I,
 Upper Egypt II and Nile Delta Drainage II Projects (Credits 181,
 393 and Credit/Loans 637/1285, 719, 1439-40)

1. On or about October 3 you should arrive in Egypt to supervise the above projects. Messrs. Economides and Abdul Rehman will stay in the country until October 20 and Mr. Sands until October 12.
2. You will inspect works in the field and hold discussions with the Egyptian Public Authority for Drainage Projects (EPADP), and the Ministry of Agriculture. During your discussions with EPADP, you will pay particular attention to the problem of availability of local funds, revision of the overall drainage program, procurement of equipment, training, management, staffing and organization matters. You will discuss with the Ministry of Agriculture the soil amelioration problem and the participation of the Extension Service to the drainage effort.
3. Mr. Sands will pay particular attention to the monitoring and evaluation program of drainage works. He will discuss the new program with the Drainage Research Institute and the Dutch consultants, and he will inspect in the field the procedures for data collection.
4. Mr. Economides will also contact Dr. Webbe, who will be in Egypt between October 13 to October 22 for the supervision of the Bilharzia control component and will discuss jointly, if necessary, with the Ministry of Health the required measures for carrying out the Bilharzia program satisfactorily.
5. On your return to Washington, you will prepare full supervision reports on all four projects.

cleared with and cc: F. Kaps(EMLA)

Distribution: Messrs. Paijmans/Kwaku (EMI), Kopp, Blay(EMLA), Naylor, K. Jones (EMP), French-Mullen (EMPA1), Merghoub(EMPA2), Frank(EMPA3), van der Tak(3)(PAS), Yudelman(2)(AGR), Krishna(LEG), Perera(CTR), Subramanian(CTR), Khorana(EMPA4)

Mesdames Minshall, Kelley(EMPA4)

PEconomides;eld

EGT - Cr. 181

EGT - Cr. 393

EGT - Ln. 1285 - / Cr. 637

EGT - Ln. 1439/1440 / Cr. 719

Miss Rhona Johnston TRE E402

August 30, 1978

Norman J. Bennett

Payment Advices - Credits 181 EGT, 393 EGT, 637 EGT and 719 EGT
Loans 1285 EGT, 1339 EGT and 1340 EGT

1440

The Borrower has requested that payment advices be sent to the following address:

The Egyptian Public Authority
for Drainage Projects
5A Elgoheiny Street
Dokki, Giza, Cairo
Arab Republic of Egypt

All other addresses given previously referring to this Agency should be deleted.

cc: Mr. Prudence
File: Credit Agreements 181 EGT
393 EGT
637 EGT
719 EGT
Loan Agreements 1285 EGT
1339 EGT
1340 EGT

EMENA Files
CHLINDER/lr CTR

EGT - Cr. 181
EGT - Cr. 393

Mr. David W. Haynes, Acting Director, EMP

August 28, 1978

Mr. T. Haile-Mariam, Acting Chief, EMPA IV

EGYPT - Upper Egypt Drainage (L393 - EGT.)
Monthly Report on Procurement Matters

1. In our report of June 30, we reported on the protest by Steenberg, Holland, over the proposed award of twelve collector tile laying machines for the project, and on July 26, we advised that contract had been signed with Klaus Gerd Hoes, of West Germany.

2. We have received copies of the contract. EPADP had recommended that the award be split between Hoes and Barth, and inasmuch as the Bank was not agreeable to this, the award was made to Hoes. This decision was not received with favor by Barth. Consequently, Mr. Remie, Managing Director of Barth, visited the Bank and advised that his firm had started the manufacture of the machines on the anticipation of being awarded six machines. Mr. Remie was advised that since the tender did not indicate that award would be made to other than the lowest evaluated bidder, and since bids were submitted for twelve machines, the Bank could not see any basis for splitting the award. EPADP was so advised.

3. EPADP requested the Bank's approval for awarding two machines to Barth for trial purposes. In our telex to EPADP, the Bank advised that we were not opposed to this if the machines were substantially different from the machines purchased earlier, and if further justification was furnished to the Bank. Subsequently EPADP furnished the required justification, and the Bank agreed to purchase two machines from Barth.

4. On August 24, 1978, Mr. Clemens of Hoes called with respect to why EPADP was purchasing two additional machines from Barth. He was advised that the Bank had agreed to the purchase of two machines of this size and type from Barth on the basis that the machines were substantially different from those previously purchased from Barth.

cc: Messrs. Naylor, K. Jones, Economides, Haile-Mariam, (EMP); Morse, (PAS).

ALSchwenneker:kd

EGT-Cr. 181

EGT-Cr. 393

EGT-Ln. 1285/Cr. 637

EGT-Ln. 1439/1440/Cr. 719

Hans Pollan, Assistant Director, EMENA Projects

August 24, 1978

T. Haile-Mariam, Acting Chief, EMPA IV

EGT-Ln. 1276

Bank Assistance to Local Civil Works Contractors
EMENA (your memo of 8/11/78)

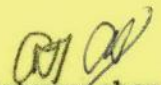
EMENA - Agri. Sector

1. In response to your request we submit the following data for your consideration:

(a) Our credit agreements for the construction work on the first two Drainage Projects in Egypt specify that the civil works contracts, with the exception of pumping plants, will be obtained under local procedures. The local qualified contractors have performed work satisfactorily. However, because of the limited capacity of local contractors and in order to accelerate the work, the Loan/Credit Agreements for Nile Delta II and Upper Egypt II Drainage Projects also specify that the field drains will be procured under ICB.

(b) Except for the Nubariya Drains, which are to be procured under ICB, the remaining Civil Works for the Fruit and Vegetable project are being obtained under local procedures.

2. In Greece there is a well-established contracting industry and even in those cases on Bank irrigation projects where the work was advertised under ICB and both local and foreign contractors were prequalified, the local firms were the only firms who participated in the bidding.


ASchwenneker:kd

Cleared with and cc: Mr. Economides (EMP).

EGT - Cr. 181
EGT - Cr. 393
EGT - Ln. 1285 / Cr. 637
EGT - Ln. 1439-1440 / Cr. 719

August 23, 1978

Eng. Ahmed Fahmy, Chairman
Egyptian Public Authority for Drainage
Projects
5 a Elogoheiny Street
Dokki Giza
Arab Republic of Egypt

Dear Mr. Fahmy:

Many thanks for your letter of 6 July 1978 with the summary table, on the yield results of the crop year 1975/1976, enclosed. We note that the estimated net yield increase per feddan in the project area is positive in all areas, as was the case in the previous years.

We are pleased to learn that the Drainage Research Institute has begun its evaluation program, which is so essential. We look forward to receiving the statistical analysis on cotton for the three year period after drainage, as well as the statistical analysis on maize, cotton, rice and wheat for the crop year 1976/1977.

With kind regards.

Sincerely yours,

Teketel Haile-Mariam
Acting Chief, Agriculture IV
Europe, Middle East and North Africa Region
Projects Department

cc: Mr. Economides (EMP)
FBSands:goc *8/18*

EGT-0181

Class of Service: **TELEX**Date: **August 18, 1978**Telex No.: **12412E KOPI SF**Originators Ext: **61121**

12

10

0 **START
HERE**1 **TO** **KANSALLIS OSAKE PANKKI**CITY/COUNTRY **HELSINKI, FINLAND**MESSAGE
NO.:**REURCAB AUGUST 17 IDA CREDIT 181 EGT URREF V12082 BANQUE DU****CAIRE ELCEE 57921/19 WE EXPECT TO DEPOSIT SWISS FRANCS 170,500.00****WITH SWISS BANK CORPORATION ZURICH FOR CREDIT YOUR ACCOUNT****BY AUGUST 22 STOP PLEASE NOTE YOUR ORIGINAL REIMBURSEMENT****REQUEST DATED AUGUST 11 WAS ADDRESSED TO 248379 AID WHILE OUR****TELEX NO IS 248423 IDA INDEVAS**21 **END
OF
TEXT**
22**NOT TO BE TRANSMITTED**

SUBJECT:

181 EGT - General

DRAFTED BY:

CHLINDER/Lr

CLEARANCES AND COPY DISTRIBUTION:

**cc: Mr. Prudence
Agmt No 86**

AUTHORIZED BY (Name and Signature):

Norman J. Bennett

DEPARTMENT:

Controller's**SECTION BELOW FOR USE OF CABLE SECTION
CHECKED FOR DISPATCH**

COMMUNICATIONS
AUG 18 9 27 PM 1978

EGT-0181
EGT-01393
EGT-1285/01637
EGT-1439/1440/01415

AUG 17 1978

Your Excellency:

Thank you very much for your letter of August 6 on your drainage projects and for your kind words of appreciation for the excellent cooperation between your Government and the Bank.

The Vice President for EMENA Region, who is responsible for these projects has reported to me that Bank staff had useful discussions with your mission and have gone over in detail the various points you mention with a view to helping the Drainage Authority accelerate progress on these projects. Your mission will no doubt report to you the various agreements which were reached.

I have asked EMENA Region to keep me informed of the progress you make in reaching the rates of drainage installation you outlined to me last winter so that as many people and as large an area as possible can benefit from these projects.

With best regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

His Excellency
Abdel Azim Abul Atta
Minister of Irrigation & Sudan Affairs
Ministry of Irrigation & Land Reclamation
Cairo, Egypt

cc: for Mr. McNamara's Office
P. Naylor: sm
cleared with and cc: Mr. Haynes
August 16, 1978



EMEND file

EGT - Cr. 393

11/11

Hydrotile Machinery Company

EGT - Cr. 181

ACRION
P. O. Box 368 Nashua, Iowa 50658 U.S.A.
Telephone: (515) 435-4141 Telex: 465639
A Subsidiary of The Black Clawson Company
Circular 72
No action
Rule Delta
393 EGT

August 16, 1978
VJS-78-74

Mr. P. Economidies
The World Bank
1818 H Street N.W.
Washington, D.C. 20433

Dear Mr. Economidies:

With your very kind help, I was able to meet with Mr. Lutfi of Egyptian Public Authority for Drainage Projects. Mr. Lutfi reviewed the contract prepared by us covering our spare parts offers E78-010B and E78-012B, a copy of which is enclosed. The contract was deemed acceptable by Mr. Lutfi and he initialed my copy of the contract. Mr. Lutfi is taking the original and five copies of the contract, already signed by me, to Egypt for the signature of Mr. Fahmy, Chairman of E.P.A.D.P.

In discussions with Mr. Lutfi, he expects the contract signed by Mr. Fahmy to be mailed to your office on Saturday, August 19th. Hopefully, the Letter of Credit with text similar to the one covering our offers E78-010A and E78-012A can be opened within a month. Our agent will follow up in Cairo to insure that the signed contracts are mailed next week. The reason for our sense of urgency is that prices are firm only to October 15, 1978 and we wish to avoid any problem with escalation. Mr. Lutfi suggested that I send you a copy of the contract initialed by him and copies of our offer to insure that you have a complete file of documents.

Once we know that the signed contract has been sent to you, we will keep in touch with your office to assist in any way we can to get the Letter of Credit opened in a timely manner. Again, let me thank you for your assistance.

Sincerely yours,

Victor J. Spadafora
Victor J. Spadafora
Vice President

VJS:MM
Enc. (see page 2)

Encl: Contract for E78-010B and E78-012B
Hydrotile Quotations E78-010B and E78-012B

Note: Please reply -

The Hydrotile Machinery Company
c/o The Black Clawson Company
200 Park Avenue
New York, N.Y. 10017

EGT-0181
EGT-01393
EGT-1285/11637
FR/MSClass of Service: LTDate: 8/16/78

Telex No.: _____

Originators Ext: 811774515

12

10

0 START
HERE

1 TO

DELTATILE, AHMED FAHMY CHAIRMAN

CITY/COUNTRY

CAIRO, EGYPT

MESSAGE
NO.:

RECREDIT 181 AND 393 AND URLET AUGUST SIX. IDA HAS NO OBJECTION TO ISSUE
TENDER DOCUMENTS FOR PROCUREMENT EXTENSION SERVICE EQUIPMENT WITH FOLLOWING
MODIFICATIONS COLON AAA WE CONSIDER ONE HUNDRED AUDIBLE CINEMA PROJECTORS
EXCESSIVE AND WE RECOMMEND TO BE REDUCED TO FIFTY. BBB CONTRARILY WE CONSIDER
TWO MOBILE CINEMA PROJECTOR UNITS INSUFFICIENT AND WE RECOMMEND TO BE
INCREASED TO FOUR. PARAGRAPH PLEASE NOTE THAT COST FOR THE PROCUREMENT OF
EXTENSION EQUIPMENT SHOULD BE DISTRIBUTED AS FOLLOWS COLON UNDER CREDIT
181, ONE HUNDRED THOUSAND DOLLARS, UNDER CREDIT 393, ONE HUNDRED THOUSAND
DOLLARS AND UNDER CREDIT/LOAN 637/1285 THE REMAINING BALANCE. PLEASE
FURNISH TWO COMPLETE SETS OF TENDER DOCUMENTS AS ISSUED. REGARDS
HEIDHUES, ACTING CHIEF

21 END
OF
TEXT
22

NOT TO BE TRANSMITTED

SUBJECT: Credits 181 & 393
EGYPT - Cr/Ln 637/1285

CLEARANCES AND COPY DISTRIBUTION:

cleared and cc: A. Schwenneker

DRAFTED BY:

PEconomides;eld

AUTHORIZED BY (Name and Signature):

Heidhues, Acting Chief, EMPA4

DEPARTMENT:

SECTION BELOW FOR USE OF CABLE SECTION

CHECKED FOR DISPATCH

E6T-0181
E6T-0393

OFFICE MEMORANDUM

TO: EMENA Files

DATE: August 10, 1978

FROM: Arthur L. Schwenneker, Contract Specialist, EMPA IV

SUBJECT: EGYPT - Nile Delta I Project (Cr. 181)
Upper Egypt Drainage Project I (Cr. 393)
Evaluation of Bids for Collector Pipe Laying Machine
being procured by Egyptian Drainage Authority (EPADP)

1. Mr. Th. Remie, Managing Director of Barth Holland met with me and later with Mr. Naylor and myself with respect to the procurement of 12 collector pipe laying machines for the Egypt drainage projects.
2. Mr. Remie had called on Friday, July 28, 1978, advising that he was quite concerned over the items which were considered in the evaluation of bids, particularly the inclusion of digging chains, and advised that he planned to visit the Bank on July 31 to discuss the evaluation further.
3. Mr. Remie advises that EPADP has recently awarded a contract to a local firm to manufacture digging chains which could be used on machines manufactured by Barth, Hoes or Steenbergen. Therefore, he questioned the appropriateness of including in the evaluation the cost of digging chains for two years' service if EPADP planned to purchase these chains locally. He also advises that the evaluation was based upon the Barth digging chains having a life of 30 km. while Hoes estimated a life of 80 km. for the chains it proposed to furnish. He considered the estimate of the life of the digging chains given by Hoes to be unrealistic. If EPADP is eventually to purchase digging chains locally, then it might not be appropriate to include the digging chains in the evaluation. However, the recommendation for award to Hoes included the purchase of 24 additional digging chains and that to Barth included 26 additional digging chains. Since IDA did not concur in the award being split, we assume the contract as awarded to Hoes would include the purchase of sufficient chains for the guarantee period. However, the financial analysis of bids did include 108 digging chains for the Barth machines and 36 for the Hoes machines. Therefore, the evaluation was made in accordance with the tender and included amounts based on the length of service or life of the digging chains as given by the two firms.
4. In the financial analysis of bids, EPADP included a figure of 520,986.36 D.G. for spare parts for 12 machines while Barth contends that his bid included 174,810.86 D.G. for spare parts for all twelve units, as specified in Appendix Three (list of spare parts which will be included in the Evaluation of Tender). If this is the case, then the bid of Barth would be 346,157.50 D.G. (or 55,319.89 LE) less than shown. However, analyses does not support Barth's claim.
5. Mr. Remie advised that the cost of transportation for two technicians was only offered as an alternative and should not have been included in bid analyses. From the data that Mr. Remie showed me, it was certainly not clear that the transportation cost was a separate item, since it was included along with the cost of technician services. If this had been clear the bid of Barth could have been reduced an additional 113,750 D.G. (or 35,911 LE). EPADP had advised IDA that the Hoes bid also included transportation cost for its technicians.

6. Even if the digging chains were deleted from the evaluation, the bid of Hoes would remain low. The bid of Barth would be reduced by 209,687 LE from 1,576,177 LE to 1,366,490 LE, while the bid of Hoes would be reduced by 51,912 LE from 1,366,828 LE to 1,314,916 LE.

7. Irrespective of Mr. Remie's contentions on the items included in the evaluation, a review of the report shows that evaluation was made in accordance with the tender and that the recommendation for award did include an amount for additional for digging chains for a two year period for both the Hoes and Barth machines.

8. An item which could have been given more emphasis in the evaluation of bids was the experience of the firms in manufacturing machine of this size and type. Barth machines of this size have been under operation since 1972 and the EPADP has purchased one Barth machine which is operating satisfactorily. Mr. Osmen Elghamy, Undersecretary and Director of Drainage Research Institute on August 10, 1978, advises that Hoes also has manufactured machines of this type and size, and it is his understanding that performance has been satisfactorily.

9. The Bank has subsequently received justification for the purchase of two additional Barth machines.

10. Mr. Remie also indicated that he does not plan to make a formal protest of the award already made to Hoes.

cc: Messrs. Naylor (EMP), Morse (PAS), Sakuragi (LEG), Abu-Akeel (LEG),
Economides (EMP) (w/cc of Barth ltr. of 5/24/78), Sands (EMP),
Blay (EML).

ALSchwenneker:kd/gon

Class of Service:

LT

Date:

8/10/78

Telex No.:

Originators Ext:

4515

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0 START
HERE

1 TO

DELTATILE

CITY/COUNTRY

CAIRO, EGYPT

MESSAGE
NO.:

FOR AHMED FAHMY CHAIRMAN. RE CREDITS 181, 393, CREDIT/LOAN
637/1285 AND URLET AUGUST 6. IDA HAS NO OBJECTION TO THE PROCUREMENT
OF THE FOLLOWING EQUIPMENT COLON AAA UNDER CREDIT 181, TEN
ADDITIONAL TILE LAYING MACHINES, ESTIMATED COST DOLLARS ONE AND
HALF MILLION. BBB UNDER CREDIT 393, TWO COLLECTOR LAYING MACHINES
BARTH D-30, TEN ADDITIONAL COLLECTOR LAYING MACHINES, TWO MOBILE
PVC PIPE MAKING PLANTS, EIGHT HYDRAULIC EXCAVATORS, ESTIMATED COST
DOLLARS FOUR MILLION TWO HUNDRED FIFTY THOUSAND. CCC UNDER
CREDIT/LOAN 637/1285 THREE THOUSAND TONS OF PVC POWDER ESTIMATED
COST DOLLARS TWO MILLION ONE HUNDRED THOUSAND. PARAGRAPH EXCEPT
FOR THE TWO BARTH COLLECTOR LAYING MACHINES WHICH CAN BE PROCURED
DIRECTLY FROM FIRM AT PRICES ALREADY SUBMITTED LAST TENDER ALL
OTHER EQUIPMENT AND MATERIALS SHOULD BE PROCURED THROUGH ICB
FOLLOWING BANK GUIDELINES. PLEASE PREPARE TENDER DOCUMENTS SOONEST
FOR OUR REVIEW. REGARDS HEIDHUES, ACTING CHIEF

EGT - C181
EGT - C1393
EGT - 1285/1637

21 END
OF
TEXT
22

NOT TO BE TRANSMITTED

SUBJECT:

UPPER EGYPT DRAINAGE I AND II

CLEARANCES AND COPY DISTRIBUTION:

cleared with and cc: Messrs. Blay

Schwenneker

DRAFTED BY:

PEconomides; sm

AUTHORIZED BY (Name and Signature):

Franz Heidhues; sm

DEPARTMENT:

EMENA Projects

SECTION BELOW FOR USE OF CABLE SECTION

CHECKED FOR DISPATCH

Class of Service: LTDate: 8/10/78

Telex No.:

Originators Ext: 74515

12

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0 START
HERE

1

TO

DELTATILE

CITY/COUNTRY

CAIRO, EGYPT

MESSAGE
NO.:

FOR AHMED FAHMY, CHAIRMAN. BANK APPROVED PROCUREMENT OF TWO
MOBILE PVC PIPE FACTORIES, THREE THOUSAND TONS PVC POWDER,
SEVENTY-FIVE THOUSAND TONS OF CEMENT AND TWO COLLECTOR BARTH
MACHINES. CONSENT WAS GIVEN TO AWARD ONE THOUSAND TONS PVC
POWDER, REPLACING DARAWA BY BILAD ELAID STATION AND SPARE
PARTS FOR HYDROTILE. INITIATED A REVISED LIST OF EQUIPMENT
REGARDS ELGHAMRY, LOTFY

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END
OF
TEXT

NOT TO BE TRANSMITTED

SUBJECT:

Egypt - Nile Delta I & Upper Egypt I

CLEARANCES AND COPY DISTRIBUTION:

DRAFTED BY:

AUTHORIZED (Name and Signature):

FHeidhues, Acting Chief, EMPA4

DEPARTMENT:

SECTION BELOW FOR USE OF CABLE SECTION
CHECKED FOR DISPATCH

EGT-C181
EGT-C393
EGT-1285/C637
EGT-1439/1440/C719
EGT-1276
EGT-C1830
EGT-Ag Sector
(Dairy Farming)
EGT-Water Master Plan

August 7, 1978

Professor Yussuf Wally
Ministry of Agriculture
Dokki
Cairo, Egypt

Dear Dr. Wally:

It was a great pleasure to meet you when I was in Egypt last month. As promised, I attach a copy of our basic economic report on Egypt, which includes in Volume III an analysis of the Egyptian agriculture sector. I also attach a note on Egyptian agriculture prepared by our staff in discussion with Ministry of Agriculture staff, which served as a basis for discussions on the sector at the meetings for the Consultative Group in June.

It might help if I recapitulate briefly the projects on which the World Bank is working in Egypt.

(i) We have, as you know, contributed to financing the Government's tile drainage and bilharzia control programs through loans and credits in 1970, 1973, 1976 and 1977 (Nile Delta Drainage I, Credit 181-UAR, Nile Delta Drainage II, Loan 1439-EGT, Upper Egypt Drainage I, Credit 393-UAR, and Upper Egypt Drainage II, Loan 1285-EGT and Credit 637-EGT). These projects are being implemented, of course, by the Drainage Authority and Ministry of Health, and we discussed questions of implementation and maintenance relating to the tile drainage program. We hope to make a more detailed assessment of the effect of this program in the near future, and will be writing to you again on this subject.

(ii) In 1976 we made a loan for the Fruit and Vegetables Project (Loan 1276-EGT), for which I attach the appraisal report. I understand that implementation of the major components, particularly the construction of the desperately needed Nubariya main drainage outfall has, after a slow beginning, started to improve.

(iii) Our most recent credit is for the Agricultural Development Project in Sohag and Minufiya for which I also attach an appraisal report. Dr. Sayed Naguib in the Ministry of Agriculture is the coordinator for this project. We should greatly appreciate any assistance you can give in project implementation.

August 7, 1978

As I mentioned to you, the four projects currently under preparation are fish farming, agro-industry, small farmer dairy and land reclamation for small farmer settlement in the Western Nubariya area. We are writing separately to His Excellency Dr. Daoud about these projects and would greatly appreciate your views on the program.

I attach a copy of a recently prepared identification report on the proposed dairy project. Should the Government wish us to proceed with the project--which seems to be a very interesting one--we would like to discuss with you in the near future the next steps needed for project preparation. In our letter to Dr. Daoud, we have drawn attention to several details of the project which need consideration. We should in the meantime greatly appreciate your comments on the draft report.

We are also ready to consider World Bank involvement in other types of projects in support of Egypt's agriculture, such as support of agricultural research, or the extension services. Other projects may arise from the Master Plan for Water Resource and Development Use, being prepared by the Executive Authority for Water Planning; this Master Plan is expected to indicate areas of priority for agricultural investment. I have, incidentally, suggested to the staff of the Water Planning Authority that they contact you for discussions on the relationship of their work to the program of the Ministry of Agriculture.

I would welcome your comments on any or all of the above matters, and hope that we can together develop a series of lending operations by which the World Bank can support Egyptian agriculture. In view of his interest in World Bank work in Egypt, I am sending a copy of this letter to Mr. Samir Koraïem in the Ministry of Economy and Economic Cooperation.

Sincerely yours,



Paul Blay
Loan Officer

Country Programs 1A
Europe, Middle East and North Africa Region

Attachments

Cleared with & cc: Mr. Naylor

PJBlay:bp



EGT U181

8/6/78

Country	Loan # 1288/637 Credit # 181/393 Investment #	Project
EGYPT		
Title and Description		
Supply of Portable & Mobile Cinema Projector sets		
a) Technical Specifications		
Form No. 114 (1-73)		
Document	Prepared By	E.P.A.
Date Aug. 6/78	From	above
Transmittal Letter	No Letter-Copy	Document #
No.	Card for File	157.127
Date		

EGT u 181
8/6/78

Country	Loan # 1258/637 Credit # 181/393 Investment #	Project
EGYPT		
Title and Description		
Supply of General Purpose Vehicles (Pick-ups, Microbus , Motor Cycles)		
a) Technical Specifications		
Document Date Aug. 6/78	Prepared By E.P.A.	
Transmittal Letter No.	From above	Document #
Date	No Letter-Copy Card for File ☐	157.126

Form No. 114
(1-73)

277
EQT-0181
EQT-0393
EQT-1285/0637
EQT-1439/1440/0719

MINISTRY OF IRRIGATION
AND LAND RECLAMATION
MINISTER'S OFFICE

2207

Date August 6, 1978

Mr. MacNamara,
President
International Bank for Reconstruction & Development
1818 H Street, N.W.
Washington D C 20433

Dear Mr. MacNamara,

It was a great pleasure to meet you last winter and to discuss together problems of mutual interest. I would like to express my deep appreciation for you and your staff for your keen interest in our development and especially in our drainage projects.

There are few points ~~of~~ that need clarification and discussions between EPAD and the Bank. Our main goal is to provide EPAD with all facilities and man - power requirements for the achievement of the 1978 and 1979 execution rates. I decided to send a mission of two senior staff member :-

- a- Mr. Ahmed Lotfi and
- b- Dr. Osman A. Elghamry

There are authorized to discuss with the Bank's staff several problems namely ,

MINISTRY OF IRRIGATION
AND LAND RECLAMATION
MINISTER'S OFFICE

2.

1. The situation of shifting from cement tiles to PVC plastic tiles. The main reasons are :-
 - a- There is a considerable area in which a certain crop rotation is predominant (sugar cane areas). The land is always wet during most of the year and by use of plastics good drains could be installed .
 - b- Plastics could be used to face the severe shortage of cement which affects the progress of the work . In addition, cement tiles are subjected to relatively high percentages of breakage . The problem is more acute in Upper Egypt.
 - c- The labour shortage in remote areas especially in Upper Egypt. Many tenders were called upon for field drainage works and no response was received due to difficulties in transporting cement pipes and the relatively extensive labour force needed for cement tile laying.
 - d- It seems that the anticipated delays due to problems encountered with cement tiles will cause the project to fall one year behind the existing schedule .

MINISTRY OF IRRIGATION
AND LAND RECLAMATION
MINISTER'S OFFICE

3.

e- Every effort was and is being made with the USAID to procure the PVC plastic pipe factories. However it seems that the erection and operation of these factories will be delayed due to several reasons.

EPAD therefore requested that two mobile P V C factories be purchased through the proceeds of credit 393 . I strongly support their action.

2. The procur^ment of P V C raw material. The resⁱns is needed for the operation of a mobile factory procured by EPAD. All the results of the adjudications were sent to the Bank about two months ago. A prompt answer would be appreciated.
3. Due to the lack of cement, EPAD requested the importation of 75 000 tons of cement to cover the needs for remodelling the open drainage network . A prompt action will be appreciated.
4. EPAD also requested that the number of draglines, excavators and collector laying machines procured through the loans be increased .

" E "

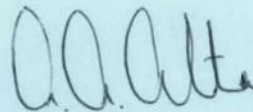
MINISTRY OF IRRIGATION
AND LAND RECLAMATION
MINISTER'S OFFICE

4.

5. Other items that need prompt consideration are:-

- a- The procurement of spare parts for the tile factories.
- b- The revised list of equipment to be procured through the different drainage projects.
- c- Replacing the Darawa Pumping Station (Lower Egypt Project II) by Wilad El Aid Station.

I would like to take this opportunity to especially thank you and your staff for the most productive cooperation and assistance received in the past, and for which we are most grateful.



Dr. Abdel Azim Abul Atta
Minister of Irrigation

FOR
SUDAN AFFAIRS

6.8 1978

ARAB REPUBLIC OF EGYPT
EGYPTIAN PUBLIC AUTHORITY
FOR DRAINAGE PROJECTS

5 a Elgoheiny St. Dokki Giza
Cable Address: Deltatile Cairo.

Chairman's Office

August 6th, 1978.

EGT-1274
EGT-C1181
EGT-C1343
EGT-1285/1286

EMENA
AGRICULTURE DIVISION IV
Rec'd 8/9 No. 8331
Assigned to <i>Esconmidy</i>
<i>Hessia Hing/schwimmer</i>
Action required <i>File</i>
<i>5/6/78</i>
Filing Instructions:
Project Sec. Informed:
<i>Suppl. Unit</i>
Project Rep. <i>Unit</i>
<i>Orig. Unit</i>
Loan/Credit No. <i>1276-667</i>
<i>C-781, C-393 & C/L 637/1285</i>

Mr. P. Naylor, *FH*
Chief Agriculture Division IV , EMENA,
1818 H Street, n.w.,
Washington, D.C., 20433 , U. S. A.

Dear Mr. Naylor:

NOT AT
Enclosed please find two copies of each of the two tenders of
the Nubaria Main Drain Project which are now ready for bid
invitation after you have them reviewed and comment or confirm
to us.

NOT AT
Also please find two copies of the technical specifications
for the equipment to be procured for the agriculture extention
servises which is also ready for bid invitation after your
reviewal.

We will appreciate your cable confirmation for the three
tenders at your earliest convenience.

With our kindest regards.

Sincerely yours,

A. Fahmy
Eng. ~~Ahmed~~ Fahmy,
CHAIRMAN.

ARAB REPUBLIC OF EGYPT
EGYPTIAN PUBLIC AUTHORITY
FOR DRAINAGE PROJECTS

5 a Elgoheiny St. Dokki Giza
Cable Address: Deltatile Cairo.

Chairman's Office

AGRICULTURE DIVISION IV
Rec'd 4/9 No 831
Assigned to <u>Commercial</u>
Action required <u>Cable</u> <u>dated 8/11/78</u>
Filing Instructions: Project Sec. Informed:
Project Name <u>Egypt</u> <u>Drainage Research</u>
Loan/Credit No.

FJF EGT - 02181
EGT - 0393
EGT - 1285/0637
EGT - 1439/1440/0719

Date August 6, 1978

Mr. Naylor,
International Bank for Reconstruction & Development
1818 H Street, N.W.
Washington D C 20433

Dear Mr. Naylor,

It was a great pleasure meeting you last spring. It was a good opportunity to exchange views on matters of mutual interest namely the drainage programme in which the Bank is taking a leading role.

Due to the several pending matters which have not yet been settled and due the urgency of the problem, it was decided that a mission of senior staff members to the bank would expedite actions. Therefore, Both Mr. Ahmed Lotfy Abdel Moniem, and Dr. Osman A. Elghamry will come to the Bank to give all necessary clarifications and to discuss with your staff all matters to be decided upon.

The main points that need prompt action are :-

1. EPAD'S request to purchase two PVC plastic factories.

There is a vital need to change to P V C plastic pipes instead of cement in order to achieve the 1978 and 1979 programme of tile drainage installation .

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2.

There is a considerable shortage of cement and even the tile factories in Tanta, Damanhour and Aga are suffering from the lack of cement. The following table gives the cement requirements in the last six months and the amount obtained :-

	Requirement in tons	Obtained in tons
Feb.	17 000	7 496
March	17 000	11 897
April	17 000	12 706
May	17 000	11 826
June	17 000	6 468
July	17 000	11 670

This shows clearly the difficulty in getting cement from the local market and the only solution for tile drainage installation activities is to change to plastics which are preferred in remote areas and in areas with sugar cane in their crop rotation .

EPAD has requested the purchase of P V C factories in order to be able to meet the requirements of the programme of installation . We were not successful so far to reach a final decision to procure the factories included in the USAID loan due to the following difficulties :-

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3.

- a- Four American firms were invited to submit bids .
Only one bid was received from Cincinati which was very high compared to international Price. In the last negotiations with the representatives of the company, a reduction 27 % was reached. Still the price is more than 12% higher than international prices.
- b- Cincinati introduced several severe conditions which were not accepted neither by EPAD nor by the USAID which include :-
- * EPAD requested a 300 hour operation for the test of the factories while cincinati insisted on only a 7 hour test.
 - * EPAD requested one year guarantee while Cincinati insisted on a six month guarantee.
 - * Cincinati wants the Din Specifications to be applied although the weight of the 80 mm pipe is 288 gm/m while in the specification the weight is 320 gm/m.
 - * Arbitration should be carried out in Austria or in Switzerland. This is against the Egyptian law.

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4.

* USAID asked that Cincinnati should provide copies of recent contracts held in the Middle East area to show that the prices are reasonable.

This means that one year delay (at least) is expected if matters one solved.

These are the reasons why the purchase of two factories will be advisable and it seems that it is the only way to keep up with the schedule.

2. EPAD requested to import 75 000 tons of cement to cover mainly the needs for remodelling open drains. No reply was received yet and a prompt action is appreciated.
3. The tender documents and the results of the adjudication for the supply of P V C plastic powder were sent to the bank two months ago . This resin is needed for the operation of the mobile factory purchased by the Authority. Your prompt consent will expedite things.
4. EPAD requested the following modifications in the equipment :
 - a- To increase the number of dragline excavators from 29 to 36 .
 - b- To increase the collector laying machines from 12 to 14 .

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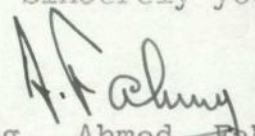
Chairman's Office

5.

- c- The replacement of Darawa Pumping Station (Lower Egypt II) by Wilad El-Aid Station.
 - d- To approve the revised list of equipment to be procured through the different projects.
5. EPAD requested to procure some spare parts from Hydrotile for the cement tile making factories.

Finally, I would like to express our deep appreciation for the spirit of cooperation that ruled our mutual matters. Your staff have been also most cooperative and helpful with a great interest in the drainage programme.

Sincerely yours,


Eng. Ahmed Fahmy
C H A I R M A N

" E "

Class of Service: CABLEDate: AUGUST 1, 1978

Telex No.:

Originators Ext: 75374

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0 START
HERE
1 TO

DELTATILE

CITY/COUNTRY

CAIRO, EGYPT

MESSAGE
NO.:

FOR ENG AHMED FAHMY, CHAIRMAN RE C 181 EGT AND YOUR LETTER
OF JULY 27, 1978 FURNISHING US WITH COPY OF YOUR CABLE
JUNE 23, 1978 ON PURCHASE OF SPARE PARTS FOR TILE
MANUFACTURING MACHINES. ON BASIS OF INFORMATION FURNISHED
IDA HAS NO OBJECTION TO ENTERING IN TO A CONTRACT IN AMOUNT
OF U.S. DOLLARS 474,142 WITH HYDROTILE MACHINERY CO.,
SUBSIDIARY OF BLACK CLAWSON CO. FOR REQUIRED SPARE PARTS.
REGARDS NAYLOR

21 END
OF
TEXT
22

NOT TO BE TRANSMITTED

SUBJECT:

EGYPT - Cr 181

DRAFTED

A. Schwenneker

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AUTHORIZED BY (Name and Signature):

T. Haile-Mariam, Acting Chief

DEPARTMENT:

EMPA IV

SECTION BELOW FOR USE OF CABLE SECTION
CHECKED FOR DISPATCH

Aug 2 3 13 PM 1978

COMMUNICATIONS
SECTION

URGENT

TO DIRECTOR, FBI (100-441100) FROM SAC, NEW YORK (100-100000) (P)
RE NEW YORK TELETYPE TO BUREAU, AUGUST TWO, LAST.
ADVISE THAT ON AUGUST TWO, LAST, AN INDIVIDUAL IDENTIFIED
HIMSELF AS JAMES EARL RAY, AKA, AND STATED THAT HE WAS
INTERVIEWED BY NEW YORK POLICE ON AUGUST TWO, LAST, AND
THAT HE WAS RELEASED FROM POLICE CUSTODY ON AUGUST TWO, LAST.
ADVISE THAT RAY STATED THAT HE WAS CURRENTLY IN NEW YORK
CITY AND WAS SEEKING EMPLOYMENT. RAY STATED THAT HE WAS
WANTED BY THE FBI AND WAS CURRENTLY ON THE WANTED LIST.
ADVISE THAT RAY STATED THAT HE WAS CURRENTLY IN NEW YORK
CITY AND WAS SEEKING EMPLOYMENT. RAY STATED THAT HE WAS
WANTED BY THE FBI AND WAS CURRENTLY ON THE WANTED LIST.

END