EU helping EBRD to bring first sanitation services to one million Egyptians

Three million people in Fayoum's governorate will benefit from project overall

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The EBRD has received €38 million in grants from the <u>European Union</u> (EU) to blend with its own investment of €186 million in the extension and upgrade of wastewater services in the Egyptian governorate of Fayoum, where three million people live. This investment will bring sanitation services to one million people for the first time, connecting their households to the wastewater network and the wastewater plant. The investment will raise the coverage of sanitation services in rural areas from currently just over 30 per cent to almost 90 per cent.

The EBRD financing to the Fayoum Water and Wastewater Company is complemented by an EU grant investment grant of €30 million and over €7 million for technical assistance. In addition, the <u>European Investment Bank</u> is providing a loan of €172 million.

Ambassador Ivan Surkoš, Head of the EU Delegation to Egypt, said: "The EU cooperation with Egypt in the water sector is one of our main pillars of intervention, stretching over a wide portfolio of programmes covering 12 Egyptian governorates, offering direct grant funds for a total amount of nearly €425 million, while leveraging additional funds for nearly €2.1 billion in investments since 2007."

Janet Heckman, EBRD Managing Director for the southern and eastern Mediterranean region and Head of the Bank's operations in Egypt, said: "We are very grateful for the EU's support of this crucial project which will improve people's lives and help preserve the environment. Both investment and technical cooperation grants add strength and impact to the operation which will result in significant economic and social benefits."

The funding will support the construction of eight new wastewater treatment plants, the expansion of nine units and the rehabilitation of 10 plants as well as the installation of over 3,400 kilometres of pipes and 139 pumping stations. In addition, 350 sewage removal trucks will be procured to serve remote rural communities.

The expansion of the wastewater treatment facilities will also substantially reduce the level of pollution caused by untreated domestic wastewater and the contamination of surface and ground water, which affects many bodies of water including Lake Qarun, the third largest lake in Egypt. Reducing the lake's levels of pollution will help restore tourism and boost agricultural and fishing activities. This is expected to create over 30,000 permanent jobs in one of the poorest governorates in Egypt.

Technical assistance funded by the EU includes support for the project procurement and implementation as well as for corporatisation, financial and operational improvements and stakeholder-engagement activities.

The EBRD will also provide technical assistance to support women's access to economic opportunities and to assess economic inclusion outcomes.

Egypt is a founding member of the EBRD and has been receiving funding since 2012. To date, the Bank has invested over €3.4 billion in 76 projects in the country. The EBRD's areas of investment include the financial sector, agribusiness, and manufacturing and services as well as infrastructure projects such as power, municipal water and wastewater services, and support for transport services. The Bank has also provided technical assistance to more than 600 small and medium-sized local enterprises.

The EBRD is a multilateral bank that promotes the development of the private sector and entrepreneurial initiative in 37 economies across three continents. The Bank is owned by 66 countries as well as the EU and the EIB. EBRD investments are aimed at making the economies in its regions **competitive**, **inclusive**, **well-governed**, **green**, and **integrated**. Follow us on the web, Facebook, LinkedIn, Instagram, Twitter and YouTube.