



Arab Republic of Egypt

Ministry of Transport



The Way Forward...

Projects and Investment Opportunities

Mahmoud Gamal El Din

USA- June 2011





Outline



■ Why Egypt?

- Pro-Business Investment Opportunities
- Robust Investment Regimes
- Dynamic Sustainable Growth
- Stronger Engagement of the Private Sector

■ Transport Sector Overview

■ Interest with US Firms

■ Projects and Investment Opportunities

- Railway and Metro
- Roads
- River Transport
- Maritime

■ Contact Information



Why Egypt ?





Pro-Business Investment Climate



Commitment to Lower Cost of Investment and Doing Business...

■ Low Taxes and Customs

- 20% flat tax rate
- 6% weighted average tariff rate/streamlined tariff bands

■ Stable Banking System

■ Growth of non-bank financial services

■ Introduction of Nilex - The region's first Small Cap Stock Exchange

■ Enabling legislation and institutional framework

- New economic (commercial) court system, Anti-money laundering, Anti-trust and Consumer Protection laws
- Incorporation time slashed to an average of 72 hours
- Minimum capital required for LLC is EGP200
- **One stop shops introduced at multiple locations throughout the country**



Robust Investment Regimes



Liberalized legal framework guaranteed by Investment Law...

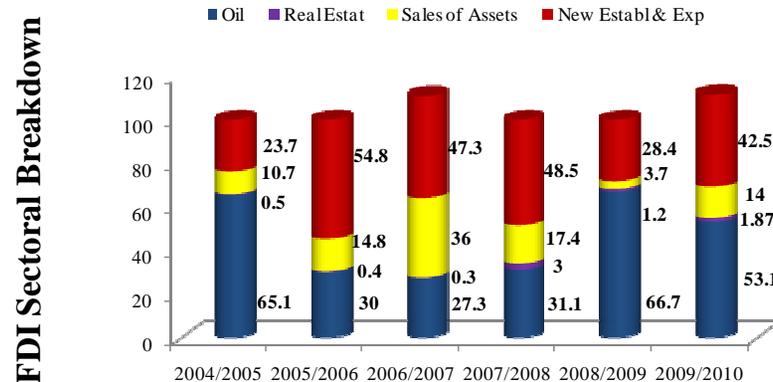
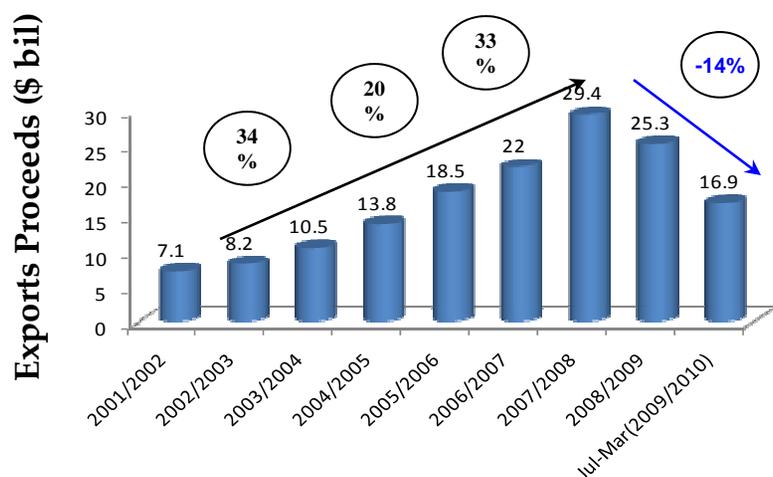
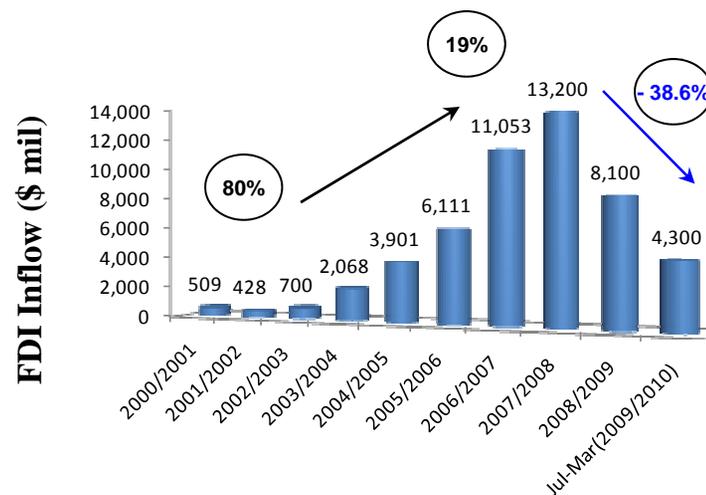
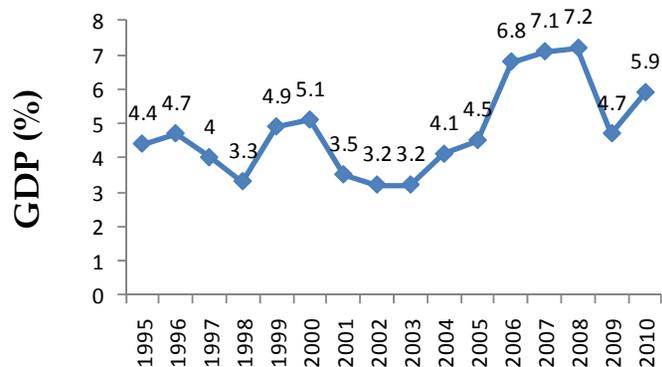
- ✓ **100% foreign ownership of companies**
- ✓ **100% foreign representation of Board of Directors**
- ✓ **Protection against expropriation**
- ✓ **Protection against compulsory pricing**
- ✓ **Full right of profit and dividend repatriation**
- ✓ **Implementation of dispute resolution and settlement mechanisms**

“Investment zones” regime introduced in 2007 with the following objective:

- ✓ **Promote economic clusters: industrial, services, tourism, agriculture, etc.**
- ✓ **Mandate the private sector in developing, promoting and managing these zones.**
- ✓ **Provide a bureaucracy-free environment through a one window for incorporation, licensing, and services in the zone.**
- ✓ **Offer streamlined custom management through localized dry ports within zones**



Dynamic Sustainable Growth





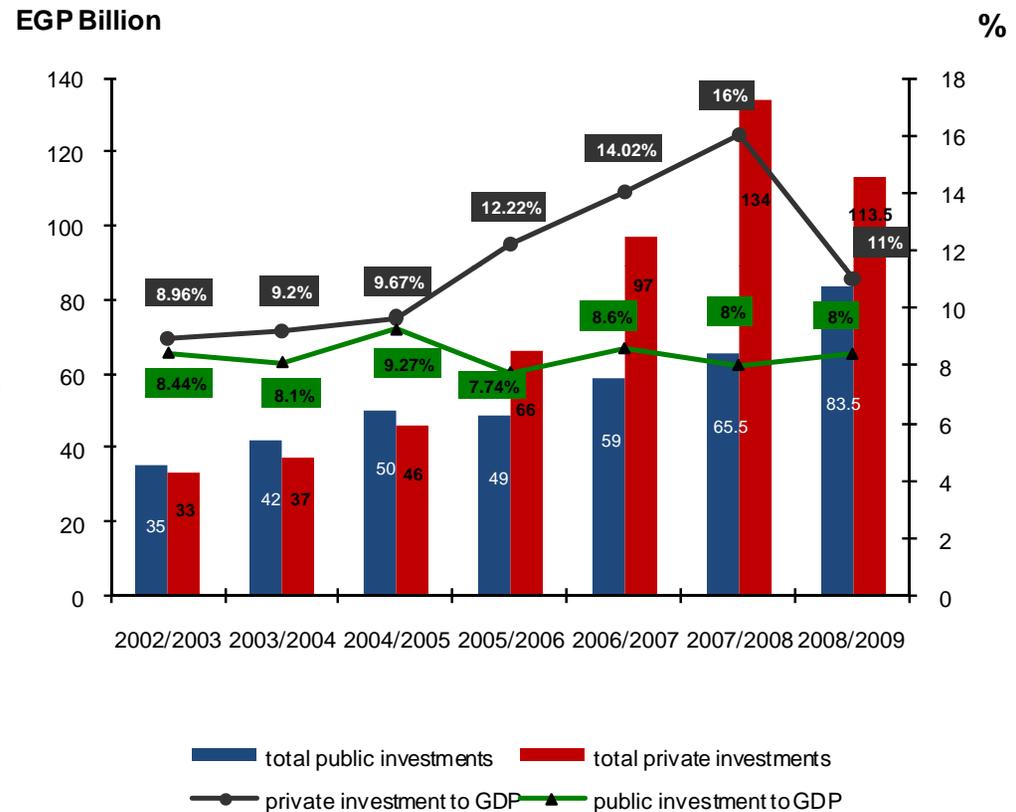
Stronger Engagement of the Private Sector



Public and Private investment % of GDP*

A Broadened Private Sector
Contribution to Growth...

- ✓ Private Public Partnership (PPP)
- ✓ Privately-developed Investment Zones



*GDP Exceeded Trillion pound for first time = 1038.6 billion



Transport Sector





Transport Sector Mission

To build a world class integrated multimodal transport infra structure and services which satisfies people and business needs and demand as well as enabling economic growth and sustainable development in Egypt



Transport Sectors Overview

Railway



Roads & Bridges



River Transport



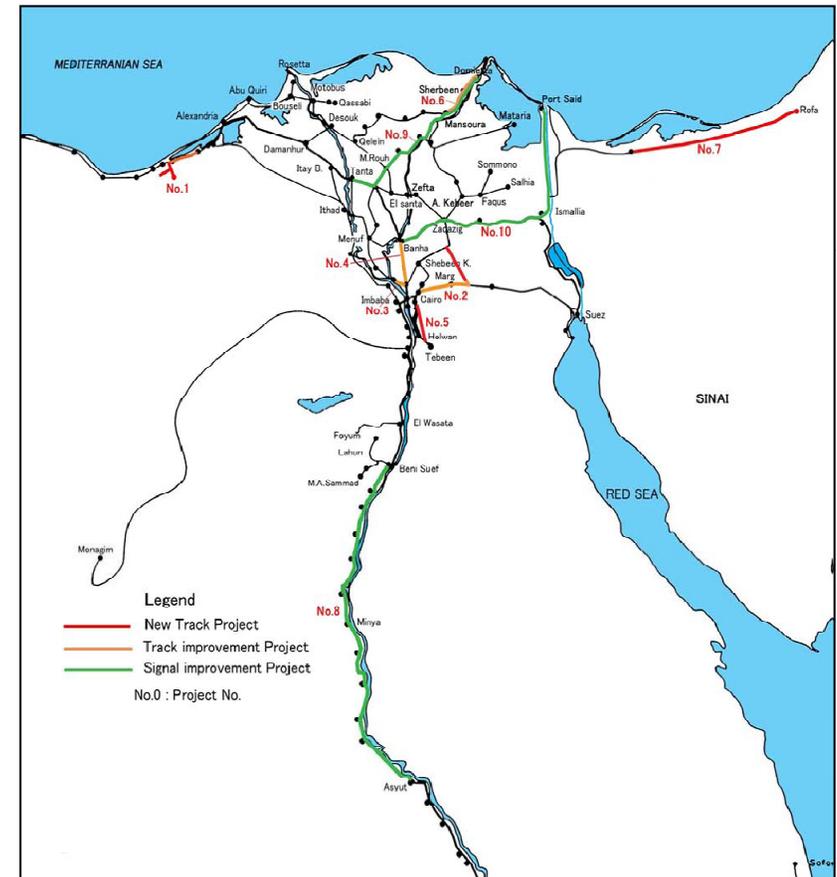
Maritime





Sector Overview: Railways

- 57% of Railways network concentrated in Nile delta and along Nile river valley.
- 6,700 km of Railways and 820 Stations.
- 28.4% of Railways are double track and 0.39% is four track.
- Only 5% of total freight.
- Investment needs in 2 Rail way lines, maintenance services, new stations, locomotives.





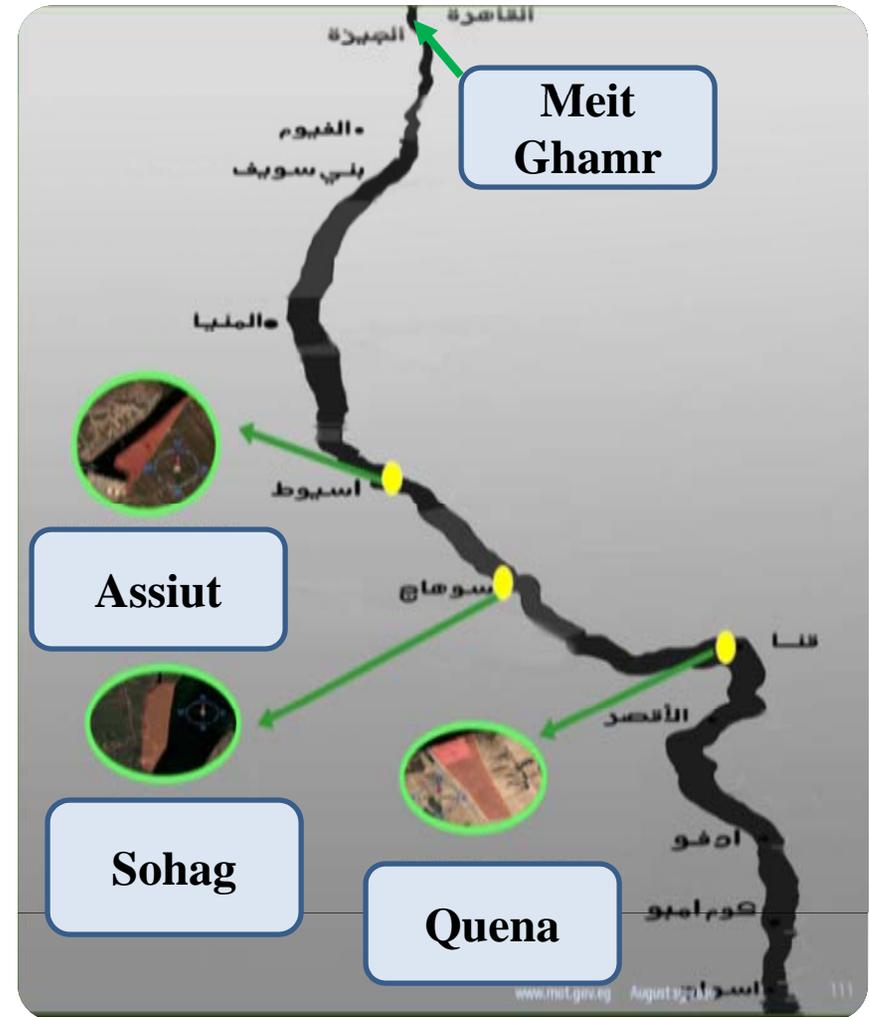
Sector Overview: Roads & Bridges

- 94% of Freight Transported by road.
- No logistics provider in Egypt with a consistent distribution infrastructure.
- Lack of services around road based transportation.
- Need of transit points and connection links.
- Egypt's roads will require investment of USD 8 billion over the next 5 to 10 years.



Sector Overview: River Transport

- 1,850 kilometers of navigable waterways.
- 39 private ports and 5 public ports.
- Less than 1% of all inland transport.
- 4 River ports earmarked for development in order to handle future demand for passenger service and cargo shipments.





Sector Overview: Maritime

- 15 commercial and 51 specialized ports (6 tourism, 15 petroleum, 9 mining and 21 fishing).
- Six ports on Mediterranean and nine on Red Sea.
- Alexandria Port, largest in Egypt, handling 60% of the country's foreign trade.
- East Port Said & Damietta largest Container ports.





Interest With US Firms

- Know How Transfer
- Funding
- Investment



Projects – Knowhow Transfer





Required Knowhow Transfer

- Roads & Bridges: Safety & Maintenance Safety, Manual Procedures.
- Urban Transport Regulatory capacity building.
- Master plan for Cairo & Alex.
- Transport Management & Economics Training.
- Freight Transport Strategy Plan.
- NGOS involvement in Safety programs.



Projects - Funding





Expected Projects (Railway Sector)



	Project Info	Required Fund (in \$Mil)
1	Automated Control System ETCS-1 for Alex/Assuit Line	168
2	Singling System for Tanta/Damietta Line	135
3	Renovation of 300 km track, Cairo / High Deem line	100
Total Cost (\$ Million)		403



Expected Projects (Metro & Tunnels sector)



	Project Info	Required Fund (in \$Mil)
1	Development of Line 1 & 2 of Metro, Supply of 20 trains for Line 1	392
2	Execution of phase 3 of Metro Line 3	1140
3	Execution of phase 4 of Metro Line 3	1710
4	Execution of phase 1 of Metro Line 4	1430
5	Execution of the 2 cars tunnel under Suez Canal to the south of Port Said	428
Total Cost (\$ Million)		5100



Expected Projects (Maritime Sector)

	Project Info	Required Fund (in \$Mil)
1	Dredging of marine passage for East Port Said Port with a 5 km length to the south	330
2	3 Tugs (50 ton) Tractors system	40
3	Developing Port Said West port	60
Total Cost (\$ Million)		430



Projects - Investment Opportunities





Railway & Metro (Projects)





Railway & Metro Projects



Project	Details	Estimated Cost	Contract
High Speed Train	Alexandria /Cairo (210 Km)	\$ 4.3 billion	PPP/BOT
	Cairo/Luxor (700 Km)	\$ 8.6 billion	
	Luxor/ Hurgada (300 Km)	\$ 5.7 billion	
Safaga /Quena/AboTartoor	Fright Train(Fright Link)	\$ 121 Million	PPP/BOT
Ain Sams/10 th of Ramadan railway	Passenger and Fright Link	\$ 1.3 Billion	PPP/BOT
Sidi-Gaber Railway Station	Commercialization (Shopping Mall attached to the railway station &car parking)	\$ 30 Million Capex	Mgt.Contract
Ramsis Railway Station	Commercialization (Shopping Mall attached to the railway station &car parking)	\$ 30 Million Capex	Mgt.Contract



Railway & Metro Projects



Project	Details	Estimated Cost	Contract
Alexandria Touristic Station	Commercialization (Shopping Mall located in Alexandria Port	\$ 30 Million Capex	Mgt.Contract
Mansura / Damietta Train	Passenger and Fright Link	\$ 117 Million	PPP/MMO
Super Tram	6 th of October City / Line 4 30 Km	\$ 264 Million	PPP/BOT
Super Tram	Nasr City/New Cairo 44 Km	\$ 392 Million	PPP/BOT
Abbasia/TibeenTrain	Passenger and Fright Link	\$ 214 Million	PPP/BOT
Multimodel Station	Commercialization (Huge Commercial area in NewCairo,Qaliub,Almoneeb, Rod El Farag)	\$ 357 Million	PPP/BOT



Roads (Projects)





Roads Projects



Project	Details	Estimated Cost	Contract
Urban Ring Road 2 nd phase	Badr City/ Belbeise 125 Km (Build ,Operate and Manage The Road)	\$ 603 Million	PPP/BOT
Coastal Road Port Said /Matrouh	Linked Egypt from the east to west 565Km (Build ,Operate and Manage The Road)	\$ 314 Million	PPP/BOT
Cairo / Suez Road	Link Cairo to Sinai Peninsula 120 Km (Rehabilitation of Construction	\$ 225 Million	PPP/BOT
Shobra / Banha Free Road	Link Cairo to the heart of Delta 39 Km (Build ,Operate and Manage The Road)	\$ 235 Million	PPP/BOT
Kafr El Zayat /Hosh Issa/Alexandria	110Km construction	\$ 200 Million	PPP/BOT



River Transport (Projects)





River Transport Projects



Project	Details	Estimated Cost	Contract
Quena Port (Concession)	Length:250 m Depth : 250 m Storage Capacity: 255,000 ton Annual Throughput : 6,6 million ton	\$ 28.5 Million	BOT
Sohag Port (Concession)	Length:350 m Depth : 70 m Storage Capacity: 197,200 ton Annual Throughput : 5,1 million ton	\$ 21 Million	BOT
Assiut Port (Concession)	Length:540 m Depth : 265 m Storage Capacity: 578,000 ton Annual Throughput : 15million ton	\$ 64.4 Million	BOT
Meit Ghamr Port (Concession)	Length:625 m Depth : 115m Storage Capacity: 248,000ton Annual Throughput : 6,5 million ton	\$ 28.5 Million	BOT



Maritime (Projects)





Maritime Projects



Project	Details	Estimated Cost	Contract
East Port Said Port (Concession)	Logistics Area	\$ 168 Million	BOT
	Container Terminal	\$ 700 Million	BOT
	General Cargo Terminal	\$ 257 Million	BOT
Sokhna Port (Concession)	Logistics Area	\$ 57 Million	BOT
Damietta Port (Concession)	Multipurpose Terminal	\$ 100 Million	BOT
Dekheila Port (Concession)	Dry Bulk	\$ 78 Million	BOT
	Dry Bulk Extension	\$ 290 Million	BOT



Procurement Process

- Funding & Knowhow:
 - Agreement through Egyptian Ministry of International Cooperation.
- Investment (PPP – BOT):
 - Transparent International Tender.



Success Partners





Partners





Thank You