

Egypt targets 6% growth rate and total investments of USD 85bn in 2021

The Egyptian government aims to achieve a 6% growth rate during fiscal year (FY) 2020/2021, according to the Minister of Planning and Economic Development H.E. Hala El-Said. The Cabinet targets raising the gross domestic product (GDP) to reach EGP 6.6tn (USD 411bn) in FY20/21, compared with EGP 5.9tn (USD 367bn) in the previous year. The investment plan for FY20/21 is focused on healthcare and education, as well as economic growth-stimulating sectors, such as industry and information technology. Total investments are set to increase to USD 85bn, compared with USD 62bn during FY19/20. Moreover, allocations for local development projects have been increased to USD 940m.

Egypt PM issues decree to form new ministerial cluster for investment

Egyptian Prime Minister H.E. Mostafa Madbouly issued a decree on 6th January 2020 to form a ministerial cluster for investment that will be chaired by the prime minister. The new ministerial cluster will be responsible for encouraging investment, eliminating hurdles facing investors, and suggesting solutions to accelerate and simplify investors' work. The cluster will also be responsible for setting venture policies, proposing rules and priorities to achieve them, and drawing sectoral venture policies and foreign direct investment (FDI) development policy in Egypt. The cluster will follow up on the implementation of decrees issued by the ministerial committee to settle investment disputes and coordinate with other ministerial committees to ensure the coherence of decrees that impact the investment climate in Egypt. It will also draft policies to promote investment in Egypt and carry out missions required for achieving investment objectives.

Transportation minister promises new investment opportunities

Egypt's Minister of Transportation H.E. Kamel Elwazir explained that the ministry is working to develop all maritime ports, promising new investments opportunities in Egypt's seaports including Alexandria, East Port Said, Damietta, Safaga, and Hurgada ports. On 5th January 2020, the ministry signed a contract aimed at establishing a multi-purpose station in Alexandria port. Under the supervision of an international consulting company, a number of Egyptian companies specialized in the field of port constructions will be responsible for establishing the station which costs of USD 311m, within a year. Also, the minister received Singapore's ambassador in Egypt H.E. Dominic Goh to discuss cooperation in the field of maritime transport, land ports, and logistics. The Singaporean PSA Company, which is one of the world's largest port operators, wishes to establish projects in Egypt including many multi-purpose plants in Alexandria port in addition to many projects in Port Said and Damietta Ports.

IPO program still in first phase, three companies to be offered in 2020

In an interview with the Egyptian Minister of the Public Business Sector H.E. Hisham Tawfik, he revealed that highly anticipated IPOs of Banque du Caire and e-finance will take place in the second phase of the privatization programme. The first phase of the IPO programme is not yet finished. It had the offering of one company in 2019, which is Eastern Tobacco Company, by offering additional stocks on the EGX. Three more companies will be offered in the same phase during 2020: Alexandria Container and Cargo Handling Company, Abu Qir Fertilisers Company, and Heliopolis Company for Housing and Development, which is scheduled to be offered last in this phase. The second phase involves the offering of eight companies, six of which belong to the public business ministry and are already listed on the EGX with the offering of additional stocks to be traded.

Egypt's International Cooperation Ministry to coordinate with economic ministries on reforms

Egypt's Minister of International Cooperation H.E. Rania El-Mashat said that the ministry is currently planning to coordinate with all ministries to implement current projects funded by grants and loans from the international donor corporations, especially the World Bank and the International Monetary Fund, to review the Egyptian government's achievements. H.E. El-Mashat's statements came during a meeting with Minister of Finance H.E. Mohamed Maait where they both discussed raising the efficiency of the public debt performance, which is one of pivotal issues that will be focused on in the coming period to maintain Egypt's economic growth.

High-level World Bank delegation to visit Egypt in first of its kind meeting since 2014

On 6th January 2020, Egypt's Minister of International Cooperation H.E. Rania El-Mashat announced that a high-level delegation of executive directors from the World Bank (WB) is set to arrive in Egypt in January in a first of its kind visit since 2014. The delegation will include Mirza Hassan, dean of the board of executive directors of the WB, Ragui El-Etreby, the alternate executive of the board of the WB, and a number of other top officials. The visit's agenda includes several meetings with Egypt's Prime Minister H.E. Mostafa Madbouly and the country's economic ministries to discuss the priorities of the economic reform programme in the coming phase. The meetings will also tackle Egypt's structural and legislative reforms to empower the private sector, provide job opportunities for young people and women, and invest in human capital, especially in education, healthcare and social protection. The delegation is also expected to meet with a number of entrepreneurs to discuss their projects and the government's role in enabling them economically.

Egypt's GAFI looks into new offer to establish USD 350m industrial complex in Aswan

A leading company requested permission from the General Authority for Investment and Free Zones (GAFI) to establish a USD 350m industrial complex in Edfo, Aswan as revealed by Mohamed Abdel Wahab, CEO of GAFI. The company, unnamed due to confidentiality, requested GAFI to approve allocation of 400,000 sqm for establishment of the complex, noting that the potential project will create 800 direct jobs. GAFI has formed a task force to evaluate new investment projects' progress after foundation to solve any challenges that may face businesspersons in Egypt.