

PCR EVALUATION NOTE

1. Basic Project Data				
Country: Arab Republic of Egypt		Project SAP Reference:	P-EG-FAA-012	
Project Title :	El-Kureimat 750 MW Combined Cycle Power Plant project			
Sector :	Infrastructure		Appraisal (million Euros)	Actual (million Euros)
Theme :	Energy	Project Costs	244.66	349.70
		Project Financing		
Amount cancelled (million Euros))	0	Loan	175.91	174.16
PCR Date	Feb 27, 2013	Co-financing	68.75	175.54
PCR Evaluation Note Date	Nov 28, 2014	Board Approval Date		27 July 2005
Partners : final contribution: Upper Egypt Electricity Production Company (UEEPC):175.54 million Euros (against 68.75 million Euros at Appraisal)		Signature Date	Oct 18, 2005	
		Effective Date	Feb 07, 2006	Nov 6, 2006
		Project Completion Date	Dec 31, 2010	Jun 30, 2012
Project Officers (Names) –	At Appraisal		At Completion To (mm/yy)	
Regional Director		Mr. Jacob KOLSTER Ms. Hela CHEIKHROUHOU Mr. NEGASH HABTEMICHAEL Mr. EL-ASKARI Mr. EL-ASKARI Ms. Tanja FALLER Ms. Eloise FLUET Mr. Ayman ALGINDY Ms. Amira SOBHI		
Sector Director	Mr. A. Rakotobe			
Sector Manager	Mr. N. Matondo-Fundani			
Task Manager	Mr. Bizuneh Fikru			
PCR Team Leader				
PCR Team Member				
Evaluator/consultant: Mrs. Aoufa Ezzine		Peer Reviewer/Task Manager: Mr. Foday Turay		

2. Project Description (summary from Appraisal Report including addendum/corrigendum or loan agreement)

a. Rationale and Expected Impacts:

Brief and clear description of the project/programme rationale (problem/issue to be addressed), expected impacts and intended beneficiaries (direct and indirect impacted). Highlight any changes during implementation.

Egypt's expanding economy relies on the availability of reliable and cheap electricity to function efficiently. Electricity demand has generally mirrored economic growth in the past. The prospects for rapid economic growth, as a result of the favourable macroeconomic environment being offered by a renewed momentum in economic reform, underscores the need to ensure security of electricity supply. At time of appraisal, a shortfall in installed generation capacity was expected to emerge unless the proposed project is commissioned on schedule. The Egyptian Electricity Holding Company (EEHC) has developed a generation expansion plan based on annual growth rate of 7.5% in the short-to-medium-term. This plan envisages a fast-track additional 4,019 MW of generation capacity to be commissioned between 2004/05 and 2006/07 and additional 8990 MW of generation capacity must be commissioned between 2007/08 and 2011/2012 in order to meet the medium-term demand, of which the proposed project will contribute 750MW.

The project expected impacts are to: i) contribute towards making available sufficient and reliable power to the various consumers including the households, agriculture, business and industries, ii) improve the quality of life of the population and promote economic growth, iii) contribute to the GDP growth, which is forecast to increase on the average by 5-6%/annum between 2005/04 and 2008/09.

b. Objectives and Expected Outcomes:

Concise and clear description of planned objectives and associated outcome targets, and highlight of any modifications/revisions.

The energy sector goal is to make available adequate energy at minimum cost to the various economic sectors to promote economic growth. It also targets providing sufficient and reliable commercial energy to the household sector in order to improve the living conditions of the population. To attain the sector goal, the country will secure energy supply through an appropriate diversity of economically competitive and reliable sources, with emphasis on the development of its indigenous energy resources both for domestic market and exports. In 2003/04, the energy sector contribution to the total GDP reached 9.8%, with petroleum and electricity sub-sectors contributing 8.1% and 1.7% respectively. In the same year, the sector contributed 2.02% to employment, with petroleum and electricity sub-sectors contributing 0.62% and 1.40% respectively. The project is fully aligned with the Government of Egypt's Vision 2022 and the National Development Plan 2002 -2007 which sets out a clear roadmap on Infrastructure-Energy (Strategic Pillar I) as well as the Bank's Country Strategy Paper.

The specific objective of the project is to increase generation capacity in the Unified Power System (UPS) to partly meet the electricity demand in the short-to-medium term. The project, when completed, would contribute towards making available sufficient and reliable power to the various consumers including the households, agriculture, business and industries to improve the quality of life of the population and promote economic growth. The project will contribute to the GDP growth, which is forecast to increase on the average by 5-6%/annum between 2005/04 and 2008/09.

The project expected outcomes are: i) The project contributes 750 MW to the grid connected installed capacity by June 2009; ii) The grid-connected installed generation capacity increases from 18,369 MW in 2003/04 to 26,064 MW by June 2009; iii) The project contributes to increased electricity supply to the grid by 4,843 GWH per year starting June 2009; and iv) National electricity generation capability increases from 94,067 GWH in 2003/04 to 134,803 GWH by June 2009.

c. Outputs and Intended Beneficiaries:

Concise and clear description of outputs and associated targets, and highlight of any revisions.

The project outputs are:

A1) Civil works constructed; A2) 2x250MW Gas Turbine Generators installed; A3) 1x250MW Steam Turbine Generator installed; A4) Two Heat Recovery Steam Generators installed; A5) 500 kV Switchyard Constructed; B) Environmental monitoring instruments installed; C) Wrap-up insurance contract signed before construction; and D) Engineering consultant recruited.

Project Beneficiaries: Since the power generated by the proposed El Kureimat power plant will feed the UPS to partly meet the system demand, the project beneficiaries include all categories of existing and potential customers from all over Egypt. This includes households, 98% of which have access to the grid and rely on electricity for their domestic energy requirement. As the electricity requirements of the household sector is increasing faster (10.7% per annum on average) than for any other sector, this category of consumers will benefit most from the project. In addition to households, the agricultural sector will benefit from the project, since the sector relies extensively on electricity for water pumping to irrigate farmlands. The sector's requirement has been increasing on average by 6.8% annually over the past two decades. The industrial sector, which constitutes one of the key pillars of the economy and a major source of employment will also benefit from the project. The sector has recorded on average 5.6% per annum growth in electricity demand over the past two decades. Finally, as the Egyptian national grid is interconnected to the Middle East through the Jordanian grid and to the Maghreb through the Libyan grid, consumers in these regions will also benefit from the project, thus contributing to regional integration.

d. Principal Activities/Components:

Concise and clear description of principal components and activities, and highlight of any revisions.

The project involves construction of 750 MW (2x250 MW Gas Turbine and 1x250 MW Steam Turbine) combine cycle power plant in the compound of El Kureimat Steam Power Station.

The components of the project comprise the following:

- A. Civil Works
- B. Gas Turbine Generator and Auxiliaries
- C. Steam Turbine Generator and Auxiliaries
- D. Heat Recovery Steam Generator and Auxiliaries
- E. Switchyard
- F. Environmental Monitoring
- G. Wrap-up Insurance, and
- H. Project Management

3. Evaluation of Design and Implementation (Evaluator assessment of actual vs. envisioned)

a. Relevance of Project Design (and Readiness for Implementation) (The evaluator assesses, independent of the PCR assessment, the Relevance of the project Design):

The evaluator will also comment on the PCR conclusion regarding this section, and also judge the relevance of project design, covering realism (complexity-implementation capacity & environment); clarity and measurability of objectives and results chain; adequacy of assessment risks, environmental and social safeguards, and implementation arrangements).

The evaluation confirms that project design and its readiness for implementation are highly satisfactory (4).

The appraisal of the Kureimat 3 project took into consideration the project's feasibility study that was prepared by EEHC and the Bank's long experience with the power sector in Egypt through financing five power generation projects before Kureimat 3, among others. The lessons learned from those previous Bank operations, as well as other similar projects implemented by EEHC, influenced the design of the Kureimat 3 project in several ways: (i) the cost estimation for the Kureimat 3 project took into consideration the relatively large fluctuations in the costs of similar projects implemented before Kureimat due to similar fluctuations in international material prices; (ii) procurement of the project components was structured to be through a small number of procurement packages to simplify the procurement process and avoid implementation delays; (iii) the project procurement plan was designed taking into consideration the long lead time for the manufacturing of Bank financed components, thus, the Bank approved an Advance Procurement Action to start procurement of those components in due time that would achieve the targeted project completion date; and (iv) in order to ensure high levels of financial management, the Kureimat 3 project executing agency was requested to hire external independent auditors acceptable to the Bank to audit the project's accounts and financial statements to overcome the shortcomings experienced with the audits submitted in previous projects. The capacity of the project executing agency (EEHC/UEEPC) was carefully assessed during project appraisal and reasonable measures were built into the project design. For example, a Project Implementation Team comprising the right mix of skills was appointed from the existing staff of EEHC/UEEPC to supervise the implementation of the project. Furthermore, an engineering consultant was hired to support the executing agency in the project supervision and management. The appraisal report presents a project matrix in a logical framework approach. Outcomes statements are clear and benchmarked.

Key risks were well identified, hence the project defined appropriate mitigation measures were provided to cushion the project.

b. Project Cost (including Borrower Contribution), Disbursements, and Adherence to Schedules (as relevant to project performance): Assessment of the extent of completeness and fairness of the the PCR in covering key project implementation aspects –project activity and outputs costs (estimate - actual; reasons for any changes); disbursements (planned - actual; reasons for any gaps and delays); timeliness of project completion (and reasons for any delays):

The PCR treated adequately the project costs disbursement and timeliness. The project costs were estimated at appraisal at Euros 244.68 million, out of which Euros 175.91 million was an ADB loan and Euros 68.75 million funded by UEEPC. The final project cost is Euros 349.70 million, out of which Euros 174.16 million was funded by ADB (99% of initial ADB contribution) and Euros 175.54 million by UEEPC. Accordingly, the total project cost at completion is Euro 105 million higher than the cost anticipated at appraisal, implying 43% cost increase which was funded by UEEPC. The cost increase is due to: i) the additional cost items accounted for at completion and not accounted for at appraisal (50% of the cost of the water and wastewater treatment component, which was constructed as part of Kureimat 2 project to serve both Kureimat 2 & 3, and the non-investment costs such as the salaries of the UEEPC project staff and cost of financing incurred during the construction period); and ii) the high increase in equipment prices as a result of high market demand and rise in international material prices during 2005 & 2006 when the project components were being procured. Nonetheless, the total capital cost of the Kureimat project is comparable to the costs of other combined cycle power plants constructed during the same period in Egypt. Project had delays during the testing and commissioning stage due to technical problems, which were partially exacerbated by the Egyptian revolution starting early 2011.

c. Implementation Arrangements, Conditions and Covenants, and related Technical Assistance:

Assessment of the extent of completeness and fairness of the PCR in covering these aspects –implementation arrangements (planned – actual); performance of consultants; compliance with project covenants; attached technical assistance (PCR availability if TA is at least UA 1 million):

The PCR treated adequately implementation arrangements, compliance with covenants and consultants performance. Procurement activities were defined according to the Bank guidelines and ensured transparent bidding process for contractors. Implementation of the Kureimat project progressed relatively smoothly, especially during the construction phase, with good performance by the contractors. However, it suffered from a relatively long delay during the testing and commissioning phase due to a technical problem which required some lengthy inspections and repairs. As a result, the project was fully completed two years later than originally planned, and is now functioning successfully as designed. Progress of and coordination with other related works, e.g. transmission infrastructure, was good and did not cause any delay. The project executing agency (UEEPC) and engineering consultant (PGESCO) provided professional and effective construction supervision and project management which helped maintain the project on the right track. The interfacing between some contractors however provided some challenge. The executing agency complied with most of the project's reporting requirements, but was consistently late in submitting the annual audit reports in a format acceptable to the Bank.

d. Monitoring & Evaluation Design, Implementation, & Utilization (Evaluator assessment):

Assessment of planned and actual M & E design, implementation and utilization:

- Design: --Extent to which the project M & E system was clear, adequate and realistic to generate and analyze pertinent data:
- Implementation: Extent to which relevant data was collected: indications in PCR of M&E implementation and its effectiveness
- Utilization: Extent of use of data generated for decision-making and resource allocation: indications in PCR of M&E use

The evaluation rates the overall project monitoring and evaluation (M&E) satisfactory. It was designed at appraisal to be done through project implementation progress reports, environmental monitoring and audit reports. A Mid-Term Review was planned at appraisal to be undertaken 24 months after project start but was not done due to the relatively short implementation duration foreseen for the project. The Borrower consistently collected useful information both during project construction and operation that was useful in decision making.

e. Other Issues (such as Safeguards, Fiduciary):

Assessment of the extent of the PCR's treatment of compliance with environmental safeguards, fiduciary requirements, etc:

The PCR treated adequately the Borrower compliance with environmental and fiduciary issues. The Borrower complied with the Bank's environmental policy requirements. Overall, the implementation of the Environmental and Social Management Plan (ESMP) is satisfactory, although with shortcomings. A key weakness has been the inconsistent reporting on environmental and social issues, with only two progress reports submitted to the Bank over the project implementation period. Moreover, the high turnover of the environmental manager position has also limited the continuity of information about the performance of the ESMP. Finally, there has been little follow-up on the implementation of the ESMP by the concerned Egyptian authorities. Audit reports were consistently submitted late.

4. Evaluation of Performance (Evaluator assessment)

a. Relevance of project objectives (Assessment of the ex-ante and ex-post relevance (including during implementation): Ex-ante and ex-post relevance of objectives (at appraisal & evaluation) in terms of consistency with country development priorities, the Bank's country or regional strategy and corporate priorities. The assessment of the ex-ante relevance of objectives will also cover the extent to which the objectives were realistic given the available inputs and timeframe.

The review confirms that the relevance of the project objectives at appraisal and at post completion is very satisfactory (4).

The project is to increase generation capacity in the UPS to partly meet the National electricity demand in the short-to-medium term. The project contributes to Vision 2022 as it translated onto the ground Strategic Pillar 1, Infrastructure Energy in the National Development Plans (NDP 5/6/7) and the National Plan (1997-2017) consistent with the country strategy.

b. Effectiveness in Delivering Outputs: Extent of Delivery of Outputs (or key conditions in the case of Program Loans): Assessment of the extent of PCR coverage and discussion of project outputs --planned and actual outputs and reasons for any deviations;

The review confirms that the project effectiveness in delivering outputs is highly satisfactory (4).

All civil works were constructed as planned. All gas turbine, steam turbine, and two heat recovery steam generators were installed as planned. For cost efficiency, an expansion of the existing 220 kV switchyard was done instead of a new 500 kV switchyard. All targeted environmental monitoring was implemented. A wrap-up insurance contract was signed in December 2006 and the Engineering consultant was recruited in September 2005.

c. Effectiveness in Achieving Outcomes: Assessment of the extent of achievement of the expected outcomes (from the log frame) using direct/indirect evidence –achievements or expected achievements. In the absence sufficient data (as direct evidence), indirect evidence (such as outputs and processes pertinent to the chain of causality) should be used especially in assessing the extent to which outcomes/objectives are expected to be achieved. The absence of sufficient data for assessing effectiveness should be indicated (and described in details under PCR quality). The PCR's rating should also be reflected in this section.

The review confirms that the project effectiveness in achieving its outcomes is highly satisfactory (4)

i) The project was able to contribute only 500 MW (simple cycle) to the grid capacity by June 2009 (66.67% achievement). The full 750 MW became available in August 2011 (representing 10.7% of the total increase targeted by 2012); ii) The grid-connected installed generation capacity increased to 23,502 MW by June 2009 (90% achievement), but reached 27,049 MW in 2011 when the project was fully operational; iii) The project contributed 2,760 GWH in FY 2009/10 (57% achievement). It was able to contribute 4,666 GWH in FY 2011/12 (96% achievement); and National electricity generation capability increased to 139,000 GWH by June 2009 (103% Achievement).

This resonates with the Bank's visibility in Egypt, its cumulative energy sector investments over the years and its Strategy 2005-2009 which envisions a supportive framework to expand the electricity infrastructure in Egypt and expansionary and growth policies.

d. Efficiency in Achieving Outputs and Outcome : Assessment of the extent to which the outputs and outcomes were timely, cost-efficient and delivered in the most efficient way. The PCR's rating should be commented on. Evidence will include the rates of return (ERR; FRR), extent of timeliness (time over/under-run), cost savings/over-run and indications of efficient project implementation. In commenting on the PCR's

rating, the extent of use of these sources of evidence should be taken into account. In the presence of insufficient evidence, an appropriate rating should be applied.

The review confirms that the efficiency in achieving outputs and outcomes is highly satisfactory (4).

Results of the financial and economic analyses at completion indicate that the project is financially viable, posting a Financial NPV of EGP 529.9 million (against EGP 699 million at Appraisal) and FIRR of 11.4% (against 11.7% at Appraisal). It also has significant economic benefits, with an EIRR of 12.7% (against 15.6% at Appraisal), which is more than 10% the economic cost of capital. Project timeliness is satisfactory. The ratio of planned over actual delay is 0.73 which is greater than 0.50 and less than 0.75.

e. Project/Development Outcome (PDO): Assessment of the extent to which the relevant objectives (outputs; outcomes) were efficiently/timely achieved or likely to be achieved. This should lead to a calculated rating, reflecting the ratings of outputs/relevance, outcomes/effectiveness and Timeliness/efficiency. Two PO ratings will be provided: (i) as per the PCR operational definition (Outputs; outcomes; timeliness) and (ii) as per OPEV guidelines (Relevance; effectiveness; efficiency (including timeliness)). The evaluator can override the calculated rating, and provides the justification accordingly. The three components are equally weighted.

The review confirms that the project development outcomes are highly satisfactory (4).

The project outputs are very relevant to the Countries development goals of making available adequate energy at minimum cost to promote economic growth. The project has realized its expected outputs and outcomes. Project timeliness is satisfactory despite the 18 months delay.

f. Risk to sustained achievement of Project Outcomes (At the time of evaluation, the risk that the project outcomes (or expected outcomes) will not be maintained (or achieved):

While commenting on the risk factors, stated in the PCR, a solid rationale (including additional factors that are important in decreasing/increasing risks) should be provided for the rating of the overall risk to development outcome. The risk should be assessed as high (1); substantial/high (2); moderate (3) and negligible (4).

The review rates the project overall risk as satisfactory. There are basically two risks to sustained project achievements:

i) Routine maintenance. Although the combined cycle technology selected for the Kureimat 3 project is more efficient than other generation technologies, it requires very strict routine maintenance in order to ensure efficient and reliable operation of the units. The spare parts necessary for the requirements of five year operation and maintenance have already been procured with the project.

ii) Funding for routine maintenance. The ability of the utility to sustain the required routine maintenance over the 40 years plant's life time will be highly dependent on the utility's financial capability, which is in turn dependent on the revenues from energy sales, among others. In this regard, the GoE has already taken steps to gradually improve the financial sustainability of the electricity sector by introducing reforms to the electricity tariff for the various types of consumers to reach a cost-reflective tariff at minimum.

iii) However, there is no clear demonstration on cost recovery measures to demonstrate financial viability.

g. Additional Outcomes/Impacts (positive and negative, not captured in the logframe): These include gender, safeguards, institutional, social and socio-economic issues. Assessment of the extent of the importance of additional and important outcomes stated or not covered in the PCR. The review should comment on the PCR's coverage of these outcomes.

One of the most significant and direct positive social impacts of the project is its contribution to income-generation. It has created around 1,500 temporary jobs during construction, of which 60% of the unskilled labor was sourced locally while most of the skilled construction labor came from Upper Egypt, where poverty is highest. Finally, the project created 300 new permanent posts, including 14 women, at UEEPC for the operation of the Kureimat 3 power plant.

The project created other direct and indirect income-generation opportunities, ranging from sub-contractors, suppliers, and other services (e.g. repair and maintenance, security, cleaning services, transport, food and catering, accommodation), some of which were managed by women in the community. Overall, in line with similar projects in the country, it is estimated that about 30% of the total project costs must have been expended locally, contributing mostly to the communities in the neighboring city and towns of the Giza and Beni Suf Governorates.

h. Performance of Borrower: Commenting on the fairness of PCR's rating, and re-rating performance over the entire project cycle (design; implementation; closure) focusing on the indications of evidence in the PCR (see detailed components in annex):

The review confirms that the Borrower performance is satisfactory (3).

The Borrower implemented well the project. This is evidenced by the level of outputs and outcomes achievements. However, a key weakness has been the inconsistent reporting on environmental and social issues, with only two progress reports submitted to the Bank over the project implementation period. The audit reports were consistently submitted late. Finally, there has been little follow-up on the implementation of the ESMP by the concerned Egyptian authorities.

i. Bank Performance (preparation/appraisal –partly ensuring QAE: supervision quality): : Commenting on the fairness of PCR's rating, and re-rating performance over the entire project cycle (design; implementation; closure) focusing on the indications of evidence in the PCR (see detailed components in annex):

The review confirms the Bank's performance as highly satisfactory (4).

The review highlights that in collaboration with other development partners, the Bank continues to build on its fruitful cooperation with the energy sector in Egypt to ensure sustainable economic development for the benefit of all Egyptians. The Bank provided quality supervision during all project cycle and supervised the project nine times during its 5.6 years effective implementation period, averaging 1.6 supervisions per year. In addition, the Bank Office in Egypt (EGFO) provided continuous follow-up and guidance to the PIU. The Bank coordinated with the World Bank on allowing the use of a special procurement system, the two-envelope system, which conforms to the procurement principles for ICB. However, the project implementation had two full years delay and PCR was submitted later than the required six month.

k. Overall Assessment: The evaluator's summary claim on the overall performance of the project/programme, and in the case of this being different from that of the PCR, the basis for the difference(s) should be highlighted. And if the accessible evidence (from PCR and other sources) to the evaluator is insufficient, then a partly 'satisfactory rating (to be reviewed)' should be given until a PPER can be done.

The overall project performance is satisfactory for the following reasons. Despite the two years delay, project implementation was executed as designed and the project realized substantially its expected outcomes. The project increased generation capacity in the UPS to partly meet the electricity demand in the short to medium term and contributed to better availability of power to the various consumers including the households, agriculture, business and industries. Project had social impacts: i) contribution to economic growth and better living conditions, thanks to effective delivery of public services; ii) job and wealth creation (2000 temporary and 300 new jobs) , income-generation opportunities from sub-

contractors suppliers and other services on site, iii) health and household burden release for women. The project had limited job creation for women due to the nature of the plant operation.

5. Key Lessons, and Recommendations (Evaluator assessment)

a. **Lessons Learned:** Concise statement on agreement/disagreement with any or all of the PCR's lessons. Key and pertinent (and generic) lessons from PCRs, reworded and/or new to be listed here.

The evaluation notes that lessons and recommendations are mixed in the PCR. The PCR provided recommendations that it entitled lessons. The evaluation proposes the following:

- i) **Procurement:** Advance contracting is key to ensure timely loan effectiveness and disbursement;
- ii) **Readiness:** Readiness for implementation through good planning, critical review of the design documents during project preparation, and effective readiness for procurement procedures are key to avoid cost overruns and delay;
- iii) **Realistic cost estimates;** Project cost estimates based on realistic projections of international market price for equipment and material are key to avoid cost overruns and delays. Costs estimates based on previous similar projects are not reliable enough.
- iv) **Learning from similar Projects:** The experience from other power projects in Egypt suggests that breaking the projects into more smaller components provided greater flexibility in the design and construction, leading to a potential 15 – 20% cost reduction;
- v) **Inclusiveness:** Targeting a significant number of women is essential.

b. **Recommendations:** Concise statement on agreement/disagreement with any or all of the PCR's recommendations. Key and pertinent recommendations (requiring further action by the borrower and/or Bank) from PCRs, reworded and/or new to be listed here.

- i) **The Bank procurement** should continue/systemize the experiment of advance contracting that allows the Borrower to start the procurement process early enough to avoid disbursement and subsequently loan effectiveness delays;
- ii) **Project cost estimates** should be based on reliable projections taking into consideration the international market for materials and equipment, the world economic situation and the related market demand;
- iii) **Assessing project impacts on local manufacturing:** The Kureimat project used EEHC' bidding documents and contracts as approved by the Bank. One disadvantage for those documents is that they do not lend themselves to easily track the scope of work that is fulfilled locally in order to assess the benefits to the local economy and the potential for promoting local manufacturing. It is recommended that the Bank's new harmonized Standard Bidding Documents (SBD) be used in future projects since they provide for the added benefit of the possibility for tracking the portions of the contracts that are executed locally, which in turn would support the assessment of project impacts on local manufacturing (and indirect job creation);
- iv) **Capacity building need.** It is recommended that future energy projects assesses other capacity building needs for UEEPC, especially in the areas of project monitoring and evaluation as well as reporting on environmental and social issues during project construction.
- v) **Inclusivity:** Projects should increase focus on involving women and youth to reduce energy poverty.

ASSESSMENT SUMMARY

6. Ratings:	PCR	OP EV Review	Reason for Disagreement/Comments
Relevance:	4	4	The project is very relevant to the country's development Priorities. It provides the infrastructure necessary to support economic development and social advancement. The project is fully aligned with the Egypt's Vision 2022 and the National Development Plan 2002 -2007 which sets out a clear roadmap on Infrastructure-Energy (Strategic Pillar I), the Bank's Country Strategy Paper and the beneficiary needs. However, the design was over-ambitious in timeliness of delivery terms.
Effectiveness in delivering outputs:	4	4	All civil works were constructed as planned. All gas turbine, steam turbine, and two heat recovery steam generators were installed as planned. For cost efficiency, an expansion of the existing 220 kV switchyard was done instead of a new 500 kV switchyard. All targeted environmental monitoring was implemented. A wrap-up insurance contract was signed in December 2006 and the Engineering consultant was recruited in September 2005,.
Effectiveness in achieving outcomes:	3	4	i) The project was able to contribute only 500 MW (simple cycle) to the grid capacity by June 2009 (66.67% achievement). The full 750 MW became available in August 2011 (representing 10.7% of the total increase targeted by 2012); ii) The grid-connected installed generation capacity increased to 23,502 MW by June 2009 (90% achievement), but reached 27,049 MW in 2011 when the project was fully operational; iii) The project contributed 2,760 GWH in FY 2009/10 (57% achievement). It was able to contribute 4,666 GWH in FY 2011/12 (96% achievement); and National electricity generation capability increased to 139,000 GWH by June 2009 (103% Achievement). Findings from the International Energy Agency Africa Energy Special Outlook Report further confirm and show that in North Africa, more than 99% of the total population has access to electricity, with Egypt being the powerhouse in electricity generation. https://www.iea.org/publications/freepublications/publication/WE_O2014_AfricaEnergyOutlook.pdf
Efficiency in achieving outputs & outcomes -Timeliness:	3	2	18 months delay. The ratio of planned implementation time (as per PAR) from the date of effectiveness and actual implementation time from the date of effectiveness is expected to be <75 and ≥0.50.
Efficiency in achieving outputs & outcomes –Disbursement	3	3	99% of loan disbursement. 43% extra cost funded by the country. At completion, Financial NPV of EGP 529.9 million (against EGP 699 million at Appraisal) and FIRR of 11.4% (against 11.7% at Appraisal). It also has significant economic benefits, with an EIRR of 12.7% (against 15.6% at Appraisal), which is more than 10% the economic cost of capital.
Overall efficiency in achieving outputs & outcomes	3	3	Average of the two above
Risk to Development outcome:	3	3	The project demonstrates reasonable sustainability measures namely: i) Routine maintenance. Although the combined cycle technology selected for the Kureimat 3 project is more efficient than other generation technologies, it requires very strict routine maintenance in order to ensure efficient and reliable operation of the units. The spare parts necessary for the requirements of five year operation and maintenance have already been procured with the project. ii) Funding for routine maintenance. The ability of the utility to sustain the required routine maintenance over the 40 years plant's life time will be highly dependent on the utility's financial

			capability, which is in turn dependent on the revenues from energy sales, among others. In this regard, the GoE has already taken steps to gradually improve the financial sustainability of the electricity sector by introducing reforms to the electricity tariff for the various types of consumers to reach a cost-reflective tariff at minimum.
Borrower Performance:	3	3	The Borrower implemented well the project. This is evidenced by the level of outputs and outcomes achievements. However, a key weakness has been the inconsistent reporting on environmental and social issues, with only two progress reports submitted to the Bank over the project implementation period. Finally, there has been little follow-up on the implementation of the ESMP by the concerned Egyptian authorities.
Bank Performance:	4	4	In collaboration with other development partners, the Bank continues to build on its fruitful cooperation with the energy sector in Egypt to ensure sustainable economic development for the benefit of all Egyptians. The Bank provided quality supervision during all project cycle and supervised the project nine times during its 5.6 years effective implementation period, averaging 1.6 supervisions per year. In addition, the Bank Office in Egypt (EGFO) provided continuous follow-up and guidance to the PIU. The Bank coordinated with the World Bank on allowing the use of a special procurement system, the two-envelope system, which conforms to the procurement principles for ICB. The project implementation had two full years delay and PCR was submitted later than the required six month.
Quality of PCR:		3	PCR well written and documented. The PCR is error free.

This is a summary of PCR and OPEV ratings together with reasons for disagreement/comments. For the last column, the appropriate section of the PCR review should be cross-referenced to avoid detailed discussions. Where the evaluator is unable to validate the PCR rating for any criterion, adequate justification should be provided. As a result, of this, the overall project rating could be 'partly satisfactory'.

7. Comments on PCR Quality and Timeliness

PCR quality assessment will be based on some or all of the following criteria and others (as appropriate):

- Quality and completeness of the PCR evidence and analysis to base ratings
- Objectivity/fairness of PCR assessment
- Internal consistency of PCR assessment: inaccuracies; inconsistencies (in various sections; between texts and ratings; consistency of overall rating with individual component ratings)
- Identification and assessment of key factors (internal and exogenous) and unintended effects (positive and negatives) affecting design and implementation:
- Adequacy of treatment of safeguards, fiduciary issues, and alignment and harmonization
- Soundness of data generating and analysis processes (including rates of returns) in support of PCR assessment
- Overall adequacy of the accessible evidence (from PCR including annexure and other data provided)
- Extent to which lessons learned (and recommendations) are clear and based on the PCR assessment (evidence & analysis):
- Overall clarity and completeness of the PCR
- Other (to be specified)

The PCR quality will be assessed as highly satisfactory/exemplary (4), satisfactory (3), unsatisfactory (2) or highly unsatisfactory (1).

Comments on the extent of compliance of the PCR with PCR guidelines and pertinent OPEV guidelines:

- PCR Timeliness; rated as timely (exemplary = 4) or late/unsatisfactory (1)

- Extent of participation of Borrower, co-financiers and Bank field office, rated as high/exemplary (4), or substantial/significant (3), or moderate (2), or negligible (1)
- Other aspects (to be specified)

The PCR quality is satisfactory. The PCR is well written and documented. It provided evidence and analysis for all the ratings. The review agrees with PCR scores, except for the Bank performance that it ranks rather satisfactory. However, the lessons are rather recommendations and PCR was submitted after the 6 months requested delay.

8. Priority for Future Evaluative work: Project for Performance Evaluation Report, Impact Evaluation, Country/Sector reviews or Thematic Evaluation Studies:

- Project is part of series and suitable for cluster evaluation
- Project is a Success Story
- High priority for impact evaluation
- Performance evaluation is required to sector/country reviews
- High Priority for thematic or special evaluation studies (Specify)
- PPER is required because of incomplete validation rating

Major areas of focus in future evaluation work:

- a)
- b)
- c)

Follow Up Action by OPEV:

Division Manager Clearance

Director Signing Off

Data sources for validation:

- Task managers/Bank staff interviewed/contacted (in persons, by phone & email)
- Documents/reports and database

Attachment: PCR Evaluation Note Validation Sheet of Performance Ratings

PROJECT COMPLETION REPORT EVALUATION NOTE
Validation of PCR Performance Ratings

PCR Rating Scale:

Score	Description
4.	Very Good – Full achieved with no shortcomings
3.	Good – Mostly achieved despite a few shortcomings
2.	Fair – Partially achieved. Shortcomings and achievements are roughly balanced
1.	Poor – Very limited achievement with extensive shortcomings
UTS	Unable to score/rate
NA	Non Applicable

Criteria	Sub-Criteria	PCR Work Score	OPEV Review	Reason for deviation/ Comments
Relevance of project Objectives & Design	Relevance of project Objectives			
	1. Project objectives were relevant to country development priorities.	4	4	The project is very relevant to the country's development priorities as it helps provide the infrastructure necessary to support economic development and social advancement.
	2. Project Objectives could in principle be achieved with the project inputs and in the expected time frame.	3	3	The project suffered from cost overruns due to unforeseen market changes which significantly increased the cost of material and equipment. It also had some delays during the testing and commissioning stage due to technical problems, which were partially exacerbated by the Egyptian revolution starting early 2011.
	3. Project Objectives were consistent with the Bank's country or regional strategy	4	4	The project overlapped two Bank's country strategies for Egypt; the 2005 CSP Update and the subsequent 2007-2011) full CSP. Both CSPs focused, among others, on improving physical infrastructure, including the expansion of public utilities such as the electricity infrastructure, as pre-requisites for economic development. The CSPs were aligned with the country's 5th (2002-2007) and 6th (2007-2012) National Development Plans; hence the project was consistent with both.
	4. Project Objectives were consistent with the Bank's corporate priorities	4	4	The Bank's first Strategic Plan (2003-2007) was built

				around four core objectives including the support to productivity growth and poverty reduction. At country levels, although strategic priorities were agriculture and rural development, water and sanitation; private sector and infrastructure development were also targeted, albeit at a lower priority. Nonetheless, the Bank's MTS (2008-2012) placed clearer emphasis on directing a significant proportion of its commitments to infrastructure, including power.
5. Ex-post Relevance of objectives	n/a	4		The project is to increase generation capacity in the UPS to partly meet the electricity demand in the short-to-medium term.
Relevance of project Design -Project Design & Readiness for Implementation				
1. The log frame presents a logical causal chain for achieving the project development objectives.	4	4		The project outputs, outcomes and developmental objectives are linked in a logical way.
2. The log frame expresses objectives and outcomes in a way that is measurable and quantifiable.	4	4		All objectives and outcomes used in the log frame are measurable using data that is routinely collected by various Government institutions.
3. The log frame states the risks and key assumptions.	3	3		Some of the risks indicated are not directly related to the expected project outcomes, but rather relate more to the power sector at large.
4. Project complexity was matched with country capacity and political commitment.	3	3		The design and technology used for the Kureimat 3 project is similar to projects that were successfully implemented before in Egypt, and the executing agency therefore had good experience and capacity. However, frequent changes in some of UEEPC's project staff affected the smooth continuity of the work. The project was fully aligned with the Government political commitment as outlined in the country's fifth National Development Plan (2002 – 2007).
5 Project design includes adequate risk analysis.	3	3		The project design included reasonable risk analysis, including Sector wide risks that could potentially impact the sustainability of the utility, especially the financial sustainability. The project included some covenants to try to mitigate those risks.
6. Project procurement, financial management, monitoring and/or other systems were based on those already in use by government and/or other partners.	4	4		Given the large size and technical complexity of the project's procurement packages, ICB had to be used. Nonetheless, the Bank provided the necessary waivers to adapt to some country specific needs such as the use of the two-envelope procurement process.

	7. Responsibilities for project implementation were clearly defined.	4	4	The Project Implementation Team was appointed by the executing agency before Board approval and its composition and responsibilities were clearly defined.
	8. Necessary implementation documents (e.g. specifications, design, procurement documents) were ready at appraisal.	4	4	The project feasibility study, some technical specifications and tender documents were already ready before/during project appraisal, and procurement of some project packages started before Board approval. However, due to the nature of such a project, the detailed design was finalized after appraisal, and some small design modifications were made to optimize the project.
	9. Monitoring indicators and monitoring plan were agreed upon during design.	3	3	The project log frame was discussed and agreed upon with the executing agency during appraisal and was captured, including the monitoring indicators. No mid-term indicators were used though, mostly due to the relatively short implementation duration foreseen for the project.
	10. Baseline data were available or were collected during design.	3	3	The baseline data was available either in the feasibility study or was collected during appraisal and was captured in the appraisal report.
	Project Design & Readiness for Implementation score	4	4	
	Relevance for objectives and design score	4	4	
Achievement of Project Outputs*	A1) Civil works constructed	4	4	All the civil works for the project have been constructed
	A2) 2x250MW Gas Turbine Generators installed	4	4	2x250MW Gas Turbine Generators were installed
	A3) 1x250MW Steam Turbine Generator installed	4	4	The 250MW Steam Turbine Generator was installed
	A4) Two Heat Recovery Steam Generators installed	4	4	Two Heat Recovery Steam Generators installed
	A5) 500 kV Switchyard Constructed	4	4	Expansion of existing 220 kV switchyard done instead for cost efficiency
	B) Environmental monitoring instruments installed	3	3	All targeted environmental monitoring instruments have been installed
	C) Wrap-up insurance contract signed before construction	4	4	Wrap-up insurance contract was signed in December 2006
	D) Engineering consultant recruited	4	4	Engineering consultant was recruited in September 2005
	OVERALL PROJECT OUTPUT SCORE	4	4	
Achievement of Project Outcomes	1) The project contributes 750 MW to the grid connected installed capacity by June 2009.	3	4	The project was able to contribute only 500 MW (simple cycle) to the grid capacity by June 2009 (66.67% achievement). The full 750 MW became available in August 2011 (representing 10.7% of the total increase targeted by 2012).

	2) The grid-connected installed generation capacity increases from 18,369 MW in 2003/04 to 26,064 MW by June 2009	3	4	Targets are exceeded. The grid-connected installed generation capacity increased to 23,502 MW by June 2009 (90% achievement), but reached 27,049 MW in 2011 when the project was fully operational.
	3) The project contributes to increased electricity supply to the grid by 4,843 GWH per year starting June 2009.	3	3	The project contributed 2,760 GWH in FY 2009/10 (57% achievement). It was able to contribute 4,666 GWH in FY 2011/12 (96% achievement).
	4) National electricity generation capability increases from 94,067 GWH in 2003/04 to 134,803 GWH by June 2009.	4	4	National electricity generation capability increased to 139,000 GWH by June 2009 (103% achievement).
	OVERALL PROJECT OUTCOME SCORE	3	4	The project lit up and powered the 98% of the households access the national grid and meet their energy needs meaningfully alleviating energy poverty and enhancing substantial production and trade (Integrate Africa). Overall, the project delivered its outcome (750W), enhanced interconnectivity and added supply capacity (Jordanian-Magreb-Libyan grid).
	Gender		2	14 of the 300 new regular jobs created by the project for the operation of the plant were undertaken by women (5%). This is relatively lower given that the level of women participating in the economy (31% on average). Hence in relative terms 5% is a lower in a country context.
	Private Sector Development		3	The project contributed to private sector development and created other direct and indirect income-generation opportunities, ranging from sub-contractors, suppliers, and other services (e.g. repair and maintenance, security, cleaning services, transport, food and catering, accommodation)
	Resettlement			n/a
	HIV/AIDS prevention			n/a
Efficiency in achieving outputs & outcomes	Timeliness (in adhering to the original closing date)	3	2	18 months delay. The ratio of planned implementation time (as per PAR) from the date of effectiveness and actual implementation time from the date of effectiveness is expected to be <1 and ≥0.75.
	Rates of returns (Specify if applicable)		3	At completion, Financial NPV of EGP 529.9 million (against EGP 699 million at Appraisal) and FIRR of 11.4% (against 11.7% at Appraisal). It also has significant economic benefits, with an EIRR of 12.7% (against 15.6% at Appraisal), which is more than 10% the economic cost of capital. The PCR could have

				explained the fully explained is why the impact of a significant cost overrun - EUR 105 million or 43% of the originally estimated cost of EUR 245 million is modest.
	OVERALL PROJECT EFFICIENCY	3	3	
Risk to Sustained achievement of Project Outcome**	Key Risks (Specify common risk factors to be a basis for rating)	3	3	<p>i) Routine maintenance. Although the combined cycle technology selected for the Kureimat 3 project is more efficient than other generation technologies, it requires very strict routine maintenance in order to ensure efficient and reliable operation of the units. The spare parts necessary for the requirements of five year operation and maintenance have already been procured with the project.</p> <p>ii) Funding for routine maintenance. The ability of the utility to sustain the required routine maintenance over the 40 years plant's life time will be highly dependent on the utility's financial capability, which is in turn dependent on the revenues from energy sales, among others. In this regard, the GoE has already taken steps to gradually improve the financial sustainability of the electricity sector by introducing reforms to the electricity tariff for the various types of consumers to reach a cost-reflective tariff at minimum.</p>
<p>* The output ratings have to be weighted by the relative output costs (see PCR format). The Overall rating is given Very Good, Good, Fair and Poor. Overall rating is the sub-criteria average.</p> <p>** Overall risk to sustained achievement of project outcome is rated as follows:</p> <p>(i) High (H) : 1</p> <p>(ii) Substantial/significant (S) : 2</p> <p>(iii) Moderate (M) : 3</p> <p>(iv) Negligible (N): 4</p> <p>(v) UTS</p> <p>(vi) NA</p>				

Criteria	Sub-Criteria	PCR Work Score	OPEV Review	Reason for disagreement/ Comments
Bank Performance	Design and Readiness			
	1. Project Objectives were relevant to country development priorities.	4	4	The project is very relevant to the country's development priorities as it helps provide the infrastructure necessary to support economic development and social advancement.
	2. Project Objectives could in principle be achieved with the project inputs and in the expected time frame.	3	3	The project suffered from cost overruns due to unforeseen market changes which significantly increased the cost of material and equipment. It also had some delays during the testing and commissioning stage due to technical problems, which were partially exacerbated by the Egyptian revolution starting early 2011.
	3. Project Objectives were consistent with the Bank's country or regional strategy	4	4	The project overlapped two Bank's country strategies for Egypt; the 2005 CSP Update and the subsequent 2007- 2011) full CSP. Both CSPs focused, among others, on improving physical infrastructure, including the expansion of public utilities such as the electricity infrastructure, as pre-requisites for economic development. The CSPs were aligned with the country's 5th (2002-2007) and 6th (2007-2012) National Development Plans; hence the project was consistent with both.
	4. Project Objectives were consistent with the Bank's corporate priorities	4	4	The Bank's first Strategic Plan (2003-2007) was built around four core objectives including the support to productivity growth and poverty reduction. At country levels, although strategic priorities were agriculture and rural development, water and sanitation; private sector and infrastructure development were also targeted, albeit at a lower priority. Nonetheless, the Bank's MTS (2008-2012) placed clearer emphasis on directing a significant proportion of its commitments to infrastructure, including power.
	5. The log frame presents a logical causal chain for achieving the project development objectives.	4	4	The project outputs, outcomes and developmental objectives are linked in a logical way.
	6. The log frame expresses objectives and outcomes in a way that is measurable and quantifiable.	4	4	All objectives and outcomes used in the log frame are measurable using data that is routinely collected by various Government institutions.
	7. The log frame states the risks and key assumptions.	3	3	Some of the risks indicated are not directly related to the expected project outcomes, but rather relate more to the power sector at large.
	8. Project complexity was matched with country	3	3	The design and technology used for the Kureimat 3 project is similar to projects that were successfully implemented before

capacity and political commitment.			in Egypt, and the executing agency therefore had good experience and capacity. However, frequent changes in some of UEEPC's project staff affected the smooth continuity of the work. The project was fully aligned with the Government political commitment as outlined in the country's fifth National Development Plan (2002 – 2007).
9. Project design includes adequate risk analysis.	3	3	The project design included reasonable risk analysis, including sector-wide risks that could potentially impact the sustainability of the utility, especially the financial sustainability. The project included some covenants to try to mitigate those risks.
10. Project procurement, financial management, monitoring and/or other systems were based on those already in use by government and/or other partners.	4	4	Given the large size and technical complexity of the project's procurement packages, ICB had to be used. Nonetheless, the Bank provided the necessary waivers to adapt to some country specific needs such as the use of the two-envelope procurement process.
11. Responsibilities for project implementation were clearly defined.	4	4	The Project Implementation Team was appointed by the executing agency before Board approval and its composition and responsibilities were clearly defined.
12. Necessary implementation documents (e.g. specifications, design, procurement documents) were ready at appraisal.	4	4	The project feasibility study, some technical specifications and tender documents were already ready before/during project appraisal, and procurement of some project packages started before Board approval. However, due to the nature of such a project, the detailed design was finalized after appraisal, and some small design modifications were made to optimize the project.
13. Monitoring indicators and monitoring plan were agreed upon during design.	3	3	The project log frame was discussed and agreed upon with the executing agency during appraisal and was captured, including the monitoring indicators. No mid-term indicators were used though, mostly due to the relatively short implementation duration foreseen for the project.
14. Baseline data were available or were collected during design.	3	3	The baseline data was available either in the feasibility study or was collected during appraisal and was captured in the appraisal report.
Project Design and Readiness Sub-Score	4	4	

Criteria	Sub-Criteria	PCR Score	OPEV Review	Justification/ Reason for deviation/Disconnect/ Comments
Bank Performance	Supervision			
	1. Bank complied with:			
	<ul style="list-style-type: none"> Environmental Safeguards 	3	3	The Bank ensured that environmental safeguards are taken into consideration by putting measures related to the implementation of the ESMP in the Loan Agreement.
	<ul style="list-style-type: none"> Fiduciary Requirements 	4	4	The Bank requested the Borrower to conclude a Subsidiary Loan Agreement with UEEPC, with the same terms and conditions of the Loan Agreement to ensure that the Loan will be used for the purpose it was intended to. In addition, it requested actions by EEHC to improve its financial position.
	<ul style="list-style-type: none"> Project Covenants 	4	4	The project covenants were well articulated and used wisely to ensure fulfillment of certain actions while at the same time not constrain project progress.
	2. Bank provided quality supervision in the form of skills mix provided and practicality of solutions.	3	4	The project was field-supervised nine times over its five years implementation period. The composition of the supervision teams included the right mix of skills. In addition, the Bank's Office in Egypt provided continuous follow-up and participated in all supervision missions.
	3. Bank provided quality management oversight.	3	4	The response of the Bank to project needs was efficient.
	PCR was delivered on a timely basis	1	1	PCR submitted 7.1 months after project completion
	Supervision Sub-Score	3	3	
	OVERALL BANK PERFORMANCE SCORE	3	4	Result of calculation.

The Overall rating is given Very Good, Good, Fair and Poor. Overall rating is the sub-criteria average.

- (i) **Very Good (HS) : 4**
- (ii) **Good (H) : 3**
- (iii) **Fair (US) : 2**
- (iv) **Poor (HUS): 1**

Criteria	Sub-Criteria	PCR Score	PCR-EVN Validation	Justification/ Reason for deviation/Disconnect/ Comments
Borrower Performance	Design and Readiness			
	1. Responsibilities for project implementation are clearly defined.	4	4	The Project Implementation Team was appointed by the executing agency before Board approval and its composition and responsibilities were clearly defined.
	2. Necessary implementation documents (e.g. specifications, design, procurement documents) are ready at appraisal.	4	4	The project feasibility study, some technical specifications and tender documents were already ready during project appraisal, and procurement of some project packages started before Board approval. However, due to the nature of such a project, the detailed design was finalized after appraisal, and some small design modifications were made to optimize the project.
	3. Monitoring indicators and monitoring plan are agreed upon and baseline data are available or are being collected	3	3	The project log frame was discussed and agreed upon with the executing agency during appraisal and was captured, including the monitoring indicators. No mid-term indicators were used though, mostly due to the relatively short implementation duration foreseen for the project.
	Project Design and Readiness Sub-Score	4	4	
	Implementation			
	1. Borrower complied with:			
	<ul style="list-style-type: none"> Environmental Safeguards 	2	2	A key weakness has been the inconsistent reporting on environmental and social issues, with only two progress reports submitted to the Bank over the project implementation period. The high turnover of the environmental manager position has also limited the continuity of information about the performance of the ESMP. Finally, there has been little follow-up on the implementation of the ESMP by the concerned Egyptian authorities.
	<ul style="list-style-type: none"> Fiduciary Requirements 	1	1	Audit reports were consistently submitted late.
	<ul style="list-style-type: none"> Project Covenants 	3	3	The Borrower fulfilled most of the project covenants, but with delay.
	Total 1.	2	2	
	2. Borrower was responsive to Bank	3	3	The Borrower was consistently responsive to Bank recommendations

	supervision findings and recommendations.			
	3. Borrower collected and used of monitoring information for decision-making.	3	3	The Borrower consistently collected useful information both during project construction and operation that was useful in decision making.
	Implementation Sub-Score	2	3	Average of the 3 above is rather 3
	OVERALL BORROWER PERFORMANCE SCORE	3	3	

The Overall rating is given Very Good, Good, Fair and Poor. Overall rating is the sub-criteria average.

(i) **Very Good (HS) : 4**
(ii) **Good (H) : 3**
(iii) **Fair (US) : 2**
(iv) **Poor (HUS): 1**

M &E Design, Implementation & Utilization

Criteria	Sub-Criteria	PCR Score	PCR-EVN Validation	Justification/ Reason for deviation/Disconnect/ Comments
M & E Design	M & E Design			
	Project implementation progress reports, environmental monitoring and audit reports. A Mid-Term Review to be undertaken 24 months after project start.	3	3	Cf. Project Appraisal
	Design Score	3	3	
M & E Implementation				
	Project implementation progress reports, environmental monitoring and audit reports.	3	3	Submitted and the Borrower consistently collected useful information both during project construction and operation that was useful in decision making. No Mid-Term Review was done due to the relatively short implementation duration foreseen for the project.
	Implementation Score	3	3	
M & E Use	Information collected	3	3	the Borrower consistently collected useful information both during project construction and operation that was useful in decision making
	Use Score	3	3	
	OVERALL M & E PERFORMANCE SCORE	3	3	

PCR Quality Assessment

Criteria	PCR-EVN (1-4)	Comments
QUALITY OF PCR		
1. Extent of quality and completeness of the PCR evidence and analysis to substantiate the ratings of the various sections:	4	PCR is very well documented. It provided evidence and analysis for all the ratings.
2. Extent of objectivity PCR assessment scores	4	PCR scores are objective and based on facts and precise measured indicators.
3. Extent of internal consistency of PCR assessment ratings; inaccuracies; inconsistencies (in various sections; between texts and ratings; consistency of overall rating with individual component ratings)	3	Ratings are consistent.
4. Extent of identification and assessment of key factors (internal and exogenous) and unintended effects (positive and negatives) affecting design and implementation	3	PCR pointed the reasons for project implementation delays. PCR identified project additional outcomes such as income generation and employment opportunities.
5. Adequacy of treatment of safeguards, fiduciary issues, and alignment and harmonization	3	All adequately treated. The PCR pointed the benefits of the cooperation of the Bank with the World Bank in aligning procurement procedures.
6. Extent of soundness of data generating and analysis processes (including rates of returns) in support of PCR assessment:	3	FIRR and EIRR are well documented. The PCR could have explained the why the impact of a significant cost overrun - EUR 105 million or 43% of the originally estimated cost of EUR 245 million is modest. Cost recovery is not clear though.
7. Overall adequacy of the accessible evidence (from PCR including annexure and other data provided)	3	EN based on Bank reports including implementation and supervision mission reports and analytical annexes. 1.6 missions were conducted per annum.
8. Extent to which lessons learned (and recommendations) are clear and based on the PCR assessment (evidence & analysis):	3	Lessons and recommendations are mixed. The lessons are rather recommendations. Lessons are skewed on project implementation rather than spread across to include sustainability.
9. Extent of overall clarity and completeness of the PCR	3	PCR is clear.
PCR Quality Score	3	Satisfactory
PCR Compliance with Guidelines (PCR/OM; OPEV)		
1. PCR Timeliness (On time = 4; late = 1)	1	PCR submitted 7 months after completion
2. Extent of participation of Borrower, Co-financiers & field office in PCR preparation***	3	All cooperated and reviewed PCR draft until its final version.

PCR Compliance Score	3	PCR complies with old format
*** rated as high/exemplary (4), or substantial/significant (3), or moderate (2), or negligible (1)		

References

<http://www.pgesco.com/projects/kureimat-iii-power-plant-750-mw/>
<http://www.ecgsa.com/elkuraimatnewcombinedcyclepowerplant>
<http://franke.uchicago.edu/bigproblems/BPRO29000-2015/Team12-EnergyPaper.pdf>
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