

Working with the EBRD in Egypt

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European Bank
for Reconstruction and Development



I. EBRD Business Model

II. EBRD Presence in SEMED

III. EBRD and Egypt



I. EBRD Business Model

- Focus on private sector
- Project-based
- Invest in energy, infrastructure, financial sector, corporate/SME sector, in 36 countries from Morocco to Mongolia
- Transition qualities: Competitive, Green, Well-governed, Resilient, Inclusive, Integrated
- Core principles: Transition Impact, Additionality, Profitability

- Loans, equity, leasing facilities, trade finance
- Tailored to client needs, project and country situation
- Direct investments range from 1m EUR to 500m EUR, but also support smaller projects under specially-designed financing facilities
- Ability to provide long-term finance, in local and foreign currency
- Encourage companies to improve corporate governance, management performance and business planning
- We have preferred creditor status
- Policy dialogue with authorities
- Technical assistance, concessional finance and investment grants

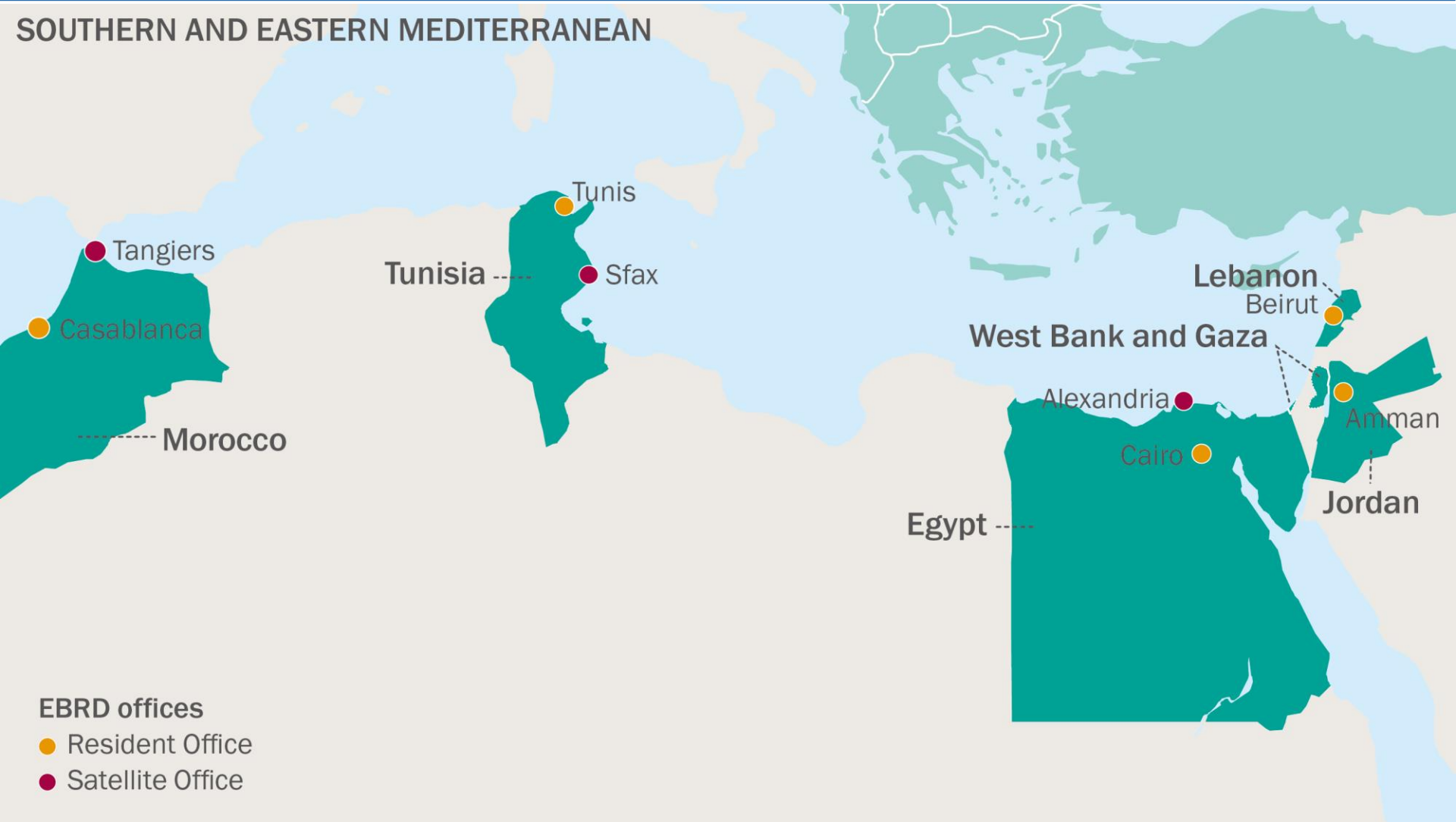


II. EBRD Presence in SEMED

EBRD Presence in SEMED



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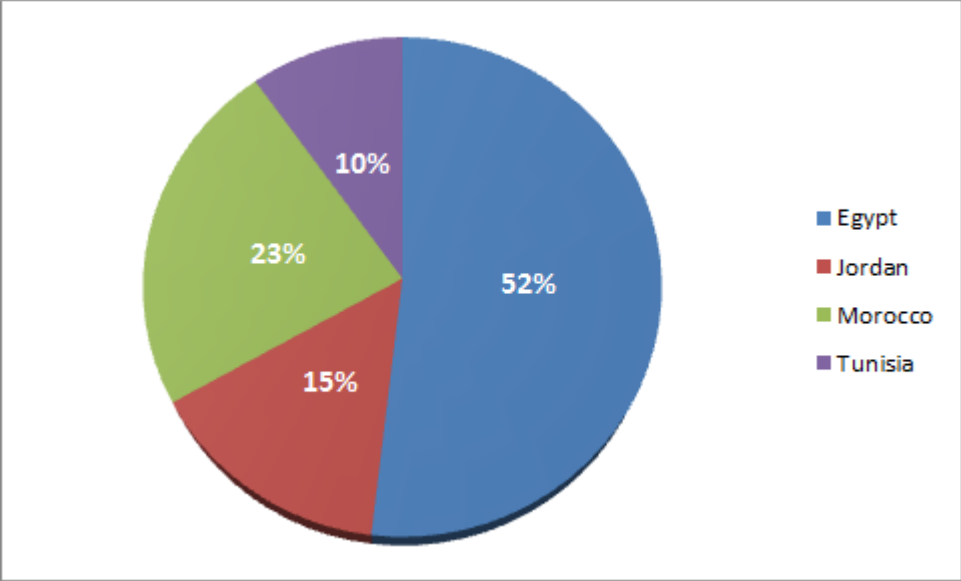


- Aftermath of Arab Uprising
- In Egypt, Jordan, Morocco and Tunisia. Since 2017, in Lebanon and West Bank & Gaza.
- Uncertain political and geopolitical environment
- Weak, but evolving institutional capacity to implement reforms and public sector projects
- Pricing pressures in local currency and regulatory restrictions
- Concessional terms and grant-funded projects of other IFIs
- However, there is increasing government appetite for reform across the region
- IMF programmes serve as reform anchor and driver
- Environmental and demographic pressures raise interest in energy efficiency, renewables, municipal infrastructure and agribusiness

SEMED Investment Projects by Country

Total investment: 6.5bn EUR in 170 projects (since 2013):

- Egypt: 3.4bn EUR (76 projects)
- Jordan: 1bn EUR (38 projects)
- Morocco: 1.5bn EUR (37 projects)
- Tunisia: 0.6bn EUR (32 projects)



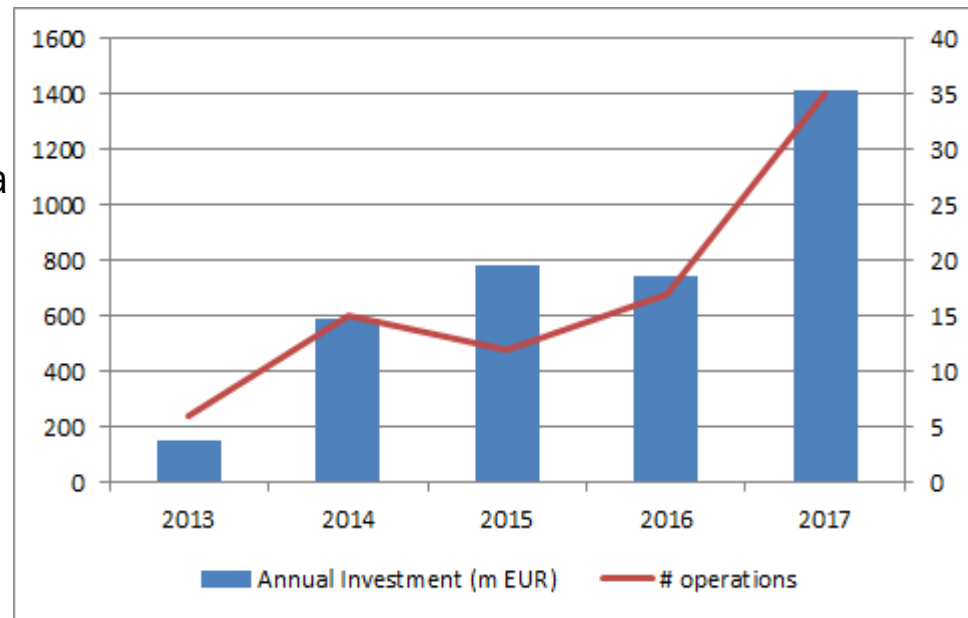


III. EBRD and Egypt

- Private sector competitiveness through stronger value chains, improved access to finance for SMEs and increased economic opportunities for women and young people
- Improve the quality and sustainability of public utilities through private sector participation and commercialisation
- Support Egypt's transition to a green economy
- Strengthen governance and improve the business environment

EBRD in Egypt: Overview

- One of the Bank's largest country of operation: 1.4bn EUR invested in 2017
- 70% in the private sector
- Portfolio composition: Infrastructure 31%, Energy 31%, Financial Institutions 26%, Industry, commerce and agribusiness 12%
- Equity 8%
- Non-performing loans: 2.1%
- Green investment in 2017: 65%
- Presence in Cairo and Alexandria
- Soon in Suez and Upper Egypt



Investment highlights



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- **Renewable energy projects: 500m USD**
 - invest in solar fields (together with IFC and other private sponsors)
 - Benban in Upper Egypt, Africa's largest solar power site
 - contribute to job creation and CO2 reduction

- **Egyptian National Railways: 290m EUR**
 - purchase of 100 locomotives
 - women's access to infrastructure and improved economic opportunities

- **Fayoum governorate: 137m EUR**
 - brought access to sanitation services to 1m citizens
 - expected to facilitate the creation of 30,000 jobs
 - expected to improve employment opportunities for women
 - de-pollution of Lake Qarun
 - boost to tourism and local agriculture



Thank you!



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