



STATE INFORMATION SERVICE

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Mohammad Saleh



PM: Government determined to shoulder responsibilities in such critical stage

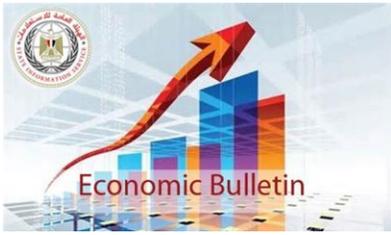
Prime Minister Sherif Ismail asserted the government's determination to shoulder its responsibilities in such a critical stage in the history of Egypt.



Speaking at a press conference on Thursday 29/06/2017, Ismail said the government would continue the economic and social reform program, according to a national agenda that takes into consideration the requirements of the state, noting that it would not hesitate to take any measures meant to contribute to pushing forward the state's march toward a better future.

The government's efforts depend on its confidence in the people's awareness of the reality of the current challenges, pointing in this regard to the government's transparency and disclosure in briefing the people with financial and economic reforms taken.

In this regard, the premier emphasized the government's determination to continue the measures it started in 2014 to develop the subsidies system and to maintain the delivery of petroleum and electricity products to those who deserve.



It is necessary to take new steps in order to rationalize fuel subsidies that cost EGP 145 billion in the 2017/2018 fiscal year, he said, adding that the cost is too large to be borne by the state budget or by that of the petroleum sector.

Cairo seeks to slash the cost of fuel subsidies to EGP 105 billion per year, Ismail said.

Meanwhile, the premier urged citizens to rationalize the consumption of petroleum products in order to contribute to directing what is saved to the services sectors, such as education and health. He also called on them to limit imports and thus reducing the hard currency demand.

The government is keen to take such key measures gradually in order to ease their effects, Ismail said, noting that it seeks to cut the budget deficit that has recorded 13 percent to 10.8 percent this year, Ismail said.

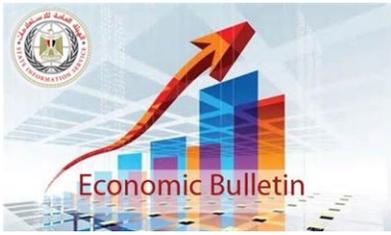
It is planned that the budget deficit would register 9.1 percent and the public debt would be reduced to 95 percent per year, he added.

Earlier in the day, the Cabinet approved an increase in fuel prices.

The price of 80-octane fuel rose from 2.35 to 3.65 pounds per liter, while the price of 92-octane gasoline surged from 3.5 to 5 pounds per liter.

As for diesel, its price increased from 2.35 to 3.65 pounds per liter.

The price of cooking gas cylinders also rose from 15 to 30 pounds per cylinder.



PM: Fuel price increase part of economic reform system

The recently-taken decision to increase fuel prices is part of Egypt's economic reform system, Prime Minister Sherif Ismail said.



It was necessary to take this decision to ensure that subsidy is delivered to those who deserve it, the premier said at a press conference on Thursday 29/06/2017.

This move comes as part of the government's bids to provide high quality services to citizens, he added.

The cabinet had approved an increase in fuel prices as of Thursday morning.

The price of 80-octane fuel rose from 2.35 to 3.65 pounds per liter, while the price of 92-octane gasoline rose from 3.5 to 5 pounds per liter.

As for diesel, its price increased from 2.35 to 3.65 pounds per liter.

The price of cooking butane gas cylinder also increased from 15 to 30 pounds.



It was necessary to increase the fuel prices, otherwise the subsidy of petroleum products would hit 150 billion pounds, Prime Minister Sherif Ismail said.

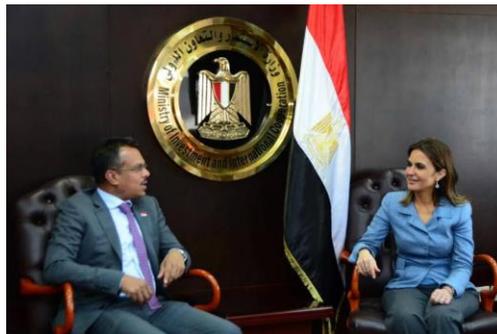
Egypt's total subsidy is expected to reach 333 billion pounds in the 2017-2018 fiscal year compared to 270 billion pounds in the current fiscal year, the premier noted.

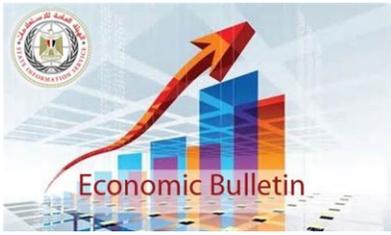
Ismail revealed the government's plan to decrease the budget deficit to 9.1 percent from the current 10.8 percent. He said the government also seeks to reduce public debt to 95% of the gross domestic product in the new budget.

The single butane gas cylinder costs the state 115 pounds, while the citizen pays only 15 pounds to get it, so it necessary to increase its price to 30 pounds, the prime minister added.

Nasr, Singaporean ambassador confer on increasing investments to Egypt

Investment Minister Sahar Nasr has invited Singapore to establish more joint projects with Egypt.





Singapore can very well invest in national mega projects, such as the administrative capital, Nasr said in a meeting with Singaporean Ambassador here Premjith Sadasivan.

The meeting focused on efforts to boost Singaporean investments in Egypt, especially in the fields of transport, harbors and training.

Sadasivan said his country is looking forward to contributing to the Suez Canal Corridor project.

The Egyptian government welcomes Singaporean investors, Nasr told Sadasivan, pointing to an open policy adopted by Cairo to encourage investors to do business in the country and create an investment-friendly climate.

The meeting also took up preparations for an upcoming visit by Nasr to Singapore to get firsthand information about its experiment in attracting investments.

AFREXIMBANK to extend dhrs 200m to Banque Misr in July

The African Export–Import Bank (AFREXIMBANK) will extend dhrs 200 million to Banque Misr in July for financing medium and small-sized enterprises.





AFREXIMBank Chairman Benedict Okey Oramah had talks with Investment and International Cooperation Minister Sahar Nasr on means of enhancing bilateral cooperation, especially in supporting medium and small-sized enterprises and exporting their products to Africa.

In a statement, Nasr welcomed Oramah and underlined the importance of realizing regional integration and injecting more investments into the infrastructure sector in Egypt and African states. She also called for giving momentum to exporting industries to create jobs for Africans.

Afreximbank currently had an outstanding credit portfolio of more than 4 billion dollars for Egypt, the statement said.

Oramah expressed preparedness to offer all needed support for Egyptian companies and industries planning to export their products to Egypt.

Oramah said he is interested in propping up infrastructure projects and construction companies.

He expressed confidence that the Egyptian economic program would succeed.

He added that the bank is mulling to bankroll Egyptian investments in the fields of renewable energy and real estate development.



Investment Minister discusses cooperation with UN in combating corruption

Minister of Investment and International Cooperation Sahar Nasr met with representative of UN Regional Office on Drugs and Crime in Africa and the Middle East Shirin Rahmi, to discuss ways and areas of future cooperation to combat corruption.



Nasr praised the UN's efforts to fight corruption and crime, stressing that anti-corruption measures are a crucial part of the government's economic and social programs. She explained that the State is determined to combat corruption in all its forms and in all fields, confirming that it is fully aware of its threat.

Corruption threatens development, prosperity, security and stability of the state, as a result Egypt seeks to intensify its efforts to combat corruption by cooperating with the UN in the fields of exchanging expertise and studying the most suitable ways to fight corruption, Nasr added.

On the other hand, Rahmi stressed keenness of the UN to support Egypt in fighting corruption and combating crime, as well as drug smuggling by providing technical and institutional support, in addition to expertise to implement its priorities in these areas.



She explained that the UN supports the national policies and practices, which aim to combat corruption, crime, drugs and terrorism, as well as enhancing regional and international cooperation in these areas.

Furthermore, the UN provides research, data analysis and experience on global, regional and national approaches to combating crime, she pointed out.

The UN trained prosecutors to combat violence against women, in cooperation with the European Union, she added.

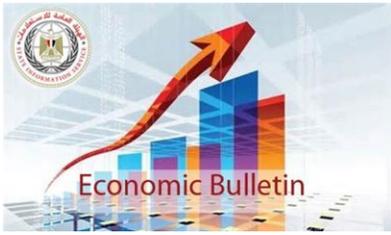
Egypt's exports to Italy up by 39% in 1st quarter of 2017

Egypt's non-petroleum exports to Italy rose by 39 percent to reach 367 million euros in the first quarter of 2017, compared to 264 million euros during the same period in 2016.



In a statement, Trade and Industry Minister Tareq Qabil said Italy is among Egypt's largest trading partners in European Union countries.

The volume of trade exchange between Egypt and Italy also increased by 30 percent to register 1.3 billion euros during the first



quarter of the current year, against 1 billion euros during the same period last year, the minister added.

Earlier, Qabil received a report from the Egyptian Commercial Representation Office in Milan on the volume of trade exchange between Egypt and Italy.

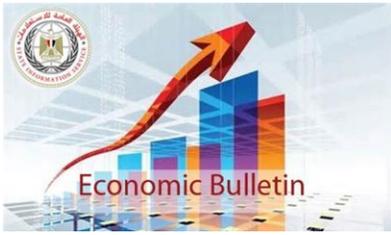
Head of the Egyptian Commercial Service Office (ECS) Ahmed Antar commended genuine efforts exerted by the Egyptian Commercial Representation Office in Milan to beef up Egypt's exports to Italy.

Egypt's exports to Italy include steel, aluminum, fertilizers, methanol, plastic, molasses, fresh vegetables, such as artichoke, potatoes and lettuce, and preserved vegetables, Antar added.

New investment law in Egypt to attract further FDI: Oxford Business Group

Egypt's long-awaited investment law is set to be implemented in the coming months, potentially catalyzing further growth in recovering foreign direct investment (FDI), a report by the Oxford Business Group has said.

On June 1, President Abdel Fattah El Sisi signed the new bill into law following months of deliberation, with implementation scheduled for the end of August. The legislation includes a variety of bureaucratic reforms, and outlines new fiscal incentives for potential investors.



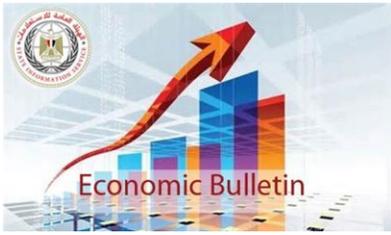
One of its key provisions is to streamline business procedures through an investors' service center that will act as a one-stop shop for issuing all licences. The center will be established by the newly created General Authority for Investment (GAI), previously the General Authority for Investment and Free Zones, the report said.



The GAI will also develop an “e-incorporation” system for investment entities that pledges a 24-hour response to all applications. An accreditation office will then support the applicant through the licence and approval process for investment projects, reviewing documents and issuing a certificate, it added.

Measures to ease investment include a “golden licence” that will allow the prime minister to issue a single approval that includes all the required business establishment and operating licences, land allocation and building permits for strategic and national projects deemed key to Egypt’s development.

These changes should lessen the burden investors previously faced in dealing with a range of state agencies, raising Egypt’s rankings in the World Bank’s “Doing Business” report. In the most recent report, for 2017, Egypt already jumped 31 places in the starting a business category.



The new law also incorporates tax incentives to draw investors, such as a five-year exemption from stamp duty on all incorporation contracts, as well as facility and mortgage contracts related to an investment project.

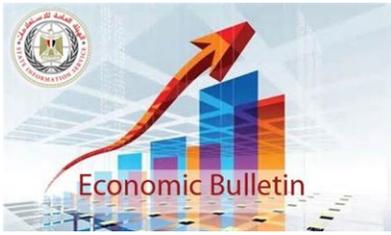
The legislation will also give investors tax breaks of 30% across the board, rising to 50% for investments made in so-called underdeveloped zones, a concept that will be clarified in executive regulations to be published in late August.

Under the new legal framework, the Council of Ministers reserves the right to grant further incentives, including allocations of free land on a case-by-case basis, with the conditions also to be confirmed at a later date.

Other measures ensure investor rights and guarantees, such as more robust protection against nationalisation, sequestration and licence revocation. Investors will be allowed to hire foreign employees for up to 10% of the workforce, rising to 20% at a later date.

The council will also retain the right to give foreign investors preferential treatment if deemed economically necessary – allowing them to, for example transfer profits abroad, or import goods without registering as an importer.

The law is seen as an important breakthrough in ongoing government efforts to improve the macroeconomic and investment climate. Those efforts – which look to address a range of structural issues – have been largely supported by partners including



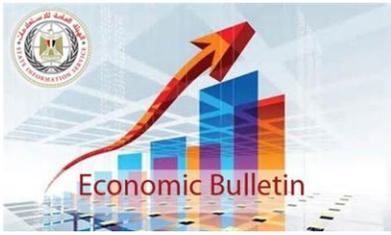
development finance institutions and the IMF, which signed a \$12bn extended fund facility with Egypt last November.

That month also saw the government push through fiscal measures such as the free float of the Egyptian pound, and a reduction of its sizable subsidy bill.

Despite these growing pains, net FDI inflows rose to \$6.9bn in FY 2015/16, up from \$6.4bn in FY 2014/15, according to the central bank – the highest level recorded since the January 2011 revolution.

The rise has been driven partly by ongoing large-scale investments in oil and gas, where capital-intensive exploration and development projects have continued despite low prices.

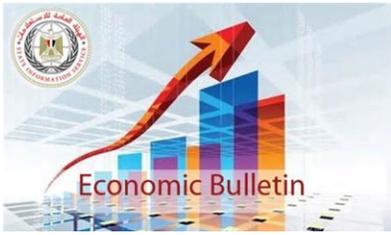
While the energy sector is already regarded as fairly well regulated and stable by investors, the new investment law should open other sectors up to greater FDI. In March Sahar Nasr, minister of investment and international cooperation, said the government aimed to attract another \$10bn in FDI next year.



United States Dollar to Egypt Pound



By the end of this week, the average buy price for the US dollar reached 18.08 pounds, while the average sell price reached 18.05 pounds.



Gold Price



The following table shows gold price per gram:

Carat	Gold price per gram in Egyptian Pound (EGP)
24K Gram	728 EGP
21K Gram	637 EGP
18K Gram	547 EGP