

THE JOURNAL OF THE AMERICAN CHAMBER OF COMMERCE IN EGYPT



# GEN-ALPHA IS COMING TO OFFICE

In a few years, those born in 2010 and later will start joining the workforce. Companies Be Prepared.



# **CIB BRINGS YOU APPLE PAY**

### EASY, FAST AND SECURE WAY TO PAY







Terms and conditions apply

Tax Registration No. 204-891-949







الدنيا فيها أكتر



# THE MINISTRY OF HEALTH AND POPULATION LAUNCHES THE PRESIDENTIAL INITIATIVE TO SUPPORT MENTAL HEALTH,

#### "YOUR HEALTH IS HAPPINESS"



In alignment with Egypt's Vision 2030 for healthcare and Based on the directives of President Abdel Fattah El-Sisi and as part of its ongoing commitment to enhancing medical services for Egyptian citizens, the Ministry of Health and Population, in strategic partnership with global healthcare leader Viatris, marked a groundbreaking presidential initiative for mental health" Your Health is Happiness. "

Duringtheevent, a Memorandum Of Understanding (MOU) was signed between the Egyptian Ministry of Health and Viatris Egypt to promote mental health awareness, early diagnosis, and access to treatment. Dr. Mohamed Hassany, Assistant Minister of Health and Population for Public Health Initiatives, and Dr. Mohamed Adel Sweilam, President of Viatris Egypt and North Africa, signed the MOU.

This agreement comes within Egypt's Vision 2030 framework to enhance healthcare and the increasing focus on mental health. The new initiative aims to improve mental health awareness, facilitate early detection of mental health conditions, and ensure equitable access to timely treatment for all Egyptians, including women, men, and adolescents.

The launch event for the presidential mental health initiative, held at Abdeen Palace, was attended by eminent leaders from the Egyptian healthcare system, most notably His Excellency Dr. Khaled Abdel Ghaffar, Deputy Prime Minister for Human Development and Minister of Health and Population, Dr. Maya Morsy, Minister of Social Solidarity, and Ms. Hero Mustafa, US Ambassador to Egypt as well as health care officials and representatives from public and private sector their presence underscored the importance of a collaborative approach to addressing mental health challenges.

During the event, it was announced that the Mental Health Presidential Initiative, also referred to as the



KHALED ABDEL GHAFFAR

DEPUTY PRIME MINISTER FOR HUMAN DEVELOPMENT
AND MINISTER OF HEALTH AND POPULATION

'Your Health is Happiness' "Sehetak Saada," has the potential to encompass a wide range of activities, including but not limited to Public awareness campaigns through various channels, including social media platforms, enhance the capabilities of healthcare providers roughly advanced training programs to improve diagnosis mental health conditions and provide effective treatment.

Dr. Khaled Abdel Ghaffar, Deputy Prime Minister for Human Development and Minister of Health and Population, emphasized that the initiative encompasses several key axes to meet the needs of various population segments.

That includes early detection and intervention for Autism Spectrum Disorder to enable children and their families to receive early diagnosis and necessary care. The ministry is also collaborating with the United States to analyze magnetic resonance imaging for early autism diagnosis in Egypt.

Other axes include combating and treating addiction in all its forms, including drug and electronic game addiction, and providing psychological support

for pregnant women, chronic disease patients, cancer patients, and senior citizens. The initiative also covers the detection and treatment of depression.

Dr. Khaled Abdel Ghaffar indicated that the Ministry of Health and Population has taken practical steps. Twenty-two health centers in Cairo Governorate have already been trained on the axes of this initiative as part of the first phase. We will move to the second phase, which includes specialized training on referral to advanced care, according to a World Health Organization training program to enhance caregivers' skills in supporting families of children with developmental disorders or delays.

Dr. Khaled Abdel Ghaffar explained that integrating mental health services into primary healthcare centers significantly contributes to achieving prevention and early treatment, reducing the burden on specialized hospitals and citizens, and ensuring that individuals receive support and treatment early, enhancing their quality of life.

Dr. Hossam Abdel Ghaffar, the official spokesperson for the Ministry of Health and Population, stated that the Minister indicated that the goals of the 'Your Health is Happiness' initiative are based on Egypt's Vision 2030, which seeks to improve the quality of life of Egyptian citizens and enhance their standard of living in various aspects of life.

The central axis of Egypt's vision is for all Egyptians to enjoy a healthy, safe, and secure life through a comprehensive, accessible, high-quality healthcare system capable of improving health conditions through early intervention, preventive coverage, and protecting vulnerable groups. That will lead to prosperity, wellbeing, and happiness, as well as social and economic development, enabling Egypt to become a leader in healthcare services and research in the Arab world and Africa.

Dr. Maya Morsy, Minister of Social Solidarity, expressed her honor at participating in this important event, which comes in direct response to the vision of the President to enhance the wellbeing of Egyptians at all stages of their lives. It embodies the state's commitment to achieving psychological and social security for all its citizens, emphasizing that the Egyptian state keeps pace with the latest international trends in its social and development policies.

Ms. Hero Mustafa, the US Ambassador to Egypt, said, "As we look to the future, we're optimistic about the progress that can be achieved in healthcare when we collaborate. The United States is committed to supporting Egypt in its goals, learning from Egypt and its experience, expanding mental healthcare services, breaking down the barriers to care, and creating a culture of support and understanding."

Furthermore, Ayman Mokhtar, Regional President of MENA & EURASIA at Viatris, declared, "Viatris is

proud to join this collaboration with the Ministry of Health and Population. We share a common vision to prioritize our community members' mental and physical wellbeing. Through this collaboration, we will raise awareness, provide resources, and empower healthcare professionals to deliver appropriate care to individuals living with mental health disorders.

Mohamed Sweilam, Cluster Head Egypt & North Africa Viatris, said: "Viatris aims to be a trusted partner, providing value across the healthcare value chain, to achieve Egypt's healthcare vision 2030. This collaboration is significant to Viatris' team in Egypt as it reinforces our individual and collective passion to empower people worldwide to live healthier at every stage of life. This mission remains a driving force for the future."

Dr. Islam Annan, CEO of AccSight Research, affirmed that this initiative embodies the state's focus on supporting the mental health of Egyptian citizens and improving the overall mental health of the population, confirming that mental health plays a crucial role in preventing numerous diseases.

Viatris Egypt is dedicated to improving patient care and supporting healthcare providers with solutions for managing non-communicable diseases and their burden on patients. Viatris prioritizes accessible healthcare, education, and sustainable growth initiatives. Viatris is committed to improving health outcomes and contributing meaningfully to the nation's long-term development.

In conclusion, mental health is a cornerstone of a more equitable, sustainable, and prosperous future. By prioritizing mental wellbeing, we can positively impact the lives of Egyptian citizens. Also, strategic investments in mental health can yield substantial benefits for individuals, communities, and countries. Societies can foster a more inclusive, resilient, and productive environment by prioritizing mental health initiatives.





# Rewrite your Future

Join us at the American Chamber Career Expo

December 6 and 7 at Nile Ritz Carlton from 10:00 AM to 19:00 PM



# Gen AI Could Accelerate Career Progress of Entry-Level Employees

A new report from Capgemini Research Institute highlights how generative AI (Gen AI) is expected to transform work by reshaping roles and responsibilities at Entry Level Jobs.

A recent LinkedIn survey revealed that 52% of millennials and 48% of Gen Z globally believe that AI will help advance their careers by providing faster access to work-related knowledge and insights.<sup>3</sup>

In our research, over half (51%) of leaders and managers anticipate that numerous entry-level roles will evolve into frontline managerial roles within the next three years, as the integration of Gen AI into existing workflows accelerates. It should be noted that this shift depends on several factors: clarity on skills requirements at higher levels; the ability of junior employees to develop these skills (often tied to experience, which cannot be fast-tracked); and the availability of opportunities available for the shift. Organizations must prioritize building the skills and readiness of junior employees as part of a clear roadmap for employees' journeys to people leadership or functional/technical leadership. This requires proactive steps around talent acquisition, development, skilling, and review and reward mechanisms projects.

As Figure 3 shows, most leaders and managers from supply chain, risk management, and human resources functions agree. For example, in supply chain roles, Gen AI virtual assistants can handle routine tasks such as inventory management, order processing, and tracking shipments. This shift will enable junior analysts to progress to supply chain coordinator roles, overseeing AI operations and tackling strategic responsibilities such as refining logistics networks, managing supplier relationships, and coordinating large-scale inventory projects.

Download the Gen AI at work: Shaping the future of organizations report to learn more about how generative AI can be used to transform roles and responsibilities.



Figure 3.

Leaders and managers anticipate entry-level employees to assume responsibilities previously held by their supervisors.

Percentage of leaders and managers who agree with the statement:

"With Gen AI, in the next three years, many entry-level roles will transition to frontline manager roles," categorized by function.



# Business monthly

# **December** 2024 VOLUME 41 | ISSUE 12

### 7 Editor's Note8 Viewpoint

Cover Design: Nessim Nawar

#### **American Impact**

24 America turns red Donald Trump has regained the White House, as Republicans won majorities in the Senate and House of Representatives, a trifecta unseen for 20 years. What

does that mean for Egypt?

#### **Cover Story**

#### 16 Managing 2025

As the new year approaches, company executives face multiple challenges in steering their organizations through 2025 and beyond.

#### Special Coverage

# 34 Minister discusses regional gas hub strategy

Minister of Petroleum and Mineral Resources Karim Badawi's priority focus is "production, production, production" of oil and other fossil fuels.



#### Regional Focus

#### 12 Playing it right

Growing interest in video games and esports among youth is creating significant opportunities for brands in the Middle East.

#### Market Watch

32 Small caps continue to lead

#### The Newsroom

#### 10 In Brief

A round-up of the latest local news.

#### The Chamber

38 Events

**42** Announcements

#### Media Lite

44 A glance at the press



#### **Special Topics**

#### 28 Planning for change

A report from McKinsey highlighted seven domains an economy needs to tackle a transition to renewables.

#### **DECEMBER**

December has long been when everyone winds down from the trials and tribulations of the year about to end and looks ahead to the next one with hope. It still gives me goosebumps to think we are entering a new year --- the opportunities, the challenges and whatever else will happen in 2025 that will change our lives, for better or worse.

For top executives, that means understanding and carefully dealing with potential challenges and preparing for long-term success, while ensuring they are not captivated by emerging technologies without being protected from their threats.

We also look at how executives can smoothly transition their operations to become eco-friendly, which requires a lot of investment, staff orientation and an understanding of human nature.

Another major event Egypt-based businesses must prepare for is the second term of U.S. President-elect Donald Trump as leader of the world's largest economy and biggest trader. For the government and Egypt's political standing in the region, it should be good news. For business, less so.

Also in this issue, we look at how playing multiplayer games has become a lucrative business in the GCC and around the world, while Egypt lags, despite having all the requirements to thrive.

Lastly, we highlight Minister of Petroleum and Mineral Resources, Karim Badawi and his strategies moving forward.

> TAMER HAFEZ Managing Editor

#### **Director of Publications & Research**

Khaled F. Sewelam

#### **Managing Editor**

Tamer Hafez

#### **Contributing Editor** Kate Durham

#### **Consulting Editor**

Bertil G. Peterson

Fatma Fouad

Rania Hassan

#### **Digital Editor**

Ola Noureldin

#### Creative Manager

Nessim N. Hanna

#### **Graphic Designer Team Leader**

Marina Emad

#### Senior Graphic Designer

Monica Mokhles

#### **Graphic Designers**

Nourhan El Bakry Naglaa Qady

#### Photographer

Said Abdelmessih

#### **Production Supervisor**

Hany Elias

#### Market Watch Analyst

Amr Hussein Elalfy

#### **Chamber News Contacts**

Dina El Mofty, Susanne Winkler, Azza Sherif

#### **Director of Business Development**

Amany Kassem

#### **Business Development Coordinators**

Sara Amer Malaka Mashhour Omar Zain

U.S. address: 2101 L Street, NW Suite 800 • Washington, D.C. 20037 Please forward your comments or suggestions to the Egypt editorial office: Business Monthly
American Chamber of Commerce in Egypt
33 Soliman Abaza Street, Dokki 12311 • Cairo • Egypt Tel: (20-2) 3338-1050 • Fax: (20-2) 3338-0850 E-mail: publications@amcham.org.eg www.amcham.org.eg/bmonthly





# OPPORTUNITY AMID CHAOS

Geopolitics are once again disrupting the region. No sooner had the Israel-Lebanon War paused with a ceasefire, then the vacuum was filled by warring factions in Syria. We have seen this before and will see it again: You can try to ignore the Middle East and primarily the Palestinian problem, but it will inevitably jump back up to bite you.

What this means is more uncertainty and unpredictability on the horizon. With Israel trying to reshape the geopolitics of the region and an incoming U.S. administration headed by Donald Trump, it seems little can be done to forecast the near future of the region. Who are the winners and who are the losers? What will Egypt's role be? All of this is once again in question.

Egypt has been valued by Western powers as an honest broker between Israel and Hamas. And that role is still very much sought in an attempt to broker another ceasefire with Hamas, including a cessation of hostilities and conditions for releasing the hostages, before the inauguration of Trump. It seems like an improbable effort by the Biden administration, and it's been reported the Gaza War already has the attention of Trump. The coming days will reveal a lot.

The point I am making is this: Regardless of the outcome, Egypt's role will probably be less pronounced in the coming period, which in essence means a lower probability of a financial bailout if the economy does not pick up. In other words, the narrative adopted by the government had better translate into accelerated implementation, to ensure a speedy recovery and macroeconomic stability.

As said before, we are not out of the woods, and erratic statements from the government regarding the float of the pound and a "war economy," as much as they were probably well intended, causes more harm than remedy.

While one has to admit that the pace of cutting red tape has gained unprecedented momentum, we still lack an economic strategy, to say nothing of an industrial policy. But now that manufacturing is at the forefront of priorities — finally, after a period of purely transactional mindset — the government is gaining traction towards adopting a framework of implementation under the guise of a strategy.

There are parallel tracks: one working on an industrial policy, another on FDI strategy, and while I'm not sure how they plan to bring them in line, the fact remains that there is finally some strategic planning. I do not believe that this conflicts with the reform momentum that we are witnessing. In fact, reforms and strategic planning are not mutually exclusive, they ultimately complement each other.

Interestingly enough, there is a heightened interest from prospective investors from different parts of the world, namely Turkey, Europe, and China, each for their own reasons. Yes, despite the region's fragile political landscape, Egypt somehow still looks attractive to investors.

The pressure is on: We need to fast-forward our economic reforms and recovery so we can seize the moment and capitalize on the situation. This is another great opportunity that we cannot afford to squander.

TAREK TAWFIK
President, AmCham Egypt



#### ANNUAL CORPORATE PARTNERS 2024













































WHITE & CASE



# EGYPT TO GENERATE 5,200 MEGAWATTS OF RENEWABLE ENERGY

As part of the Integrated Sustainable Energy Strategy, the government has signed two memorandums of understanding (MoUs) to generate 5,200 megawatts of renewable energy, according to a Cabinet statement.

The projects' total capacity include 3,100 megawatts from wind energy and 2,100 megawatts from solar

The first MoU outlines the start of studies and assessments for a wind energy project with a total capacity of 2 gigawatts. The MoU involves Egyptian Electricity Transmission Co (EETC) and the New and Renewable Energy Authority (NREA) on one side, and Alcazar Energy on the other.

The Voltalia-Taqa Arabia consortium signed the second MoU to initiate studies and assessments for a renewable energy project that would ebe capable of generating 1.1 gigawatts from wind energy and 2.1 gigawatts from solar. It would be the first project in Egypt to combine solar and wind.

Egypt's Integrated Sustainable Energy Strategy aims to increase the nation's share of renewable energy to 42% by 2030 and 60% by 2040.

It aligns with the Ministry of Electricity and Renewable Energy's plan to add a total of 30 gigawatts of renewable energy to the national grid.

# TELECOM EGYPT, VODAFONE PARTNER TO ENHANCE 5G ROLLOUT

Telecom Egypt and Vodafone Egypt have signed strategic partnership agreements worth a total of EGP 30 billion (\$604.5 million) through 2034.

The agreements aim to bolster Vodafone's infrastructure, facilitating its expansion into integrated telecom services and the rollout of 5G services, according to the Ministry of Communications and Information Technology.

The agreements align with Telecom Egypt's strategic plan to capitalize on its advanced integrated infrastructure and fiber optic network, which serves as the foundation for 5G service.

The partnership will extend Telecom Egypt's messaging services agreement with Vodafone

Egypt until 2031. The deal also includes a fouryear fiber optics connection agreement for Vodafone's mobile sites and new virtual fixed and internet services contracts.

"As 5G technology relies on a robust fiber optic network to connect supporting towers, these agreements serve as the cornerstone for the 5G rollout, enabling both companies to work together to deliver enhanced services to citizens," said Amr Talaat, minister of communications and information technology

Notably, mobile operators in Egypt were granted licenses for 5G services earlier this year with an investment of \$675 million.

# SCZONE LAYS FOUNDATION FOR A \$51 MILLION TURKISH PROJECT

The Suez Canal Economic Zone (SCZone) has laid the foundation for the Eroğlu Egypt for Ready-Made Garments project, valued at \$51 million, in collaboration with Turkey's Eroğlu Global Holding, the Egyptian Cabinet announced.

With a total area of about 84.2 thousand square kilometers, the new project in the West Qantara industrial area is expected to create about 5,000 jobs. This marks the second Turkish ready-made garments project in that zone after a \$40 million project launched in August.

Waleid Gamal El-Dien, Chairman of the General Authority for the SCZone, said the Eroğlu project "contributed to placing the West Qantara zone on the map of promising industrial investments in Egypt. It also enhances the competitiveness of SCZone regionally and globally as a leading industrial and logistics hub and a preferred destination for investment."



## EL-NASR, AL SAFY GROUP TO MANUFACTURE CARS LOCALLY

El-Nasr Automotive Manufacturing Co. (NASR), a state-owned enterprise, has entered a strategic partnership worth EGP 500 million (\$10 million) with Al Safy Group to manufacture international car brands locally, announced CEO Khaled Shadid.

The two companies established a joint venture named SN Automotive earlier this year. To assemble, distribute and finance vehicles to meet local demand and export to neighboring North African countries. The venture will leverage the EGP 500 million, with Al Safy Group holding a 76% stake and El-Nasr Automotive holding 24%.

Reem Safy, CEO of business development at Al Safy Group, projected an initial investment of \$40 million for the project, with additional investments planned for the future.

Under the agreement, Al Safy Group will oversee the entire supply chain, from importing components and sourcing materials locally to distributing vehicles, managing showrooms, and providing after-sale services.

El-Nasr will boost local content in manufactured vehicles from 49% to over 60%, fostering local industry development and creating new jobs.

# IFC PROVIDES CIB WITH \$150 MILLION TO BOOST EGYPT'S FINANCIAL SECTOR

The International Finance Corp. (IFC) announced a financing package for Egypt's leading private sector bank, CIB, worth \$150 million to strengthen the bank's capital position.

The fund will help CIB support micro, small and medium-sized enterprises (MSMEs) in Egypt, including women-owned MSMEs, according to a statement by the IFC. MSMEs represent 98% of Egyptian businesses and account for 40% of GDP.

The financing package targets fostering job opportunities, boosting economic development, and reducing the gender financing gap.

"A strong financial sector is essential for Egypt's economic development. By boosting CIB's capital position, IFC is helping unlock opportunities for businesses, supporting job creation, and improving the livelihoods of Egyptians," said Sérgio Pimenta, IFC vice president for Africa.

The financing package aligns with the World Bank Group's Country Partnership Framework (CPF) for Egypt, which aims to support the creation of more and better private sector jobs.

The IFC statement said it has invested \$9 billion in development projects and has an advisory portfolio of \$24 million in Egypt since 1975.



# PLAYING IT RIGHT

Growing interest in video games and esports among youth is creating significant opportunities for brands in the Middle East.

by Fatma Fouad



In an era of technological advancements, governments have to capitalize on the power of innovative industries, such as video gaming, that strongly appeal to younger generations. Mayuri Prasad, business partnership lead at Stream Shreek, noted in June that gaming in the Middle East "appeals to a broad demographic, especially the youth, ensuring a larger market and consistent revenue from in-game purchases and esports." The latter refers to competitions with prize money in specific games to see who is best.

In the Middle East and North Africa (MENA) region, the gaming economy has exploded from a niche interest to a mainstream powerhouse that boosts economic growth. Saudi Arabia, the UAE, and Egypt (known collectively as MENA-3) are leading this growth, hosting tournaments and investing in gaming infrastructure, according to a 2024 report by PricewaterhouseCoopers (PWC). The report estimated the number of gamers in the region reached 68 million in 2022, rising to 87 million by 2026.

This potential target market has already motivated the GCC region to leverage the gaming industry's economic benefits. "The Middle East is a unique market for gaming," said a June 2023 Boston Consulting Group report. "Governments in the GCC region have invested heavily in the industry and recognized its potential, implementing strategies to attract gaming companies." Egypt, despite ongoing efforts, lags noticeably.

#### **Built for profit**

With more youths playing video games, the "gaming economy" significantly contributes to the global economy, generating substantial revenue. An October report released by global advertising and marketing firm Dentsu said the gaming industry is now bigger than music and movies combined, emphasizing that corporations need to include it in their media strategy.

The vast consumer base for video games makes them a potential goldmine for advertisers. According to Visa Global Economic Insight in April, "Gamers are emerging as an attractive, lucrative consumer segment and a force to be reckoned with globally." It indicated that by 2026, video game players worldwide are expected to reach 3.8 billion, almost half the world's population.

In-app game advertising is an incredibly lucrative option for brands. According to PWC Insights,

global in-app game ad revenues will increase at a 15.4% average annual growth rate from 2023 to 2028, reaching \$147.9 billion.

Sarah Stringer, global chief of innovation at Dentsu, noted that brands should "harness the power of time spent and engagement in gaming spaces." Meanwhile, the Dentsu report said the sector offers authentic engagement compared to traditional media.

To fully leverage such potential brands should be "active participants and build credibility with these communities by supporting the games that players subscribe to," Brent Koning, EVP global gaming lead at Dentsu, noted.

He added, "A thoughtful gaming strategy will then be rewarded by consumers, with brand love, when the value exchange is created for the player."

Meanwhile, the gaming economy is positioned as one of the fastest-growing sectors in the entertainment and media industry. According to PWC's July insights report, global video game revenue, including esports, reached \$227.6 billion in 2023. It is on track to top \$300 billion in 2028 and is expected to account for 9% of the entertainment and media industry.

The Global Games Market Report 2024 by Newzoo, a specialized think tank, forecasted the global games market alone will generate a revenue of \$187.7 billion in 2024, representing 2.1% year-on-year growth from \$184 billion in 2023.

Remarkably, revenues from selling PCs, the smallest segment, are expected to outpace mobile and console revenues this year, increasing 4% year-on-year to \$43.2 billion. The number of global players should reach 3.42 billion this year, a 4.5% year-on-year increase, the report noted.

The Newzoo report showed that live-service games, which their developers continually update, like League of Legends, Fortnite, and Counter-Strike, keep players engaged, attracting a growing share of total playtime and subsequent spending.

Additionally, games-as-platform titles, such as Roblox and Fortnite, which are multi-player games with an open virtual world to explore, are evolving and reinventing themselves, attracting growing Gen Z (Born between 1995 and 2009) and Alpha (2010 to 2025) to 2025) audiences.

#### MENA a hub

The Middle East's gamer economy has grown significantly and attracted investment. Alexander Schudey, managing director and partner at Boston

Consulting Group, said, "The Middle East is a key player in the global gaming industry, with an impressive penetration rate and a strong commitment from governments to invest in the sector."

Schudey said the region's focus on gaming and establishing dedicated gaming hubs make it an attractive destination for global companies. The gaming ecosystem in the region targets the young and digitally savvy population, particularly in Saudi Arabia, where 70% of the population is below the age of 30, in addition to the higher disposable incomes and a preference for indoor activities due to hot weather, he explained.

Dentsu's report highlighted that in 2024, 92% of those below 30 in MENA-3 are gamers, representing 70.7 million consumers, up 3.3% year-on-year.

A June 2023 Boston Consulting Group report indicated that games account for up to 50% of all apps downloaded in the region, compared to 40% globally. "MENA, and particularly GCC countries, are among the most exciting global markets for the growth of the games industry," according to a report by Niko Partners, a market research company specializing in gaming.

It explained that MENA offers "greener pastures, with a booming gaming audience and high spending, providing huge opportunities for companies that can navigate its cultural landscape."

Gaming revenues in the Middle East and Africa were \$7.2 billion in 2023, according to an August report by PWC. The MENA-3 video game market alone generated revenue of \$1.9 billion in 2023, up 7.8% from the previous year, the Niko Partners' report said.

The MENA-3 video games market is set to grow 8.2% in 2024, with revenue of \$2.1 billion, and is forecasted to reach \$2.9 billion in 2028, growing at a five-year CAGR of 8.3%.

Another survey published in April from Niko Partners showed the top three most played games in the MENA-3 region are PUBG, EA Sports FC, and Call of Duty.

Esports, where games compete with each other in tournaments for prize money, is also a big opportunity throughout MENA-3. The Dentsu report indicated that 22% of gamers in the region are interested in esports, 12% higher than the global average.

Brands should seek to capitalize on the size and viewability of esports in MENA-3 countries. "In the region, gaming isn't another media channel, it's a highly connected ecosystem where some of the most awe-inspiring content is created and

interacted with for hours every single day, so gamers' expectations are super high," said Jon Holloway, regional managing director at Dentsu Creative MENA. "Brands need to evolve and play with who they are and how they show up to match this expectation."

#### Saudi gaming scene

Saudi Arabia is emerging as a critical growth player dominating the esports scene. Esports and the gaming sector could contribute as much as \$13.3 billion to Saudi Arabia's annual GDP and generate nearly 39,000 jobs by 2030, according to a study commissioned by PWC and the Saudi Esports Federation

"Through strategic investments and a dedicated focus on talent development, we are building an ecosystem that positions the kingdom as a global leader in esports," said Turki Alfawzan, CEO of the federation. He added that esports is not only a thriving industry "but a key pillar in our economic diversification efforts under Vision 2030."

Saudi Arabia will host the inaugural Olympic Esports Games in 2025 under a 12-year agreement with the International Olympic Committee. Abdulrahman Kanafani, consulting partner for government and the public sector at PWC Middle East, noted that Saudi Arabia is revolutionizing the sector, esports and gaming unlocking opportunities for aspiring gamers entrepreneurs to excel.

He said Saudi Arabia has launched groundbreaking intellectual properties, "incentivizing the private sector and transforming global governance standards. These efforts [position] the country as a vibrant and influential hub for esports and gaming."

Saudi consumers' engagement with gaming content is a crucial driver for spending in the market. A research paper by Deloitte in 2023 said 55% of gamers are inspired to purchase gaming-related products and services based on advertising within game content, and 25% have bought nongaming products or services through advertising within game content."

Notably, Deloitte highlighted that 48% of gamers are female, and 44% of all gamers are between the ages of 18 and 35.

Saudi Arabia's gaming strategy is funded by Public Investment Fund-backed Savvy Games' \$37.8 billion planned investment across four essential programs to enhance game development and support early-stage companies and industry partners, ultimately expanding Savvy's expertise and portfolio.

#### **UAE** market

The UAE also recognizes the vast potential of the gaming economy. An April whitepaper by Investopedia, a UAE-based platform, showed the domestic gaming market generates \$350 million in revenue, with a significant portion coming from mobile games.

About 76% of gamers in the UAE use smartphones or tablets, demonstrating a preference for mobile gaming over console and PC gaming, according to the research.

The UAE gaming market is projected to reach approximately \$492 million by 2027, as per a report by data aggregator Statista's Insights. They estimated the number of UAE gamers will reach 1.7 million by 2027.

The UAE is keen to position itself as a top 10 global gaming hub. Dubai launched its "Programme for Gaming 2033" to "boost the

sector's contribution to the growth of Dubai's digital economy and increase the GDP by approximately \$1 billion by 2033," according to an article by Emirates News Agency (WAM), published in September. The program is expected to generate 30,000 jobs in

Dubai also launched the Dubai gaming visa, which targets attracting and supporting talented pioneers in the gaming sector, WAM noted. In addition, it will host the Games of the Future 2025, bringing together thousands of athletes and esports professionals from up to 100 countries.

Time to play

the gaming sector.

Egypt, on the other hand, is still not capitalizing on the potential of the

gaming economy despite having almost 59% of MENA-3 gamers with a significantly higher percentage of gamers under 25

years old, according to a report by Niko Partners in partnership with the Saudi Esports Federation in August.

Of total MENA-3 gamer spending on video games in 2023, Egypt

accounted for 10.5% compared to Saudi Arabia with 57.6% and the UAE with 31.9%, the report added.

Egypt should strive to maximize investments in the gaming industry. With the global esports market projected to reach \$6.75 billion by 2030, "Egypt can tap into this growing market by supporting local startups in developing competitive gaming platforms and related technologies," said Mohamed Abdelmotaleb, vice president and head of National Basketball Association Egypt in June.

As a result, he explained that "Egypt can create numerous high-skilled jobs in software development, engineering, data science, and sports management, helping mitigate unemployment among youth."

Meanwhile, leveraging the gaming industry's potential could also boost international investments, "positioning Egypt as a hub for innovation in this field," Abdelmotaleb said. ■



# MANAGING 2025

As the new year approaches, company executives face tough decisions in steering their organizations through 2025 and beyond. The options are diverse, each with the potential to profoundly affect the business's future.

The first is knowing which business models and sectors will boom in the near future will be vital for entrepreneurs and executives seeking diversification or opportunities to improve their companies.

There are also long-term threats that executives should start to address today. The first is preparing the business environment for Generation Alpha (born between 2010 and 2025). In a couple of years they will be interns and, by 2030, a company's fresh hires. Attracting the best of them is essential for successful succession.

Lastly, taking precautions when using artificial intelligence in marketing will prove prudent to avoid misrepresenting a company, landing it in legal hot water, and even eroding customers' trust.

By **Tamer Hafez** 





## **CAREERS IN 2025, AND BEYOND**

Technological developments and changing needs over the past few years are creating new career opportunities.

As millions of Egyptian youth graduate from schools and universities every year, a top priority for most is finding a fulfilling career. "When considering ... your next job, it proves beneficial to inquire, 'Which industries are experiencing the most rapid growth?" said Fatima Gulzar, a data analyst and reporter for Yahoo Finance.

A note from the US Chamber of Commerce (USCC) said, "In 2025 and beyond ... consumer trends, technological innovations, and macro-level global events like climate change can all indicate the types of businesses that will be in demand."

In addition to offering fulfilling career options, "booming industries stimulate growth and create new job opportunities," according to Dice, an online jobs marketplace, in October.

#### **Tech jobs**

The core of all technological and communication advancements is 5G networks, which creates a new ecosystem of job opportunities. Progressive Policy Institute (PPI), a think tank, said impacted sectors include "agriculture, energy, construction, manufacturing, transportation, education, healthcare, government."

The USCC said 5G-dependent services are "expected to grow by nearly 60% [between 2023 and] 2030." Mind Commerce, a think tank, singled out "5G security and privacy," estimating its annual average growth rate at 36.8% between 2022 and 2030.

Data aggregator Statistica expects 5G services to boom in North America, China and Europe, with an 80% adoption rate by 2030. The Middle East and North Africa should witness a 50% adoption rate.

Artificial intelligence (AI) is another promising career option proliferating across multiple industries. "Nearly two-thirds of organizations are increasing their investments in generative AI adoption," according to Deloitte,

Grand View Research forecasted, "The global Al market is poised to grow at a [annual average] rate of 36.6% from 2024 to 2030." Dice said sectors benefiting most from Al are likely to be "automotive, healthcare, retail, finance and manufacturing."

Data sciences-related jobs also will grow significantly, as it is fodder for AI to operate correctly. Fortune Business Insights, a think tank, expects data sciences' average annual growth rate to be 29% from 2022 to 2029.

Jobs in augmented reality, which uses specialized hardware and software to create 3D holograms, will also boom, according to research firm Inside Monkey, which projects a nearly 40% average annual growth rate between 2023 and 2030. Within augmented reality,

virtual reality gaming will grow at an average yearly rate of almost 30% between 2022 and 2027, mainly in "developing regions like Brazil, India and Mexico," Market Research said in November 2023.

That increasing dependence on tech is causing astronomic rises in cyber threats, requiring more specialists across all sectors throughout the corporate hierarchy. "In 2023, US companies lost \$12.5 billion to cybercriminals, up from \$4.2 billion in 2020," said PNC, a U.S. bank.

#### Jobs in education

Integrating technology in education is another industry that will boom, creating new jobs. Career opportunities will be across all education levels, as Dice sees a "huge increase in demand for lifelong learning and skills development."

"As technology ... advances and companies invest in more digital tools, employees will likely need continuous learning and upskilling," according to PNC. Dice said career opportunities will be open in companies from "early-stage startups to publicly traded organizations."

PNC predicted the post-graduate and lifelong training market will "nearly double" between 2023 and 2032. The USCC said, "North America [is] surging ahead of other regions," expecting annual average global growth rates to reach 25% between 2023 and 2030.

#### **Platforms jobs**

E-commerce is booming as more buyers find it easier to shop online. PNC expects "worldwide e-commerce sales will exceed \$6 trillion in 2024, [hitting] \$8 trillion by 2027." That growth will come from digital-only businesses and bricks-and-mortar companies entering the space. The latter likely requires new departments to manage the added operations.

E-commerce logistics will invariably grow significantly as a result, creating more job opportunities. PNC estimated the market's average annual growth rate at 18.9% between 2020 and 2027.

Video streaming is another platform-based industry poised to create lucrative careers. Gulzar of Yahoo Finance estimated the industry's average annual growth rate at 21.5% between 2023 and 2030. She cited "enormous revenue growth as the media and entertainment sector as a whole evolves."

Those platforms invariably require online payment services. "The size of the global fintech as a service (FaaS) market [will be] driven by the surge in demand for cloud-based payment, lending, analytics and compliance services in various sectors," Dice said.

Giancarlo Hirsch, managing director of Glocomms, a technology recruiter, told Dice, "We expect to see cloud service providers hiring the most, with startups and midsized tech companies also expanding their Function as a service (FaaS) teams." Market Research forecasts the service's average annual growth rate between 2022 and 2028 at 16.9%.

#### Careers in health

One of the booming careers in the coming years will be integrating technology with health services. "Doctors [would use] videoconferencing to 'see' patients across multiple locations at once," explained PNC.

"Patients [are] growing accustomed to the accessibility and convenience of virtual care," PNC said. "The industries that support it will be called upon to develop more tools, mobile apps, and services."

Another enabler for telehealth will be fast-paced advancements in "machine learning and predictive analytics, [making it] more accessible [by] lowering costs [and] improving results [accuracy] at scale," USCC said.

Market Research forecasts telemedicine's average annual market growth at 17.2% from 2023 to 2030. It also predicts healthcare predictive analysis, which integrates AI to help doctors remotely diagnose and treat patients, should see 24.4% average annual growth.

Vaccine development is "another large, growing market ... fueled by the pandemic, the prevalence of other diseases, and research and development," according to Market Research. That segment will help grow the entire biotechnology industry by an annual average of nearly 14% between 2023 and 2030.

#### Sustainability work

Working in clean energy generation, including solar, wind, and hydro-energy, is another promising career option. Grand View Research forecasted renewable energy generation will grow at an average annual rate of 17.2% between 2024 and 2030.

"The transition to low-carbon fuels and ... strict environmental laws ... have given the renewable energy industry a significant boost," Market Research said. The biggest opportunity is solar, which Market Research said accounts for nearly 31% of renewable energy generation. "[It] is anticipated to develop at a substantial rate during the forecast period."

Working in food security also should boom in the coming years, mainly integrating technology and Al into agriculture. Global View Research estimated that between 2024 and 2030, smart agriculture will grow by an annual average of 13.7%.

"The primary forces fueling the market ... are expanding automation of commercial greenhouses ... to produce greater yield and maintain ideal growth conditions," said Gulzar of Yahoo Finance. She predicts North America will "lead the world's smart agriculture industry [until] 2030."

#### A better business

Corporate functions offer fulfilling careers for those with the correct skill. "In 2025 ... businesses that excel in delivering friction-free, hyper-personalized and memorable experiences will find they are well-positioned to [versus] the competition." Bernard Marr, author of "Generative AI in Practice," wrote in Forbes in September.

New technologies also will change marketing significantly, creating new career opportunities. "The demand for digital marketing software and other technologies is expected to rise as companies look to drive efficiencies and utilize data and real-time Al to shape the customer journey," Darrell Rosenstein, managing partner at Rosenstein Group, a marketing firm, told Dice in October.

Grand View Research expects "the global market for digital marketing software" will grow an average of 19.4% annually between 2023 and 2030.

Looking ahead, Marr stressed new career options will only increase and become more diverse as "trends shaping the future are both exciting and transformative."



### WELCOME, GEN CX

The next generation of consumers is already here. In a few years, they will become interns and, later, employees. Companies need to prepare for them.

Aged 14 and younger, Generation Alpha (Gen Alpha or Alphas) numbers "almost 2 billion people globally," Lucy Maber, a senior strategy consultant at Brandpie, a consultancy, wrote in Fast Company, a publication. "This is the largest cohort in history."

In Egypt, Gen Alfa is a third of the population, according to data aggregator Statistica. By 2030, those youth will become employees who likely will upend the business landscape. "They're set to disrupt culture, the economy and our workplaces," said Maber.

"As brands, educators and policymakers look forward, understanding [Gen Alpha's] nuances [versus their predecessors] will be key to unlocking the vast potential of these generations," Greenlight, a fintech, said in April.

#### Gen Alpha and tech

Alphas, born between 2010 and 2025, are nicknamed "Generation Glass, due to their constant exposure to [tech device] screens," Naman HR, a consultancy, said. They are "the first generation to grow up entirely in a world dominated by technology."

In August 2023, Razor Fish, a consultancy, found that "before the age of six, more than 40% of Alphas have used a tablet, and by the time they turn seven, more than half are using video game consoles."

Gen Alpha's priority is "using technology to find simplicity in their day-to-day lives," the Robin Report, a consultancy, said in a paper published in October. "This means whittling down the noise and conflicting demands this digital-first generation faces every day."

That is most evident in digital advertising. "Advertising for the sake of advertising can have an adverse effect on Gen Alfa consumers," said the Robin Report. "They don't want to spend with brands that don't get them, and bombarding youngsters with generic ads is a great way to firmly cement your company in the 'doesn't get it' category."

Instead, brands should invest in building relationships with Alphas. "Social media interactions between brands and [Gen Alpha] will look more like a bartering system [or] slow-burn burgeoning relationship," the Robin Report said. Gen Alpha is most interested in "mental health, diversity, inclusion and sustainability. Prepare to earn their respect through discourse, action, and more discourse about the results."

#### Z to Alpha

Gen Alfa and their predecessor, Gen Z (born 1995 to 2009), noticeably differ when interacting with technology. Maarten Leyts, founder and CEO of

Trendwolves, a think tank, said the differences start with "their upbringing and technological exposure."

Gen Z "experienced the rise of traditional social media platforms like Facebook and Instagram, while Gen Alpha is growing up ... with more advanced technology, ... making their digital experiences integral to their development," Leyts noted. They are more "comfortable with newer platforms like TikTok."

Additionally, Gen Z experienced disruptive events like COVID-19 and the 2008 recession. "Generation Alpha ... will grow up with [constant] advancements in technology as a norm," Leyts said. "[Accordingly, they] have different developmental challenges and opportunities."

Regarding education, the Pew Research Center noted significant differences between Gen Z and Gen Alpha. "The [former's] engagement in the workforce during their teenage years is notably lower than [Millennials and Gen X] at comparable ages, reflecting a stronger focus on education over early work experiences." The internet at large and in-person learning shaped these preferences.

Alphas will go one step further. Langly, an online education platform, said, "Artificial intelligence (AI) is poised to significantly influence Generation Alpha, similar to the impacts of mobile phones on the internet on previous generations."

Al's "integration into education and toys [will] foster emotional intelligence, personalized learning, and growth among these young individuals," Langley's June 2023 blog said. "This trend indicates a future where educational approaches and workplaces are highly influenced by AI."

Communication is also different. Gen Zers are "highly collaborative, social and appreciative of diversity ... Their understanding of the world is significantly shaped by their upbringing in an internet-connected society," said Greenlight. "This connectivity has fostered a sense of self-reliance, collaboration, and desire for diverse communities."

Gen Alpha's attitudes and perceptions are shaped significantly by the online platforms they access, not the internet at large. "They're expected to gravitate toward gaming platforms for social interaction [and] digital realms such as the metaverse for social engagement and entertainment."

Alpha's behavioral influences also will differ from Gen Z, as Alphas have stronger ties to their Millennial and Gen X parents. "This [shapes] their approach to technology, education, and social issues," said Greenlight. "Consumer preferences will also be influenced by the minimalist, high-quality brand preferences of their parents."

#### Gen Alpha at work

When managing Gen Alpha, executives need to accommodate "particular difficulties, [including their] short attention spans, dependency on technology, and a need for instant gratification," said Naman HR

Alphas also demand "privacy [amid] constant online exposure and data security concerns," said Naman HR. "They [also] expect workplaces to reflect [their values] in meaningful, actionable ways." Lastly, "they seek environments that support their lifestyle and well-being."

Accordingly, flexible work hours will likely not be negotiable. For one, Gen Alpha "were raised in an era where remote learning and virtual interactions are the norm," Naman HR said. "Because of this, they expect similar flexibility in their professional lives."

Companies also need to invest heavily in advanced technologies and future-proof their digital infrastructure, as Alphas "expect their workplace to be equipped with cutting-edge tools and platforms" they are accustomed to, said Naman HR. That includes "Al and machine learning, automation [and] sophisticated collaboration tools."

Aside from technology, "Gen Alpha is deeply motivated [more than Gen Z] by purpose and values, seeking employers whose missions align with their beliefs," Naman HR noted. "The areas most important to them include social responsibility, environmental sustainability [and] ethical practices."

Ann Tomlinson, founder of Alium Works, a training provider, wrote on Linkedin in November 2023, "Gen Alpha will be lifelong learners. They will expect their companies to provide ongoing training and development opportunities as standard," she explained. Greenlight said companies should "offer a mix of ... formal training, ... online courses, mentorship programs, hands-on learning experiences."

If a company can't accommodate those needs, Gen-Alpha employees "will be more open [than Gen Z] to

exploring new possibilities with other companies or occupations that cater to their needs."

Accordingly, having a culture of constant improvement where employees are motivated to gain new skills and knowledge is critical. That culture should "cultivate collaboration and inclusiveness, [given Gen Alpha] are growing up in an interconnected world," Greenlight said.

That means "implementing open communication channels, promoting teamwork, facilitating cross-functional projects ... providing diversity training, establishing employee resource groups and promoting inclusive leadership practices."

Lastly, managers need to accommodate "Gen Alpha's ... strong entrepreneurial spirit — driven in part by the rise of social media influencers — [making them] more inclined to start their own businesses or side hustles," Dan Black, EY's global leader of talent strategy and organizational effectiveness, wrote in Fast Company in August.

#### Individual careers

"True personalization" is also critical for Alphas, reported Antoinette Siu, a journalist at DigiDay in July. "Growing up with platforms like Netflix, YouTube and Spotify, which tailor content to their preferences, it's likely [Gen Alpha] will expect the same level of customization in their careers."

Part of that customization is that their careers "align with their individual interests, strengths and values," said Siu. "Companies that can offer tailored career development opportunities, allowing employees to forge their unique paths, will be especially attractive to this generation."

Black believes Gen Alpha will invariably surprise employers. However, he stressed that even though Alphas are "still being defined in their pivotal development years, employers should focus on [what little] knowledge ... exists."



#### **RISKS** IN THE MACHINE

Using artificial intelligence has undeniable benefits, namely speed and efficiency. Relying solely on it to generate marketing content, however, could prove risky.

Since its commercialization in 2022 with the launch of ChatGPT, artificial intelligence (AI) has become increasingly important for helping companies stay ahead of the competition. "AI has taken the world by storm, promising data-driven insights and automated solutions to elevate marketing strategies and reach target audiences like never before," the Ronin Marketing agency said in a July blog post. "From chatbots providing instant customer support to predictive analytics optimizing ad placements, AI is seamlessly integrated into many marketing activities."

For all those benefits, the Forbes Communications Council, a committee of marketing, PR, and communication experts, stressed, "Businesses must ... consider the many risks [AI] may introduce ... From possible intellectual property and copyright violations to the loss of one's brand voice, there are many risks to implementing AI that leaders must consider."

#### All the same

A top concern is that the content Al generates is "homogenized," Jen Iliff, founder and CEO of 3X Marketing, told Forbes in April. "This is the direct opposite of the purpose of branding, which requires differentiation and authenticity as core components."

That invariably leads to "losing [the] marketer's individual voice," Kathy Sucich, vice president of marketing at Dimensional Insight, a consultancy, told Forbes in April. Ultimately, that "compromises [the] brand's voice," Seema Kalra, founder of The Right Thing Marketing Communications, told Forbes.

Additionally, using AI in campaigns means messaging, structure and tone appear similar every time. "Marketing thrives on creativity, innovation, and originality," Jonathan Kaufman, senior vice president and chief marketing officer at Sage Dental, told Forbes. "Relying too much on generative AI [risks] losing these aspects."

Elephant in the Boardroom, a marketing agency, said cookie-cutter outputs "fail to achieve humanlike script formations due to lack of variety." That would likely cause "frustration" among readers, developing a "negative impression of your brand for not providing quality content."

That "impersonal nature makes it difficult for the content to resonate on an emotional level with readers," said GeistM marketing agency.

Those tonal problems are magnified if a company uses AI to interact with customers. The technology "is still simply unable to replicate a human's ability to deliver personalized experiences that ... build trust and loyalty," said Ronin Marketing.

#### Laws and ethics

Marketing experts using AI should err on the side of caution. AI can illegally use intellectual property and copyrights in its output, Rafael Schwarz, executive director of sales and marketing at TERRITORY Influence advertising agency, told Forbes in April.

Al also cannot "filter out biases and prejudices in its responses," Elephant in the Boardroom said. That is critical as "in today's market setting ... people care about a brand's social reputation."

Personal data privacy also is an issue, given that AI "isn't programmed to ask for permission before collecting data from customers, thus ignoring the privacy policies of most users," warned Elephant in the Boardroom.

Another major issue is "businesses may use Al for unethical purposes." Elijah Clark, a contributor to Forbes, wrote in March. That could include targeting individuals with personalized marketing messages that exploit their vulnerabilities and desires, he said. As a result, "consumers may be swayed to make purchases that are not in their best interests or even harmful to their health and well-being."

Even if the AI used is benign, "the fine line between personalized marketing and intrusive surveillance becomes blurrier as AI systems learn more about consumer behaviors and preferences," Mike Szczesny, owner of EDCO Awards & Specialities, a supplier of employee recognition products, told Forbes in April.

GeistM marketing agency said while "the widespread use of AI in digital marketing might seem amazing now ... it may become tricky in the future" as governments introduce new laws to regulate AI access to data and its replies.

#### **Unwanted outcomes**

Using AI invariably "makes it much easier to [produce] much higher volumes of ... marketing content," Jeff Marcoux, a marketing professor at Oregon State University, told Forbes in April. "That simply creates more noise rather than delivering value."

Generative AI also could produce unwanted messages. "In marketing, [the technology could] create content that may be inaccurate or misaligned with a brand's values, potentially damaging [the company's] reputation," Ronak Sheth, chief marketing officer at 360 One, a financial advisory, told Forbes in April.

GeistM said insufficient or biased training data poses a "significant danger" to AI users, as results are "only as reliable as the data [the AI has] been trained on." Bad

results also can be due to "the lack of learning from those using the tool and degradation in the prompts used."

Al-generated results also can contain negative stereotypes. An October 2023 study from Bloomberg Analysis found "image sets generated for every high-paying job were dominated by subjects with lighter skin tones, while subjects with [darker tones] were more commonly generated by prompts like fast-food workers and social workers."

Additionally, those biases "exclude substantial portions of the population, ... undermining efforts to reach the broadest possible audience," said GeistM.

#### **Operational risks**

Forbes Communications Council warned it is easy to rely too much on AI, as it is "widely used by businesses and continues to be an exceptional marketing tool."

One risk of over-reliance is that marketers lose "touch with their creative and strategic approach, a crucial skill," the council said. Over-dependence would "curb team interactions, as marketers increasingly resort to Al-assisted tools ... excluding several values such as teamwork, competence and other marketing tactics."

Additionally, "data and algorithms" may not "understand why people may have interacted with a campaign in a specific way," Ronin Marketing said.

Al-developed content also will likely rank poorly in search engine results. GeistM said search engine optimization (SEO) algorithms can detect when Al is used to optimize articles for more hits and downgrade them in the search results. "[Google and all] prioritize excellent content written for humans, by humans."

To avoid downgrades and make content "resonate with [the] target audience," GeistM stressed

that Al-generated content "requires revisions and edits ... by content experts." Their job would be to clarify the key messages, adapt the content's tone to suit the brand and audience. "Hastily reviewing and publishing Al-generated content can actually do your business more harm than good," GeistM said. "High-quality content requires thorough planning, research[and] understanding of the topic."

#### Man vs. Al

Companies risk a lot if their AI experiment fails. "AI-driven strategies that prioritize efficiency over ethical considerations can erode trust," Szczesny of EDCO Awards & Specialities stressed. That happens "when consumers feel targeted by overly personalized campaigns or when they become aware of their data being used without explicit consent."

Elephant in the Boardroom recommends "AI tools [be used] for inspiration ... But the chief content creator would be [a human to] keep your brand's tone and ideology alive and appeal to [customers]." The advertising agency also noted companies need to be transparent with customers when using AI to collect their data.

Ultimately, Ronin Marketing stressed, "using [AI] for what it is good at — data and automation — and allowing people to focus on the rest." That includes "personalization, interaction, creativity and insight into human behavior."

Achieving balance between humans and AI "ensures campaigns are targeted and relevant while reaching the right audience with the right message," Ronin Marketing said. "The synergy between AI and humans presents a promising path forward, where technology complements rather than replaces the creative input of humans."





# AMERICA TURNS RED

Donald Trump has regained the White House, as Republicans won majorities in the Senate and House of Representatives, a trifecta unseen for 20 years. What does that mean for Egypt?





Against expectations of a closely fought US presidential race, Republican President-elect Donald Trump has won the 2024 presidential election and will lead the executive branch of government for four more years. For the next two years, Republicans will have a clear majority in America's legislative branch (Senate and House of Representatives), meaning almost all legislation Trump wants will likely pass.

The election results raise concerns about the US economy. "We are in the soft landing [during the current administration]," Nobel Prize-winning economist and Columbia University professor Joseph Stiglitz said at Yahoo Finance's annual November Invest conference. "That ends Jan. 20," when Trump will be inaugurated and use executive orders to lay the groundwork for his protectionist "Make America Great Again" slogan and "America First" agenda.

Stiglitz and others worry the resulting policies will ultimately raise consumer prices and production costs for domestic manufacturers that rely on imports. That could require raising interest rates to curb the resulting inflation, leading to slower GDP growth.

Those domestic disruptions will invariably spill over to other countries, as the United States is the world's largest importer and second largest exporter, according to US government data.

Adding more volatility in the coming four years is that Trump said everyone knows he is "crazy" when the BBC asked him in October how he would see a Chinese invasion of Taiwan, a move not in the economic interests of the United States. "I would say: if you go into Taiwan ... I'm going to tax you at 150% to 200%," the BBC reported. Currently, rates stand between 25% and 100%, according to official data.

For Egypt, some analysts believe the Republicancontrolled executive and legislative branches will further strengthen Egypt-U.S. ties and the former's political standing in the region.

However, two factors differ from Trump's first term. One, over the past four years, Egypt has increasingly strengthened its ties with China and other nations that oppose US interests. Second, Trump will be more focused on jumpstarting local industry at the expense of foreign manufacturers selling in the US, which will likely jeopardize Egypt's foreign currency inflows from exporting to the world's largest economy.

#### Strategic ally

Strong economic and political relations between the United States and Egypt go back a long time. According to Reuters, the latter received over \$71.6 billion in aid between 1948 and 2011, making it the second-highest recipient after Israel.

Sherif Azer, the assistant secretary general for the Egyptian Organization for Human Rights, told The New Arab, a news portal, "Egypt has already established strong ties with the U.S. since entering into a peace treaty with Israel in the late 1970s ... no Egyptian or American president will change that."

Those relations flourished during Trump's first term as president. He invited Egyptian President Abdel Fattah el-Sisi to the White House twice, something neither Trump's predecessor nor his successor did. At a 2019 media event in France, Trump said Sisi was "a friend of mine for now a long time ... from even before the campaign." Trump also has refrained from criticizing Egypt's government and did not threaten to reduce aid to Egypt, something his predecessor and successor were vocal about.

In all likelihood, Egypt-U.S. relations during Trump's second term will pick up where they left off in 2020. This time, Egypt will need even more support than during Trump's first term. Experts believe "Egypt is going through a series of complex [problems]," said an investigative report by Middle East Monitor published in November. Most notable are the uncertain prospects about the economic situation, local currency, and the exacerbation of external debt, which has quadrupled since 2016.

Egypt is also threatened by external threats, including escalating conflicts in the Gaza Strip and Lebanon, a potential regional war, civil war in Sudan, Ethiopia's attempts to reduce Egypt's share of Nile water, massive drops in Suez Canal freight traffic, and political uncertainty in Libya.

Experts believe 'Trump's return to the White House will secure Egypt more political and financial support through international financial institutions and Gulf capital, as a reliable ally who must be supported," said the report. That expected support should "relieve external pressure on the government regarding reforms in the country."

Another benefit Egypt should enjoy in a secondterm Trump administration is that "by focusing on the Abraham Accords [which normalized relations between the GCC and Israel in Trump's first term], Trump could inadvertently grant Egypt free rein to cement its role as a significant player in Horn of Africa geopolitics," reported Nosmot Gbadamosl, a journalist at Foreign Policy's Africa Brief.

#### **Rising barriers**

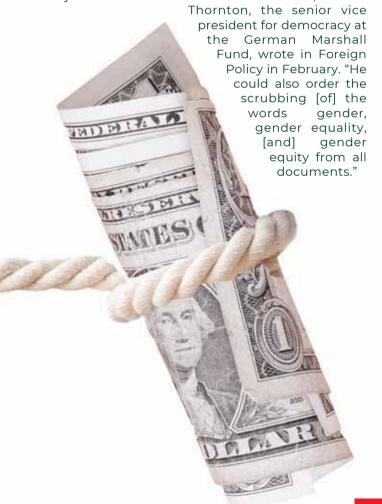
Despite the benefits Egypt stands to reap in Trump's second term, it could face fallout from protectionist policies that make a "manufacturing renaissance [the] centerpiece of his economic plan," Reuters reported in September.

Trump promised "incentives to encourage companies to relocate to the United States," said Reuters. They include "low taxes and little regulation." Throughout his 2024 campaign, Trump touted dropping the corporate tax rate to 15% from the current 21%.

He also plans to make imported goods more expensive by levying new and higher tariffs "to make American-made products more appealing," reported Bailey Schulz, a journalist for USA. Today, in November. In August, Trump proposed a 20% universal tariff on imported goods, up from the 10% he floated in March.

That could significantly decrease Egypt's exports to the United States, which reached \$3.4 billion in fiscal year 2022/2023 — almost 4.7% of Egypt's total exports, according to the U.N. Commodity Trade Statistics Database (COMTRADE).

Also at risk for Egypt in a second Trump term is aid from USAID, which reached \$15 billion over the years, a portion in women-led projects. "A Trump USAID will [likely] fire more ... gender advisers [who] integrate gender and advance gender equality objectives in USAID's work worldwide," Laura



#### **Back-to-basics market?**

US-based manufacturers are "looking forward to expanded tariffs," reported Schulz. Drew Greenblatt, president of Marlin Steel, a manufacturer, told USA Today in September, "It's going to be great for all American factories throughout the United States."

However, not everyone is celebrating those potential additional tariffs. US-based sellers and manufacturers relying on imports to operate say rising prices would be inescapable. "There are a lot of things we can't make or don't make here, and probably will never make," Stephan Liquori, founder and CEO of apparel manufacturer Goodwear USA, told USA Today in November.

The Peterson Institute for International Economics, a think tank, estimated Trump's proposed tariffs would increase costs to typical American households by \$2,600 annually. A report from the National Retail Federation estimated Americans' total consumer spending would rise between \$46 billion and \$78 billion.

"That is a concern," Matt Bigelow, president of Vermont Flannel, told USA Today. For one, disposable income will invariably decrease as households allocate bigger budgets to buying basics at the expense of "nice-to-have" purchases.

#### Political fork

Politically, the big challenge facing Egypt's current administration is to maintain balanced economic and political relations with the United States under Trump on one side and China (Egypt's largest supplier of imported goods) and Russia (Egypt's biggest supplier of oil and grains) on the other.

The United States gives Egypt an annual \$1.3 billion military aid package, offers regional political support and FDI, and support when negotiating with the IMF and US funding institutions. The United States also is Egypt's second biggest supplier of imported products and fifth biggest destination for Egypt's exports, according to COMTRADE. Egypt also has the Qualified Industrial Zones agreement with the United States that allows customs-free entry to America. Apparel and textiles account for nearly 89% of exports under that agreement, according to AmCham Egypt's research. Frozen foods make up nearly 10%.

Despite those close ties, the current Egyptian administration has gradually increased its economic and political relations with countries that don't see eye to eye with the United States. In 2024, Egypt joined the Brazil, Russia, India, China, and South Africa (BRICS) coalition, which wants



to search for an alternative to the US dollar in international transactions.

Until now, the US administration has not asked Egypt to take sides in its ongoing feud with China or any other conflict. However, that may not continue under Trump if he makes "crazy" decisions to hurt China's economy or global political standing.

Brazil has faced such a situation. Its economy relies heavily on the United States. State Department data show America is Brazil's second-largest trading partner and the biggest investor in the country. Brazil also enjoys less bureaucracy when entering the US market thanks to the Agreement on Trade and Economic Cooperation.

Yet in October, the Brazilian government announced it was considering joining China's \$1 trillion global One Belt One Road infrastructure initiative, as both are founding nations of BRICS.

The US response was immediate and aggressive. Weeks after Brazil's announcement, top trade negotiator Kathrine Tai "suggested Brazil should consider the risks of joining China's Belt and Road Initiative before making any final decision

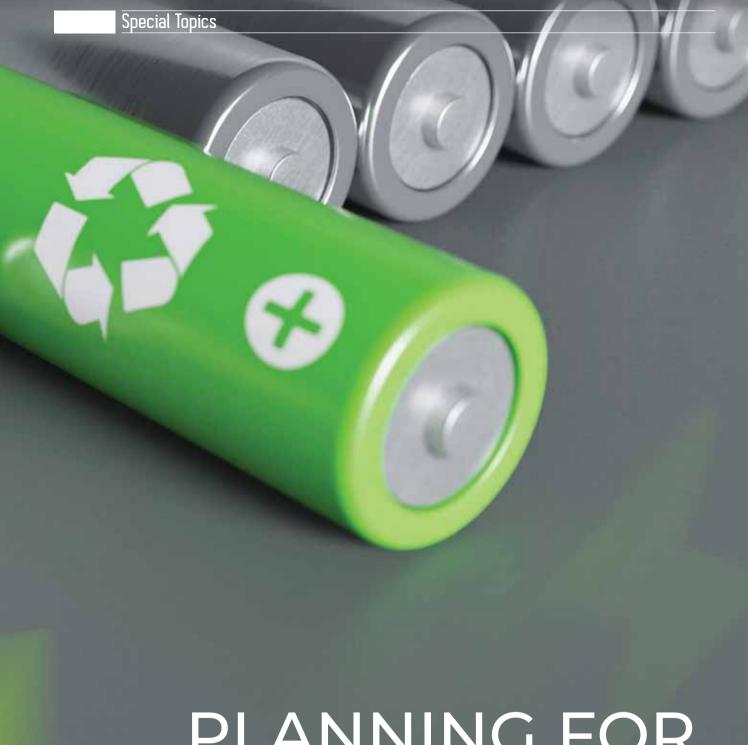
regarding the Asian country's massive infrastructure program," Bloomberg reported

The agency quoted Kai as saying she "would encourage ... friends in Brazil to look at the risks in today's economy [through] an objectivity lens ... a risk management lens, [and to] really think about what the best pathway is forward for more resilience in the Brazilian economy." "It's in Brazil's economic interest not to choose sides in this feud between its top two trade partners," she stressed.

In early November, the South China Morning Post reported Brazil's government backtracked on joining the One Belt One Road initiative. Three weeks later, O Globo, a Brazil-based news portal, reported Brazil and China signed "37 agreements ... across various sectors [unrelated to] the Belt and Road Initiative."

Ultimately, experts talking to The New Arab believe Egypt would side with a Trump-led America. "Both Trump and Sisi have always gotten along very well," Said Sadek, professor of peace studies and human rights at Egypt-Japan University, told The New Arab. "Sisi is known for having better relations with Republicans than Democrats."





# PLANNING FOR CHANGE

A report from McKinsey highlighted seven domains an economy needs to tackle a transition to renewables.

by **Tamer Hafez** 

In July, the government announced measurable emissions targets by 2030. According to a document from the OCED, an organization of wealthy nations, "The [Egyptian] government set three sector-specific targets to reduce emissions: 37% for electricity, 7% for transport, and 65% for oil and gas by 2030 compared to business as usual."

A critical factor in achieving those targets is the willingness of the government and private sector to invest significantly in cash and restructure operations to lower their carbon footprints. That would not be easy. "Optimized over centuries, today's energy system has many advantages," said a McKinsey report in August titled "Navigating the physical realities of the energy transition."

The first issue is that "creating a low emissions system, ... while expanding energy access globally, would require millions of new assets," the report said. Those assets will be divided across "seven domains," starting with "the power domain." Three are "large consuming domains: mobility, industry, and buildings." The last trio are "enablers of the energy transition: raw materials, ... new fuels, ... and carbon and energy reduction."

Those domains face "interlinked physical challenges [that] would need to be tackled to advance the transition." They would involve "developing and deploying newer low-emission technologies and entirely new supply chains and infrastructure to support them."

The McKinsey report stressed, "Understanding these physical challenges can enable CEOs and policymakers to navigate a successful transition."

#### **Challenging start**

The report said "the most demanding challenges" to transition to green energy share three "characteristics."

First, "some use cases lack established lowemissions technologies that can deliver the same performance as high-emission ones." Second, those applications "depend on addressing other difficult ones, calling for a systemic approach." Lastly, "the sheer scale of the deployment required is tough given constraints and lack of a track record.

Some of the challenges are harder to address than others, the report said. "Level 1 challenges require progress in deploying established technologies and face the least physical hurdles ... Level 2 ... requires the deployment of known technologies to accelerate ... infrastructure and inputs to be scaled."

The report stressed the most important challenges involve Level 3, as "eliminating between 40% and 60% of energy system [carbon dioxide] emissions depends on addressing [them]," McKinsey said. Level 3

challenges are characterized by "gaps in technological performance (often with demanding use cases) and large interdependencies exist."

#### Power domain

According to the McKinsey report, the "power domain" is the top priority for governments and businesses that want to decarbonize. "The power system would quintuple in size (generation capacity installed)" by 2050.

That growth would come from the increasing need "to both decarbonize and grow as more people gain access to electricity and more parts of the energy system, [when] mobility, industry, and buildings are electrified."

However, clean energy planners need to consider the new technologies emerging in the coming 25 years and the rising demand for existing ones. McKinsey singled out the rising need for more physical data centers and increased use of artificial intelligence hardware. They forecast those two technologies alone could consume 1,000 terawatthours by 2050 versus 450 in 2022.

Meanwhile, the green transition requires the growth pace of traditional energy sources to slow down relative to renewables. "The share of power ... generated from low-emissions sources would need to more than double" in the coming 25 years.

That would require significant investments in renewable energy sources as "all in all, low-emission assets have only been deployed at about 10% of levels needed by 2050."

Another challenge facing the proliferation of clean energy use cases is that nearly "90% of low-emission assets today [are in] comparatively easier use cases. Meeting future demand "would become progressively harder because [it will require] more forms of backup power, storage and interconnections of grids in different regions."

Emerging markets would need "larger and faster deployment of these ... solutions [given their] less developed power systems," the report said.

#### **Consumption domains**

The first domain in the global transition to green energy is "mobility," which would require investment in "both demonstrated and evolving technologies."

This domain entails "[relying] more on public and other [low emission] means of transportation ... as well as the use of hybrid vehicle technologies." However, the report stressed that fully electric vehicles (EVs) are the sustainable option for decarbonizing mobility in the long term.

That would require unprecedented EV sales growth through 2050. "One billion EVs would be [required] on the

road by 2050 ... to decarbonize road mobility, [yet] only 30 million are on the road today," McKinsey estimated. "EV sales would have to grow from about 15% of new vehicles today to over 75% in 2030 and almost 100% by 2050."

That would require significant new technologies and investments, as "EV deployment is concentrated in segments that are comparatively easier to tackle, including lower-range passenger vehicles in dense urban environments," the report said. "There are very few electric medium- and heavy-duty trucks on the road."

The report also noted that "the decarbonization of aviation and shipping is at an even earlier stage [than EVs] — less than 1% of energy consumption in these sectors comes from low-emission sources, such as electricity, biofuels, and synthetic fuels."

Decarbonizing factories is also essential. "It would require deploying new technologies to abate both process emissions and heat emissions generated by the use of fossil fuels," McKinsey said.

Some industries would be harder to decarbonize than others. "The four big industrial materials — steel, cement, plastics, and ammonia — would be especially hard to decarbonize because they rely on fossil fuels both as feedstock and as sources of high-temperature heat."

"Almost all progress thus far [in industry] has been in secondary production through recycling," the report said. "Decarbonizing primary production ... would be particularly harder because it would require new processes (such as carbon capture) and changes to the inputs required (for instance, use of biomass or hydrogen)."

McKinsey noted that emerging economies, especially those targeting significant GDP growth rates, would find it "especially challenging, [as] high-emissions assets are still relatively new."

The third "high consumption" domain McKinsey highlighted is "buildings." "Heating and cooling make up the lion's share of building-related emissions," the report said. "Abating them would require deploying low-emissions technologies, notably heat pumps and district heating systems (among a few other options)." Like EVs, "deployment of heat pumps is only about 10% of the levels required by 2050."

#### **Necessary for transition**

The global green transition requires businesses to access new raw materials to build environmentally friendly technologies. That includes rare-earth minerals such as neodymium, samarium, terbium and dysprosium, used in "batteries, wind turbines, electric motors, and electrolyzers," the report said.

That could prove an increasingly urgent problem. "Current supply is only about 10% to 35% of what would be needed by 2050," McKinsey noted. Further complicating this is that the "most critical materials [are] concentrated in only a few countries."

Another dimension in the raw material domain is that mining minerals for green products must also be eco-friendly. "Demand would need to be managed through new technologies that are less mineral intensive" to preserve what is available for the coming generations.

Another critical domain necessary for the global green



transition is to switch from fossil fuels to alternatives that require minimal upgrades to today's machines. "Hydrogen is a key [fuel] being considered (alongside low-emissions fuels such as biofuels)," the report said.

Quickly developing alternatives at scale is essential. "Less than 1% of the 90 million tonnes of hydrogen produced today comes from low-emissions processes, and demand could rise ... by as much as four or five times by 2050."

The report added that having zero-emission transportation infrastructure for hydrogen fuel is also indispensable for a green transition.

To significantly reduce carbon footprints globally, hydrogen's "use case [must be] substantially more demanding, expanding beyond ... refining or [producing] ammonia to areas where its use is nascent, including ... steelmaking and dispatchable power generation and storage."

McKinsey's third consumption domain is "carbon and energy reduction." The report stressed that as governments and companies add new clean-energy assets, current ones must be upgraded "to increase their energy efficiency." That includes adding new technologies to existing assets to capture carbon dioxide "at the point of emissions or from the atmosphere."

#### **Human element**

Ultimately, tackling the challenges of McKinsey's seven domains would require commitment from business leaders and political will.

That could prove difficult since "today's energy system, encompassing both the production and consumption of energy resources, is massive and complex," the report said. "[Using fossil fuels] has been optimized over centuries, [making it] deeply embedded in the global economy, serving billions of people, if not all of humanity."

Another advantage to today's energy landscape is that it "can be dispatched relatively easily where and when it is needed because current fuels are energydense and easily transportable."

However, the path to net zero emissions is inescapable, and falling behind could mean being cut off from other economies that are more committed to eliminating their carbon footprints. A case in point is Europe's Cabron Border Adjustment Mechanism, which taxes eco-unfriendly imports.

To avoid such penalties, the McKinsey report stressed that "innovation and system reconfigurations ... would require a Herculean effort from both the private and public sectors."

The paper noted that "CEOs could start by understanding how physical challenges could affect their pathway to net zero and impact their products and services." That would not only require decarbonizing their operations but also helping their supply chains go green.

Additionally, companies may have to change their products and services to ensure that using them won't produce emissions or environmentally hazardous waste.

Meanwhile, policymakers must "have a crucial role in ensuring a holistic and coherent approach to tackling physical challenges," the report said. That includes offering the "right incentives and enabling environment [that] factors emissions into their decision-making."

McKinsey also stressed the importance of the government having reliable and effective collaboration platforms with the private sector to "engage in the hard task of transforming today's high-functioning energy system."

#### Reaching a green future

In the near term, the report stressed that both governments and companies need to "consider how best to run two energy systems — the old and the new — in parallel." Additionally, to have the right strategies to "ramp down ... the current high-emissions system and ramp up a low-emissions" one.

Governments and companies "improving today's energy system" must ensure those upgrades can also "solve future physical challenges."

Another route is to "invest in 'hybrid technologies' [which] would not eliminate emissions entirely, ... but could be [an] option to consider that enables some near-term progress on emissions as broader physical challenges are resolved."

Ultimately, each country and company would have to focus on its own green transition journey. "The exact path forward remains uncertain, but it is clear that tackling these

challenges would take individual and system-wide innovation and new ways of solving problems," the report said.

"What lies ahead is an energy transition on a monumental scale that would require setting bold aspirations and proceeding with commitment and action."





Oct. 15 to Nov. 15 marked another period when small caps beat large caps by a large margin. The EGX 70 EWI outperformed its counterpart, the EGX 30 — again — for the third period in a row. The former rose 11.1%, while the latter rose 2.9%. Year-to-date, the EGX 70 EWI is up 54%, more than double the EGX 30's 26%.

The top performers list for the period included names that are not your usual cup of tea. For instance, Arab Valves (ARVA) rose almost 107% to EGP 3.74, even after the company denied knowledge of material events. The list also included names from the poultry sector, led by Mansoura Poultry (MPCO, up 45%) and Cairo Poultry (POUL, up 36%).

The period coincided with the third-quarter earnings season, with companies generally reporting solid results. That was led by banks, most witnessing their highest-ever

earnings. That is why the top performers list also included the banking sector, which has become a focus. The banking sector saw almost all its components rise, led by Suez Canal Bank (CANA, up 25.9%).

Investors have been bidding the prices of bank stocks generally higher following the Central Bank of Egypt's (CBE) decision to float The United Bank (UBEE) at a price range higher than its book value. That is why banks trading below or close to their book value began to increase.

Indeed, other bank stocks rose by more than 20%, namely Export Development Bank of Egypt (EXPA, up 21.5%), Housing & Development Bank (HDBK, up 21.1%), Faisal Islamic Bank of Egypt (FAIT, up 20%).

Meanwhile, Domty (DOMT) rose 52%, but most of that price surge was at the start of the period. The stock then settled following the acquisition offer submitted for DOMT's shares at

a steep premium relative to the market. Also, another acquisition-related stock performance was seen in Orascom Financial Holding (OFH, up 18.1%) after the company announced the total divestiture of its electric payment subsidiary for EGP 658 million. That is expected to leave OFH with a considerable cash balance. Hence, the stock reacted positively to the news before pulling back later.

Elsewhere, the macroeconomic picture has not changed much. The CBE kept interest rates unchanged at its Nov. 21 meeting, as expected. That was against the backdrop of urban inflation rising for the third month in a row. Also, a delegation from the International Monetary Fund (IMF) was in discussions with the Egyptian government to ensure delivery against previously approved measures.

#### Nile Pharmaceuticals (NIPH)

It was like a déjà vu. Like Memphis Pharmaceuticals (MPCI). Nile Pharmaceuticals (NIPH) is majority owned by HoldiPharma, the state-owned drug holding company. NIPH is raising its capital by EGP 198.75 million, almost tripling its capital. HoldiPharma's stake in NIPH is 67%, thus allowing it to swap the debt it owes to HoldiPharma into shares. Although looking to raise capital, NIPH distributed an annual cash dividend of EGP 3.71 a share. More recently, NIPH reported a surprise net loss in its first quarter ending Sep. 30, as revenues plummeted by 68%. Still, NYMPH's stock rose 54% during the period.



#### **EGX 30**



# HOTEL HOTEL

#### **EGX 70**



#### **Tamayuz**



Tamayuz index is an all-new weighted index, launched on June 23rd. It comprises companies with high free cash flows from operations. EGX stresses that this is not an endorsement of those stocks.



## MINISTER DISCUSSES REGIONAL GAS HUB STRATEGY

**Karim Badawi**Minister of Petroleum and Mineral Resources

Minister of Petroleum and Mineral Resources Karim Badawi's priority focus is "production, production, production" of oil and other fossil fuels.

by Fatma Fouad

The recent rise in fuel prices has raised questions about the government's coming plan in the oil and gas sector. The price hikes are significantly impacting consumers, making an inflation spike more likely, potentially leading to higher transportation and goods costs and influencing household budgets.

On No 18, AmCham Egypt hosted a luncheon featuring Egyptian Minister of Petroleum and Mineral Resources Karim Badawi.

Badawi highlighted the Ministry's key pillars, stressing the country needs to boost production amid various challenges.

#### The plan's pillars

The first of the six main pillars of the Ministry is to satisfy local demand for petroleum products, thereby reducing imports. Badawy stressed that this could only be achieved by focusing on production and maximizing exploration.

The Egyptian General Petroleum Corporation (EGPC) recently awarded four exploration blocks to four companies in the latest bid round conducted through the Egypt Upstream Gateway in early November.

Egypt Upstream Gateway reported a minimum investment of \$71 million for the initial exploration

phases, including plans to drill at least 14 wells.

The second pillar Badawi highlighted is to leverage Egypt's rich petroleum resources and infrastructure, unlocking the value added through refineries and petrochemicals. Leveraging Egypt's potential will enable the country to export petroleum products and bring in foreign currency.

The third priority for the Ministry is to re-launch the mining sector and boost its added value to the economy. Badawi noted the mining sector currently contributes 1% to GDP, while the ministry targets increasing its contribution to at least 5% in the coming years.

Success in achieving those goals depends on delivering the right energy mix to the economy, leveraging Egypt's location for hydrogen production and energy trading. Badawi highlighted the joint ambition with the Ministry of Electricity and Renewable Energy to reach the target of generating 42% of the nation's needs through renewable energy by 2030.

The focus on the energy mix is critical to unlocking the potential of the future energy system, including green hydrogen and low-carbon value-added products. Badawi stressed the importance of collaboration between ministries, shedding light on the fact the New Administrative Capital has facilitated

communication among all government bodies.

The fifth key area of focus is creating an attractive investment environment while maintaining safety, energy efficiency, and emissions reduction.

The Ministry's final priority is to enhance regional cooperation to attract investment in Egypt and the region.

Badawi discussed the collaboration between Egypt and Cyprus, noting the Ministry is striving to maximize similar partnerships with other countries to unlock "the full potential of the region in the most economical way with the least carbon intensity."

Egypt's ambition to be a regional gas hub is driven by more than its strategic location, he stressed. The country's robust infrastructure, substantial local market potential, and numerous gas entry points all play crucial roles in helping Egypt realize that ambition, Badawi noted.

### Combating challenges

Badawi underscored a range of challenges hindering the overall growth in the oil and gas sector. He said he spent his first few weeks on the job understanding why Egypt has encountered difficulties in this vital sector.

Increased international oil company receivables is a significant element that has negatively affected exploration and production activities. "The accumulation of arrears over the last 30 months has been a turning point in what unfolded next," Badawi noted.

Currency devaluation and higher prices of petroleum goods are two sides of a coin, he noted. Both factors further exacerbated the challenge of paying outstanding debts to foreign oil companies.

Badawi said the Ministry seeks to commit to a periodic payment mechanism to provide partners with stable cash flows and settle receivables in the near term.

As of last March, outstanding debts owed to foreign companies totaled \$4.5 billion. Egypt paid \$1.3 billion in June, \$1.2 billion in September, and \$1 billion in November, leaving \$1 billion in remaining arrears, according to Asharq Bloomberg.

Another major challenge is declining domestic production. Over the past two years, natural gas production decreased by 25%, while oil production fell by 10%.

That is, predictably, overstraining government finance. "Egypt has never been self-sufficient in oil," Badawy noted. Consequently, the recent decline in production has heightened the need to import even more petroleum products, making it increasingly difficult to repay foreign partners.

To boost supply and investment, the Ministry is enhancing prospecting and exploration efforts by presenting new investment opportunities and accelerating the development of discoveries via incentive packages for partners.

The Ministry's main target is to use the output of those new findings to meet local demand, notably natural gas, as its consumption across sectors has surged an average of 14% in 2024.

"One of the toughest decisions the government has taken this year has been to stop the curtailing of [electricity] across the country," which started in July 2023, he said. That decision pressured the government to import even more in the third quarter of this year.

That has amplified a significant pricing problem for the Ministry, as there is a disparity between domestic pricing and import and production costs. Badawi stressed that remains an issue the government is actively working to address.

Currently, the gap between the gasoline price and production cost is 11% to 15%, down from 21% to 25%. Similarly, the gap between the diesel price and production cost has decreased to 31% from 42%.

The effort to close this gap led to higher prices of petroleum goods in July, electricity in August, and household gas and liquefied petroleum gas in September.

In October, the government raised petroleum product prices to help reduce its subsidy bill and address the budget deficit. That included a 9.2% increase in diesel prices, still used by many commercial and mass transport vehicles, and higher natural gas rates for households.

To maintain a modicum of cost stability, essential for businesses, the minister said they would continue to follow a periodic repricing mechanism. Its main criterion is to continue to reduce the cost gap, thereby restoring economic stability.

Lastly, he stressed that to ensure oil and gas prices remain affordable, the government and private sector need to accelerate excavation and reduce production costs, and thereby imports, he added.

## Fostering partnerships

Badawi emphasized the importance of working with various state institutions, saying, "This is not a one-man show." Cross-institutional collaboration is vital to diversifying the energy mix and reducing fossil fuel consumption.

Another critical strategy component is to enhance production-sharing agreements. While Egypt has traditionally maintained a fixed production-sharing percentage in these agreements, Badawy said, the Ministry is adopting a more flexible approach to attract new investments.

During the Abu Dhabi International Petroleum Exhibition and Conference (ADIPEC) held in November, the Ministry published the Oil and Gas Investment Incentive Policy booklet. It outlines an economic framework that accommodates various fiscal regimes featuring updated royalties and tax structures.

The Ministry has signed partnership agreements with 57 upstream local and international operators. These include eight international companies, six specialized Egyptian firms, and more than 12 international companies focused on petroleum and technological services.

To help its partners reduce the cost per barrel and promote production, the Ministry announced bid rounds in August for 12 new oil and gas exploration blocks in the Mediterranean Sea.

Additionally, the Ministry introduced open blocks, which are not restricted by bid rounds, allowing companies to select blocks that align with their existing infrastructure and specific interests.

The minister said Eni, an Italian multinational energy company, will resume Zohr drilling activities, adding two wells with production rates of 220 million standard cubic feet per day (MMSCFD). Throughout the summer, there was a lot of chatter about declining output from Zohr and questions over Egypt's ability to keep the lights on throughout that high-demand period.

the Western Desert with four exploratory areas assigned for quick production. The US oil company also signed an incentive package and the pricing of the gas produced during ADIPEC, which targets a gradual increase in production to reach 80 MMSCFD by the end of 2025.

Exploration activities are crucial for unlocking future production potential. Badawi noted that from January through October, 77 wells were drilled, leading to 40 oil and 14 gas discoveries.

## Stepping into 2025

To overcome those challenges, Badawi outlined the Ministry's goals for next year.

In 2025, the Ministry will accelerate production activities to offset natural declines, boost overall production, and reduce the import bill and its associated burdens. They will also expedite exploration activities to increase oil and gas reserves rapidly.

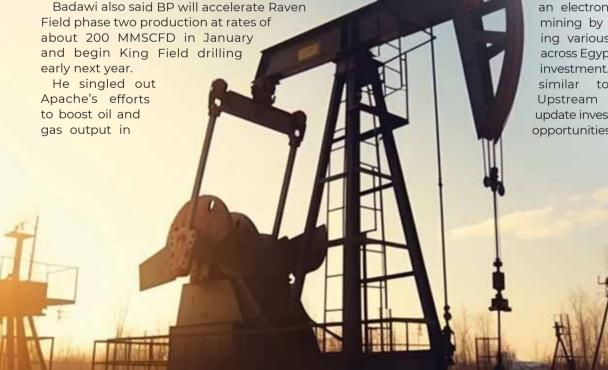
Badawi emphasized the importance of fully utilizing the capacities of facilities like the MIDOR refinery and petrochemical plants.

In 2025 and beyond, Badawi said the Ministry is committed to extending the natural gas network to more

households and converting vehicles to natural gas. That will, in turn, reduce the cost of butane and gasoline and will have a positive environmental impact.

Lastly, Badawi announced

Lastly, Badawi announced that the Ministry will have an electronic gateway for mining by April, pinpointing various mining areas across Egypt to attract new investment. The platform, similar to the Egypt Upstream Gateway, will update investors on available opportunities.





**BOARD** OF GOVERNORS

#### PRESIDENT

Tarek Tawfik, Cairo Poultry Group

### **EXECUTIVE VICE PRESIDENT (AMERICAN)**

#### Greg McDaniel, Apache Egypt Companies **EXECUTIVE VICE PRESIDENT (EGYPTIAN)**

Tarek Mohanna, MHR & Partners in Association with White & Case

#### VICE PRESIDENT, MEMBERSHIP

Riad Armanious, EVA Pharma

#### VICE PRESIDENT, PROGRAMS

Kamel Saleh Saleh Barsoum & Abdel Aziz - Grant Thornton

#### **VICE PRESIDENT, LEGAL AFFAIRS**

Gamal Abou Ali, Hassouna & Abou Ali Law Offices

#### TREASURER

Hatem El Ezzawy, PICO Group

#### MEMBERS OF THE BOARD

Akef El-Maghraby, Suez Canal Bank Hoda Mansour, IFS Sarah El-Battouty, ECOnsult Khaled Hashem, Honeywell Egypt Omar El Sahy, Amazon.eg

#### PAST PRESIDENT

Sherif Kamel, The American University in Cairo

#### ADVISOR TO THE BOARD Hisham A. Fahmy

**CHIEF EXECUTIVE OFFICER** Svlvia Menassa

## **COMMITTEE** LEADERS

2024 - 2025



### AGRICULTURE AND FOOD SECURITY

Chairman: Mr. Abdel Hamid Demerdash - Chairman; Agriculture Export

Co-Chairs: Mr. Osama Soliman, Group Managing Diredor, Soyven Mr. Hesham El Naggar, CEO, Daltex Corporation Mr. Seif El Sadek, CEO, Agrocorp for Agriculture Investment



Co-Chairs: Mr. Mohamed Abdel Kader, Citi Country Officer, Citibank Mr. Ahmed Ismail Hassan, Country Manager, Arab Bank Mr. Sherif Riad, CEO Corporate Banking, National Bank of Egypt Mr. Omar El Husseiny, Head of Treasury Group, CIB Mr. Todd Wilcox, Deputy Chairman and CEO, HSBC



#### CORPORATE IMPACT & SUSTAINABILITY

Co-Chairs: Mr. Ghimar Deeb, Deputy Resident Representative, UNDP Ms. Ghada Hammouda, Group Chief Sustainability & Marketing Officer, Qalaa Holdings

Ms. Mireille Nessim, CEO, Takatof Ms. Soha Abou Zikry, Head of Global Customer Relations, CIB



#### **CUSTOMS & TAXATION**

Chair: Mr. Hassan Hegazi, Chairman and Managing Director, Master Trading Co-Chairs: Mr. Hossam Nasr, Managing Partner - Audit Partner, Allied for Accounting and Auditing - Ernst & Young Ms. Nouran Ibrahim, Partner, Grant Thornton



#### DIGITAL TRANSFORMATION

Co-Chairs: Mr. Khaled Abdel Kader, CEO, KlayyTech Ms. Mirna Arif, General Manager, Microsoft Ms. Marwa Abbas, General Manager, IBM Mr. Hossam Seifeldin, CEO, CapGemini



#### **EDUCATION**

Chairman: Mr. Hashem El Dandarawy, Chairman, Team 4 Security Co-Chairs: Mr. Ahmed Wahby, CEO, Egypt Education Platform Mr. George Sedky, Chief Human Resources Officer, G.B. Corp. Ms. Sarah El Kalla, Deputy CEO, Cairo for Investment and Real Estate Development (CIRA)



#### **ENTREPRENEURSHIP & INNOVATION**

Co-Chairs: Dr. Ayman Ismail, Abdul Latif Jameel Endowed Chair of Entrepreneurship & AUC Venture Lab Director, AUC. Mr. Moataz Kotb, Managing Director, Cultark Mr. Amr El Abd, Managing Director, Endeavor



#### HEALTHCARE

Chairman: Dr. Ahmed Ezzeldin, CEO, Cleopatra Hospital Co-Chairs: Dr. Hend El Sherbini, CEO, IDH Mr. Tamer Said, Deputy CEO, Raylab Group Mr. Mohamed Haroun, Country Manager, GE Healthcare



HR (TALENT MANAGEMENT) Chairman: Mr. Emad Nasr, Human Resources Director, Lecico Co-Chairs: Ms. Marwa Mohamed El Abassiry, Chief HR Officer, Cleopatra Hospital Group
Ms. Naniece Fahmy, HR Senior Director, PepsiCo

Mr. Mohamed Faisal, Country Manager, Mercer Financial Services



#### **INDUSTRY & TRADE**

Co-Chairs: Mr. Alaa Hashim, Board Member, Giza Seeds And Herbs Mr. Ashraf Bakry, Board Member, Oriental Weavers
Mr. Kareem Yassin, Vice President and General Manager, P&G

INSURANCE



INSURANCE
Chairman: Mr. Alaa El Zoheiry, Managing Director, gig-Egypt
Co-Chairs: Mr. Haitham Taher, Managing Director, MetLife Egypt
Mr. Sherif El Ghatrifi, CEO, Medmark Mr. Omar Shelbaya, CEO, AXA



#### INTERNATIONAL COOPERATION

Chairperson: Ms. Heike Harmgart, Managing Director for the Southern and Eastern Mediterranean (SEMED)

Southern and Eastern Mealertranean (SEMECU)

Co-Chairs: Mr. Denys Denya, Executive Vice President, African
Export-Import Bank
Mr. Guido Clary, Head of EIB Regional Hub for North Africa and the
Near East, European Investment Bank
Mr. Saad Sabrah, Country Manager, IFC



INVESTMENT AND CAPITAL MARKET
Chairman: Dr. Sherif El Kholy, Partner and Head of Mena, ACTIS
Co-Chairs: Mr. Hesham Gohar, Group CEO, Cl Capital Holding
Ms. Noha Kholil, Chief Investment Officer, The Sovereign Fund of Egypt Ms. Nada Shousha, Vice Chairman, Egyptian American Enterprise Fund Mr. Omar El Labban, Head of Investor Relations, BPE Partners



Leadership & Diversity
Chairperson: Dr. Manal Hussein, Executive Chairperson, New City Housing
and Development
Go-Chairs: Ms. Passant Fouad, Director of External Communications,
Juhayna Food Industries Co.
Ms. Laid a Elmoshhe, Gender and Social Inclusion Advisor, Development
Alternatives Inc. - DAI
Ms. Karine City Labian. Plan. & Plan.

Ms. Karima El Hakim, Plug & Play Mr. Omar Shawki, Managing Partner, Forvis Mazars Mostafa Shawki



#### LEGAL AFFAIRS

Chairmen: Mr. Ahmed Abou Ali, Partner, Hassouna & Abou Ali Law Offices Co-Chairs: Mr. Girguis Abdel Shahid, Managing Partner, Shahid Law Firm Mr. Mohamed Serry, Managing Partner, Serry Law Office Mr. Ziad Goddlath, Partner, White & Case Ms. Ebtehal Basiouny, Government Affairs Lead, Microsoft





#### MARKETING

Chairperson. Ms. Dalia Wahba, Chairperson, CID Consulting Co-Chairs: Ms. Soha Sabry, Chief Marketing Officer, Midar Ms. Mira Kamal, Insights Director for Beverages and Snacks, Pepsico Ms. Lina Fateen, Managing Director, Momentum Egypt



#### MINING AND MINERAL RESOURCES

Co-Chairs: Mr. Ahmed Wafik, Managing Director, Saint Gobain Glass Egypt Case Mr. Mostafa Sherif El Gabaly, Managing Director, Abo Zaabel Fertilizers & Chemicals Co Case
Mr. Cherif Barakat, General Manager, Aton Mining Inc.

Mr. Muhammad Refaat Zaher, CEO, Real Mining Services Case



#### NON-BANKING FINANCIAL INSTITUTIONS

Co-Chairs: Mr. Ashraf Sabry, CEO, Fawry for Banking and Payment Solutions Mr. Amr Aboul Azm, Chairman, Errada Microfinance Mr. Walid Hassouna, Chief Executive Officer, Valu



OIL & GAS Chairman: Mr. Amr Abou Eita, Chairman and Managing Director,

Chairman: mr. Amir Audo Cha., Amarian Chairman: mr. Amir Audo Chair. Amir Chairman: Mr. Karim El Dessouky, Vice President & General Manager, Bechlel Mr. Kristian Svendsen, Country Manager. Egypt (Upstream), Chevron Mr. Wail Shaheen, Vice President, bp Egypt



#### **PHARMACEUTICALS**

Chairmon. Dr. Vousri Nawar, Board Member, Andalous Co-Chairs: Dr. Hatem Werdany, Country President, AstraZeneca Mr. Magued Sayed, Africa Head of Market Access, Gov Affairs and Pricing, Sanofi

Pricing, Sanofi Mr. Mohamed Sweilam, Head of NA & Egypt Cluster, Viatris Mr. Samy Khalil, Country Manager, Takeda Pharmaceuticals Egypt



#### POWER & RENEWABLES

POWER & RENEWABLES
Co-Chairs: Mr. Ahmed Ramadan, Chief Executive Officer, Power Generation
Engineering and Services Company (PGESCo)
Mr. Woel Hamdy, Senior Vice President, Elsewedy Electric
Mr. Samy AbdelKader, Managing Director, TAQA Power
Ms. Mai Abdelhalim, President, GE Vernova
Mr. Tarek Hosny, Head of Investments and Projects, Fertiglobe



#### REAL ESTATE

REAL ESTATE
Co-Chairs: Mr. Mohamed Abdalla, Chairman, Coldwell Banker
Mr. Ahmed Shalaby, President & CEO, Tatweer Misr
Mr. Tarek El Gamal, Chairman, Redoon
Mr. Tarek El Gamal, Chairman, Redoon
Mr. Lyman Amer, General Manager, Sodic
Mr. Lyman Amer, General Manager, Sodic
Mr. Lyndhim El Missiri, Group CEO, Abu Soma Development Company



#### TRANSPORT & LOGISTICS

IRANSPORT & LOGISTICS
Chair: Mr. Marwan El Sammak, Board Member, Worms Alexandria
Cargo Services
Co-Chairs: Ms. Abir Leheta, Chairman & CEO, Egyptian Transport &
Commercial Services Co., SAE
Mr. Amr Tontawy, Country Monager, DHL Express
Mr. Karim Hefzy, Chief Operating Officer, Hassan Allam Utilities (HAU)



#### TRAVEL & TOURISM

Co-Chairs: Mr. Haitham Nassar, General Manager- Hilton Pyramids Golf Resort, Hilton Mr. Karim El Minabawy, President, Emeco Travel

Mr. Moataz Sedky, General Manager Travcoholidays, Travco Holding Ms. Nelly El Kateb, VIP Account Manager, Astra Travel Ms. Sherifa Issa, Senior Director of Marketing, Four Seasons Hotels and Resorts



Special Briefing



28 October

# **Opportunities to work** with DFC

On Oct. 28, AmCham MENA Regional Council hosted a webinar workshop, "Financing Opportunities for Regional Projects Available through DFC," in collaboration with the U.S. International Development Finance Corporation (DFC), focusing on Egyptian businesses.

The DFC collaborates with private businesses and investors to address critical global challenges, including climate change, energy poverty, food insecurity, and the impact of COVID-19. With an emphasis on low-income countries, the DFC prioritizes projects that support marginalized groups such as women, indigenous communities, refugees and displaced populations.

Its investments span sectors such as infrastructure (including ICT and critical minerals), energy, health, food, and agriculture (e.g., cold storage for food security), small businesses, and financial services.

The DFC boasts an active portfolio of over \$31 billion and

an investment capacity of up to \$60 billion, with operations in 108 countries. It offers various financial and support services, including debt financing with loans, guaranteeing up to \$1 billion for tenors as long as 25 years, equity investments for developmental impact, feasibility studies to assess potential projects, and political risk insurance covering up to \$1 billion against risks like government interference, political violence, and currency inconvertibility.

Additionally, the DFC provides technical assistance to enhance project sustainability and supports investment funds to bridge capital gaps in emerging markets.

Eligible projects must involve meaningful private sector participation, adhere to high social and environmental standards, positively impact the host country and align with the DFC's operational policies. Through its strategic investments and services, the DFC plays a vital role in fostering sustainable development and addressing pressing global issues.



29 October

# Legislative priorities and private sector engagement

On Oct. 29, AmCham held a special breakfast briefing with newly appointed Minister of Parliamentary Affairs Mahmoud Fawzy on the government's plan to reach its goals for Vision 2030.

"Some of these priorities must be formalized into laws, while others are addressed through executive regulations," he said. "Therefore, we need a plan that reflects our needs."

Fawzy explained the ministry plans to "establish the foundation of the new republic based on pluralism and effective participation in planning and decision-making."

Achieving that will require "strengthening communication between executive and legislative authorities, supporting cooperation between them and developing communication channels with all stakeholders, institutions and sectors of society," said Fawzy. "We also aim to deepen the role of national and societal dialogue to serve the interests of citizens and enhance the stability of building the new republic."

Fawzy said his ministry has three functions. Parliamentary

affairs is "a liaison between the executive and legislative authorities, upholding the separation of powers."

In the legal affairs function, the ministry "protects and upholds the state's legal rights and obligations." Third is the newly created "political communication ... function [where the] ministry [co-creates] an interactive, democratic political environment."

The event also featured Jeff Bullwinkel, Microsoft's vice president for corporate, external and legal affairs, who discussed balancing innovation using Al and regulatory frameworks to mitigate artificial intelligence risk.

Bullwinkel stressed that broader and unified regulation is "clearly needed in AI, [it is] overdue. [We] need guardrails and guidelines for companies like us regarding what we do and how we do it. Dialogue between the private sector and government is essential when it comes to thinking about how to regulate is crucial ... We welcome that dialogue across Europe, the Middle East, Asia, America and certainly here in Egypt."





29 October

# Closed roundtable with tax officials

On Oct. 29, the AmCham Customs and Taxation Committee held a closed Roundtable with representatives from the Egyptian Tax Authority (ETA). This session was the first meeting in a series to improve the tax environment for businesses between AmCham members and the ETA under Rasha Abdel Aal's leadership. Its primary aim is to address and resolve member companies' tax-related challenges.

Sayed Saqr, Deputy Head of the ETA and leader of the Joint Committee, led a team of senior ETA officials in reviewing and discussing specific concerns submitted by

AmCham members. In response, attendees voiced appreciation for the ETA's proactive approach, acknowledging the authority's commitment to fostering open dialogue and providing constructive solutions.

Following this roundtable, the participating companies indicated they are actively working on solutions to the tax-related issues discussed. The ETA has assured continued support and follow-up through the Joint Committee, aiming to streamline the resolution process and make it more transparent.



3 November

# IMF Roundtable with the Startups

On November 3rd, 2024, AmCham Egypt joined a roundtable with the IMF and Egyptian entrepreneurs. IMF Managing Director Kristalina Georgieva highlighted Egypt's promising economic recovery, with GDP growth projected at 4.2% and inflation expected to drop to 16-17%. Meanwhile, foreign reserves are strong at \$46 billion.

Despite these improvements, entrepreneurs remain cautiously optimistic, stressing the need for policies that enhance predictability, support entrepreneurship, streamline bureaucracy, and improve financing access.

Entrepreneurs have shown resilience, with some Egyptian tech startups achieving "unicorn" status. However, challenges like brain drain, limited R&D funding, and insufficient government support still persist. Expanding R&D investment and retaining talent are crucial for long-term growth.

A major concern is the funding gap for growth-stage companies. International venture capital firms are often reluctant to invest due to economic uncertainties and frequent devaluations. Suggestions include establishing domestic venture capital funds and adopting supportive programs like those in Saudi Arabia and the UAE.

Macroeconomic stability, especially currency valuation, is

a significant challenge. Unpredictable devaluations disrupt business planning and investment strategies. A stable economic environment is needed for effective business planning and investment.

While government initiatives have supported SMEs, funding alone is insufficient. A structured environment promoting knowledge-sharing and collaboration is necessary for sustainable growth. Transparent government strategies are needed to enable private-sector planning and participation.

Startups face limited exit options and regulatory unpredictability, complicating growth. Bureaucratic delays in licensing create barriers, contrasting with more streamlined processes in other African markets.

Private-sector involvement in Sustainable Development Goal projects is crucial. Greater autonomy and local knowledge could enhance effectiveness. The IMF supports Egypt's reform efforts, however, it stresses the need for greater exchange rate flexibility and simplified bureaucratic processes. Further reforms are needed to create an investment-friendly environment, reduce regulatory obstacles, and build confidence. Egypt's resilience and entrepreneurial spirit are valuable assets for future growth.





**Cross Regional** 

# **Poly-Economic Update**

On Nov. 5, AmCham MENA hosted a webinar titled "Cross Regional Poly-Economic Update" with guest speaker Nenad Pacek, Founder and President of Global Success Advisors and EMEA Business Group. The session discussed political and economic updates in the region concerning the results of the 2024 US election Results.

The US dollar should strengthen under a Trump presidency, as investors anticipate that his policies will result in higher inflation and growth than those of Democrat Kamala Harris. That would necessitate the Federal Reserve to maintain high rates to prevent the economy from expanding, which would benefit the

In response, the euro may experience a significant

decline, falling below the \$1 level, due to Trump's proposed policy change that would likely reduce growth in Europe and Asia, as tariffs and other policies exert pressure on those economies. That will diminish the ability of central banks to lower their local currencies due to rising inflation if US tariffs and domestic tax cuts are implemented, boosting the dollar's appeal.

Egypt should be safe, given that dollars may exit the market when Trump comes to power. Yet, despite the CBE's record financial reserves of \$46 billion, financial uncertainty exists because they anticipate significant debt repayments in the next two years, which amount to nearly \$30 billion, and a loss of revenues in the Suez Canal due to geopolitical tensions.



## Egypt's economy and compensation in 2025

On Nov.7, the HR (Talent Management) Committee hosted a session on "Understanding Market Dynamics: Insights into Egypt's Macroeconomic Outlook and Compensation Trends for 2025." Guest speakers were Mohamed Faisal Al Nizami, principal consultant and Egypt country manager at Mercer, and Mohamed Youssef, CEO of Dcode Economic and Financial Consulting.

In October, Egypt's annualized urban inflation rate reached 26.5% and core inflation was 24.4%. While these rates reflect persistent economic pressures, they are stabilizing thanks to the Central Bank's monetary policy.

The economy has faced significant external shocks, including the Russian-Ukraine war, the Gaza conflict, and the COVID-19 pandemic. Domestically, foreign exchange shortages due to capital outflows and delayed currency devaluation have caused the government to restrict imports.

However, ongoing reform efforts were bolstered by significant financial inflows, including the \$35 billion Ras El Hekma deal and a \$58 billion support package from the IMF, World Bank and EU.

"In 2023, the Egyptian private sector suffered from high turnover," said Nizami, citing the migration of Egyptian talent to Saudi Arabia driven by Saudi Arabia's Vision 2030 initiative. "However, turnover rates in Egypt are slowing and will improve by 2025."

The 2024 Mercer Salary Survey for Egypt identified trends in compensation practices. Many organizations adjusted salaries to address economic challenges, with a median base salary increase of 25%. Industries such as life sciences, chemicals, transportation equipment and energy saw significant salary hikes. Some employers implemented temporary measures to alleviate economic pressures, with 22% introducing targeted strategies to counteract inflation.

"Uncertainty is becoming the new norm and we have to embrace it. It is the key factor in the Egyptian Economy," said Youssef. Overall, Egypt's compensation landscape balances addressing immediate economic challenges and fostering long-term growth as employers navigate challenges to maintain workforce stability and engagement.



Special Briefing



On Nov. 11, AmCham hosted a special roundtable with an International Monetary Fund (IMF) delegation featuring Ivanna Vladkova Hollar, Division Chief for the Middle East and Central Asia Department; and Alex Segura, IMF Senior Resident Representative in Egypt. The meeting provided a platform for AmCham members to discuss Egypt's economic outlook amidst ongoing reforms.

The delegation highlighted four core focus areas: the Extended Fund Facility (EFF), public-private enterprise roles, the Resilience and Sustainability Facility (RSF), and international transactions. They noted progress in Egypt's fourth EFF review, tied to a \$1.2 billion disbursement, but stressed the importance of a unified liquidity system and currency stability. While inflation is trending down, it remains elevated at 27%, necessitating sustained tight monetary policy. The delegation emphasized the urgent need for fiscal consolidation, mobilizing revenues, and expanding Egypt's tax base to manage debt effectively.

11 November

# Roundtable with IMF Delegation

The IMF underscored the pivotal role of the private sector in driving growth. Despite positive steps toward identifying impactful reforms, progress on divestment and state ownership remains limited, with significant privatization projects still pending. Currency volatility, trade restrictions, and perceived government intervention were also flagged as challenges to economic confidence and foreign investment.

The discussion touched on customs clearance delays, dividend repatriation hurdles, and concerns over dollarization. Public sector banks, holding 63% of the banking market, were recognized as key players in the foreign exchange landscape. Encouragingly, the IMF observed a growing appetite for investment from countries like Saudi Arabia, China, and Turkey, coupled with momentum in reforms. Continued efforts to reduce inflation, enhance transparency, and address structural barriers could bolster economic stability and investor confidence in the coming months.



13 November

## **Orientation for New Members**

On November 13, AmCham had the pleasure of hosting a group of over 30 new Members for an orientation meeting on AmCham activities, services, and recent programs.

AmCham CEO Sylvia Menassa explained how new Members can best utilize their membership and the benefits of being part of the Chamber's various advocacy efforts, carried out on behalf of Members to improve Egypt's business climate.

Thomas Maher, President & Chief Executive Officer, Apex International Energy, shared his experience in AmCham Egypt Committees.

AmCham CEO Egypt Inc., Hisham Fahmy, shared outreach efforts in Washington, DC.

AmCham regularly hosts orientation meetings to familiarize and engage new Members with AmCham programs.





Membership **Associate Pesident** 

#### **CONSTRUCTION ENGINEERING SERVICES**

Al Bahaa Construction Ahmed Mohamed. CEO & Managing Director Address: Ring Road Central Hub, Floor 3, next to Kempinski Hotel, First Settlement

Tel: (20-2) 2389-9255 albahaaconstruction.com



Membership **Associate** Resident

#### **CONSULTANCY**

Supernova Atlas Nassim Touil, Founder & CEO

Address: 114 Building 45 Tawoneyat Semouha, Sidi Gaber, Alexandria www.supernova atlas.com



Membership **Associate** Non-Resident

#### CONSULTANCY

Ventures Gate LLC Hesham Hussein. Founder, Managing Partner Address: 6575 West Loop South, Suite

500, Bellaire, Texas, 77401, Texas, USA Tel: (00-1) 832-6267-313 venturesgate.com



Membership Associate Resident

#### **LEGAL SERVICES**

**HYKMA ATTORNEYS AT LAW** Heba Kaf El-Ghazal.

Founding Partner Address: 1 Latin America Street.

Garden City, Cairo Tel: (20-2) 4614-1000 www.hykma.law



Membership Type: **Associate** Resident

### LEGAL SERVICES

Helal & Fraser International Law Firm

Hadir Helal,

Managing Partner

Address: 5A Waterway, Office HS1, Building H1, 2nd Floor, Fifth Settlment, New Cairo

www.helal.law



Membership Associate Resident

#### **RETAIL**

MAF Retail-Carrefour Egypt Mohamed Khafaga,

Country Manager

Address: MAF Retail - Carrefour Egypt-Maadi City Center, Maadi. Cairo



Membership Type: Associate Resident

#### **FOOD & BEVERAGE**

Agromar for Agriculture Investment Samir Swaillem.

Owner

Address: 33 Salah Salem Street, Atareen, Alexandria Tel: (20-3) 4817-669 skylightegypt.com



Membership Type: Associate Resident

#### **TRANSPORTATION**

**B&G Shipping** Omar Barakat,

VP - Business Development Address: 73 ElHoreya Street, Alexandria Tel: (20-3) 494-9499/ (20-2) 2065-0029

bgshipping.com/index.php



Membership Type: Foreign/ Regional Non-Resident

#### **INVESTMENT**

Rimco EGT Investment LLC Hazem Maharem,

Director - Investments & Business Development

Address: Building no. 1 of Rifco Investments - Jabal Aly - First Industrial Zone, Dubai, UAE www.alrashed.com

For any change to contact information, please contact the Membership Services Department at the Chamber's office

Tel: (20-2) 3333-6900, ext. 0016 Fax: (20-2) 3336-1050 E-mail: membership@amcham.org.eg



## NEW AFFILIATE MEMBERS

#### **Building Materials**

#### Moustafa Amin

Chief Treasury Officer, Ezz Group

#### Consultancy

#### **Mohamed Derbala**

Chief Commercial Officer, Ventures Gate LLC

## **Education/Research and Professional Development**

#### **Mohamed Rahmy**

Director, Private Sector Engagement, The American University in Cairo

#### **Financial Sector**

#### **Mohamed Zaghloul**

Chairman, Tawasoa Factoring

#### Samer Daoud

CEO, Tawasoa Factoring

#### **Information & Communication Technology**

#### **Shahdan Arram**

Secretary General, Vodafone Egypt Foundation, Vodafone Egypt Telecommunications, SAE

#### **Ahmed Emam**

Head of Digital Healthcare Unit, Vodafone Egypt Telecommunications, SAE

#### **Legal Services**

#### Kirolos Kahil

Associate, Ibrachy & Dermarkar

#### **Petroleum**

#### Sarah Sarhan

Executive Assistant to the Vice President, Executive Business Support Asset Team and Commercial, Apache Egypt Companies

#### **Sherif Makram**

General Counsel, ExxonMobil Egypt, SAE

## Power and Renewable Energy Services Mirette Sawiris

Business Development & Strategy Director, Schneider Electric

#### **Pharmaceuticals**

#### **Amany El Nashar**

CEO & Founder of Hyphens for Medical Affairs Solutions, African Healthcare & Drug Association

#### **Real Estate**

### Hisham Al Kabbani

Vice Chairman, Citystars Management & Real Estate

#### **Ahmed El Ashry**

Legal Consultant and Board Member, Citystars Management & Real Estate

#### **Textiles**

#### Hazem Zifzaf

Group CEO, Oriental Weavers Co.



## REPLACEMENTS IN MEMBER COMPANIES

#### **Mark Davis**

Managing Director for the Southern and Eastern Mediterranean - SEMED, The European Bank for Reconstruction and Development (EBRD)

#### Hussein Zakaria

Manufacturing Director, Breadfast LLC

#### **Eman Elbaz**

CEO Operating Associate, Breadfast LLC

#### **Tamer Gamal**

Egypt Technology Director, Oracle Egypt, Ltd.

#### **Iman Hill**

Country Manager and Director, TransGlobe Energy

#### Ibrahim Bayoumi

Egypt Country Manager and North Africa Surgical Franchise Head, Alcon Scientific Office

#### Sally Hussein

Chief Human Resources Officer, Hassan Allam Properties (HAP)

### **Change in Member Company**

#### **Basel Roshdy**

Business Development Advisor, BRISK Business Inc.

Category: Public & Diplomatic Sector: Financial Sector

Category: Affiliate

Sector: Food & Beverage

Category: Affiliate

Sector: Food & Beverage

Category: Affiliate Sector: Information &

Communication Technology

Category: Associate Resident

Sector: Petroleum

Category: General

Sector: Pharmaceuticals

Category: Affiliate Sector: Real Estate

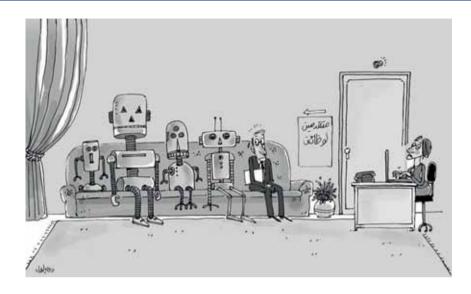




## A Glance At The Press

### Job applicants

Al-Masry Al-Youm, Nov. 24



Media Lite collates a selection of some the most entertaining offbeat and lighthearted news items published in the local press. All opinions and allegations belong solely to the original source publications and no attempt has been made to ascertain their veracity.

### Cairo University repeats as fintech champ

The Faculty of Economics and Political Science at Cairo University team won first place in the "Arab Fintech Challenge" for universities at GITEX Dubai 2024," the Central Bank of Egypt has announced.

The winning project, EZRAALI, connects suppliers, farmers, and traders through one digital application.

To qualify for the international competition, the team had to compete in the local competition "FinTech Got Talent," second edition, sponsored by FinTech Egypt powered by the Central Bank.

Ayman Hussein, first sub-governor for the information technology sector at the Central Bank, said the second consecutive victory for an Egyptian team in the Arab FinTech Challenge, said the team's achievement "underscores that the Egyptian market is rich with young talent in the fintech sector, reinforcing the bank's enthusiasm for qualifying, building and developing these individuals, with university students at the forefront, and in alignment with the FinTech and Innovation Strategy launched in 2019."

Central Bank of Egypt, Nov. 24

### Egyptian-German team uncovers new temple

A joint archaeological mission led by the Supreme Council of Antiquities (SCA) and the University of Tübingen in Germany has uncovered a new Ptolemaic temple near the Great Temple of Atribis in Sohag.

The mission found inscriptions at the site indicating the temple dates to the reign of King Ptolemy VIII, with some references possibly relating to his wife, Queen Cleopatra III.

Mohamed Ismail Khaled, SCA secretary-general, said the discovery marks a significant breakthrough in uncovering a previously unknown temple in Atribis.

Khaled said the newly discovered pylon façade spans 51

meters and features two towers, each 24 meters wide, flanking a central gate. In addition, research shows the tower originally was 18 meters tall, comparable to the iconic building at Luxor Temple.

The pylon is decorated with hieroglyphic inscriptions and intricate carvings, portraying a Ptolemaic king receiving offerings from the lion-headed goddess Repit and her child, the deity Kolanthes.

A newly discovered room featuring a staircase was also found. Markus Müller, site director for the German team, said the staircase once provided access to an upper floor, which was destroyed around 752 CE.

Egypt Today, Nov. 24

## Egyptian film wins several awards at the Cairo Film Festival

The Egyptian movie Spring Came On Laughing by Noha Adel won several major awards at the 45th Cairo International Film Festival (CIFF).

Spring Came On Laughing won four awards, while Abu Zaabal 89 received three, making them the standout films in this year's edition of the CIFF.

Spring Came On Laughing film shared the Award for Best Artistic Contribution at the International Competition with the Turkish film Ayse. The film's story showcases four interconnected stories linked by the months: June, May, April, and March, reflecting different stages in life.

In recognition of the film's success, the director, Noha Adel, received the Salah Abu Seif Award for Best Director at the Horizons of Arab Cinema. In addition, the film received the International Federation of Film Critics (FIPRESCI) Award.

Ahram Online, Nov. 23









OF DIRECTION AND ACHIEVEMENT

NAVIGATING THE PATH TO SUCCESS

