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Today, President Abdel Fattah El Sisi attended a session organized by the BRICS Business Council on Egypt and delivered a speech before the gathering, which included representatives of the business communities of BRICS member states and other countries.

**Statement of
His Excellency President Abdel Fattah Al-Sisi
Before the BRICS Business Council
Xiamen: 4 September 2017**

**Mr. Chairman of the BRICS Business Council,
Ladies and Gentlemen,**

Allow me at the outset to extend my greetings and appreciation and to express my pleasure for participating in this important forum. BRICS has become one of the most effective and influential groupings at the international level.

I have had the pleasure of meeting some of you within the context of our bilateral cooperation with your friendly countries; with which we share close and outstanding relations. I trust that you have been following the ongoing development process in Egypt throughout the last few years. Restoring stability and security in a country the size of Egypt, with a population of more than 93 million, while simultaneously incurring the cost of fighting terrorism in all its forms, uprooting it, and succeeding in containing it, has not in any way deterred us from seriously addressing the chronic problems in the economy in an unprecedented manner. Accordingly, an ambitious set of root-based economic reforms was put in place based on a pure national vision. This was done, while following a national plan that represents "Egypt's vision 2030" guided by the Sustainable Development Agenda 2030, and the 2063 African Development Agenda. This all comes in conformity with our national goals and objectives.

These reforms have resulted in an overall improvement of Egypt's economic performance, as economic growth reached a rate of 4.3% in July 2017, and foreign reserves increased to reach 36 billion dollars. Despite these successes, efforts are underway to bring down the inflation rate to reach a single digit, and to reduce the budget deficit to less than 10% of GDP.

Allow me here to focus on a few important points:

First: Egypt's current program for reform and sustainable economic growth adopted a number of policies, which have a high social cost, but the delay in their implementation resulted in extremely negative implications for the economy itself, and for the future prospects of the Egyptian people, who demonstrated once again awareness of the challenges ahead, and the extent and depth of the necessity of the decisions undertaken, and the need to bear their burden. These measures were taken with a view that rectifying our policies is the most suitable path to put Egypt's economy back on the right track.

For example and with reference to reforming our subsidies system, we have closely examined the best practices and experiences of other developing countries that are generally similar to us, including some BRICS member states. We have looked into the Brazilian model, which is considered one of the most successful in dealing with high inflation rates by increasing the productivity and the overall efficiency of the economy, via the privatization of companies, and the expansion of public expenditure on social services and protection. We have also studied

India's application of an advanced modern technological system to identify and register all subsidy beneficiaries in a database that is electronically linked to the government subsidy system.

Second: One of the most important pillars of the Egyptian reform program has been the social protection net, which is characterized by its flexibility. In this net, the most eligible individuals are admitted in accordance with a continuous review process of their social and economic status. Those who are no longer in need of such support are excluded, in the light of the continued decrease of unemployment rates in Egypt.

Third: Adjustments were made to our monetary policies via adopting a flexible exchange rate regime that resulted in properly addressing currency market practices occurring outside of the banking system. In parallel, the Egyptian pound was placed on free floatation that subjects it to supply and demand rules. These reforms led to an increase in the competitiveness of Egyptian exports, and contributed to attracting foreign investment owing to the decrease in production costs.

Fourth: As for the investment and business environment, Egypt's parliament adopted a new Unified Investment Law. This law is an outcome of expanded consultations between the government and Egyptian and foreign investors. It accommodates many of the demands that investors called for after the issuing of its first version in the wake of Sharm Al-Sheikh's Economic conference in 2015. Among the most salient features of this new law are: the investment map of the high priority regions and economic sectors that will enjoy larger investment incentives; the electronic registration of companies; single window registration for investment projects; and the adoption of a package of investment incentives specific to the strategic projects including tax reductions and free land. The law also provides offices that offer assistance to the investors in establishing projects, with the possibility of granting mega strategic projects a single approval from the cabinet of ministers, thus eliminating all other required procedures and allowing investors to start their work almost instantly.

Only a few days ago, the Egyptian Ministry of Trade and Industry adopted a new law that grants industrial licenses to companies within 7 days, instead of 600 days as was previously required. This is a clear achievement that attests to our understanding of the obstacles that used to negatively affect the investment climate, and confirms our desire to create an environment conducive to investment and business in accordance with the best international standards.

Ladies and Gentlemen

Our mega national projects are making continuous progress, stimulating the economy, creating jobs and enhancing economic growth rates. The wide array of projects include: the cultivation of one and half million acres with the aim of ensuring future self - sufficiency of basic crops; building new cities across Egypt, establishing a new administrative and economic capital for Egypt to accommodate the population increase, a capital predicated on the most advanced technological and environmental friendly structures. In addition, there are major projects including the extension of more than five thousand kilometers of roads and tunnels that connect the new generation of urban communities to encourage exiting the narrow Nile Valley. In the energy sector, there are wide range discoveries of new natural gas fields, along with steps taken towards the establishment of a nuclear power plant for the generation of electricity, with the assistance of our friendly Russian State. In addition to the aforementioned projects, there is the mega project of the Suez Canal Area Development Project, constructing 7 tunnels underneath the canal, hence linking Sinai with the rest of Egypt and therefore dramatically altering the development reality of this region, in an unprecedented manner.

In the upcoming period, we will start launching a new set of major projects. Some of these will specifically target the development of the tourism sector. A number of high-end international standard tourist resorts will be constructed alongside both the Mediterranean and Red Sea coasts.

In this same context, I would also like to note that we can offer different formulas for South - South cooperation between Egypt and BRICS member states in Africa. There is ample room for your institutions to benefit from the network of trade agreements between Egypt and many partner countries in the Arab region, Africa, and Europe. These agreements offer preferential advantages to products that have undergone value added industrial operations in Egypt. We invite you to take advantage of the potential that they offer.

Ladies and Gentlemen

In conclusion, I would like to assure you that we are working hard to create a supportive environment for investment in Egypt. We also look forward to benefiting from your decade long experience - dating back to the inception of this group- in overcoming obstacles facing trade and investment among BRICS member states. Let us work together as governments, individuals and business communities, for the interest of our peoples to fulfill their expectations in meeting their development needs, and for providing a more prosperous future for generations to come.

Thank you for listening.