

## Rachid opens Youth Business Forum for Mediterranean and North Africa Countries

Eng. Rachid Mohamed Rachid, Minister of Trade and Industry said that the reform system continues in



all fields, especially in the economic sector, on the basis that the faster continuation of the reform achieves higher growth rates. Rachid confirmed that the government continues to pursue the economic development focusing on human development, infrastructure, and the increase of our capacities and resources in an efficient way, especially in the manufacturing sector. The minister added that there are many challenges facing the operations of reform and development in the Mediterranean region, Africa

and the Middle East, notably Unemployment, Poverty, Security, Stability, Peace and facing terrorism. Thus, facing these challenges requires new and creative ideas, through which we can handle these problems and create investment opportunities. On the sidelines of the forum, the minister held a bilateral meeting with Stefano Sagilla, Italian Deputy Minister of Economic Development and 16 Italian companies to discuss the future of bilateral relations between the two countries within the framework of the strategic partnership agreements between Egypt and Italy.

## IDA begins a training program about industrial strategic planning for Sudan



Within the framework of state general policy for deepening cooperation with the countries of the Nile Basin and the implementation of the electoral program of President Mubarak, IDA organized a training course for 50 Sudanese cadres in the industrial sector. Eng. Amr Assal, chairman of IDA, stated that such policy aims to activate the memorandum of understanding between Egypt and Sudan in the field of establishing and managing the industrial cities and implementing the recommendations of the Egyptian-Sudanese Supreme Committee, which its meeting was held in Cairo from 26 to 31 July, 2008, as well as a meeting of the Ministerial Follow-up

Committee which was held in Khartoum in February 2009. Assal said that the training will contain entire strategic planning process in the industrial field of middle leaders, including the Egyptian experience, as well as discussing the learned lessons, clearing the leading sectors in such field and clarifying the performance indicators and ways of formulation and following-up. The trainees will be trained in two batches and they'll visit many factories in some areas, including the company's plant for the aluminum profiles (AIPAC) in 6<sup>th</sup> of October City, especially, such company is establishing a factory for the same production in Sudan.

## Egypt ... Free Trade Agreements

Many countries seek to merge with major economic entities in order to raise their competitiveness ability which will lead to raise the economic growth, provide more job opportunities, in addition to improving the trade exchange and facilitating the goods, services, individuals, capitals and technical knowledge transferring. Within the framework of Egypt's seeking to raise its exports, Egypt held free trade agreements to be able enter the markets of other countries with the aim of marketing its national goods, obtaining foreign currencies and achieving revenues contributing in the economic development processes. Moreover, these agreements help in achieving a state of relative stability in the prices of the exported and imported goods which contributes in setting accurate calculations for the economic development costs and revenues.

## The 10<sup>th</sup> of Ramadan adopts a project to support automotive components companies

10<sup>th</sup> of Ramadan Investors Association decided to establish a center to support the small and medium companies at the zone which includes a lot of automotive feeding industries, to develop Mubarak-School Program, besides setting up international technological center on an area of 15 feddans to establish center to train Egyptian youth and qualify them in different industries. In addition, the association will build training center for maintaining automotives. Dr. Ibrahim Al Kadi, member of the association's board, stated that establishing this center is to support the local investor to enable small companies in order to create great national investments.

## Egyptian- Saudi Arabia Joint Committee Starts its works in Cairo

Under the presidency of Eng. Rachid Mohamed Rachid, Egyptian minister for Trade and Industry and Mr. Abdullah bin Ahmed Zainal, Saudi minister for Trade and Industry, the Egyptian-Saudi Arabia Joint Committee Starts the works of its second round in Cairo. The Committee examined ways of developing and deepening the relations between Egypt and Saudi Arabia in various fields, and discussed new mechanisms for enchanting and developing trade exchange and joint investments. The Committee began its works with preparatory meetings on the level of senior officials on 3<sup>rd</sup> and 4<sup>th</sup> of October 2010 and concluded its works on Tuesday, 5<sup>th</sup> of October, 2010. Eng. Rachid declared that the basic objective of joint committee, is to take all available measures to push and develop relations between the two countries to reach the highest level, that commensurate with the size of the distinguished and external relations between Egypt and Saudi Arabia, as well as to



use all capabilities and potential capacity in economy of both countries to reach the stage of economic relations strategy which involve in increasing rates of economic and social development, that can achieve the interests of both countries. The minister added that President Hosni Mubarak and the Custodian of the Two Holy Mosques King Abdullah bin Abdul Aziz call to immediate cooperation between the two governments to resolve any

incidental problems or obstacles prevent the streaming and the flow of trade or capital from the two countries. The minister emphasized that the economic relations between Egypt and Saudi Arabia going on a continuous growth. In 2005, Trade exchange size exceeded one billion and \$ 430 million, in 2009 reached about \$ 3 billion and \$ 400 million and in the first half of 2010, it reached about \$ 2 billion. The number of investment projects in Egypt which based on

Saudi capital reached 2268 projects with capitals exceeds 86 billion pounds that lead Saudi Arabia to occupy the first place between Arab investments in Egypt. The Egyptian exports to Saudi Arabia achieved in the first half of 2010 a significant increase, about one billion and \$ 333 million. Referring to industrial cooperation between the two countries, signing of a cooperation protocol between the Egyptian Industrial Development Authority and the Saudi Industrial Cities Authority has been suggested to activate the provisions provided on the industrial cooperation Protocol between the two countries. The committee also discussed means of developing the relations between the two countries in all fields such as transport, investment, customs, banking, agriculture, veterinary quarantine, industry, electricity, energy, tourism, education, culture, media and civil aviation, meteorology and environmental protection.

## First meeting for IDA Board of Directors in the new building

On Monday, 20/09/2010, IDA Board of Directors held its first meeting, headed by Eng. Amr Assal, chairman of IDA, with the aim of declaring the requirements and controls necessary to obtain the license for establishing a new industrial zone within industrial developer program. The Board discussed the actions taken by IDA on transferring the tanneries from Masr Al-kadema to Alrubiki City,

and reviewed the financial position to complete the first phase of the project offered by the Italian and the Egyptian side. The Board discussed the roles of compensation to the owners of tanneries and factories existed in Masr Al-kadema and proposed policies that shall be taken to evacuate the tanneries and factories from Masr Al-kadema. It's noted that this meeting is

considered the seventh one within the second round, which held at the new administration building, in Fifth Avenue, The meeting comes in the framework of a series of regular meetings hold by the Board of Directors to pursue various projects sponsored by the authority. The Board reviewed the implementation of one thousand factories project, by using

the analysis of satellite images over 6<sup>th</sup> of October area as a pilot project for updating data, following the implementation of new projects stages, accounting the unused land, discussing the reasons for non-exploitation and to start the implementation of industrial projects and modernizing geographic data and verifying it with the statistical data to obtain results from satellite images.

## Notification



The Industrial Development Authority (IDA) ends the preparation of the new building of the authority- The Main branch of IDA-at New Cairo City-42 Al Salam

Axis-Fifth Avenue, in order to begin work on the new building starting on Sunday 10/10/2010 with the continuation of working at the current building-the head-

quarters of the authority at 6 Khalil Agha St., Garden City, Cairo.

*A guide indicates the way to new headquarters is attached to IDA newsletter.*

## Rachid Opened 3 Factories in Ismailia Governorate with LE116 mln Investments

During his visit to the General Investment Zone in Ismailia governorate on 21/9/2010, Eng. Rachid Mohamed Rachid opened 2 Garments Factories and another for manufacturing concrete mixing plants, with Egyptian, Turkish, Saudi Arabian-Qatari investments up to about LE116 million and providing 2500 jobs. The minister was accompanied by Major General Abdul Jalil, Ismailia governor, Eng. Amr Assal, Chairman of the Industrial Development Authority (IDA).

The first factory is Ourajlo Egypt for Garments production with fully Turkish investments up to about LE71 million and all of its production will be exported to the European and American markets. The factory depends on Egyptian raw materials and labor and produces about 350 thousand pieces monthly and provides about 2400 jobs. In addition, It is targeted to make new expansions in the factory during the next two years with investments amounting to LE72 million to produce 500,000 pieces monthly.

The second factory is Grand for Industries, one of Al-moez group for Concrete Mixing Plants with Egyptian-Saudi Arabian-Qatari investments up to about LE31 million and Approximately 70% of its production will be exported. The factory, which works with advanced



German and Italian technology, produces about 24 plants annually and It is targeted to increase production to reach 36 plants and to make expansions in the production of trailers and cement tanks, with investments expected to reach LE10 million.

Also, Rachid visited M.G Egypt factory for Garments Production, which works with American investments up to about LE14 million, producing about 12000 pieces daily and providing about 1800 jobs. Besides, it is targeted to make expansions with investments amounting to LE15 million during the next year to double the production to reach 24000 pieces.

Moreover, the minister and Eng. Amr Assal visited Abu Khalifa Industrial Zone, which includes an area of 1101 acres. The Minister announced that 500 acres in this zone, will be offered in January within the Industrial Developer System, where more than LE105 million expended for servicing and supplying this area with all necessary services and equipment.

## Increase in Steel and Slowdown in Cement Prices



Central Agency for Public Mobilization and Statistics (CAPMAS) published its monthly report on the average prices of the main construction materials for the month of August 2010, which showed a decline in the monthly change in the prices of: ordinary Portland cement by 84.0%, White cement by 49.1%, Gypsum premium Grade by 2% and 1 inch iron water pipes by 17.1%, in comparison to July 2010. On the other hand, there is a decline in the average prices of steel rebar by 85.1% and gravel by 42.1%, with a fixed percentage of the monthly change in the other construction materials prices. CAPMAS report showed a decline in the annual change in the prices of: Ordinary Portland cement by 18.10%, white cement by 37.1%, ferro-cement by 57.2%, half-inch plastic water pipes by 24.10%, three-quarters inch plastic water pipes by 23.10%. besides, there is an increase in the annual change in the prices of: steel rebar by 32.26%, sand by 45.9%, gravel by 96.17%, gypsum Premium Grade by 51.5%, beech wood by 7%, the Swedish by 15.17% while the ordinary Mosaic Tiles increased by 52.1%, cement tiles by 61.1%, three-quarters inch steel water pipes by 23%, 1 inch steel water pipes by 18% with stability in the other construction materials prices.

## IDA Chairman Signed Protocol with Arabic Industrial Development and Mining Organization

Eng. Amr Assal, IDA Chairman, signed the foundation regulation of the Arab Federation for Developing Exports with Mr. Mohamed Bin Yusuf, General Director of Arabic Industrial Development and Mining Organization (AIDMO), one of Arab League's organizations. This comes on the occasion of the Ministry of Trade and Industry joining the founding members of the Union. Eng. Amr Assal, IDA Chairman, signed the foundation regulation of the Arab Federation for Developing Exports with Mr. Mohamed Bin Yusuf, General Director of Arabic Industrial Development and Mining Organization (AIDMO), one of Arab League's organizations. This comes on the occasion of the Ministry of Trade and



Industry joining the founding members of the Union.

Mr. Mohamed Bin Yusuf, AIDMO General Director said that the temporary headquarters of the Arab Federation for Developing Exports will be in Morocco. Besides, the federation aims to promote Arab industry in terms of specifications and standards quality, increasing exports and its competitiveness and bargaining abilities, especially in the presence of regional blocs such as: EU, NAFTA, APEC,

A S E A N and MERCOSUR. Thus, it is necessary for the Arab countries to find effective mechanisms to promote its industrial exports. These mechanisms should be based on balance strategies take into account the national interests and national

capabilities and to support the Arab exports within the Arab markets, which includes over 326 million consumers.

On the other hand, Eng. Amr Assal said that this federation is a step on the road to the unified Arab market and it will increase GDP through increasing the industrial exports. Besides, it will promote establishing joint Arab commercial and industrial projects, which will develop the human resources capabilities.

## Egypt's Exports to Malaysia Rose by 127%

Egyptian exports to Malaysia soared by 127% in the first half of 2010 compared to the same period in 2009, a report by the Egyptian Trade Representation Office in the Malaysian capital, Kuala Lumpur, revealed. Exports in the named period reached \$35 million against \$15.4 million in 2009, the report,

which was presented to Trade and Industry Minister Rachid Mohamed Rachid, said.

The report attributed the increase to several reasons, most notably the new items that emerged in the exports, making up 11% of the exported products in the first half of 2010. Those items include aluminum

sulfate, phosphate and mono ammonium phosphate, the reportsaid.

The value of a number of items has also risen in the previously mentioned period, such as mineral phosphate fertilizers, potassium nitrate and natural calcium phosphate, the report added.

## Documentary film about IDA

After discussion and circulation of opinions, IDA Chairman, Eng. Amr Assal, approved forming a committee headed by Mr. Raof Farag, IDA Vice-Chairman and Head of Central Administration of Investment Policies and Chairman of Industrial Zones Support Fund to prepare T.O.R for making a documentary film about IDA in both Arabic and English languages. The documentary film is intended to be presented in conferences, symposiums and media.

The film deals with the formation and the growth of IDA in a specialized way stressing the services provided to sectors of industrial services and Industrial zones beside the achievements made in the Geographical and Sectoral planning of industry. In addition, the film discusses the infrastructure provided for industrial zones, which was one of the most important ingredients of these zones growth.