

Aktuelle Hinweise Ägypten

Egyptian Cabinet approves 17 oil and gas exploration and exploitation agreements

During their 54th weekly meeting in August this year, the Egyptian Cabinet approved draft regulations which concern 17 oil and gas exploration and exploitations agreements. According to a statement made on 28th August 2019 by several ministers of the council, among the regulations agreed on is in particular the authorization of the Ministry of Petroleum and Mineral Resources to contract with a range of companies – as for example the Egyptian General Petroleum Corporation, but also a range of foreign companies. The geographical areas stated in the new law include of North Beni Suef, West Fayoum, southeast of Siwa and some more. The move comes in line with the Egyptian aim of attracting investments in the petroleum sector worth USD 10bn by the end of 2019. Already in 2018, the Petroleum Authority recorded foreign investments of USD 5.7bn. All in all, developments in that sector will help Egypt to compete on the global map.

Egypt off to start 2 new digging wells worth USD 280m

The Ministry of Petroleum announced on 26th August 2019 that Egypt is due to start soon with two new digging wells in the Atoll and Katameya gas fields of North Damietta (East Delta concession area). In the statement held by Hassan Abbady, the chair of Pharaonic Petroleum, it was further stated that the wells, whose investments amounts to around USD 280m, will be put in practice by most certainly 2020 and that the wells are supposed to increase the production in Atoll by 100m scf/ day and in Katameya by 60m scf/day. Currently, the Atoll field produces around 300 scf/day, whereas the latter is planned to enter the production map only for the first time in the second half of 2020. The production rates of FY 2018/2019 in the Mediterranean region reveal that recent efforts made by the government in that realm have been successful.

Egyptian exports to G7 states increase by 8.8% in Q1 2019

According to the Central Agency for Public Mobilisation and Statistics (CAPMAS) on 24th August 2019, Egyptian exports to the G7 states have increased by 8.8% on a year-on-year basis in the Q1 with USD 3.8bn, compared to the previous year were exports still valued around USD 3.5bn. Among the greatest importers was the US, which stated imports of Egyptian products worth USD 1bn in Q1 2019, followed by Italy with USD 951.7m and the UK with USD 719.1m throughout the same time period. In a similar way, CAPMAS highlighted also an increase of Egyptian imports from the G7 states by around 2%. In terms of investment made in Egypt, the UK currently leads, valuing around USD 2.4bn from January to June 2019.

Egypt is planning to sign customs agreements with US, EU and Belarus

H.E. Mohamed Ma'it, the Egyptian Minister of Finance, has recently announced that the government has undertaken efforts for signing several customs agreements, which would reinforce a number of customs matters concerning the joining parties. Among others, these include a more detailed assessment of goods, the determination of taxes and customs duties as well as the identification of prohibited good. He further states that a draft of an agreement between Egypt and the US is already in progress and that another one with Belarus is expected to be signed by the end of September when a session of the Egyptian-Belarusian Economic Committee will be held between the two states. Also under consideration is a cooperation with the EU which mainly aims on a mechanism to exchange information between the two sides.

CBE received 37 investment bids for upcoming T-bills

In line with the government's aim of issuing 16 T-bills offerings as well as 8 T-bonds offerings by September this year, the Central Bank of Egypt (CBE), which commissions the task on the behalf of the Egyptian government, has stated that it has received some 37 bids from both local and foreign investors, which are worth EUR 780.1m (as Euro-dominated treasury bills). However, the statement also mentioned that only 23 have been accepted for the auction. Egyptian banks are considered as one of the largest investors in T-bonds and bills, which are regularly issued by the government to tackle the state's budget deficit. According to CBE, the auction is set for 364 days, as 18th August 2020 is the closing date.