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ECONOMY

FINANCE MINISTRY TARGETS EGP 900BN TAX REVENUES IN 2019-2020 BUDGET

Source: Al-Mal

The Ministry of Finance aims to increase tax revenues included in the budget for the next fiscal year 2019-2020 by 130 billion pounds to about 900 billion pounds, compared to some 770 billion within the budget for the fiscal year 2018-2019.

A government source told Al-Mal newspaper that the Ministry of Finance held intensive meetings to develop the features of the new budget, pointing out that the figure of proceeds is still being discussed and is expected to be within the range of 900 billion pounds.

The government is taking a number of measures at present to increase future tax revenues, most importantly is mechanization of transactions, and electronic filing in order to curb tax evasion.

IMF OKAYS \$2 BILLION LOAN FOR CAIRO

Source: Al-Mal

The International Monetary Fund board on Monday approved a \$2 billion loan payment to Egypt, the latest in the country's three-year aid program.

The latest installment brings the total paid to Cairo to about \$10 billion since the loan deal was signed in November 2016.

The previous loan tranche was approved in July of last year but this fourth review of Egypt's program had been awaiting board approval since October, when IMF staff and government officials had finalized it.

IMF chief Christine Lagarde announced Jan. 25 that the final details had been worked out, clearing the way for the payment.

Egypt has imposed harsh austerity measures to try to right the economy and reduce the budget deficit, including hiking fuel prices and electricity rates.

Lagarde has praised the "substantial progress" made by the Egyptian government on the reforms, which have boosted growth and cut unemployment to the lowest rate since 2011.

INVESTMENT RISKS IN EGYPT DROPPED TO 5, OECD

Source: Al-Mal

The Organization for Economic Co-operation and Development (OECD) upgraded Egypt's ranking in the Country Risk Classification to five.

In its statement, OECD said that investment risks in Egypt have dropped from six to five.



The organization attributed the progress achieved to the reforms implemented by the Egyptian government, which improved the investment climate in the country and created a supportive environment for doing businesses.

The upgrade would help attract further foreign investment inflows from the European states into Egypt, OECD added.

Out of 201 countries included in the report, Egypt, Albania, Kazakhstan, and Uzbekistan were the only states, whose classification witnessed progress, OECD concluded.

The country risk classifications are meant to reflect country risks.

Under the participants' system, country risk encompasses transfer and convertibility risk (i.e. the risk a government imposes capital or exchange controls that prevent an entity from converting local currency into foreign currency and/or transferring funds to creditors located outside the country) and cases of force majeure (e.g. war, expropriation, revolution, civil disturbance, floods, earthquakes).

GOVERNMENT TARGETS INVESTMENTS EXCEEDING ONE EGP 1TR FOR THE FIRST TIME, MINISTER

Source: Al Mal

Minister of Planning, Follow-up and Administrative Reform, Dr. Hala Al-Saeed revealed that the government aims to increase total targeted investments in its new economic plan for the financial year 2019-2020 by 25% over its value in this year's plan, thus exceeding EGP 1 trillion for the first time compared to EGP 900 bn in the current financial year plan 2018-2019

Al-Saeed stressed that the economic plan for the next year 2019-2020 pays much attention to human development sectors of health, education, culture, sports and capacity building, which will receive the largest amount of targeted investments in the new plan, to which the 25% increase in total targeted investment in the new plan will be directed.

Al-Saeed 's remarks came to reporters today, on the sidelines of the regional conference "Education in the Arab World in the Third Millennium", which was held under the auspices of Dr. Mustafa Madbouli, Prime Minister.

Organized by the National Planning Institute, the research arm of the Ministry of Planning, on 16, 17 February 2019, the event is being attended by Ministers of Education, Higher Education and Scientific Research, as well as representatives of Arab organizations and scientific and research institutions.

EGYPT PLANS TO MAKE NEW ADMINISTRATIVE CAPITAL ITS FIRST CASHLESS CITY

Source: Al Mal/Xinhua

Egypt plans to make its new administrative capital the first cashless city in the country as part of the country's plans to support financial inclusion, Egyptian Minister of Communications and Information Technology Amr Talaat said yesterday.

The minister's comment came during his meeting with Michael Froman, vice chairman and president of strategic growth at Mastercard, during which both discussed the company's investment plans in Egypt in the field of electronic government payments and collections.



During the meeting, Talaat stressed the importance of benefiting from the company's experiences in order to meet the country's strategic plans and initiatives for turning into a cashless society, official Ahram Online news website reported.

The minister cited the projects being carried out by the ministry to build a safe and secure technological infrastructure which can support the country's financial inclusion initiative, in cooperation with Central Bank of Egypt.

The move should encourage e-commerce, as part of plans to make Egypt a regional hub for such cross-world industry and for the mounting global growth for these trade activities, Talaat added.

In 2015, Egypt started the construction of the new administrative capital, 45 km east of Cairo, as part of the government's plan to reduce pressure on the existing overpopulated capital, expand urban areas and develop the nation's infrastructure.

The new administrative capital, which is being built over an area of 714 sq km by tens of thousands of workers, will be home to a government housing district, 29 ministries and other state institutions including the cabinet and parliament buildings and 20 residential neighborhoods that can accommodate 6.5 million people.

BANKING AND FINANCE

EGYPTIAN EXCHANGE LAUNCHES NEW INDEX

Source: Al-Mal

The Egyptian Exchange has launched a new fixed-weighted index dubbed "EGX30 Capped" that will include the activities of top 30 companies in terms of liquidity.

The index will measure market capital based on the percentage of free-floated shares and the weight of each company within the index.

The step comes as part of bourse's plans to develop its indices to meet the demands of all effective partners in the Egyptian money market.

The new index sets a 15 percent maximum weight for each company during quarterly review. The move aims at banning the control of limited number of companies on the index movements. With the new index taking into effect, EGX20 Capped will be no more effective.

CBE INCREASES CAPITAL BY EGP 7.6BN

Source: CBE/Al Mal

In agreement with Finance Ministry, the Central Bank of Egypt (CBE) pumped the largest increase, amounting to EGP 7.6bn, into its paid-up capital during the last fiscal year. The paid-up capital rose to EGP 21.6bn in last June against EGP 14bn in FY 2016/17.

In annual financial reports published by CBE on its website, the bank revealed that the state's treasury contributed EGP 6bn to the increase.



The current Banking Act No. 88 of 2003 stipulates that CBE's paid-up capital amounts to EGP 4bn, and the bank's board in accord with the finance minister may set aside a portion of net annual profit to increase capital. The law also stipulates that the governor of CBE in agreement with finance minister may increase the bank's capital directly through state treasury.

MICROFINANCE LOANS RISE TO EGP 17.7BN IN 2018

Source: Al Mal

Egyptian Union of Microfinance Chairman Mona Zulfakar said that Egypt's industry witnessed steady growth over the past year.

Zulfakar pointed out that the total financing portfolio amounted to EGP 17.7 billion at the end of December 2018, compared to EGP 10.9 billion at the end of December 2017, up 63%.

The beneficiary base grew by 25% to 3.1 million customers, instead of 2.5 million during the comparison period, she added.

Zulfakar further mentioned in a statement on Tuesday that women continue to acquire the largest share of funding, accounting for 50.2 percent of total funding and 67.7 percent of beneficiaries.

INVESTMENT & MEGA PROJECTS

CHINA'S MANKAI TO FOUND LARGEST TEXTILE CITY IN SADAT

Source: Al-Mal

China has started building the largest textile and garment city in Egypt, according to statements by minister of trade and industry Amr Nassar.

The city, being built by Chinese holding firm Mankai, will cover more than 3,000,000 sq m in Sadat, and will comprise 592 factories. Plants in the first stage will begin pilot operations in May.

Beijing has signed initial sales contracts for 48 first-stage factories for Chinese companies, according to media reports.

Mankai has also agreed to inject funds into the leather goods sector in the city of Badr.

TBHF EYES GARMENT FACTORY IN UPPER EGYPT

Source: Al Mal/TradeArabia:

Sharjah-based The Big Heart Foundation (TBHF) has announced plans to set up the first readymade garment factory for kids wear in Upper Egypt region. The project, which will come up over a 500 sq m area, is estimated to cost E£10.6 million (\$605,000).

An Emirati humanitarian organisation, TBHF is dedicated in helping people in need worldwide.

The project, to be implemented by Egypt Network for Integrated Development (Enid) under the United Nations Development Programme, is estimated to cost E£10.6 million (\$605,000) and will be spread across a 500 sq m area.



Located in close proximity to women's homes in the Upper Egyptian District of Qena Governorate, the project aims to create 142 direct jobs for women and youth as well as 284 indirect jobs in the readymade garment sector.

The total number of beneficiaries on the community-level is estimated to be over 2,130, thereby enabling social and workforce integration of women and unemployed youth in the country, said the statement from the Sharjah firm.

The project will also add to the market revenue by enabling the export of 100 percent Egyptian-made products to other countries, it stated.

Commenting on the project, Mariam Al Hammadi, the director of the TBHF, said: "In line with the vision of Sheikha Jawaher bint Mohammed Al Qasimi, wife of HH the Ruler of Sharjah and Chairperson of TBHF, the organisation is committed to helping those in need and creating a better world for everyone, which is not possible if women are not given equal opportunities to grow."

THREE CONSORTIUMS COMPETE TO BUILD DRY PORT WEST OF CAIRO

Source: Reuters/Al Mal

Three consortiums are competing to build a dry port west of Cairo worth \$100 million, the Egyptian finance ministry said on Sunday.

The project will be a public-private partnership between the General Authority For Ports and Dry Land and the winning consortium, to be built on roughly 104 acres in 6th of October City, a suburb west of the capital.

It will be built "as a port for customs clearance of containers handled through the Alexandria and Dekheila ports, which will contribute to easing container traffic," the ministry said in a statement.

Technical and financial bids are expected to be presented in May, after which the winning bidder will be announced, the ministry said. The agreement will last up to 30 years, after which the port will be owned by the state.

Container Corporation of India Ltd leads one of the consortiums with Egypt's Hassan Allam Holding and Singapore's PSA International Pte Ltd.

The second consortium is led by the UAE's DP World in a partnership with the Egypt-based Holding Company for Maritime and Land Transport SAE.

Egypt's Elsewedy Electric leads the third consortium, which includes Schenker Egypt and Egypt-based 3A International.

ENOC, PROSERV EGYPT SIGN LUBRICANTS JOINT VENTURE

Source: TradeArabia/Al Mal

UAE-based Emirates National Oil Company (Enoc) Group has signed a joint venture (JV) agreement with Proserv Egypt to set up Enoc Misr, its first on-ground operations in the lubricants sector in Egypt.

The agreement marks Enoc Group's physical presence in Egypt as part of its wider plans to expand internationally into key markets, including Africa.



Through this JV agreement, Enoc Misr will market and distribute Enoc's full range of lubricants to the commercial, industrial and marine sectors locally in the Egyptian market.

Saif Humaid Al Falasi, Group CEO, Enoc, said: "Over the last 25 years, Enoc has contributed significantly to the UAE's socio-economic progress, and has played a key role in the development of key infrastructure required to fulfil the country's energy needs. We are proud to establish Enoc Misr as it offers a unique opportunity for knowledge sharing between us and industry experts like Proserv Egypt."

"Over the past years, Proserv. Group and Proserv Egypt both succeeded in offering a diverse portfolio of lubricants for commercial, industrial and marine use to customers across Egypt, with the help of its highly skilled sales and marketing team. With hard work and solid planning, Proserv. has managed to establish a well-maintained and highly secured network of warehouses, best in class branded fleet, and a robust logistics infrastructure to meet customers' needs in all 28 Egyptian governorates. Our partnership with Enoc to establish Enoc Misr is a strategic move in line with our efforts to further enhance our market offering and explore new opportunities. We are confident that Enoc Misr will be a key game changer in the future of Egyptian downstream market," said Ahmed Hashem, chairman, Proserv Group.

RUSSIA'S REC TO LAUNCH INDUSTRIAL COMPLEX NEAR EGYPT'S PORT SAID

Source: Al-Mal

Russian Export Centre (REC) plans to complete the construction of the first phase of an industrial zone near to Egypt's Port Said in 4-5 years, according to news portal PortSEurope.

An intergovernmental agreement establishes a land plot with an area of 525 hectares for a period of 50 years. The implementation of the first phase of the project involves the development and construction on 100 hectares.

Residents of the Russian industrial zone will have access to key benefits provided by the Economic Zone of the Suez Canal – proximity to the most important logistics channels, Egypt's numerous trade agreements, simplified rules for doing business and the "single window" for solving any issues or problems, the general manager of REC, Andrey Slepnev, said.

The REC has already signed agreements with companies Hevel JSC, MetPromTech LLC, BOOL Lighting Group LLC, Energomera Electrotechnical Plants JSC, Schelkovo Agrokhim JSC, LLC Agroldea , LLC Scientific and ECOTECHNOCENTER for the launch of facilities at the zone.

FPT INDUSTRIAL PARTNERS WITH EGYPTIAN FIRM TO EXPAND IN MEA

Source: TradeArabia/Al Mal

Italy-based FPT Industrial, a leading manufacturer and seller of powertrains for industrial vehicles, said it is broadening its business in Middle East and Africa (MEA) through a partnership with a new dealer in Egypt.

M Ahmed Daoud & Co, with its main office in Cairo, is now responsible for sales and services of engines for industrial applications, power generation, agriculture pumps and firefighting, said a company statement.

The dealer will also provide stock and sales of genuine FPT spare parts, it said.



FPT Industrial already has a strong presence in Morocco, Algeria, Tunisia, Democratic Republic of Congo, Angola and South Africa. The new partnership will expand the company's position in the continent and unveil the potential of the Egyptian market, it added.

The partner was chosen because of its solid experience in the power generation segment, technical product expertise and after sales services efficiency.

For FPT Industrial, Egypt is a strategic country for its commercial operations in North Africa and in the Middle East, and the collaboration will bring valuable outcomes for its business.

The new dealer is well known and respected in Egypt, with a deep familiarity on how to offer the right solution for local customers.

In its headquarters in Cairo, M Ahmed Daoud & Co offers services for FPT Industrial engines, while its other location in 6th of October City oversees engines and FPT Industrial's genuine spare parts sales, it stated.

EDUCATION

EGYPT TO INVITE WORLD INVESTORS TO BUILD, OPERATE 200 SCHOOLS BY JUNE

Source: Al-Mal

Ministry of Finance is poised to invite bidders to build and operate 200 schools by late June, a step towards building distinguished schools on basis of private-public partnerships (PPP).

"The prospective bidders will be invited to an international tender once detailed information about vacant areas suitable for the schools are received from the General Authority for Educational Buildings," said head of Unit for Partnership with the Private Sector Eng. Ater Hattura.

Ministry of Finance debuted yesterday Egypt's National Project for Building & Operating Schools through sealing up to 8 contracts with 8 companies for building 24 distinguished language schools in 7 governorates on basis of PPP.

At EGP650mln investments, the schools will include 1000 classrooms serving kindergarten and secondary-school pupils in governorates of Cairo, Giza, Demiat, Gharbia, Sharkia, Qalyubia and Munufia.

The eight companies, Saudi, Egypt and UAE-based members of consortiums, have wide experience in education and constructions and offered lowest prices, he added.

The schools are built to take 30 pupils per classroom at annual fees ranging from EGP6 to 7,000 with annual hikes in fees being determined by Ministry of Education in light of changes in costs, energy or interest rates, he illustrated.

Ministry of Finance shall receive only yearly fees from the schools estimated at 10 Egyptian Pounds per sqm.

"The schools are designed to target the segment of medium & lower- income earners whose children kept overcrowding conventional state-owned language schools."

With the aim of making the utmost use of the contracting period of 30 years, the PPP-based schools are likely to be inaugurated as early as the inception of school year of 2019/2020.



Private companies, local and abroad, have showed express interest in NPBOS with qualified bidders reaching 43 entities, ascertaining the success of the remaining tenders of NPBOS, he remarked.

LOCAL TRADE

UBER AGREES TO PAY VAT IN EGYPT: TAX CHIEF

Source: Reuters/Al Mal

Uber has agreed to pay value-added tax on its services in Egypt, Egyptian officials said on Monday, a move that may help resolve a long-simmering feud with traditional taxi drivers.

The agreement would also apply to other ride-hailing companies, the head of the Egyptian Tax Authority, Abdel Azeem Hussein, said, although Uber's main rival Careem said it was already paying value-added tax (VAT) in Egypt, where the rate is set at 14 percent.

"Reaching an agreement and determining the tax treatment that will be applied to the company Uber and other companies operating in the same area will enhance confidence and cooperation between the authority and the tax community," state news agency MENA quoted Hussein as saying.

Uber Egypt was not immediately available for comment.

INTERNATIONAL RELATIONS & TRADE

PRESIDENT OKAYS ESTABLISHMENT OF RUSSIAN INDUSTRIAL ZONE

Source: Al-Mal

President Abdel Fattah Al-Sisi has recently issued a decree approving the establishment and operation of a Russian industrial zone in the Suez Canal Economic Zone.

Cairo and Moscow signed an agreement to create the industrial zone in May last year.

The zone will be 5.25 square kilometers large, with investments of \$6.9 billion, and will be built in three phases over a period of 13 years.

Russian automobile, oil and gas companies are expected to operate in the region.

The government will provide incentives to Russian investors by providing customs and tax cuts.

BELARUS PLANS TO SET UP SALES AND MAINTENANCE CENTERS IN EGYPT

Source: Al-Mal

Sales and maintenance centers for Belarusian machines and equipment will be set up in Luxor Governorate, Egypt.

This issue was discussed during a visit of Belarusian Ambassador to Egypt Sergei Rachkov to this region, BelTA learned from the diplomatic mission.

The Belarusian ambassador met with Luxor Governor Mostafa Alham to discuss the status and prospects of cooperation between Belarus and Luxor Governorate of Egypt.



The parties identified ways to build up supplies of farm machines and equipment and to set up sales and maintenance centers in Luxor Governorate. The parties also discussed cooperation in tourism and agreed to think over signing a memorandum of cooperation between Luxor and one of the Belarusian regions.

BULGARIAN-EGYPTIAN COMMISSION FOR ECONOMIC COOPERATION HOLDS MEETING AFTER 11-YEAR BREAK

Source: Al-Mal

Speaking at a meeting Friday of the Bulgarian-Egyptian Intergovernmental Commission for Economic Cooperation taking place in Sofia after an eleven-year break, Agriculture, Food and Forestry Minister Roumen Porozhanov described the pause as too long, Porozhanov's Ministry said in a press release. Porozhanov is a co-chair of the Commission on the Bulgarian side. He said that the Commission is an important platform and tool for developing and expanding the cooperation between Bulgaria and Egypt in all spheres.

In Porozhanov's words, despite the steady increase of the two-way commercial exchange over the past few years, it is still considerably below the potential and capabilities of the two countries.

Egyptian Minister of Investment and International Cooperation Sahar Nasr singled out energy, transport, communications, the food industry, agriculture and tourism as the most promising areas for cooperation between the two countries.

The two ministers had a meeting before the session of the Commission. A memorandum of understanding on scientific and technical cooperation was signed between the Bulgarian Agriculture Academy and Egypt's Agricultural Research Centre. Bulgarian and Egyptian business representatives held direct meetings after the Commission's session.

CEF TO SET MINIMUM LIMIT TO PRICES OF EGYPTIAN COTTON EXPORTS

Source: Al-Mal

Cotton Exporters Syndicate looks to hold extraordinary general assembly meeting to explore exporting local cotton at the minimum price limit of 125 cents per pound, reflecting a desire to face off to speculations of junior traders which triggered huge price cuts.

"At a time mega companies are getting loans at the staggering 20 percent rate, smaller entities, which are getting loans at 5 percent rate within initiative of the Central Bank of Egypt supporting medium and small-sized enterprises, are accessing the market," said chairman of CES Azza Qabari.

More than 69 traders buying cotton from farmers under the umbrella of CES rely on banking loans to finance their cotton purchases.

Up to EGP6bn banking loans have been used during the marketing season of 2018/2019 to purchase 2.9 million kantar, according to former chairman of CEF Nabil Al-Santrisi.

Cotton traders will be invited to attend the upcoming CEF's meeting in order to vote on setting a minimum price limit, she said, adding that cotton crop is being exported at prices falling below its real value.



In first statement delivered by her upon assuming the post of chairman of CEF to Al-Mal newspaper, Qabari said that Egyptian cotton is sold in world markets at prices ranging from 105 and 107 cents per pound, down by EGP300 per Qanter as compared with those trading at world cotton exchanges.

"The fair price of the Egyptian cotton must be lower than the U.S cotton by 15 cents, a far cry from the current bottom of 140 cents," said Qabari whose term as CEF's chairman will terminate in 2021.

TRADE EXCHANGE BETWEEN KYJEV AND CAIRO EXPECTED TO REACH REACH \$2 BLN

Source: Al-Mal

President of Ukraine Petro Poroshenko believes that Egypt and Ukraine can achieve a trade turnover of \$2 billion.

Egypt is a very good trading partner from the point of view of the agrarian market and from the point of view of possible export of engineering products. Today it's absolutely realistic for us to reach the figure of \$2 billion, Poroshenko told journalists in Munich on Friday.

Poroshenko noted that the agreements reached during his meeting with Egyptian President Abdel Fattah el-Sisi during the Munich Security Conference provide for extensive cooperation in the military-technical sector and in the economy, as well as in the fields of education and culture.

I raised the issue of the safety of Ukrainian tourists. Even in more difficult times, when many refused to fly to Egypt, we still had the opportunity for Ukrainians to visit Egypt. Today, the level of safety is already much higher, Poroshenko noted.

He also stressed that Ukraine and Egypt are coordinating their actions to effectively respond to possible terrorist threats.

IFAD, EGYPT SIGN \$81 MILLION DEAL TO PROMOTE RESILIENCE IN DESERT ENVIRONMENTS

Source: Al-Mal

The International Fund for Agricultural Development (IFAD) and Egypt have signed a financing agreement to reduce poverty and enhance food and nutrition security by sustainably improving incomes and resilient livelihoods for 450,000 rural people in the Matrouh Governorate.

The agreement for the Promoting Resilience in Desert Environments (PRIDE) project was signed by Gilbert F. Hougbo, President of IFAD, and Sahar Nasr, Minister of Investment and International Cooperation, Egypt.

The total cost of the project is US\$81.6 million, including a \$61.9 million loan and a \$1 million grant from IFAD. The government will contribute \$14 million and the private sector will make up the difference.

"A new development axis for Agribusiness Investments in Egypt, would be a chance though especially in the context of supporting small investors and startups, as well as empowering youth and innovative projects in agriculture sector, with the ultimate objective of sustainability and inclusive growth," said Nasr. "The project will be a transformation, and an excellent example of the strategic partnership between with International Fund for Agricultural Development (IFAD) in priority Governorates."

"IFAD's collaboration through PRIDE will also link to and leverage national initiatives that the Government of Egypt is focusing on, including the Sustainable Development Strategy: Egypt Vision 2030 and a 1.5 million feddan



governmental initiative aimed at increasing Egypt's farmlands and fostering livelihood opportunities for young farmers," said Khalida Bouzar, Regional Director, Near East, North Africa and Central Asia (NEN) Division at IFAD. "PRIDE will also benefit from IFAD's experience working with smallholders and settling communities on the new lands."

EGYPT'S PM HAILS CHINESE COMPANY'S CONSTRUCTION OF GIANT BUSINESS TOWER IN NEW CAPITAL CITY

Source: Al Mal/Xinhua

Egyptian Prime Minister Mostafa Madbouly hailed yesterday the progress made by China State Construction Engineering Corporation (CSCEC) in the construction of "Iconic Tower" as part of the Central Business District (CBD) project in Egypt's under-construction new administrative capital city, about 45 km east of Cairo.

"This architectural project is by all means a miracle. The Chinese firm carrying out this project is considered the largest construction corporation in the world, and it cooperates with a number of Egyptian companies to build the tallest tower in Africa," Madbouly told reporters at the few-meter-high observation deck overlooking the construction site.

The Egyptian prime minister's remarks came as he witnessed the mass concrete pouring at the Iconic Tower construction site, where tens of Egyptian and Chinese engineers, technicians and workers started the 72-hour-long non-stop process of pouring 18,500 cubic meters of concrete to get a five-meter-thick concrete base for the giant tower.

"It's a wonderful project that will be a landmark in all Egypt and a symbol for modern Egypt," Madbouly, who was accompanied by Housing Minister Assem el-Gazzar, added.

The tower is one of 20 towers and skyscrapers being constructed by the Chinese group as part of the CBD project, whose 3-billion-dollar contract was signed in October 2017 between CSCEC and the Egyptian housing ministry.

Chang Weicai, general manager of CSCEC Egypt, pointed out that the CBD is "the largest project under construction by Chinese enterprises in Egypt, which has important influence in both China and Egypt."

Being erected on an area of 3,600 square meters, the Iconic Tower is planned to be 385.8 meters high, with 80 floors including two ground ones, while the total area of the whole building after completion will be about 262,000 square meters.

The construction site has eight mixing stations, 12 concrete production lines and 128 concrete mixing trucks working round the clock to guarantee efficient and non-stop bottom slab casting for full three days for the concrete base of the massive tower.

"The project's total duration is 45 months. We have been working for nine months now and still have 36 months to finish the project," Ahmed al-Banna, the project manager, told Xinhua at the Iconic Tower construction site.

ENERGY – OIL & GAS

DEA WINS NEW ONSHORE EXPLORATION BLOCK IN EGYPT'S NILE DELTA

Source: Al-Mal



German oil and gas company DEA has bagged a new exploration block in the onshore Nile Delta in Egypt near its producing Disouq development project.

The onshore Block 10, now called East Damanhour, was awarded to DEA by the Egyptian Natural Gas Holding Company (EGAS) during the country's 2018 Bid Round.

The East Damanhour exploration block, which spans 1,418km², is located west of the Disouq development leases. The German oil and gas company is the operator of the Disouq leases with a license share of 100%.

The company revealed its intentions to drill five to seven exploration wells in the East Damanhour block during the first exploration phase of three years.

DEA Egypt general manager Sameh Sabry said: "We are pleased with the award of this licence, which is in line with our ambition to strengthen our business in Egypt.

"The block is located in DEA's core region in the Onshore Nile Delta, where we successfully explore the Messinian and Pliocene plays as operator since 2004. The extensive knowledge and experience we gained over the years, the right set of skilled experts and our nearby infrastructure will offer us very good conditions to continue this exploration efficiently."

DANA GAS ANTICIPATES VAST POTENTIAL FOR GAS FROM OFFSHORE EGYPT ASSET

Source: Al-Mal

Dana Gas will drill the first offshore well in the Nile Delta in April as part of its \$5 billion (Dh18.4bn) planned investment in Egypt as it bets on potential yields of up to 20 trillion cubic feet of gas, according to its chief executive, according to the Emirati The National newspaper.

"The [Block 6/North Arish] well has been delayed from February spud [drilling], which we had originally intended to in an April-May spud date," Patrick Allman-Ward told The National on the sidelines of an energy conference in Cairo.

Dana Gas, which had struggled to receive payments from Egypt in the past is pushing ahead with investments in the most populous Arab state, which in recent years has made discovery of large reserves of gas off the Eastern Mediterranean. The North Africa's biggest economy has since launched licensing rounds to court international oil and gas companies to invest in hydrocarbons resources in the Mediterranean, Nile Delta and also potentially its Red Sea.

"We are planning to drill a deepwater well in our Block 6 this year, which in the case of success, is a four to six trillion cubic feet scale resource and we think that if the play is proven, the total block has around 20 tcf," he told delegates attending the conference.

The Abu Dhabi-listed company said there was a 50 per cent chance of success on the concession, and he expects the results to come by "June-July timeframe".

In the event of success, the total resource base required is around \$5bn in investment in phases to produce such high volumes, said Mr Allman-Ward.

LEKELA SIGNS PPA FOR 250MW WIND POWER PROJECT IN EGYPT



Source: Al-Mal

Renewable energy company Lekela has signed a power purchase agreement (PPA) with Egyptian Electricity Transmission Company (EETC) to sell power from its 250MW wind farm in the Gulf of Suez, near Ras Ghareb.

The project from Lekela is expected to support Egypt in achieving its renewable energy targets. Located 30km north-west of Ras Ghareb, the wind farm is expected to make a major contribution to Egyptian government's Build, Own, Operate (BOO) scheme.

Once constructed, the wind farm will increase Egypt's wind energy capacity by 14%, producing more than 1000GWh of clean energy every year. This will be sufficient to power more than 350,000 homes in the country.

The wind farm will join Lekela's portfolio of 1.3GW of projects across Africa, present in countries such as South Africa, Senegal and Ghana.

The total investment for the project is estimated to be \$325m and leading Development Finance Institutions are claimed to have been mandated to financially support this project. Network connection agreement for the wind farm has been signed with EETC.

Lekela CEO Chris Antonopoulos said: "Egypt has a target of achieving 20% renewable power in its overall energy mix by 2022. Today's agreement is a major milestone for delivering a 250MW wind farm to help achieve that goal.

TRANSPORTATION

TRANSPORT MINISTER RESIGNS OVER DEADLY TRAIN FIRE

Source: Xinhua/Al Mal

The Egyptian cabinet accepted on Wednesday the resignation of Transport Minister Hesham Arafat over the deadly train fire that killed at least 20 people, the Egyptian state TV reported.

Cabinet spokesman Nader Saad said that Prime Minister Mostafa Madbouly accepted Arafat's resignation, according to the report.

Earlier on Wednesday, a train locomotive crashed into the buffer stop at the end of rail tracks at the main railway station near Ramses square downtown the capital Cairo, causing a massive fire and leaving numerous casualties, according to the Egyptian railway authority.

A security source said that the heavy crash caused explosion of the train fuel tank and led to the blaze.

Doctors told Xinhua that most of the wounded are in critical conditions, sustaining second-or third-degree burns, while eyewitnesses at a hospital said the bodies were completely charred by the fire.

Madbouly went earlier to the crash scene accompanied by the then transport minister, as well as Health Minister Hala Zayed and Social Solidarity Minister Ghada Wali.

"There will be no leniency or complacency in holding those responsible for the accident accountable," Madbouly said at the station, stressing that "the era of keeping silent on those who fail to do their duties toward the Egyptian citizens is over."



The cabinet also ordered financial compensation of 80,000 Egyptian pounds (about 4,570 U.S. dollars) for each family of dead passengers and 25,000 pounds for each seriously wounded passenger with a consequent disability.

TOURISM

EGYPT'S CULTURE, ARTS FESTIVAL KICKS OFF IN ASWAN WITH 13 PARTICIPANT COUNTRIES

Source: Al Mal/Xinhua

The 7th Aswan International Festival of Culture and Arts kicked off here yesterday with the participation of folklore and traditional bands of 13 countries from Africa, Asia and Europe.

Egyptian Culture Minister Inas Abdel-Dayem along with Aswan Governor Ahmed Ibrahim attended the opening ceremony at an open-air theater overlooking the Nile River in the southern province of Aswan.

The audience enjoyed attractive and colorful performances including traditional songs and dances which were met with constant cheers and applause.

"We have about 23 bands from participant states and they are all feeling completely safe and secure here in Aswan," the minister told Xinhua at the entrance of the theater. "This is a very important message of peace to the whole world that Egypt combats the strange ideology of extremism."

Each of the participant bands, including nine from Egyptian provinces such as Matrouh, Sohag, Luxor and Aswan, presented shows reflecting their unique culture and traditional arts.

The Chinese Shaolin Kung Fu group of some 20 monks bedazzled the audience with their well-organized, simultaneous moves of martial arts which showed professionalism and cultural depth.

Ibrahim said that Aswan people warmly welcomed the participant teams, noting that such cultural activities boosts tourism in Egypt and Aswan in particular.

"Everyone in Aswan is happy with this wonderful event that attracts a lot of visitors and tourists, which is very good for Aswan and its people," the governor told Xinhua upon opening the festival.

Organized by the General Authority for Cultural Palaces, the event gathered folklore groups from Egypt, Sudan, Algeria, Morocco, Jordan, Palestine, the Democratic Republic of the Congo, Kenya, Mauritius, China, Indonesia, Poland and Greece.

EGYPT MAKING USE OF RECENT GROWTH IN TOURISM: MINISTER

Source: Al Mal/ Xinhua

Egyptian Tourism Minister Rania al-Mashat praised yesterday the tourism sector as one of the most growing sectors worldwide.

Speaking at a press conference with the board of the Egyptian Tourism Federation, Mashat said her ministry seeks to make use of the recent growth in tourism through solving problems facing this vital field and improving skills of tourism staffers.

She noted that a five-axis structural program has been outlined to upgrade the tourism sector in Egypt.



All state bodies, topped by the Tourism Ministry, are cooperating to ensure a successful organization of the 2019 Africa Cup of Nations, scheduled to be held in Egypt later this year.

In a recent interview with Xinhua, Mashat said that Egypt's tourism is in constant improvement with a growing number of tourists from Western, Arab and Asian states.

"We had a leap in tourism in 2017 and a large boom in 2018, when Egypt was visited by renowned foreign figures," the minister said.

The revenues of Egypt from tourism saw a year-on-year increase of 77 percent in the first half of 2018 to reach 4.8 billion U.S. dollars, while the number of tourists arriving in the country increased by 41 percent to exceed 5 million.

INFORMATION AND COMMUNICATION TECHNOLOGY

NOON TO EXPAND IN THE EGYPTIAN MARKET

Source: Al-Mal

Noon, the Middle East's homegrown digital marketplace created in the region and powered by the region's leading retailers, has announced its imminent expansion into Egypt., according to albawaba news portal.

The move will mark a significant step in noon's growth journey since its successful launch in the Kingdom of Saudi Arabia and the United Arab Emirates just over a year ago. As it prepares to enter its third regional market, noon promises to bring customers in Egypt more choice, affordability and convenience across a wide range of products including electronics, fashion, beauty, baby, home and kitchen, as well as free, fast delivery and free returns. Customers in Egypt are welcome to try noon's offering via desktop or app, shopping across a wide range of products at incredible prices, during this initial test period.

Noon Egypt is based in Smart Village, Cairo's technology and innovation led business district, and the team on ground is currently in the testing phases prior to the official launch. The e-commerce platform also has a fully operational Customer Fulfilment Centre (CFC) in Greater Cairo's Abu Rawash area, with plans to include five additional CFCs to ensure service to all cities and governorates is quick and efficient.

"E-commerce is still relatively new in Egypt, and noon has the opportunity to help shape a digital marketplace perfect for the country with this beta launch. We're so excited to start building strong relationships with the local retail community and customers, supporting Egypt's growth and entry into e-commerce," said Mohamed Alabbar, founder of noon.

A vast amount of Egypt's retailers have zero or limited online presence. By using noon as their online platform, retailers large and small will enjoy more visibility, access to a wider customer base, an opportunity for increased sales and a larger share of the e-commerce market. They will also have access to noon's logistics services to reach their customers across the country more effectively.

CAIRO TO HOST HUAWEI'S FIRST MENA CLOUD PLATFORM

Source: Agencies

Egypt will host Chinese telecom company Huawei's first cloud data platform in the Middle East and North Africa, Egypt's telecom ministry said in a statement.



"Huawei will create its own cloud computing through the data center of Telecom Egypt", a statement by the ministry said Monday, referring to the North African country's state owned telecom company.

The two firms signed a memorandum of understanding to establish Huawei's "first cloud computing in Africa and the Middle East" on the sidelines of the Mobile World Congress in Barcelona, the statement added.

Cloud computing technology is a means of storing and accessing data over the internet instead of on hardware devices.

Huawei is a major seller of handsets in Egypt.

The firm is seeking to expand in Africa -- including through surveillance technology, on a continent where personal data protection laws are less stringent than in Europe.

A report by four human rights groups last July said Egypt had acquired from France powerful digital surveillance tools under President Abdel Fattah al-Sisi, who critics say has launched a wide-ranging crackdown against opponents.

The acquisitions had "helped establish an Orwellian surveillance and control architecture that is being used to eradicate all forms of dissent," said the report, authored by French and local groups, including the Cairo Institute for Human Rights Studies.

Egypt's telecom ministry said the MoU with Huawei covers only "services to individuals and small and medium enterprises" and does not extend to governmental services.

MICROSOFT COLLABORATES WITH TELECOM EGYPT TO EXTEND ITS GLOBAL CLOUD NETWORK

Source: Al-Mal

On Wednesday, during MWC Barcelona, Microsoft Corp. and Telecom Egypt announced their collaboration to extend Microsoft's cloud network to Egypt. Telecom Egypt will provide low-latency connectivity into and across Egypt to help enhance performance and increase reliability for customers of Microsoft services. The partnership will increase Microsoft's reach to the large Egyptian market in addition to improving connectivity across North Africa and the Middle East.

Microsoft's global network is one of the largest and most innovative in the world. It connects Microsoft's cloud infrastructure of more than 100 datacenters, 135 edge node locations and more than 100,000 miles of fiber and undersea cable systems to deliver Microsoft services to customers. The new point of presence in Egypt will benefit from a direct connection to Microsoft's global infrastructure to enhance the delivery of numerous services for customers. Microsoft's network investment will increase capacity and use the latest in network optimization for the delivery of Microsoft services in Egypt.

"Through our collaboration with Telecom Egypt, we are extending Microsoft's global network in Egypt and improving connectivity across North Africa and the Middle East," said Yousef Khalidi, corporate vice president, Azure Networking, Microsoft. "We are continuously investing to increase the size, speed, reliability and intelligence of Microsoft's global network to help enable the digital transformation of organizations and enterprises locally and abroad."



Commenting on the announcement, Dr. Amr Talaat, minister of Communications and Information Technology of Egypt, said, “Our commitment to the industry comes in line with the government’s Sustainable Development Strategy: Egypt Vision 2030. Egypt is spearheading a promising digital transformation strategy that will transform the society and the economy. We value collaboration that aims to empower local enterprises and accelerate transformation for business advancement.” The Minister also, on the occasion of this new relationship, emphasized that “Egypt is capitalizing on its unique geographic location, which makes it a hub for digital businesses and datacenter activity due to the strong presence of submarine cables passing through both the Red and Mediterranean seas.”

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Thank you

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