

Egypt secures financing agreements in 2020 worth \$7.308 billion: Minister of International Cooperation

Summary Points:

- Ministry of International Cooperation has succeeded in securing financing agreements in 2020 worth \$7.308 billion for various priority sectors
- A decade of action and delivery – the Ministry has been committed to chart the course for development financing to accelerate progress to the Sustainable Development Goals

Egypt's Ministry of International Cooperation has succeeded in concluding agreements in 2020 worth \$7.308 billion, for various priority sectors, with \$4.547 billion for financing sovereign projects and \$2.761 billion for financing the private sector, Minister of International Cooperation, H.E Dr. Rania Al-Mashat announced.

The agreements come within the Ministry of International Cooperation's framework to strengthen economic relations with multilateral and bilateral development partners in order to meet Egypt's development financing needs, in accordance with the priorities of the National Agenda 2030 and the 17 Sustainable Development Goals (SDGs).

A DECADE OF ACTION AND DELIVERY

Al-Mashat said that the Ministry has been committed to chart the course for progress towards the SDGs as the world enters into a "decade of action and delivery," redesigning development finance to be dedicated towards sustainable development and collectively achieve the National 2030 Agenda.

With a focus on an integrated approach to development financing, where public and private stakeholders work together, the Ministry developed a framework to strengthen economic diplomacy through 3 key principles: regularly organizing multi-stakeholder platforms to ensure that all projects between development partners are streamlined and effectively coordinated to accelerate the pace of development for the achievement of UN's Sustainable Development Goals (SDGs); adopting a consistent Global Partnerships Narrative People&Projects&Purpose (P&P&P); and mapping ODA financing to SDGs for all projects with multilateral and bilateral development partners.

To promote development projects monitoring and foster community engagement, the Ministry of International Cooperation conducted several on-ground field visits across governorates covering a diverse range of projects that cross-cut through several sustainable development goals.

In celebration of the United Nations 75th Anniversary, the Ministry conducted a 3 day visit to Upper Egypt, together with the Ministry of Agriculture and Land Reclamation, the World Food Programme, the US Embassy and the USAID, which included a number of development programmes targeting farmers, women and youth in the Governorate of Luxor, which will aim to support them with climate-resilient water solutions, food security and provide job opportunities for youth.

GOAL 3: GOOD HEALTH AND WELL-BEING

To dedicate development financing towards (Goal 3) for good health and well-being in light of the COVID-19 pandemic, the Ministry succeeded in concluding agreements worth \$477million in total.

In May 2020, the World Bank provided \$50 million in support of the COVID-19 Emergency Response under its Fast-Track Facility to strengthen the prevention, detection and response to the pandemic in Egypt.

The World Bank also allocated \$400 million to support Egypt's transformational Universal Health Insurance System as part of the country's pathway toward achieving universal health coverage and improving the health outcomes of its citizens.

The United States Government, through the U.S. Agency for International Development (USAID), the Ministry of International Cooperation, and the Ministry of Social Solidarity launched an initiative with \$3.2 million to support the Egyptian Red Crescent's (ERC) network of 30,000 volunteers and health care professionals to conduct community outreach and help prevent the spread of COVID-19, as well as build ERC's capacity to respond to future crises.

In October 2020, the Ministry of International Cooperation signed 7 agreements with USAID totaling to \$112 million in support of health, higher education, and scientific research. The USA has also provided 250 ventilators (worth approx. \$8 million) that were spread across different hospitals to help in assisting COVID-19 patients.

GOAL 11: Sustainable Cities and Communities

In March 2020, the World Bank provided additional financing of \$500 million to support ongoing efforts to improve the affordability of formal housing for low-income households in Egypt and strengthen the capacity of Egypt's Social Housing and Mortgage Finance Fund to design policies and coordinate social housing programs.

The European Investment Bank financed projects this year are worth 1.783 billion Euros, with an agreement worth 120 million euros signed regarding the project "Development and Modernization of the Western Sewage Treatment Plant in Alexandria" in support of the Ministry of Housing, Utilities and Urban Communities and the Executive Authority for Drinking Water and Sanitation.

This year also witnessed the signing of two agreements within the third phase of the Egyptian Italian debt swap program for development, including an agreement for the Social Welfare development project in Luxor worth EGP 42 million, which is implemented in partnership with the World Food programme and aims to provide an integrated package of development to support the most vulnerable families in Luxor.

GOAL 9: Industry, Innovation and Infrastructure

Dedicated to building resilient infrastructure and promote inclusive and sustainable industrialization (Goal 9), the Ministry succeeded in concluding agreements worth \$1342 million in total.

Through the European Bank for Reconstruction and Development, \$141.74 million was provided for the National Railways Egyptian Restructuring project, \$111.249 million for the rehabilitation of Cairo Metro Line 2, \$326.84 million for the Egyptian National Railroad - Locomotive Renewal program, and \$1.06 million for Renovating Locomotives and Railway Freight.

A cooperation agreement was also signed with the European Investment Bank on the feasibility study for the Cairo Metro Second Line with a total amount of 1.2 million euros.

In June 2020, agreements were signed with the Agence Française de Développement, totaling 200 million Euros, to finance, develop and modernize the first line of the Cairo metro.

GOAL 7: AFFORDABLE AND CLEAN ENERGY and GOAL 13: CLIMATE ACTION

To ensure access to affordable and modern energy for all, the Ministry succeeded in concluding agreements worth 425 million in total, as well as 200 million dollars for climate action.

In August 2020, the Egyptian Danish Energy Partnership Program (2019-2022) agreement was signed with the Energy Agency of the Danish Ministry of Climate, Energy and Utilities, to unlock Egypt's green transformation and invest in renewable energy.

In September 2020, the World Bank provided \$200 million to support Egypt's initiatives to reduce air and climate pollution from critical sectors and to increase resilience to air pollution in Greater Cairo.

GOAL 8: Decent Work and Economic Growth

To achieve the targets of Goal 8 for decent work and economic growth, the Ministry succeeded in concluding agreements worth over \$2700 million dollars in support of the private sector through direct financing and financing for SMEs through commercial banks.

The EIB has provided 1.5 billion Euros in support of the banking sector in Egypt, through several national banks for the support Small and Medium Enterprises (SMEs); 92 million Euros went to Banque du Caire, 800 million Euros went to Bank Al Ahly, and 750 million Euros went to Banque Misr. This is alongside assisting Lorax with \$22 million.

In November 2020, the "Egyptian German Center for Jobs, Migration and Reintegration" was launched, with a total budget of 2 million Euros to promote safe and orderly migration opportunities for Egyptian youth and provide job opportunities to curb illegal migration, and helps Egyptians abroad to integrate into society by providing the necessary social and economic services.

The French Development Agency provided 150 thousand euros to support establishing job opportunities for youth in terms of training and starting up companies in collaboration with the Ministry of Youth and Sports.

GOAL 5: Gender Equality

To promote Goal 5 for gender equality, international agreements worth \$7 million were concluded.

An agreement was approved from the Spanish Agency for International Development Cooperation (AECID), providing a grant worth €200,000 to finance the project entitled “Creating job opportunities for women in Upper Egypt”.

Two agreements were signed between Egypt and Canada to provide grants with a total value of 14 million Canadian dollars to support and empower women economically and socially by improving the conducive business environment and promoting an entrepreneurial culture for Egyptian women.

GOAL 4: Quality Education

To promote Goal 4 for Quality Education, international agreements worth 200 million dollars were concluded.

In July 2020, The United States, through the U.S. Agency for International Development (USAID), and the Ministry of International Cooperation signed six bilateral assistance agreement amendments worth \$90 million. The six amendments will support programming in the areas of higher education, basic education, joint U.S.-Egypt science and technology cooperation, health, trade and investment, and agriculture.

Within the third phase of the Egyptian-Italian debt swap program for development, a second agreement was also to expand the projects of applied technological schools, and enhance the skills of teachers with a total of EGP 40.8 million, which is used to develop technical education, support the capabilities of graduates, and establish a network that includes a large number of applied schools that are managed through the Applied Technology Schools.

Ministry of International Cooperation