

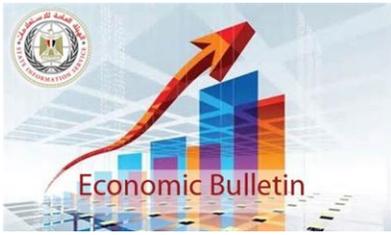


STATE INFORMATION SERVICE

Weekly Economic Bulletin

(27 January - 02 February 2018)

Mohammad Saleh



Sisi inspects Galala mountain project

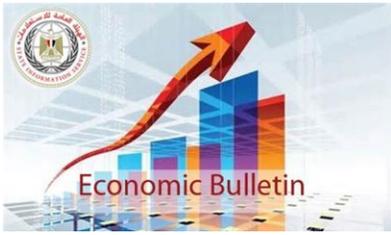
President Abdel Fattah El Sisi inspected El Galala mountain project, Presidential Spokesman Bassam Radi said in a statement.



During his tour, President Sisi was briefed on progress made to implement this development project, the Spokesman added.

Sisi hailed efforts exerted to finalize mega projects as per a specific timetable and with the use of best quality standards, Radi noted.

Those projects are expected to contribute to achieving development and building new urban communities for the Egyptian people, Radi quoted Sisi as saying.



Sisi attends inauguration of early production process of Zohr gas field

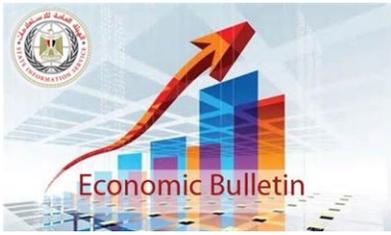
President Abdel Fattah El Sisi attended the inauguration ceremony of the early production process of the Zohr gas field at western Port Said.



Addressing the ceremony, Eni Chief Executive Officer Claudio Descalzi said the Zohr gas field project is an evident proof of the Italian company's interest in investing in Egypt, where it has been operating since 1954.

Minister of Petroleum Tareq el Molla underlined the importance of the Zohr field project, terming it as a success story and important addition to the national economy that would contribute to achieving the aspired for national development and help build a new Egypt.

He said the project shows Egypt's ability to make great achievements on the ground in a record time and in line with international standards.



Meanwhile, President Sisi asserted that the maritime demarcation agreement between Egypt, Cyprus and Greece has expedited the implementation of the Zohr field project.

"The demarcation helped us reveal concession areas to international companies," Sisi said.

Those who speak against the demarcation of maritime borders should understand that this means losing \$100 billion, he said, urging to keep in mind the rights of 100 million Egyptians.

The production rate of the Zohr field is beyond all expectations, Sisi said.

The President warned against attempts to undermine Egypt's security, stressing "what you see as a fact on the ground now would not have happened without stability and security."

Investment Minister: Bankruptcy law comes at critical time, encourages investment

Minister of Investment and International Cooperation Sahar Nasr said the bankruptcy law approved by the Egyptian parliament comes at a critical time in Egypt's history and would encourage investment.

Commenting on the parliament's approving the law with a two-third majority vote, the minister said the law would support employees, especially in the small- and micro-scale businesses and would ease the entry and exit of individuals or companies from the business market.



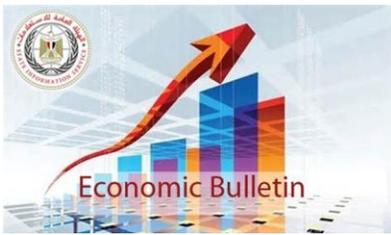
Responding to an inquiry from one of the lawmakers on the impact of such law on the ground, Nasr said the Ministry would swiftly work on activating the law upon its ratification by the president, adding that measures are underway to develop the investors' service centers to operate according to the latest technologies to facilitate the establishment of new companies or modify its activities.



The law regulates the financial and administrative restructuring for failed projects and companies.

The new law abolishes prison sentences in bankruptcy cases and limits punishments to a fine. It also aims to minimize the need for companies or individuals to resort to courts and simplify post-bankruptcy procedures.

Difficulty in exiting the Egyptian market had been a concern among investors, a reason which lowered the country's ranking on the World Bank's Doing Business Index.



Until now, Egypt has had no specific law on bankruptcy, meaning failed companies have had to go to court on a case-by-case basis, which caused difficulties such as long judicial procedures.

The new law will allow any business that is close to bankruptcy to have the option of conciliation with its creditors or restructuring its financial position.

Petroleum Ministry denies reports on raising fuel prices

The Petroleum Ministry dismissed reports on social media networks on raising fuel prices.



“Such news is baseless,” the ministry said in a statement.

It urged the citizens not to follow rumors, seeking to cause a turmoil nationwide.

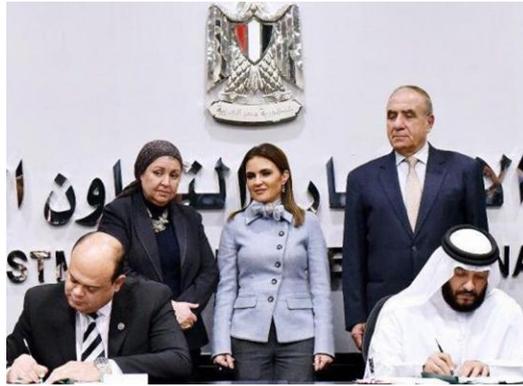
Contract for Disneyland-style park in Marsa Matrouh signed

The Matrouh Governorate signed three major contracts with foreign investors, including a one on the establishment of the first Disneyland-style city in the Middle East.



The 3.3-billion-dollar theme park will be built in Alamein along the Mediterranean coast with American and Saudi investments on a 5,080 feddan area.

Minister of Investment and International Cooperation Sahar Nasr, Minister of Local Development Abu Bakr Gindi and General Authority for Investment and Free Zones (GAFI) Deputy CEO Mona Zuba witnessed the signing of the three mega contracts.



The first contract was signed by Matrouh Governor Alaa Abu Zeid and Managing Director of InterNetNorth for Entertainment Cities in the Middle East and North Africa Lisa Marie Stephan to establish the integrated entertainment city.

Abu Zeid signed the second contract with the Emirati company Oroba to build a touristic hotel in Abu Marqiq area in Mersa Matrouh city on a land of 172 feddans, with an investment of LE 1.2 billion and the third contract also with Oroba company to operate, on a usufruct basis, a dates factory in Siwa oasis for 15 years, worth an annual LE 3.2 million.

In statements after the signing, Minister Nasr said that the entertainment project is considered to be the biggest foreign



investment project after the approval of the Investment Law and its executive regulations.

The ministry supports Egyptian investors and welcomes the American, Saudi and Emirati investments in Egypt, she said.

Gindi also welcomed the Saudi, US, and Emirati investments in Matrouh, describing it as a major investment-attraction governorate.

Sisi ratifies Egypt's joining international Olive Oil Agreement

Minister of Agriculture and Land Reclamation Abdel Moniem el Bana said President Abdel Fattah El Sisi has ratified Egypt's joining the International Agreement on Olive Oil and Table Olives.



In a statement released by the Ministry of Agriculture and Land Reclamation, the minister said President Sisi issued a decree No.560 of 2017 approving Egypt's joining the International Agreement on Olive Oil and Table Olives, which has been approved in Geneva in October 2015.



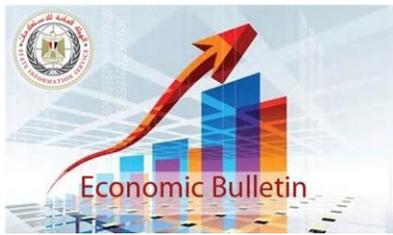
He said the House of Representatives approved Egypt's joining the agreement in its public session held on January 8.

The minister asserted that Egypt's joining the agreement is an important step as Egypt ranks second as the biggest producer of olive oil worldwide, adding that Egypt was also a founder of the International Olive Council (IOC) which sponsors the implementation of the agreement.

The agreement aims at fostering international cooperation for the integrated, sustainable development of world olive growing; to foster the coordination of production, industrialization, storage and marketing policies for olive oils, olive-pomace oils and table olives, to encourage research and development and to foster the transfer of technology and training activities in the olive products sector, he said.

The agreement provides international protection for the geographical indications agreed on by members, thereby filling a gap in the previous text of the agreement issued in 2005. It also puts relationships with professionals on an institutional footing and provides for international cooperation with representatives of the olive-products sector.

Moreover, the IOC, which includes countries producing around 98 percent of the olive oil production worldwide, is given the task of organizing the transfer of technology from members that are highly advanced in olive cultivation, olive oil extraction and table olive processing techniques to the developing countries that are members of the Council.



The new agreement is also aimed at improving the quality of the sector's products and is intended to back up the advertising campaigns on the properties and benefits of olive oil and table olives - that is, their organoleptic and chemical characteristics and their nutritional and therapeutic properties.

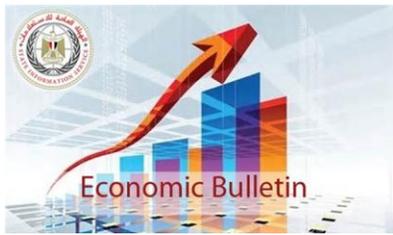
IMO lauds economic reforms in Egypt

Secretary-General of the International Maritime Organization (IMO) Kitack Lim hailed the economic reforms carried out by the Egyptian government.



He praised current cooperation between Cairo and the IMO and Egypt's vital role within the framework of the organisation's committees to achieve the organisation's objectives.

Lim made the remarks during his meeting with Prime Minister Sherif Ismail that was attended by Minister of Transport Hisham Arafat to discuss means of boosting cooperation with the organization.

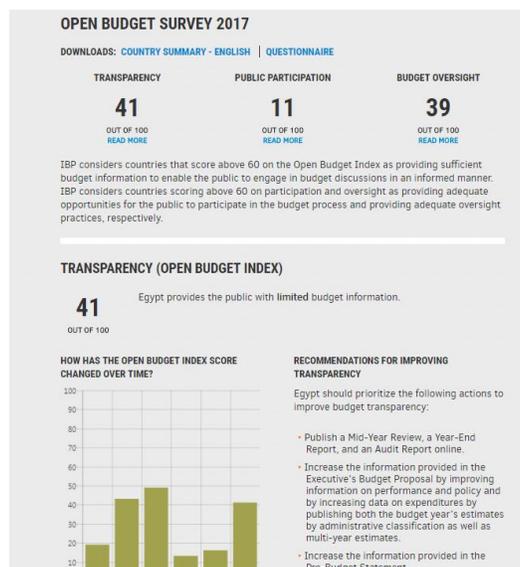


The IMO secretary general expressed appreciation to Egypt's prospects to activate trade with the African continent to cope with international efforts aimed at facilitating trade exchange.

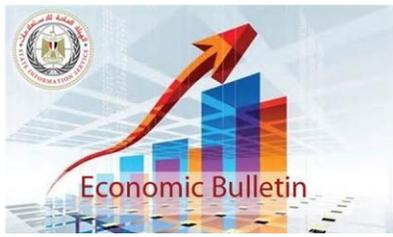
He also lauded the major role played by the Suez Canal in serving the global maritime and trade movement, expressing confidence that the Egyptian maritime transport system is capable of serving the African sectors of maritime transport and playing a vital role among IOM member states.

Egypt's budget transparency index hikes 25 points

For the first time in six years, Egypt's budget transparency score jumped from 16 to 41 points out of 100, which is nearly the global average score of 43 points.



According to the bi-annual Open Budget Survey produced by IBP, Egypt is in the 65th rank among 115 countries, compared to its



89th rank among 102 countries in 2015. This rank means that Egypt exceeded the MENA regional average of 18 by 23 notches.

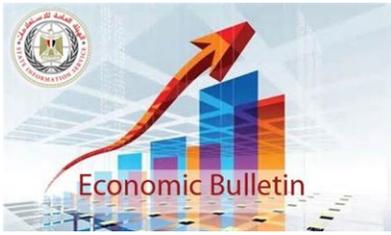
"This improvement resulted from the efforts exerted during the past three years to develop the transparency and disclosure frameworks," Minister of Finance Amr El Garhy said, commenting on the final results.

Garhy added that the achieved score (41 out of 100 points) is almost near the global average score of 43 points. "This is considered the first explicit improvement since 2012," he explained.

Egypt, AFDB sign agreement on third tranche worth USD 500 million

Investment Minister Sahar Nasr and Regional Manager of the African Development Bank (AFDB) Malinne Blomberg signed an agreement on the third tranche worth USD 500 million of a three-year loan estimated at USD 1.5 billion.





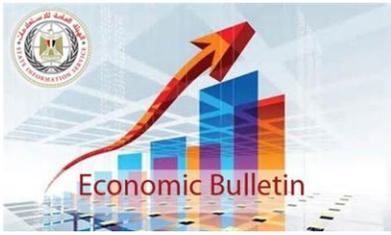
The deal comes within the framework of the government's economic and social program to achieve an overall economic and social development, which is based on bringing about social justice, providing job opportunities and improving the business climate.

Also, it sends a strong message that the Egyptian economy goes on the right path towards realizing a comprehensive and sustainable development, Nasr said, referring to the high confidence of the AFDB in the government economic reforms.

The agreement comes as part of a strategic partnership between Egypt and the AFDB to push forward the sustainable development and provide the appropriate atmosphere to attract further investments, in addition to offering technical assistance in various sectors to revive the Egyptian economy, she added.

The third tranche will be channeled to the most needy areas and securing job openings for young men, as well as supporting small and micro-sized enterprises, Nasr said.

For her part, Blomberg said the AFDB is happy to enter into a strong partnership with the Egyptian government to help resuscitate the economy and support growth, besides improving the citizens' standard of living.



Nasr witnesses inking of investment project in Dabaa

Investment Minister Sahar Nasr and Minister of Local Development Abu Bakr el Gendi witnessed the inking of an agreement to establish an investment project in Mersa Matrouh.

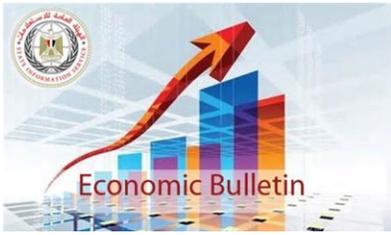


Under the deal, Mersa Matrouh city hall would allocate 2.14 million square meters of land in el Ghazala village in Dabaa for Madar company to establish an integrated investment project worth 10 billion pounds.

Implementation of the project should start within six months.

Nasr said the project is the biggest since the endorsement of the new investment law.

She added that her Ministry is working to provide grants to the different governorates to contribute to upgrading the infrastructure.



Mars Egypt inaugurates 2 chocolate lines worth EGP 750 million

Mars Egypt is about to inaugurate two new production lines worth EGP 750 million by the end of February 2018, Minister of Industry and Foreign Trade Tarek Kabil said.

MARS

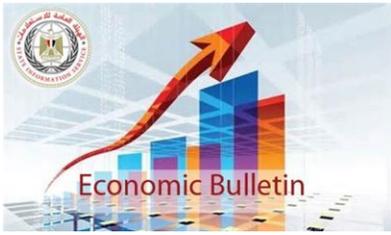


Kabil added in a press release that these two lines will offer 1600 job opportunities, referring that the company's expansion will help in increasing its exports to \$100 million yearly.

Mars investment's volume will reach LE 2 billion with 10,000 job opportunities, according to the press release.

Kabil noted that the company sales in Egypt reached LE 1 billion year-on-year and the exports recorded \$42 million.

The release pointed out that Mars Egypt allocated 65 percent of its production to export.



Mars global regional manager for MENA Danakan McCulloch said that Mars Egypt exports to more than 20 countries, reaching Australia, Africa, MENA and Europe.

Mars Egypt is one of the world's leading companies in the field of chocolate production that works in 80 countries; it started its investments in Egypt in 2001.