



Egypt's Mega Projects: Blueprints for Long-Term Growth

The Government of Egypt has embarked on a number of national mega projects that aim to enhance the competitiveness of the economy, create employment opportunities and attract foreign and domestic private investments. With work underway by more than 1,000 companies and nearly two million Egyptian workers, these national mega projects are contributing to a new chapter in Egypt's economic progress.

THE NEW SUEZ CANAL

- ▶ In 2015, Egypt celebrated the opening of a landmark \$8.6 billion expansion of the 145-year old Suez Canal, representing a watershed moment for Egypt's economic aspirations. Financed entirely by the Egyptian people through investment certificates and completed two years ahead of schedule, the New Suez Canal is expanding Egypt's domestic economy and bolstering the nation's role as a major global commerce hub.
- ▶ By 2023, this expansion of the strategically important 45-mile waterway will double the canal's daily capacity to approximately 97 ships, up from just 49 in 2014. It already allows for two-way maritime traffic for the first time, reducing waiting times from 11 to three hours.
- ▶ With nearly ten percent of all global commerce and 416,000 tons of cargo passing through the canal each year, this remarkable endeavor is a key component of President El Sisi's larger vision for modernizing and advancing Egypt's economy. In June 2018, Egypt's Suez Canal revenue for the 2017-2018 fiscal year rose 11.5 percent to a record high of \$5.585 billion.



THE SUEZ CANAL ECONOMIC ZONE

- ▶ As part of the launch of the New Suez Canal, Egypt has made the development of the Sinai Peninsula a key part of its economic strategy. Through the Suez Canal Economic Zone, Egypt is transforming 461 square kilometers and six new ports into a vibrant hub for international commerce that will connect 1.6 billion consumers across Europe, Asia, Africa and the Gulf to Egypt's own growing market of more than 90 million people.
- ▶ In February 2018, President El Sisi announced a new EGP 275 billion commitment to develop Sinai's economy and improve security, including the construction of 47 new schools and four new central hospitals. When complete, the Suez Canal Economic Zone will help support one million new jobs for two million residents.





Egypt's Mega Projects: Blueprints for Long-Term Growth

ESTABLISHING NEW CITIES

- ▶ With a continually rising population, the government has announced the establishment of several new cities, namely, the New Administrative Capital, the New Ismailia City, the New Alamein City, and an Integrated City at Al-Galala, East Port Said City.
- ▶ The first phase of the New Capital was inaugurated in October 2017 by President Abdel-Fattah El Sisi. It is part of a comprehensive development plan to expand the country's urban areas to meet Egypt's rapid population growth and improve the country's infrastructure. Greater Cairo's population is set to grow from 18 million to 40 million people by 2050.
- ▶ The New Administrative Capital will include 20 residential districts, a government district, a justice district, a central business and financial district, an international airport, an exhibition city and convention center, an educational district, a diplomatic district, a medical district and a recreation center including public gardens and parks.
- ▶ The New Capital will accommodate seven million people in its first phase. Some 30,000 housing units have been built so far. Around 10,000 kilometers of avenues and streets, 40,000 hotel rooms, and retail malls with upscale amenities and facilities, are all to be part of the New Administrative Capital. The city is located south of Cairo-Suez highway. Construction of the new city has commenced in April of 2016.

ENERGY DEVELOPMENT AND TRANSFORMATION

- ▶ In December 2017, operations began at Egypt's massive Zohr gas field, with an initial output of 350 million cubic feet per day. By the end of 2019, Zohr is expected to produce up to 2.7 billion cubic feet per day. Meanwhile, exploration continues at other locations, including the West Delta and Noor gas fields, which may rival Zohr in size.
- ▶ With the support of a \$653 million investment from the International Finance Corporation, Egypt is building the world's largest solar array at the Benban Solar Park in the Aswan Governorate. The first stage of the project came online in March 2018 and added 50 megawatts of clean, renewable power to Egypt's power grid. Future installations at the solar park will add hundreds more megawatts of power capacity.
- ▶ In July 2018, Egypt's Ministry of Electricity and Renewable Energy and Siemens announced the completion of new power plants at Beni Suef, Burullus and the New Administrative Capital. The new plants will add 14.4 gigawatts (gW) to Egypt's national grid, which can supply reliable power to 40 million people. The new power stations include 12 new wind power parks with approximately 600 wind turbines.

NEW ROADS AND TRANSPORT INFRASTRUCTURE

- ▶ In 2014, Egypt launched the National Road Project, which when complete will add nearly 2000 miles (3200 km) of new highways and roads to Egypt's national network. The third phase of construction began in October 2017, adding a new 556 miles of highways in Upper Egypt.
- ▶ In March 2018, Egypt's Transport Ministry announced plans to build a new high-speed railway linking the Mediterranean and the Red Sea. Built in cooperation with the private sector, the railway project will be Egypt's largest.