

Egypt to start building New Suez City

The Minister of Housing of Egypt H.E. Asem El-Gazzar said that Egypt will start establishing a new city in Suez, 134 km from Cairo in July 2020. Based on Egypt's Sustainable Development Strategy 2030, the country is establishing fourth-generation 'smart' cities with the aim to increase residential areas, improve life quality and absorb population surge. The new cities are expected to accommodate about 30 million people in addition to providing millions of jobs. The largest city is the New Administrative Capital, east of the capital Cairo. The fourth generation cities are integrated cities in terms of availability of services and the use of advanced technologies in infrastructure and facilities.

Egypt's public business companies to undergo reforms

On 3rd November 2019, the Egyptian Minister of the Public Business Sector H.E. Hisham Tawfiq stated that a plan is currently in progress to implement legislative, regulatory and administrative reforms at public sector companies with the aim to encourage transparency and governance rules in the public business sector. The reforms also aim to make the sector more competitive and boost its contribution to the national economy. H.E. Tawfiq said that EGP 21bn or EUR 1.18bn were injected in investments to help upgrade the public sector of spinning and weaving companies, which were burdened with EGP 44bn or EUR 2.47bn in debts. He also said that a government committee including the ministers of public business, agriculture, internal trade and industry was formed to upgrade the cotton-growing sector.

Egypt seizes third place in MasterCard's MENA region businesses

Among over 20 countries in the MENA region, Egypt is on the third place in terms of size of business according to MasterCard's MENA region businesses index. Khalid Elgibali, Division President, Middle East and North Africa at MasterCard, said that his company believes in Egypt's potential for growth and have invested EGP 1.5bn or EUR 84m in Egypt over the last five years and will invest another EGP 500m or EUR 28m in 2020. MasterCard invested in creating the small and medium enterprises (SMEs), contributed in digitizing the agriculture sector and signed a strategic partnership agreement with e-finance, Egypt's first fintech company, to support the digitalization of government payments across the country. MasterCard also offered a variety of technological solutions for many projects in Egypt including the governmental payroll solution, which today services over 5 million employees in Egypt.

64% of Egypt's businesses are more optimistic about future in the market

According to the latest HSBC report, 64% of businesses in Egypt are more optimistic about their future than they were last year and two in five Egyptian businesses expect to grow by 15% or more, compared to only a quarter globally and one-third in the Middle East. In the HSBC 'Navigator: Now, next and how' survey conducted in 35 countries, 87% of Egypt's businesses expect international trade growth over the next 12 months as compared to other surveyed countries in the Middle East, such as the UAE, Turkey and Saudi Arabia. Country Head of Commercial Banking at HSBC Egypt Richard Lelong said that Egypt is becoming much more business friendly, with new investment and licensing laws boosting domestic and foreign business activity.

New USD 30m loan to support business energy efficiency in Egypt

The European Bank for Reconstruction and Development (EBRD) and France's AFD are providing two loans of USD 15m each to the Arab African International Bank (AAIB) to support energy efficiency improvements of private sector businesses in Egypt. The funding is provided under the Egypt Sustainable Energy Financing Facility that supports sustainable energy projects. The loans, totaling USD 30m, aim to help boost the green economy in Egypt. They will cover investments in technologies such as thermal insulation, solar panels, geothermal heat pumps and water-efficient irrigation systems.