



## EUROPEAN UNION

Delegation of the European Union to Egypt

### PRESS RELEASE

Cairo, 10 November 2021

The Delegation of the European Union to Egypt and the Ministry of Transportation organized on Wednesday November 10<sup>th</sup>, 2021 a panel discussion on Financing Sustainable Transportation infrastructure on the sidelines of TRANSMEA Transport and logistics Conference and Exhibition. The European Financial Institutions working in Egypt, in particular the European Investment Bank (EIB), the French Development Agency (AFD) and the European Bank for Reconstruction and Development (EBRD), participated in the panel, as they have been quite active in supporting the transportation sector in Egypt through concessional loans and in projects funded with grants from the European Union.

Chaired by the Ministry of Transportation, panellists discussed best approaches to finance and sustain costly transport infrastructure projects that are needed to drive economic productivity, reduce Co2 emissions and limit social exclusion. The panel explored innovative ways for financing and funding such vital infrastructure globally and in Egypt with the support of the European Union, the EIB, the EBRD and the AFD.

Team Europe Initiative by the EU and its financial institutions was also highlighted at the panel as it represents the European collective efforts to support international partners in different sectors in line with the European Green Deal, which is destined to decarbonize the EU by 2050.

Mr. Tobias Krause, Deputy Head of the Delegation of the European Union to Egypt said "There is a new opportunity to reframe the role that transport has with respect to society, environment and health; by focusing on the positive role that green transport can play in achieving better health, a cleaner environment, greater social cohesion, better quality of life and economic growth. This lies in the heart of Europe's Green Deal which is destined to decarbonize the EU by 2050. We will accompany partners in their transition towards more sustainable development pathways."

Lieutenant-General, Eng. Kamel El Wazir, Egyptian Minister of Transportation and Mr. Tobias Krause, Deputy Head of the Delegation of the European Union to Egypt witnessed the signing ceremony of the Rehabilitation of Alexandria Raml Tram (Blue Tram), another project funded by the EU, AFD and EIB setting another milestone of Team Europe work in Egypt. The Agreement was signed by H.E. Marc Baréty, Ambassador of France in Egypt, Dr. Fabio Grazi the Director of the French Development Agency, delegated by the EU to manage its grant. The signing was also witnessed by representatives of the EIB Mr. Alfredo Abad Head of the EIB Regional Representation for the Near East.

The director of AFD office in Egypt stated that the Alexandria Raml Tram operation is particularly relevant, as it allows AFD to extend geographically its transport operations to the second largest city of the country. The project is fully consistent with AFD sectorial strategy for inclusive, green, efficient and safe transport system.

Mr. Alfredo Abad Head of the EIB Regional Representation for the Near East, stated, "EIB welcomes the signature of this grant agreement between the Ministry of Transport and our Team Europe partners that will enhance the financial sustainability of the Alexandria Raml Tram project. By financing this project, EIB is expanding its strategy to provide clean transport solutions across the main urban areas of Egypt".

The project aims to extend the route of the 150-year-old tramline and renovate stations and cars. It would also eventually double capacity from 100,000 daily passengers to 230,000. The corresponding budget amounts to EUR 360 million, with EUR 8 million in grants from the EU, EUR 100 million from AFD and EUR 180 million from EIB in concessional loans).

The project aims to rehabilitate and extend the route of the 150-year-old tramline and renovate its stations and rolling stock. It would also eventually double capacity from 100,000 daily passengers to 230,000. The corresponding budget amounts to EUR 246 million with EUR 8 million in grants from the EU, EUR 100 million from AFD and EUR 138 million from EIB in concessional loans.

**Press Contact:**

Ms. Rasha Serry, Press & Information Officer / Spokesperson:

[delegation-egypt-press@eeas.europa.eu](mailto:delegation-egypt-press@eeas.europa.eu) / [rasha.serry@eeas.europa.eu](mailto:rasha.serry@eeas.europa.eu)

Website: [europegypt.org](http://europegypt.org) / <http://eeas.europa.eu/delegation/egypt>

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