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Folder Title: Upper Egypt Drainage Project - Egypt, Arab Republic of - Credit 0393 - P004985 - 1969 / 1971 Negotiations - Volume 1

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Project ID: P004985

Dates: 6/26/1970 - 12/29/1971

Fonds: Records of the Middle East and North Africa Regional Vice Presidency

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Washington, D.C.

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A1995-136 Other #: 16 19339B

Upper Egypt Drainage Project - Egypt, Arab Republic of - Credit 0393 - P004985 - 1969
1971 Negotiations - Volume 1

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THIS FILE IS CLOSED AS OF
DECEMBER 1971.
FOR FURTHER CORRESPONDENCE SEE:
1972 - 1974.

RECORDS MANAGEMENT SECTION
January 1972

Egypt - Upper Egypt Drainage

December 29, 1971

His Excellency ✓
Eng. Mohamed Abdel Rakeeb
Minister of Irrigation
Ministry of Irrigation
Cairo
Arab Republic of Egypt

Dear Minister Rakeeb:

Re: Upper Egypt Drainage Project

In Mr. McNamara's absence I am writing to acknowledge receipt of your letter of December 18, 1971, requesting Bank Group assistance for a tile drainage project in Upper Egypt. Unfortunately, the report which you refer to has not yet arrived, but we understand that the Egyptian Interest Section in Washington is trying to obtain other copies.

We recognize the importance you place on this project, preparation of which is now quite far advanced. Once the report has been found, and reviewed within the Bank, we will be able to make a decision on a final appraisal mission.

Please be assured of our continuing interest in assisting Egyptian efforts in this field.

Yours sincerely,

M. P. Benjenk
Director
Europe, Middle East and North Africa
Department

TDaCosta/ja

Cleared with & cc: Mr. Haynes

822

DEC 29 1971

ITT-2 AWA905 VIA ITT CRB268 FR0391
CAIRO 41 20 1657 ETAT December 20, 1971

ETAT

MR DAVAR INDEVAS WASHINGTON DC USA

UPPER EGYPT DRAINAGE REPORTS ALREADY
SENT TO WASHINGTON THROUGH MINISTRY
OF FOREIGN AFFAIRS LAST WEEK AS
STATED IN OUR CABLE TO SIR GUINNESS
AND ALSO TO ROME

AHMED KAMAL

DEPUTY MINISTER
OF IRRIGATION ARE

COL OK CKD

~~John F~~ Egypt - Upper Egypt Drainage
2 copies PL
~~T. D. Clark~~ RECEIVED
Egypt - Upper Egypt
CA 17
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COMMUNICATIONS
SECTION

Distribution

Mr. Davar
Messrs. Benjen/Hartwich

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Egypt - Upper Egypt Damag
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INCOMING CABLE

DATE AND TIME OF CABLE: DECEMBER 19, 1971 1330
LOG NO.: RC 8/20
TO: BENJENK INTBAFRAD
FROM: CAIRO

ROUTING	
ACTION COPY:	MR. BENJENK (1)
INFORMATION COPY:	MR. HARTWICH (2)
DECODED BY:	MR. DAVAR (3)

TEXT:

REUR CABLE DECEMBER EIGHT TO MINISTER MAERZBAN.
UPPER EGYPT REPORT SENT ON DECEMBER SIXTEEN BY AIR POUCH.
FORMAL PROPOSAL FROM MINISTRY OF HEALTH FOR INCLUSION DISEASE CONTROL
WILL BE SENT PROMPTLY. HOPE THIS DELAY WILL NOT AFFECT TIMING OF
APPRAISAL MISSION. BEST REGARDS.

S LOFTY

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 RE: [Illegible]

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TO: DIRECTOR
 FROM: SAC, NEW YORK
 RE: [Illegible]
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INFORMATION CENTER

152
DEC 20 1971

THE ARAB REPUBLIC OF EGYPT

وزارة الري

MINISTRY OF IRRIGATION

مكتب الوزير

The Minister's Office.

Cairo, 18th December, 1971.

Mr. Robert MacNamara,
Governor of The International Bank
for Reconstruction and Development,
Washington,
U. S. A.

Dear Mr. MacNamara,

During the visit of the IBRD Bank's mission to The Arab Republic of Egypt in December, 1970, the mission members showed their readiness to finance one of our major development projects. Discussions with the mission members then followed, and it was agreed that a request for providing an area of 600,000 feddans, in Upper Egypt, with drains of various sorts, with the object of realizing an increase of the vertical production, be submitted to the Bank.

I should, therefore, be very much obliged to your goodselves and the experts who were then deputed, for devoting kind attention and being cooperative with our engineers in studying such important projects of rapid revenue, with the aim to increase the individuals' income and raise their standard of living.

As you know, field drainage is one of the basic factors that secure better crops and preserve soil fertility. In fact, during the execution of The High Dam and its relevant development projects, the shortage of budgets and lack of building materials as well as means of transport, engineers and technicians, were the real cause of postponing the implementation of tile drainage projects in Lower Egypt.

Since the construction of The High Dam and the completion of basin conversion to the perennial irrigation system, drainage projects have become one of the most important steps to be taken for the preservation of soil fertility and increase of production.

The studies which have so far been conducted, have proved that the best method of field drainage to be applied in most of Upper Egypt lands, is that of tile.

In order that the efficiency and economics of execution may attain the highest degree of perfection, it was found advisable to use the mechanical methods, which, thanks to the Bank, were first employed, on a large scale, in financing the Nile Delta project.

However, guided by the proposals of the preparatory mission, co-jointly formed in cooperation

.../...

MINISTRY OF IRRIGATION

The Minister's Office

وزارة الري

مكتب الوزير

- 2 -

with The Food and Agriculture Organization of the United Nations, the Ministry's competent authorities have prepared the basic information necessary for working out a full detailed report to be submitted to the Bank, with a view to study the possibility of financing the project with foreign currency that will be incurred therein.

Enclosed, herewith, are 2 copies of the detailed report which was prepared for this purpose. Each copy comprises 3 volumes:-

The First : includes the general report, with an annex of the project maps

The Second: comprises 2 Parts, dealing with ground-water studies.

The Third : contains 3 Parts, in connection with experimental studies.

Besides the execution of general as well as field tile drains in an area of 600,000 feddans in Upper Egypt, the project involves the construction of 5 new drainage pumping stations. The project lands were selected, after the priority of the regions had been determined, according to the degree of their salinity and the rise of the ground-water table. The total cost of the project will amount to \$110,2 millions, out of which \$ 16,8 millions will be in free currency, and cover the cost of machines, equipment and pumps required to be imported to serve the project purposes. The latter amount does not include indirect expenses, which can possibly be added to the foreign funds, should this be approved by the Bank.

The program is scheduled on the basis that the execution will last for 6 years, as from the fiscal year 1972/73.

Now, that this project is being submitted to the Bank, I am quite sure of its paramount importance to the agricultural production of Upper Egypt lands. Meanwhile, it is kindly requested that the project be put under study by the Bank's experts in due course, so that we may be able to execute same at a date coincides with the time program worked out for this purpose.

I would like to avail myself of this opportunity to extend to your very good selves and all the Bank's members and experts, who will participate in putting such projects into execution, my utmost and sincerest thanks and appreciation.

Yours sincerely,

(Eng. Mohamed Abdel Rakeeb)
MINISTER OF IRRIGATION,
CAIRO, A. R. E.

Encl.
as above.



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File Title / Barcode Number 13666632 – Egypt – Cr 393 Negotiations 1969 v. 1

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Exception# 1	Reason for restriction: Personal Information – Passport Numbers		
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Date: 7 November 2010

Egypt - Upper Egypt Drainage

Form No. 27
(3-70)

INTERNATIONAL DEVELOPMENT
ASSOCIATION

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL FINANCE
CORPORATION

OUTGOING WIRE

TO: DR. AHMAD ALI **KAMAL** DR. SHERIF LOTFY DATE: DECEMBER 16, 1971
DEPUTY MINISTER IRRIGATION UNDER SECRETARY
MINISTRY IRRIGATION MINISTRY ECONOMY CLASS OF
CAIRO ECOTRADE SERVICE: LT
CAIRO

HA

COUNTRY: ARAB REPUBLIC OF EGYPT

TEXT:
Cable No.:

YOU WILL RECALL THAT DURING MISTER CAMPBELL'S OCTOBER VISIT IT WAS EXPECTED THAT UPPER EGYPT PREPARATION REPORT REFLECTING AGREED CHANGES WOULD BE SENT TO BOTH CO-OP PROGRAMME ROME AND BANK BY END OCTOBER stop ALSO FORMAL PROPOSAL ~~WER~~ FROM HEALTH MINISTRY FOR INCLUSION DISEASE CONTROL AS PART UPPER EGYPT PROJECT stop ANXIOUSLY AWAITING BOTH DOCUMENTS SOONEST IN ORDER PLAN PROJECT APPRAISAL stop IN CASE THESE NOT YET DISPATCHED TO BANK WOULD SUGGEST IN INTEREST EXPEDITE RECEIPT THAT THEY BE SENT URGENTLY WITH ANY EGYPTIAN OFFICIAL COMING SOONEST TO UNITED STATES OR ALTERNATELY BY AIR FREIGHT stop GRATEFUL YOUR CABLE ADVICE ^{REGARDING} ARRANGEMENTS MADE AND WHEN WE CAN EXPECT RECEIVE ~~THEM~~ ^{DOCUMENTS} stop THIS CABLE BEING SIMULTANEOUSLY SENT DOCTORS KAMAL AND LOTFY stop REGARDS

DAVAR
INDEVAS

NOT TO BE TRANSMITTED

AUTHORIZED BY:

NAME: Adi J. Davar
DEPT.: Europe, Middle East and North Africa

SIGNATURE: *[Signature]*
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

REFERENCE: ADavar/11j

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(IMPORTANT: See Secretaries Guide for preparing form)

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cc: Messrs. Haynes, DaCosta

For Use By Communications Section

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DATE: DECEMBER 16, 1971

ONGOING WORK

INTERNATIONAL ORGANIZATION INTERNATIONAL ORGANIZATION 10/20 10/20	REORGANIZATION AND DEPARTMENT INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	COOPERATION INTERNATIONAL SERVICE
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Collins - Miller & Miller

OFFICE MEMORANDUM

TO: Sir Kenelm Guinness

DATE: December 15, 1971

FROM: James A. Lee *JAL*SUBJECT: EGYPT: Appraisal of the Upper Egypt Drainage Project*M. H. ...
DF*

I noted in the minutes of the Special Loan Meeting held December 2, that a decision had been reached to proceed with the appraisal of the subject project.

I will be pleased to secure the services of one or more highly competent bilharzia experts to serve as consultants to the appraisal mission, in line with our earlier discussions.

As you know, the world's experts will be assembling in New Orleans in early February, thus presenting us with a unique opportunity to ascertain the availability of several for this undertaking.

I would hope the date set for the appraisal mission would be following that of February 1-4, 1972, in order that we can take advantage of this gathering.

- So would I.

However, it might be worth putting out some feelers before the New Orleans meeting.

I would recommend our having preliminary discussion with Dr. Webbe (London Tropical Disease) as to his possible availability. What do you think?

JALee:on

Egypt - Upper Egypt Drainage

1024

INCOMING CABLE

DATE AND TIME
OF CABLE:

DECEMBER 15, 1971 1653

LOG NO.:

WU- / 16

TO:

GUINNESS INDEVAS *UK*

FROM:

CAIRO

TEXT:

ROUTING

ACTION COPY: AGRICULTURE PROJECTS

INFORMATION
COPY:

DECODED BY:

WITH REFERENCE TO YOUR CABLE TO HIS EXCELLENCY SAYED MAREI CONCERNING UPPER EGYPT DRAINAGE PROJECT PLEASED TO INFORM YOU REPORT WAS COMPLETED AND SENT TO MINISTRY OF ECONOMICS ON NOV 9. TWO COPIES WERE SENT TO IBRD THROUGH MINISTRY OF FOREIGN AFFAIRS DEC 14

AHMED KAMAL

1 cc in DF please.

BF

SECTION COMMUNICATIONS
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M. Lee

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EGT-61.393

LOAN COMMITTEE

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Date: 11/07/2010 STB

LM/M/71-51

December 10, 1971

Minutes of Special Loan Meeting to consider "UAR - Nile Delta Drainage Project" (Cr. 181-UAR) and the proposed "UAR - Upper Egypt Drainage Project" held on December 2, 1971 in Conference Room B.

1. Present: Messrs. Knapp (Chairman), Williams, Chadenet, Benjenk, Evans, Ripman, Wapenhans, Sir Kenelm Guinness, Messrs. Sella and Wittusen (Secretary).

2. Issues: The meeting was called to consider Sir Kenelm's Supervision Report of November 12, 1971 to Mr. Haynes on the Nile Delta Drainage Project. Project implementation continued to fall behind schedule with little evidence that the program for substantially increased field drainage would be achieved next year. The preparation and issue of contract documents was seriously behind schedule. The organization and management of the Nile Delta Authority for Drainage Projects was inadequate in quantity and quality to execute the project on schedule. The consultants were under-utilized and played a minimal role. The issues for discussion were therefore:
 - (i) how to improve the performance of the borrower, and
 - (ii) whether to go ahead with appraisal of the Upper Egypt Drainage Project in view of the borrower's present performance.

3. Performance of Borrower: The meeting noted that:
 - (i) The Nile Delta Authority had completed some 40,000 feddans of tile drainage this year and the work program called for an increase to 130,000 feddans next year, an increase which the Projects Department and the consultants thought the Authority incapable of achieving. Technically it was not a complicated project but it was being poorly handled logistically and managerially.

DISTRIBUTION

Committee:

- Mr. J. Burke Knapp, Vice President, Chairman
- Mr. S.R. Cope, Deputy Chairman
- Mr. S. Aldewereld, Vice President
- General Counsel
- Director, Development Services Department
- Directors of the Area Departments
- Deputy Director, Projects
- Directors of the Projects Departments
- Director, Development Finance Companies Department
- Director, Economics Department
- Director, Economic Program Department
- Controller

Copies for Information:

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- Sir Denis Rickett, Vice President
- Mr. M. Shoaib, Vice President
- Economic Adviser to the President
- Special Adviser to the President
- Mr. J.H. Williams
- Directors, Other Departments and EDI
- Meeting Participants (minutes)
- Overseas Offices and Missions
- General and Loan Committee Files
- Executive Vice President (IFC)
- Vice President (IFC)

- (ii) It was generally agreed that the poor organization and management of the Authority was the major constraint to successful implementation of the project. The Chairman had neither the technical nor the managerial competence required by a chief executive of such an organization. Several Directors suffered from the same limitations and there were no deputies to act in their absence. The Planning Office was virtually non-existent and the Authority's supporting staff was mediocre. Supervision missions had repeatedly pointed out the need to improve the staff and make more extensive use of the consultants, but to no avail. Lately, similar representations had been made to the Deputy Prime Minister (also the Minister of Agriculture).
- (iii) Preparation of bid documents had particularly suffered from the shortcomings of the Authority and its reluctance to seek the consultants' advice. With respect to the documents for tile laying machines, which were crucial to the implementation of the project, the technical specifications had been drafted in such a way that retendering was necessary. The Authority had agreed to redraft the documents with the active participation of the consultants. Retendering would result in a minimum of 5-6 months' delay in machine deliveries.

4. Decision: It was agreed that:

- (i) Consideration should be given to a high-level representation to the Egyptian Government that the management of the Authority should be replaced. The Chairman asked that a draft aide memoire for this purpose be prepared. (The draft letter attached to Sir Kenneth's Supervision Report and addressed to the Deputy Prime Minister should therefore not be sent.)
- (ii) To minimize delay in the retendering of tile laying machines (cf. para. 3(iii) above), the representation to be made to the Deputy Prime Minister should emphasize the urgency of procuring these machines and the need to enlist the consultants' active participation to meet the revised schedule of procurement for the remaining items.

5. Upper Egypt Drainage Project: The meeting noted that:

- (i) In view of the poor progress on the Nile Delta Drainage Project, the supervision mission had recommended postponement of the appraisal of the Upper Egypt Drainage Project. The Upper Egypt project was similar to the Delta project but spread over a more extensive area in which management and logistics would be more complicated.

- (ii) Mr. Evans thought the Egyptians capable of handling both projects, providing they drew on better management manpower; good Egyptian managers were available. The project should therefore be appraised, but with the reservation that it would not be negotiated nor presented to the Board before performance on the Delta project had radically improved.
 - (iii) The Area Department, agreeing with Mr. Evans, emphasized the soundness of the Upper Egypt project and thought the Bank's willingness to appraise the project would demonstrate to the Deputy Prime Minister the Bank's faith in his ability to solve the problems surrounding the Delta project.
6. Decision: For the reasons stated in para. 5(ii)-(iii) above, the meeting concluded that the Projects Department should proceed with appraisal of the Upper Egypt Drainage project, but that the invitation to negotiate would not be issued until the Bank was satisfied with the borrower's performance under the Nile Delta project.

Dag F. Wittusen
Secretary

Cleared with: Messrs. Knapp
Benjenk
Wapenhans/Chadenet
Sella

*Egypt - Upper Egypt
Drainage*

Book of three

OUTGOING WIRE

TO: 1) HIS EXCELLENCY
MOHAMMED ABDULLAH MERZBAN
MINISTER OF ECONOMY
ECOTRADE
CAIRO
EGYPT

DATE: DECEMBER 8, 1971

CLASS OF
SERVICE: LT

COUNTRY:

2) HIS EXCELLENCY
SAYED MAREI
DEPUTY PRIME MINISTER AND
MINISTER OF AGRICULTURE
MINISTRY OF AGRICULTURE
CAIRO, EGYPT

3) HIS EXCELLENCY
AHMED AL-SAYEH DARWISH
MINISTER OF PUBLIC HEALTH
MINISTRY OF PUBLIC HEALTH
CAIRO
EGYPT

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TEXT:
Cable No.:

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RE UPPER EGYPT DRAINAGE PROJECT STOP PROJECT PREPARATION REPORT SCHEDULED FOR
EARLY NOVEMBER STILL NOT RECEIVED STOP WE ALSO EXPECTED RECEIVE MID-NOVEMBER
DISEASE
FORMAL PROPOSAL FROM MINISTRY OF HEALTH FOR INCLUSION ~~EXAMINATION~~ CONTROL IN
UPPER EGYPT PROJECT STOP OUTLINE OF SUCH PROPOSAL DISCUSSED BY GUINNESS WITH
UNDERSECRETARY FARAG RIZK IN OCTOBER STOP BANK REVIEW THESE TWO DOCUMENTS
ESSENTIAL IN ORDER TO MAKE ARRANGEMENTS FOR AN APPRAISAL MISSION TENTATIVELY
PLANNED EARLY NEXT YEAR STOP HOPE THESE TWO DOCUMENTS CAN BE SENT SOONEST STOP
GRATEFUL YOUR CABLING DATE YOU ANTICIPATE SENDING THEM FROM CAIRO STOP THIS
CABLE SIMULTANEOUSLY SENT THEIR EXCELLENCIES MAREI comma MERZBAN AND DARWISH
STOP REGARDS

BENJENK
INDEVAS

NOT TO BE TRANSMITTED

AUTHORIZED BY:

NAME M.P. Benjenk
Director
DEPT. Europe, Middle East and North Africa

SIGNATURE *M. Benjenk*
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

REFERENCE: KG Guinness/TDaCosta/sr

ORIGINAL (File Copy)

(IMPORTANT: See Secretaries Guide for preparing form)

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Cleared with and cc: Sir Kenelm Guinness

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DEC 8 1971
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ORIGINAL: see enclosure order for briefing (cont)

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DATE: DECEMBER 8, 1971

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ASSOCIATION INTERNATIONAL DEVELOPMENT	RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL BANK FOR	CORPORATION INTERNATIONAL FINANCE
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Handwritten notes and signatures at the bottom right of the page.



Egypt - Upper Egypt Drainage

Wm

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla, 00100-ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

Ref. BK 3/2.9 UAR

Projects Dept. Correspondence

Letter No. 00382

ANS'D BY NO ANSWER REQUIRED

DATE February 1972 DEC - 2 1971

Dear Jim,

docs (circled)

UPPER EGYPT DRAINAGE PROJECT

As you may be aware, the Government is submitting its report on the above project directly to the Bank. The report appears complete except in one respect, namely, the evaluation of the project's economic aspects, which will be covered in the final volume currently being prepared by the Department of Agricultural Economics and Statistics. The attached abbreviated analysis* has been prepared by the Cooperative Programme for the interim use of the IBRD during project appraisal, pending completion of the final volume of the main report.

There are some issues which we feel should be brought to your attention. We believe arrangements should be made for a grace period for farmers before repayment for field drainage starts, in order to allow time for the benefits to be felt at the farm level. No mention of such grace period arrangements is made in the appraisal report of the Delta Drainage Project, but we would recommend that the grace period be equated to the lag in the development of financial benefits from the date of completion of field drainage construction.

The present government proposal appears to be for recovery of both O and M costs and the costs for the main drains and other main infrastructure through the reevaluation of the land tax. In the Delta Drainage appraisal report, recovery of O and M was to be the subject of arrangements to be agreed with the Government, while the other infrastructure costs were to be recovered through revaluation of the land tax. While it is for the Appraisal Mission to discuss this, we would like to point out one of the implications. As rent is actually fixed at seven times the land tax, a revaluation of the land tax almost automatically translates itself into a sevenfold increase of the amount in the rent that the tenant has to pay. Our analysis shows that repayment for field drainage to be made by the land user, whether owner or tenant, can

Mr. L.J.C. Evans
Director - Agriculture Projects Dept.
International Bank for Reconstruction
and Development
1818 H Street N.W.
Washington D.C. 20433
U.S.A.

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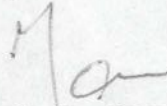
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In Reply please mention our ref. no. and date of this letter

reasonably be expected, but payment by the tenant of an increase in the rent equal to seven times the increase in the land tax necessary to cover O and M and other costs would throw an unbearably heavy burden on them. This point is important, because nearly half of the land in the project area is cultivated under some tenancy arrangement or other. However, we do realize that revaluation of land tax is a periodic feature of the government's fiscal system.

With best regards.

Yours sincerely,


J. P. Huyser
Director

FAO/IBRD Cooperative Programme

✓ Egypt - Upper Egypt Drainage
cc Egypt - Soil Amelioration

Letter No. 899

November 17, 1971

Mr. Jan Huyser
Director
FAO/IBRD Cooperative Program
Via Delle Terme di Caracalla
Rome, Italy

Dear Mr. Huyser:

Arab Republic of Egypt
Upper Egypt Drainage and
Soil Amelioration Projects

Thank you for your letter of October 15, enclosing Mr. Campbell's Back-to-Office Report of October 14.

Upper Egypt Drainage Project

We are pleased to learn of the progress made in preparing this project. We have not yet received the Preparation Report which we had expected in early November. We are still tentatively planning to appraise this project in the early new year. Our recent supervision mission to the Nile Delta Drainage Project has reported that progress on this project has been most disappointing. This raises the question of the ability of the Ministry of Irrigation to execute two large similar projects concurrently. We are therefore giving further thought to the timing of an appraisal of the Upper Egypt Drainage Project.

Soil Amelioration Project

Our recent supervision mission was given a copy of the "National Project for Land Improvement and Soil Conservation - Soil Amelioration in the Lower Delta" report dated June 1971 which was prepared by the Ministry of Agriculture. The report was not accompanied by a covering letter but we understand that the Deputy Prime Minister and Minister of Agriculture is anxious to proceed with this project as soon as possible. Our mission suggested to him that a copy of the report should be sent to you. When you receive it we suggest that the Cooperative Program review it and carry out what additional preparation work may be necessary.

Yours sincerely,

Cleared with & cc Mr. DaCosta

Noel McIvor
Deputy Director
Agriculture Projects Department

cc Mr. EL-Fishawy
Mr. Hakim

KGuinness:mh

mh

✓ Egypt - Upper Egypt
Drainage
cc: Egypt - Population Control
cc: Egypt - gen - negs
October 14, 1971

Mr. Hartwich:

The following might be useful, when discussing the possibility of retaining the Upper Egypt Drainage Project in FY 1972 with Mr. Knapp:

- (a) Since the possibility of a Population project by June 1972 is rather remote, Upper Egypt would be the only new project for FY 1972.
- (b) Even as a "trading" figure, the Egyptians have been told at highest levels in the Bank that they could expect around \$40 million of IDA credits each year, after they settle debts with the US. Now that they have settled these debts, we shall be giving them in FY 1972, an even lower amount, only \$30 million for the railway project. Since the Egyptians in any case regard this credit as a flow-over from FY 1971, a mere \$30 million lending credit and no new project this year, is most likely to be interpreted by Egypt as the Bank going back on its promise because of "extraneous reasons".
- (c) A shift of Upper Egypt to FY 1973, throws our FY 1973 and FY 1974 programs off-balance. We will now be faced with two agricultural projects in FY 1973, which together are likely to absorb over \$45 million. Both these are in the same Division in Agricultural Projects, hence there will be great pressure to shift Soil Improvement, which is already in an advanced preparation stage, to FY 1974. If this pressure is resisted and both projects are processed in FY 1973 -- as Egypt would then expect, together with the Population Project and IBE (both strong candidates for FY 1973) the IDA needs in FY 1973 would be over \$65 million. Are we prepared to provide such an amount, in view of IDA limitations?
- (d) To solve the above problem, should we shift the IBE project to FY 1974 as also the Cotton Ginning, it will be an addition to the Railway II and probably Rapid Transit proposals in that year. Tentative lending for all of these would be well over \$80-90 million. Limited IDA availability makes this possibility unlikely and merely compounds the problem.

All these could be avoided, by keeping Upper Egypt in FY 1972, as we had originally scheduled it.

OCT 15 11 55 AM '71
CEV
Adi J. Davar

Egypt - Upper Egypt Drainage

ORGANISATION DES NATIONS UNIES POUR
L'ALIMENTATION ET L'AGRICULTURE



ORGANIZACION DE LAS NACIONES UNIDAS
PARA LA AGRICULTURA Y LA ALIMENTACION

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla, 00100-ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

Ref. EK 3/2.9 UAR
Upper Egypt

00338

Letter No.....
Projects Dept. Correspondence

OCT. 15 1971

ANS'D BY *No answer required*

DATE _____

Dear Marius,

ARAB REPUBLIC OF EGYPT. Upper Egypt Drainage Project

Enclosed are eight copies of a BTO report on the final mission to Egypt in connection with the above project. It is anticipated that the complete preparation report will be forwarded to you by the end of this month.

Also discussed is the Soil Amelioration Project for which the Ministry of Agriculture has already prepared a detailed feasibility study. Preparation of this project could be completed at short notice. We would appreciate your comment in this regard, after the Guinness mission has returned from Cairo.

Yours sincerely,

J.S. Spears

J.S. Spears
Chief
Operations, Planning and
Coordination Unit
Investment Centre

DDC REGISTRY

In Reply please mention our reference
and date of this letter

Mr. Marius Veraart
Agriculture Projects Department
International Bank for Reconstruction
and Development
1818 H. Street, N.W.
Washington, D.C. 20433
USA

SECTION
OCT 15 1971

RECEIVED

Laynes (x2)
DARAK (x2)
Foto file
Ops file



FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

00338

Letter No.

Upper Egypt
K.S. 2/2

OCT 18 1971

Dear Sirs,

ARAB REPUBLIC OF EGYPT. Upper Egypt business project

Enclosed are eight copies of a UNO report on the final mission to
Egypt in connection with the above project. It is anticipated that the
complete preparation report will be forwarded to you by the end of this
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Ministry of Agriculture has already prepared a detailed feasibility report
study. Preparation of this project could be completed at short notice.
We would appreciate your comment in this regard, after the Guinness
mission has returned from Cairo.

Yours sincerely,

J. S. Rogers
Chief
Operations, Planning and
Coordination Unit
Investment Centre

DOC. REGISTRY
In any communication, please
indicate the date of this document.

Mr. Maxine Verant
Agriculture Projects Department
International Bank for Reconstruction
and Development
1818 N. Street, N.W.
Washington, D.C. 20036
USA

1971 OCT 21 AM 10:55

RECEIVED

To: Mr. J.P. Huyser, Director
FAO/IBRD Cooperative Programme

14 October 1971

From: D.E. Campbell
FAO/IBRD Cooperative Programme

Subject: Arab Republic of Egypt. Preparation of Upper Egypt
Drainage Project. Back-to-Office Report

I visited Egypt from 29th September to 9th October for final field inspection and review of the preparation report. This visit had been twice deferred due to unavailability of a security clearance for travel in the project area. However, the inter-Departmental Committee working on the preparation report had used the interim time well, and had completed the report in all respects except economic analysis. The general volume of the report had been left in draft form pending my visit; the remainder including soils and engineering had already been printed. During the course of the field visit, and subsequent meetings with the Preparation Committee in Cairo, the draft of the general volume was reviewed in detail, and left ready for final printing. Two sets of these reports will be mailed to Washington from Cairo by the end of October.

As discussed in the previous BFO the Committee was rather uncertain as to the approach to be made in final economic analysis and it was then agreed that CP would carry out the analysis in the first instance. This remains the position. It was confirmed with the Committee that CP will complete an "Assessment of Project Benefits, and Economic Analysis" by the end of October. It is the understanding that this interim volume will complete the report for purposes of appraisal. The Committee (notably the representative from the Department of Agricultural Statistics and Economics) may carry the analysis further, at a later date, using the CP report as a guide.

After considerable earlier negotiation between the Ministries of Irrigation and of Agriculture (Soils Surveys) regarding the total amount and the location of the sub-areas to be tile drained under the project, the total is now again 600,000 feddans. However, the distribution and location of the sub-areas has changed materially since the initial proposal to the Bank, the project now including substantial areas in the El Minya and Beni Suef governorates. This critical review of the location of sub-areas has been urged by CP since commencement of preparation, and the proposal is now considered to be much more soundly based than that submitted initially.

Revised Project Summary

The project as it now stands consists of the installation of tile drainage, with associated improvements and new construction of main drains and

DEC:bm

EK 3/2.9 UAR Upper Egypt

cc: All Team Members
IBRD Washington (8)

gross for about three years. The area covered is projected to reach 130,000 feddan by July 1972. The results obtained to date in improved crop production have been spectacular in some areas, due mainly to the very low pre-project base.

The 1,500,000 feddan area does not include any of the area covered by the current Delta Tile Drainage project, although the report contemplates later extension of subsoiling and possibly gypsum treatment to parts of the Delta

../..

project (and the Upper Egypt project) where this proves to be a necessary supplement to tile drainage. The project is not believed to be in conflict with the Tile Drainage programme in any way, either technically or conceptually.

The project as proposed in the report extends over an eight-year period, with estimated total cost 24 Million Egyptian Pounds (US \$ 55 Million). Maintenance (re-subsoiling) over a subsequent ten-year period is estimated to cost an additional 15 Million Pounds (US \$ 35 Million). The Foreign Exchange requirement for purchase of tractors, hydraulically operated subsoilers, and heavy trucks for road-haul of gypsum, is estimated at 5.1 Million Pounds (US \$ 11.7 Million) for the eight-year period. F.E.C. for equipment for re-subsoiling is estimated at 2.3 Million Pounds (US \$ 5.3 Million). Some of this would in fact be required by the fifth year of the project.

In parallel with the Soil Amelioration Project, and essential to its operation, is the programme of main drain construction or deepening in the same area. This is being carried out by the Ministry of Irrigation. The necessary drainage pumping stations have already been built, but the main drain construction programme amounts to 14.3 Million Pounds (US \$ 33 Million) over a seven-year period. No estimate is available for the cost of equipment for this work, but much of it will have to be carried out mechanically due to the high water-table in this area. F.E.C. for equipment is likely to be of the order of US \$ 5 Million to US \$ 7 Million.

The main drain construction programme has not been included in the Soil Amelioration Project proposal, possibly as it comes under the jurisdiction of a different Ministry. There appears to be no reason why a joint proposal should not be worked out, for lending purposes. The F.E.C. of such a joint project would be around US \$ 20 Million, or if limited to the first six years of construction rather than the eight years as proposed, the F.E.C. would be around US \$ 15 Million.

The economic rate of return is expected to be quite high (the proposal estimates it at 50%).

If the project is included in the Bank programme, to follow the Upper Egypt Project, preparation could be completed relatively quickly. It would mainly be concerned with re-scaling to a more suitable disbursement period, and inclusion of the main drainage works. However, until request is made by the Bank for finalizing of preparation, the comments on the report informally requested by the Ministry of Agriculture will be confined to technical matters rather than project formulation.

Action

Upper Egypt Project. CP to complete section on assessment of project benefits, and economic analysis, by end October. The remainder of the report will be forwarded to Washington from Cairo by that date. This will complete preparation.

Soil Amelioration Project. Reply to Ministry of Agriculture request for comments (limited to technical matters at this stage). No further action until advice from Bank.

Op files

OFFICE MEMORANDUM

TO: Files

DATE: October 7, 1971

FROM: Adi J. Davar

SUBJECT: EGYPT: Meeting With Mr. McNamara During the Annual Meeting

On September 30, Mr. McNamara met with the Egyptian delegation headed by the Minister of Economy, Mr. Mohammed Merzban. Messrs. Knapp, Shoaib, Benjenk and I also attended.

Mr. McNamara welcomed the delegation and stated that he was very pleased to hear that the on-going negotiations between Egypt and the U.S. on the debt rescheduling matter were very promising. Minister Merzban stated that he and his Government were most appreciative of the efforts that Mr. McNamara personally, and the Bank staff, had so far given to have this matter satisfactorily resolved. He added that, in fact, both Egypt and the U.S. were now very close in their figures and he was anxious indeed to sign a debt rescheduling agreement with the U.S. before leaving Washington. Mr. McNamara urged the Minister to make maximum efforts to do so. He stated that with this problem out of the way, the Bank Group could be particularly helpful to such an important country like Egypt, not only with IDA financing, but also with technical help and advice, and later when Egypt became Bank-worthy, possibly with some Bank financing also. He stated that in fact he was most disappointed when he found in June, that he could not put up the Railway project to the Board because the debt matter was unresolved at the time. As the Minister would however appreciate, if he had put the project forward, it just would not have gotten through. Minister Merzban replied that his Government had already agreed to the Railway project and program as negotiated and he therefore hoped that with the anticipated finalization of the debt issue before he left Washington, the Railway credit could be signed soon. He further hoped that IDA would proceed with an early appraisal of the Upper Egypt Drainage project whose preparation was complete, as also with the population project to which Government accorded great priority.

Mr. McNamara stated that internal documents for the Railway project might merely need to be "dusted off" a little, and if the drainage project was ripe for appraisal, which he had not realized, he would see how matters could be moved forward. In reply to his query, Mr. Benjenk indicated that the latter project was likely to involve financing in the region of \$20-25 million. He was pleased that Egypt had such a strong interest in population planning and IDA would try to be as helpful as possible.

Minister Merzban indicated that he was now anticipating IDA's assistance in expeditiously progressing the pipeline of projects which was under discussion, including the Industrial Bank of Egypt, the Soil Improvement, Cairo Rapid Transit and the Cotton Ginning Rehabilitation projects. Mr. McNamara stated that with the debt problem out of the way, the Bank Group would try to be as helpful to Egypt as possible for future projects.

ADavar/llj

cc: Messrs. Benjenk (o/r), Hartwich, Christoffersen, DaCosta
Copies for info: Messrs. Kanagaratnam/Baldwin, Haynes, Oursin, El-Darwish

Mr. Dieter Hartwich

October 14, 1971

J. Burke Knapp

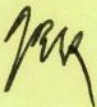
Egypt: Upper Egypt Drainage Project

I have discussed with Mr. McNamara the substance of the attached memorandum, and have subsequently reviewed the timing of the Upper Nile Project with Mr. Evans.

The net result is that we should like to push this Project for action early in FY73, in any case, before the end of calendar 1972. Mr. Evans assures me that he can do this.

Attachment

JBKnapp:jk





DI - Upper Egypt ✓
Nile Hilton

CAIRO EGYPT. U.A.R.

Friday 8th

Tim,

Welcome aboard. I am in 706 if you'd care to call.

Kamel told me yesterday that Maree had a "state visit" to the western delta and coastal area scheduled for 8th and 9th, but would be pleased to see you 10th or 11th. This change has confounded Kamel's plans for your field visit, which was to start 9th. He would like to see you tomorrow morning, Sat. I'll contact his office about 9.45 am if you want to start with him.

Enclosed are some notes on project status. All seems under control for final transcription to Washington the end of this month.

I plan to return to Rome Sunday morning

Regards

D. J. [Signature]

8/12 Oct 71

①

Cairo

Upper Egypt Project

After much tardiness in really getting to work on report writing, the Executive Authority for Projects on High Dam Waters and Tilt Drainage (Kamel's group) have accomplished a miracle and produced a very tolerable report. (in consultation with Shabassy's soils group in M of A)

All complete except for editing and reproduction of the principal volume, and the economic analysis. I worked over the principal volume with Kamel's group, and it is now going to reproduction, and the whole package will be forwarded to Washington by the end of October.

(P already has a set, with final ~~ess~~ wash-ups to the principal volume.

Dr. Hundi of the M of A ~~sta~~ Dept of Economics and Statistics is still going to do a final volume on economics, but he is uncertain as to the approach and as agreed earlier, will await the CP interim volume on economics before he goes ahead. The CP analysis is 80% complete and now can be finalized as final cash flow is available. It will also be forwarded to Washington by the end of October, and will in fact be the final volume of the report as far as appraisal is concerned. IRR about 15% plus.

The project area is now back to 600,000 feddans after a long scuffle between M of I and M of A (Soils), which has cleaned up the project very well, and which has resulted in a radical re-distribution of the areas to be tiled. The principal areas are the newly added ones in El Minya and Beni Suef (northern end of the project)

Curtis

Total cost of the work to be carried out over the six-year disbursement period 72/73 to 77/78 is \$ 88 Mill including \$ 3 Mill for land acquisition. (An additional \$ 18.7 Mill is being spent in 1971/72 on open drains relative to the project, but not to the Bank loan). Estimated FEC for inputs of equip, tech assistance, and foreign contractors' overheads for the pumping plant work is \$ 16.8 Mill. More obvious indirects (fuel etc) is likely to bring the total FEC to about \$ 20 Mill

Extension of the project north to El Hingya and Beni Suof has brought in 5 pumping plants either for extension to capacity or new construction. No apparent problem. They are an essential but not a major part of the project.

I visited El Hingya and Beni Suof. There is very obvious need for drainage in much of the area. Also met the Directors of Drainage in the two Governates, and talked to small and large contractors. At Beni Suof they have already installed 70,000 beds of tile since 1962, and the Ministry people and the contractors are quite experienced. Either, or both, would be good areas for you to see.

Useful names

- Ahmed Ali Kamal (Dep. Minister and Chairman of the Executive Auth) Tel 4116
- Dr Abu Zeid (Kanal's senior tech. man. Away until 13th. Tel 72571 (Home 800615)

Mohamed Abdelhadi Radi
 A "young Turk". Very effective. Would probably accompany you to field. Office 72663 or 72369.

<u>Beni Suof</u>	Eng Nagib Mansour	Director, Drainage*
	Eng Yousel Marcos	Dep Director
<u>El Hingya</u>	Eng Mohammed Salem Fouda	Director Drainage (slightly deaf)
	Eng Roshdi Senara	Dep Director* DBL

8th Oct 71
Cairo

3

Soil Amelioration Project

Dr El Shabassy completed (in June) a detailed report on a 1,500,000 feddan project in the northern delta. A copy is understood to have been given to Davar (Area) a month ago. Shabassy also lent a copy for C.P and Bank use this week-end. Sayed Marei may clear it for format issue. I have reviewed the report briefly:

- It is very complete (principal volume 300 pages), and would provide 90% of the data required for appraisal. The remaining ^{information} ~~data~~ largely hinges on policy questions discussed hereunder.
- As set out in the report, total project cost over an 8-yr construction period is E 24 Mill, with FEC for equipment purchases E 5.1 Mill. However an additional E 2.3 Mill of equipment is required for re-subsiding (at 5-yr intervals), and could be added to the loan amount, bringing FEC to E 7.4 M. As re-subsiding will start before the end of the 8-yr construction period is added, actual total cost over the 8-yr period will probably amount to about E/ 28 M, with FEC at E 7.4 M as noted.
- The proposal does not include the associated deepening of main drains in the area, which is being done by Min. of Irrig. This is estimated at E 14 Mill over the first 5 yrs. FEC could be around E 3 Mill (drylines) ^(C.P judgement figure) etc. There seems to be no reason,

Other than an inter-Ministerial jurisdictional problem, why the main drains work should not be financed by Bank as an integral part of the project. This would bring total FIC to about \$10 M. (\$ 23 M)

- The report makes a reasonably good technical case for the proposed treatment (at least half of the soils in the project area are marine sediments, rather than Nile alluvials, and a tougher proposition than the middle and upper Delta.) The treatment can be regarded as preliminary to tile drainage, after soil stratification and excessive density, alkalinity, and salinity are taken care of by soil amelioration.

- Economically, the report "over-kills" with probably non-typical statistics. IRR quoted as over 50%. However, much of the area is quite severely deteriorated and the project starts from a low pre-project production level. There is no doubt that IRR would be attractive.

- More controversial, the report includes reference to Stage II and Stage III, the former including 450 000 hedd which by that time will have been tile drained in Upper Egypt, and the latter 750 000 hedd which will have been tile drained in the Delta (under IDA project). The stages lie a long way in the future, but no commitment in that direction would be desirable, although some subsiding over the top of existing tile drainage may become desirable. The need for such extensive subsiding in Stages II and III is not established by the report, however.

- Preparation could be completed with very little additional work

Don Campbell *DCB*

Orville Kilian



El Sayed Mohamed
Abdullah Merziban
Minister of Economy and
Foreign Trade

Gambaret
El Nil

Ibis

Safari

ROOF
Belvedere

Cafe

Bar

Nile Hilton



Gauche
EL NIL

Ibis

Safari

ROOF
Belvedere

Cafe

Bar

Egypt - Railways
✓ Egypt - Upper Egypt Drainage
cc: Egypt - Population Control
cc: Egypt - Soil amelioration
cc: Egypt - Industrial Bank
cc: Egypt - Urban Transport

Files

October 6, 1971

Trevor DaCosta

EGYPT: Meeting with the delegation at the 1971 Annual Meeting

1. Messrs. Benjenk, Hartwich, Richardson, Maiss, Larsen, Davar, Pollan, Haynes and myself, met with the Egyptian delegation headed by Minister Merzban, on September 29, 1971. The following points emerged from the discussion.

(a) Railways I: Minister Merzban stated that in May he had sent a cable to IDA confirming final agreement on credit documents as negotiated. However, since this cable had not been received, following Mr. Davar's September mission, a further cable of confirmation dated September 16, had been sent by him. While the Board of the Egyptian Railways had not yet passed a resolution approving the credit documents, this was a mere formality requiring only a day or two and the Egyptians would attend to this promptly on their return to Cairo.

(b) Upper Egypt Drainage: The Minister indicated that since the only outstanding matter was a confirmation or otherwise, by Mr. Campbell in late September, of the areas selected by the Egyptians for tile and for drainage in only two of the project areas, the project preparation work could be considered as being virtually complete. Since a solution to the debt rescheduling problem was imminent, he hoped that the project could be appraised at a very early date, in time for a credit to be made in this fiscal year.

(c) Population: Following discussions in Cairo in a September mission, items which could be investigated for inclusion in the IDA project had been tentatively agreed upon, and a preparation/pre-appraisal mission was now due. While staffing of the mission might be difficult, IDA would make maximum efforts to mount it by mid-November. Should this however not at all prove possible, a mission would be sent by early January 1972 at the latest. The Minister urged us to proceed on the basis of the earlier timing and reaffirmed the great priority that his country accorded to such a project.

(d) Soil Improvement: The Minister hoped for an early review of the preparation work which an Egyptian team had already completed, with a view to learning what further work might be necessary, which could then be completed with the Co-operative Programme's assistance, as done for the Upper Egypt Drainage project. He hoped that the project could be advanced for board action early next fiscal year.

(e) Industrial Bank of Egypt: Mr. Pollan summarized the main questions of principle emerging from Mr. Sayed Ahmed's reconnaissance mission to IBE. Mr. Merzban said that the authorities were cognizant of these points, many of which had validity. However the picture had altered since Mr. Ahmed's visit, because only a few days before a decision had been made to reorganize the banking system in Egypt. Under such a reorganization, IBE was to be amalgamated with the Bank of Alexandria. Details of the amalgamation were to be worked out,

October 6, 1971

and implemented by July 1972. The Bank of Alexandria had strong technical and financial resources. Further, government was aware that restructuring of IBE's staff and a revamping of its financial and operating policies were required, besides the possible need to increase IBE's equity base. The Minister indicated that the amalgamated bank, when reorganized, would deal with both the public and private sectors, but with specialized departments to deal separately with term financing and commercial operations, as also with large and small industries. He also indicated that medium sized public sector industrial and tourism enterprises were expected to be clients of the amalgamated bank. He felt that advantage could now be taken of this reorganization to ensure an institution that would function on efficient lines, and with policies and procedures acceptable to the Bank Group. He hoped that a Bank mission could be arranged, at least by January 1972, to discuss the plans for reorganization and to review how the matters summarized by Mr. Pollan could be resolved. Messrs. Benjenk and Pollan welcomed this suggestion, and stressed the advantage of an early mission, before the proposed reorganization would become crystallized.

(f) Cairo Rapid Transit: The Minister of Transport has cabled acceptance on September 16, of the approach suggested by the Bank for the feasibility study of the rapid transit proposals with which Mr. Merzban also agreed. The Minister was informed that the requested mission was scheduled to visit Cairo during the week of October 18. Mr. Merzban indicated that he would wish the study to review the overall urban transit problem, since it was quite possible that other investments besides the rapid transit, might also be needed to take care of Cairo's anticipated future growth.

3. Mr. Merzban made various enquiries about Bank/IDA lending policies, and wished to know the volume of lending which might be reasonable for Egypt to expect. In explaining these policies, Mr. Benjenk stated that once an Egypt-USA debt settlement accord was reached, and having regard to available IDA resources, credits totalling some \$35 million might be envisaged annually in initial years, assuming an adequate supply of eligible projects. In addition, one could conceive the possibility of a few enclave type projects for Bank financing. If Egypt's creditworthiness improved, more Bank funds might be forthcoming in future, initially perhaps on a blend basis with IDA monies.

TDaCosta/ADavar/sr
cc: Messrs. Hartwich
Oursin
Haynes
Strombom
Pollan

OFFICE MEMORANDUM

TO: Sir Kenelm Guinness

DATE: October 1, 1971

FROM: George B. Baldwin ^{GBB}

SUBJECT: Dr. Faraq Rizk, Undersecretary of State in the
Ministry of Public Health (Egypt)

1. I spent over an hour with Dr. Rizk in Cairo on September 15. He impressed me as an outstanding civil servant both professionally and in terms of his receptivity to working with the Bank both in the fields of family planning and bilharzia control. He is 59 and has a Master's Degree in Public Health from the University of Michigan, 1948.
2. I had spoken earlier to the then Minister of Public Health, Dr. Abdous Sallam, about your interest in getting in touch with the Ministry's bilharzia experts during your October trip. He said Dr. Rizk would be the man for you to talk with and that he, Sallam, would ask Rizk to give you full cooperation. Sallam had indeed spoken to Rizk when I saw the latter two days later and he repeated his readiness to give you whatever help he and others in the Ministry could offer.
3. His office is located in the same Ministry of Public Health building as that occupied by the Minister himself (I do not have the address).

cc: Mr. J.A. Lee ✓

GBBaldwin/jim

Mr M.P. Benjank

Adj. J. Davar

EGYPT - Visit to Cairo

Egypt - gen - negs
cc: Egypt - gen.
cc: Egypt - Railways
cc: Egypt - Upper Egypt Drainage
cc: Egypt - Livestock
cc: Egypt - Population Control
cc: Egypt - Soil Amelioration
October 1, 1971
cc: Egypt - Urban Transport
cc: Egypt - Cotton
cc: Egypt - Industrial Bank

1. I have already verbally reported to you on some principal matters discussed during my mission to Egypt between September 10 and 17. This memorandum summarizes all matters, except debt rescheduling and my meeting with Deputy Prime Minister Sidki which are being covered separately.

Political Situation

2. Egypt was in the throes of a cabinet, and the ASU, reorganization, at the time of my visit. Sadat seems very much in the driver's seat. He is carefully choosing ministers and key persons in ASU so as to avoid any persons with the remotest linkage with Ali Sabry and Gomaa group. The persons who enjoy his complete confidence and trust are Prime Minister Fawzy, Al Ashraf's editor Heikal and Deputy Prime Minister Maroi, on whose advice Sadat apparently took the action in May against Ali Sabry and Gomaa, and all of whom were deeply involved in the recent selection of the cabinet and ASU officials. Reportedly, at one stage when Fawzy wished to take on the Vice-Presidency in view of his age, Maroi was asked by Sadat about the Prime Ministership. However, in view of the hope that negotiations on the war issue might take place in the near-term future and Fawzy's negotiating skills and international reputation for such negotiations, Fawzy was persuaded to continue.

3. With the influence of this group, one can expect a pragmatic approach to both the political and economic problems facing Egypt. One gets a clear impression that popular Egyptian sentiments are very much for quickly settling the war issue "honourably", and to devote time and money to Egypt's economic growth. Sadat has promised both, and obviously feels under pressure to fulfill some promises in the near future with a view of consolidating his position. On the political front, anticipating that the U.S. would become involved in its own presidential election, politicking from early 1972, Sadat is maneuvering (and will obviously continue to do so) to use U.S.'s influence with Israel and the UN machinery to pry the Israeli issue loose from its present rut. Aware of the sentiments in the country that Nasser also promised a high economic growth rate - but did little to achieve it, Sadat is believed anxious to prove that unlike Nasser, he can keep his promise of economic development. One should therefore expect efforts in the next few months to seek assistance from all "sources", including the Bank Group, towards the fulfillment of this objective. In recent months, Egypt has been taking steps to restore its "credit-worthiness" with such sources, e.g. the recent agreement with the UK for nationalized properties, its current efforts to settle debts with the US and its concern to also seek a "new generation of credit" from the US after a year or two as part of the debt rescheduling deal.

4. The ASU's central committee is being given an opportunity to itself elect the Higher Executive Committee of ASU, which in the past used to take all major policy decisions in Egypt. To this extent, this Committee is likely to be less influential than in the past and one might see a trend towards policy decisions being taken at an "inner cabinet" level, consisting of Sadat, the PM, 4 Dy MIs and the cabinet minister concerned. While one's first reaction to Aziz Sidky's appointment as the first Dy MI (a possible concession to East European influence) might be that chances of Egypt turning to sources other than East Europe for help continue to be slender, other trends including Sadat's determination to quickly demonstrate his promise of economic growth, the composition and influence of the other members of the "inner cabinet" etc, suggest that one's first reaction is likely to be wrong.

5. Sadat is also trying to gain popular appeal by "democratizing" the ASU. A new Congress is scheduled for election in October. This Congress will have committees to discuss and make recommendations on broad issues for the President's consideration, or make "investigations" of any "popular questions" etc. In a way, this resembles the various congressional committees in the US. A similar practice is proposed to be followed at the governorate level. The new Constitution reflects the principles of the rule of law, freedom of speech etc. A liberalization of social and political life, to reflect what the Constitution and Sadat promise, can be expected, but slowly.

Operational Matters

6. In discussions at all levels, I generally took the line that while we were developing a pipeline which could enable IDA to effectively and quickly provide Egypt with IDA credits of up to \$40 million a year, it would be difficult for the Bank Group to continue to devote scarce staff resources towards that objective beyond the end of 1971 or early 1972 if the debt problem remained unresolved and lending operations could not commence. At almost all levels, there was appreciation of this position, but in contrast to discussions in the past, a firm conviction was invariably expressed that the debt problem would be resolved very shortly. In fact, based on this conviction, the senior Ministers concerned pressed very strongly indeed that future project proposals on the anvil or under discussion, should now be expeditiously processed.

7. Railway Projects: Dy MIs Marai and Sidky and Economy Minister Herzoghan clearly confirmed that despite previous disagreements within Egypt, the Cabinet had firmly decided to proceed with the Railway Program and Project on the lines and on the basis of documents negotiated in April. After considerable prodding, they have also sent a cable to IDA to this effect. Egyptian Railways (ER) however has not secured its Board's formal approval to the credit documents. I was however assured that this formality would also be completed before mid-October. The opening dates of all tenders referred to in Mr Labbeke's Back-to-Office Report of June 29, 71, have been extended either to October 31 or November 1. Even the orders for rails, that were expected to be placed in August, have not been placed. The Arab boycott

clause in the three signalling tenders had not been replaced by the one agreed during negotiations, although the Cabinet had approved the agreed clause. It seems that ER felt that if the credit was not forthcoming, there was little reason to act. However, following my discussions with various ministers and ER, all potential bidders have been advised about the agreed clause and the deletion of the original boycott clause. ER has confirmed this in a letter with an attached copy of the notice to the bidders, handed to me on September 16. I have passed the letter to the Projects Department.

8. Upper Egypt Drainage: Deputy Prime Minister Marei pressed very hard for an early appraisal of this project and lending for it in the current year. He also raised the question of local currency financing "as in India and Pakistan", since this \$107 million project would have a foreign exchange component of only \$17 million. I merely reacted that we would look into this question with sympathy, after the appraisal mission reviewed the project's overall size, its costs, its implementation period, etc. The project, covering over 550,000 feddans, is proposed to be implemented over 6 years. In view of the possible limitation of IDA funds and the need to have projects in Egypt with shorter disbursement periods to enable a quicker injection of foreign exchange, it might be possible for us to consider this project for implementation in two phases of about three years each and financing 50 percent of the total cost of each phase. One possible way, among others which might be considered, might be to cover only some of the areas in Phase I and provide the equipment therefor, instead of providing equipment and facilities adequate to simultaneously cover all the ten areas included in the project proposal. Assuming that the project of the size proposed by the Egyptians is found acceptable and the cost estimates realistic, the FY 1972 project could be a three-year first phase costing about \$54 million. The 50 percent financing formula would imply a credit of about \$27 million. Should the appraisal mission recommend a project somewhat smaller in scope, IDA financing required for the first phase would be less than \$27 million. I would recommend consideration of such approach, or any other viable approach which would enable the local currency financing to be provided within the limits of the availability of about \$20-25 million of IDA financing.

9. Soil Amelioration: This is Deputy Prime Minister Marei's pet project, identified by an IDA mission in late 1970. Based on the Outline of a Feasibility Study that we sent in February 1971, what seems to be a rather comprehensively prepared project, has been completed by an Egyptian team. This project visualizes soil improvement of about 1.8 million feddans, over an 8-year period, with an estimated cost of E£24 million and a foreign exchange component of E£ 4 million. (Deputy Prime Minister Marei therefore again stressed the need for local currency financing). I reacted that it was possible that the project as prepared, might be quite satisfactory. However, this could emerge only after it was reviewed. In case additional data or analysis was found to be necessary, we could inform the Egyptians, and it could be developed by the Egyptian team with the Co-op Programme's assistance. Deputy Prime Minister Marei agreed to this approach and urged prompt assistance since he was keen to see a lending operation for the project in calendar 1973. The project is obviously at a considerably advanced stage, than what we thought was the case in early September. If we can process it promptly as proposed, it should be capable of becoming a lending operation in the second quarter of FY 1973 at the latest.

10. Livestock: According to Deputy Prime Minister Marei, his Government had recently decided to give priority to developing a livestock industry, in view of the rather large cattle population and high meat imports. He visualizes this development on large tracts of Government lands essentially south of

4

Alexandria. -- using grasses and legumes on the Australian pattern, the development of communal pastures in villages for the use of cattle cooperatives owned by villagers but professionally managed, the provision of Government owned breeding/artificial insemination centres at key points in the country to upgrade the cattle stock, and the establishment of marketing/slaughtering/processing units at key points in the country. He realizes that livestock development will need to be carefully planned and gradually implemented. As a first step, he has formulated a small integrated project with most of the above elements, on about 50,000 acres of Government land near Alexandria. In view of IDA's experience in the livestock field, Dy PM Hared solicited IDA's interest in this proposal, or, if this was too small, assistance in identifying and preparing a larger first phase livestock project for FY 1974. I indicated that I would discuss his request in Washington and react shortly. I would suggest that we consider sending a small IDA reconnaissance mission to Egypt for about a week. Should they at all see possibilities for the gradual development of a livestock industry on technically sound and economically viable lines, then we could arrange for a project proposal to be prepared with the help of a livestock consultant hired by Egypt, and backed by an Egyptian working team.

11. Family Planning: Mr Baldwin and I will report on this separately. Basically, it should be possible to prepare a first stage proposal covering a broad range of family planning activities. I would urge that maxima efforts be made to send a preparation/pre-appraisal mission in mid November, as tentatively agreed with the Egyptians.

12. Rapid Transit: The Transport Minister broadly agreed with the approach contained in your letter of September 2, 71. He pointed out that in the Annex to the Sorfeta contract (which we had not received and was later handed to me), the Consultants were expected to take the approach which we had suggested. He also indicated that previous rapid transit studies and urban road studies answered some of the questions that we had raised. He indicated that he would get the studies translated and made available to an IDA mission, which he requested in mid-October. He cabled this request to IDA, following my discussions. (We have subsequently agreed to a mission on October 18.)

13. Cotton Ginning: Dy PM Sicky and Minister Merzaban indicated that being uncertain of IDA's interest in the project, they had discussed the preparation of the study with possible financing by the Soviets. They however felt that the expertise in this field, as well as better and cheaper cotton ginning equipment, was to be found from sources other than the Soviet Union. They therefore indicated that they would decide prior to Minister Merzaban's departure for the Annual Meeting, whether they would rather pursue this project with IDA assistance (subsequently, at the Annual Meeting, Minister Merzaban solicited IDA's continued interest in the project).

14. Industrial Bank (IBI): I raised with Minister Meraban and IBI's chairman Mr. Moursey, the key points emerging from Mr. Said Ahmed's reconnaissance report and which were cabled to me in Cairo. Their reaction was, that these points were legitimate and it was precisely because Egypt wished to have the benefit of our experience for resolving such basic technical and institutional matters, besides foreign exchange financing, that they wanted our help with a DFC project. While the Minister was prepared to discuss these points during the Annual Meeting, he urged that they were better discussed fully in the field by an IDA mission, after which a mechanism could be established to revamp the institution as well as policies on agreed lines, and to prepare the financial basis for an IDA project.

15. Both Minister Merzban and Mr. Moursey reiterated that the trend of the Government's new policy in respect of industry would be, (i) to let public sector companies run on viable lines and for them to seek term financing directly from banking sources rather than from the Treasury as is being done today, and (ii) to stimulate the private sector, which currently contributes nearly 25 percent of Egypt's industrial production. IBI was expected to be the institution where the private sector and most of the medium-sized public sector industrial and tourism enterprises would seek financing for their capital or expansion needs. IBI was also expected to be merged in the near future, with a larger bank, thereby giving the resulting outfit a sounder financial base. The dfo and commercial banking functions are expected to be implemented through two separate divisions of this outfit. Minister Merzban indicated that if necessary, the Government would be willing to consider converting some of IBI's debts into equity, as also to providing either new equity or subordinated loans. Both of them recognized the need for a smaller and better trained staff than what IBI now has, and for the development of better financial and appraisal policies. The only significant difficulty which they anticipated from among the points I raised, was with respect to the question of the interest rate that could be charged to the borrowing enterprises. The maximum rate in Egypt is legally controlled at 7 percent, and according to the Minister, it would be politically difficult to consider increasing it. However, he felt that with a blend of low-interest bearing subordinated loans from the Government, the levying of various "charges" besides the interest charge, and similar measures which could be discussed by future IDA missions, this matter should be capable of a mutually satisfactory solution.

cc: Messrs. Baldwin (particularly paragraph 11)
Haynes (" paragraphs 8 and 9)
Stoops (" paragraph 10)
Cursin (" 7)
Strombom (" 12)
Pollen (" paragraphs 14 and 15)
El Darwish (" paragraph 13)
DeCosta
Atabani

egypt - Cr. 181 admin
cc: Egypt - Upper Egypt Drainage
cc: Egypt - Terms of Ref.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT ASSOCIATION

OFFICE MEMORANDUM

DATE: September 30, 1971

TO: Sir Kenelm Guinness
FROM: D.W.M. Haynes
SUBJECT: ARAB REPUBLIC OF EGYPT - Credit 181 UAR
Nile Delta Drainage Project
Supervision Mission
Terms of Reference

1. You should plan to arrive in Cairo on October 8 on a supervision mission of the above project. En route to Cairo during the week of October 4, you should accompany Mr. Lee in his discussions in London and Bonn on the control and treatment of Schistosomiasis. In London you will meet with, inter alia, the School of Hygiene and Tropical Medicine and in Bonn with the Federal Ministry of Economic Cooperation.
2. In your discussions with the Nile Delta Drainage Authority, you should pay particular attention to the progress being made on:
 - (a) analysis of bids for the tile laying machines;
 - (b) possible addenda to the Pump Stations contract documents to ensure wider participation;
 - (c) schedule for issuing other contract documents;
 - (d) role of the consultants;
 - (e) the request for financing of spare parts for existing drainage machines;
3. You should enquire as to the status of the proposed demonstration of a drainage machine by the Badger Company and the preparation of the Upper Egypt and Soils Amelioration projects.
4. You will also, together with Mr. Lee, discuss the question of Schistosomiasis in relation to the proposed Upper Egypt Drainage Project with appropriate officials from the Ministries of Health, Agriculture and Irrigation.

KGuinness:smh

Cleared with and cc: Mr. DaCosta
Mr. Davar

cc: Messrs. Chadenet, Baum, Ripman, Lee, El-Fishawy, Rigby, Evans, Wapenhans, McIvor, Adler, Takahashi, Darnell, Veraart, Forcum.
Central Files.

*UAR - Upper Egypt Drainage
Irrig.*

Mr. Fritz Stedtfeld

September 24, 1971

Kenelm Guinness

German Bilharzia Project in Upper Egypt

Thank you for your memo of September 21 in which you kindly confirm our meetings in Bonn with the Federal Ministry for Economic Cooperation on October 7. Dr. Lee and myself will be accompanied by Mr. E. M. Sicaly who is a Senior Agriculturalist in our Agriculture Department. Following our meetings in Bonn, the three of us will go on to Cairo on October 8 where we look forward to Meeting Dr. Technau.

We shall be arriving in Bonn on Flight No. BE 624 at 6.20 p.m. on October 6 and staying at the Koenigshoff Hotel. We much appreciate all the help you have given us in arranging these meetings.

cc: Dr. J. Lee
Mr. E. Sicaly
Mr. T. Dacosta

KGuinness: mh

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CENTRAL FILES
RECEIVED

September 21, 1971

Mr. Fritz Stebbins

Kenneth G. ...

German Bilateral Project in Upper Egypt

Thank you for your memo of September 21 in which you kindly confirm our meetings in Bonn with the Federal Ministry for Economic Cooperation on October 7. Dr. Lee and myself will be accompanied by Mr. H. M. Stacey who is a Senior Agricultural Specialist in our Agriculture Department. Following our meetings in Bonn, the three of us will go on to Cairo on October 8 where we look forward to meeting Dr. Technau.

We shall be arriving in Bonn on flight No. 88 031 at 6:30 p.m. on October 6 and staying at the Koenigsplatz Hotel. We much appreciate all the help you have given us in arranging these meetings.

cc: Mr. J. Lee
 Mr. E. Stacey
 Mr. T. Dacosta

Business man
 201

SEP 27 11 27 AM 1971

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 CENTRAL FILES

UAR - Mr. Poffe ...
 10/2

ROUTING SLIP

Date

Sept 22

NAME

ROOM NO.

Mr Lee

C306

To Handle

Note and File

Appropriate Disposition

Note and Return

Approval

Prepare Reply

Comment

Per Our Conversation

Full Report

Recommendation

Information

Signature

Initial

Send On

REMARKS

From

K. Amman

Form No. 75
(2-60)

INTERNATIONAL BANK
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL FINANCE
CORPORATION

INTERNATIONAL DEVELOPMENT
ASSOCIATION

ROUTING SLIP

Date

Sept 27

NAME

ROOM NO.

Mr Lee

To Handle

Appropriate Disposition

Approval

Comment

Full Report

Information

Initial

Note and File

Note and Return

Prepare Reply

Per Our Conversation

Recommendation

Signature

Send On

REMARKS

You will be interested
in the attached.

From

K. Guinness

OFFICE MEMORANDUM

TO: Sir Kenelm Guinness

DATE: September 21, 1971

FROM: Fritz Stedtfeld

SUBJECT: German Bilharzia Project in Upper Egypt

With regard to your planned visit to Bonn, I am pleased to inform you that the competent government officials will be prepared to see you and Dr. Lee for discussions on Thursday, October 7, 1971 at 10 o'clock in conference room No. 120 in the Federal Ministry for Economic Cooperation (Bundesministerium fuer wirtschaftliche Zusammenarbeit - BMZ, Bonn, Kaiserstr. 185). Dr. Technau, who will return to Cairo on October 8, will be available for talks with you and Dr. Lee on either October 9 or October 10. For making the appointment he will contact you in the Cairo Hilton Hotel after your arrival.

UAR - On 18/1/71
✓ UAR - Upper Egypt Drainage Project

Mr. David Haynes

September 20, 1971

Adi J. Davar

EGYPT: Nile Delta and Upper Egypt Drainage Projects

You will recall that before my departure on September 8 we discussed certain points relating to the above-mentioned two projects, which we thought would be advantageous for me to raise during my mission. During my visit I did raise these points with Deputy Prime Minister and Agriculture Minister Marei, Irrigation Minister Rakib, Health Minister Abdu Sallam and Messrs. Kamal and El Kholy.

During my meetings, I expressed IDA's anxiety at the rather slow pace of implementation of the Nile Delta Project. I mentioned that from available information it appeared that the Swedish consultants, financed by the credit, were still not being fully used for the purposes for which they were employed, that lack of arrangements for them to visit the field might be further hampering the work that they could otherwise do, that the contracts' expert on the consultants' staff had twice visited Egypt and had been sent away after very brief stays and instead, drafts of advertisements, tender invitations, contracts and similar documents had to be processed in detail through Washington -- resulting in voluminous correspondence and slow movement of the Project. While briefly going into the details of each of these matters, I stressed that this exercise should be viewed rather as an effort to understand any problems that the Egyptians may have on these matters, and as a request for urgent remedial action so as to expedite the implementation of a project for which a credit was given nearly 15 months ago. I took the line that in view of this slow progress and lack of any significant disbursements, if and when our Board considered the Upper Egypt Drainage Project (for whose early appraisal I was strongly and continuously pressed during my mission), it could very well ask the difficult question whether the slow progress on the Nile Delta Project was not an indication that there might be a lack of capacity in the country to efficiently implement such large projects, or whether this might be an indication of a sufficient lack of interest for such projects. It was therefore to Egypt's advantage to ensure that the progress of the Nile Delta Project did not thus unnecessarily cast any "shadow" on future projects in the irrigation/drainage field. Tactfully put, this line of approach turned out to be rather effective. Mr. El Kholy gave a rather spirited explanation, which on further discussion was recognized by others at the various meetings as being lame-duck. Both Ministers Marei and Rakib promised immediate remedial action. I told them that our forthcoming supervision mission would review all implementation aspects in detail. They urged that the mission should approach them, since they were indeed concerned that a project like Nile Delta should be so slow in its implementation, and they wished to see improvements made to avoid any reflection on Egypt's keen desire to undertake and implement the Upper Egypt and future agricultural projects.

Following up on this, I suggested the advantages of the forthcoming supervision mission being able to visit the project, as well as some of the Upper Egypt Drainage Project areas. The Minister of Irrigation promised to arrange for necessary permits in advance of the mission's arrival. Towards this objective, and since it takes at least two weeks for permits to be secured, I tentatively gave the names of Messrs. Guinness, Lee and Davis as members of the supervision mission. They also requested passport numbers in order to complete the arrangements. I telephoned this request on September 15 to Mr. Benjenk, and probably you have already taken the necessary action. In case you have not, do let me have the passport numbers and other details immediately and I shall arrange to cable the Minister.

As regards the Upper Egypt proposal, the Deputy Prime Minister was concerned at the way in which Mr. Campbell's request was handled in Egypt, and that as a result, the completion of preparation work has been set back by at least six weeks. In my presence, he indicated to Mr. Kamal that such and future requests be brought immediately to his attention, and he would order permits to be issued within 48 hours. He also requested me to directly inform him in future, if a similar problem arose and stated that he wished I had done so instead of a dilatory exchange of cables from the Co-operative Programme.

He then himself presented the project proposal to me. It seems to be practically complete, and done rather well. According to him, the only work outstanding, is Mr. Campbell's visit to two of the eight districts included under the project, viz. Beni Suaf and Minhea areas, to confirm Government's choice of lands to be tiled or open-drained. Such decisions have already been taken and agreed upon for other districts. According to him, the Co-operative Programme has confirmed that after the above-mentioned site visit, the project proposal could be considered as being complete in all respects for appraisal. I stated that I was not in a position to comment on this. Since Deputy Prime Minister Marei anticipated that certain actions that Egypt had already initiated, would resolve the debt issue very shortly, he urged that IDA should take urgent steps to appraise the project for lending in our current fiscal year. He indicated that he was also about to send a cable to this effect to IDA, which I believe has been sent. I stated that on my return, we would see how we could be helpful. (I propose to cover other matters on this project, and the work already done in the Soil Amelioration proposal, in my back-to-office report).

I also discussed with the three Ministers involved, our concern relating to bilharzia and the Upper Egypt Drainage Project. I explained that this arose out of the Bank Group's increasing attention in projects to environment pollution. We would like to determine how far, if at all, bilharzia might spread because of the provision of open drains in new areas, whether such a possible spread could be prevented or arrested, if so through what measures -- which could conceivably be included within the scope of the project. They all agreed not only to the visit of Mr. Lee along with the forthcoming Nile Delta Supervision mission but also to the inclusion of an environmental specialist on the appraisal mission. They also welcomed support which the Bank Group could provide through the project, to arrest or control bilharzia in the project areas.

The Health Minister further explained that the National Bilharzia Committee, which he headed, had been wrestling with this age-old Egyptian problem, on a national level. He indicated that in case the mission arrived in Cairo before October 7 he will be very glad to meet and discuss the matter in detail with them. He is leaving for Mexico thereafter, but in case the mission comes later he is prepared to arrange for detailed discussions with his Undersecretary and other experts on the Committee. The Minister also clarified that there was no "West German" project for Bilharzia control. The project involved field investigations and trials by the West German firm of Bayers in the Fayung area, of a molecular chemical that it had formulated for bilharzia control. Before the trials commenced, it seemed that very large amounts of this expensive chemical (LE 2,200 per ton) would be needed to eliminate the bilharzia snail. The field investigations revealed that instead of mixing the chemical in the water, if it was possibly injected into the soft subsoil, where the bilharzia snails breed, the chemical was infinitely more effective. Further experiments involving less use of the chemicals indicated that by using one-fifth of the dosage originally recommended by Bayers, the reproduction of the snails could be practically arrested. It seems that by injecting the chemical into the soft subsoil the reproduction cycle can be stopped all together. Mixing of the chemical in the water seems to be somewhat less effective. The investigation is still proceeding. The Health Minister handed the attached interim report (in Arabic) on this investigation, and indicated that he would try to send English translations and would welcome detailed discussions by our experts with both the Egyptians and the Germans working on the Fayung trials. I also raised with him the possibility of the Bank mission having discussions with Bayers in West Germany. The Minister indicated that he had no objections but advised that the discussions might be more fruitful if the mission could stop in West Germany after it had full discussions with the people in the field in Egypt. I feel that the way has now been cleared for an in-depth, but tactful, examination of this aspect for the Upper Egypt Drainage Project.

In case you require any further information, or I can be of any further assistance on any of the matters covered in this memorandum, I shall be happy to meet and discuss with you this week.

cc: Messrs. Benjenk, DaCosta, Guinness, Baldwin (o/r)

ADavar/llj

Interim Report on Bayer Experiment

THE MINISTRY OF HEALTH

This translation was done outside the Bank. It has not been checked for accuracy as this Division does not cover the original language.
Language Services Division

Treatment of Endemic Diseases Department

*Handled to Davao in
Case by Ministry of
Health on Sept 15, 71.*

Memorandum

On the Complete Examination and Treatment of Bilharzia

In the Governorate of Al-Fayyoun

All units which perform services for the treatment of endemic diseases carry out laboratory tests on citizens with a view to discovering bilharzia cases. Persons found to be suffering from bilharzia are then treated by these units. The number of health units at present operating in the rural areas total 92 and those operating in the urban areas total 10 of which there are (5) school health units and the remaining (5) are endemic diseases units. Bilharzia patients are treated by the Amilhar (sic) drug until the age of twenty. Patients who are over the age of twenty years are treated by the tartar emetic drug.

Cases of Bilhariza in the Governorate of Al-Fayyoun at present.

First : The general percentage of Bilharzia cases.

The following tables (1), (2), (3) and (4) show the number of persons examined by all the health units which provide endemic

(2)

diseases treatment service in the Governorate of Al-Fayyoum, the number of positive cases of Bilharzia and the ^{monthly} percentage of Bilharzia cases for the year 1968, which is the year preceding the commencement of the project, and for the years 1969 and 1970 and until the end of July 1971. Table No (5) shows a monthly comparison of Bilharzia cases among the patients examined by all units in 1968, 1969, 1970 and unto the end of July 1971. It will be noticed from this table No (5) that the average rate of Bilharzia cases among patients examined in the Governorate of Al-Fayyoum has dropped from 45.7 % in the year 1968 to 37.2 % in 1970 and to 27.3 % during the period ending July 1971. We also notice the gradual drop in Bilharzia cases from the beginning of the second half of last year and until the end of July of this current year.

Table No (1)

The t o t a l number of persons examined, the number of positive cases of Bilharzia and the percentage of cases among them in the Governorate of Al-Fayyoum during

1 9 6 8

Month	Number Examined	number of positive cases of Bilharzia	Percentage
January	18,717	8,973	48.4
February	23,418	11,574	49.4
March	20,192	9,316	46.8
April	24,068	11,307	46.9
May	23,426	10,207	43.5
June	25,484	11,060	43.3
July	126,126	10,425	39.9
August	23,962	10,996	45.8
September	21,703	9,666	44.5
October	34,744	11,546	46.6
November	16,747	8,464	50.5
December	13,019	6,041	46.5
T o t a l	261,606	119,575	45.7

We note from this Table that 261,606 citizens were examined during 1968 and that 119,575 of them had Bilharzia or 45.7 %

Table No (2)

T o t a l number of Citizens Examined During 1969 and the
Number of Positive Cases of Bilharzia among them
as well as the percentage

Month	number examined	Number of Positive Cases of Bilharzia	percentage
January	19,001	9,102	47.9
February	20,020	9,266	46.2
March	23,138	11,844	51.1
April	29,728	11,814	39.7
May	26,642	11,354	42.6
June	32,675	14,464	44.3
July	26,883	11,200	41.7
August	22,740	10,939	48.1
September	19,819	8,015	40.4
October	28,722	12,164	42.3
November	32,018	15,053	47.0
December	24,841	9,349	36.4
T o t a l	306 ,227	134,564	43.4

We find from this table that 306,227 persons were examined in 1969 and that the number of Bilharzia cases among them totalled 134,564 i.e. the percentage of Bilharzia cases was 43.4 % in the year 1969.

Table No (3)

T o t a l number of Persons Examined for Bilharzia and number
of Positive Cases and Percentage Thereof for the year

1 9 7 0

Month	Number Examined	Number of Positive cases of Bilharzia	Percentage
January	27,237	13,372	49.1
February	17,643	7,676	43.9
March	32,049	13,291	41.1
April	27,017	10,625	39.6
May	24,942	9,604	38.9
June	32,696	7,626	33.6
July	19,126	7,725	40.3
August	20,078	6,735	33.5
September	19,999	6,412	32.5
October	23,777	7,570	31.4
November	20,100	6,363	31.6
December	32,521	8,980	27.5
<u>T o t a l</u>	<u>287,185</u>	<u>106,079</u>	<u>37.2</u>

We find from this table that 287,185 persons were examined and that 106,079 from among them were suffering from Bilharzia. The percentage of Bilharzia cases is, therefore, 37.2 for that year i.e. 1970.

Table No (4)

Number of Persons Examined for Bilharzia During the Period
1 January to 31 July, 1971, the Number of
Positive Cases among them and the
Percentage

Month	Number of Persons Examined	Number of Positive cases of Bilharzia	Percentage
January	36,128	11,131	30.8
February	16,008	4,295	26.8
March	35,854	11,939	33.6
April	28,001	7,539	26.9
May	39,521	1613	24.3
June	31,198	7,215	23.3
July	2,3291	5,708	24.4
T o t a l	210,009	57,440	27.3

From this table we find that 210,009 persons were examined during the period 1 January 1971 to 31 July, 1971 and that 57,440 from them were suffering from Bilharzia. Percentage of Bilharzia cases is, therefore about an average of 27.3 %

(7)

Table No (5)

A Comparison table between the percentage of Bilharzia cases
among patients examined by units of the Governorate
Al-Fayyoum every month during the years 1968,
1969 and 1970 and until the end of the
month of July, 1971

Month	1968	1969	1970	1971
January	38.4	47.9	49.1	30.8
February	49.4	46.2	47.5	26.8
March	46.8	51.1	41.6	33.6
April	46.9	39.7	31.6	26.9
May	43.5	42.9	38.9	24.3
June	43.2	44.2	23.6	22.3
July	39.9.	41.2	40.3	24.4
August	45.8	48.1	33.5	
September	44.5	40.4	36.0	
October	46.6	42.3	31.4	
November	50.5	47.0	31.6	
December	46.5	36.4	27.5	
T o t a l	45.7	43.8	37.2	27.3

Second: Rate of Bilharzia in Children between the ages of 0 to 5 years:

Due to the emphasis made during the previous meeting of the permanent committee of the project on the importance of finding out the rate of Bilharzia among children in the age group 0 - 5 years and in accordance with the information furnished by the Project Administration, 3,437 child between the ages of 3 months and 2 years were examined and ^{positive} no/cases of Bilharzia were detected among them. Another group of 3,182 children between the ages of 2 to 5 years was examined and 141 of them were found to be suffering from urinal Bilharzia. The percentage of Bilharzia among this group totals, therefore, 4.4 % . All children with positive Bilharzia were treated with Ampilhar(sic) drug. This examination will be taken as the basis for the rexamination of affected children next year so as to find out the percentage of Bilharzia cases among them.

Treatment Statistics:

The following two tables 6 and 7 show a summary of the treatment work carried out on Bilharzia cases in Al-Fayyoum Governorate from the beginning of 1971 until the end of July 1971:

Table No (6)

Treatment by Tartar Emetic for the Period January 1st to
July 31st, 1971 in the Governorate of Al-Fayyoun

	New	Recurrent (patients frequenting)
Al-Fayyoun	2,130	11,399
Sanoras	3,550	22,966
Inway	3,067	16,003
Atta	2,466	15,566
Tamiyah	(indistinct figure)	13,865
T o t a l	14,132	79,800

We find from the above table No 6 that the new cases treated by tartar emetic totalled 14,132. Patients making frequent visits for treatment totalled 79,800.

Table No (7)

Treatment by Amilhar during the period January 1st, 1971 to
July 31st, 1971 in the Governorate of Al-Fayyoun

	Number of patients who began taking treatment	Number of patients who completed treatment
Al-Fayyoun	6,528	6,233
Sanoras	3,818	2,914
Inway	5,634	4,134
Atta	6,514	5,486
Tamiyah	2,615	2,218
T o t a l	25,489	20,995

We find from the previous Table No 7 that the number of those patients who began taking treatment by Amilhar(sic) totals 25,489 and those who have already completed treatment, by Amilhar, during the same period total 20,995 patients.

12,504 patients were also reexamined during the said period three months after they completed their treatment by Amilhar. Total number of those who are still positive cases of Bilharzia is 1,670 patients whereas total of those negative is 10,834. Percentage of cure is 86.6

September 6, 1971

Director of the Department of
Endemic Diseases Treatment

Dr Salah al-Din 'Abd al-Majid



Record Removal Notice

File Title Upper Egypt Drainage Project - Egypt, Arab Republic of - Credit 0393 - P004985 - 1969 / 1971 Negotiations - Volume 1		Barcode No. 1366632		
Document Date 16 September, 1971	Document Type Telex			
Correspondents / Participants To: His Excellency Sayed Marei From: D. W. M. Haynes				
Subject / Title UAR-181 and Upper Egypt				
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 December 07, 2010</td></tr></table>	Withdrawn by Steve Barrett	Date December 07, 2010
Withdrawn by Steve Barrett	Date December 07, 2010			

*VAR - Upper Egypt, Iraq
a VAR - Cr 181 Admin*

OUTGOING WIRE

TO: BOOK OF TWO CABLES

DATE: SEPTEMBER 14, 1971

HIS EXCELLENCY
SAYED MAREI
DEPUTY PRIME MINISTER FOR
AGRICULTURE AND IRRIGATION
MINISTRY OF AGRICULTURE
CAIRO

COUNTRY:
TEXT:
Cable No.:

ARAB REPUBLIC OF EGYPT

CLASS OF SERVICE: LT

HIS EXCELLENCY
MOHAMED ABDULLAH MERZBAN
MINISTER OF ECONOMY & FOREIGN TRADE
ECOTRADE
CAIRO

ARAB REPUBLIC OF EGYPT

JH

THANKSURCAB SEPTEMBER THIRTEEN stop RE UPPER EGYPT DRAINAGE PROJECT PLEASSED TO INFORM YOU CAMPBELL PROPOSES VISIT CAIRO SEPTEMBER THIRTY AND LOOKS FORWARD FIELD VISIT TO PROJECT AREAS stop WISH TO ASSURE YOU THAT WE ATTACH GREAT IMPORTANCE THIS PROJECT AND HOPE APPRAISE IT AS SOON AFTER COMPLETION PREPARATION REPORT AS STAFF AVAILABILITIES PERMIT FOR WHICH HIGHEST PRIORITY CAN BE SECURED IF HOPE EXPRESSED YOUR CABLE FOR RESOLUTION OTHER QUESTION IS REALIZED stop RE NILE DELTA DRAINAGE PROJECT SUPERVISION MISSION COMPOSED OF GUINNESS AND SICELY PROPOSE ARRIVE CAIRO OCTOBER EIGHT stop THEY WILL BE ACCOMPANIED BY JAMES LEE stop IF DATES ACCEPTABLE THEY WOULD APPRECIATE MEETING YOU OCTOBER NINE AND MEETING HIS EXCELLENCY ABDU MAHMOUD SALLAM SAME DAY stop IN VIEW HIS INTEREST AM SENDING COPY THIS CABLE TO HIS EXCELLENCY MOHAMED ABDULLAH MERZBAN stop REGARDS

BENJENK
INDEVAS

NOT TO BE TRANSMITTED

AUTHORIZED BY:

NAME: *JH* Munir P. Benjenk
Director
DEPT.: Europe, Middle East and North Africa

SIGNATURE: *[Signature]*
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

REFERENCE: *TDaCosta/DHartwich/sr*

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~~_____~~
G/w and cc: Sir Kenelm Guinness

For Use By Communications Section

ORIGINAL (File Copy) 62
(IMPORTANT: See Secretaries Guide for preparing form) SEP 14 1971

Checked for Dispatch: *[Signature]*

DISPATCHED

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SEP 14 8 55 PM 1971

SEP 14 8 55 PM 1971

COMMUNICATIONS SECTION

SEP 14 8 55 PM 1971

cc: Mr. Kenneth Galtman

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DATE: SEPTEMBER 14, 1971

OUTGOING MIBS

INTERNATIONAL ASSOCIATION	RECOMMENDATION AND DEVELOPMENT	INTERNATIONAL FINANCE
INTERNATIONAL DEVELOPMENT	INTERNATIONAL BANK FOR	INTERNATIONAL FINANCE

Handwritten notes and signatures at the bottom of the page.

VAR - Upper Egypt Drainage

INTERNATIONAL DEVELOPMENT
ASSOCIATION

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL FINANCE
CORPORATION

INCOMING CABLE

DATE AND TIME OF CABLE: **SEPTEMBER 13, 1971 1658**

LOG NO.: **ITT 28/13**

TO: **BENJENK INTBAFRAD**

FROM: **CAIRO**

ROUTING

ACTION COPY: **MESSRS. BENJENK/HARTWICH**

INFORMATION COPY: **MR. .DAVAR**

DECODED BY:

TEXT:

HAVE ALREADY ARRANGED FOR FIELD VISITS FOR M. CAMPBELL TO PROJECT AREAS PROPOSAL FOR UPPER EGYPT DRAINAGE PROJECT. HAVE INFORMED FAO THIS DEVELOPMENT BY CABLE DATED 24-8-1971. REQUEST MCNAMARA AND YOUR ASSISTANCE IN ARRANGING EARLIEST POSSIBLE VISIT BY M. CAMPBELL TO COMPLETE PROJECT PREPARATION WORK AND FOR MOUNTING APPRAISAL MISSION SOONEST THEREAFTER. MOST ANXIOUS THAT THIS IMPORTANT PROJECT BE CONSIDERED BY IDA FOR FINANCING IN CURRENT FISCAL YEAR PARTICULARLY AS WE ANTICIPATE RESOLUTION VERY SHORTLY OF EXTRAVENOUS PROBLEMS WHICH HAVE SO FAR DISCUSSED /DEPUTY PRIME MINISTER FOR AGRICULTURE AND IRRIGATION.

SAYED MARIE

ee

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COMMUNICATIONS
25 13 3 16 1971

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SEP 14 3 15 PM 1971

COMMUNICATIONS
SECTION

EXACT DATE

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TEXT

FROM: [REDACTED]
TO: [REDACTED]
INFO: [REDACTED]
DATE: [REDACTED]

DECODED BY:	[REDACTED]
CLASS:	[REDACTED]
INFORMATION:	[REDACTED]
ACTION CODE:	[REDACTED]
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INFORMATION CYBER



*Egypt - Upper
Egypt Drainage*

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla, 00100-ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

Ref. BK 3/2.9 UAR

DDC REGISTRY
In Reply please mention our reference
and date of this letter

SEP. 3 1971

Letter No. 00279

Projects Dept. Correspondence
ANS'D BY *Am. inverted by cable*

DATE _____

Dear Marius,

U.A.R. Upper Egypt Drainage

Reference telephone conversation Guinness/Campbell on 31st August, we understand Sir Kenelm will be in Cairo for supervision of the Delta project for a few days either from 7th or 11th October, or thereabouts. Campbell will endeavour to meet him in Cairo en-route to or from a final field visit to Upper Egypt, for which clearance has now been obtained.

Would you please advise Sir Kenelm's itinerary when it has been confirmed, but preferably by Monday, 27th September. Campbell tentatively plans to go to Cairo on 3rd October and thence to Upper Egypt, returning to Cairo about 10th October, but could adjust to suit Sir Kenelm's programme. We would need to confirm Campbell's schedule with Sayed Kamal one week in advance.

Yours sincerely,

J.S. Spears

J.S. Spears
Chief
Operations, Planning and
Coordination Unit
Investment Centre

Mr. Marius Veraart
Agriculture Projects Department
International Bank for Reconstruction
and Development
1818 H. Street, N.W.
Washington, D.C. 20433
USA

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One Upper*

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FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Telephone: 2587

Telex: 81181 FOODAGR I

Cables: FOODAGRI ROME

Via delle Terme di Caracalla, 00100-ROME

00279

Letter No.....

Project No. 00279

AND BY

3 1971

DATE

BDC REGISTRY
In Reply please mention our reference
and date of this letter

Ref BK 3/29 UAR

Dear Marina,

U.A.R. Upper Egypt Drainage

Reference telephone conversation Guinness/Campbell on 31st August, we understand Sir Kenelm will be in Cairo for supervision of the Delta project for a few days either from 7th or 11th October, or thereafter. Campbell will endeavour to meet him in Cairo en-route to or from a final field visit to Upper Egypt, for which clearance has now been obtained.

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Yours sincerely,

Johnston

J.S. Spears
Chief
Operations, Planning and
Coordination Unit
Investment Centre

Mr. Johnston
Upper

SECTION

Oct 2 9 25 AM 1971

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1818 H. Street, N.W.
Washington, D.C. 20433

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*VAR - upper Egypt Irrig
420*

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INCOMING CABLE

DATE AND TIME
OF CABLE:

SEPTEMBER 3, 1971

LOG NO.:

ITT TELEX/3

TO:

INTBAFRAD

FROM:

ROME

*DP
Upper Egypt*

ROUTING	
ACTION COPY:	AGRICULTURE PROJECTS
INFORMATION COPY:	
DECODED BY:	

TEXT:

FOR GUINNESS *WLC*

REFERENCE OURLET SECOND KAMAL NOW ADVISES UPPER EGYPT MATERIAL
 READY AND REQUESTS EARLY VISIT. WE NOW PLAN CAMPBELL ARRIVE
 CAIRO SEPTEMBER 30TH THENCE UPPER EGYPT AND RETURN CAIRO 7TH 8TH
 FOR ABOUT THREE DAYS SUBJECT YOUR CAIRO SCHEDULE. PLEASE ADVISE
 YOUR PLANS BY 20TH

SPEARS ROME

MC

SECTION
COMMUNICATIONS

SEP 3 1 10 11 1971

INQUIRY CASE

DATE AND TIME OF CALL	TO	FROM	REMARKS
SEPTEMBER 2, 1971	INT. TEL. ROOM	AGRICULTURE PROJECTS	...

FOR QUINCY
 INTERVIEW SUBJECT SECOND NAME NOW ADDRESS UPPER EGYPT MATERIAL
 READY AND REQUESTS EARLY VISIT. WE NOW PLAN GUTSHELL ARRIVE
 2:30 SEPTEMBER BOTH THESE UPPER EGYPT AND RETURN CAIRO 7TH 8TH
 FOR ABOUT THREE DAYS SUBJECT YOUR CAIRO SCHEDULE. PLEASE ADVISE
 YOUR PLANS BY BOTH

END PAGE

COMMUNICATIONS SECTION
 SEP 3 1 44 PM 1971

SEP 22 10 47 AM 1971

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UAR - Upper Egypt Irrig

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PARA LA AGRICULTURA Y LA ALIMENTACION

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla, 00100-ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

Ref. EK 3/2.9 UAR

DDC REGISTRY
In Reply please mention our reference and date of this letter

Letter No. **00279**

Projects Dept. Correspondence

SEP. 3 1971

ANS'D BY _____

DATE _____

Dear Marius,

U.A.R. Upper Egypt Drainage

Reference telephone conversation Guinness/Campbell on 31st August, we understand Sir Kenelm will be in Cairo for supervision of the Delta project for a few days either from 7th or 11th October, or thereabouts. Campbell will endeavour to meet him in Cairo en-route to or from a final field visit to Upper Egypt, for which clearance has now been obtained.

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Yours sincerely,

J.S. Spears
Chief
Operations, Planning and
Coordination Unit
Investment Centre

Mr. Marius Veraart
Agriculture Projects Department
International Bank for Reconstruction
and Development
1818 H. Street, N.W.
Washington, D.C. 20433
USA

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One Upper

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COMM. 11.55
87-89

UAR- Upper Egypt Irrig

INCOMING CABLE

DATE AND TIME OF CABLE: **SEPTEMBER 3, 1971**
LOG NO.: **ITT TELEX/3**
TO: **INTBAFRAD**
FROM: **ROME**

ROUTING	
ACTION COPY:	AGRICULTURE PROJECTS
INFORMATION COPY:	
DECODED BY:	

TEXT:

FOR GUINNESS

**REFERENCE OURLET SECOND KAMAL NOW ADVISES UPPER EGYPT MATERIAL
READY AND REQUESTS EARLY VISIT. WE NOW PLAN CAMPBELL ARRIVE
CAIRO SEPTEMBER 30TH THENCE UPPER EGYPT AND RETURN CAIRO 7TH 8TH
FOR ABOUT THREE DAYS SUBJECT YOUR CAIRO SCHEDULE. PLEASE ADVISE
YOUR PLANS BY 20TH**

SPEARS ROME

MC

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SEP 3 1 44 PM 1971

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BY THE COMMUNICATIONS SECTION

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TO: [illegible]

INFO: [illegible]

CLASSIFICATION: [illegible]

RECEIVED BY:	[illegible]
DATE:	[illegible]
CLASSIFICATION:	[illegible]
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COMMUNICATIONS SECTION

UAR. Upper Egypt Irrig.

Mr. Lionel J.C. Evans

August 27, 1971

Munir P. Benjenk *ml*

UNITED ARAB REPUBLIC : Upper Egypt Drainage Project

You will recall that during the last Project Review Meeting with Mr. Aldewereld, we all agreed that the Upper Egypt Drainage Project could, in principle, be processed as an FY 1971 lending operation, since the project was ready for early appraisal. You indicated however that in view of staffing constraints in your Department, and earlier indications that this project should be deferred for country reasons, this project could only be processed if some other Bank project were deferred or delayed. You undertook to review the position and the existing alternatives. I shall be grateful, if you could let me know the outcome of this review.

A Davar/MPBenjenk/sr

Aug 31 5 43 PM 1971

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U.N.R. Upper Egypt Drainage Project

August 27, 1971

Mr. Lionel J.C. Evans

Monty P. Bantank

UNITED ARAB REPUBLIC : Upper Egypt Drainage Project

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AD/evans/MPBantank/ar

Aug 31 2 43 PM 1971

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DEC:bm typed: 18.8.71

cc: Mr. L.J.C. Evans,
IHRD, Washington
Mr. D. Haynes "

Op files

Hayser
Bhattacharjee
Spears
Eid
Campbell (chrono)
DEC Reg.3

RE 1/2.9 UAR

AUG. 19 1971

Dear Mr. Kamal,

not enclosed Upper Egypt Drainage Project

... Returned herewith is the original copy of draft material prepared by Dr. Hindi, for inclusion in the project report. We have taken photostatic copies. Would you please return Dr. Hindi's original to him. Thank you also for the transmittal of water table and salinity data on the pilot areas.

As indicated in my cable of 17 August, Mr. Campbell's intended visit to Cairo and the project area this week has been cancelled due to absence of a reply to our earlier cable concerning clearance for travel to the project area. We are aware that obtaining such a clearance at this time may present some difficulty, but stress that further inspection of the project, including the Beni Suef area which we have not yet visited, is essential to completion of project preparation. The Bank has suggested an approach to Sayed Marei for assistance in obtaining clearance, but we presume that you are already in contact with him. Re-scheduling of the visit will necessarily be subject to prior commitments here.

In the meantime please forward the further draft material which was being prepared in anticipation of the August 18th visit.

Yours sincerely,

J.P. Hayser
Director

FAO/IHRD Cooperative Programme

Eng. Ahmed Ali Kamal
Deputy-Minister
Ministry of Irrigation
Cairo
UAR

1971 AUG 20 10 21 AM

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cc Davaa 30/viii



OUTGOING TELEGRAM

19

ADDRESSEE (Note: X-out errors. Do not erase)

AHMED ALI KAMAL
MINISTRY OF IRRIGATION
CAIRO
UAR

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<input type="checkbox"/> Telex	<input type="checkbox"/> ETAT (full rate)	<input type="checkbox"/> PRESS

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	143	6/8	1800

MESSAGE

PLEASE ADVISE WHETHER CLEARANCE AVAILABLE CAMPBELL VISIT PROJECT AREA COMMENCING
EIGHTEENTH AUGUST WITH ARRIVAL CAIRO EVENING SEVENTEENTH

HUYSER

DIRECTOR/FAO IBERD COOPERATIVE PROGRAMME

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2 -
1 -

PROGRAMME FAO/IBRD Cooperative Programme DEC:bm

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D.E. Campbell	<i>[Signature]</i>	6.8.71	15.00
Cleared			
A.N. Eid	<i>[Signature]</i>	6.8.71	

DG cc: Huyser
 DDG Mustasharjee
 Spears
 Eid
 Chatterjee
 Grande
 Campbell (chronos)
 DDC 4

Authorized (Name, Title, and Signature)
J.P. Huyser, Director
 FAO/IBRD-Cooperative Programme

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HK 3/2.9 UAR

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AHMED ALI KAMAL
MINISTRY OF IRRIGATION
CAIRO
MESSAGE
UAR

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	135	12/8	17 ⁰⁰

REFERENCE MY MESSAGE AUGUST SIXTH UNLESS REPLY ALREADY SENT PLEASE CABLE WHETHER
CLEARANCE OBTAINED CAMPBELL VISIT UPPER EGYPT DRAINAGE PROJECT AREA EIGHTEENTH

BHATTACHARJEE
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Cleared					
D.E. Campbell		12.8.71	15.35		
A.M. Eid		12.8.71			
Authorized (Name, Title and Signature)					
I.P. Bhattacharjee, Deputy Director FAO/IBRD Cooperative Programme					

cc: Huyser
Bhattacharjee
Spears
Eid
Campbell (chrono)
DDG Reg.4

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Transmission Method	No.	Date	Hour
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REFERENCE OUR CABLES AUGUST SIXTH AND TWELFTH AS REPLY REGARDING CLEARANCE FOR INSPECTION UPPER EGYPT DRAINAGE PROJECT NOT YET RECEIVED ARRANGEMENTS CAMPBELL TRAVEL TO CAIRO THIS AFTERNOON CANCELLED STOP PLEASE ADVISE PROSPECT FOR RESCHEDULING LATER DATE

BHATTACHARJEE

DEPUTY DIRECTOR/FAO IBRD COOPERATIVE PROGRAMME

4 -
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2 -
1 -

PROGRAMME FAO/IBRD Cooperative Programme DEC:bm

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Name	Initials	Date	Hour (0000-2400)
Drafted D.E. Campbell	<i>[Signature]</i>	17.8.71	12.00
Cleared J.P. Bhattacharjee		17.8.71	
Authorized (Name, Title and Signature) J.P. Bhattacharjee, Deputy Director FAO/IBRD Cooperative Programme			

DG
DDG
cc: Huyser
Bhattacharjee
Spears
Chatterjee
Grande
Eid
Campbell(chrono)
DDC Reg.4

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ASSOCIATION

INTERNATIONAL BANK FOR
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INTERNATIONAL FINANCE
CORPORATION

INCOMING CABLE

DATE AND TIME

OF CABLE: **AUGUST 12, 1971**

LOG NO.: **ITT TELEX/12**

TO: **INTBAFRAD**

FROM: **ROME**

TEXT:

78 FOR MCIVOR AND GUINNESS

**PLEASE ADVISE BY CABLE SIXTEENTH WHETHER ANY CHANGE SCHEDULING UPPER EGYPT FROM
POSITION AS ADVISED BY GUINNESS PER PHONE DISCUSSION CAMPBELL AUGUST SIXTH.**

BHATTACHARJEE

ROUTING
ACTION COPY: AGRICULTURE PROJECTS
INFORMATION COPY:
DECODED BY:

bm

VAR 12 11 03 1971
COMMUNICATIONS SECTION
RECEIVED

THE INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE

RECEIVED
CENTRAL FILES
AUG 16 11 07 AM 1971
AUG 12 AM 11:42

PH

INVESTIGATION

POSITION VS. VOTERS BY COUNTRIES FOR BUREAU DISCUSSION COMBINED UNDER SIXTY
BUREAU VOTERS BY COUNTRY SIXTYEIGHT NINETEEN AND CHANGE SCHEDULING UNDER EIGHTY FROM
TO FOR NINETEEN AND COUNTRIES

BY

FROM: BUREAU
TO: DIRECTOR
SUBJECT: ALL LETTERS
DATE: AUGUST 15, 1971

PREPARED BY DATE INFORMATION ACTION COPY VERIFICATION REVISIONS
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INVESTIGATION

INVESTIGATION AND RESEARCH DIVISION INVESTIGATION AND RESEARCH DIVISION INVESTIGATION AND RESEARCH DIVISION

UNITED NATIONS
ECONOMIC COMMISSION FOR AFRICA



*cc sent
Kenelm Guinness*

NATIONS UNIES
COMMISSION ECONOMIQUE POUR L'AFRIQUE

AFRICA HALL
ADDIS ABABA

Cable: ECA, Addis Ababa
P. O. Box 3001
Telephone 47000 - 47200

Date 2 August 1971

Reference

Dear Jim,

Here is a personal note to tell you that I learned from WHO in Geneva that they are ^{in wanting} wanting a mission to the UAR to survey the situation of bilharzia. This mission is due to leave in a few weeks time. I thought this would interest you in connexion with the irrigation project in the UAR you mentioned to me.

with best regards.

Yours sincerely,

Gerard Dekker

G. Dekker
Regional Adviser

Water Resources Development

Mr. James Lee,
IBRD
1818 H. Street N.W.
Washington D.C. 20433
USA

Please keep this list confidential. The names are ranked in what I judge to be their professional ranking

Extensive field experience in control of schistosomiasis

Dr. Nelson Hairston (worked in Philippines and Egypt)
Museum of Zoology
University of Michigan
Ann Arbor

Ernest Paulini (directs control project in Belo)
Department of Industrial Chemistry
Universidade Federal de Minas Gerais
Belo Horizonte, Minas Gerais
Brazil

Ernesto Ruiz Tiben (has been adviser to PR control program)
School of Public Health
University of Texas
Houston, Texas (as of Sept)

Hugo Ferrer Faria (Chief of National Program against schisto)
Departamento de Malariologia
Maracay, E Venezuela

Extensive field experience in epidemiology

Henry Negron (8 years as epidemiologist in PR - first skin test of
Rumford River Laboratories all of Puerto Rico)

Louis Olivier (He's been everywhere !)
PAHO

Aluizio Prata (runs experimental project in Bahia)
Hospital das Clinicas
Salvador, Bahia
Brazil

Peter Jordan (formerly chief in Tanzania, now head of St. Lucia group)
Rockefeller Foundation
Castries, St. Lucia

Frederico Simões Barbosa (ran two programs in Recife)
Parasitic Diseases, WHO
Geneva

How's that for a start ?

820-611
Pete Coffeen

Dr. Victor Clarke

Blair Research

Keeleah

Caneway, Salisbury
Rhodesia

Dr. Fergus M. Culbouch
WHO Schist. Control Proj.
Mwanza, Tanzania

Dr. Gerald, Welby
London Secy of Hyg & Trop. Med.
London



DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
PUBLIC HEALTH SERVICE
HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION

August 3, 1971

CENTER FOR DISEASE CONTROL
ATLANTA, GEORGIA 30333

TELEPHONE: (404) 633-3311

Dr. James A. Lee
International Bank for Reconstruction
and Development
1818 H Street, N.W.
Washington, D. C. 20433

Dear Dr. Lee:

I have noted below the names of individuals who are highly qualified in the field of schistosomiasis control:

- 1) Dr. Louis Oliver, currently with the Pan American Health Organization
- 2) Dr. Peter Jordan, the St. Lucia Schistosomiasis Control Project
- 3) Dr. Gerald Webb, the London School of Hygiene and Tropical Medicine
- 4) Dr. Elmer Berry, formerly with NIH and now in Michigan
- 5) Dr. Herbert Gillis, the Liverpool School of Tropical Medicine
- 6) Dr. Bill Jobin, currently at Harvard

I believe you will find Dr. Louis Oliver an extremely valuable source of information in this area.

Hope you will be able to attend the Inter-American Malaria Symposium in San Salvador this fall.

Sincerely yours,

Robert L. Kaiser, dg
Robert L. Kaiser, M.D.
Medical Director
Director, Malaria Program

DEPARTMENT OF HEALTH, EDUCATION AND WELFARE
PUBLIC HEALTH SERVICE
NATIONAL CENTER FOR ZOOLOGICAL ZOOLOGY



August 2, 1971

U.S. DEPARTMENT OF HEALTH, EDUCATION AND WELFARE
PUBLIC HEALTH SERVICE
NATIONAL CENTER FOR ZOOLOGICAL ZOOLOGY
WASHINGTON, D.C. 20012

Dr. James A. Lee
International Board for Zoonosis
and Food Safety
1211 H Street, N.W.
Washington, D.C. 20004

Dear Dr. Lee:

I have noted with interest the names of individuals who are listed in the field of zoonotic diseases:

- 1) Dr. Louis Oliver, currently with the Pan American Health Organization
- 2) Dr. Peter Jordan, the St. Louis Zoonotic Center Project
- 3) Dr. Gerald Bell, the London School of Hygiene and Tropical Medicine
- 4) Dr. Elmer Hardy, formerly with NIH and now in Mexico
- 5) Dr. Richard Wilford, the Liverpool School of Tropical Medicine
- 6) Dr. Bill Lee, currently at Harvard

I believe you will find Dr. Lee's list an extremely valuable source of information in this area.

Should you wish to be included in the list, please contact me in San Salvador at the above address.

Sincerely yours,

Walter A. Rorick
Director, National Center for Zoonotic Diseases

SECTION
COMMUNICATIONS

1971 AUG-5 AM10:00

RECEIVED

ROUTING SLIP

Date

NAME

ROOM NO.

Mr. J. Lee

C-306

To Handle

Note and File

Appropriate Disposition

Note and Return

Approval

Prepare Reply

Comment

Per Our Conversation

Full Report

Recommendation

Information

Signature

Initial

Send On

REMARKS

Perhaps we could discuss
the next move.

From

K Guinness

OFFICE MEMORANDUM

115-12

TO: Sir Kenelm Guinness

E-4-19

DATE: August 3, 1971

FROM: Fritz Stedtfeld

Cr. 393 Eg

SUBJECT: German Bilharzia Project in Upper Egypt

Enclosed please find the short preliminary information on the above project as promised by Mr. Artopoulos' memorandum of July 22, 1971. The Federal Ministry for Economic Cooperation plans to invite Dr. Technau, the competent German Project Manager, who is actually on leave in Germany, to participate in the discussions with you. They are therefore very much interested in learning as soon as possible the exact date of your proposed visit to Bonn.

Attachment

Attachment in German
Sent for translation
llh
4/viii

IBRD LANGUAGE SERVICES DIVISION	
CONTROL No. E-204/72	DATE: August 5, 1971
ORIGINAL LANGUAGE:	German (West Germany)
DEPT. Agric. Projects	TRANSLATOR: McM:gm

CAMPAIGN AGAINST BILHARZIASIS IN THE FAYUM OASIS /UAR

SUMMARY

On May 27, 1964 the German Federal Government agreed to participate in the three-year large-scale test campaign (six treatments) against bilharziasis.

One biologist, one technician and one mechanic are involved in the project.

A total of DM 8,590,000 has been authorized to date. A further DM 2,300,000 is expected to be authorized shortly for the sixth (and final) treatment.

The measures envisaged include use of the German preparation "Bayluscid" to attack the pathogen's intermediate hosts (Bulinus snails) living in open stretches of water, since all the watercourses in the closed oasis area can be controlled.

The public-health and economic importance of these trials in the densely populated and fertile oasis area can hardly be overemphasized. "Bayluscid" has been subjected to several field trials and its effectiveness established. It has been demonstrated to be non-toxic to humans.

The campaign against bilharziasis is accompanied by advisory and educational efforts among the population, constant health examinations and therapeutic treatment.

The project is still in course of execution.

The first trial started in the spring of 1969. All the further treatments were carried out as planned in the spring and fall of subsequent years, and the last treatment is scheduled for the fall of 1971.

The project leader, Dr. Technau --who has been granted leave of absence by Bayer-- is extremely satisfied with the progress of the trials to date.

The work is carried out using knapsack sprayers and high-pressure sprayers mounted on "Unimogs".*

In the main canals "Baylucid" was found to be lethal to *Bulinus* snails up to a distance of 90 km from the point of application after the fourth trial, and 114 km after the fifth trial.

The report shows that at the end of 1969 the percentage of bilharziasis cases was 43.1, while at the end of 1970 this had fallen to 34.3%. The population, mainly the school children, are examined in 30 health units. It is hoped to cut the percentage of bilharziasis further when the Egyptian Government is able to step up care for the population with mobile health units that will be able to carry out examinations even in the remotest areas and distribute medicines.

The following is an extract from the project leader's most recent report (May 20, 1971):

"Our success will ultimately be measured in terms of medical impact.

While hitherto every person cleared of the disease was liable to be

*T.N.: Farm and heavy-duty vehicles manufactured by the company of that name.

reinfected within a few days, we have now removed this risk of infection by our biological campaign against the intermediate host. The fact that at the moment 1 million inhabitants of the Fayum oasis cannot be infected will not last unless suitable measures are taken. The measures required are both biological (twice-yearly treatment of the access channel and elimination of the focus in Fayum with "Bayluscid") and medical (treatment of all those who are still diseased using such preparations as "Ambilhar" and "Fouadin"). These steps should be taken following the forthcoming last (sixth) large-scale application in order to finally free the million inhabitants of Fayum from this scourge."

Egypt - Upper Egypt Drainage

ORGANISATION DES NATIONS UNIES POUR
L'ALIMENTATION ET L'AGRICULTURE



ORGANIZACION DE LAS NACIONES UNIDAS
PARA LA AGRICULTURA Y LA ALIMENTACION

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla, 00100-ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

Ref. BK 3/2.9 UAR Upper Egypt

Projects Dept. Correspondence Letter No. 00217

ANS'D BY NO ANSWER REQUIRED

DATE _____ *A*

DDC REGISTRY
In Reply please mention our reference
and date of this letter

JUL 30 1971

Dear Marius,

U.A.R. - Upper Egypt Drainage Project preparation mission

... Please find enclosed eight copies of back-to-office report
on the above mentioned mission composed of Miss Eid, I. Abu Sharr
and D. Campbell.

With best regards,

Yours sincerely,

John Spears
Chief Operations Planning
and Coordination Unit

Mr. Marius Veraart
Projects Department
I.B.R.D.
1818 H Street NW
Washington D.C. 20433
U.S.A.

*CC Hayes
Area*



FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

Telephone 574 (Geneva) - Telegrams: FAO - Cable: FODAGR (Geneva) - Post: FODAGR (Rome) - Via delle Terme di Diocleziano, 100 - Rome

00217

Project No. Letter No.

BK 3/2.9 UAR Upper Egypt

AWARD BY *Dr. ...*

DATE

INDEXED
In Reply, Please Refer to File Number and Date of Issuance

JUL 30 1971

Dear Marina,

U.A.R. - Upper Egypt Drainage Project preparation mission

Please find enclosed eight copies of back-to-office report on the above mentioned mission composed of Miss Abd. I. Abd. Sharr and D. Campbell.

With best regards,

Yours sincerely,

John Spears

John Spears
Chief Operations Planning
and Coordination Unit

SECTION

COMMUNICATIONS

OCT 27 11 39 AM 1971

1971 AUG -4 AM 9:12

RECEIVED

RECEIVED

Mr. Marina Veraz
Projects Department
I.B.R.D.
1818 H Street NW
Washington D.C. 20433
U.S.A.

(n)

10/27/71

29 July 1971

To: Mr. J.P. Huyser, Director
FAO/IBRD Cooperative Programme

From: I. Abu Sharr
D.E. Campbell
A. Eid

Subject: U.A.R. - Upper Egypt Drainage Project Preparation Mission
Back-to-Office Report

Mission dates and discussions

1. Two members of the mission, I. Abu Sharr and A. Eid, were in Cairo from 19 July to 27 and 26 July respectively. D.E. Campbell joined them from 24 to 26 July. The mission held meetings with the Project Preparation Group and discussions took place with the Executive Authority for Expansion on High Dam Waters, which is attached to the Ministry of Irrigation, and with the Soils Department and the Economics and Statistics Departments of the Ministry of Agriculture.

Status of project preparation

2. As reported on earlier occasions, the actual responsibility for report writing lies with the Preparation Group under the leadership of the Deputy-Minister of Irrigation, Head of the Executive Authority. The mission found that considerable background material had been collected but the actual report writing appeared to be behind schedule. In order to meet the target date of end August for the presentation of the report to IBRD, it was agreed that some of the background data could be reproduced at a later stage and be made available to the Appraisal Mission when it is in the field, provided that such data are not indispensable for the analysis and justification of the project.

3. Also as agreed earlier the report to be submitted by the Government will not include the economic evaluation of the project which the Programme will prepare and submit directly to the Bank and to the Government. The CP economic evaluation will be forwarded to the Bank in the second half of August.

Main issues

4. Project area - The net area of the project, as finally agreed to by the Government, is 526,000 feddans, in a gross area extending over six provinces of Upper Egypt. This agreement follows considerable discussions with earlier CP missions on the inadequate justification of the necessity of tile drainage of the whole of the originally proposed net area of

AME/mm

cc.: All Team members

IBRD (8)

Dedi (2)

DDCB Reg. (3)

BK 3/2.9 UAR Upper Egypt

600,000 feddans in five provinces. It was reaffirmed with the Government that the final location and extent of tile drainage in each sub-area of the gross project will be re-checked through more detailed field investigation prior to actual construction of drains in that sub-area. The 526,000 feddans is regarded as a nominal figure, representing the best estimate which can be made from the field information at present available, or reasonably to be expected to be available at this stage. Soil survey data on the presently proposed project area indicates a sizeable proportion of presently class 2 land which may not be immediately threatened with deterioration and for which tile drainage may not be justified at this time, but these areas cannot be finally determined until the above detailed pre-construction investigations are carried out.

5. Methods of construction - The present Government position is that construction of main drains and collectors will be partly by manual labour and partly by mechanical equipment. Construction of laterals will be fully mechanized. Maintenance of main drains will be by manual labour above water table and machinery below it. The extent of mechanization is still under discussion and the project is approximately estimated at L.E. 6.5 million (US\$ 15 million) on a total cost of approximately L.E. 39.5 million (US\$ 91 million) including maintenance and workshop equipment.

6. Envelope around field tiles - Present project estimates include an allowance, considered by the mission to be inadequate, for placing a sand envelope around the joints of the field tiles to reduce or prevent entry of silt. Opinions in the Ministry of Irrigation, including those of the new Minister, an engineer, appear to be divided on the subject of the need for such an envelope. The mission reviewed mechanical analyses of typical soils within the project area and re-emphasized to project staff that the high proportion of silt and fine sand makes full consideration of the need for an envelope in each sub-area essential.

7. Open drainage - A government decision on implementing 100,000 feddans of open field drains in Upper Egypt was announced while the mission was in Cairo, but the mission could obtain no indication as to the location of the area in question. It is understood that such open field drainage may be ultimately converted to covered tile. This needs further clarification in appraisal.

Project organization

8. The Government's position on the organization of the project has not been finalized. The report will give full details on the Executive Authority for Expansion on High Dam Waters which has carried out the conversion from basin to perennial irrigation following the High Aswan Dam construction, and which appears to have the organizational and executive capacity to implement large construction projects. However, there is a possibility that the Government may want all tile drainage activities in U.A.R. to be dependent upon one body. The Cooperative Programme feels that this issue is for decision at the appraisal stage, by which time government policy may be better defined.

Follow-up action

9. CP will be working on the preliminary economic evaluation which will be submitted to the Bank in the second half of August (see 3 above). A technical analysis of drainage conditions on the project area will also be prepared.
10. From 10 to 24 August, D.E. Campbell will visit that part of the project area which was included in the later stage of preparation, and for which a field visit has had to be postponed for lack of clearance.
11. The Government will submit the report, in unbound form, at the end of August with the understanding that background technical material not indispensable for the analysis of the project could be processed later and be made available at the time of appraisal.

UAR
Upper Egypt

29 July 1971

To: Mr. J.F. Huyser, Director
FAC/IBRD Cooperative Programme

From: I. Abu Sharr
D.E. Campbell
A. Eid

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cc.: All Team members

IBRD (8)

Dodi (2)

DCCB Reg. (3)

BK 3/2.9 UAR Upper Egypt

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Aug 5 3 19 PM 1971

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FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla, 00100-ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

Ref. BK 3/2.9 UAR

Egypt - Upper Egypt Drainage
ops files
JUL 12 1971

Dear Mr. Kamal,

The state of preparation of the Upper Egypt Tile Drainage project was briefly reviewed with your Preparation Committee at a meeting on 23 June attended by Mr. D.E. Campbell of this office.

You will recall the agreement reached at this meeting to aim for completion of all technical material for the final report by the end of this month (July). For the sake of convenience, the report should be in unbound form at this time. It was also decided that, in view of the need to have the report before the World Bank as soon as possible, it would be desirable to reserve the actual economic analysis for a separate volume of the report. As the economic analysis in this case is complicated by a number of judgment factors, and by the need to consider the sensitivity of the analysis to such factors, it would be simplest if the FAO/IBRD Cooperative Programme carried out the analysis in the first instance and your services would complete the economic volume of your report at a later stage. Hence, the unbound report aimed at by the end of this month need not contain the actual economic analysis, but it should be complete in all other respects and contain all the technical and agronomic data which will be used in analysis.

We now propose that two members of the Cooperative Programme staff - Miss A.M. Eid (economist) and Mr. I. Abu Sharr (agronomist) be in Cairo from 19 July for about one week to assist the Preparation Committee in the final collation of the technical data. Mr. Campbell will join them on 23 July for two or three days. Based on your technical report, we will prepare here a draft economic analysis for discussion with the Bank along with your report. Hoping that this would be done by the end of next month, the procedure will give the Bank staff time for initial reviews in Washington before appraisal.

As a visit by Cooperative Programme technical staff to all the areas included in the project is a prerequisite to completion of preparation, it is most desirable to carry out Mr. Campbell's deferred field visit at a convenient time in August. We would suggest this to begin on 18 August. This would also be an opportune time to discuss with you the results of the economic analysis carried out here.

Eng. Ahmed Ali Kamal
Deputy Minister of Irrigation
Ministry of Irrigation
Cairo, U.A.R.

2/.....

Haynes
Area

COMMUNICATIONS SECTION

1971 JUL 19 PM

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OCT 5 11 47 AM 1971



FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

W. Takahashi o/r

Egypt - Upper Egypt Drainage

Via delle Terme di Caracalla, 00100-ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

DDC REGISTRY
In Reply please mention our reference and date of this letter

Ref.

BK 2/1
BK-3/2.9UAR

No 00192

Projects Dept. Correspondence

JUL - 9 1971

Dear Jim,
ANS'D BY *Mr. Zoon*
DATE *Aug. 3, 1971*

I am writing to ask for clarification about a point which has arisen in the economic analysis of projects. It concerns the treatment of farm family labour.

The immediate occasion for our raising this issue is the proposed drainage project in Upper Egypt. In using as a guide the report of the appraisal mission on the Nile Delta Drainage Project (No. PA-12a dated 14 October 1969), we have noticed in the table on page 24 that family labour is counted as a production cost on the same footing as hired labour costs. As this is contrary to what we believed to be Bank practice in the past, we would be grateful for some clarification.

In fact the references to labour in the Bank documents that we have are not very helpful on the question of farm family labour; e.g. in the report EC-128 of 7 May 1964 "The Evaluation of Agricultural Projects", paras 34-38 talk as if farm family labour should be valued at zero when estimating current costs. Again the third draft of Price Gittinger's paper "Economic Analysis of Agricultural Projects" (May 1971), has a relatively extended treatment of labour, but although this suggests various alternative treatments for both capital and current cost estimates, the final result is not very conclusive. The operational memorandum No. 503 dated 31 May 1970 para 25(b), gives clear directives concerning shadow prices for labour, but the implication is that these apply to wage labour and there is no guidance or discussion concerning the treatment of farm family labour, i.e. labour that is not paid a wage.

.. / ..

Mr J. Hendry
Agriculture Projects Department
IBRD 1818 H. Street N.W.
Washington DC 20433
USA

SECTION
COMMUNICATIONS
13 JUL 1971 11 20

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DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS
OFFICE OF THE DIRECTOR GENERAL

Doc. No. 1000
1971

BK 2/1
1971

00113

Project Dept. Correspondence

Dear Sir,

I am writing to ask for clarification about a point which has arisen in the economic analysis of projects. It concerns the treatment of farm family labour.

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In fact the reference to labour in the bank documents that we have are not very helpful on the question of farm family labour; e.g. in the report 20-128 of 7 May 1964 "The Evaluation of Agricultural Projects", para 34-35 talk as if farm family labour should be valued at zero when estimating current costs. Again the third draft of Price Gittinger's paper "Economic Analysis of Agricultural Projects" (May 1971), has a relatively extended treatment of labour, but although this suggests various alternative treatments for both capital and current cost estimates, the final result is not very conclusive. The operational memorandum No. 503 dated 31 May 1970 para 25(b), gives clear directives concerning shadow prices for labour, but the implication is that these apply to wage labour and there is no guidance or discussion concerning the treatment of farm family labour, i.e. labour that is not paid a wage.

.. \ ..

SECTION
COMMUNICATIONS

1971 JUL 14 AM 9:54
11 28 AM 1971

RECEIVED

Mr. J. Henderson
Agriculture Projects Department
1800 16th N.W.
Washington, D.C. 20036
USA

GEN. - 1123
BE - FEB

ORGANISATION DES NATIONS UNIES POUR
L'ALIMENTATION ET L'AGRICULTURE



egypt-Upper Egypt Drainage
ops files
ORGANIZACION DE LAS NACIONES UNIDAS
PARA LA AGRICULTURA Y LA ALIMENTACION

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla, 00100-ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

Ref. BK 3/2.9 UAR

Projects Dept. Correspondence Number **00148**
ANS'D BY *Do Anderson Rep*
DATE **JUN. - 9 1971**

Dear Marius,

UAR: Preparation of Upper Egypt
Drainage Project - Back-to-
office Report.

attached
I am enclosing herewith eight copies of the back-
to-office report on the UAR, Preparation of Upper Egypt
Drainage Project.

With best regards.

Yours sincerely,

J. Spears
Chief

Operations, Planning and Coordination
Investment Centre

Mr M. Veraart
Agriculture Projects Department
IBRD
1818 H Street NW
Washington DC 20433
USA

HAYMES (x2)
DAYAR (x3)
ops files
FM file

BK 3/2.9 UAR

00148
Number.....

DATE JUN - 9 1971

Dear Marjua,

UAR: Preparation of Upper Egypt
Drainage Project - Back-to-
Office Report.

I am enclosing herewith eight copies of the back-to-office report on the UAR, Preparation of Upper Egypt Drainage Project.

With best regards.

Yours sincerely,

J. Spears

J. Spears
Chief
Operations, Planning and Coordination
Investment Centre

Mr. M. Verbart
Agriculture Projects Department
IBRD
Oct 9 11 47 AM 1971
1818 H Street NW
Washington DC 20433
RECEIVED
USA

JUN 19 1971

I have a feeling that this is a question which cannot be easily resolved for we are on a rather ill-defined area lying between financial and economic analysis. From a financial point of view it is clear that wage labour is a cost to the enterprise whereas unpaid family labour is not, and therefore the two must be treated differently. From an economic point of view however, we should be looking at the opportunity costs of using this labour, whether paid or unpaid, and therefore analytically both types should be treated the same way. Furthermore, what we are really interested in is the excess of labour income generated by this project over and above the opportunity cost of labour; in other words, what we want to know is, how much income labour of all kinds, whether paid or unpaid, gets in this project as compared with what it might have got elsewhere. Incidentally, it has always seemed to me something of a paradox to treat labour as a cost, when really the return to labour is part of the income generated by the project.

Yours sincerely,

Robbie Bishop

R. Bishop
FAO/IBRD Cooperative Programme

We have enjoyed working with your staff in preparation of this project, as I did earlier in our work on the Delta Drainage project, and look forward to early completion of the task and successful appraisal.

With best regards.

Yours sincerely,

J.P. Bhattacharjee
Deputy Director
FAO/IBRD Cooperative Programme

JUN - 8 1971

To: Mr J.P. Huyser
Director, FAO/IBRD Cooperative Programme

From: Messrs D.E. Campbell, I. Abu Sharr and A. Ferreira

Subject: UAR: Preparation of Upper Egypt Drainage Project
Back-to-office Report

1. The mission was a continuation of the assistance to Government in preparation of the above project, initiated in February of this year. Mr Campbell travelled to Cairo on 8th May and returned on 21st May, Messrs Abu Sharr and Ferreira travelled on 26th April and returned on 27th May. Field data for project preparation was collected during visits to most of the project areas between 2nd and 12th May. The rest of the time was spent in Cairo in discussion with members of the project preparation group of the Ministries of Irrigation and Agriculture, in the clarification of the technical bases of the project (see Annex) and in data collection.
2. By the time the mission arrived the data from available soil surveys for the areas to be included in the project had been collected; a semi-reconnaissance survey in the areas for which no soil surveys had been carried out in the past was almost completed. The crop data, also requested in February, (areas, yields, farm prices and production costs) had not been prepared, and the mission, with the help of the staff of the Ministry of Agriculture, put these together for the districts concerned.
3. The Ministry of Agriculture, Department of Agricultural Economics and Statistics, had anticipated that these data would show reductions in yields due to deterioration in drainage conditions over the last 4-7 years on a district basis. As anticipated by the CP February mission, however, the district level data did not show these trends. The areas where deterioration was advanced were often relatively small in relation to the total cultivated district areas, and the drop in yields in the deteriorated areas was more than offset by increases in yields elsewhere in the district as a result of continuing improved practices, use of better varieties, better seeds, etc.

IAS/hs

BK 3/2.9 UAR

cc: All Team Members
IBRD Washington (8)

4. The earlier belief of the Ministry of Agriculture that district yield data would establish the need for tile drainage in Upper Egypt generally, was reflected in the preliminary draft project report as prepared by the Ministry of Irrigation, for 600,000 feddans of tile drainage in 24 districts. The Ministry of Irrigation had chosen these areas in the conviction that most of Upper Egypt would one day require drainage, and that these 600,000 would comprise the initial phase. The 600,000 feddans included: a) the areas dependent on a main drain already executed; b) the areas chosen by the provincial engineers as likely to be affected in the near future by lack of drainage; c) the areas where complaints from farmers had been received.

The regular discussions with the staff of both ministries, the contribution of the Egyptian soil specialists, the field trip by the mission and the results of meetings with the agricultural and irrigation directors in the provinces and later in Cairo, all finally led to agreement that the most useful technical basis in choosing areas needing tile drainage at this time, is the soil study; selection to be based on the level of underground water and its degree of salinity. Selection on this basis would automatically include all the low lying areas where deterioration has been most rapid after conversion to perennial irrigation. The Ministry of Irrigation added other "special case" areas affected by the recent cultivation of adjacent highland as in Komombo, Isna and Samalut.

The effect of this more systematic approach to the selection of areas to be drained is indicated by the following figures:

Province	Total Irrigated Area (feddans)	Area to be tile drained under Bank project		Area already tile drained or with tile drainage in progress
		Original Proposal	Present Proposal	
Aswan	116,000	45,000	50,000	-
Qena	364,000	261,000	73,000	10,000
Sohag	336,000	125,000	101,000	-
Asyut	330,000	113,000	25,000	-
El Minia	457,000	56,000	178,000	-
Beni Suef	271,000	<u>1/</u>	114,000	60,000
		<u>600,000</u>	<u>541,000</u>	<u>70,000</u> <u>2/</u>

1/ Not included in the original proposal

2/ This area is not included in the proposed drainage project.

The 541,000 feddans include about 50,000 feddans for which the soil map did not show any current evidence of high water level and salinity, but which are included to form technically desirable drainage basin boundaries. At the time the mission left, the Ministry of Irrigation was in the process of examining other areas for possible inclusion, and it is anticipated that the final project proposal will probably reach a total of 600,000 feddans of tile drainage as originally envisaged. Revised schedules for new construction and deepening of main drains were also being prepared.

5. The mission gave both the Ministry of Irrigation and the Ministry of Agriculture, copies of all data collected during the field trip and in Cairo. It was agreed that the calculation of benefits would be based on: a) anticipated increases in yields in the already affected areas calculated from yield data on a village basis, these are reliable for cotton and sesame but only relatively so for wheat, maize and other grain crops. (Cotton and sesame are all bought by cooperatives). b) For sugar cane, including deteriorated areas under this crop from data from the sugar factories, as all cane is delivered to them. c) For the remaining areas, on data from the Delta project, Beni Suef studies, and experimental data giving correlation between level of water table, salinity and yield. The directors of the Soils Department and the Economics Department are cooperating on this last.
6. It is planned that Miss Eid and Mr Abu Sharr go to Cairo end June to help in putting the draft of the main report together, and that Mr Campbell join them on 7th July. Mr Campbell will carry out in July the field visit which had to be deferred in May due to temporary restriction on field movements resulting from the political crisis which occurred at that time. The team will return to Rome mid-July for preparation of supplemental material to be submitted by the CP to the Bank. Draft copies of the complete preparation report will be forwarded to the Bank by the Government at the end of July.

ANNEX TO UPPER EGYPT PROJECT - BACK TO OFFICE REPORT

Selection of areas to be tile drained,
and basis of assessment of project
benefits.

General

The Upper Egypt project as presented to the Reconnaissance Mission in December 1970 included 600,000 feddans of tile drainage, broadly located in the area between Asyut and Kom-Ombo. In the course of subsequent project preparation considerable attention has been given to closer definition of the specific areas needing tile drainage.

It was concluded early in preparations:

- (a) That drainage conditions were much less uniform in Upper Egypt than in the Delta, and hence blanket application of tile drainage to large areas in Upper Egypt, or to Upper Egypt in general, would be inappropriate.
- (b) That although deterioration in drainage conditions was conspicuous in some local areas, it was unlikely that evidence of a general decline in productivity in Upper Egypt would be obtained, sufficient to serve as a simple basis for economic justification of a major drainage programme.

The detailed survey of production data carried out during the April/May mission had confirmed the latter position, leaving two principal questions to be answered:

- (a) What criteria should be used in determining the areas requiring tile drainage? and
- (b) How should project benefit now be assessed?

Criteria for determination of areas requiring tile drainage

With regard to the first question, two types of data are available. These are:

- (a) Soils maps showing soil-moisture salinity and depth to water-table at the time of the survey, now available over the whole area of Upper Egypt.

- (b) Records of piezometric pressure in the alluvium underlying the Nile silts at some forty sections (120 deep piezometers) across the Nile Valley throughout the project area. These show the changes which have occurred in the piezometric pressure (which largely determines drainage conditions on the overlying silts) over the last ten years, and the continuing trends.

In addition to the above, data is currently being obtained on salinity profiles through the Nile silts at a number of stations in the Valley. It is anticipated that this data will permit assessment of the rate at which sub-soil salinity is increasing, and approximate estimation of the ultimate level of sub-soil salinity under perennial irrigation if field drainage is not installed.

During the latter half of the mission re-assessment of the areas requiring tile drainage was made largely on the basis of the data (a) above, but incidentally in general conformity with data (b). The newly defined areas are set out in the table in the text of this report.

Assessment of project benefits

Assessment of benefits may be made on the basis of correction of observed reduction on yields under without-project conditions in certain areas only (e.g. sugar-cane at Kom-Ombo). Elsewhere, where conspicuous deterioration in yields has not occurred, or has been masked by other inputs, benefits will be assessed on the basis of anticipated improvement in present levels of production. The basis for such expectations will be the observed improvement in production in similar soils, under similar water-table and salinity conditions, on installation of tile drainage in the early pilot projects in the Delta and at Beni Suef in Middle Egypt. Experimental data directly relating yields of certain crops with depth to water table, obtained at the University of Alexandria experimental station in soils similar to those in the project area, may also be used.

It is also anticipated that longer-range predictions of deterioration of soil conditions and crop production will be forthcoming from the analysis of trends in soil salinity discussed above. Such deterioration, if continued, must inhibit the benefits which could otherwise be gained from better cultural practices (increased use of fertilisers, improved disease and pest control, and use of better varieties and better seeds). Arresting the deterioration and effecting a general improvement in soil conditions through drainage should provide an important qualitative element in assessment of project benefits.

UAR - Cr 181
cc - Railways
cc - Upper Egypt Drainage
cc - population control
cc - Gen. negs
April 22, 1971

Mr. Munir P. Benjenk

Daniel Ritchie

UNITED ARAB REPUBLIC - Status of Operations

I. Operational Projects

1. Nile Delta Drainage Project (181-UAR) - \$26 million

The Nile Delta Drainage Credit became effective in December 1970. Since that time the consultants from VBB (Sweden) and Nedeco and Ilaco who will assist in project implementation have taken up their assignments in Egypt. Tender documents for the pumping stations and tile laying machinery have been reviewed extensively and now approved by the Association and we expect bids to be invited shortly. A supervision mission is currently in the field to assess the effectiveness of the consultant team and to assist in the tendering procedures, if necessary.

II. FY 1971 Program

2. Egyptian Railways - \$30 million

Negotiations in Washington were completed on April 9. Agreement with the Government and Railways representatives was reached on the physical and financial parameters of a Five Year Investment Program for the Railways, estimated to require investments of about \$330 million. The proposed project is composed of all investments in the first two years of the program and the complete installation in FY 1972 to 1976 of signalling and telecommunications on three major lines. The proposed credit would help finance the foreign exchange cost of track materials for relaying of 500 km of track, signalling and telecommunications equipment and installation, eighteen diesel locomotives (2200 hp), air brake equipment, spare parts, consultant services for costing procedures and training. The credit of \$30 million will cover about 45 percent of the foreign exchange cost of the project, the balance being financed by suppliers' credits (about 40%) and from Government reserves (15%).

3. We have asked the Government to cable its acceptance of the draft credit documents by May 1. We have also asked the Railways to retender for track materials and locomotives since the original tenders were not issued in conformity with the Association's requirements. Tenders for the three telecommunications sub-projects were invited on a satisfactory basis and we have not asked for retendering of these items. As you know, we have, however, requested some modification of the boycott clause to conform more closely with the wording of the Nile Delta Drainage bidding documents.

4. Assuming satisfactory resolution of the debt issue we could present the project to the Executive Directors somewhat earlier than the presently scheduled date of June 1.

III. FY 1972 Program

5. Upper Egypt Drainage - \$20 million

Preparation of this project is proceeding satisfactorily. Donald Campbell of the Cooperative Program in Rome is visiting the UAR from time to time to assist in the preparation work and our supervision mission of the Nile Delta Project is also reviewing the preparation. There are three areas of particular concern: (1) the construction of barrages to slow the flow of the Nile could seriously affect the proposed drainage areas; (2) the incidence of bilharzia is apparently serious in the project area; and (3) the foreign exchange cost of the project (only about \$14 million (of \$68 million total cost), assuming capital intensive - techniques are employed in an area where labor is plentiful and relatively inexpensive.

6. The Agricultural Projects Department feels it can select project areas which will not be adversely affected by the barrage program, at least in the medium term, and it has asked the Government informally whether a bilharzia expert would be acceptable to assist in project preparation. The issue is a particularly sensitive one and we asked the Projects Department to tread cautiously. Thirdly, the problem of a low foreign exchange component should, I think, give us the opportunity to review the question of local currency financing in the UAR.

7. The project would involve the remodeling and deepening of existing open drains for 225,000 feddans, construction of new open drains for about 150,000 feddans and installation of field tile drainage for up to 600,000 feddans. Appraisal may be possible by early Fall.

8. Population - \$3 million

I believe Dr. Kanagaratnam has spoken to you about his recent mission. He indicated to me that there seemed to be reasonable prospect for a project in the UAR and he is planning to schedule a preparation mission in July and a pre-appraisal team for early Autumn. He said the composition of the proposed project would be worked out during the upcoming missions, but he feels the project would not be along the lines of the Tunisia and Jamaica models. Adi Davar has suggested a possible approach which would include mass media techniques, training, some construction, possible production of contraceptives and institutional reorganization of the family planning program. The Minister of Health Dr. Sallam, supports the Bank's approach, but the new Executive Director of the Board of the Family Planning Council, Aziz Bindary, is more skeptical.

9. Industrial Bank (tentative) - \$20 million

It may be possible to prepare a project for assistance to the Industrial Development Bank for consideration toward the end of FY 1972. The proposed project has been raised with us on several occasions. In January 1971 Mr. Davar asked for information relating to the Industrial

Bank, including details of its organization, operations and future plans. We have not yet received these materials.

IV. Other Possibilities

30. The Ministry of Transport asked Mr. Davar in February whether the Association might help finance and undertake a full transportation survey and port study for the UAR. The transport survey would help devise a 10 to 15 year investment program in the transportation sector. The port study would assess the capacity, efficiency and investment requirements of six selected ports. Under existing conditions, Mr. Davar expressed some doubt to the Minister whether either study could be undertaken at the present time.

DR
DRitchie:ac

ROUTING SLIP

Date

NAME

ROOM NO.

~~Mr. Haynes~~~~Sci K. Guinness~~

Mavis - Discussed with

Aide Ede on telephone May 5.

Nobody should do anything about

To Handle

Note and File

Appropriate Disposition

Note and Return

Approval

Prepare Reply

Comment

Per Our Conversation

Full Report

Recommendation

Information

Signature

Initial

Send On

REMARKS

Be charged for the time being.
DAVID, Mavis

Can you please write
reply on last page. Please
return original letter.

Thank you,

Mavis

From



Open files 795

UAR-UPPER EGYPT 12016

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla, 00100-ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

Ref. EK 3/2.9 UAR

DDC REGISTRY
In Reply please mention our reference
and date of this letter

Letter No. 000067

Projects Dept Correspondence

ANS'D BY *no answer rep.*

DATE *21 August Guinness - Eid*
by [unclear] 9/5/71

Dear Marius,

UAR. Upper Egypt Project

Reference recent discussion between Sir Kenelm Guinness and Don Campbell on the subject of bilharzia in relation to the above project, we have located a number of useful references in the literature of the World Health Organization. Copies of the following two are enclosed for your information:-

World Health Organization
Technical Report Series No.299
WHO Expert Committee on Bilharziasis
Third Report

Bulletin - World Health Organization
1966, 35, 293-318
The Epidemiology of Schistosoma haematobium and
S. mansoni Infections
in the Egypt-49 Project Area

The report on the Egypt 49 area is particularly noted. This was directed at the Delta area but is also relevant to Upper Egypt.

The literature contains many references to methods of amelioration of the bilharzia problem, including attention to design features of water distribution and drainage systems, irrigation practices, and sanitary measures. None of these provide a total answer to the problem but all will have to be given consideration in the Upper Egypt project.

If you still plan to send a bilharziasia expert to the project area next month, we could put together a more complete file of WHO references for his use if you desire.

Yours sincerely,

J.S. Spears
Chief
Operations, Planning and
Coordination Unit
Investment Centre

Mr. Marius Veraart
Agriculture Projects Department
International Bank for Reconstruction
and Development
1818 H. Street, N.W.
Washington, D.C. 20433 USA

Department of State
1979 E. Street, N.W.
and Department
Informational Bureau for International
Development Projects
Mr. William Delaney

RECEIVED
Investment Center
Coordination Unit
Operations Planning and
Control
1971 APR 27 PM
COMMUNICATIONS
SECTION
Lombard Avenue

It has been noted
that the country has received a wide range of MHO references for the past
It has been noted that a significant effort to the project has been
concentration in the other field project.
These projects are being planned for the program and will have to be given con-
siderable attention, including attention to various aspects of market development
The immediate concern will reference to methods of implementation of the
Project and its other relevant to other field.
The report on the field is being reviewed. This was discussed at the

in the field-40 project area
2. various projects
The objectives of various projects and
1971 32 503-378
Project - World Health Organization
Other reports
MHO expert committee on international
development reports no. 500
World Health Organization

Copies of the following two are enclosed for your information:-
Number of health references in the literature of the World Health Organization.
The subject of research in relation to the whole project, as well as other
reference recent development between the various countries and non countries on

WVH - Other field project

Dear Sirs:

HK 3/5*8 WVH

RECEIVED
COMMUNICATIONS SECTION
APR 27 1971

WVH
1971 APR 27
Letter no. 0000000000





AFRICA HALL
ADDIS ABABA

Cable: ECA, Addis Ababa
P. O. Box 3001
Telephone 47000 - 47200

Date 2 August 1971

Reference

*cc sent
Kenneth Guinness*

Dear Jim,

Here is a personal note to tell you that I learned from WHO in Geneva that they are ^{wanting} wanting a mission to the UAR to survey the situation of bilharzia. This mission is due to leave in a few weeks time. I thought this would interest you in connexion with the irrigation project in the UAR you mentioned to me.

with best regards.
Yours sincerely,

Gerard Dekker
G. Dekker

Regional Adviser
Water Resources Development

Mr. James Lee,
IBRD
1818 H. Street N.W.
Washington D.C. 20433
USA

ORGANISATION DES NATIONS UNIES POUR
L'ALIMENTATION ET L'AGRICULTURE



ORGANIZACION DE LAS NACIONES UNIDAS
PARA LA AGRICULTURA Y LA ALIMENTACION

J.S. Spears

*✓ UAR - Upper Egypt Drain
& Spain - Ebro delta*

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla, 00100-ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

Ref. BK 3/2.9 SPA
BK 3/2.9 UAR

DDC REGISTRY
In Reply please mention our reference
and date of this letter

Letter No. 00069

APR 21 1971

Projects Dept. Correspondence

Dear Marius,

ANS'D BY ~~NO ANSWER REQUIRED~~

DATE UAR - Upper Egypt Drainage Project Preparation
& SPAIN - Ebro Delta Drainage Project Preparation
Terms of Reference

... Enclosed herewith are Terms of Reference for the above mission to
... UAR, departing 26 April; also TOR for Miss Eid's visit to Spain concerning
the Ebro Delta project, departure date 20 April 1971.

Yours sincerely,

J.S. Spears

J.S. Spears
Chief
Operations, Planning & Coordination
FAO Investment Centre

Mr. V. Veraart
Agriculture Projects Department
International Bank for Reconstruction
and Development
1818 H Street N.W.
Washington D.C. 20433
U.S.A.

Mr. Hayes
" Guillot
" Upper

SEARCHED
SERIALIZED
INDEXED

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ORGANIZACION DE LAS NACIONES UNIDAS
PARA LA AGRICULTURA Y LA ALIMENTACION



ORGANISATION DES NATIONS UNIES POUR
L'ALIMENTATION ET L'AGRICULTURE

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Telephone: 5287

Telex: 61781 FODAGRI

Cables: FODAGRI ROME

Via delle Terme di Caracalla, 00100-ROME

Letter No. 00000

BDC REGISTRY
In Reply please mention our reference
and date of this letter

BK 3/2.9 SPA
BK 3/2.9 UAR

APR 21 1971

Project Dept. Correspondence
AND BY NO ANSWER REQUIRED

Dear Madam,

DATE
UAR - Upper Euphrat Drainage Project Preparation
& SPAIN - Ebro Delta Drainage Project Preparation
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J. S. Spears

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Chief
Operations, Planning & Coordination
FAO Investment Centre

Mr. V. Verant
Agriculture Projects Department
International Bank for Reconstruction
and Development

1818 H Street N.W.
Washington D.C. 20433
U.S.A.

COMMUNICATIONS SECTION

1971 APR 28 AM 10:10

RECEIVED

Mr. Spears
"
"
Upper

Please keep this list confidential. The names are ranked in what I judge to be their professional ranking

Extensive field experience in control of schistosomiasis

Dr. Nelson Hairston (worked in Philippines and Egypt)
Museum of Zoology
University of Michigan
Ann Arbor

Ernest Paulini (directs control project in Belo)
Department of Industrial Chemistry
Universidade Federal de Minas Gerais
Belo Horizonte, Minas Gerais
Brazil

Ernesto Ruiz Tiben (has been adviser to PR control program)
School of Public Health
University of Texas
Houston, Texas (as of Sept)

Hugo Ferrer Faría (Chief of National Program against schisto)
Departamento de Malariologia
Maracay, ~~V~~ Venezuela

Extensive field experience in epidemiology

Henry Negron (8 years as epidemiologist in PR - first skin test of
Rumford River Laboratories all of Puerto Rico)

Louis Olivier (He's been everywhere !)
PAHO

Aluizio Prata (runs experimental project in Bahia)
Hospital das Clinicas
Salvador, Bahia
Brazil

Peter Jordan (formerly chief in Tanzania, now head of St. Lucia group)
Rockefeller Foundation
Castries, St. Lucia

Frederico Simões Barbosa (ran two programs in Recife)
Parasitic Diseases, WHO
Geneva

How's that for a start ?

Messrs D.E.Campbell (Mission Leader)
I.Abu Sharr, A.Ferreira and Miss A.Eid

21 April 1971

J.P.Huyser
Director, DDCB

TOR Preparation UAR Drainage Upper Egypt

On or about 26 April Messrs Abu Sharr and Ferreira will proceed to UAR for one month to assist the Government in the preparation of the above project. Mr Campbell will join them around 10 May and Miss Eid for final discussions with the Government around 17 May.

Messrs Abu Sharr and Ferreira will review in particular the agronomic and farm management aspects of the project, and will undertake a field visit to the project area for further review of present crop patterns and costs of production and the likely effects of the project or its non-implementation on both.

Mr Campbell will review in particular the proposals and costs for works under the project and the proposed organization to carry them out.

Miss Eid will review in particular the economic justification of the project and the policy issues still outstanding at the end of the mission.

Upon the return of the mission to Rome, a "BTO and Full Report" will be produced giving the Bank as detailed a picture as possible on outstanding issues.

cc: Huyser/Bhattacharjee
Spears
IBRD Washington ✓
Chatterjie
Grande
Registry (3)
BK 3/2.9 UAR
AME/hs

ORGANISATION DES NATIONS UNIES POUR
L'ALIMENTATION ET L'AGRICULTURE



ORGANIZACION DE LAS NACIONES UNIDAS
PARA LA AGRICULTURA Y LA ALIMENTACION

*UAR - upper Egypt Drainage
cc - SP - Ebro Delta*

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla, 00100-ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone

Ref. BK 3/2.9 SPA
BK 3/2.9 UAR

DDC REGISTRY
In Reply please mention our reference
and date of this letter

Letter No. 00069

APR 21 1971

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& SPAIN - Ebro Delta Drainage Project Preparation
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Yours sincerely,

J.S. Spears
Chief

Operations, Planning & Coordination
FAO Investment Centre

Mr. V. Veraart
Agriculture Projects Department
International Bank for Reconstruction
and Development
1818 H Street N.W.
Washington D.C. 20433
U.S.A.

Original to: *AFR*
Date: 4-28-71

Communication



UAR - Upper Egypt Drainage

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

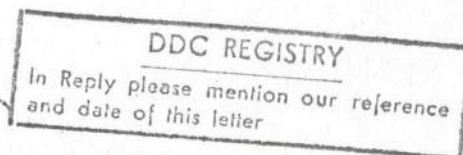
Via delle Terme di Caracalla, 00100-ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5

Ref. HK 3/2.9 UAR



Letter No. 000067

APR. 20 1971

Dear Marius,

UAR. Upper Egypt Project

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The report on the Egypt 49 area is particularly noted. This was directed at the Delta area but is also relevant to Upper Egypt.

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If you still plan to send a bilharziasis expert to the project area next month, we could put together a more complete file of WHO references for his use if you so desire.

Yours sincerely,

J.S. Spears
Chief
Operations, Planning and
Coordination Unit
Investment Centre

Mr. Marius Veraart
Agriculture Projects Department
International Bank for Reconstruction
and Development
1818 H. Street, N.W.
Washington, D.C. 20433 USA

Original to: *Agriculture*
Date: 4-27-71
Communications
Section

E

UAR Upper Egypt Irrig

Mr. Bernard Chadenet

April 14, 1971

J. C. Lithgow


Aswan High Dam

Mr. Neil Bass, who assisted with the preparation of the "Preliminary Report on the Sadd-el Aali Project, Egypt", called in this morning primarily to refresh his memory of statements in the report. He made three interesting observations:

(1) Water rather than land is the limiting factor to agricultural development. This means that by careful management it should be possible to control the irrigation regime so that by rotation of canal flooding pest control could be achieved.

(2) The possible increase of Bilharzia due to increased irrigation was discussed during the appraisal visit. The Egyptian authorities were of the view that they knew more about the problem than anyone else, and they were well aware of the control measures which would be necessary.

(3) Recommendations were made and estimates were included for the development of adequate land areas to utilize all water available from the reservoir.

JCL:at 

cc: Mr. Lee

UAR - CV 181
cc - T of R.
✓ cc - Upper Egypt

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION
OFFICE MEMORANDUM

Date: April 9, 1971

To: Sir Kenelm Guinness and Mr. H.J. Tennent
From: D.W.M. Haynes
Subject: UNITED ARAB REPUBLIC - Credit 181-UAR
Nile Delta Drainage Project
Supervision Mission
Terms of Reference

1. You should plan to arrive in Cairo on April 13 on a supervision mission of the above project.
2. In your discussions with the Nile Delta Drainage Authority you should pay particular attention to:
 - (a) the performance of the recently arrived consultants from VBB (Sweden) and ILACO (Holland);
 - (b) the preparation and issue of contract documents;
 - (c) the drainage work under way and the program of future work;
 - (d) the Quarterly Progress Reports.
3. You should discuss with the Deputy Prime Minister and Minister of Agriculture, and also the appropriate health authorities, the possible employment of a Bank consultant to review the incidence and possible control of schistosomiasis in relation to the Upper Egypt Drainage Project which is currently under preparation.
4. On or about April 20 you should proceed to Spain under separate terms of reference and return to Washington about April 30, when you should prepare a Back-to-Office and Full Supervision Report.

KGuinness:ak
IDA

Cleared with and cc: Mr. Ritchie

cc: Messrs. Chadenet, Baum, Lee, Evans, Wapenhans, McIvor, Takahashi, Darnell, Veraart, Forcum, Campbell (FAO).
Central Files

C

UAR - Upper Egypt Irrig &

INCOMING CABLE

DATE AND TIME

OF CABLE: APRIL 5, 1971

1331

LOG NO.: WU 1 / 6

TO: HARTWICH INDEVAS

FROM: CAIRO

TEXT:

ROUTING

ACTION COPY: MR. ~~HARTWICH~~

INFORMATION MR. ~~BENJENK~~

COPY: MR. ~~DAVAR~~

DECODED BY:

REYRCAB SECOND APRIL PROPOSED DATE CONVENIENT. REGARDS.

KINAWY

MINISTER IRRIGATION U.A.R.

D

A

JAO

E

55
APR 6 1971

UAR - Upper Egypt Insig

INCOMING CABLE

DATE AND TIME OF CABLE: APRIL 5, 1971 1930
LOG NO.: ITT 15/6
TO: HARTWICH INDEVAS
FROM: CAIRO
TEXT:

ROUTING	
ACTION COPY:	MR. HARTWICH (1)
INFORMATION COPY:	MR. BENJENK
DECODED BY:	MR. DAVAR (2)

APPROVE MISSION VISIT CAIRO APRIL TWELVE

SAYED MAREI

D

BF

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E

*UAR-05181
✓ cc. upper Egypt irrig.*

OUTGOING WIRE

TO: BOOK OF THREE CABLES
HIS EXCELLENCY SAYEED MAREI
DEPUTY PRIME MINISTER
MINISTRY OF AGRICULTURE
CAIRO

DATE: April 2, 1971

CLASS OF
SERVICE: LT

COUNTRY: HIS EXCELLENCY KINAWY
MINISTER OF IRRIGATIONS
CAIRO

1H

TEXT:
Cable No.: HIS EXCELLENCY MEZIBAN
MINISTER OF ECONOMY
CAIRO

SUPERVISION MISSION OF NILE DELTA DRAINAGE PROJECT CONSISTING
GUINNESS PROPOSES VISIT CAIRO WEEK OF APRIL TWELVE STOP ~~MISSION WOULD ALSO~~
~~REVIEW PROGRESS OF WORK ON PREPARATION UPPER EGYPT DRAINAGE PROJECT STOP~~
APPRECIATE CABLE CONFIRMATION PROPOSED TIMING CONVENIENT FOR DISCUSSING
BOTH DELTA AND UPPER EGYPT DRAINAGE PROJECTS STOP THIS CABLE BEING
REPEATED TO BOTH THEIR EXCELLENCIES MINISTER IRRIGATION AND MINISTER
ECONOMY STOP

REGARDS

~~BENJENK~~
HARTWICH
INDEVAS

NOT TO BE TRANSMITTED

AUTHORIZED BY:

[Handwritten Signature]

NAME: ~~XXXXXXXXXX~~ D. Hartwich
Deputy Director
DEPT. Europe, Middle East and North Africa

CLEARANCES AND COPY DISTRIBUTION:

CC. Mr. Ritchie
Mr. Guinness

SIGNATURE (SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

REFERENCE KGuinness/ADavar:as

For Use By Communications Section

ORIGINAL (File Copy)

(IMPORTANT: See Secretaries Guide for preparing form)

Checked for Dispatch: *[Handwritten Signature]*

APR 2 1971
263



of files

*UAR Upper Egypt
Drainage*

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla, 00100-ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

Ref. BK 3/2.9 UAR

DDC REGISTRY
In Reply please mention our reference and date of this letter

Letter n° 00027

ANS'D BY *No Answer REC*

DATE _____

MAR 25 1971

Dear Marius,

UAR - Preparation of Upper Egypt Project

Enclosed are eight copies of a Back-to-Office Report on the stop-over visit of Campbell and Haynes in Cairo on 18th March. The report again draws attention to the matter of the proposed chain of weirs on the Nile below Aswan, and its possible affect on drainage conditions in the project area. We will follow this question further during the final preparation mission in May.

With kind regards,

Yours sincerely,

J. Spears

J. Spears
Chief, Operations,
Planning and Coordination Unit
FAO/IBRD Cooperative Programme

Mr. Marius Veraart
Agriculture Projects Department
IBRD
1818 H Street N.W.
Washington, D.C. 20433
U.S.A.

*Jaynes (x4)
CARR (x3)*

C



FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Telephone: 5787

Telex: 81181 FOODAGRI

Cables: FOODAGRI ROME

Via delle Terme di Caracalla, 00100-ROME

Ref. BK 3/2.9 UAR

DDC REGISTRY
In Reply please mention our reference and date of this letter

Letter n° 00027

MAR 25 1971

ANS'D BY
DATE

Dear Mariva,

UAR - Preparation of Upper Egypt Project

Enclosed are eight copies of a Back-to-Office Report on the stop-over visit of Campbell and Hayes in Cairo on 18th March. The report again draws attention to the matter of the proposed chain of weirs on the Nile below Aswan, and its possible effect on drainage conditions in the project area. We will follow this question further during the final preparation mission in May.

With kind regards,

Yours sincerely,

J. Spears
J. Spears

J. Spears
Chief, Operations,
Planning and Coordination Unit
FAO/IBRD Cooperative Programme

Mr. Mariva Verant
Agriculture Projects Department
IBRD
1818 H Street N.W.
Washington, D.C. 20433
U.S.A.

1971 MAR 30 AM 11:06

RECEIVED

James (X3)
James (X3)

of file

*UAR - Upper Egypt
Drainage*

5

OFFICE MEMORANDUM

24 March 1971

To : Mr. J.P. Huyser, Director,
Investment Centre

From : D.E. Campbell
FAO/IBRD Cooperative Programme

Subject : U.A.R. - Preparation of Upper Egypt Project -
Back-to-Office Report

On Thursday 18th March I stopped over briefly in Cairo with David Haynes of IBRD for discussion of the above project with Deputy Minister Kamal. The main purpose of the visit was to review recent developments regarding the proposed series of weirs to be constructed below Aswan Dam, the design of which could have an important influence on the Upper Egypt drainage project 1/. In particular the mission was interested in the outcome of the meetings in late February between Government and USSR consultants, with regard to the weir system.

Kamal indicated that the drainage implications of the weirs had been discussed at the meeting at some length, and that a programme of supplementary field investigations was agreed to which will provide the data necessary for detailed evaluation of problems of drainage in determining final location and height of the weirs. The field work is expected to extend over the next five years. It is noted that the first of the weirs likely to be built is the most upstream one, at Sil Sila 75 km downstream from Aswan. At this particular site the river channel is in bedrock (sandstone) rather than in the usual alluvium, and the irrigated terraces on either side of the river are higher than generally in Upper Egypt. In the circumstances a weir at that site is unlikely to affect drainage, at least in the immediate vicinity of the weir. Kamal indicated that there is no specific timetable for construction of the weirs, a period of the order of 15 to 20 years being contemplated. However, as an indication of the time scale the most recent estimates of the rate of degradation of the bed of the Nile put the maximum depth of erosion at about 2.5 m by the year 2000, if preventive measures are not taken. Erosion will occur most rapidly in the upper reaches of the river.

It is evident that the matter of the location and height of the weirs will not have been advanced much further by the time of appraisal of the Bank drainage project. On the other hand it is also evident that construction of the drainage works in Upper Egypt cannot await finalization of design of the weir system. In the circumstances it will probably be adequate to define

1/ For further discussion refer to B.T.O. of 29th Feb.

DEC/lr

BK 3/2.9 UAR

cc: All Team Members
IBRD Washington (8)
Reg. (4)

- (a) Those areas where, for geographic or geologic reasons, weir construction will not affect drainage,
- (b) Those areas where drainage will be an important consideration in determining the location and height of the weirs, and where the drainage system will have to be designed with the later construction of weirs in view,
- (c) Those areas, particularly in the lower reaches of the river, where weirs are unlikely to be constructed for 15 to 20 years, i.e. far enough in the future not to be a material consideration in immediate drainage construction.

In view of the importance likely to be given by the Bank to ecological questions in the development of Upper Egypt, Haynes took the opportunity of stressing the need to include full consideration of such factors in preparation and appraisal of the project. It is evident that ecological problems arising from Aswan Dam and the changed regime in the Nile Valley are a sensitive subject in the UAR, and one which is already receiving considerable technical attention there. It is proposed that the Ministry of Irrigation be asked to prepare a statement on ecological questions relating to the project as soon as possible, and that the need for inclusion of an ecological specialist in the final preparation mission be considered further after review of this statement.

The additional drainage explorations, requested by the Cooperative Programme earlier are reported to be proceeding satisfactorily. Plans for the final preparation assistance mission to arrive in April or early May were confirmed.

IN - Jayakwadi
cc: Mr. Khanabadi
✓ UAR - upper Egypt irrig.
INTERNATIONAL FINANCE
CORPORATION
cc - 02 181

OUTGOING WIRE

TO: INTBAFRAD
NEW DELHI

DATE: MARCH 15, 1971

CLASS OF
SERVICE: LT

COUNTRY: INDIA

Re

TEXT:
Cable No.: TWO FOR HAYNES

ALPHA RE JAYAKWADI SUGGEST IF NEEDED YOU REPEAT BANK POLICY MYCAB THREE STOP
IF PRESSED FURTHER STATE THAT CONTRACTS AWARDED CONTRARY TO BANK POLICY MAY
NOT REPEAT MAY NOT QUALIFY FOR IDA FINANCING

BETA ✓ AFGHANISTAN NEGOTIATIONS NOT EXPECTED START BEFORE MARCH TWENTYNINE
STOP AGREE YOUR GOING CAIRO WITH CAMPBELL STOP YOU MAY WISH EXPLORE
WITH GOVERNMENT COMMA PARTICULARLY MAREI AND HEALTH AUTHORITIES COMMA
THEIR RECEPTIVENESS OUR SENDING BILHARZIA EXPERT TO REVIEW EFFECTS

✓ UPPER EGYPT DRAINAGE PROJECT STOP IF THEY WELCOME THIS PROPOSAL
WE WOULD TRY FIND CONSULTANT SOONEST

GAMMA RE UAR ONE EIGHT ONE
IF YOU SEE EL KHOLY PLEASE CHECK ON PROGRESS CONSULTANTS WHO HAVE
BEEN VERY SLOW TO REACH CAIRO STOP VBB CONTRACT SIGNED DECEMBER TWENTYONE
BUT UNDERSTAND SENIOR REPRESENTATIVE WARD COMMA DRAINAGE ENGINEER
CAVELAARS AND CONTRACTS ENGINEER LAURELL ONLY ARRIVED MARCH NINE REGARDS

WAPENHANS

NOT TO BE TRANSMITTED

AUTHORIZED BY:

NAME W.A. Wapenhans

DEPT. Agriculture Projects

SIGNATURE 
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

REFERENCE India-Jayakwadi/Afghanistan - Khanabadi I/
UAR - Nile Delta Drainage
ORIGINAL (File Copy)

CLEARANCES AND COPY DISTRIBUTION:

cc: Messrs. Kirk
Ritchie
Dr. Lee

For Use By Communications Section



Badger International
 Division
 Daymond Limited
 P.O. Box 1030, Chatham, Ontario, Canada
 Telephone: (519) 352-6600 Telex: 024-78527

Cent. files DF
UAR General
UAR - Upper Egypt ITRIG

Land Drainage — Plastic Pipe Installed by Badger System

March 4, 1971.

Projects Dept. Correspondence
 ANSW'D BY phone 3/4
 DATE Ch.B.

Mr. C. M. Bolt,
 International Bank for
 Reconstruction and Development,
 International Development Association,
 1818 H Street, N.W.,
 Washington, D.C. 20433,
 U. S. A.

Dear Mr. Bolt:

It was a pleasure to meet you this week in Washington, and I am sorry that we did not have more time for further discussion. Mr. Shaw and myself caught our plane all right and were home safely early in the evening.

I am not sure Mr. Tate has the proper spelling and address of the people in Cairo that we are subsequently to write.

Would you send me as soon as convenient the name and address of the following.

1. The Minister of Agriculture and Deputy Prime Minister.
2. Mr. Kamal (in charge of Upper Egypt project) ✓

We are compiling the information you requested about use of plastics and costs, and will be submitting these as soon as we receive the latest information from the various countries requested.

Looking forward to meeting you again in the not too distant future.

Yours sincerely,

B. E. Easton
 B. E. Easton, P.Ag.,
 Agricultural Consultant.

BEE/g

C

H.E.

Sayed Marei

Dep. Prem. → Min. of Agr

Ahmed Ali Kamal

Ch. Auth^y for Title Dr. → Expn. of Nile Waters

I. Z. Kinawi

Min. of Inz.

SECTION
COMMUNICATIONS

1971 MAR-9 AM 9:46

RECEIVED

RE 115-12

DR 894P/ C 393

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

UNITED ARAB REPUBLIC
PROJECT IDENTIFICATION AND PREPARATION
A. DRAINAGE IN UPPER EGYPT
B. SOIL AMELIORATION IN THE LOWER DELTA

Notes on technical features of the two projects
and outlines for project preparation

February 1971

UNITED ARAB REPUBLIC

PROJECT IDENTIFICATION AND PREPARATION

Introduction

1. In December 1970, an identification mission^{1/} visited the UAR to review possible irrigation, drainage and reclamation projects which might be suitable for further Bank Group lending. The two projects below were selected for consideration (see the mission's Back-to-Office and Full Report of December 23, 1970) and further preparation was recommended. In the following notes the principal technical features of the two projects are discussed and report outlines for use in project preparation are presented.

Description of the Two Projects

2. The projects as presented to the mission are briefly as follows:

A. Drainage in Upper Egypt

The term "Upper Egypt" in its broader use covers the whole length of the Nile Valley from the Sudanese border down to the apex of the Delta near Cairo, including the area otherwise known as Middle Egypt. The total irrigated area of Upper Egypt is 2.5 million feddans.^{2/} Prior to completion of the first Aswan dam in 1902, some 200,000 feddans of this area were under perennial irrigation, the remainder being irrigated during the flood season only by "basin" irrigation. As additional summer flow became available through heightening of the original Aswan dam and construction of Gebel Awlia Dam, the area under perennial irrigation in Upper Egypt was increased, reaching 1.5 million feddans by 1940. Conversion to perennial irrigation was resumed in 1960, concurrently with construction of the new High Aswan Dam. The entire area of 2.5 million feddans will be under perennial irrigation by the end of 1972.

In "basin" irrigation the land is irrigated by inundation for some 2-1/2 months per year only, whereas in perennial irrigation water is provided over a much longer period and in greater total annual quantity. Drainage therefore assumes much greater importance in the latter case. In recognition of this fact, construction of drainage works has followed in parallel with basin conversion. It has not, however, kept pace with it and critical waterlogging is occurring in a number of areas in Upper Egypt. The current phase of the drainage construction program includes main and branch drains for 222,000 feddans to be completed in 1971/72. Tile drains have been installed in 67,000

1/ Sir Kenelm Guinness, E.M. Sicely (IBRD) and D.E. Campbell (FAO).

2/ 1 feddan = 1.04 acres.

feddans and will be installed on a further 40,000 feddans in 1970/71. The long-range program foresees provision of tile drainage over much of the irrigated area of both Upper and Lower Egypt (totaling 6.4 million feddans) by about 1990. The project proposed to the mission includes the following items:

Remodelling and deepening of existing open drains

for 227,000 feddans US\$ 8 million

New construction of main and branch open drains

for 151,000 feddans US\$ 12 million

Installation of field tile drainage

for 600,000 feddans^{1/} US\$ 48 million

Construction extends over a six-year period. Foreign exchange component, based on the assumption of full mechanization of tile laying, is estimated by the Ministry of Irrigation at US\$ 14 million out of a total cost of US\$ 68 million. If part of the tile laying is done manually, the foreign exchange component will be correspondingly reduced.

B. Soil Amelioration in Lower Delta

This project comprises the improvement of soil conditions in 1.5 million feddans of the northern portion of the Delta. The soils in this area are heavy clay loams, generally of Class 3 and Class 4 in the Egyptian system of nomenclature, and are frequently in a deteriorated condition due to a combination of waterlogging, alkalinity and salinity. The appropriate treatment for each particular locality is determined by chemical and physical analysis. In much of the area, leaching is necessary; in most cases with subsequent application of gypsum. Drainage and aeration are also a necessary part of the treatment. Because of the very low permeability of the soils in this lower portion of the Delta, drainage is difficult. A system of main and secondary drains already exists (or is under construction by the Ministry of Irrigation). The project drainage system

^{1/} Although the document given to the mission does not specifically say so, it is inferred that the areas of 151,000 feddans and 227,000 feddans lie within the 600,000 feddans.

comprises tertiary drains, open field drains at a spacing of 30 m to 60 m and 100 cm in depth, and subsoiling and mole drains at 1-m spacing and 65-cm depth.^{1/}

The combined effect of this composite treatment is a rapid reduction in level of salinity and alkalinity and a marked improvement in soil structure. Drainage, down to the 65-cm level, is also much improved. In large-scale farm trials (15,000 feddans), crop yields in the first year after treatment increased from 20% to more than 100% compared with pre-treatment conditions, the degree of improvement being contingent on the initial degree of deterioration. The permanence of the improvement has not yet been determined, but repetition of subsoiling and supplemental application of gypsum at possibly five-year intervals is contemplated.

Comparison of the Method of Drainage in the Two Projects

3. Both projects aim at reduction of waterlogging and salinity. However, the cost of tile drains as proposed for Upper Egypt is approximately twice the initial cost of the subsoiling and mole drainage proposed for the Lower Delta. It is therefore of interest to compare the conditions under which the two systems are employed and the results which they achieve. The comparison is also relevant to the current IDA tile drainage project (Credit 181-UAR) in the Upper Delta.
4. The soils in the Lower Delta are derived from the same Nile silts as the soils of the Upper Delta and of Upper Egypt. All are basically similar in texture. However, due to the generally higher water table in the Lower Delta, over a historic period, deterioration has proceeded further there than in the other areas, and there is greater need for improvement in soil structure. The Lower Delta project is therefore regarded primarily as a soil amelioration project, with drainage an associated feature. The converse is the case in the tile drainage areas.
5. As practiced at present, the subsoiling and mole drainage program does not reduce the water table to as low a level as does the tile drainage. The mole drains are currently at a depth of 55 cm, although 70 cm to 80 cm is aimed at under project conditions, using heavier equipment. The field drains into which the mole drains discharge are 1 m to 1.10 m deep. In comparison, the tile drains being installed in the Upper Delta are at a depth of 1.40 m. However, the water table between the tile drains is somewhat higher than this level, due to its domed shape, related to the distance between the drains (40-60 m). This "dome" effect is virtually absent with mole drains, due to their close (1 m) spacing, partially offsetting the greater depth of the tile drains.

^{1/} The sub-soiler is a curved blade about 8 cm in width which when dragged through the ground at depth breaks up the subsoil. The cylindrical mole drain plug attached to the lower end of the sub-soiler blade by a short length of chain leaves a continuous drainage opening. Subsoiling depth is at present limited to 65 cm with existing medium-powered tractors, but heavier tractors permitting deeper subsoiling are proposed.

6. The closely spaced mole drainage network and the breaking up of the soil by the sub-soiler down to the mole drain level combine to produce a high initial permeability which facilitates rapid leaching and chemical treatment where needed. The initial permeability produced by the sub-soiler blade is, of course, short lived and the mole drains themselves have a limited effective life. However, the improvement in soil structure which results from the treatment, repeated from time to time if necessary, results in increased permeability of the soils such that the open field drains can function as a reasonably effective drainage system even when the mole drains have ceased to operate. However, as noted earlier, the field drains constructed in association with the mole drain system are not as deep as the tile drains and cannot in themselves be as effective.

7. The space occupied by the open field drains is one of the principal disadvantages of the mole system. The open drains are also an impediment to cultivation and they require maintenance. However, in the case of the Lower Delta, these factors are not as much of a deterrent as might generally be expected. The drains are commonly less than 2 m in top width, resulting in a net loss of cultivable area due to field drains and collector drains of less than 10%. The obstruction to cultivation does not appear to be serious, as cultivation is carried out in long strips parallel to the drains. Maintenance of the drains is excellent. However, the loss of cultivable area and the inconvenience of open drains in farm operation becomes more of a consideration where high-value crops are grown and may become so in the Lower Delta when soil conditions have improved to the extent that very intensive production becomes possible.

8. While either system can be used optionally in many circumstances, limiting soil conditions may occur that dictate which system can be employed. Mole drains cannot be used effectively where the ground dries out seasonally to the extent that shrinkage extends down to the level of the drain, as raveling into the drain and eventual blockage will occur. Neither can they be used in very soft plastic clays, nor in very sandy soils, as the hole will not remain open in either case. The limiting condition for tile drains is dictated by economic rather than technical factors. If soil permeability is extremely low, very close spacing of drains is required and cost of tile drainage becomes excessive. In some circumstances, where the condition of very low permeability is not inherent in the texture of the soil but can be modified, subsoiling and mole drainage with chemical treatment may be resorted to initially to improve permeability and tile drainage installed subsequently. Field tests of such a procedure are currently being carried out by the USDA Research Service. Subsoiling and mole drainage in conjunction with a previously installed tile drainage system is also an interesting possibility.

9. It is apparent from the above discussion that although conditions may occur which clearly indicate a particular choice of system, frequently either could be used and a careful technical and economic evaluation of the two alternatives is necessary. The pre-design drainage survey should provide sufficient data for such comparative evaluation to be made.

Selection of Type of Drainage System for Upper Egypt Project

10. From the brief report submitted to the identification mission it is not entirely clear what the Government's intention is regarding the future extent of the tile drainage in Upper Egypt. It is inferred from the report, however, that eventual installation of tile drainage over most of the area is envisaged. This policy is probably based on the success of the tile drainage program in some areas of the Delta.

11. Although the soils in Upper Egypt are generally similar to those in the Delta - having the same origin - the geomorphic conditions are quite different. The Delta is a very broad plain with little topographic relief, while the cultivated area of Upper Egypt comprises a series of narrow alluvial terraces with considerable relief and with an interleaving of desert sand between successive depositions of Nile silt in some areas around their margins. In such circumstances a variety of drainage conditions is encountered, and it would be inappropriate to apply a blanket solution of tile drainage everywhere in Upper Egypt on the basis of its success in the much more homogeneous conditions of the Upper Delta.

12. It is therefore emphasized that each section of the Upper Egypt project area should be studied individually, with no generalized assumption as to the type of drainage appropriate to it.

Design of Tile Drainage for Upper Egypt

13. Current construction of tile drainage in the Delta, and the construction proposed under the recent IDA credit, are largely based on the extensive pilot work carried out by the earlier UNDP/FAO project which established criteria for spacing and depth and basic design features. There is one design question which needs further consideration, however, particularly for the heavy soils which are encountered in some areas in Upper Egypt. This is the question of the need for a pervious envelope around the tiles and the nature of that envelope. The envelope has two primary functions:

- (a) It improves the hydraulic efficiency of the drain by providing a substantial area of pervious contact with the soil through which the soil can drain. Without the envelope, drainage from the soil is virtually limited to the immediate vicinity of the annular space between adjacent tiles.
- (b) It inhibits the entry of soil particles into the drain, via the annular space, and hence reduces the possibility of blockage.

Tile drainage systems will function without such an envelope and none was incorporated in any of the pilot installations constructed during the UNDP/FAO project. However, there is a considerable body of technical opinion strongly in favor of its use and there are close specifications for the gradation of the sand/gravel mixture employed for that purpose. Experiments are in progress in the United States of America (USDA Research Service) to evaluate the improvement in hydraulic efficiency achieved through the use of an envelope. The reduction in incidence of blockage through entry of soil through the otherwise open joint would be more difficult to evaluate numerically but is also regarded as a major factor.

14. The desirability of an envelope was recognized in the feasibility report and the appraisal report for the current IDA Nile Delta Drainage Project and some provision was made for it in project cost estimates. However, the design of the envelope was not closely specified and presumably was left to be worked out during subsequent preparation of construction specifications.

15. Provision of an appropriately graded and properly placed envelope is an appreciable cost item, particularly in the Delta where sand or gravel have to be transported considerable distances. It is less of a problem in Upper Egypt where suitable material is nearby. Gravel is, in fact, being used in current tile drain installation in Upper Egypt but without close control on gradation or placement. It is suggested that consideration be given to incorporating an adequate envelope in designs for tile drains in the Upper Egypt project and that materials and placement be specified in detail. To establish that such provision is warranted, it would be advantageous to carry out comparative tests on hydraulic efficiency and entry of soil between adjacent tile drains, with and without envelope, under several representative soil conditions in Upper Egypt. This should preferably be initiated as soon as possible.

16. As noted in the UNDP/FAO report, there is no particularly compelling reason for the selection of the 10-cm diameter tile which is currently used in the UAR. Sufficient hydraulic capacity could be provided with a much smaller pipe, and a 5-cm clay tile is suggested in that report as an acceptable alternative. The larger diameter, of course, provides greater insurance against blocking. However, if a well-designed envelope is used, this should not be a controlling factor. A 7.5-cm plastic pipe with envelope is widely used elsewhere. In short, a smaller pipe with an effective envelope is preferable to a larger pipe with no envelope or an ineffective one. It is suggested that the question of tile diameter be reviewed by the Ministry of Irrigation in association with the question of an envelope.

Mechanical Versus Manual Installation of Tile Drains in Upper Egypt

17. The UNDP/FAO project was set up partly to demonstrate the use of the various types of mechanical trending and pipe-laying equipment available at that time. The project concluded that mechanical methods were both faster and cheaper than manual. On this basis, and in view of the very large area involved, the use of mechanical methods was adopted for the current IDA Nile Delta project.

18. There is no doubt regarding the greater speed of tile drain construction by mechanical means, although it may be questioned whether it is significantly cheaper than manual construction. On the other hand, recent developments in tile-laying equipment, including direct laying of plastic pipe and envelope behind a mole-plow, may influence the comparison. It is therefore suggested that the question of mechanical versus manual construction be viewed afresh for the Upper Egypt project, taking into account on the one hand the most recent developments in pipe-laying equipment and on the other the degree of under-employment in the Upper Egypt area.

cc: Messrs. McIvor, Haynes, Davar, Ritchie, Sir Kenelm Guinness, Bolt, Sicely, Campbell (FAO)
FAO/IBRD Co-operative Programme (6)

DECampbell/EMSicely/vjb
IBRD

Suggested Outline for Report to be Submitted to IBRD/IDA
For the Upper Egypt Drainage Project

1. The Ministry of Irrigation prepared a short report on the above project in December 1970 for reference by the IBRD Identification Mission. The report, which will be required for formal appraisal of the project, will be virtually an expansion of that earlier one. The September 1968 report prepared by the Ministry of Irrigation for the Nile Delta Drainage project may be taken as a guide to what is now required for Upper Egypt. However, much of the background material contained in the first volume of the former, although relevant to the new project, need not be repeated. Further, such general data on agricultural production and marketing at the national level as is available from recent IBRD economic surveys can be referred to briefly only in the introductory statement, or omitted. Primary emphasis should be placed on technical, economic and organizational features of the project itself.
2. The following outline should be taken as a guide only and is not intended to be restrictive to either the format or the content of the final report.

I. INTRODUCTION

- A. Brief reference to the position of agriculture in the national economy.
- B. Statement regarding production and consumption of principal agricultural commodities at national level and trends. (If convenient, summarize from more detailed tabular data appended.)
- C. Plans for further development of remaining resources for irrigated agriculture. (Refer to present regulation of Nile waters, future Upper Nile developments, and the area on which the additional water will be used; also planned groundwater development in the New Valley and Western Desert.)
- D. Overall program for construction of irrigation and drainage works over the next five to ten years and budgetary provisions.

II. SELECTION OF PROJECT AREA

- A. The present extent of development in Upper Egypt and works in progress. (A plan showing the status of irrigation and drainage works in the whole length of the Nile Valley should be appended.)
- B. Basis for selection of area to be included within the project submitted to the Bank.
- C. Other irrigation and drainage works (if any) to be carried out in Upper Egypt contemporaneously with the Bank project.

III. DESCRIPTION OF PROJECT AREA

A. Climate

B. Topography

The topographic and cadastral survey data available should be discussed.

C. Soils

General description and statement regarding area covered by soils surveys and the technical items covered in the survey. Refer to the program for further surveys. (In appendix to the report, discuss the principal types of soils in each sub-area of the project and include typical chemical and physical data sheets. Particular reference should be made to salinity and alkalinity status and the extent to which leaching or chemical treatment of the soils in the area may be needed. Discuss the scale of sampling and plotting in surveys. Soil and land classification maps available for the project area need not be included in the appendix but should be listed and two sets made available for reference under separate cover.)

D. Groundwater Geology

Describe the material underlying the surface soils in the Valley, giving typical cross-sections. Itemize the geo-hydrological investigations which have been carried out. Discuss conclusions regarding the possibility of vertical drainage and of groundwater development for irrigation. What use is currently being made of groundwater? (Typical geologic logs and yield data from exploratory wells should be appended.)

E. Agriculture

Present cropping patterns and rotations. Trends occurring in agriculture due to change from flood irrigation. Summary of annual production of principal crops from the project area over the last five years. Fertilizer use. Methods of cultivation including extent of mechanization. (In an appendix, discuss the data available on agricultural production, i.e., cropped area, yields, production costs, and value of production, for principal crops for each of the sub-areas of the project, if possible over the last five or preferably ten years.)

F. Supporting Services

Discuss the agricultural extension organization in the project area and plans for its expansion to provide for rapid agricultural development under the project; farm cooperatives in the area; agricultural credit; provision of seeds; crop storage; road, rail and water transportation, including roads to be constructed in association with open drains; and agricultural research and development in the area. [(Reporting on supporting services in the project area should be in detail. Where there is a need for expansion of such services, they should be included in the project (e.g., farm-to-market roads.)]

G. Population

Statistics for rural and urban population in the area, by sub-areas if available, and trends. Discuss the seasonal availability of labor for agricultural and construction work. Mobility of labor.

H. Land Tenure

Statistics of land ownership and distribution of farm size and of holding. Rental system, control of rents and security of tenure. Position of owner and tenant regarding costs and benefits from project works. Legal provision for acquisition of right-of-way for main and secondary drains and for construction of farm drains. Is consolidation of holdings being practiced? Is it required under project?

I. Drainage Facilities and Drainage Conditions in the Area

For each sub-area of the project describe the present drainage structures, making reference to an appended plan of each area. Discuss the present drainage conditions and deficiencies and their source. Include reference to efficiency of water management, standards of land leveling, condition of water distribution system including field channels, their contribution to drainage problems and any measures proposed for improvement. Discuss evidence of any progressive deterioration of drainage conditions in each area. (One of the difficulties in the preparation of this project is likely to be the lack of satisfactory quantitative data on deterioration of drainage conditions in the area, including reduction in crop-yields due to poor drainage. Reliance should not be placed simply on the improvement in crop-yields experienced in the earlier UNDP/FAO experiments in the Nile Delta area. The report should discuss the available data regarding changes in groundwater levels and in agricultural production in each sub-area. Where projections are made from experience outside the project area, soil and drainage conditions in the related areas should be compared.)

IV. WORKS PROPOSED UNDER THE PROJECT

A. Construction of New Main and Branch Drains

List the length, capacity and structures of the main and branch drains proposed in each sub-area. These should be shown on the sub-area plans.

B. Remodelling and Deepening of Existing Drains

These should also be listed and shown on plans, and their present condition described and also the nature of the improvement work to be undertaken.

C. Design Basis, Main and Branch Drains

Discuss the basis for determination of the capacity of the main and branch drain system, show typical cross-sections; also indicate provision of access for maintenance. What will be the effect of future construction of the proposed step-barrages on the Nile on the functioning of the main drain system for each sub-area?

D. Field Drain System

Discuss the need for field drainage, by sub-area, with regard to present groundwater levels, permeability of subsoil, and rate of natural vertical drainage. Compare open and subsurface field drain systems in relation to required spacing and depth of field drains, and discuss the extent to which it is proposed to use either type of system. Include consideration of mole-drainage. Discuss selection of type of subsurface drain system. Tabulate estimated area to be served by selected type(s) of field drainage by sub-area. Append detailed designs for typical portions of each sub-area. (As methods of mechanized installation of subsurface or "tile" drains are developing rapidly, a thorough review and comparison of methods and materials is suggested, also updated comparison of mechanized and manual construction.)

E. Design of Field Drains

The method of determination of drain spacing and depth developed in the UNDP/FAO studies will presumably continue to be used. It should be described briefly only. However, the question of incorporation of a sand/gravel envelope around the drain tile and the gradation and method of installation of the envelope should be fully reviewed. Size of "tile" should also be reexamined in conjunction with consideration of type of tile and use of an envelope. (An envelope may be required either to prevent entry of soil into the drain, or to permit satisfactory hydraulic efficiency of drainage, particularly in the clayey soils of very low permeability. Some of the soils in Upper Egypt may be in the latter category. Sand/gravel suitable for processing for use in an envelope is probably readily available in the project area.)

F. Field Exploration for Drainage

Describe the field explorations carried out throughout the area to be drained, including details of spacing and depth of test holes for permeability determination and method of determination. Indicate the sections of the project area already covered by such field exploration, and the rate at which exploration is proceeding and the number of staff engaged on it. (Results of detailed exploration of typical portions of each sub-area should be available, under separate cover, at the time the project report is submitted to the IBRD.)

G. Land Leveling

Describe the extent to which land leveling would be required in the project area and the provision which would be made to meet the requirement under the project.

H. Construction and Procurement

Discuss the extent to which construction will be by contract and by departmental forces; also the relative economics of manual and mechanized construction in the project area, and the extent to which either will be used. Summarize procedures which will be adopted in calling for tenders and award of contract and in procurement. Provide tentative construction schedule. Will equipment be made available to contractors by the Ministry? (In preparing this section of the report, reference should be made to data previously supplied regarding Bank requirements on contracting and procurement procedures. Will the type of subsurface drainage system be fully specified in calling for tenders, or will tenderers also have the option of making proposals on the basis of alternative types of pipe material and installation methods?)

I. Cost Estimates

Provide cost estimates for the various types of work in as great a degree of detail as possible. Prepare a budget of total expenditure year by year through the period of construction. Estimate foreign exchange requirements. List the principal items of equipment (contractor or otherwise) for which foreign exchange will be required. Estimate separately annual maintenance costs and equipment required for maintenance.

V. ORGANIZATION FOR THE PROJECT

Discuss the organization which it is proposed will be responsible for design, management of construction and maintenance of the project. Estimates of numbers of staff in various professional categories should be provided. To what extent will coordination with the work of other Ministries or agencies in the project area be required to bring about rapid agricultural development and what organizational provision will be made to ensure such coordination. What complementary organizations will be responsible for on-farm development, extension, fertilizers, plant protection, marketing, storage, processing and credit?

VI. AGRICULTURAL BENEFITS ANTICIPATED FROM THE PROJECT

A. Cropping Pattern

Discuss the anticipated effect of the project on the type of crops grown in the area and on crop rotation and cropping intensity.

B. Crop Yields

Discuss the present trends in crop yields, likely future trends in yields in the absence of the project, and estimated increase in yields over present levels which will result from the project. Prepare a schedule comparing estimated increases in production of principal crops from the project area, year by year over a fifteen-year period commencing from date of commencement of construction, with projected production without the project over the same period and also with present production in the project area.

VII. FINANCIAL AND ECONOMIC EVALUATION OF THE PROJECT

A. Farm Budgets

Prepare representative farm budgets under pre-project and post-project conditions.

B. Project Repayment

Discuss statutory provisions for levying charges on landowners for project services. Level of proposed repayment charges.

C. Rate of Return

Based on the schedule of expenditure during construction and on subsequent maintenance, and the estimated increase in production of the principal crops year by year, estimate the internal rate of return from the project. (The IBRD Appraisal Report for the current project, 181-UAR, will be a useful guide in presentation of the economic analysis. A detailed outline of the procedure will be provided as a supplement to these notes by Mr. Campbell during his first mission to assist with preparation of the project.)

Suggested Outline for Report to be Submitted to IBRD/IDA
For the Project "Soil Amelioration in the Lower Delta"

1. The project proposed to the IBRD Identification Mission is described generally in the report of November 1970, prepared by the Soils Department of the Ministry of Agriculture and Agrarian Reform. For purposes of formal appraisal by the Bank, some amplification of the data presented in the November report is required. The following is a suggested outline for an expanded report, with notes on certain items to which particular attention should be given.
2. The outline should be taken as a guide only, to be modified or amplified as becomes necessary during the course of report preparation.

I. INTRODUCTION

- A. Position of agriculture in the national economy and supply position for principal agricultural commodities. Brief statement on land and water resources available in the UAR for horizontal expansion of irrigated agriculture, and the relative significance of vertical expansion in the agricultural program. (Description of the general agricultural and economic background at the national level can be kept brief as similar data is contained in reports on other projects submitted or being submitted to the IBRD. However, the report should indicate the significance of the project in the context of the overall program of agricultural development in the UAR.)

II. SOILS AND DRAINAGE IN THE NILE DELTA AS A WHOLE

A. Development of the Delta Soils

Describe the origin and recent history of the Delta's alluvium and the overlying soils, including the history of drainage conditions relevant to the present condition of the soils and the factors which have led to differences in character of soils throughout the Delta. (Preferably summarize in the body of the report and include fuller discussion in an appendix.)

B. Soil Surveys and Description of Soils

Describe the status of soil surveys in the Delta generally, preferably with reference to an appended map of the area, and indicate scale of sampling and plotting and the physical and chemical data recorded. What is the present program of soil surveying in the Delta and what staff are engaged on it? If possible, append a

soils classification map of the Delta for general reference. If this proves impractical for reasons of scale, discuss the variations in soil types in the Delta in the report, and provide a set of soils classification maps covering the Delta under separate cover (in two copies). (In discussion of variation in character of soils through the Delta emphasize in particular salinity, sodium status permeability, occurrence of hard-pan, and other factors which would influence selection of type of drainage or soil-treatment system.)

C. Drainage Conditions in the Delta

Describe briefly the present drainage system in the Delta and the extent to which drainage problems are being encountered or are anticipated.

D. Drainage Program in the Delta

Discuss the program of construction of main and collector drains in the Delta and the program of field drainage installation and soil improvement.

III. SELECTION OF PROJECT AREA

A. Basis of Selection

Discuss the technical and economic factors which have led to definition of the location and size of the particular area selected for submission to the IBRD.

B. Other Work in Progress

Is it intended that other similar work will be in progress elsewhere in the Delta during the course of the Bank project?

C. Future Program

Outline briefly the scope of the future program of soil amelioration in the Lower Delta.

Description of Project Area

D. Climate, Topography

Discuss physical and cadastral survey data available.

E. Soils and Groundwater

In amplification of the general discussion of the Delta soils, discuss in detail the extent and scale of soils surveys in the project area and the continuing program of surveys. If possible, append soil

classification maps of the project area, showing salinity and sodium status. Also show depth to groundwater and salinity of groundwater. Append physical and chemical analysis data sheets of representative areas.

F. Quality of Irrigation Water

Give typical analyses of the water being used for irrigation in the area, including such drainage return flows as are reused, for each month of the year. The analyses should include all cations and anions relevant to consideration of soil/water interaction.

G. Agriculture

Present cropping patterns and rotations. Summary of annual production of principal crops from the project area over the last five years. Fertilizer use, methods of cultivation including extent of mechanization.

H. Supporting Services

Discuss the agricultural extension organization in the project area and plans for its expansion to provide for rapid agricultural development under the project, farm cooperatives in the area, agricultural credit, provision of seeds, crop storage, road, rail and water transportation including roads to be constructed in association with open drains, and agricultural research and development in the area. (Reporting on supporting services in the project area should be in detail. Where there is a need for expansion of such services they should be included in the project (e.g. farm-to-market roads).

I. Population

Statistics for rural and urban population.

J. Land Tenure

Statistics of land ownership and distribution of farm size and of holding. Rental system, control of rents, and security of tenure. Position of owner and tenant regarding costs and benefits from project. Legal provision for acquisition of right-of-way for construction of open drains.

K. Present Drainage Facilities in Project Area

Amplify the earlier description of drainage facilities in the Delta generally with more detailed description of the main and secondary drainage system into which project drains will discharge. What additional construction of such facilities by the Ministry of Irrigation is planned in conjunction with the project?

Is inadequate land levelling contributing to drainage conditions, and is any levelling proposed under the project?

IV. DEVELOPMENT OF SOIL AMELIORATION TREATMENT PROPOSED FOR PROJECT

A. Experimental Work on Soil Amelioration

Summarize the results of the pilot-scale and full-scale works carried out to date, with reference both to improvement in agricultural yields and to observed changes in salinity, alkalinity, permeability and groundwater levels. (Supporting data should be appended in as much detail as is available. Include data on influence of mole-drain depth and spacing of effectiveness of treatment, on the duration of the improvement due to subsoiling and on the life of mole-drains.)

B. Comparison of Soil Amelioration and of Tile Drainage

Discuss the applicability of the soil amelioration program versus tile drainage and criteria determining the circumstances in which each should be used, or both.

V. FIELD INVESTIGATIONS AND DESIGNS FOR PROJECT

A. Investigations

Describe the field investigations of soils and drainage conditions which are carried out in advance of construction, the present extent of such investigations and the rate at which they are proceeding or can proceed.

B. Designs

Discuss the criteria employed in determining the type of remedial treatment used and the spacing and capacity of open collector drains. To what depth will subsoiling and mole drainage be carried if funds become available for purchase of new or heavier construction equipment?

VI. WORK TO BE CARRIED OUT UNDER THE PROJECT

A. Extent of the Work

List the estimated quantities of the principal items of work or treatment.

B. Method of Construction

Indicate which items of works will be carried out by contract,

by departmental forces, and by farmers. Discuss manual versus mechanical construction of collector drains.

C. Construction Program.

Discuss the construction program and indicate the factors which determine the length of the construction period proposed.

VII. ITEMS PROPOSED FOR FINANCING BY IBRD/IDA

A. Construction Equipment

List the items of equipment which it is proposed to purchase for departmental or contractor use, and likely sources of supply.

B. Other Items

Discuss any other items of materials or services for which foreign currency is required and which it is intended to include in the loan application.

VIII. COST ESTIMATES

A. Total Project Costs

Prepare detailed cost estimates for each item of works with supporting data based on contract or departmental work carried out to date. (Due allowance should be made for departmental overheads.)

B. Foreign Exchange Component of Costs

List estimated prices of all items of equipment or sources requiring foreign exchange. Indicate sources of cost data.

IX. ANTICIPATED INCREASE IN AGRICULTURAL PRODUCTION RESULTING FROM PROJECT

- A. Based on data obtained from areas on which the soil amelioration program has already been carried out in the Lower Delta, prepare a schedule showing the anticipated increase in production, year-by-year, over the period of construction plus a further five years. Compare this with similar schedules showing: (a) anticipated production in the absence of the project and (b) present production.

X. PROJECT ORGANIZATION

- A. Describe the organization proposed for design, management and construction of the project works and for continuing surveillance and maintenance of soil and drainage conditions in the project area. Indicate the estimated numbers of principal categories of professional staff.

To what extent will coordination with the work of other Ministries or agencies in the project area be required to bring about rapid agricultural development and what provision will be made to ensure such coordination? What complementary organizations will be responsible for extension, provision of fertilizers, plant protection, marketing, storage, processing and credit, etc.

XI. FINANCIAL AND ECONOMIC ANALYSIS OF PROJECT

A. Farm Budgets

Prepare typical farm budgets under pre-project and post-project conditions.

B. Repayment

Discuss proposed repayment provisions and legal basis for levying charges.

C. Rate of Return

On the basis of a schedule of expenditure year-by-year through the construction period and a subsequent nominal project "life", and the net value of the increase in agricultural production year-by-year, estimate the financial rate of return from the project. (The IBRD Appraisal Report for the current project 181 UAR will be a useful guide in presentation of the economic analysis. A detailed outline of the procedure in such analysis will be provided as a supplement to these notes.)

UAR - Upper Egypt 11716

ORGANISATION DES NATIONS UNIES POUR
L'ALIMENTATION ET L'AGRICULTURE



ORGANIZACION DE LAS NACIONES UNIDAS
PARA LA AGRICULTURA Y LA ALIMENTACION

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

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Ref. BK 3/2.9 UAR

Letter No. 000986

DDC REGISTRY
In Reply please mention our reference
and date of this letter

FEB. 25 1971

Dear Marius,

UAR. Preparation of Upper Egypt Drainage
Project. Back-to-Office Report

Please find enclosed eight copies of the above-mentioned Back-to-Office report on the UAR prepared by D.E. Campbell and I. Abu-Sharr.

With best wishes.

Yours sincerely,

J.S. Spears
Chief

Operations, Planning and
Coordination Unit
Investment Centre

Mr. Marius Veraart
Agriculture Projects Department
International Bank for Reconstruction
and Development
1818 H. Street, N.W.
Washington, D.C. 20433
USA

1818 H. Street - 2 N.W. 10:13

Original to Agric. Div
Date: 3/5/71
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FOOD AND AGRICULTURE ORGANIZATION
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Letter No...0.0.986

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With best wishes.

Yours sincerely,

Projects Dept. Correspondence
ANS'D BY *No Answer Req*
DATE _____


J.S. Spears
Chief
Operations, Planning and
Coordination Unit
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STAFF
P.O. BOX 30433

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Office report on the new telephone P.O. Box 30433 and P. O. Box 30433.
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To: Mr. J.P. Huyser, Director
FAO/IBRD Cooperative Programme

24 February 1971
(drafted 20.2.71)

From: D.E. Campbell, I. Abu-Sharr
FAO/IBRD Cooperative Programme

Subject: UAR. Preparation of Upper Egypt Drainage Project.
Back-to-Office Report

1. Following out of the Bank reconnaissance mission of last December, the above mission travelled to UAR on 14 February to initiate assistance to Government in project preparation. Campbell left for Delhi on 18 February, Abu-Sharr remaining until 26 February. A small project preparation group had already been established in the Ministry of Irrigation, under the direction of Deputy Ministry Engineer Kamal. Ministry of Agriculture staff are also cooperating. In addition to discussions at technical level, at Government request meetings were held with the Ministers of Irrigation and of Economic and Foreign Affairs, and with Minister of Agriculture Deputy P.M. Sayed Marei. Sayed Marei had just returned from Upper Egypt where had been particularly impressed by the urgency of the drainage problem. He has asked for full cooperation of all agencies concerned, in meeting the Bank request for finalization of a project report in June.

2. CP outlines for both the Upper Egypt Drainage Project and the Lower Delta Soil Amelioration Project had been received in Cairo, from Washington, a few days prior to the mission's visit. At Bank request, however, and in conformity with Government priority, attention is being confined at this time to the Upper Egypt Project.

3. Aside from a review of the project outline with the preparation group the mission directed its attention to the following:

- (a) The basic technical concepts of the project, i.e. the origin and incidence of the drainage problem, the alternative solutions available, and the appropriateness of the solution proposed.
- (b) The adequacy of the field data available, for project preparation, and a programme for obtaining supplemental field data.
- (c) The availability of recorded data on present and recent crop yields in the project area, and means of extending this data if necessary by field survey.

../..

DEC/IAS:bm
EK 3/2.9 UAR

cc: All Team Members
IBRD Washington (8)

4. The attached copy of a letter from the mission to Deputy Minister Engineer Kamal refers to items (a) and (b). It may be summarized as follows:

- The drainage problem is as much due to the change in the seasonal pattern of river flows and river levels consequent on perennial irrigation, as it is due to the increased total annual application of water.
- The deterioration in drainage conditions arising from the change to perennial irrigation is quite rapid, being in part due to changes in river level, and is of general incidence throughout the area.
- Field drainage and economy in water use are essential to amelioration of the condition.
- Also of primary importance to the drainage question are the degradation in river bed level due to interception of silt in Lake Nasser, and the proposals to control this degradation by construction of a chain of weirs down the length of the Valley. The arrangement adopted for the latter has an important bearing on the drainage situation in the Valley, and could either improve it or considerably aggravate it. The problem goes beyond the simple one of pumping of drainage under the weir regime.
- The programme of additional field explorations worked out by the Ministry at CP request is adequate. The need for adequate staff to carry it out was emphasized to Kamal.

5. The question of the effect of weir construction on the drainage problem will be actively followed with Kamal, particularly as the design of the system is now under discussion in Cairo. There possibility of incorporating power plants in some of the weirs is under consideration. Power considerations and drainage considerations are likely to be in conflict.

6. With regard to item (c), the district-wide statistical sampling technique used in compiling crop production data in the UAR does not produce the type of data needed for analysis of the Upper Egypt project. Nor is the pilot crop yield data developed in the middle Delta for the earlier Delta Tile Drainage project entirely applicable to Upper Egypt. Hence some additional field surveys may be necessary. Mr. Abu-Sharr will comment by note to file on his return from the project area.

7. Follow-up action:

CP follow-up on the technical questions discussed and on collection of technical and economic data is proposed for April, with a final mission for assistance in report preparation in the second half of May.

Eng. Ahmed Ali Kamal
Deputy Minister
Ministry of Irrigation
Cairo, UAR

18 February 1971

Dear Mr. Kamal,

1. Our discussions of the Upper Egypt Drainage Project this week have been very helpful in clarifying the nature of the drainage problems in that area, and the measures available for their correction. As the Nile Valley has some unusual features, from the drainage viewpoint, it is particularly desirable in this case to include in the project report a generalized technical discussion of the situation and of its origins, as a preface to description of specific proposals for project works. The following notes may be of interest to you as a starting point for such a discussion in your report. They will also serve to check our views and impressions against those of your staff, who have much more detailed acquaintance with the area. We would appreciate critical comment at next opportunity.

2. The piezometric data provided from observation wells on some forty cross-sections of the Nile Valley, recorded since 1964 or earlier, are particularly valuable in demonstrating the nature of the problem and the progressive changes which have occurred since construction of the High Dam. Together with the associated drilling logs they will form an important element in your report. In scanning through this data the following points are noted:

- (a) For much of the length of the Valley the average level in the river is only two or three metres below the general level of the cultivated valley lands on either side of it, and during normal high flow, or during the season of maximum irrigation release under post-Aswan conditions, the level in the river will be within one metre of the valley lands in some areas. (In this connexion it is noted that the rate of release of water during the peak irrigation season is no less than the pre-Aswan flood flow in normal years. It is also noted that in the Luxor area the height of the valley lands above the river is higher than generally elsewhere, giving an atypical impression on first inspection of the area).
- (b) The alluvial material underlying the 8 to 10 m of Nile silts is variable in character, ranging from sandy clays to fine or coarse sands, the beds being inter-leaved in lenticular fashion in some areas. Its permeability can be expected to be quite high, but variable. The river has cut through the silts in most areas, and is generally in hydraulic contact with the alluvium.
- (c) As would be expected in the above circumstances the piezometric level in the alluvium is directly related to river-level, varying with it. There is, however, a positive gradient away from the river, although rather small and varying from place to place. Generally the piezometric level at a distance from the river is 0.5 to 2 m above river level. This

piezometric level generally coincides with, and determines, the level of the water-table in the valley lands, which is consequently quite close to the surface, often less than 1.5 m.

- (d) The records clearly show that whereas the mean river level has been rather lower than normal since 1966, presumably partly through initial accumulation of storage in Aswan, the piezometric levels at a distance from the river have been rising in many areas, bringing the water-table to the surface in some localities.

3. The rise in piezometric level implies an increase in piezometric gradient to the river, which itself is a direct function of the quantity of groundwater flowing to the river. In the arid conditions of the Nile Valley the groundwater flow to the river originates entirely from seepage of irrigation water. Hence the increased piezometric gradient and the rise in water-table in this area is a direct result of increased application of irrigation water, consequent on the change from flood irrigation to perennial irrigation. It is noted, however, that the problem is not solely due to the greater total annual use of water. It is accentuated by seasonal considerations. Previously, under flood irrigation, river levels and piezometric levels were high in the September/October flood season, and in fact much of the land area was submerged. However, this was not of agricultural consequence as no crops were in the ground at that time. By the time crops were planted the river level had dropped sharply, and with it the piezometric level. Furthermore there was no further application of water during the growing season. Hence there were no drainage problems. On the contrary, with perennial irrigation crops are in the ground during the high-flow season, which is now in July/August, and furthermore there is maximum application of irrigation water at that time. Both circumstances combine to give high water-table in the height of the growing season. This may be partly offset by rapid transpiration in that season, but such relief could not significantly compensate the effect of high water-level in the adjacent river at that time. It is emphasized that this change in drainage conditions is almost immediate, following directly from the change in river regime consequent on full conversion to perennial irrigation. It is noted, however, that the problem was not encountered in the earlier more limited perennial irrigation, as total water requirements and consequent water releases from upstream were less than now, and river levels in the non-flood season were lower. Areas which have been successfully irrigated with perennial crops for many years may now also suffer from the change in river regime and its influence on water-table.

4. The river regime is being further influenced by long-term changes in bed-level resulting from construction of High Aswan Dam. Interception of silt in Lake Nasser is causing degradation or lowering of the bed-level of the river dam the length of the Valley. This in itself, with consequent lowering of water-levels in the river, could react to the advantage of the drainage problem, and materially so. However, in the interests of structurally protecting the existing barrages across the river in Upper Egypt it is proposed to check this downward erosion by construction of a chain of low weirs. These weirs will convert the present graded profile of the river into a series of steps, the erosive energy of the river being absorbed in the energy

dissipating structure at the foot of each weir. It is understood that the number and elevation of the weirs has not yet been finalized. Aside from the need to preserve the present regime immediately below the existing barrages for structural reasons, the controlled step profile could be either above or below the present natural profile. That is, the weir crests could be either above or below present bed level. While construction convenience might favour the former, the consequent increase in river-level upstream of each weir could seriously increase drainage problems in adjacent valley lands unless topography at the weir locations is particularly favourable. The alternative of locating the weir crests at or below present bed level and permitting erosion to continue down to a stable level between each pair of weirs would require increased construction excavation at the weir sites, and possibly greater construction costs, but it would not adversely affect drainage. It could, in fact, improve the drainage position through controlled lowering of the river bed.

5. Aside from manipulation of river profiles, the remaining means by which drainage may be improved, or prevented from further deterioration, are:

- (a) Reduction in the amount of water applied to the land, in irrigation.
- (b) Field drainage.

6. With regard to the first item, it is understood that farmers in the area tend to continue in practices developed in past flood irrigation, i.e. to divert more water to the fields than is now necessary or desirable. This excess water is not lost, as it will in the main return to the river as groundwater flow. However, in doing so it increases the groundwater gradient and hence raises the water table in the valley lands. Elimination of excess water use would not of course offset the effect of high water level in the river, but it could reduce the additional problem of the groundwater gradient.

7. Even with efficient irrigation practices some seepage to below the plant root zone will occur, and is in fact desirable. Without field drainage the seepage moves down to the water table and eventually laterally, resulting in a gradient as discussed above. By partial interception of this seepage through field drainage the flow to the river can be reduced, and consequently the gradient, resulting in lowered water table. Complete interception of all such seepage would in the case of the Nile Valley situation reduce the lateral gradient to zero and the base water table to the level of the river. This level may itself be too high in some areas, particularly during high river-flows and more particularly if river levels are further raised by weir construction. If this is the case the field drainage system may be designed to go further, and to produce in conjunction with pumping a negative gradient from the river, i.e. to cause a net flow of groundwater away from the river and into the field drainage system. It is not immediately apparent whether this would be practical in the case of the Nile Valley. The rate of extraction of water by the drainage system which would be required to produce this effect is determined by the permeability of the lower alluvium, and the thickness and permeability of the overlying silty clays. It would be instructive to attempt a quantitative analysis of such a system, but at first sight it appears desirable to avoid the need for such measures. Hence the earlier discussion of changes in bed profile.

8. In the above discussion, given the relatively high base water table dictated by the river-level, emphasis has been placed on avoiding aggravating the problem by an unnecessarily steep gradient towards the river. Economy of water use and field drainage are the means available for controlling the gradient. In this connexion there are two local situations which are of interest in the design of the drainage system. One is the occurrence of an area of somewhat higher elevation than the surroundings, in which the water table is not close enough to the surface to be a problem. While field drainage could be omitted in such an area without disadvantage to the area itself, such omission may cause a more general rise in the water table gradient which could cause water-logging in adjacent lands. The other situation is the occurrence of an area generally lower than its surroundings, in fact lower than the base groundwater level as determined by the river. As discussed in paragraph 7, it may be impractical to reduce the water table in such a situation, and cropping may have to be adapted to the waterlogged condition.

9. The above discussion is in general terms, and is intended primarily to raise the technical issues which should be covered more specifically in the project report. The field data already available and the supplemental work proposed by Ministry staff, including the observation of groundwater levels and determination of permeability and salinity at some 600 additional shallow borings and 20 new deep wells, should be sufficient for appraisal of technical aspects of the project. Completion of this programme by August of this year would be most desirable, and much appreciated.

Yours sincerely,

Donald E. Campbell
FAO/IBRD Cooperative Programme
Rome

cc: Mr. M. Veraart, Washington



INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

RESIDENT REPRESENTATIVE IN INDIA

53 Lodi Estate, New Delhi 3

Telephone

Cable Address - INTBAFRAD NEW DELHI · Postal Address - P.O. Box 416

DF
Oppen signed
Orange

24th Feb

Sir Kenneth Coomaraswamy
Agriculture Projects Dept
IBRD Washington

Dear Tim

WGC

Feb 1972

You've passed on your request for information on
UAR and Guadalupe on his arrival. I hope you
have had my note on UAR long since, and David's
cable also. David subsequently drew my attention to
the recent article on High Aswan in the Herald Tribune
emphasizing the ecological horrors of the situation. The
article does comment intelligently on the cascade weirs
~~situation~~, although does not raise the matter that primarily
concerns us — i.e. that the weirs could increase the
drainage problem from the agricultural viewpoint, and the
health problem also. Regarding the latter, our
line would be that perennial irrigation is largely an accomplished
fact in the Valley, or will be completely by the end of
next year. Diharzia and all. The drainage project
can only improve the situation, however, and is ecologically
virtuous. David suggests getting an ecologist
involved in preparation, possibly yours. He is concerned
whether the cascade weir problem can be cleared up



INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

RESIDENT REPRESENTATIVE IN INDIA

53 Lodi Estate, New Delhi 3

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Telephone

before appraisal, in view of the diverse interests concerned with it (including USSR). I plan to call on Kameel on March 20th enroute Rome to check his position, and will probably see you on 30th, but will cable you on 22nd anyway. If you have any advice or comment, I will be in Delhi a few days before 20th.

On Goodalquivir, a cable was sent to your office about Feb 12th. Tebor, who looked at it on paper and had some discussion with FAO project staff, had some reservations, but that doesn't close the door. Truth is that no-one from CP has seen either Goodalquivir or Ebro, or talked to Government. Govt. views and preferences probably have a good deal to do with what is feasible or practical in this case. I think the cable expressed the intention of going and having a look, it isn't far away from Rome, and talking with the Departments concerned. That is what is needed, and I hope it has been arranged by now. Aide Eud is handling this area, and knows my views. I'll send her a note also, but I'm rather out of touch over here.

Regards

Don Campbell

Upper Egypt 45

489

INCOMING CABLE

UAR-upper Egypt 100

DATE AND TIME
OF CABLE:

FEBRUARY 23, 1971

LOG NO.:

WU TELEX/23

TO:

INTBAFRAD

FROM:

NEW DELHI

TEXT:

THREE FOR GUINNESS.

SWAN AND YOON ARRIVED TWENTY SECOND, TADROS TWENTYTHIRD.

ALL AT OBEROI. CAMPBELL MAILED YOU ON NINETEENTH INTERESTING
REPORT UPPER EGYPT. MAIN PROBLEM IS WATER LEVELS IF AND WHEN
CASCADE WEIRS BUILT. SUBJECT DECISION ON THIS BY GOVERNMENT
PREPARATION COULD BE COMPLETE END JUNE, CAMPBELL PLANS STOPOVER
CAIRO ON WAY TO WASHINGTON. PLEASE PUSH QUESTION OF INCLUSION
ECOLOGIST. REGARDS.

HAYNES

FAMILY NOTIFICATION BEING MADE FOR MR. YOON

NO FAMILY NOTIFICATIONS NECESSARY FOR MESSRS. SWAN, TADROS, AND CAMPBELL.

ROUTING	
ACTION COPY:	AGRICULTURE PROJECTS
INFORMATION COPY:	
DECODED BY:	

*Mr Wapenhaus
May I talk to
Dr Lee about this?
MC 11/2 23/71*

Received Irrigation II
Date: FEB 23 1971

SECTION
COMMUNICATIONS
FEB 23 10 48 AM 1971

ee

1168

TYPED

FEB 23 10 48 AM 1971

COMMUNICATIONS SECTION

66

Date: FEB 23 1971
RECEIVED TELETYPE UNIT

NO FURTHER INVESTIGATION NECESSARY FOR MESSAGE...
FURTHER INVESTIGATION BEING MADE FOR INFO...

REMARKS

RECORDED... INDEXED...

... ON MAY 10...
... WOULD BE COMPLETE END...
... SUBJECT DECISION ON THIS...
... WITH PROBLEM IS...
... ON HIMSELF...
... SECOND...
... FOR...

1971

1971

10

100

OF CYCLE
DATE AND LINE

NEW YORK

INFORMATION

ALL INFORMATION

EXHIBIT 53, 1971

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HOLLIS	

INCOMING CYCLE



UPPER EGYPT
DRAINAGE



Tel : 79583 (10 Lines) Grams : RIVERVIEW

MATHURA ROAD NEW DELHI 14 (INDIA)

(Direction HOTEL RAJDOOT PRIVATE LTD.)

19th Feb

Sir Kenneth Guinness
Agricultural Projects Dept
I.D.R.D. Washington

11th

Dear Tim,

We had a week here days in Cairo, with Kamal acting as H.C., and every sign of passion from the top on all Ministries concerned with the project. Maree had just returned from Upper Egypt, where he had had some turbulent sessions with farmers who more or less told him of what he could do with his High Aswan Dam if all they got out of it was water-logged fields. The deterioration is happening quite quickly in some areas. Also they have a bear by the tail with the step ~~to~~ barrage scheme, as it could increase water levels and worsen ~~flooding~~ ^{water-logging}, specially if they build the barrages high enough for power production. The accompanying missile to Kamal is partly to strengthen his arm in heading off the power-at-any-cost group.

I think they can make it by late June, with the additional field work in time for an August appraisal. But it will take quite a bit of pushing. Abu Shaw has stayed on to do a bit of leg-work on agronomy data. I think I'll be up in the Valley for a week or more in April. We keep seeing the same small group of faces, and if they have



Tel : 79583 (10 Lines) Grams : RIVERVIEW

MATHURA ROAD NEW DELHI 14 (INDIA)

(Direction HOTEL RAJDOOT PRIVATE LTD.)

increased their technical staff I think it has all been done
with mirrors. We keep saying this to Kamal and he keeps
smiling and nodding. So I think a serious mission
in April is indicated in case we have to push harder.

I'll send further details in a DTO in the next few
days

Regards

Don Campbell

UAR - UPPER EGYPT IRRIG. + DRAIN

Form No. 27
(6-69)

INTERNATIONAL DEVELOPMENT
ASSOCIATION

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL FINANCE
CORPORATION

OUTGOING WIRE

TO: HIS EXCELLENCY
IBRAHIM Z. KINAWY
MINISTER IRRIGATION
MINISTRY IRRIGATION
CAIRO

DATE: FEBRUARY 12, 1971

CLASS OF
SERVICE: LT

COUNTRY: UNITED ARAB REPUBLIC

112

TEXT:
Cable No.: THANKS URCAB FEBRUARY 11 CAMPBELL AND ABU SHAH, AGRONOMIST, PLANNING
ARRIVE CAIRO FEBRUARY 15 FOR ABOUT FOUR DAYS ASSIST PREPARATION
UPPER EGYPT DRAINAGE REGARDS

BENJENK
INTBAFRAD

NOT TO BE TRANSMITTED

AUTHORIZED BY:

NAME M. P. Benjenk, Director
DEPT. Europe, Middle East and North Africa

SIGNATURE _____
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

REFERENCE

DR
D. Ritchie:pw

FEB 12 1971

ORIGINAL (File Copy)

(IMPORTANT: See Secretaries Guide for preparing form)

13 2

CLEARANCES AND COPY DISTRIBUTION:

cc: Sir Kenelm Guinness
Mr. Sicely
Messrs. Davar/Ritchie

For Use By Communications Section

Checked for Dispatch: _____

[Handwritten signature]

(Invertir: see instructions for details) 13

ORIGINAL (see copy)

Checked for balance

D. Introduction FEB 13 1971

REFERENCE

(SIGNATURE OF INDIVIDUAL AUTHORIZED TO SIGN)

For use by communication section

SIGNATURE

DATE

Illobo, M... FEB 12 7 10 PM 1971

Revela, D... M... M...

NAME

M. B. ... COMMUNICATIONS

cc: ...

AUTHORIZED BY

STAMPING AND COPY DISTRIBUTION

NOT TO BE REPRODUCED

RECEIVED
FEB 13 1971

OFFICE OF THE DIRECTOR GENERAL

UNITED STATES DEPARTMENT OF COMMERCE

Serial No.
TEXT

UNITED STATES DEPARTMENT OF COMMERCE

COPYING

UNITED STATES DEPARTMENT OF COMMERCE

UNITED STATES DEPARTMENT OF COMMERCE
UNITED STATES DEPARTMENT OF COMMERCE
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CLASSIFICATION

TO:

DATE FEBRUARY 13 1971

ORGANIZATIONAL CHART

ASSOCIATION INTERNATIONAL DELEGATION (9-9) 1971	RESPONSIBILITY AND DELEGATION INTERNATIONAL BANK FOR	COOPERATION INTERNATIONAL FINANCE
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1971 - ...

UAR - Upper Egypt Irrigation 26
FEB 12 1971

INCOMING CABLE

DATE AND TIME OF CABLE: FEBRUARY 11, 1971 1440
LOG NO.: ITT 6 / 12
TO: BENJENK INTBAFRAD
FROM: CAIRO

ROUTING	
ACTION COPY:	MR. BENJENK (1) -
INFORMATION COPY:	MR. HARTWIG MR. DAVAR (2)
DECODED BY:	

TEXT:

REYOURLET TO MINISTER MARIE AND MY DISCUSSIONS WITH MR. DAVAR
RE PREPARATION UPPER EGYPT DRAINAGE. WELCOME MR. CAMPBELL
VISIT FOR THREE DAYS TO ASSIST IN PREPARATION WORK.

KINAWY UAR MINISTER IRRIGATION

Mr. Melherati
Please inform Inyead
[Signature]

JAO

9

INCOMING CABLE

TO:	MR. DAVIS
FROM:	MR. DAVIS
DATE:	FEBRUARY 11, 1971
TIME:	11:00 AM
RE:	MR. DAVIS

Info

FEBRUARY 11, 1971

DATE AND TIME
OF CABLE

ITT 8 12

REQ NO:

SMITH INTEREST

NO:

CAIRO

FROM:

TEXT:

RE REQUEST TO MINISTER MAMIN AND BY DISCUSSING WITH MR. DAVIS
RE PREPARATION UPPER EGYPT TRAINING. WOULD MR. CAMPBELL
WANT FOR THESE WAYS TO ASSIST IN PREPARATION WORK.
MINISTER FOR MINISTERS INVESTIGATION

TYPED
FEB 12 9:59 AM 1971
COMMUNICATIONS

*VAR UPPER EGYPT 12219
cc [signature]*

INCOMING CABLE

DATE AND TIME OF CABLE: **FEBRUARY 11, 1971 1540**

LOG NO.: **RC 33 / 12**

TO: **INTBAFRAD**

FROM: **CAIRO**

ROUTING

ACTION COPY: **MR. BENJENK**

INFORMATION COPY: **MR. HARTWICH**

DECODED BY:

TEXT:

TWO FOR BENJENK

ALPHA MINISTERS TRANSPORT AND ECONOMY AGREE IN PRINCIPLE APPROACH PROPOSED RE ALY PROJECT YURLET FEBRUARY 2 AND REQUEST STEPS TOWARD EARLY NEGOTIATIONS. THEY PROMISE CABLE YOU EARLY NEXT WEEK AFTER FORMALLY ADVISING THIS DECISION TO MINISTER PLANNING WHO HAS BEEN OUT OF COUNTRY.

BETA RE UPPER EGYPT DRAINAGE IN ABSENCE MAREI DISCUSSED WITH MINISTER IRRIGATION VISIT CAMPBELL OF COOP PROGRAM PROPOSED YURLET FEBRUARY 1, TO GUIDE ABOUT DETAILS PROJECT PREPARATION WORK. MINISTER WELCOMES BANK APPROACH AND CAMPBELLS VISIT COMMENCING FEBRUARY 15 ABOUT FOUR DAYS AND WILL PROBABLY EVANS TOMORROW. MEANWHILE PLEASE URGENTLY INFORM GUINNESS AGRI PROJECTS DEPT TO ENABLE IMMEDIATE COORDINATION WITH CAMPBELL. AS AGREED WITH GUINNESS HAVE ALREADY CABLED CAMPBELL IN ROME ABOUT VISIT. REGARDS.

A. DAVAR

AS RECEIVED

JAO *9*

FOR INFORMATION REGARDING INCOMING CABLES, PLEASE CALL THE COMMUNICATIONS SECTION, EXT. 2021

DUPLICATE

INCOMING CABLE

DATE AND TIME OF CABLE: FEBRUARY 11, 1971

LOG NO.: 80 33 12

TO: INT/STAD

FROM: CAIRO

TEXT:

END FOR MEMPHIS

ALFA MEMPHIS YAMPORT AND MACHINERY WERE IN MEMPHIS APPROX 10:00 AM
HE HAS PROJECT POINT NUMBER 2 AND PROJECT STAFF TOWNS NAME MEMPHIS
THE MEMPHIS CASE YOU SAID WERE WITH AFRICAN SOCIETY AND THIS SOCIETY
TO MEMPHIS PLANNING WHO HAS BEEN OUT OF CONTACT
HE HAS BEEN WITH STAFF MEMPHIS IN AFRICAN SOCIETY WITH MEMPHIS
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J. HAYS

AS RECEIVED

ROUTING

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DECIDED BY:

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COMMUNICATIONS

FOR INFORMATION REGARDING INCOMING CABLES, PLEASE CALL THE COMMUNICATIONS SECTION, EXT. 2821

DUPLICATE

CAZ

26
FEB 12 1971

INTERNATIONAL DEVELOPMENT
ASSOCIATION

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL FINANCE
CORPORATION

UAR - Upper Egypt

INCOMING CABLE

DATE AND TIME OF CABLE: **FEBRUARY 11, 1971** **1440**

LOG NO.: **ITT 6 / 12**
TO: **BENJENK INTBAFRAD**
FROM: **CAIRO**

ROUTING	
ACTION COPY:	MR. BENJENK
INFORMATION COPY:	MR. HARTWICH
DECODED BY:	MR. DAVAR <i>DR</i>

TEXT:

REYOURLET TO MINISTER MARIE AND MY DISCUSSIONS WITH MR. DAVAR
RE PREPARATION UPPER EGYPT DRAINAGE. WELCOME MR. CAMPBELL
VISIT FOR THREE DAYS TO ASSIST IN PREPARATION WORK.

KINAWY UAR MINISTER IRRIGATION

DR
AO
OR
S

JAO

FOR INFORMATION REGARDING INCOMING CABLES, PLEASE CALL THE COMMUNICATIONS SECTION, EXT. 2021

DUPLICATE

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FEB 12 1971

CAF

Form No. 28
14-001

INTERNATIONAL DEVELOPMENT ASSOCIATION
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL FINANCE CORPORATION

INCOMING CABLES

DATE AND TIME OF CABLE:	FEBRUARY 11, 1971	TIME:	11:00									
LOG NO.:	ZTT 6 \ 12	FROM:	CAIRO									
TO:	EGYPTIAN INFORMATION	TEXT:										
<table border="1"> <tr> <td>ROUTING</td> <td>DECODED BY:</td> <td>MR. DAVIS</td> </tr> <tr> <td></td> <td>INFO. CONTAINING:</td> <td>MR. DAVIS</td> </tr> <tr> <td></td> <td>ACTION COPY:</td> <td>MR. DAVIS</td> </tr> </table>				ROUTING	DECODED BY:	MR. DAVIS		INFO. CONTAINING:	MR. DAVIS		ACTION COPY:	MR. DAVIS
ROUTING	DECODED BY:	MR. DAVIS										
	INFO. CONTAINING:	MR. DAVIS										
	ACTION COPY:	MR. DAVIS										

REQUEST TO MINISTERS AND BY DISCUSSING WITH MR. DAVIS
 BE PREPARATION UNDER EGYPTIANS. MR. DAVIS
 VIEW FOR THEM TO AGREE IN PREPARATION WORK.
 KINDLY USE MINISTERS INFORMATION

TYPED
 FEB 12 9 59 AM 1971
 COMMUNICATIONS

FOR INFORMATION REGARDING INCOMING CABLES, PLEASE CALL THE COMMUNICATIONS SECTION, EXT. 2021

DUPLICATE

UAR - Upper Egypt
Irrigation
677

February 2, 1971

His Excellency
Sayed Marei
Deputy Premier and Minister of Agriculture
Ministry of Agriculture
Cairo
United Arab Republic

Dear Mr. Minister:

Re: Upper Egypt Drainage Project

The Bank Group's irrigation identification mission which you received in December 1970 and Mr. Davar, whom met you during his recent visit to UAR have both made their reports. I would like to thank you for the hospitality and assistance that you extended to our missions. Mr. Davar particularly appreciated the very pleasant and fruitful evening that you spent with him at your house.

Now that the Nile Drainage project has become effective, I would like to assure you of the Bank Group's continuing interest in helping your country by considering technically and economically viable projects of high priority which might be suitable for Bank Group financing, particularly in the important field of agriculture. Towards this objective, we would recommend that steps be taken to proceed with the detailed preparation of the Upper Egypt Drainage Project (proposed by the Ministry of Irrigation) and the Project for Amelioration of Soils in the Lower Delta (Ministry of Agriculture).

We, however, believe that the background work on the Upper Egypt Drainage Project is relatively more advanced, and merits a more immediate priority than the Soils project. We understand that you also agree that in the circumstances, priority be given to this project. Our identification mission was given a brief report on this project at the time of its visit. Amplification of this report to the degree of detail we need for appraisal, will require a considerable amount of work by the Government Departments concerned. We would however anticipate that the necessary detailed information, sufficient for the appraisal, can be completed and sent to the Bank for review by June of this year, if steps to commence them are initiated quickly. To enable your government to meet this target, the FAO/IBRD Cooperative Programme would be willing to assist you, where necessary in this work. If this approach is acceptable to you we would propose that a Cooperative Programme Mission from Rome should make a short visit to Cairo in February. Depending upon the progress of the preparation work, this could be followed by a further visit around April. In the meantime, I am enclosing three copies of a draft outline of a

February 2, 1971

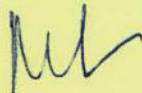
feasibility report for the Upper Egypt Irrigation and Drainage Project, which we hope you will find useful in proceeding with the preparation work, and which also sets out the further information and work that would be necessary to advance the proposal.

The Project for Amelioration of Soils in the Lower Delta is another project of considerable interest. However, we believe that significant work on the technical, financial and economic aspects will need to be done to develop it to an appraisal stage. The enclosed draft outline of a feasibility report for this proposal, might be of assistance towards that end.

Besides this proposal, you discussed with Mr. Davar the government's possible interest in considering for future years, projects in other areas of agriculture such as long-term agricultural credit, possibilities of livestock improvement, complete land settlement proposals, etc. We appreciate that such proposals could be important for your country. We would suggest that such viable proposals could be explored further during subsequent visits of Bank Group missions, as also the necessary steps and probable timings for developing them for possible lending over the next three to four years.

In view of their interest, we are sending a copy of this letter, with enclosures, to the Minister of Economy and the Minister of Irrigation for their information.

Sincerely yours,



H. P. Benjenk
Director
Europe, Middle East and North Africa
Department

Enclosures

ADavar/11j

cc: His Excellency Mohamed Abdulla Haraibon
Minister of Economy and Foreign Trade

His Excellency Ibrahim Zaki Kenawy
Minister of Irrigation

Dr. H. El-Sayeh, Ministry of Economy and Foreign Trade

Cleared with and cc: Sir K. Guinness (understood from you, that this letter
was also cleared in substance with Mr. McIvor)

cc: Messrs. Evans/Haynes
Mr. Ritchie (o/r)

92
FEB 2 1971

Mr. Munir P. Benjenk

Adi Davar

UAR: Back-to-Office Report on Mission

January 26, 1971

UAR - Gen Negs
cc UAR - Railways
cc UAR - Pop Control
cc UAR - Urban Transp
cc UAR - Agric.

UAR ✓ Upper Egypt
✓ Lower Egypt
✓ Canal
✓ Suez
✓ Port

1. I visited UAR between January 4 and 12. Between January 5 and 7, I joined Mr. Karasmanoglu in discussions with the Government regarding the draft economic report. This is covered in Mr. Karasmanoglu's memo of January 18, 1971 to you.

2. I thereafter concentrated on meeting persons inside and outside the Government, to establish contacts and closer working relationships. I had fairly extensive meetings with Mr. Morsiban, Minister of Economy, Dr. Mahmoud Sallam, Minister of Health, Mr. Zain Al Abedin, Minister of Transport and Mr. Sayed Marei, Deputy Prime Minister and Minister of Agriculture, besides other Government officials, those in the UNDP and in the embassies of US, UK, Germany, Italy, Canada and India. I also participated in some of the discussions that the Transportation Projects Department's mission had with Egyptian Railways and the Minister of Transportation regarding the railway project.

3. For the reasons, which I have already reported on separately, (my memo of January 25), I took the line in discussion with the ministers, that in fulfillment of its role as an institution interested in the economic development of its member countries, the Bank Group was most willing, if the Government so wished, to make its contribution towards the priority development goals of the UAR. I ventured our hope that the spectre of Aswan, whoever was right or wrong, would not continue to haunt our relationship and what we may be able to do together for the future. I felt that it would be useful to make UAR officials fully aware of our methods of operations, etc. I therefore took the opportunity to explain, at some length, the variety and type of projects in different sectors that the Bank Group normally financed, the concept and purpose of our Five-Year Lending Programs, the different methods by which the Bank Group could help in identifying and preparing projects for ultimate appraisal, and other responsibilities such as aid coordination and debt restructuring efforts that we undertook, in specific circumstances, at the request of member countries. While discussing the development of a future pipeline, I suggested some possible projects in key sectors, including industrial enclave-type projects (where Bank financing might be susceptible of use), which might be appropriate in the UAR's circumstances. I expressed the hope that we could now commence a close dialogue on future operations, and then work together on developing an effective pipeline of priority projects, on the assumption that UAR would itself resolve the one single problem of debt payments, thus opening the way for a continuous flow of Bank Group lending for the pipeline. I feel that particularly since

January 27, 1971

Dr. El Emery's visit, the Egyptians appreciate that the Bank Group was urging a resolution of this matter not only from the viewpoint of a basic principle that member borrowers should meet credit obligations, irrespective of whoever these obligations are to, but also because its non-resolution could well-nigh have the practical effect that future lending proposals that we could develop and process, might not get through the Board.

4. I suspect that the Egyptians found the above approach, couched in a language that was low key, understanding and candid, to be a rather new experience. A diplomatically friendly, but correct and formal, way of talking seemed to gradually give way in most cases to one of some warmth and openness. "Difficult to get" appointments were arranged, and the few minutes given as courtesy, often extended into lengthy meetings. With most ministers, I indicated that all I wanted to do at this stage, was to let them know what the Bank Group's interests covered and consider over the next few weeks how and what project proposals the UAR and the Bank Group could develop together for the future. We could discuss proposals more concretely, during my possible visit in the last week of February. The Egyptians appreciated that project proposals to meet our usual criteria usually take some time to prepare, and only those proposals which were practically ready or could be quickly completed could be considered for FY 1972. They do understand that actual lending depends on the resolution of the debt issue. A summary of various proposals, emerging from discussions with various ministers, is given in the Attachment hereto. I am mentioning below only proposals which seem to have some possibilities for FY 1971 and 1972.

FY 1971

5. Railways: Briefly, the Railway Board and Transport Minister feel that a reduced five-year investment program of about LE 127 million (excluding contingencies) would be needed to break the first cycle of under-investment in railways, and might be also realistic in terms of the Board's capacity to service the borrowings involved. They wished to touch base on this figure internally, and to communicate with the Bank by the end of January. The details of this reduced program, which our Transportation Department mission tentatively also, felt was realistic, was being reviewed in depth by Mr. Lubbeke when the rest of us left UAR. The Government ministries involved and the Board have already agreed that the past debts of the Board to the Government/Central Bank amounting to about E 183 million, would be turned into equity, thus reducing the Board's future debt service burden and transforming the financial funding for the Board's operations. While thought is still being given to similarly treating some of the future financing requirements, (from internal sources), for the revised five-year program, the conversion of extensive old debts to equity should by itself remove major obstacles in the way of the Board being able to carry through the revised program. In order to provide for flexibility in the details of investments that would be made in the later years of this revised program, (which might

will be necessary if the present political situation should change), to provide an opportunity to do more in-depth future planning by the Board for these later years, and to give more leverage to us than we would get if we were to provide only \$24 million for a \$300 million program and an opportunity to lend further to the railways in future, it would be advantageous to consider the following approach. We should get Government's commitment to implement the five-year revised program as an overall financial and physical parameter. However out of this, we should define as a first phase project to be carried out by the Board, all investments visualized in the first two years (plus the signalling equipment which can be installed technically only within three to four years). Out of this two-year project, UAR might be able to obtain suppliers' credits for some imported equipment and we could provide our financing for the balance. Internal borrowing would cover all local costs. From tentative figures, our assistance to the amount of about US \$30 million, together with arranged or anticipated suppliers' credits, would suffice to meet the above-mentioned first phase investments. After about 12 to 18 months, taking into account any necessary changes, we could review and appraise in depth our lending for a second phase project. (This could be again either a two-year or balance three-year investment slice). In this approach, the Board and Government would in any case be tied and committed to making an overall financial investment of at least LE127 million (plus contingencies). But while achieving this objective, the approach will provide flexibility for the future and an opportunity for further investments and leverage for institutional and other reforms. I would suggest consideration of this approach. I would also support the proposal that we negotiate the loan, but present it to the Board depending on the progress of the debt question. As Deputy Prime Minister suggested, this in itself might give leverage to forces in the Cabinet to resolve the debt question, if perchance limited progress is made towards it in the meantime.

6. Population: The Government is keen indeed to get an effective population planning program going and to secure IDA assistance for it. Ministers Merziban and Mohammed Sallam indicated that Government's request for such help at Copenhagen was an official indication of UAR's interest, which they were again confirming in discussions with me. I feel it should be possible to develop this proposal for lending in FY 1972, and I have since explored the possible approach with Dr. Kangaratnam whose response is most helpful and positive. A separate memorandum is being published on this matter and the possible approach for making it a FY 1972 lending operation.

7. Irrigation/Drainage: Minister Marei stated his interest in moving ahead quickly with the irrigation/drainage project in Upper Egypt, discussed with the Bank's recent reconnaissance mission. If a further investigation to determine the need or extent of drainage required in the suggested areas can be completed within four to five months time (which the Bank project staff and Minister Marei feel is possible), this project could be processed for FY 1972. I would suggest that we take steps within the Bank

January 27, 1971

towards this objective, and inform the Government so as to get them started on the said investigation.

8. Industrial Development Bank: The Minister of Economy, Mr. Merziban, reiterated the Government's request that the Bank Group become interested in lending for the Government-owned Industrial Development Bank, which incidentally falls under his Ministry's control. According to him, this Bank catered not only to small and medium private industrial units, but also to similar sized units in the public sector and there were prospects of increasing business. It might be possible to consider covering tourism enterprises, to add to the bank's lending program. I explained our approach to DFC lending and candidly explained that we might both be wanting energies unless the Government was prepared to consider, (i) making necessary institutional and reorganization reforms in the bank to make it function like a commercially-oriented DFC, and (ii) adopting commercially-oriented operational policies as well as procedures for evaluating sub-loan applications. Mr. Merziban stated that the bank was due for wide-spread reform, and he would therefore not anticipate difficulties on the above-mentioned points. He mentioned that during the Copenhagen meeting, the Government had requested our assistance for this proposal for lending in FY 1972, and since then, some information on the Bank had been provided. I stated that this information was rather sketchy, and if Government wished us to consider the proposal and the steps necessary to process it further, it would be helpful if he could quickly make available, (i) the legislation or decree establishing the bank, (ii) the details about the bank's board, management and organizational set-up, (iii) the current statement of the bank's policy and operational procedures, (iv) the balance sheets and profit and loss statements for the last 3 to 5 years and (v) three to four year projections of the likely volume of business, credit needs and availability. He felt that this could be made available. I would suggest that we discuss with the DFC Department, the possibility of their being able to process this proposal for lending by the last quarter of FY 1972. If their response is positive, we could write to Minister Merziban confirming our interest, in principle in the proposal and request the above information. I could carry the matter further during my end February visit. Thereafter, it might be advantageous to plan a review mission around April 1971 to evaluate the bank, its procedures and prospects, and to guide it in the preparation of detailed data, necessary for a possible appraisal around September/October 1971.

9. As I mentioned to you, the current internal political set-up and trends, suggest that unlike the past years, an opportunity to come close to UAR seems to exist. While UAR continues to make reasonable efforts towards the debt question, a simultaneous full-hearted movement by the Bank Group in developing a pipeline would considerably help to erode UAR's past suspicions and misgivings regarding the Bank Group and the independence of its policy, which unfortunately they still have.

Att.

ADavar/11j

cc: Messrs. Hartwich, Karacostasoglu, Ritchie (o/r)/Metherate
 Dr. Managaratnam, Messrs. Sadove/Elkouby (#s 1, 2 of att.),
 Messrs. Jaxon (#5), Hayes/Guinness (#7) and att. #6,
 Pullan (#s 8 and 9) Gachet (the attachment)
 Carmichael (#s 4 & 5 of att.)

Other Projects Raised By the Government

1. Cairo Bus Transit: The new Cabinet's orientation is to undertake many public-oriented projects, that were neglected for years. One of its "pet" projects is the overall solution to urban transportation in Cairo. Repeatedly, almost all ministers that I met urged Bank Group's interest in these projects. The short-term immediate project is the renewal and replacement of the bus fleet in Cairo, i.e., purchase of about 700 new buses, estimated cost: around \$7-8 million. Today, one out of three buses is claimed to be in the repair shops daily. According to the Government, besides significant time user savings and the popular appeal of the project, it would also have appreciable road user and other economic savings, such as savings in maintenance and repair costs, the economic savings in fuel and imported spare parts, etc.

2. If the Bank Group was to seriously consider this proposal, it would be the first project of its type having the following advantages: (i) significant and useful "public relations" value for the Bank Group both with the Cabinet - who is backing it, and the public; (ii) almost 100 percent foreign exchange component, which would give us much better country leverage than projects where we end up by financing a fraction of project costs; (iii) a project that could not only be quickly put in the FY 1972 pipeline, but which should result in quick disbursements as also a fast injection of needed foreign exchange into UAR at its current time of stress; (iv) through the leverage of the project, it might be possible to effect some institutional reforms in the Cairo Transit Authority, particularly for more efficient maintenance service and favorable rate structure; (v) if UAR were to instead purchase buses on usual five-year supplier credit terms (as it otherwise will), the actual capital cost of the project (or at least the economic cost) would undoubtedly increase; besides, the short repayment period would further aggravate UAR's debt profile. In these circumstances, if the proposal can be considered, special assistance from either the Transportation Projects or Special Projects Departments would be needed on a priority basis, to develop it for lending in FY 1972.

3. Rapid Transit: Bank Group's interest in this proposal, one of the Cabinet's priority proposals, was urged by both the Economy and Transport Ministers. However in line with Mr. Hartwich's and your suggestion, I soft-pedalled it, and stated that IDA monies might be more appropriate for other proposals of higher economic priority. The rapid transit project, being studied and to be engineered by French consultants, will take about 2 years to complete before it reaches a stage when financing will have to be organized, i.e. around FY 1974. According to the Transport Minister, the study does not adequately cover either the economic or financial viability of rapid transit, both aspects that we would seek answers to if we were to become interested in the proposal. I suggested to the Minister that it was in UAR's interest to have these aspects covered, irrespective of whether the Bank Group were called upon to participate in financing a portion of the large cost that the project would have. He concurred. In order not to be completely negative on a pet project of the new Cabinet, and since the stage for arranging financing is some time away, I felt that it would be constructive in the meantime for the Bank to

give some technical assistance to UAR on this proposal. This could be through vetting the terms of reference of the study and suggesting additions therein to cover the proposal's economic and financial viability. The Minister would welcome this help. Should we ultimately decide to become interested, or to arrange organized parallel financing for the project, our task would be facilitated. Special Projects Department might help at this stage.

4. Noubariya Canal and Alexandria Port Improvements: The Transport Minister agreed that as substantial work had already been completed on the Noubariya Canal, it was unrealistic to ask the Bank to continue to be interested in it. Since much of the technical work was complete or could be quickly completed, I suggested that Government might instead wish the Bank Group to consider for FY 1972 or 1973, those improvements at Alexandria Port that were related to the development/expansion of the Noubariya Canal. Of course the improvements tied to the basic port activities at Alexandria would be considered sensitive for strategic reasons. However the Minister felt that even the former might be considered sensitive for the same reasons. But he might like to discuss this during my next visit. He stated that in the meantime he would consider other possible priority inland water or road improvement/construction proposals for the lending program.

5. Container Port Study and Transportation Survey: Among other future projects, the Transport Minister inquired if the Bank Group could help by suggesting names of suitable consultants and assist by drafting terms of reference for a study that could evaluate international shipping trends in the region and consequent prospects for a container port in UAR, and thereafter determine the appropriate location for it. While he did not press the point, a positive response in the form of "technical help" should contribute in building relationships, and could conceivably lead to a future project after cessation of the current hostilities. The Minister also expressed keenness to do a transportation survey with our assistance. I am not sure, if despite explanations, he clearly understood the ambit of what such a survey would cover. He kept reiterating his desire that we could help in framing the terms of reference and financing the survey, or supervising it, if we could get some other agencies to finance it.

6. Agricultural Projects: While discussing the agricultural sector in UAR, Deputy Prime Minister and Agriculture Minister Marei wished to know the sort of agricultural projects that we financed besides irrigation and drainage. Besides the Upper Egypt irrigation (drainage project - FY 1972), future interesting possibilities could include proposals for agricultural credit, livestock and for agro-industry, such as the rehabilitation of cotton ginning mills. Minister Marei offered to arrange opportunities to see rural areas during my next visit, when he will have developed further thoughts on future projects that might be of mutual interest for years beyond FY 1972.

7. Industry: I mentioned to Minister Merziban the possibility of considering single individual industrial projects, which might be capable of development for possible Bank financing as "enclave" projects. I explained what we meant by enclave projects. Two tentative thoughts

mentioned were the manufacture of nitrogenous fertilizer (UAR annually imports about 1 million tons of this type) from natural gas, or the liquification of natural gas for exports. Minister Herziban suggested that I should meet Deputy Prime Minister Sidki, but since he was unavailable in Cairo, the Minister stated that he would discuss with Deputy Prime Minister Sidki and arrange for a meeting with him during my next visit.

January 27, 1971

ORGANISATION DES NATIONS UNIES POUR
L'ALIMENTATION ET L'AGRICULTURE



ORGANIZACION DE LAS NACIONES UNIDAS
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FOOD AND AGRICULTURE ORGANIZATION
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Ref. HK 3/2.9 UAR

NO ANSWER REF

Letter No. *00906*

Dear Marius,

DEC 23 1970

~~EGYPT.~~ Irrigation and Drainage
UAR. Identification Mission.

...
Enclosed are eight copies of Don Campbell's Back-to-Office report on the above mission. The notes on the Land Improvement and Soil Conservation project in the northern Delta, based on his visit to that area subsequent to the departure of the remainder of the mission, may be of particular interest.

Yours sincerely,

J.S. Spears
J.S. Spears
Chief
Operations, Planning and
Coordination Unit
Investment Centre

Mr. Haynes (x2)
Mr. Hasselmid (x2)

Mr. Marius Veraart
Agriculture Projects Department
International Bank for Reconstruction
and Development
1818 H. Street, N.W.
Washington, D.C. 20433
USA

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To: Mr. J.P. Huyser, Director
FAO/IBRD Cooperative Programme

23 December 1970

From: D.E. Campbell
FAO/IBRD Cooperative Programme

Subject: UAR Irrigation Identification Mission.
Back-to-Office Report.

A Bank mission for the joint purpose of supervision of the Nile Delta Tile Drainage Project and identification of further projects in irrigation and land reclamation visited UAR from 5-18 December. ^{1/} The following notes refer to CP participation and follow-up action, and are supplemental to the mission Back-to-Office Report which will be written in Washington.

The projects proposed to the mission by the Government were the following:

- (a) A second stage of the Nile Delta Tile Drainage project.
- (b) Drainage in Upper Egypt.
- (c) Land improvement and soil conservation in the lower Delta.
- (d) Land reclamation in the Mataria-Husinia area in the north eastern Delta.

The listed projects cover the main prospects for early investment in irrigation and reclamation in Egypt. The following additional projects which may later be of interest to the Bank were not included.

- The Salhia reclamation project in the north eastern Delta, adjacent to the Suez Canal. This was considered by a previous Bank mission, but remains out-of-bounds due to military activities in the project area.

- The Nubarria canal extension north-west of the Delta.

- Groundwater development in the New Valley in the Western Desert, currently under consideration for a UNDP/FAO pilot project.

Of the projects proposed by Government items (a) and (d) were dropped from further consideration early in the mission, item (a) because the first stage of the Delta Tile Drainage is not yet operative, and item (d) because soil surveys in the Lake Manzal portion of the Mataria area have not progressed far enough for project formulation. The remaining two projects selected for detailed consideration are item (b) Drainage in Upper Egypt, and item (c) Land Improvement and Soil Conservation in the Lower Delta. These are described briefly hereunder:

..//..

^{1/} Sir Kenelm Guinness and E.M. Sicely, Bank, and D.E. Campbell, CP.

DEC:bm
EK 3/2.9 UAR

cc: All Team Members
IBRD Washington (8)

The Drainage Project in Upper Egypt

The term "Upper Egypt" in its broader use covers the whole length of the Nile Valley from the Sudanese border down to the apex of the Delta near Cairo, including the area otherwise known as Middle Egypt. The total irrigated area of Upper Egypt is 2.5 million feddans.^{1/} Prior to completion of the first Aswan Dam in 1902, some 200,000 feddans of this area were under perennial irrigation the remainder being irrigated during the flood season only, by "basin" irrigation. As additional summer flow became available through progressive heightening of the original Aswan dam and construction of Gebel Awlia dam, the area under perennial irrigation in Upper Egypt was increased to 1.5 million feddans by 1940. Conversion to perennial irrigation was resumed in 1960, concurrently with construction of the new High Aswan Dam. The entire area of 2.5 million feddan will be under perennial irrigation by the end of 1972.

In "basin" irrigation the land is irrigated, by inundation, for some 2½ months per year only, whereas in perennial irrigation water is provided over a much larger period and in greater total annual quantity. Drainage therefore assumes much greater importance in the latter case. In recognition of this fact construction of drainage works has followed in parallel with basin conversion. It has not, however, kept pace with it, and critical water-logging is occurring in a number of areas in Upper Egypt. The current phase of the drainage construction programme includes main and branch drains for 222,000 feddans, to be completed in 1971/72. Tile drains have been installed in 67,000 feddans and will be installed in a further 40,000 feddans in 1970/71. The long-range programme foresees provision of tile drainage over much of the irrigated area of both Upper and Lower Egypt (totalling 6.4 million feddans) by about 1990.

The project proposed to the mission includes the following items:

Remodelling and deepening of existing open drains for 227,000 feddans	\$ 8 Million
New construction of main and branch drains for an area of 151,000 feddans	\$ 12 Million
Installation of tile drainage for 600,000 feddans	\$ 48 Million

Construction extends over a six-year period.

Foreign exchange component, based on the assumption of full mechanization of tile laying, is estimated by Government at \$ 14 Million.

In view of the great agricultural potential of Upper Egypt and the major existing investment in irrigation infrastructure, there is no doubt that further investment in drainage is desirable. There are, however, a number of issues which will require clarification in further preparation of the project. These include the following:

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1/ 1 Feddan: 1.04 acres.

- (a) The basis for priority in selection of the particular areas proposed for inclusion in the project.
- (b) The practicability of tile drainage and its economic justification at this time in the 600,000 feddans covered by the project. (It is likely that more detailed examination of the area may result in adoption of other methods of drainage in part of the area).
- (c) The capacity of the proposed project organization to carry out the necessary pre-construction investigations in time for implementation of the project, and to manage construction at the anticipated rate. (The project will be carried out by a separate organization within the Ministry of Irrigation, which organization is currently under the direction of a Deputy Minister).
- (d) The extent to which construction should be mechanized (geographic conditions in Upper Egypt are less suited to large-scale mechanization than in Lower Egypt. A combination of mechanical and manual construction may be desirable, which would lead to a lower foreign exchange component).

The Project for Land Improvement and Soil Conservation in the Lower Delta

This project comprises the improvement of soil conditions in 1.5 million feddans of the northern portion of the Delta. The soils in this area are heavy clay loams, generally of class 3 and 4 in the Egyptian system of nomenclature, and are frequently in a deteriorated condition due to a combination of water-logging, alkalinity, and salinity. The appropriate treatment for each particular locality is determined by chemical and physical analyses. In much of the area leaching is necessary, in most cases with subsequent application of gypsum. Drainage and aeration are also a necessary part of the treatment. Because of the very low permeability of the soils in this lower portion of the Delta, drainage is difficult. A system of main and secondary drains already exists (or is under construction by the Ministry of Irrigation). The project drainage system comprises tertiary drains, open field drains at spacing of 30 m and 100 cm in depth, and sub-soiling and mole-drains at 1 m spacing and 65 cm depth. ^{1/}

The combined effect of this composite treatment is a rapid reduction in level of salinity and alkalinity, and a marked improvement in soil structure. Drainage, down to the 65 cm level, is also much improved. In large scale tests (15,000 feddans) crop yields in the first year after treatment increased from 20% to more than 100% compared with pre-treatment conditions, the degree of improvement being contingent on the initial degree of deterioration. The permanence of the improvement has not yet been determined, but repetition of sub-soiling and supplemental application of gypsum at possibly five year intervals is contemplated. It is also envisaged that conversion of the open field drainage system to deeper tile

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^{1/} The sub-soiler is a curved blade about 8 cm in thickness which when dragged through the ground at depth breaks up the sub-soil. The cylindrical mole-drain plug attached to the lower end of the sub-soiler blade by a short length of chain leaves a continuous drainage opening. Sub-soiling depth is at present limited to 65 cm, but heavier tractors permitting deeper sub-soiling are proposed.

drainage will follow in a portion of the area, when soil conditions and crop yields improve to the point at which closure of the open field drains becomes desirable. Conversely the improvement programme may be applied to some areas previously tile drained where soil conditions warrant this additional treatment. Areas included in the current Bank Delta tile drainage project are generally freer draining than those included in the currently proposed land improvement project however, and it is not anticipated that they will everywhere be in need of, or responsive to, the same type of treatment as would be provided in the improvement project.

Project cost estimates for initial treatment, including construction of field drains, sub-soiling, and gypsum application where required, average \$ 37 per feddan. Drain construction is carried out manually, by contract. The farmers themselves spread the excavated material on to adjacent fields, generally after conditioning with natural fertilizer, and haul and spread gypsum which is delivered to Co-op depots. The only work carried out with mechanical equipment is sub-soiling and mole drainage. The proposal put to the Bank is restricted to financing of crawler tractors, sub-soilers, and associated equipment, totalling \$ 13 Million. Total project costs at \$ 37 per feddan will be approximately \$ 56 Million. The agency responsible for construction is the Soils Department of the Ministry of Agriculture.

The results achieved so far in the heavy soils of the northern Delta are impressive. The following points require particular attention in further consideration of the project.

- (a) The duration of the improvement achieved by sub-soiling and mole drainage.
- (b) Closer estimate of cost of sub-soiling.
- (c) More specific definition of the soil conditions appropriate to the treatment proposed in this project, vis-a-vis the conditions appropriate to tile drainage only, or to both.

Follow-up by Cooperative Programme

The mission TOR requested identification of a project for appraisal, if possible, by June/July 1971. CP assistance to Government in meeting this target was requested by the mission. Initial emphasis is on the Upper Egypt Drainage project. The principal questions requiring further attention in preparation were discussed with Government prior to departure of the mission, and will be confirmed in writing before the end of December. A more formal outline will be provided on completion of report writing in Washington in January. CP follow-up in the field during the first quarter of 1971 will be necessary.



INTERNATIONAL COTTON ADVISORY COMMITTEE

SOUTH AGRICULTURE BUILDING
WASHINGTON, D. C. 20250 U.S.A.

June 26, 1970

Mr. Jack Upper
International Bank for Reconstruction
and Development
18th and H. St. N. W.
Washington, D. C.

Dear Mr. Upper:

Cliff indicated that you would like to have our latest information concerning cotton production in the U. A. R., and available details on the Sudan cotton marketing program.

U. A. R. Cotton Production

	ELS		Total
	Menoufi, Giza 45, 59 and 68		
	1,000 bales		
1968/69	772		2,013
1969/70 <u>1/</u>	875		2,350

1/ 1969/70 estimate from trade sources

Concerning the 1970/71 crop in the U. A. R., we have received from one trade source an estimate that cotton acreage is 10% greater than in 1969/70. An other source, however, has estimated the increase to be much smaller, perhaps as little as 1 to 2%.

The condition of the current crop is indicated in the following quotation from the Alexandria Commercial Company, dated June 17.

"The Delta crop continues to make good progress. A sharp rise in daytime temperatures has assisted maturation, despite the relatively high levels of humidity reported at night. Flowering has now spread to many areas, and is particularly evident in the Southern districts. The manual removal of leafworm egg-masses is still proceeding under official supervision; it is encouraging to be able to report at

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this stage that no significant emergence of larvae has yet been detected.

Upper Egypt is experiencing favourable weather in all areas. Plants continue to flourish and are still reassuringly free from leafworm infestation.

Water supplied are again reported to be adequate for irrigation throughout the country."

The attached information was published in the Cotton and General Economic Review dated June 19, 1970.

This is about all the information we have at the moment, but if you are interested in further details, we can supply them as they come in.

Sincerely yours,

Elton Thigpen

M. Elton Thigpen
Economist