

IDA Studies Canceling Guarantee Letter

Eng. Ismail Nagdy, Chairman of IDA, decided to allow investors to assign their projects to others or changing their activities which have been agreed upon at obtaining the IDA approval to establish the project as long as they will obligate to the working regulations. The obligation of the determined term of the project activity, which is 3 years, is a must. He also indicated that there are no difference between the factories owners as long as there is a production. The Chairman said that he is studying now the canceling of the guarantee letter for any investor through setting other regulations that will enforce the investor to establish the project in the determined time,

confirming that there is no threatening to any investor by liquidating the guarantee letter. He added that 25% of the guarantee letter will be returned back to the investor immediately after obtaining the buildings license for the factory and 50% of it will be returned back after commencing in establishing the infrastructure. The rest of 25% will be back after obtaining the operating license. Nagdy pointed out that the investors will take a grace till 30 September and they take another grace if they need as long as there is seriousness. This comes within the framework of Nagdy meeting with the members of Small Scale Industries Association in Sadat City, indicating that IDA branches will be activated during 3 months and granting these branches IDA Chairman's competence in issuing decisions. IDA Chairman confirmed that IDA studies providing service for small and medium investor free of charge during the coming period, although IDA is an economic unit that its financing sources come from its business. We discuss solving the problem of civil defense as the investor will consult one of the trusted consulting offices and insurance companies affirming that investors should report any corruption to face it.

Mahmoud Issa, New Minister of Industry & Foreign Trade

What do you know about him ?

Dr. Mahmoud Issa, the new Minister for Industry and Foreign Trade, has a good reputation within the industrial circles, as well as transparency when dealing with everyone. The resume of the new minister-who was working prior to nomination for the cabinet post as board chairman of the National Institute for Quality reveals that he has many capabilities and qualifications that confirm his ability to promote the national industry.

He obtained BS in Chemical Engineering - Cairo University, 1969, MS in Chemical Engineering-Cairo University, 1974 and PhD in Chemical Engineering-Cairo University, 1977. As well as he obtained a Ph.D. in Chemical Engineering - University of Salford, England, 1987.

Issa's International Experience

The new minister served in several international positions:

- ISO Regional representative in the Arab region, and the Mediterranean Sea in the period from 2003 to 2008.
- Member of the Board of Directors of the ISO in the period from 2000 to 2005.
- Regional Coordinator for the Near East countries within the Constitution of the International Food Authority in the period from 2000-2003.
- Member of the Executive Council of the Constitution of the Interna-

tional Food Authority for Near East region (2000 - 2006).

- Chairman of the Egyptian Committee for the Convention on Technical Barriers to Trade (TBT) within WTO (2000 - 2008).

- Chairman of the Egyptian International Committee for the Consumer Affairs (Copolko) (2002 - 2008).

- He participated in projects of Thermal Energy Recovery with the participation of (Egypt / England) (1983 - 1985), the program of international cooperation in the use of energy recovered in the petroleum industry with the participation of (Egypt/England/India) (85/ 1986), and in the program of international cooperation for the use of thermal energy recovered in the desalination of sea water with the participation of (Egypt/England / Mexico) (1986 - 1987).

Issa's expertise in the field of Trade & Industry:

- Member of the Board of Directors of the Arab Organization for Industrialization (2003 - 2007).
- Member of the Board of Directors of the Trade & Industry (2004 to date) and a member of the National Council for Accreditation (2000 - 2008).
- Member of the Board of Directors of the National Institute for Standards (2000 - 2008).
- Member of the Board of Directors of the Training Center of Foreign Trade (2005 to date).



- Member of the Supreme Committee of the Egyptian International Electrotechnical Commission (2008-2000).
- Member of the Board of Directors of Shubra Engineering Industries Co. (Military Factory No.27) (1995 - 1996).
- Member of the Board of Directors of Helwan Non-Ferrous Industries Co. (Military Factory No. 63) (1997 - 1998).
- Member of the Board of Directors of Abu Zaabal for Engineering Industries Co. (Military Factory No. 200) (1998-2000).

The new minister has a wide range file of academic & practical experience include:

- 54 Scientific Research published in 12 international scientific journals specialized in Engineering Sciences.
- He participated in 23 international conferences in the field of Engineering.
- Headed 37 "Main Local Research Project" as well as a consulting engineer certified by the Syndicate of Engineers in the field of standards & quality.

IDA Chairman: We are not an industrial Police but we are Service providers

Eng. Ismail Nagdy, IDA Chairman declared that within the next three months, the Industrial Development Authority opens new branches all over the governorates in order to provide the services obtained by the main branch as a mean of facilitation for the investors. Nagdy reveals that licenses and its renewals will be given by the Industrial Development Authority instead of Urban Communities Authority, saying that "we are more worthy than Urban Communities where we are not Industrial Police but we are Service Provider". Nagdy confirmed that the approval for providing Natural Gas for any existed factory before 2005 will be obtained. IDA Chairman affirmed that the negotiation with the governmental authorities will be taken place to establish an industrial city in Al Maalla al Kubra on an area of 37 feddan to provide job opportunities and support textile industry.

Editor-in-chief
Eng. Abdelmoneim Khalil
Editor
Shaimaa Sabry
Graphic Desinger
Sahar Adly
Translators
Hamdy Abu Zahra
Amal Mahmoud
Yomna El-Hussiny
Walid Hassan

Urgent Actions to Save Textile and Clothing Industries



Tarek Amer, Head of the Federation of Banks and Chairman of the National Bank said that he will take a package of urgent measures to support the textile and clothing industries as one of the most important industrial sectors in Egypt, which are characterized as labor-intensive industries. Such measures include facilities in trust with special interest rate up to 11%, less than the current interest rate by about 5%, for a period of 18 months of which all new and existing projects financed by the Bank shall benefit.

During this meeting with Chamber of Textile Industries -Board of directors, under the presidency of Mohamed Murshidi, head of the Federation of banks said that the National Bank will contribute to make decisive solutions to deal with the problem of insolvent by delaying repayment of due debt installments on the factories affected by the current situations according to the circumstances of each case and the legal action against them shall be taken only in case of non-compliance with new reimbursement program. This meeting is the first in a series of meetings that will be convened with all industrial sectors, he said. He added that he will discuss with the owners of banks

factories the possibilities of funding a program to transfer brick factories from using fuel oil to natural gas which will save L.E 6 billion annually.

Amer revealed the bank's decision to halt all cases of debts positions adjustment applications against serious insolvent. The bank would implement promising program to support the small factories in this sector within the industrial clusters especially Al Maalla al Kubra with interest rate of about 9% only. The bank began implementing this program in the sector of wood and furniture in Damietta, where L.E100 million were allocated for such purpose with a maximum of L.E100.000 for a program to finance small-scale industries with a total of 200 million pounds. Amer also agreed that the Bank shall finance business organizations and NGOs with soft loans in order to on-lending to Small and Micro Enterprises. The facilities also include reducing exporters' interest rate by 2% in return for export outcome to bank from the exporter in accordance with the stated price combining with increasing the funding percentage for enhanced and non-cancellation export credits to become 95% of export outcomes, he said.

IDA's Annual Report as of 1/7/2010 to 30/6/2011

IDA issued its annual report for the period from 1/7/2010 till 30/6/2011, the report consists of 40 pages attached by the statistic tables and diagrams.....the report discussed main points include:

- 1- The number of projects whose lands were allocated for (industrial-warehouses) during the period from July 2010 till June 2011 reached 237 projects on an area of 938400 m² distributed to 13 cities and governorates.
- 2- The situation of the applications of the private tender (fourth phase): 977 land plots were offered, 3694 applications were received and divided to 16 cities.
- 3- Industrial zone that their payments were paid during the year 2010/2011 reached 17 zones belong to 11 governorates. LE 300 million have been paid for all governorates, out of Assiut Governorate has acquired the largest value followed by Beni Sueif governorate.
- 4- Industrial Clusters New Generation Program (Industrial Developer): The report reviews the situation of industrial facilities for the first phase developers until June 2011, and the position of industrial and service Sales for the first phase developers until June 2011.
- 5- Units of small-scale industries complexes affiliated to the Ministry of Trade & Industry until June 2011, the total number of units are 3658 distributed to cities and governorates as following (Sadat City-Borg Al Arab-Ismailia-Dakahlia-Assiut- Aswan-Sohag-Qena), out of 3086 units were housed, 1873 projects distributed to the industrial sectors (Engineering-Chemical-Pharmaceutical-Food-Textile-Electrical-Metal-Mining-Leather-Service, Maintenance and Storage Centers) have been contracted, and 572 units have been remained. The number of available employment

opportunities reached about 27,795 jobs. With respect to units of small industries complexes of the New Urban Communities distributed to cities and industrial zones till June 2011, the total units reached 1152 one distributed to 8 industrial cities (10th of Ramadan - 15th of May - Salhia-Nubaria-Badr-Damietta - Sadat -Burg Al Arab) which include 11 industrial zones, where 936 units are housed, 216 remained. It was contracted for 820 projects distributed to the following industrial sectors (Engineering-Chemical-Pharmaceutical-Food-Textile -Electrical- Leather- Services and Maintenance) and the total number of available employment opportunities reached 3692 jobs.

6- The total number of the immediate approvals during the period from July 2010 till June 2011 are 1553 approvals, the greater number of approvals were in October. The final approvals reach 1202 one including (Adjustment of positions-Cities and New Zones), with investment costs estimated about LE16.622481million.

7- Registered projects at the industrial register: The total number of establishments recorded for the first time reach 1053 facilities with investments of LE 15.3467 million, with total production value of LE25.0462 million, providing 63.768 jobs, and the total number of establishments that have been renewed during the period from July 2010- June 2011 are 2189 establishments.

8- Number of applications obtained customs facilities were 2573 applications, and the number of companies benefit from these facilities are 597 companies during the period of July 2010/June 2011. Local manufacturing provided domestically about LE 9.1999million.

It is worthy to note that the annual report will be presented in details next issue if the God will...

The Industrial Development Authority (IDA) prepared many studies that cover the industrial factors in all Egypt's governorates. This come within the framework of IDA's belief in its vital role in achieving the industrial development and recovering the rate of industrial growth after the exceptional circumstances which the country passes. Accordingly, the industrial factors in all governorates will be covered here consecutively. The third governorate to be presented is.....

Aswan The Southern Gate to Egypt

Within the framework of the State aim to establish industrial zones in different governorates, the State began developing the Upper Egypt region, which includes many promising governorates in all investment fields such as Aswan in which new industrial zones were established due to the Natural resources the governorate has, such as (Iron metal- Limestone - Granite - Sand - Gravel). Furthermore, Aswan Governorate has many industries, the most important of which are Cement Production, Sugar Industry, Production of phosphoric acid and triple-superphosphate industry. The number of existing establishments registered in IDA is 177 establishments with estimated investment costs of LE4.2 Billion and provide labor opportunities of 14374 workers. The most important industrial activities in Aswan are food& beverages, followed by mines & quarries exploitation, wood and its products manufacturing, building materials, chinaware, porcelain & calorie industries, followed by Refractories the engineering, electronic, electrical and basic materials industries.

Investment in Aswan is based on the basic factors represented in the Integrated Infrastructure that includes roads and transportations, electric power, drinking and sewerage water. In addition, the Governorate includes a branch of the New Valley University that includes the colleges of Engineering, Arts, Education and Sciences.

Industry in Aswan Governorate:

Aswan Governorate contributes to enhancing the industrial activity through many industries, the most important of which are sugar, chemical, fertilizer, phosphate industries, in addition to preparing & packing fishes.

Industry in Aswan depends on the agricultural main crops, especially the sugarcane upon which the sugar industry depends.

Industrial Zone in Aswan

Lands in Aswan governorate are allocated and owned free of charge according to the Presidential decree No. 158 for the year 2001.

Al Alaki Valley industrial zone:

This zone is established according to the Prime Minister's Law No. 1409 for the year 1994. Al Alaki Valley industrial zone is located on Aswan-Alaki road, 12 km far from Aswan, 10 km far from the High Dam, 480 km far from Safaga Harbor , 495 km far from Al Quseir Harbor, 8 km far from Aswan airport, 255 km far from Luxor airport and 20 km far from the nearest railway. The total area of Al-Alaki industrial zone is 226 feddans (934920 m2) which is divided into two parts:

- The major zone of industrial projects with a total area of 176 feddans.
- The small zone of industrial projects with a total area of 50 feddans.



Statement of the Total Number of Establishments registered in IDA distributed by Activity in Al-Alaki Valley Industrial Zone:

Activity	Projects No.	Investment Costs (per LE thousand)	Workers No.
Food, beverages&tobacco	74	509385	4033
Mining & Quarry	8	112112	2262
Wood& its products	24	34083	238
Building materials, ceramics & refractories	23	600707	1774
Engineering, electronic & electrical industries	30	3023	138
Basic metal	1	185597	1346
Production and distribution of electric lighting & power	1	1637064	1782
Basic chemicals & its products	6	161559	1965
paper , printing, publishing & its products	10	926845	836
Total	177	4170375	14374

Source: The Industrial Development Authority

Overview of the governorate

Location:

Aswan is located in the far south of Egypt bordered by the governorate of Sharqia from the north, Qena from the east, the Red Sea governorate and the New Valley governorate from the west and the political borders with Sudan from the south. The length of the governorate is 480 km from north to south and the capital is the city of Aswan, where it located on the eastern shore of the Nile where part of it located on the plain, which boarded by the Nile and the other side by the hills, which represents the distance of the eastern desert plateau , the city of Aswan, rising about 85 meters above the sea.

Area:

The total area of the governorate is 62726 km² while the area of the Republic is 1,009,449.81 km² and the percentage space between Aswan and the area of the Republic is 6.21%. The populated area of the governorate is 1004.77 km² and the Republic is 7899.23 km². The unused space of the governorate is 98%.

Administrative Division

Aswan Governorate is divided into five centers (the city of Aswan, the capital - Kom Ombo - Draw - Nasr El Nuba Edfu.

Population:

The population of governorate, according to the last survey of The Central Agency for Public Mobilization reaches 1184432 people.

Education:

Aswan is famous with a large campus of South Valley University which includes a lot of practical and theoretical faculties. Faculty of Social Work and the Institute of Social Works at South of Valley governorate are considered the biggest education institutions on Upper Egypt, where 15 thousand graduates graduate annually.

Health:

Health services spread nation wide, which vary between hospitals of the Ministry of Health, Rural and specialized ones. The private sector also plays a significant role in this field.

Manpower in Aswan Governorate:

Manpower in Aswan reaches 341.47 thousand people in 2008, 276.46 thousand working and 65.01 thousand are unemployed. The percentage of manpower comparing to population is 38.8% and unemployment is 19% besides the percentage of the contribution of females in manpower is 17.3%. The unemployment rate of the Holders of higher qualifications is 14.3%, intermediates and higher of intermediates are 23.6%.

Investment Factors in Aswan Governorate

Existing Projects .. "Toshka Giant Project"

Toshka project aims to plant about one million Feddans, irrigated with the water of the Nile and the groundwater available in the region. Thus, it would allow establishing new integrated agricultural and industrial communities attractive for workers. The most important elements of the project, started in January 1997, are as follows:

- 1- Mubarak Giant Lifting Station.
- 2- Sheikh Zayed Canal with length of 70 km.
- 3- Four branches of the canal for reclaiming about 540 thousand acres in various centers of Aswan and the other governorates as well as more than 1000 jobs in South Valley Ag-

ricultural Development Company, mostly for workers from Aswan.

4- Providing 10000 work opportunities.

Agricultural Investment

Because agriculture is the main activity in the governorate of Aswan, employing 60% of its citizens in an area of 150 thousand Feddans of the old valley, the agricultural investment is one of the basic pillars of comprehensive development in the governorate

This comprehensive development can be achieved through widening the Agricultural area outside the old valley By establishing major projects as follows:

1- Mubarak National Project for graduates: It is located in Wadi El-Naqr east of Nasr El Nuba district on an area of 65 thousand Feddans, 15000 of which dedicated to small-scale producers and upper Egyptian graduates. The project aims at establishing 5 villages of integrated facilities for 3000 beneficiaries by 5 acres and a home for each beneficiary. families of the beneficiaries have already been resettled in these villages and agricultural production began in this land from the agricultural season 2004. The rest of the area of 5000 Feddans has been given to investors to provide 25,000 real jobs for young people.

2- Mubarak National Project in Wadi El-saaida: It is located northwest of the city of Edfu on an area of 3000 Feddans distributed to small producers. The project, which Includes 6 villages full of facilities and services, provides 5 Feddans and a home for each beneficiary and entire village for women-headed households. The total number of beneficiaries of the project is 6000.

3- Lake Nassers villages project : It aims to establish 10 villages with full facilities to serve as a nucleus for establishing new urban communities. The project is on an area of 25 thousand Feddans, 3 villages have been built on 3000 of them and the other villages will be completed by the year 2011. the built 3 villages are: Bashayer El-khir, new Kalabsha, Thomas and Afia. 6000 of Aswan inhabitants benefited from the project, which provides 5 Feddans and a home for each beneficiary:

4- Mubarak National Project in the villages of Al-Mustaqbal in Abu Simbel city. The project, which is located on an area of 2000 Feddans, is full of facilities and services. 400 benefited from the project at 5 acres and a house for each beneficiary: 5- The Qustul Adndan project south of Abu Simbel city It has one of the best agricultural lands in Egypt. The governorate provided the project educational and health services, drinking water, electricity, and youth activities, in order to provide stability to its beneficiaries

Investment Opportunities in Aswan Governorate

In The Industrial field

There are grate amounts of sand in the areas along the west bank of River Nile in both of Aswan and Edfu, estimated to reach millions of tons. Because it tends to the white color, these sands can be used in many industries such as glass and crystal

1- Glass and Crystal production project:

The project aims to exploit the existence of sands in these lands to establish glass and crystal factory in Aswan instead of transferring these materials to Cairo and Alexandria governorates, which considered the only manufacturer of these products, to reduce a lot of effort and costs. As well as the project aims to provide new jobs and opening local and international markets for these products.

The economic returns of the project

- Making use of natural raw materials found in mineral wealth.
- Providing new job opportunities.
- Getting a return to be used in establishing other development projects.
- Making use of the Nile River in transferring production to other governorates.

2- Project of establishing a company for leasing quarries and mining equipment:

Although Aswan is characterized by its quarry and mineral wealth, this wealth is not used in industrial investment. The project aims to lease quarries and mining equipment with low prices to mining projects to encourage mining investment in the governorate of Aswan.

Project economic returns:

Leasing these equipments is very profitable and increases the number of quarries and mines and would pave the way for exploiting the raw materials available in Aswan.

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