

Egypt's 2030 Mega Projects: Investment Opportunities for Intermodal and Multimodal Connectivity.

**Mrs. Moni Abdulla, Executive
Manager
of Pyramids International,
Cairo.**

Video; english transcript

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This is an edited transcript of a presentation by Mrs. Moni Abdullah to the Nov. 25-26 Schiller Institute Conference. She is the Executive Manager of Pyramids International, Cairo, Egypt.

Transcript

Good afternoon. Ladies and Gentlemen, Distinguished Guests, Dear Friends:

My name is Moni Abdullah. I am the general manager of Pyramids International group, which is a private sector company. First I would like to express my gratitude and appreciation to be invited as a speaker today at such an important event. I would further extend my gratitude to the Schiller Institute, and

Mrs. Helga Zepp-LaRouche in particular, for taking an interest in our company and in Egypt, and in an initiative and willingness to cooperate with the New Silk Road Project, for sharing the same courageous spirit of the Egyptians that human reason will be able to find the higher level where problems can be solved, and defending the rights of humanity to progress economically, morally, and intellectually, by development and connectivity.

My children are actually Swiss and I live in Geneva and in Egypt. I would like very much to see connectivity through Egypt to all of Africa, and possibly for the three continents to connect Europe, Africa, and Asia.

Our company is an events organizer. We organize conferences and exhibitions worldwide. We are an ISO-certified company and accredited with UFI, the global association of the exhibition industry.

Pyramids International group was established in 1993 and specializes in organizing, planning, and holding all kinds of large-scale international activities, such as conference, exhibitions, and trade shows. We work with different sectors, and organize around 115 events worldwide, basically in oil and gas, energy, and renewable energy, transportation, maritime and ports, shipping, and logistics, fashion, leather, furniture, health, real estate, general trade shows, auto shows, building and construction, household, food, machinery, and more.

In the continuous development of its business the company has established wide cooperation and interactive relations with the related governmental departments, trade associations, nongovernmental organizations, and scientific research institutes.

As a diversified service company, it also offers media services, digital information consulting services, research

capacity and marketing solutions. Hence, our database marketing capacity and business connections help our worldwide international customers do business and to succeed in reaching new markets.

We organized the First Suez Canal Global Conference, last February, under the patronage of His Excellency President Abdel Fattah el-Sisi, the Egyptian President. Here are some photos of the exhibition and the conference at the same time.

This is the Suez Canal parallel dredging waterway canal. It's a megaproject that was concluded in one year, to increase the depth of the canal and to have a double, parallel waterway. It reduces the time of transport, for example, from Asia to Europe, and it reduces the cost as well. It can now accommodate the biggest vessels, thanks to its greater depth. These are some photos of the different container ships. That is the Suez Canal Economic Zone, or corridor.

The conference we organized, was to market the megaprojects in Egypt, for international investors who would like to engage in the megaprojects taking place. The megaprojects taking place are in different sectors, and as Mr. Hussein kindly mentioned, Egypt wants to leap to develop, we don't want to crawl; so in parallel, there are megaprojects in transport, in industry, in agriculture and so on.

The Suez Canal Global Conference was followed by a Suez Canal tour, where the attendees could come and engage in debates, discussing the maritime field, and then go on a tour of the Suez Canal to see it in reality.

The function of our conferences was to foster discussions of a variety of issues affecting the Suez Canal and its development, clarify the opportunities for investment, the role of the megaprojects, and how it will serve to boost the traffic handled by the canal. The Conference aimed to help develop a Suez Canal Zone area, transforming it into a world-

class global logistic hub and industrial processing center to serve the global market.

The importance and invention of the Suez Canal: The Suez Canal is considered to be shortest link between east and west, compared with the Cape of Good Hope. Due to its unique geographic locale, it's an important international navigational canal, linking the Mediterranean Sea at Port Said and the Red Sea at Suez.

The distinctive location of the Suez Canal makes it of special significance to the world and to Egypt as well. This importance is augmented with the evolution of maritime transport and world trade. Maritime transport is the cheapest means of transport. More than 80% of the world trade volume via waterways, seaborne. The canal route achieves savings in distance between the ports north and south of the canal, and that is converted into other savings for the shipping industries. These savings are reflected in saving time and saving money. Fuel consumption and operations costs are markedly reduced for vessels that transit the Suez Canal. It's the longest canal in the world without locks, having a high level of safety and security measures, compared to other, alternative routes. Transit navigation there goes on day and night.

The Suez Canal, as I mentioned, accommodates the biggest shipping fleets now. Creating a new canal parallel to the existing one, has maximized benefits from the present canal, and its bypass, doubling the longest possible parts of the waterway, facilitates traffic in the two directions, and minimizing the waiting time for transiting ships. This certainly reduces the time needed for the trip from one end of the canal to the other, and increase the numerical capacity of the waterway, In anticipation of the expected growth in world trade.

The project goes hand in hand with the Suez Canal area

development project. The two projects will add to the importance of the Suez Canal and will make it the route of choice for shipowners the world over, putting any alternative routes out of competition—hopefully. The Suez Canal Area Development Project is now a preferential market, because of the bilateral and multilateral agreements that Egypt benefits from, with Africa, with the Middle East, with Europe, and with the U.S.A., through the case agreements, for example; and then extending the operation of this law to the Suez Canal region is an important step towards transforming the Suez Canal to a global trade hub and world trade gateway.

The New Silk Road is an enormous Chinese project, which has gone global. It is composed of land routes, known as the Silk Road Economic Belt, and sea routes known as the 21st-Century Maritime Silk Road, and both pass, actually, through the Suez Canal. It goes to Nairobi, Kenya and then afterwards to the Suez Canal. Together they make up the One Belt, One Road, creating a link among the three continents. Egypt has taken steps forwards towards the New Silk Road global vision: The New Silk Road will boost trade, productivity, investment, and cultural exchange, of course.

The 21st-Century Maritime Silk Road crosses the Indian Ocean, and then it goes through the Suez Canal. The Suez Canal Corridor Area Project is a megaproject in Egypt that has been launched by President Abdel Fattah el-Sisi. The project's aim is to increase the role of the Suez Canal region in international trading, and to develop the three canal cities located around it. The project involves building a new city, Ismailia, and fish farms, industrial zones, technology valleys, seven new tunnels—many, many, many megaprojects that Dr. Saad Elgioshy, former Egyptian transport minister mentioned before.

Building on that, the project will transform the canal cities into important trading centers globally. The purpose of this project is to make the region a global industrial center and a

logistics services and maritime transport hub, making the Suez Canal a world trade gateway between east and west.

A number of key priorities are identified, including the Port Said port, which aims to develop all of the ports, logistics services, maritime activities and an industrial cluster on the eastern side of the canal. In addition, there are port expansion projects— expansion of Port Said West Port, Ras Sadr Port, and many other ports.

And then there's Ismailia Technology Valley, establishing high-tech projects in the fields of electronics, communications, IT, biotechnology, medical components, and pharma-technology.

And then northwest of the Gulf of Suez, the project comprises a large industrial zone in close proximity to Ras Sadr Port covering 200 km, including industrial parks and many previously mentioned megaprojects.

Investment opportunities. And this is why I'm here: Egypt is has many opportunities for investment in different ways, with the government, or with the private sector. As previously mentioned by former Egyptian Minister Dr. Saad, Egypt is offering for the first time opportunities for development and investment in the long-term plan, to transform Egypt 2013 to a leading country in the region, a major global trading hub, and place it as a landmark on the global investment map as one of the most promising and attractive countries for investment in logistics and transport sectors. Many of its future multi-billion-dollar national projects rank it third in the Middle East and Africa region, in terms of the volume of investment availability. Egypt will also take offers for global and domestic investment in existing and prospective projects starting soon in various sectors within the medium-term plan until 2020, with investment exceeding 300 billion Egyptian pounds.

One of the most important topics of the conference was to discuss the investment opportunities in the New Silk Road, to enable Egypt to link between the continents of Asia, Europe, and Africa, to create new opportunities for countries with development wishes. Egypt has taken steps forward towards a global vision and has already signed contracts with the Chinese government for cooperation on Egyptian railway projects, because the New Silk Road promotes trade, productivity, investment, and cultural exchange.

TEDA, which is the Chinese-Suez Economic and Trade Cooperation Zone based in the Suez Canal Economic Zone, is a fine example of how the Chinese are engaged in Egypt, and is actually considered to be one of the best overseas economic and trade cooperation zones of China. It has established a good overseas development platform for Chinese enterprises, going global with the aim of creating an international capacity cooperation model of how the overseas economic and trade cooperation zones can be “win-win” situations.

Any manufacturer based in the Suez Canal Economic Zone has so many facilities and incentives to benefit from. For example now, Egypt is making many reforms, such as the new investment law, with “one-stop shop”– better licensing procedures, faster, you don’t have to go through government bureaucracy any more to get licensing. Also there is the floatation of the Egyptian currency, so now there’s no black market–there’s one currency rate. There are bilateral agreements and the multilateral agreements, as I mentioned before, and many industrial areas and free zones available.

There’s a lot of legislative reform and social reform going on as well in Egypt.

Now, I would like to talk about our upcoming events in the transport sector: for whoever is interested in participating and learning more about the megaprojects that are taking place there, and how Egypt is trying to connect the three

continents. We are having one on April 16-17: It's called the 2030 Megaprojects and it's about means of transport in Egypt.

In tandem with the conference, there will be two exhibitions: Pharos, the International Exhibition of Maritime Transport Logistics and Shipping; and the Middle East and Africa Rail Show, the International Exhibition for Railway Systems Underground Metro and Mass Transportation. The conference and two exhibitions are being organized by our company. The conference with its two international exhibitions will be a very important event for investors, developers, professionals, and stakeholders as the Egyptian Ministry of Transport will present, for the first time, a comprehensive vision of its entire plan for megaprojects in inter-modal and multimodal transportation connecting Egypt locally and internationally, based on Egypt's strategic location, linking Africa, Europe, and Asia, and the Middle East, of course, all in accordance with the strategy of sustainable development, the vision Egypt 2030.

The conference will be a global gathering for international experts from the east and west, with the support of many international organizations, associations, financial authorities, and government entities around the world.

Egypt now is trying to develop its rail system, as we said. Years of underdevelopment, and now, all of a sudden, there is a boost in all of the transport sectors. We're trying to have an efficient railway system that connects Egypt internally, supported by good, proper service for truck fleets, and increasing river transport services, and development in all of the ports and the logistics centers. So Egypt will have a complete, new network, which is safe, reduces cost, and is efficient. That will enable Egypt to be able to connect internationally. Egypt-based manufacturers in the new industrial areas can actually reduce the cost of transfer and the time of products to the three different continents.

Egypt is trying to brand itself and position itself to be a world trade hub. The objective of Pharos is to emphasize the role of the private sector and investment in maritime transport and logistics, multimodal transport and logistics centers in the Arab region in Africa, and the role of dryland and river ports and logistics centers in supporting and developing the economy, elaborating the role and use of information technology, and infrastructure in the maritime transport sector, and intensifying the role of green ports and its impact on the environment.

Following Pharos, we will have the Middle East and Africa Exhibition for Infrastructure, underground roads, bridges, transportation. And in cooperation with the Schiller Institute, we will have the EWTB, Egypt World Trade Hub East and West Connectivity conference, proposed for July. That conference will focus on Egypt being a good and desirable place for world trade connectivity, and not only between East and West, but also between the northern and southern regions of Africa.

Egypt World Trade Hub is connecting east and west is proposed to take place in July. It will discuss development investment opportunities in Egypt's infrastructure, railways, roads, underground bridges, tunnels in land transport, ports, logistics centers, maritime and shipping services, all transforming Egypt into a major world-class trade hub, and placing it on the map of one of the top potential investment countries in the logistics and transport sectors. Due to its strategic location, Egypt aims to connect the Middle East and Africa, Europe, and Asia, to become a prominent leader in the new era. The conference will discuss the Marshall Plan of intermodal and multimodal connectivity of Egypt to the three continents.

The Egypt World Trade Hub Conference will discuss ways of connecting and increasing global trade, examining latest trends in global trade with an outlook on alternative routes,

and discussing the importance of Egypt's strategic location that connects the three continents. Panel discussions will cover Egypt's local and foreign investment opportunities in Egyptian industrial areas, free trade zones, and all of the Egyptian transport sectors that are witnessing major expansion and development, creating a wider vista of commerce for Africa, Europe, and Asia.

Inviting investors and developers to relocate to Egypt to benefit from the many incentives and facilities, Egypt is now offering and benefiting from the reduction in cargo transport costs and transfer time, by the parallel way dredging megaproject of the Suez Canal. Egypt is pursuing existing means that encourage export to east and west, and the whole region, acting as a great big hub for logistics and world trade.

China and Egypt agreed to cooperate on the New Silk Road and signed a five-year agreement to that end, calling for redoubled efforts to develop the ChinaEgypt Suez Economic and Trade Cooperation Zone. Egypt has taken steps toward a global vision, and has already signed agreements and contracts with the Chinese government. [applause]

For more details, there are brochures at the table in the back of the conference hall and outside at the registration area for the 2030 Megaprojects and for the Egypt World Trade Hub conference.

Thank you very much.