



General Authority for Investment
GAFI



Arab Republic of Egypt





Egypt at a glance

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Real GDP growth rate	4.3%	4.2%	5.3%	5.6%	3.6%
Inflation rate (CPI urban)	10.9% (Jan. 2016)	28.1% (Jan. 2017)	17.1% (Jan. 2018)	12.7% (Jan. 2019)	5.4% (Dec.. 2020)
Population	89 Mn (Jul 2015)	91 Mn (Jul 2016)	97.6Mn (Sep. 2018)	99.6 Mn (Nov. 2019)	101.4 Mn (Dec. 2020)
Net FDI (USD bn)	6.9	7.9	7.7	8.2	7.5
International Reserves (USD bn)	17.5 (Jun. 2015)	31.3 (Jun. 2016)	44.5 (Oct. 2018)	45.2 (Oct. 2019)	40.1 (Dec. 2020)
Unemployment Rate (%)	12.5 (2016)	11.8 (2017)	8.9 (2018)	9.2 (2019)	7.7 (Q1 2020) 9.6 (Q2 2020) 7.5 (Q3 2020)
Doing Business Rank	122 (2018)	128 (2018)	120 (2019)	114 (2020)	---
Global Competitiveness Report Rank	115(2016)	100(2017)	94 (2018)	93 (2019)	---



Why Egypt?



Why Egypt?

- Central location & proximity to the global market
- Access to a large consumer base in Egypt and beyond
- Large pool of trained and skilled labor
- Revamped infrastructure base
- Abundance in natural resources
- Competitive tax rates
- Growing economy



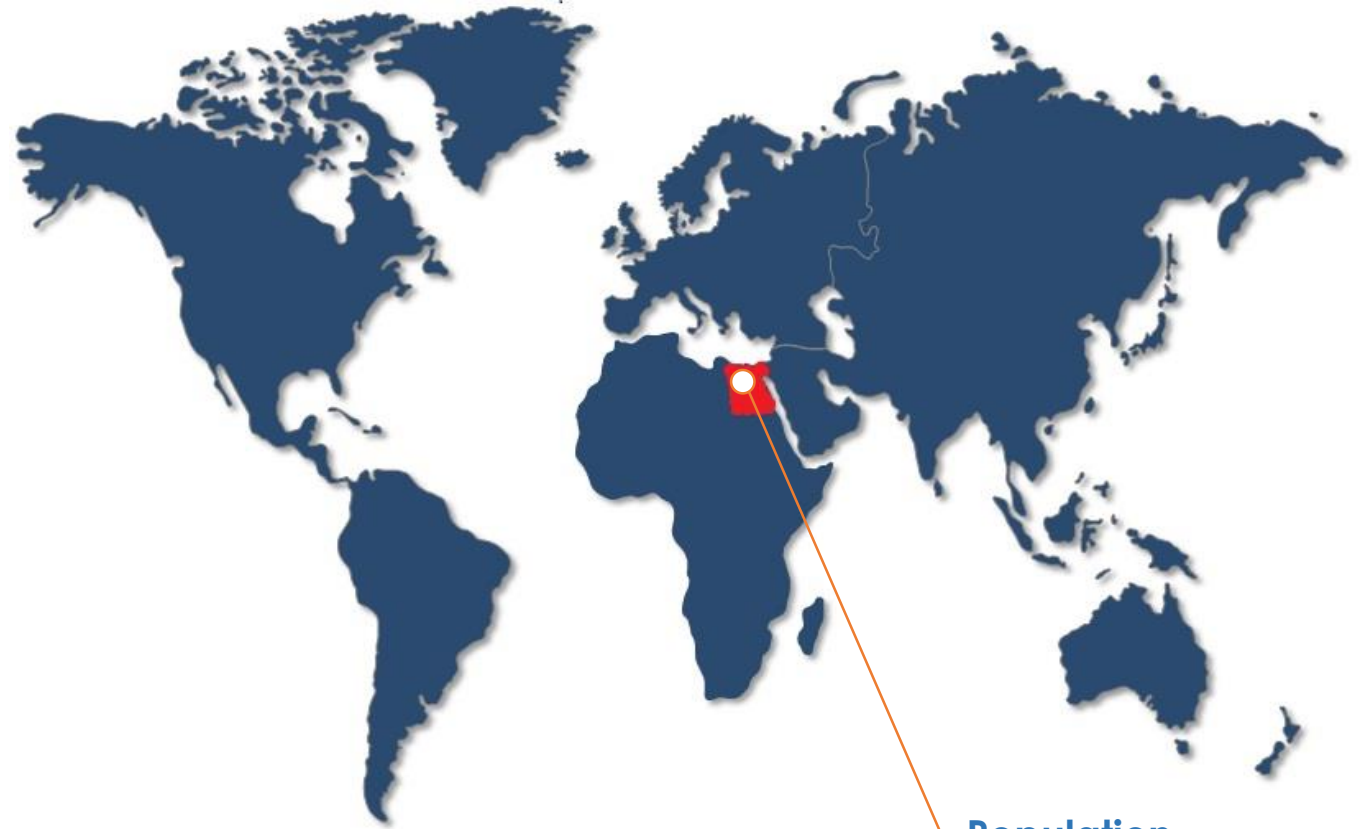
Location

- Gate to Africa & the Middle East
- Center of the World



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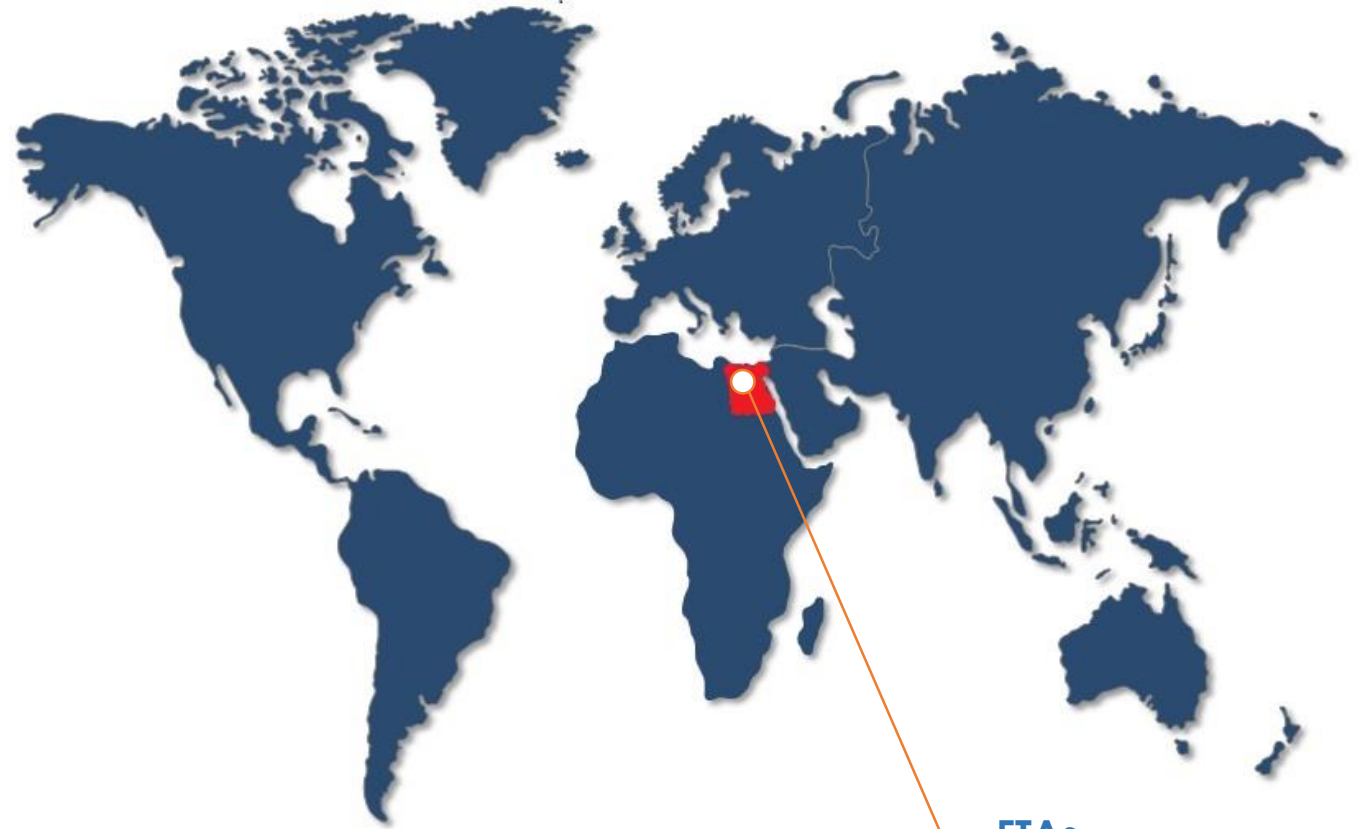


Population

101.4million

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FTAs

- COMESA
- GAFTA
- EU Egypt
- QIZ
- Aghadir
- EFTA
- Egypt Mercosur
- Egypt Turkey FTA



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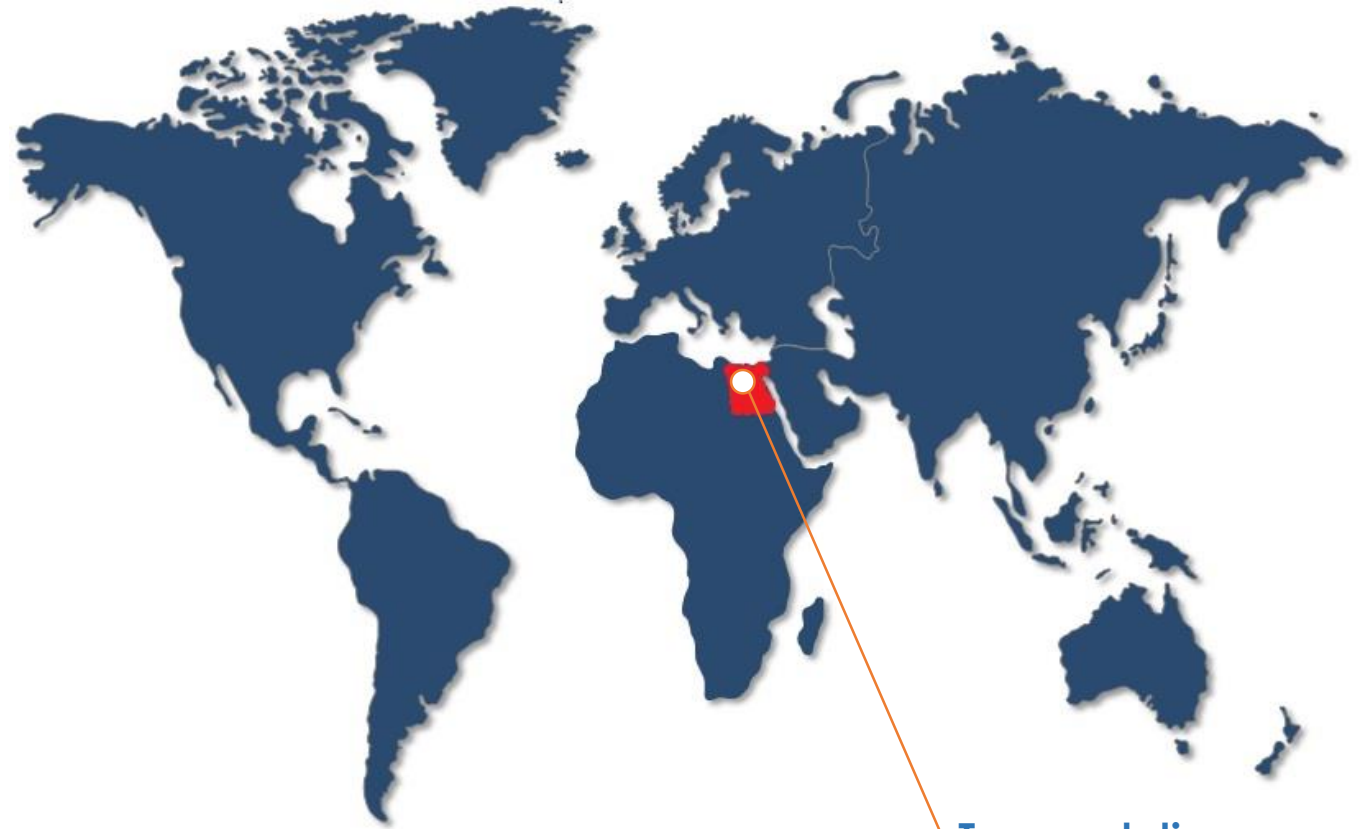
Labor
Force

- Over **29** million
- **60%** under **30**
- Competitive wages



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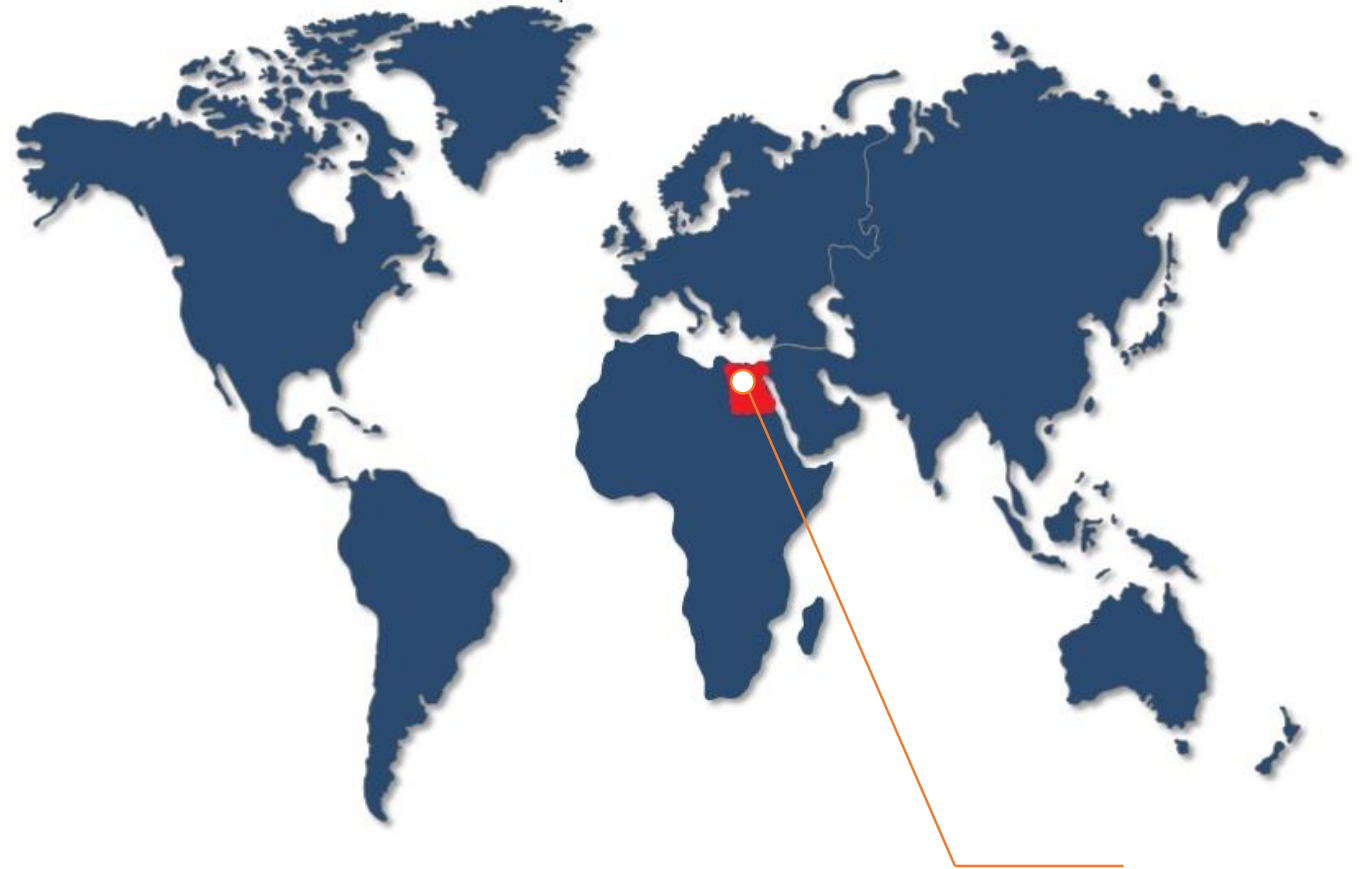
Transportation

- **20** Airports
- **191** Railway stations
- **15** Seaports & **Suez Canal**
- **Subway** network



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- **174600 km Road Network**
- **Communication Networks**

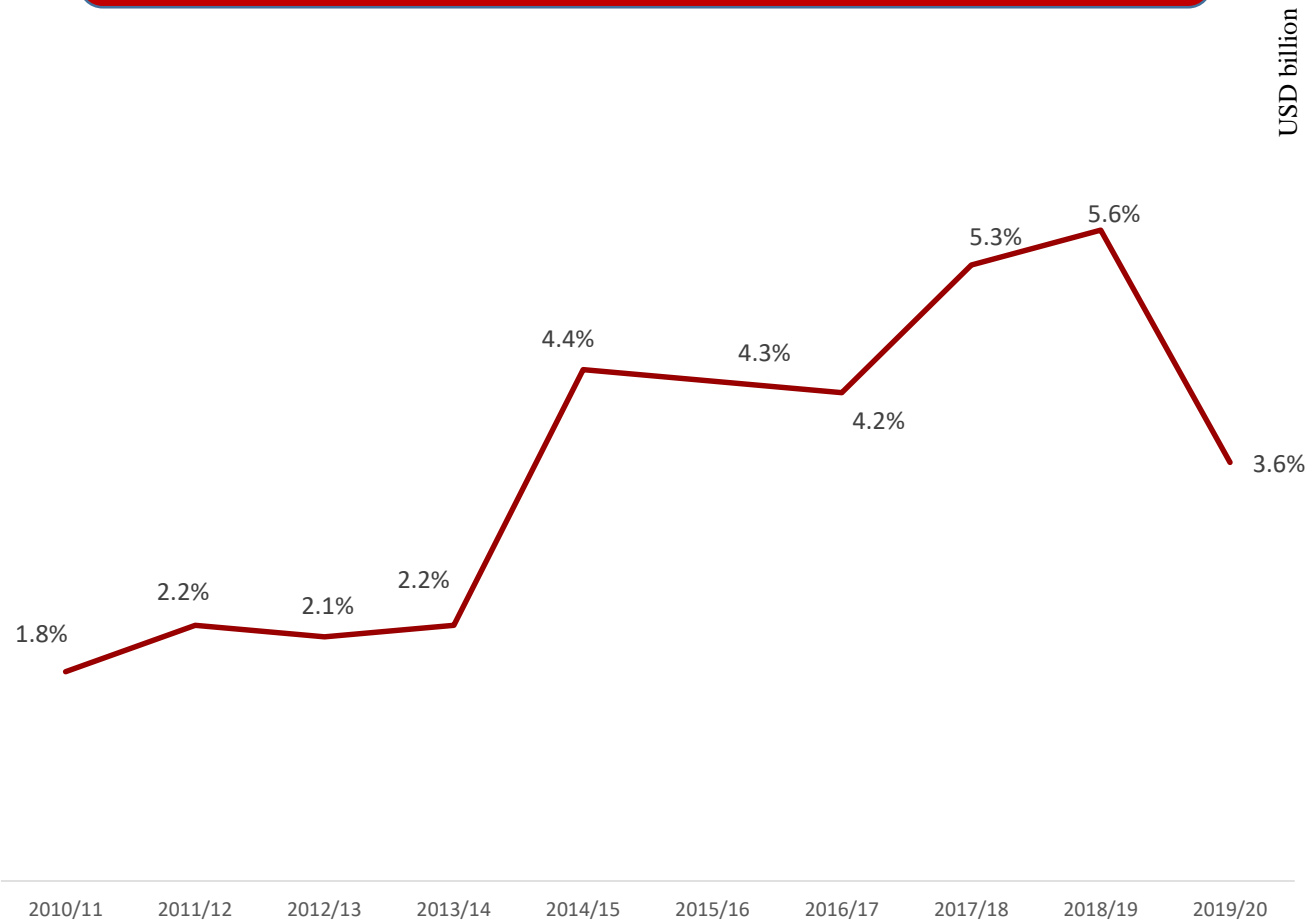


Economic Indicators



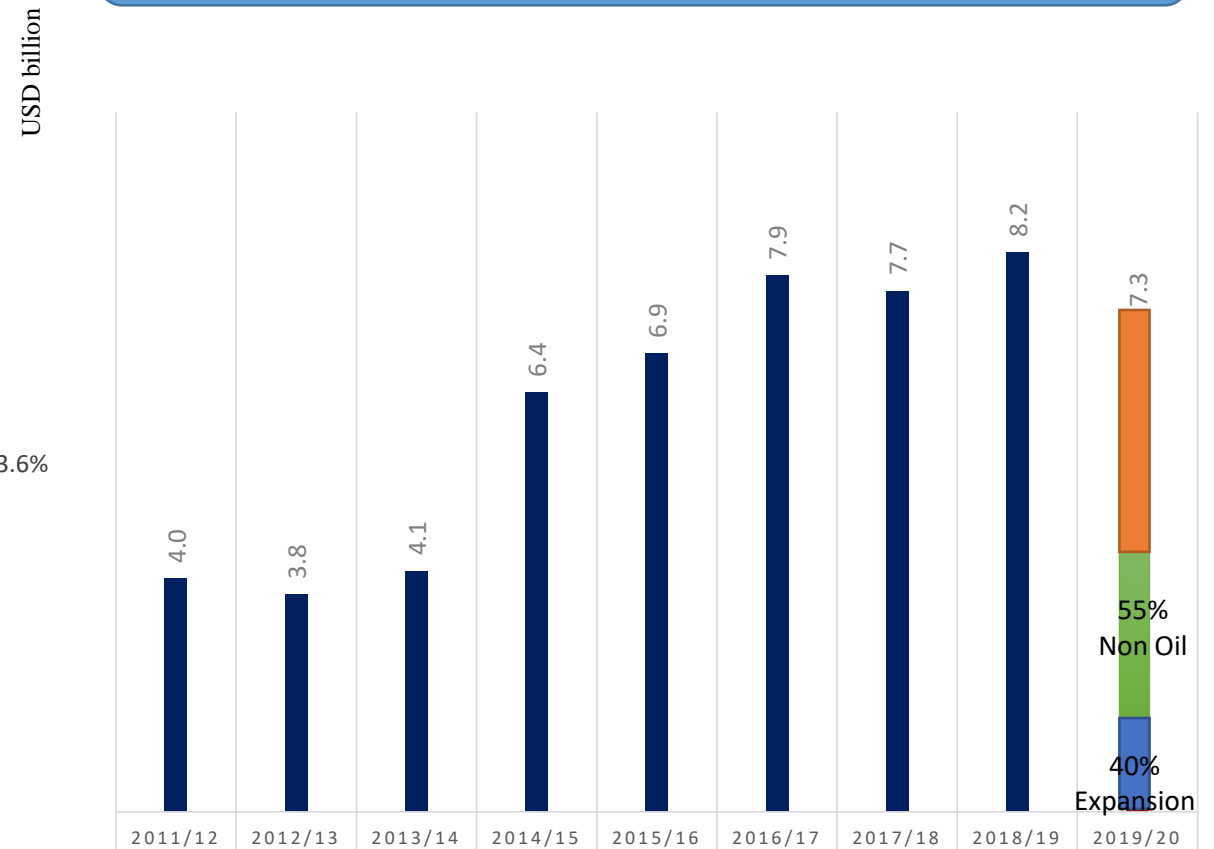


GDP Growth Rate



Source: Ministry of Planning

FDI in Egypt



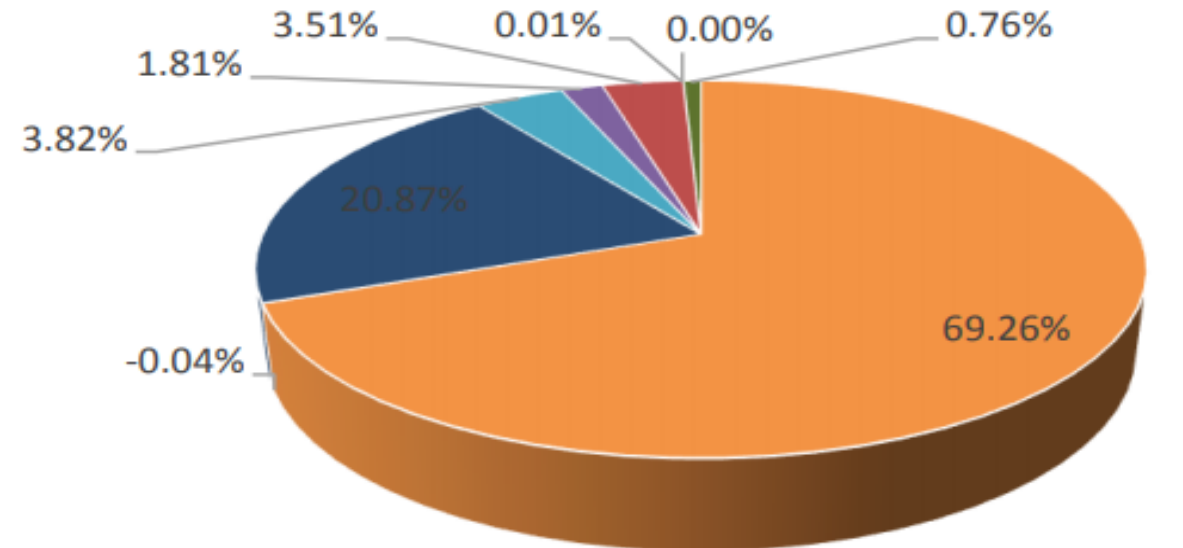
Source: CBE

Japanese Investment in Egypt



- Japan came in the 30th rank of FDI stock in Egypt as per June 30, 2020.
- As of 30/6/2020, there were 107 companies in Egypt. Out of the 107 companies, there were 33 Japanese representative offices
- Total Japanese injected Capital from inception until June 2020 was about **USD 900 Million**

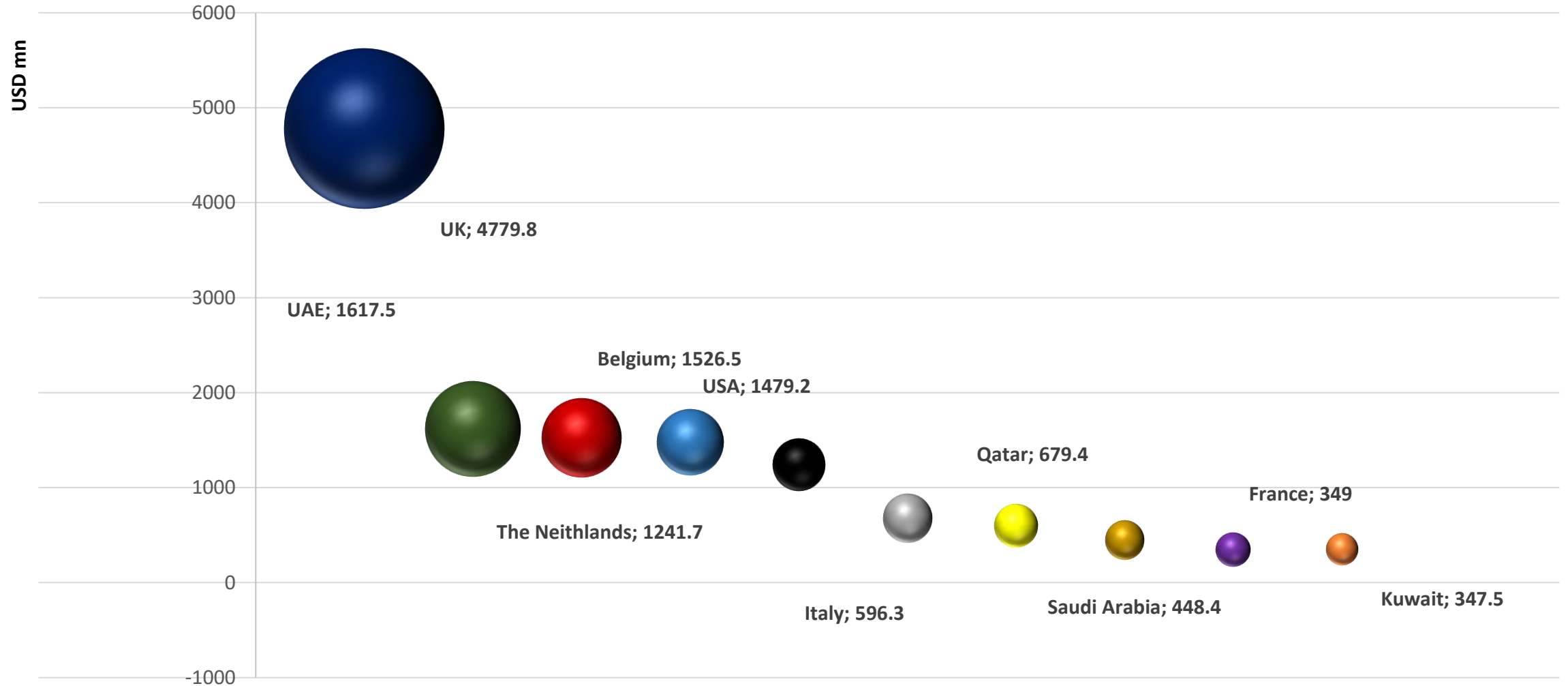
Japan - Total FDI Stock distributed by Sector



- | | | |
|-----------------|------------------------|----------------|
| ■ Manufacturing | ■ Upstream Exploration | ■ Services |
| ■ Financial | ■ Construction | ■ Agricultural |
| ■ Tourism | ■ C.I.T. | ■ Real Estate |



Top 10 Countries investing in Egypt , FY 2019/20





Sovereign Credit Rating



Last rated Egypt's Sovereign Credit outlook
as "B2" (Stable) in May 2020



Last rated Egypt's Sovereign Credit outlook
as "B+" (Stable) in July 2020



Revised Egypt's Sovereign Credit outlook being "Positive" in
Nov. 2016 & "B" (Stable) in May 2018



Investment Climate Reforms

INVESTMENT CLIMATE REFORMS

The new investment law is a cornerstone in the ambitious reform program of the Government of Egypt. The law complements measures taken by the government to stabilize the macroeconomic environment, consolidating fiscal deficit, rectifying market distortions, incentivizing economic growth, and ameliorating socioeconomic conditions. The investment law, which is a crucial stepping stone to gear up domestic and foreign investments, is part of a regulatory overhaul of the business environment in Egypt that includes insolvency act, companies law, capital market laws and regulations and single-person company. The law also paves the way for major enhancement in the business climate through streamlining the procedures, cutting red tapes, providing investment guarantees and incentives, and fostering governance and accountability.

Guarantees	Incentives Non- Tax Incentives	Investor Service Center	Investment Map	Free Zones
Conflict Resolution	Reduce Red Tape	Promote Transparency Governance	Investment High Supreme Court	Land Allocation And Real Estate



Improving Economic
Sustainability

Extensive Reforms



- New Investment Law
- Capital Markets Law
- Insolvency, Debt Restructuring & Bankruptcy Law
- Sole Partnership & Commercial Companies Law
- Commercial Registry Law

Investment Landscape

The new Law grants the establishment of investment zones, private free zones, as well as technology and specialized economic zones by Cabinet decree.



Free Zones

- No taxes and customs
- No import / export regulations.
- All equipment, machinery and essential means of transport necessary for business operations are exempted from all customs, import duties and sales taxes.



Investment Zones

- Investment clusters in different fields and sectors, where investors are granted services to serve the local market , where GAFI shall be responsible to obtain all licenses , permits and approvals on behalf of the investors.



Technology Zones

- Technological zones can be created for specialized activities in the fields of industry, logistics, and information and communications.
- Free customs.



Special Economic Zones

- The Suez Canal Economic Zone (SE Zone) is a world-class free zone and trade hub.
- It is considered as zone A in the investment law which enjoys 50% tax deduction .
- Free Customs.



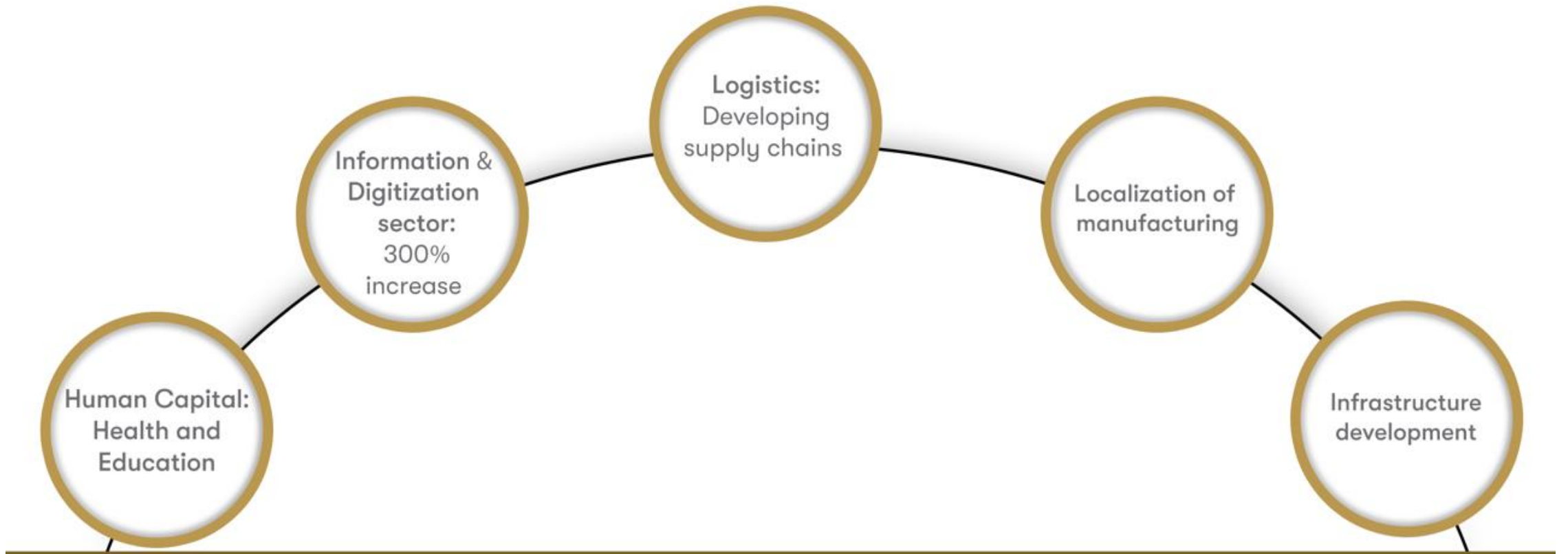
The way forward



Way forward

WAY FORWARD: REBOOT AND RECOVERY

The key elements of our investment plan for FY (2020/2021)





WAY FORWARD: PROMOTING GREEN GROWTH

Adhereing to
Green principles



Recent initiatives to promote sustainability and create decent jobs:

Fuel pricing
reform

Investments in
solar and
wind parks

Convert
gasoline
powered
vehicles to
natural gas

Electricity
-driven
public
transport

Launching our
first green bonds
(1st in the
Middle East)



Vote of Confidence



GAFI FRAMEWORK



Providing and developing various investment services through the one-stop-shop.



Promoting Egypt's potential sectors and investment opportunities to attract Investments.



Settling investors disputes and problems.

Regulatory role under the provisions of investments and corporate laws.



Institutionally supporting Small & Medium Enterprises through Bedaya center for Entrepreneurship and SME's Development.

Establishing, managing & developing Free Zones to help increase Egyptian Exports.



Establishing Investment Zones to accelerate the expansion of competitive strategic clusters.





THANK YOU