

## New Facilities to Encourage Industrial Investments

Dr. Samir El-sayiad, Minister of Industry and Foreign Trade, affirmed that the strategy that the Ministry has recently prepared for IDA, offers a package of technical and procedural facilities to push the industrial development and support the national private sector in order to increase growth rates of industrial investment, enhance the contribution of the industrial sector in GDP and export, thereby increase the industry's ability to provide new job opportunities for young people. The Minister added that IDA is currently studying the facilities and procedures that can be provided to industrial society since it is the main axis for the Ministry in implementing the industrial plans and policies necessary for developing the industrial sector and increasing the value added of the industrial products of Egypt, stressing that IDA has the potential and technical capabilities, and enormous human ability to play essential role in developing the Egyptian industrial development especially with regard to provide land for industrial activities



prepared with facilities and the development of industrial zones in the governorates, as well as developing the system of licensing which would contribute in accelerating the increase of investment in the industrial sector. In the coming period, IDA is studying the mechanism for implementing the strategy of the Ministry of Industry and Foreign Trade besides the facilities and new procedures for the development of industry during the next phase and to discuss some important topics, including following-up report of the next generation of industrial clusters between the government and the private sector-based upon the industrial developer in the cities of the 6<sup>th</sup> of October and 10<sup>th</sup> of Ramadan.

## IDA Offers New Facilities for Industrial Projects

According to the exceptional circumstances the country is passing and in a trial for overcoming the negative effects affecting the industrial growth rate, the Industrial Development Authority (IDA) is offering new facilities for industrial projects being established, to be as the following:

Extending the free period until June 15, 2011 which will be added to the first period to ensure the seriousness of all industrial projects being established, provided that its legal status shall coincide with the laws and rules set in this matter.

Reducing the guarantee letters value necessary for ensuring the solvency in allocating industrial lands as of January 26, 2011. This will be applied in the industrial zones of the new cities and governorates. These values will be as the following:

**L.E100/m<sup>2</sup> instead of L.E200/m<sup>2</sup> in the industrial zones of the new cities in Delta, L.E50/m<sup>2</sup> instead of L.E100/m<sup>2</sup> in the industrial zones of the new cit-**

**ies in Upper Egypt and L.E50/m<sup>2</sup> instead of L.E100/m<sup>2</sup> in the industrial zones in the governorates.** These values will be applied to the applications submitted before the aforementioned date and didn't started the allocation procedures.

Release 25% of the value of the letters of credit immediately after the issuance of building license within 6 months of the date of obtaining the land, in addition to releasing 50% immediately after implementing the project foundations within one year of obtaining land, and the remaining 25% will be released immediately after submitting the project's operation license.

Furthermore, the collection of some standard costs of the services and studies being provided by IDA for the industrial projects will be stopped, in addition to reducing some other costs till the end of the current fiscal year as stated in the administrative decree issued in this matter.

## To where we are going ?!

Where are we going, O Egypt? These words are not just a question, as far as vocabulary related to the status of uncertainty that surrounding us, and growing in our lives. Recently, we move from one question to another without reaching the goal, we sadly say: where Egypt goes?! Although the answer is obvious within us, that Egypt will remain despite this disorientation. Egypt will not be lost, we will not leave it, despite the continuing challenges day after day, but our national conscience grows above all these divisions, which have we never dreamed to reach it.

We are now in dire need to be united ... we want to destroy differences between Egyptian people ... Regardless of religion.

"Quoted"  
Mohamed Foda  
Al Masri Al youm

## Egyptian products promotion campaign

Dr. Samir Youssef El-Sayiad, Minister of Industry and Foreign Trade, held a widened meeting with Members of Engineering Industries Chamber and export council for Engineering Industries to review main challenges facing the Engineering Industries during the current period, as well as exports situation and future vision for developing such sector during the coming period.

During meeting, many suggestions and policies have been reviewed to deal with the problems and obstacles facing Engineering Industries. Such suggestions and policies involved the importance of activating cabinet decrees of favoring local product instead of importing governmental purchases, adopting campaigns of "Buy Egyptian products" and "Made in Egypt", increasing external exhibitions support, quick finishing of submitting procedures for export support, beside facilitating industrial licenses

procedures and avoiding some of quality tax, current problems of factories and companies with banks concerning credit operations, financing problems, documentary credits in addition to the necessity to complete the system of technical specification and requirement for all engineering stock related to security and safety.

The minister emphasized that there are full coordination between the Ministry of Industry and other various ministries to resolve all the problems facing manufacturers and exporters immediately and take necessary actions to boost production and support exporters.

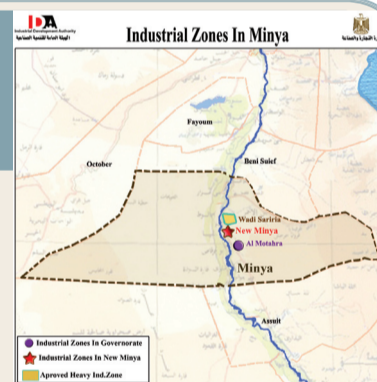
El-Sayiad said that the ministry is currently working with various agencies, chambers of industry, Federation of Industries, Federation of Chambers of Commerce, Councils of export and international institutions for preparing a major campaign to promote Egyptian products internally and externally.

## Industrial Zone in Minya welcomes to serious investors

During the first meetings of Samir Salam, Governor of Minya to follow-up projects in the industrial and craftsmen zones, the governor stressed that the place within the three industrial zones of Al-motahra, Al-sareria of Samalut and Sheikh Fadl in Beni Mazar, only to serious investors and to industrial projects that aim at creating integrated industrial development, attracting investment and raising rates of economic growth to provide employment opportunities for people of the governorate.

The governor said that he would not allow any attempts to Tsagie land in industrial areas and will provide periodic reports on the implementation rate of projects, and give final deadline for serious investors who wish to complete their projects.

Salah Kamel, General Supervisor of the industrial areas, reviewed the existed projects



within the industrial zone in the governorate. He pointed out that there is giant industrial area in Al-motahra established on an area of 1517 acres plus an area of 699 acres. Such area has full main facilities such as Water, Electricity and Natural gas at a cost of 173 million pounds. Total number of plants reached 217 plants, including 113 projects reached to the production stage. There are 8 plants including the largest plant of Crystal with investment of 717 million pounds, providing 10 thousand jobs. Currently there is a campaign to recruitment two thousand young people from middle-and lower qualifications.

## Discuss the support of Arab investments in Egypt

During his meeting with members of the Investment Committee at the Federation of Egyptian Industries and investors Associations, Osama Saleh, Chairman of the General Authority for Investment and Free Zones, declared that a group of Qatari businessmen will visit Cairo in the coming days, it is also expected that a group of Saudi investors will visit Egypt this month, so as to support the existed investments in Egypt and to double the Inter-activities in the framework of Egyptian policy which support survival and the growth of Gulf investments.

Saleh confirmed that the coming period will witness a positive interaction between all concerned parties with investment activity in order to boost investment and development, especially after the tour which the Prime Ministers made in Gulf States.

## Cabinet Discusses Textile Industry Protection

Dr. Ahmed El-Borai, Minister of Manpower and Immigration said that the government is seeking to put an end to the deterioration of the textile industry in Egypt, which were affected during the last period. The cabinet will discuss in a coming meeting the mechanisms that can be taken to protect the industry, mainly yarns crisis and putting an end to export cotton.

During the opening of the Workshop on the standard classification of occupations, the minister added that the rate of unemployment in the Arab countries ranges between 14 and 17%, which enhance us to develop employment policies and systems for vocational training consistent with the challenges of global economic crisis and its repercussions on the

labor market in Egypt. The minister said that he had issued instructions to develop vocational training centers and provide its possibilities to start the ministry's plan of training the labor market, especially in the sectors of Textile, Oil, Tourism and Construction with the aim of organizing and providing job opportunities.



Editor-in-chief  
Eng. Abdelmoneim Khalil

Editor  
Shaimaa Sabry

Graphic Designer  
Sahar Adly  
Rania Marwan  
Maha Mohsen

Translators  
Yomna El-Hussiny  
Walid Hassan  
Amal Mahmoud  
Hamdy Abu Zahra

# WHY SOHAG

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 the country is passing. Accordingly, the industrial factors in all governorates will be covered here consecutively, started with SOHAG Governorate.

Within the framework of the states' 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 Sohag in which new industrial zones were established due to the Natural resources the governorate has, such as clay - marble - calcite - limestone - Essawy stone [strong type of limestone] & sand.

Furthermore, Sohag Governorate has many industries such as sugar, spinning and weaving, oil hydrogenation, semolina flour and macaroni. In addition, Sohag has some handicrafts industries such as carpets and cabinet work, where the number of existing establishments recorded at IDA is 358 with estimated investment costs of LE16 billion, employing about 9134 workers, distributed to all industrial activities, the most important of which are food and beverage industries, followed by electronics & engineering industries and wood & its products manufacturing.

Sohag's outstanding position in the center of Upper Egypt facilitates marketing its production in and outside the Governorate.

## Industrial Development in Sohag:

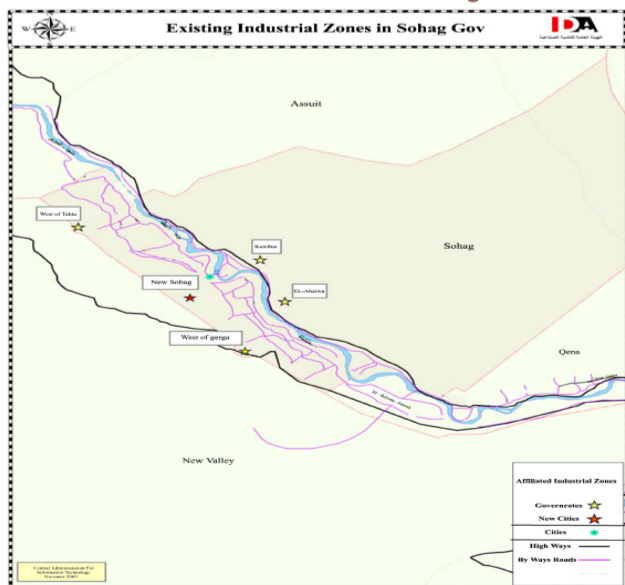
### The Industrial Map:

The following table indicates the total of industrial establishments registered by IDA in Sohag governorate distributed according to the industrial activity.

Activity	Establishments No.	Investment Costs(Value in LE1000)	Labor No.
Food, beverages & tobacco	119	15742356	5765
Textile, garments and leather products	23	53815	1436
Wood and its products	55	8953	260
Paper & its Products, Printing and Publishing	16	11629	168
Basic chemicals & its products	42	125421	745
Building materials, chinaware, porcelain&calorie	35	27772	220
Basic minerals	5	9608	43
Engineering, Electronic & Electrical Industries	58	33992	488
Other transformational Industries	1	150	1
Service & Maintenance Centers	4	8387	8
<b>Total</b>	<b>358</b>	<b>16022082</b>	<b>9134</b>

Source: The Industrial Development Authority

## Future Plan for Industrial Zones in Sohag Governorate

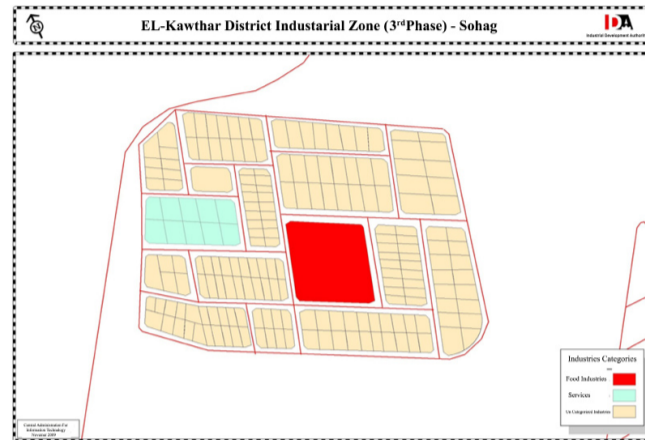


### 1. Future Plan for Projects in El-Kawthar Industrial Zone (Stage2)

Industries Classification	Projects No.
Chemical Industries	50
Food Industries	78
Building materials	17
Engineering Industries	16
Textile Industries	35
Fodder Industries	10

### 2. Future Plan for Projects in El-Kawthar Industrial Zone (Stage 3)

Only maps of the planned areas to establish future projects thereon.



### 3. Future Plan for El-Ahaiwa East Industrial Zone

Industries Classification	Existing Projects	Planned Projects
Food Industries	1	6
Chemical Industries		32
Small-scale Industries		14
Building materials	1	26
Engineering Industries		9
Textile Industries		10
Fodder Industries		8
<b>Total</b>	<b>2</b>	<b>105</b>

### 4. Future Plan for West of Tahta Industrial Zone

Industries Classification	Planned Projects
Textile Industries	53
Food Industries	100
Chemicals Industries	76
Building materials	70
Engineering Industries	106
Fodder	32
<b>Total</b>	<b>437</b>

### 5. Future Plan for West of Gerga Industrial Zone

Industries Classification	Planned Projects
Small-scale Industries	33
Food Industries	104
Chemicals Industries	90
Textile Industries	44
Building materials	21
Engineering Industries	26
Services	16
<b>Total</b>	<b>240</b>

## Sohag in Lines

### Location and Area

Sohag Governorate is located 467 km far from Cairo. The Governorate is bordered in the North by Assuit, in the South by Qena, in the East by the Red-Sea Governorate and in the West by the New Valley Governorate. The total area of Sohag is 11.022 km<sup>2</sup>.

### Population

Sohag population reached 3.953.923 people in 2009.

### Education

Number of Pre-University Education schools reached (1347) of public education and (917) of them are located in the rural sector by 73.5%. (317) schools are for Azhar education, 311 of them are in rural sector.

The main campus of Sohag University includes faculties of: Education, Science, Arts, Medicine, Commerce, and Veterinary Medicine, In addition to the faculty of Agriculture in El-Kawthar city and the Faculty of Engineering and Industrial Education in Sohag city.

### Manpower:

Percentage of the labor force of (15 years and over) in the governorate of Sohag hits 26% of the total population and women represents 18.2% of the total labor force.

As for the workforce which is distributed on economic



activities, it is observed that the agriculture sector represents the lion's share of the workforce by 45.9% while the manufacturing sector shares with about 10.7% and the services sector shares with only 2.34%.

Source: Sohag Electronic portal

## Primary and Natural Resources

### First: Agricultural Resources

Total of cultivated lands is (305,911 Feddans)

Total area of reclaimed lands is (594,73 Feddans)

Total area of cultivated: old and reclaimed lands is (365,383 Feddans)

Total area of lands able to be reclaimed (30,000 Feddans)

### Second: Fisheries in Sohag

Fisheries Wealth Locations: (Tama-Sheikh Yusuf-Akhmim-Gerga-Siflaq1-Siflaq2-Siflaq3-Tahta-Geziret Shandawil-El-Manshah-El-Balyana-El-Maragha-Sohag-Toak-Kenana).

### Advantages of Investment in Sohag Governorate

The ability to establish facilitated industrial zones & offer them to investors to establish investment projects thereon. Facilitated lands free of charge are granted to investors who build industrial projects within these areas.

Sohag has a mild climate and excellent geographical location, as it is in the center of the Upper Egypt's governorates. Sohag has a local road network linking its villages and its cities as well as a regional road network linking Sohag with other governorates.

Investor's participation in the local and foreign exhibitions to boost marketing.

By the Executive Body of the industrial zones, the needed facilities (Water-Electricity-Telephone-Building permit and all project's requirements) are delivered easily.

All approvals from the concerned authorities are to be obtained on behalf of investors.

There is a branch of the General Authority for Investment and Free Zones (GAFI) in all governorates to complete all the procedures related to: (Companies establishment-obtaining commercial registration-obtaining tax card).

Overcoming and solving all the problems and obstacles facing investors.

Trained graduated labor force from technical schools and training centers are available.

The availability of having raw materials.

Facilitating the procedures related to land allocation and establishing new projects in the governorates' industrial zones.

The existing projects inside and outside the industrial zones are provided with guarantees and exemptions mentioned in the investment law No. 8 of 1997 and its Executive Regulations.

### Investment Opportunities in Sohag Governorate

Many vacant facilitated lands are available in the industrial zones, which can be used in various types of industrial projects, such as (Food-Chemical-Furniture-Metals-Marble-Cartoon-Air conditionals-Fodder-Textile-Handicrafts and Other Industries), in addition to benefiting from the incentives of The Law No. 8 of 1997.

### Proposed Small-scale projects that depend on economic resources in Sohag Governorate

- 1- Pottery products
- 2- Limestone brick
- 3- Optical devices (lenses)
- 4- Marble artifacts
- 5- Mosaic, used in manufacturing tiles.
- 6- Premium tiles
- 7- Glass Industry
- 8- Tanning and Manufacturing Leather
- 9- Onion Drying
- 10- Cooking oil

### Proposed projects as Feeding Industries which based on wastes:

- 1-Producing fodder from untraditional materials&wastes
- 2- Manufacturing paper from paper wastes
- 3- Producing cartoon boxes from paper wastes
- 4- Plastic bags
- 5- Manufacturing Compressed wood
- 6- Producing organic fertilizers from agricultural wastes
- 7-Producing ethyl alcohol and methyl alcohol from molasses
- 8- Producing glycerol from molasses
- 9- Producing Fresh yeast from molasses
- 10- Nitrates Manufacturing

Prepared by: The General Department of Marketing