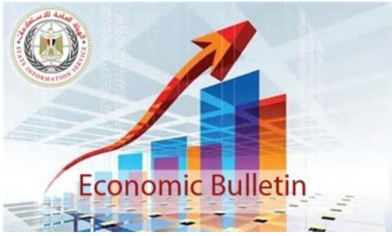

STATE INFORMATION SERVICE

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Mohammad Saleh

Sisi inaugurates several giant development projects in Tenth of Ramadan

President Abdel Fattah El Sisi inaugurated several giant development projects in the roads, bridges and housing sectors.

The president opened the new projects via video conference from a hall in the 10th of Ramadan city in Sharqiya governorate.

Sisi said efforts are currently underway to finalize 4,000 factories for small and micro-scale industries through cooperation between the Housing Ministry and the Armed Forces Engineering Authority within a time frame of six months to one year at the most.

Also, Sisi opened the social housing zone that comprises 1,240 units in 62 buildings in the 10th of Ramadan.

President Sisi also inaugurated a drinking water distillation station in New Cairo, the Fangary southern bridge, along with Dar Misr housing project in 6th of October city.

He, meanwhile, inaugurated via video conference Shubra-Banha road at a length of 40 kilometers with a total cost of EGP 3.6 billion, alongside Suleiman Metwali Bridge that serves the airport of the New Administrative Capital.

Commenting on a new prices rise of train tickets, Sisi said there are projects that will cost EGP 50 billion over the coming two years along with a debt of EGP 40 billion on the railway sector. This means any increase in the price of tickets would serve the new constructions in such sector and pay off its debts, the president added.

For his part, Transport Minister Hisham Arafat said that 22.5 billion pounds were allocated for national projects, including 12.8 billion pounds for upgrading old roads and bridges and 5.7 billion pounds for road repaving.

Concluding his speech, Sisi highlighted the necessity of restoring roads and lands, used in national projects, to their normal shape once the projects are finalized.

After inaugurating the national projects, the president inspected the Korean-funded LG electronics factory in the 10th of Ramadan city.

Sisi urges solving structural problems facing Egyptian economy

President Abdel Fattah El-Sisi urged continuing efforts to solve structural problems facing the Egyptian economy for decades.

During a meeting with Acting Premier and Housing Minister Mostafa Madboly and Finance Minister Amr el Garhy, Sisi said the Egyptian citizen should feel the positive outcome of economic decisions taken during the past period.

Sisi urged following up various financial and economic indicators and evaluating economic reform measures periodically to ensure that they meet financial targets, presidential spokesman Bassam Rady said.

The meeting also tackled the financial performance in the first half of the 2017/2018 fiscal year, the spokesman said.

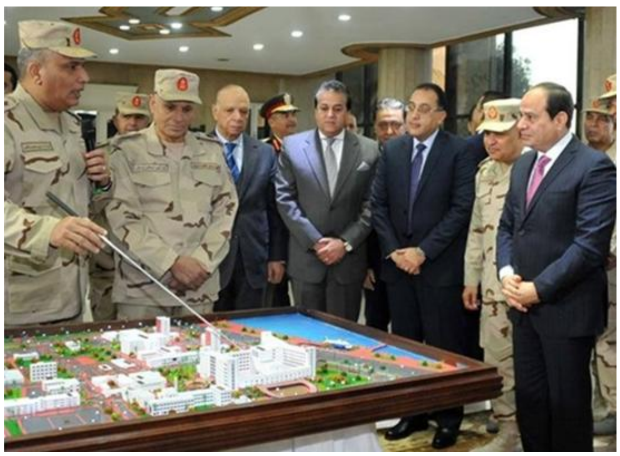
The country's initial budget deficit recorded 0.3 percent in the first half this fiscal year, compared to 1.1 percent during the same period in the previous year, Garhy said.

Sisi opens main phase of renovating Maadi Armed Forces Medical Complex

President Abdel Fattah El Sisi inaugurated the main phase of renovating the Armed Forces Medical Complex in Maadi.

The President inspected a number of hospitals and specialized medical centers at the Maadi medical complex.

While inspecting the hospitals, President Sisi stressed the importance of improving the medical and health care offered to all citizens.



The renovation activities of the complex includes establishing a number of hospitals and specialized medical centers that provide medical services to both Armed Forces members and civilians.

The Maadi medical complex receives more than 220,000 patients annually. It also carries out over 7,000 specialized surgeries to civilians and Armed Forces members and their families.

Reuters: Surge in foreign fund inflows sets stage for Egyptian boom

Encouraged by Egypt’s economic reforms, a major gas find, streamlined business rules and a devalued currency, investors are increasingly optimistic about prospects for the North African country after years of political turmoil.

Foreign holdings of Treasury bills hit a record high in December, foreign inflows into the stock market last year were the highest since 2010 and direct investment by foreign firms and private equity funds is on the rise again.

Key for many longer-term foreign investors are the natural gas fields that have come on stream in the last few months, including the offshore Zohr field, whose estimated 30 trillion cubic feet makes it the largest in the Mediterranean.

REUTERS

The gas discoveries should eventually make Egypt a gas exporter and boost its plans to become a regional energy hub.

Besides the gas, private equity firms say reforms launched since the end of 2016 that secured a $12 billion loan program from the International Monetary Fund (IMF) have shifted sentiment enough to spur investment, despite the risks.

Oxford Business Group issues its report on Egypt

While Egypt continues to face considerable economic challenges as it confronts the legacy of its recent political history, at the outset of 2017 the nation’s economic planners have reason for optimism.

A process of fiscal reform is well under way, a long-awaited legal framework aimed at attracting new investment is almost in place, a Mediterranean gas find promises to nearly double the nation’s gas reserves and, other than some unrest in the remote Sinai Peninsula, the country has enjoyed a period of political stability following the turbulence of 2011-13.

However, some obstacles to growth remain in the form of a stubborn fiscal deficit and a troubled currency, the flotation of which threatens to raise the cost of living for importers and households, many of whom are currently struggling with price increases on basic items.

Suez Canal revenues hit USD 5.3 billion in 2017

The Suez Canal revenues rose 5.4 percent to hit dlrs 5.3 billion in 2017 compared with dlrs 5 billion in 2016, Chairman of the Suez Canal Authority and the Suez Canal Economic Zone (SCZone) Mohab Mamish said.

Receiving members of Sporting Club and the international women's club at the Suez Canal Authority’s Maritime Training and Simulation Center, Mamish said the 2017 statistics recorded a noticeable growth in the number of the ships and vessels transited the canal and their cargoes, which proved the economic feasibility of the New Suez Canal.

The Suez Canal revenues in EGP terms surged by 89.5 percent to reach 93.8 billion in 2017, compared to 49.5 billion in 2016, benefiting from the Egyptian pound flotation.

The Suez Canal Authority's policies supported the increase in the number of transited ships and its cargoes to 17,550 vessels and billion tons in 2017, compared to 16,833 and 974 million tons in 2016, soaring by 4.3 and 6.9 percent respectively.

Egypt's trade deficit falls 15.4% in October - CAPMAS

Egypt's trade deficit dropped by 15.4% year-on-year to $3.22 billion in October 2017 from $3.79 billion, according to the Central Agency for Public Mobilization and Statistics' (CAPMAS) monthly bulletin.

Exports surged by 21.5% to $2.24 billion in October 2017, up from $1.85 billion in October 2016, while imports fell by 3.3% to $5.46 billion from $5.46 billion, the CAPMAS added.

Financial Times: Egypt is the most viable route to provide Europe with gas exports

Gas pipelines often turn out more pipe dream than reality. Or, in the case of those that cross borders, they can involve projects that take so long to negotiate that by their completion the rationale for them has changed.

It would be a huge waste of opportunity should this become the case in the eastern Mediterranean. Substantial recent discoveries in a corner of the earth bedevilled by conflict could become a catalyst for greater regional co-operation and economic integration.

For Europe, the proximity of these gasfields provides a chance to reduce dependence on Russian energy supplies, although Moscow has taken strategic stakes in some of the region's projects to ensure its influence is not unduly diluted. It could also provide some European leverage to sway the region in a more peaceful direction.

It will not be easy. The Levantine Deep Marine Basin spans the waters of Israel, Lebanon and Turkish and Greek Cyprus. Some of the discoveries have also been made offshore from the Gaza strip, introducing an Israeli-Palestinian dimension that could complicate things further.

FINANCIAL TIMES

Egypt, which has made its own vast recent discoveries, is in pole position to take a lead. Italy’s Eni has started production at the huge Zohr gasfield, as has BP in the West Nile Delta. Egypt already has a well developed domestic gas market that, having recently become a net importer, will easily soak up initial output.

These resources could be transformational. They should ultimately allow the country to achieve energy self sufficiency. The availability of abundant and cheap electricity could meanwhile allow Egypt to host more energy intensive industries.

In the development of its gas, Egypt is right to have prioritised its domestic market. But it has two liquefied natural gas plants, which are more or less mothballed, from which to export once production is ramped up.

The development of the Israeli, Lebanese and Cypriot fields is more fraught. With limited domestic markets all three will need to find external buyers at a time when world gas markets are close to saturated. The most pragmatic and practical near term path to outside markets would be to build a network of short pipelines and tap into Egypt’s LNG plants.

In the medium term there may also be a case for a pipeline that transits through Turkey. The EU, meanwhile, is pushing for an alternative route: a 2,000km long and 3km deep pipeline from the eastern Mediterranean to Italy.

The preferred EU option, however, has questionable commercial logic. It would also see the EU squandering a chance to promote greater economic integration in the region. Worse, it would undercut the other pipeline deals.

Gas was an important catalyst in furthering talks over the status of Cyprus. Negotiations broke down last year. But gas could lure the conflicting parties back to the table. The reverse could also be true. In the absence of a deal, Turkey could make it difficult to develop the Cypriot field. Any attempt to exploit it without Ankara’s involvement would risk inflaming tensions and further souring relations between the EU and Turkey.

Pipelines require huge investments. So the economic logic of building them in collaboration is obvious. It is the politics that are, in this case, delicate. Egypt, at least initially, provides the most pragmatic route to reap the economic benefits without exacerbating regional tensions.

Flights between Moscow, Cairo may start in mid-February

Regular flights between Moscow and Cairo may start in mid-February, TASS news agency quoted Russian Transport Minister Maxim Sokolov as saying.

"As I said, it will take about a month and a half after the signing of the decree to open the air service and to sign relevant contracts with the airport of Cairo, with the handling companies, to relaunch the representative office of Aeroflot. Accordingly, this is approximately mid-February," Sokolov said.

Earlier, some media, referring to the data of timetables at the airports of Sheremetyevo and Domodedovo, reported that the flights between Russia and Egypt will resume on February 1.

The press service of Sheremetyevo said that it is too early to confirm the fact of the flights from the airport.

At the same time, Sheremetyevo and Domodedovo airports are in talks with the Egyptian airline EgyptAir on the sale of slots (the time interval, during which the airport receives and services the aircraft) for flights from Moscow to Cairo.

On January 4, Russian President Vladimir Putin signed a decree on resuming regular air services to Cairo.

Trade balance between Egypt, UAE hits USD 1.5 billion in 2017

Trade relations between Egypt and the UAE are taking an upturn, Minister of Trade Tareq Qabil said.

In 2017, the balance of trade between the two countries tilts in favor of Egypt with exports to the UAE totaling dlrs 1.5 billion in 2017 compared to dlrs dlrs1.4 billion in 2016, Qabil added.

In a statement released by the Ministry of Trade and Industry, Qabil made it clear that his Ministry is seeking to further boost trade relations with Abu Dhabi through expanding the number of Egyptian companies exporting to the UAE and those taking part in exhibitions in the Arab Gulf country.

This is meant to increase Egyptian exports to the UAE, he noted.

Qabil said that the UAE is considered the biggest investor in the Egyptian market with investments totaling 6.2 billion dollar in the various service and production sectors.

Forbes list Egypt's top 6 billionaires

Six Egyptian businessmen rank amongst the world's richest people, according to the 2013 Forbes billionaire rankings.

The six own and run companies in the construction, automotive, communications and media sectors, and most have seen their fortunes grow despite the ongoing turmoil that the country is witnessing. They hail from just two families.

1. Nassef Sawiris: $6.5 billion net worth

Nassef Sawiris runs Orascom Construction Industries (OCI), Egypt's largest publicly-traded company. He ranks 182nd richest in the world and is the 4th richest man in Africa. His net worth increased by $1 billion since last year's Forbes ratings.

He was banned from travel following charges that OCI had failed to pay taxes worth some LE14 billion (roughly $2 billion) on its sale to Lafarge. Nassef likes to keep a low profile and rarely appears in the media. Unlike his older brother Naguib, he prefers to keep his political opinions to himself.

2. Naguib Sawiris: $2.5 billion net worth

Aged 58, Naguib Sawiris runs Orascom Telecom Media and Technology (OTMT) and recently sold nearly all his shares in Russian telecom giant VimpelCom, which had acquired Sawiris's Orascom Telecom.

He ranks as 589th richest person worldwide, and the 9th richest in Africa. His net worth dropped by $0.6 billion since last year's Forbes ratings. At the wake of the Egyptian uprising in 2011, he got involved in politics, establishing the Free Egyptians Party and attracting criticism from his political foes.

3. Mohamed Mansour: $2.2 billion net worth

Mohamed Mansour owns the Mansour Group holding company, a leading automotive, retailer and banking company. Mansour owns supermarket chain Metro, which recently received an offer from Emirati billionaire Majid Al-Futtaim for up to $300 million.

He is the 670th richest man worldwide and the 10th richest in Africa. His net worth has dropped by $0.5 billion since last year's Forbes ratings. He served as minister of transportation under President Hosni Mubarak from 2005 to 2009, and resigned following a devastating train crash that left 30 dead.

4/5. Yassen Mansour and Onsi Sawiris: $2 billion net worth each

Yassen Mansour is a major shareholder of in giant real estate company Palm Hills Development and is currently its chairman.

He was recently accused of misappropriating state land to the company, but was acquitted. He ranks 736th richest worldwide and is the 13th richest man in Africa.

His net worth surged by $0.4 billion since last year's ratings.

Onsi Sawiris is the founder of Orascom Construction Industries (OCI) which his son, Nassef, currently runs. OCI is the largest publicly-traded company in Egypt. He comes 736th in the Forbes global rankings and is the 11th richest person in Africa. His net worth dropped by $0.9 billion since last year's ratings.

6. Youssef Mansour: $1.95 billion net worth

Part-owner of Egyptian conglomerate Mansour Group, he was responsible for building Egypt's largest supermarket chain, Metro. He ranks 758th richest worldwide and is the 14th richest man in Africa. His net worth has increased by $0.45 billion since last year.

MIGA to provide Egypt with $102.6 mln to build world's largest solar generation park

The Multilateral Investment Guarantee Agency (MIGA), a member of the World Bank (WB) Group, announced guarantees of up to $102.6 million in support of the construction, operation and maintenance of six solar power plants in Egypt with collective combined capacity of up to 250MW.

In a statement, it said that the project represents the first set of a total 12 projects approved by MIGA's board in support of Egypt's Solar Feed in Tariff (FiT) program.

The guarantees are being provided against the risks of Expropriation, Transfer Restriction and Inconvertibility, Breach of Contract, and War and Civil Disturbance. Some $5.0 million of coverage is being provided for equity holder ib vogt GmbH of Germany for up to 15 years. And an additional $97.6 million of cover is being provided for up to 20 years to lender Industrial and Commercial Bank of China (ICBC) of People's Republic of China (PRC), bolstering the longer-term strength of the projects against fluctuating tariffs.

MIGA Executive Vice President and CEO Keiko Honda said that "significant investments are needed in Egypt to meet growing demand for power, and diversify the country's energy mix".

"We are proud to be supporting Egypt's ambitious efforts to deliver reliable power to its citizens, while helping tackle climate change", Honda added.

Such projects will contribute to the government's target of having renewable energy make up 20 percent of power generation by 2020, and also the FiT program, which seeks to attract private sector investment for up to 4.3GW in solar and wind power generation.

Energy from the power plants will be sold in Egyptian Pounds at $0.084 per kilowatt hour to the Egyptian Electricity Transmission Company under a 25-year Power Purchasing Agreement. The PPA is backstopped by a guarantee from Egypt's Ministry of Finance.

The MIGA pointed out that once the six plants are operational, they will have enough capacity to provide power to the equivalent of 349,912 additional residential households.

Electrification in Egypt is nearly universal, and consumption has grown by over six percent annually since 2008. To date, installed capacity has reached 35 GW, however, with a generation mix consisting of 78 percent gas-fired and 12 percent fuel oil-fired power plants, Egypt's energy sector has suffered from chronic power deficits and frequent blackouts resulting from rapid demand growth coupled with acute gas shortages and severe under investment since 2010.

"MIGA's support for our three projects has been crucial for closing them successfully," Rajit Nanda, Chief Investment Officer of ACWA Power said, adding that "Together, we have aided the Egyptian government as they push through their focus on Renewable energy and are confident that this association will continue to play a pivotal role for procuring new renewable energy projects in Egypt."

The Industrial and Commercial Bank of China (ICBC) provided loans to ACWA Power for three of the six proposed power plants.

The World Bank Group has been an important partner of the Egyptian government in the energy sector, and the IBRD, IFC and MIGA jointly developed an Energy Joint Implementation Plan in response to the government's priorities. IFC is among the major lenders in the FiT program, and is financing up to 11 solar power plants.

The combined cost of the six projects will be $385.8 million.

Mamish: Developing Suez Canal area to serve Egypt's, World's economies

The development of Suez Canal area will serve Egypt's and World's economies and contribute to providing one million job opportunities for young men, Chairman of the Suez Canal Authority and the Suez Canal Economic Zone (SCZone) Mohab Mamish asserted.

Several mega national projects being built in the SCZone will help revive the national economy, Mamish said in a meeting with Presidential Adviser for National Projects Ibrahim Mahlab.

During the meeting, Mamish has handed over to Board Member of Polaris International Industrial Parks Mohamed Kassem the title deeds of plots of lands over 5.5 million square meters from the southern region lands.

The 3.5-billion-dollar projects in the southern region are expected to secure 50,000 job openings, Mamish noted.

A title deed of a 2.2-million- square meter plot was also handed over by Mamish to Board Chairman of El Sokhna Refinery & Petrochemicals company Mohamed El Sawy.

The 4.5-billion-dollar project will be earmarked for establishing an oil refinery with a production capacity of approximately 155,000 barrels of oil per day.