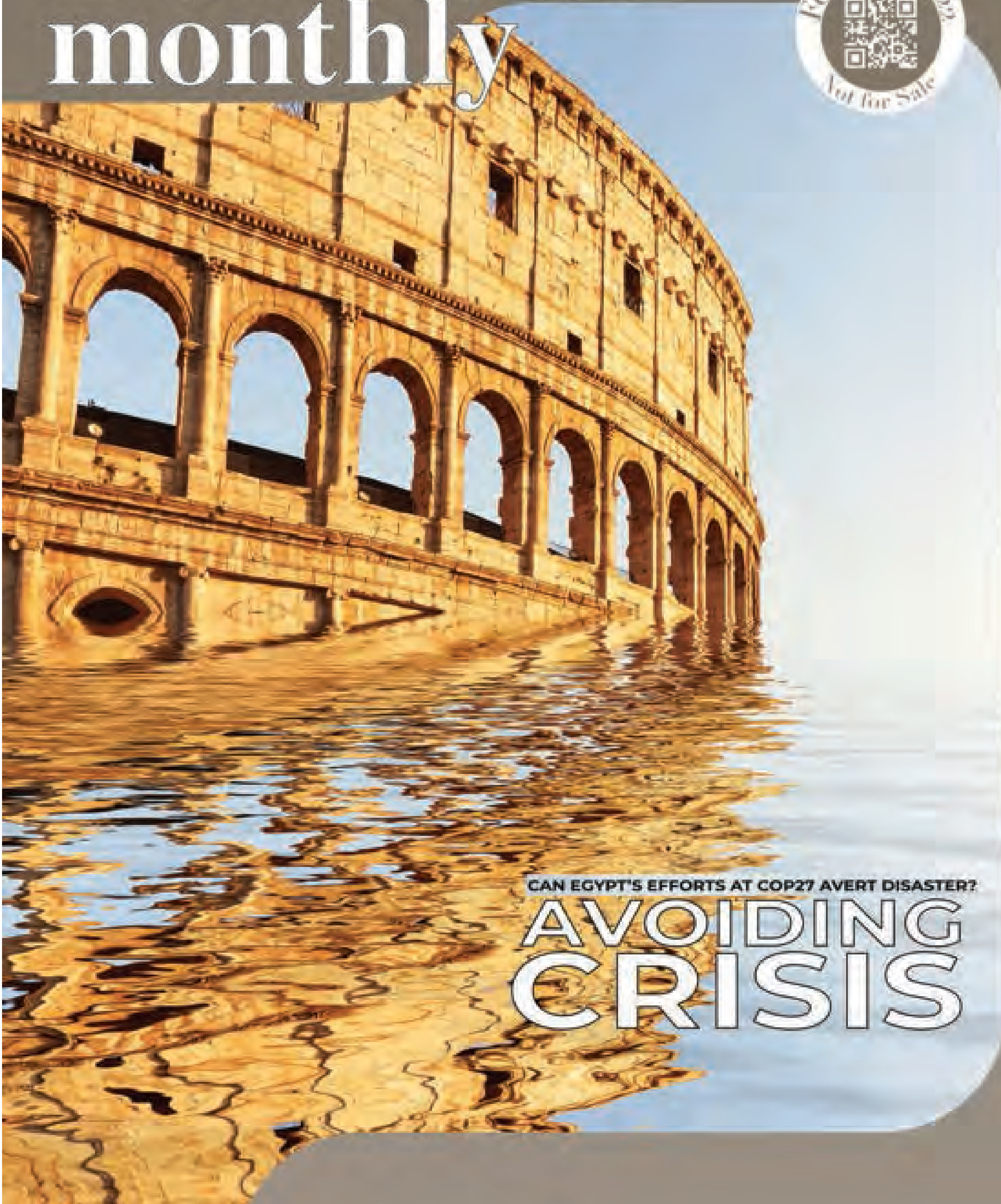
THE JOURNAL OF THE AMERICAN CHAMBER OF COMMERCE IN EGYPT

Business monthly

February 2022
Not for Sale



CAN EGYPT'S EFFORTS AT COP27 AVERT DISASTER?

AVOIDING CRISIS

Carrier

optimax
INVERTER

50%

التروبيكال
كومبريسور
اللي بيسقع في
درجة حرارة 52

تكنولوجيا الانڤرتر
اللي بتوفر %50 من
فاتورة الكهرباء

تكنولوجيا
ماچيك أيونيزر

لا شيء يفوق الخبرة،
لا شيء يفوق كاريير

١٩١١١

RESPONSIBLY PRODUCING RELIABLE ENERGY

The world needs abundant, reliable energy provided by Egypt's oil and natural gas. We're committed to meeting those needs while minimizing environmental impacts.

Apache

TATWEER MISR PLANS FOR 2022

Tatweer Misr to deliver 2,000 units in IL Monte Galala, Fouka Bay, and Bloomfields in 2022

Building on its continuous steady strides toward achieving sustainable, smart, and happy communities, Tatweer Misr, one of Egypt's leading Real Estate developers, recently announced its upcoming plans for 2022.

The Company aims to deliver 2,000 units in IL Monte Galala, Fouka Bay, and Bloomfield's projects by the end of the year, with total investments worth EGP 3 bn divided among these projects. In addition to a recap of the Company's most notable achievements in 2021 from new product offerings, strategic partnerships, and sales growth.

In response to the evolving competitive landscape, the Company strives to accelerate the pace of construction work within its projects to face the global inflation wave and the upsurge in the prices of raw materials. The Company also aspires to achieve contractual sales of EGP 8 bn by the end of 2022, divided among the four projects.

Amongst its goals, Tatweer Misr has a solid plan for delivery and the operations of its various residential and non-residential phases of the projects. That includes the entire operation of the first phase of IL Monte Galala, including the world's first on-mountain Crystal Lagoon, in addition to operating the first phase of the beach during the second half of 2022. Additionally, Tatweer Misr will be starting the delivery of the first phase of the residential component of Bloomfields by the end of the year and aims to launch several new phases in their projects.

In addition, the Company is eager to continue establishing more strategic partnerships with top-notch companies and service providers, both globally and locally, to emphasize Tatweer Misr's vision of building sustainable, intelligent, and happy communities.

The Company also announced its most significant successes during the past year. It includes the launch of the Company's latest project, "D- Bay," in the Dabaa area in the North Coast during the first quarter of 2021, which spans over 200 acres with around 1,800 units and with total investments of nearly EGP 7bn.

Moreover, one of the Company's greatest successes was the inauguration of the first phase of Bloomfields' educational zone that spans over 90 acres. In addition, the Company announced the signing of three contracts worth EGP 3.2 bn with three educational entities. The new contractual agreements included an international branch campus of New Jersey Institute of Technology (NJIT), Egypt's first branch of an American university, two schools for King's College, and Narmer American College.

Additionally, a strategic partnership has been announced with CIB Egypt and Colliers International to attract more educational entities and investment funds interested in education and entrepreneurship to launch at the academic zone to reach the targeted investments of EGP 10bn.

To expand its expertise and mark another step in furthering its ambition to build a fully connected intelligent world, Tatweer Misr signed a cooperation agreement with "Huawei Technologies" to deliver sustainable and innovative technological software solutions throughout Tatweer Misr's projects.

With Tatweer Misr's relentless focus on achieving

its sales target, the Company was able to reap contractual sales surpassing EGP 3.7 bn in the first half of 2021. That is considered the highest sales Tatweer Misr has achieved in six months since its establishment. In addition, by the end of 2021, the Company completed 100% of its target, EGP 8 bn contractual sales.

Furthermore, one of the Company's significant achievements this year was the successful operation of the first phase of the IL Monte Galala project during the second half of 2021 and the summer operation of the Fouka Bay project for the third year in a row featuring the opening of Stanley Restaurant.

In terms of delivery achievements, 1,200 units have been delivered in IL Monte Galala and Fouka Bay projects. Also, EGP 3bn investments were pumped to cover several projects and divided as follows; EGP 2bn to IL Monte Galala, EGP 500 m to Fouka Bay, and EGP 500 m to Bloomfields.

It is noteworthy that Tatweer Misr owns 5.8 million square meters of land bank in its projects, with total investments amounting to EGP 57 bn. It is looking forward to upsurging its land bank by launching more projects in significant and strategic locations.

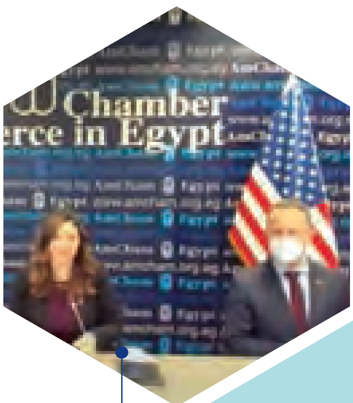
About Tatweer Misr:

Established in 2014, Tatweer Misr is a leading Egyptian real estate development shareholding company. It involves a vertically-integrated business model with various development fields and an ambitious vision of developing sustainable, intelligent, and happy communities. Built on innovation, sustainability, high quality, and creating adding value to their clientele, Tatweer Misr currently has four projects in various stages of development and planning. Projects include their award-winning flagship project "IL Monte Galala," built on around 545 acres; "Fouka Bay" in the North Coast built on around 250 acres; "Bloomfields"; a mixed-use first home development located in Mostakbal City on an area of 415 acres with a dedicated 90 acres for an educational zone and their latest project "D-Bay" spanning over 200 acres in the North Coast.

Business monthly

February 2022
VOLUME 39 | ISSUE 2

Cover Design:
Nessim N. Hanna



wintershall dea

WINTERSHALL DEA IN EGYPT
INTERVIEW WITH SAMEH SABRY

MANAGING DIRECTOR OF WINTERSHALL DEA IN EGYPT

1. Can you give us an overview of what your company does in Egypt?
Wintershall Dea has been active in Egypt for more than 45 years. We are a committed and long-term German partner and investor to the country, proud of the successful business we have built here over the past decades. Today, we are active in three gas projects in Egypt: Onshore, in the Nile Delta as operator in the producing Disouq project, and as operator in the exploration of East Damanhour. Offshore, as partner to BP for the large-scale West Nile Delta project.

2. Do you have operations outside Egypt? How do you create synergies with them?
As Europe's leading independent gas and oil company, Wintershall Dea explores for and produces gas and oil in 13 countries around the world: in Europe, Russia, Latin America, the Middle East and North Africa. We combine our heritage of 'Made in Germany' engineering experience with the expertise of our teams worldwide: and apply that knowledge to the benefit of our operations. Our projects face varied conditions, from the Siberian Tundra to the heat of the Sahara, but a common thread runs through all of them: our commitment to technological excellence. Exchanging expertise and data is a cornerstone of our success.

3. Can you give us insight into Wintershall Dea's energy transition strategies?
In November 2020 Wintershall Dea introduced its Energy Transition Pathway, our company's strategy to meet both climate targets and the globally rising energy demand. Wintershall Dea targets net zero (Scope 1 and Scope 2) emissions from upstream activities by 2030 (at equity basis), methane intensity below 0.1 per cent by 2025, and to maintain no routine flaring. At the same time, Wintershall Dea has set a clear ambition to lower its overall footprint, in particular by investing in hydrogen and CCS.

5. Can you give us hints of future projects in Egypt?
The future in Egypt is bright! We will continue to make a major contribution to Egypt's energy supply. By creating value at our already producing fields: at our own operated Disouq concession, and as an active partner for BP to the West Nile Delta project – a strategically significant project for Egypt's energy security. And by investing in our future in Egypt with our exploration at East Damanhour in the onshore Nile Delta. Besides that, we carefully evaluate new opportunities that fit into our portfolio and our corporate strategy.

6. What does COP27 mean for the company?
We are delighted that Egypt hosts COP27 this year. The event puts a spotlight on the challenges climate change presents, and will be an opportunity to consider what an energy transition strategy for a regional energy leader like Egypt means. And it offers opportunities and platforms for solution-oriented discussion.

„As a key player in Egypt, and with our contribution to the energy transition, we look forward to sharing our experience during a year of fruitful exchange."

wintershalldea.com

OPPORTUNITY AND RISK

I recently came across the Chinese folk phrase "crossing the river by touching the stones." In some ways, it could serve as a suitable analogy to the underpinnings of company and government strategies in 2022.

Coined in 1950, "crossing the river by touching the stones" is about the importance of stability when dealing with adverse economic conditions that could sweep away plans and prospects. It stresses taking one careful step at a time and looking around before proceeding.

While the river might represent the pandemic, virus variants and unforeseen crises that wash away investment and economic plans, the stones could symbolize the many solid opportunities in Egypt.

In January, AmCham Egypt, in partnership with the Egypt U.S. Business Council, organized a conference to showcase eco-friendly investments available to the private sector in preparation for Egypt hosting the 27th edition of the Conference of the Parties scheduled in November. Complete coverage of the event is this month's cover story.

In late January, JPMorgan relisted Egypt in its Emerging Bond Index, a sign the country's sovereign debt issuances are recommended for international investors. Meanwhile, nuggets of good news are emerging. For example, the government aims to grow GDP by 5.7% in the fiscal year 2022/2023, up from 3.33% a year earlier. Additionally, merger and acquisition deal values nearly quadrupled during the first half of 2021, and two local startups crossed the $1 billion mark, becoming unicorns.

That all but confirms Egypt's solid business and investment potential, despite surging COVID-19 infections.

Like any riverbed, however, jagged or slippery stones represent risks within opportunities. Some could even masquerade or be mistaken as potential investments. One such risk is the fallout from the U.S. Federal Reserve's plan to raise interest rates. Flip forward to this month's American Impact for more details on the possible fallout of that monetary policy shift.

Another risk surfacing due to the increasing number of startups and companies looking to fund them is that many are currently overvalued. Unfortunately, that problem could plague Egypt's thriving startup scene in 2022. Read more about it in our In Depth.

Lastly, some rocks could prove to be springboards toward unprecedented opportunities but lay outside the chosen path. This month's Special Topics looks at how mining for digital currencies, which are illegal in Egypt, creates green investment opportunities.

Regardless of opportunities and risks posed by "crossing the river by touching the stones," the core of any success is people. This month's White Collar section looks at changing employee attitudes in a world of hybrid work and how business owners and top executives can attract and retain top talent, even at below-market salaries.

Tamer Hafez
Managing Editor

Business monthly

Director of Publications & Research
Khaled F. Sewelam

Managing Editor
Tamer Hafez

Contributing Editor
Kate Durham

Consulting Editor
Bertil G. Peterson

Senior Writer
Ola Noureldin

Writers
Adam Skaria
Nada Naguib

Creative Manager
Nessim N. Hanna

Senior Graphic Designer
Marina Emad

Graphic Designers
Ahmed Mostafa
Karim Safwat
Monica Mokhles

Photographers
Karim el Sharnouby
Said Abdelmessih

Production Supervisor
Hany Elias

Market Watch Analyst
Amr Hussein Elalfy

Chamber News Contacts
Nada Abdalla, Azza Sherif
Susanne Winkler

Director of Business Development
Amany Kassem

Senior Business Development Specialist
Michael Magdy
Lina ElShafie

Business Development Coordinators
Menna Mohie ElDin

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

@BusinessMonthlyEg @BusinessMonthly @BusinessMonthly


TOYOTA
BELTA
A CATCH!!!
TOYOTA BELTA
5 years warranty
150,00 km
Genuine Spare parts
Tax registration number 200 - 214 - 640
TOYOTA EGYPT
16550
MY TOYOTA
App Store
Google play
/ Toyota Egypt
www.toyota.com.eg
We recommend
TOYOTA
GENUINE MOTOR OIL
5W-30 MOTOR OIL
15W-40 MOTOR OIL
20W-50 MOTOR OIL

SEIZING THE **OPPORTUNITIES**

The clock is ticking down to the next United Nations Climate Change Conference, aka the Conference of Parties 27 (COP27), taking place in Sharm El Sheikh this coming November. The two-week event will see representatives from more than 180 countries, including heads of states, business leaders, dignitaries and scientists, who will all work collectively to address climate challenges and the actions needed to address the roadmap for a sustainable planet Earth. This is an endeavor that is long overdue, now that climate change's detrimental impact is an undeniable reality.

AmCham is at the forefront of the business sector on this crucial issue. In January, in collaboration with the U.S. Chamber of Commerce, we organized a climate forum titled "Building Momentum to UN COP27: Strengthening Public-Private Sector Collaboration on the Climate Challenge." The two-day event featured Egypt's Prime Minister Mostafa Madbouly as the keynote speaker, with U.S. Special Presidential Envoy for Climate John Kerry leading the U.S. side and Minister of Foreign Affairs Sameh Shoukry leading the Egyptian side.

During the forum, the ministers of environment, international cooperation, petroleum and mineral resources, and electricity and renewable energy, along with The Sovereign Fund of Egypt presented the government's initiatives and other efforts undertaken to address climate change. The U.S. side included senior governmental officials and business leaders showcasing the importance of the topic as well as their interest in Egypt as one of the partners of change. The event had an impressive turnout, with 950 people attending in person and virtually.

COP27 is putting Egypt in the global spotlight. As we prepare to welcome the world to Sharm El-Sheikh, this is an opportune moment to commit to structural reforms that open the country for investment and promote the private sector as the economy's leading player under the umbrella of sustainable development and the green economy. Funding for green projects is leading credit finance in an unprecedented fashion -- an opportunity Egypt should seize.

Acceleration of reforms and the government's timely exit from the economy could not be any more pressing than it is now. This is the chance to cement Egypt's position in the world economic scene where it belongs.

Let's work on making sure that there are no missed opportunities this time.

TAREK TAWFIK
President, AmCham Egypt

THE NEWSROOM

GOVERNMENT TO ISSUE SOVEREIGN SUKUK IN H2/2022

Egypt will issue its first sovereign Sukuk (Islamic bonds) before the end of June, according to Deputy Finance Minister for Policies Ahmed Kouchouk.

The Sukuk issuance will range between $1 billion and $2 billion, Finance Minister Mohamed Maait previously announced. It will provide funding for investment projects in the government's draft budget.

In June, Parliament gave final approval to a government bill for issuing those Islamic financing tools, setting the maximum maturity at 30 years. In August, President Abdel Fattah el-Sisi ratified the law.

Sovereign Sukuk can be re-securitized at the end of their original term for a similar period.

STANDARD CHARTERED TO OPEN A BRANCH IN EGYPT

The Central Bank of Egypt (CBE) gave Standard Chartered an initial approval to enter the Egyptian banking sector, CBE Deputy Governor Gamal Negm said.

The bank is currently working to comply with CBE's requirements and Banking Law 194/2020 to obtain the permanent license to start operating in Egypt.

The British bank will open its first branch by September and plans to have a second branch in Alexandria next year, Negm said.

"The bank's entry underscores that Egypt is attractive to many foreign and regional banks," said Mohamed Abu Basha, chief MENA economist at EFG Hermes.

The emerging-market-focused lender operates in 59 markets and is listed on the London Stock Exchange and two Asian bourses.

In November, the bank said it expected earnings to be flat in 2021 due to the "uneven recovery" in its central Asian, African, and Middle Eastern markets.

In recent years, the bank has reduced its physical presence, saying it planned to close half its branches and cut global office space by a third.

MISR CAPITAL, FAWRY LAUNCH FINTECH MUTUAL FUND

ePayment firm Fawry and Banque Misr's investment banking arm, Misr Capital, launched Fawry Yawmy. It is Egypt's first fintech-based mutual fund tailored to individual retail investors.

The money market fund requires a minimum initial investment ticket of EGP 500 ($31), with no set amounts after that.

Fawry Yawmy relies on Fawry's expansive network across the country to reach large numbers of individual investors, with plans to make the service available via the myfawry app later this year.

A money market fund is a type of mutual fund that invests in low-risk, short-term, high-liquidity assets, including currency, currency-equivalent securities, and debt-based securities.

Fawry Yawmy will "further facilitate retail investors' entry into the Egyptian debt market," said Fawry CEO and founder Ashraf Sabry.

NUCLEAR PLANT CONSTRUCTION TO BEGIN IN JULY

Work on Egypt's first nuclear power plant in El-Dabaa should begin in July, said Alexey Likhachev, CEO of the Russian State Atomic Energy Corp. (ROSATOM), the project's operator.

In December, Egypt signed a contract with Czech company ÚJV Řež to be a consultant during the plant's construction.

Rosatom said Russian and Egyptian officials signed an agreement to produce the core catcher devices for units 1 and 2 of the El-Dabaa plant. The plant will consist of four nuclear reactors capable of producing 1.2GW each. The first unit should begin commercial operations in 2026, while the remaining three reactors would come online by 2028.

In August, the electricity ministry had signed a deal with Russia to manufacture the reactor core catcher, the first long-term equipment for the nuclear plant project.

The El-Dabaa plant is part of a $25 billion deal signed with ROSATOM in 2015.

2022, A HEALTHY YEAR FOR VENTURE CAPITAL

Venture capital (VC) provided to startups grew by 176% year-on-year to a record high in 2021, according to Magnitt's Venture Report for Egypt 2022.

Egypt placed second in MENA behind the U.A.E. in deals closed in 2021, with the majority less than $500,000. The five largest agreements accounted for 53% of the total capital invested in the country in 2021.

The number of investors who financed Egyptian startups in 2021 rose to the highest number ever, growing by 65% year-on-year. The number of startup exits also hit a record high of seven.

A QUESTION OF VALUE

Egypt has a thriving entrepreneurial ecosystem with many startups targeting valuations above the magical $1 billion mark. However, that could prove risky in the short term.

By **Tamer Hafez**

One upside to the 2020 pandemic is that the lockdowns have accelerated innovative solutions, sparking a boom in startups worldwide. And existing startups are attracting more interest than ever from individual and institutional investors. Venture capital (VC) firms invested $128.3 billion in startups in 2021, up $40 billion from a year earlier and breaking the $100 billion mark for the first time, reported Reuters in January.

That has caused a spike in the number of startups becoming "unicorns," with valuations reaching $1 billion. In the second quarter of 2021 alone, 136 startups achieved unicorn status, more than in all of 2020. That is 50% more than the total number of startups whose valuations exceeded $1 billion between 2013 and 2017, as tallied in a June 2020 report from Soject, a digital platform offering software solutions for startups.

That means valuations for each startup are rising much faster than the number of available deals. "Valuations are now common at 40x to 50x the last 12 months of revenue, with some rounds at 100x the next 12 months," wrote Shomik Ghosh, a principal at the specialized VC firm Boldstart Ventures, in a July 2021 tweet.

That phenomenon is starting to emerge in Egypt. "We are at a very nascent stage. For the past 10 years, many were building [Egypt's startup] ecosystem at the foundation level," Ayman Ismail, Abdul Latif Jameel Endowed Chair of Entrepreneurship & AUC Venture Lab Director, told AmCham in a June webinar discussion. "However, some sectors are heating up to a funny place where … valuations are probably ridiculous." However, he added that it has yet to infect all of Egypt's startup landscape. "Some sectors are … behind, where more money can come."

The phenomenon won't likely hurt the economy at large. "A [venture capital] crash … would not destabilize the financial system because startups have low debts," said The Economist in November. However, it could put entrepreneurs with companies valued beyond what their fundamentals dictate out of business.

Startup heaven

One of the drivers of those high valuations is that more people have more money free than ever before. "Governments reacted quickly … and injected unprecedented amounts of cash into the economy," wrote Daniel Faloppa, founder and CEO of Equidam, a platform investors use to assess the value of startups, in December on the company's blog. Rising uncertainty because of COVID-19 variants is also affecting spending. "As a result, all newly minted cash got invested in assets, driving the price of pretty much everything skyward."

Other factors include digitization. "A greater number of customers are now more easily reachable through scalable digital channels, accelerated by COVID-19," wrote Faloppa. Meanwhile, fewer companies have fundamental problems in their business models given the "proliferation of knowledge" via free platforms and discussion forums.

Digitization also reduces operational costs, lowering one barrier to starting and running a business. With the increasing availability of talent and self-taught tech enthusiasts, there is "almost no factor … lowering digital startup potential, as opposed to other industries," wrote Faloppa.

In an August blog for EU-Startups, Eric Weber, the founder of the startup accelerator SpinLab, noted that more entrepreneurs are seeking venture capital funding, seeing it as a secure way to secure sufficient cash and grow.

At the same time, they are becoming increasingly protective and don't want investors to have significant control over their companies, noted the Soject report. "The founders instinctively tend to control the number of transferred shares," it said. "They inevitably try to divert fewer stakes to venture capitalists by [raising] their valuations to attract more capital for fewer shares."

Investor sentiment

Pete Flint, a general partner at venture firm NFX, noted in an October Inc. magazine blog that historically low interest rates across most economies also drive investors to startups.

Additionally, free stock investment platforms such as Robinhood have made bourses potentially more volatile, as evidenced in January 2021 when the brick-and-mortar video game store GameStop saw its stock rise from $20 to above $400 and then plummet to nearly $50 in less than a month. That has spooked some institutional investors. "These trends make it harder for any stock picker to beat the market indices, [driving] institutional capital toward [venture capital]," noted Flint.

Investors see that entrepreneurs "solve … impossible problems and have a major impact on society," said Flint. Think Airbnb and Instacart, which created a new economic model: the sharing economy. "This spirit drives them to create entirely new markets. The winners have an opportunity to seize … significant market share before anyone else can catch up."

The shifts in investor sentiment translate to more opportunities for venture capitalists in non-priority markets. Weber noticed many U.S. funds opening offices on other continents to "escape [rising] valuations in the U.S." VC funds in Europe also seek startups beyond their borders, some of which are government-backed.

In addition to VC firms, many other types of investors see startups as an "interesting asset class," said Weber, including family offices, business angels and institutional investors. Startups are also attracting attention from hedge funds, mutual funds and sovereign wealth funds inside and outside the United States, Sumi Das, partner at Alphabet's private equity arm, CapitalG, told Fortune Magazine in October.

Additionally, startup investors make decisions much quicker than before the pandemic. "After the initial meeting with a founder, investment decisions can be made in a matter of days," said Das, where it used to be a two to three-week process.

The Soject report said the rush of investors is causing overvaluations. "They overestimate the startup … arguing the benefit … will offset the overstatement in the future," it noted.

That is evident in how easier it has become to achieve valuations of $1 billion or more. Will Gornall and Ilya Sterbulaev, professors at the University of British Columbia and Stanford, published research in 2021 showing that 51% of America's unicorns "had an overestimation problem." An additional 22% of those overvalued startups exceed 100% of their fair value.

Egypt's startup boom

Those factors have a noticeable impact on Egypt's startup ecosystem. Rafeh Saleh, the founding partner at Cubit Ventures, told the AmCham webinar audience that Egypt had its first unicorns (Fawry and SWVL) in one year, and there are "more local startups that are on their way to that $1 billion benchmark."

Ismail of AUC sees 20 to 30 local startups securing a second round of financing this year, and "10 of them will be unicorns" within five years," he said. "That is a good pipeline … The market is starting to unlock in specific sectors, but that can change year to year."

Another of the webinar panelists, Yousef El Samaa, managing director of Falak Startups, believes the boom in Egyptian startups should be sustainable because entrepreneurs are disrupting the industries where they work and are not sector outsiders. Samaa said this ensures high-quality startups and that "the next waves will [almost always] be better."

Other incumbent factors in Egypt also boost startup proliferation. They include resilient GDP growth, a fast-growing young population, and the government's strategy to digitize the economy. "We are moving up the curve," said Ismail. "Funds are coming, and valuations are more entrepreneur-friendly."

Risky money

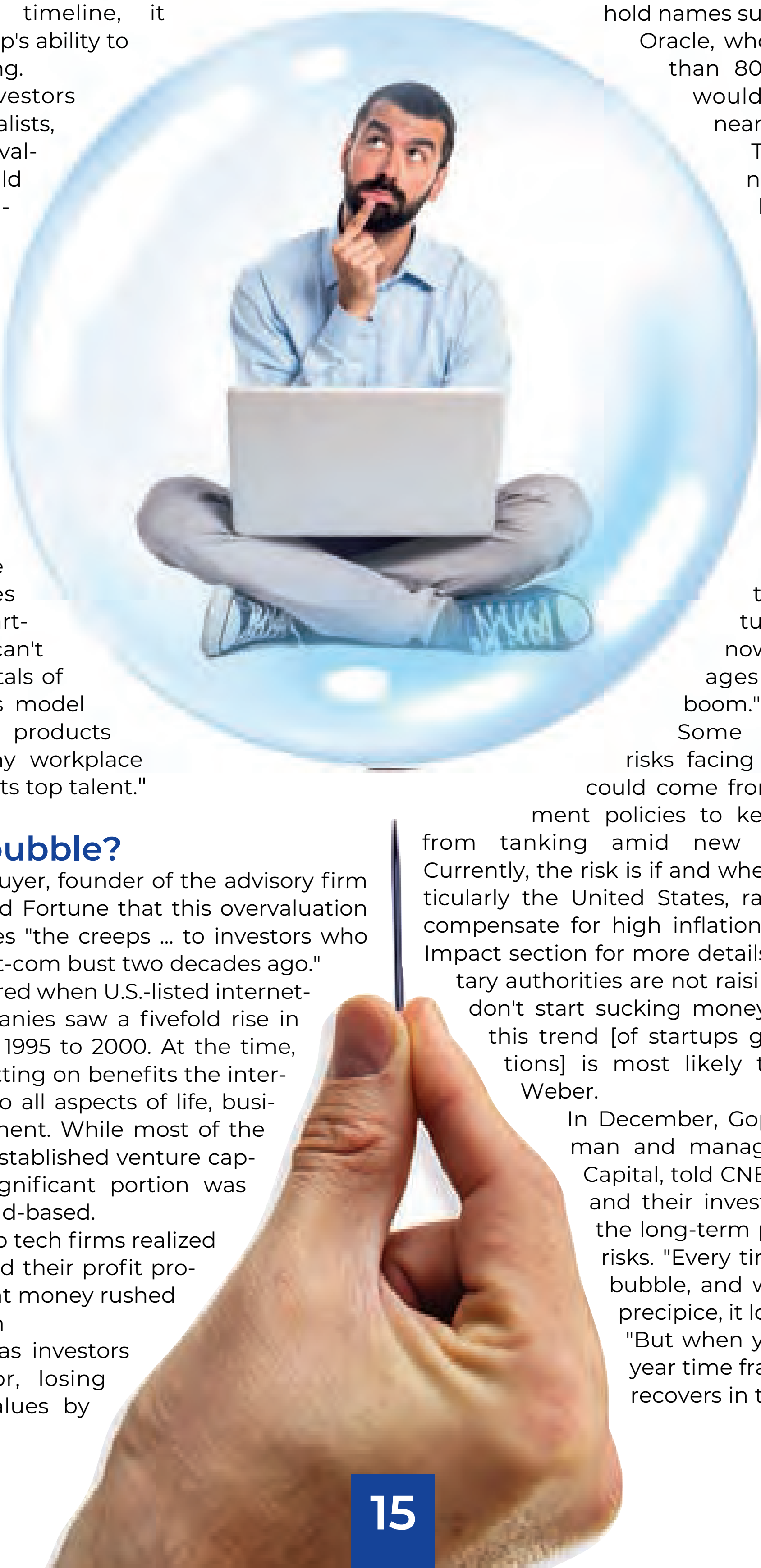
Weber of SpinLab noted that as valuations increase, startups could easily overshoot their fair value based on fundamentals. "Big valuations look quite sexy for founders and … investors," Weber told EU-Startups magazine in August. That could prove risky.

The higher the valuation, the more pressure entrepreneurs face to boost revenue. In some cases, those ambitions are beyond the startup's capabilities. Also, while more cash inflows mean more flexibility to test new things, that could quickly "provoke [allocation] of money in the wrong directions," said Weber. "Getting more money opens the door for wasting money."

A third risk is that securing massive funding could make startups "uninvestable," said Weber. "Especially in early rounds, the valuation is usually not based on business fundamentals, but … softer aspects such as team and vision." If that team and vision cannot deliver the results within the investment timeline, it impacts the startup's ability to attract later funding.

For startup investors and venture capitalists, investing in overvalued startups would "narrow the number of exit options dramatically and ... the likelihood of commercial success," noted Weber.

Flint of NFX stressed that the rush of cash inflows could go into startups doomed to fail. "Capital alone never guarantees success for any startup," he said. "It can't fix the fundamentals of a flawed business model or build amazing products or build a healthy workplace culture that attracts top talent."



Burstable bubble?

In October, Lise Buyer, founder of the advisory firm Class V Group, told Fortune that this overvaluation phenomenon gives "the creeps ... to investors who remember the dot-com bust two decades ago."

That crisis occurred when U.S.-listed internet-based tech companies saw a fivefold rise in stock prices from 1995 to 2000. At the time, investors were betting on benefits the internet might bring to all aspects of life, business and government. While most of the cash came from established venture capitalist funds, a significant portion was speculation and fad-based.

However, startup tech firms realized they overestimated their profit projections just as that money rushed in. As a result, tech stocks crashed as investors exited the sector, losing 76.8% of their values by 2002. That also dragged down household names such as Cisco, Intel and Oracle, whose stocks lost more than 80% of their value. It would take the Nasdaq nearly 15 years to recover.

That said, Buyer doesn't believe that would happen with startups now: "We aren't seeing the crazy get-me-in-at-any-price behavior. It is a really healthy position."

Flint agrees the startup landscape is balanced: "While the market for top talent is still competitive because there are more startups than ever, we're nowhere near the shortages of the dot-com boom."

Some experts noted the risks facing overvalued startups could come from changing government policies to keep their economies from tanking amid new COVID-19 variants. Currently, the risk is if and when governments, particularly the United States, raise interest rates to compensate for high inflation. (See our American Impact section for more details). "As long as monetary authorities are not raising interest rates and don't start sucking money out of the market, this trend [of startups getting higher valuations] is most likely to continue," noted Weber.

In December, Gopal Srinivasan, chairman and managing director of TVS Capital, told CNBC TV18 that startups and their investors need to look at the long-term picture, regardless of risks. "Every time there has been a bubble, and when you fall off the precipice, it looks terrible," he said. "But when you look at it in a 10-year time frame, it is managed; it recovers in two or three years."

MAPPING OUT COP 27

The American Chamber of Commerce in Egypt, in partnership with the U.S. Chamber of Commerce, held a two-day forum to highlight government plans, investment opportunities and expectations for the 27th Conference of the Parties coming up in November at Sharm El Sheikh.

Reporting by
Ola Noureldin, Nada Naguib and Tamer Hafez


SHARM EL-SHEIKH
7-18 NOVEMBER 2022

During the 26th United Nations (UN) climate change Conference of the Parties (COP26) in Glasgow, many were skeptical about commitments to hold global warming to 1.5 degrees Celsius above pre-industrial levels by 2030. "We have kept 1.5 degrees alive ... but its pulse is weak," said Alok Sharma, president of COP26, during concluding remarks last November. According to the Intergovernmental Panel on Climate Change's 2018 report, warming above 1.5 degrees would result in irreversible and increasingly severe crises. During the "Building Momentum to UN COP27" forum held Jan. 24-25, U.S. Chamber of Commerce President and CEO Suzanne Clark said COP26 had "unfinished business." As host of COP27, Egypt and other attendees hope the conference will focus on meeting COP26 pledges, such as reducing the use of coal.

COP27 likely will emphasize finance and investment opportunities across various sectors, and the January forum suggested it might be a "private sector COP."

View from above

"Egypt intends to utilize its incoming COP presidency and leadership on global climate action," said Prime Minister Mostafa Madbouly in his opening remarks. The aim will be "to enhance public-private partnerships, sustainability, green growth and achieve a just transition toward a green economy."

The government has undertaken several structural, legislative and policy reforms since 2016 to attract eco-friendly investment. "Our efforts have contributed hugely to developing an enabling environment [for] the private sector," said Madbouly. That includes new laws that opened previously inaccessible sectors, such as the national electricity grid and waste management.

Another focus for Madbouly is that all government projects have an environmental dimension, despite Egypt contributing only 1% to global greenhouse emissions. "We aim to make the government's budget 100% green by 2030," he said. The government and Commercial International Bank (CIB), a private bank, issued the Middle East and North Africa's first green bonds to "offer new and innovative financing for green projects, waste management, green transport and renewable energy, among others," he said. "Local banks now have specialized departments dealing with [eco-friendly] finance."

The prime minister stressed the importance of capitalizing on solid partnerships with the United States to realize Egypt's goals. "We look forward to further cooperation with the American private sector to materialize ambitious policies into projects and programs that will contribute to sustainable development while addressing climate change."

For American investors, there should be plenty of opportunities in Egypt. U.S. Special Presidential Envoy for Climate John Kerry noted the "huge amount of good [that] came out of Glasgow," yet the world is still "in trouble." However, he said it is "trouble we can get out of" if the world can keep global warming at 1.5 degrees.

If that is not possible, the world will face catastrophes. "All [have] seen the devastating consequences of neglect we are all responsible for," said Minister of Foreign Affairs Sameh Shoukry. The significant takeaways from COP26, he noted, were the momentum it created and the political will demonstrated. COP27 aims to maintain that momentum, capitalize on it and "raise ambitions."

Private businesses are vital partners in achieving those objectives. "They [can] be a validator of good choices," said Kerry. That makes them critical for climate transformation because they create jobs and products that can reduce the carbon footprint of everyday life. The world sees "spontaneous, proactive leadership" from businesses leading by example, he said.

Kerry said businesses could provide financing beyond any government's budget. "The business community can help do the single most important thing here ... help to structure the finance for this transition," he said, adding that six of the biggest U.S. banks have announced they will allocate a total of $4 trillion for eco-friendly investments over the next 10 years. The government's role will be to create incentives and lower legal barriers.

Shoukry's aim during COP27 will be to flesh out Africa's needs: "We will be listening carefully to the needs and priorities of African and other developing countries that have suffered greatly from the negative effects of climate change."

The financing issue is fundamental because of "deficiencies that exist" in most developing countries, noted Shoukry. He stressed the private sector and NGOs are key.

What Egypt needs

Minister of Environment Yasmine Fouad, who will be Egypt's envoy to COP27, sees the goal of this year's conference as "raising the ambition" and "involving the private sector." "We aim to build implementable, realistic, yet ambitious ... green partnerships," she said.

Egypt has many opportunities for eco-friendly investors. The Intergovernmental Panel on Climate Change says the country is highly susceptible to climate change, classifying the Nile Delta as "extremely vulnerable." "Water is the essence of everything, impacting food security, agriculture, manufacturing and land use," said Fouad. "It could also destroy settlements and infrastructure."

President Abdel Fattah el-Sisi in 2019 formed the National Council for Climate Change, headed by the prime minister. Its first decision was to approve Fouad's five-pillar strategy: lowering carbon emissions, making Egypt more resilient to climate change, enhancing climate actions, creating a "green financing" ecosystem and investing in R&D.

The government would have to partner with the private sector to realize its targets. According to Fouad, the energy sector — oil and gas, fuel for automobiles, and electricity generation — holds the most promise as it accounts for 64% of Egypt's greenhouse emissions. Agricultural activities contribute 14%, industry 12%, and waste management and disposal 8%. "The more opportunities that we open, the more likely we will realize our [climate] ambitions," she said.

In 2015, the government passed feed-in tariffs to incentivize solar and wind energy generation projects. Now, there are similar payment arrangements for waste-to-energy and sludge-to-energy operations. Another opportunity for the private sector is in managing those clean energy facilities, noted Fouad.

Those opportunities will only increase as Egypt aims for clean energy sources to account for 42% of energy production by 2035. That includes using cleaner fuels such as natural gas, blue hydrogen produced from carbon and eventually green hydrogen from renewable sources.

Other opportunities for companies involve protecting shorelines, seaside settlements and agricultural land, particularly in coastal governorates from Alexandria to Damietta. Fouad also noted the importance of water-related projects, with the government acknowledging Egypt's water poverty status since 2018. As a result, opportunities exist in wastewater management and recycling, irrigation, low-water crops, industry and recycling. The government also wants to increase the fresh water supply by promoting desalination projects, she said.

Lastly, the automotive industry should attract more private investments than ever. The government is replacing 20-year-old cars with new ones that use natural gas and building electric vehicles with local components.

According to Fouad, the key is to make projects "bankable." Tarek Tawfik, AmCham Egypt's president, said private sector involvement will be contingent on policies and profits, describing them as "inseparable."

Decarbonizing water, agriculture

The first public-private partnership projects should target water and agriculture supply chain inefficiencies. "Waste in supply chains, logistics, cold storage and other parts is between 30% and 35%," said Tawfik. "Reducing it to between 5% and 6% in line with international standards would greatly increase [water] delivery efficiency." The following steps should boost freshwater supplies through desalination projects, wastewater recycling, new irrigation techniques, and canal upgrades to prevent seepage, increase arable land, and modernize agricultural infrastructure, said Tawfik.

All solutions must address the needs of farmers, raise awareness and be easy for them to operate, stressed Natasha Santos, vice president and head of stakeholder affairs and strategic partnerships at Bayer's Crop Science Division. "The aim is not just to reduce emissions," she said, "but also remove carbon from the air and increase environmental resilience."

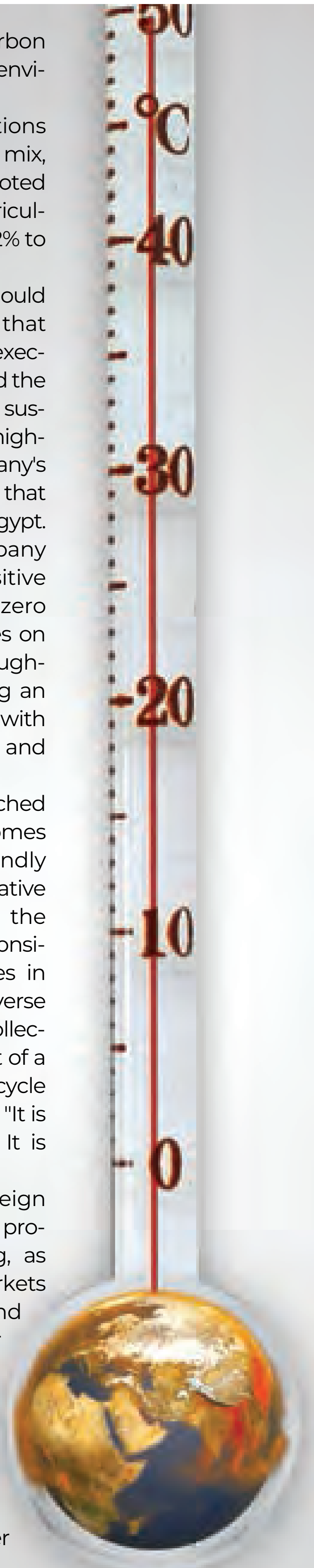
Ultimately, those solutions would reshape Egypt's crop mix, and land and water use noted Tawfik. "Improving the agriculture value chain would add 2% to GDP," he said.

The U.S. private sector should play a significant role in that development. Jim Andrew, executive vice president of Beyond the Bottle businesses and chief sustainability officer at PepsiCo, highlighted some of his company's technologies and initiatives that could benefit agriculture in Egypt.

Last year, the company launched its PepsiCo Positive campaign to reach net-zero emissions by 2040. It focuses on sustainable agriculture throughout its supply chain, building an inclusive circular value chain with zero waste or byproducts and sustainable packaging.

In April, PepsiCo also launched the Soil and Water Outcomes Fund to finance eco-friendly ideas that promote regenerative agriculture. Additionally, the company is developing responsible potato farming practices in South Africa and offers a reverse credit system for garbage collectors in Egypt. "Those are part of a bigger campaign titled 'Recycle for Tomorrow,'" said Andrew. "It is not just good for business. It is good for all of us."

However, securing foreign direct investments in green projects will prove challenging, as most other emerging markets compete for capital and financing, particularly water projects. "Water is the vector through which climate change will cause the most suffering," said Albert Cho, senior vice president and chief strategy and digital officer at Xylem, a water technology company



Eco-fueling the future

One of the biggest challenges facing climate goals is decarbonizing the oil and gas sector. According to the Central Bank of Egypt, oil and gas account for 13.4% of total investments in the country.

Tarek El Molla, minister of petroleum and mineral resources, highlighted his ministry's decarbonization strategy through 2035, co-developed with the Ministry of Electricity and Renewable Energy. It aims to ensure Egypt's energy security, financial sustainability and sector governance. "Monetization and a focus on sector-wide decarbonization are our main focuses," he said. "That extends to our partners, and local and international companies."

The first decision was the 2019 "price correction" for all petroleum products and implementing an index system that adjusts gasoline prices every three months. The second step was to promote natural gas use. According to the U.S. Energy Information Administration, it is the least polluting fossil fuel.

El Molla said petroleum consumption dropped 30% between 2014 and 2020, while natural gas increased by 35%. Last year, natural gas accounted for 65% of Egypt's fossil fuel mix.

Secondly, the strategy promotes efficiency. "We've implemented projects worth $1.5 billion, organized two conferences and provided support to energy companies," Molla said, estimating $50 million total in fuel savings due to upgrades and new facilities.

The third pillar of the ministry's 2035 strategy is investing in clean and sustainable fuels. El Molla pointed to a new Egyptian Natural Gas Holding Co. (EGAS) department that promotes carbon-free fuels.

In addition, the ministry is part of a World Bank initiative to reduce emissions from flaring oil rigs by 2030. "We also are working with partners to expand recovery" of waste, said El Molla. "Those agreements cover all upstream and downstream activities."

Another initiative is the ministry's participation in the International Energy Agency carbon capture, utilization and storage program, implemented with the help of the U.S., El Molla said. He is also working with Eastern Mediterranean Gas Forum members on decarbonizing extraction and natural gas liquefaction.

El Molla stressed the government wants "realistic [solutions] that can be implemented on the ground. [Therefore] we have not set a time [frame] to reach any decarbonization milestones."

U.S. oil and gas companies see the opportunities the ministry is creating. "The government's vision to modernize the ... oil and gas sector has [allowed] us to ... modernize our concession agreements, unlock opportunities to develop, advance and invest in technology to reduce emissions," said John Christmann, Apache's CEO and president. Driving the company's decarbonization strategy is its adoption of U.N.'s environmental, social and governance (ESG) criteria. "We set aggressive short-term targets within our control," said Christmann, "and we can deliver."

For example, Apache eliminated routine flaring from its U.S. plants in 2021. The company could work with the Egyptian government to adopt similar technologies to reach the same goal by 2030, noted Christmann. Apache also uses national gas or solar power at all its Egypt-based facilities.

Another possible U.S. partner is Houston-based Baker Hughes, which announced its net-zero pledge in 2019. "We are an energy technology company," said Lorenzo Simonelli, president and CEO. "Our role in the ecosystem is to [offer] solutions and technologies that allow a roadmap to net zero."

He emphasized that the world still needs fossil fuels. "We see a world where the use of hydrocarbons will continue for decades. So it is important to lower emissions ... We have to take a pragmatic approach," said Simonelli, suggesting that existing technologies could lower fossil fuel emissions by 40%.

Applying cabon capture, utilization, and storage technologies could reduce emissions by 20% more than the 2015 Paris Agreement targets, said Simonelli. "Technology is not what could stop us it is policy," he said.

Such technologies could prove vital, as Simonelli expects demand for liquefied natural gas to double by 2030. In the MENA region, Egypt and Saudi Arabia could be producing blue hydrogen by then. "We see an addressable hydrogen market worth $25 billion by 2030," said Simonelli.

The Sovereign Fund of Egypt (TSFE) is already reaching out to investors to discuss eco-friendly opportunities. "We have built a pipeline that is biased toward manifesting where our green agenda can be exemplified," said fund CEO Ayman Soliman. At the top of the list are green hydrogen and green ammonia projects. "This is a future avenue for how we can transform renewable energy into an exportable medium of green fuel."

Egypt can produce renewable energy at competitive prices, said Soliman, with the country's energy infrastructure and proximity to Europe increasing export opportunities. Meanwhile, with about 15% of global shipping traffic passing through the Suez Canal, private investors could boost the canal's competitiveness by turning it into a worldwide hub for supplying ships with green fuel, he said.

However, hydrogen is in the early stage of development, with some provisional deals signed and pilot studies underway. In October, Abu Dhabi-based Fertiglobe partnered with Scatec and TSFE to develop green hydrogen as feedstock for ammonia production at Ain Sokhna on the Gulf of Suez.

In July, Eni signed a deal with the Egyptian Electricity Holding Co. (EEHC) and EGAS to assess the feasibility of producing green and blue hydrogen by storing carbon emissions in depleted gas fields. And in August, Siemens signed a memorandum of understanding with the EEHC to co-develop a hydrogen facility with export capability.

Green power

With a global move toward renewable energy to combat climate change, Egypt has the potential to become Africa's hub for these projects, harnessing its considerable solar and wind resources. The goal is to achieve more renewable sources of electricity to meet sustainability goals and continue grid expansion.

Mohamed Shaker, minister of electricity and renewable energy, said the administration started to seriously promote wind and solar projects a few years ago. Shaker said Egypt allocated more than 7,500 square kilometers of land to solar and wind farms that could generate up to 90,000 megawatts of electricity and has "started to utilize this to a great extent."

The government's Integrated Sustainable Energy Strategy launched in 2019 lays out plans for renewables to account for 42% of energy production by 2035. In addition

to allocating land, Shaker plans to disclose all information concerning wind and solar power to investors and hold customs below 2% on imported materials related to renewable energy. "We are relying to a great extent on private investments in this direction," he said.

Stuart Jones, president, regions and corporate relations at Bechtel Corp. said companies like his see opportunities, particularly in "projects that require new technologies and approaches, and where there may be an international component." That might include pump storage, carbon capture, battery storage and hydropower, noting Bechtel supplied a plant in Minya.

Khaled Hashem, North Africa for Honeywell International president, said his company recognizes the potential and momentum "triggered by COP27 and [Egypt's] will to invest in sustainability programs." He added that Honeywell is negotiating with the government on several projects, including an initiative that sees the company "recycling plastic for parts that can't be recycled through mechanical methods."

Another goal is to make power grids more resilient against risks such as extreme weather disturbances, cybersecurity and growing demand for electrification, Roger Martella, chief sustainability officer for General Electric (GE), said. GE focuses on providing "technology and substations that support Egypt's growing wind and solar generating capacity."

However, Hashem sees a significant challenge. "We know [sustainability] is a mandate; we all have to do it. The challenge, in most of the cases, is that it's not economical," he said, adding that is where Honeywell excels.

Ahead of COP27, Martella emphasized the feasibility of achieving decarbonization goals while making the energy sector more resilient. "We're passionate about making sure that as we're decarbonizing, we're making electricity reliable, sustainable and affordable at the same time," he said.

With such ambitious goals, companies are expanding their renewable energy portfolios. "As we grow renewables," said Martella. "You always want to create more opportunities for renewables to succeed."

With ongoing projects by General Electric, Honeywell, Bechtel, and others, Egypt's electricity ministry hopes to realize its ambitious plans for COP27 in November. The next challenge will likely be maintaining initiatives through 2035 and onward to more renewable options.

Building the tech ecosystem

The COVID-19 pandemic has accelerated technology adoption, from e-commerce and augmented reality to one-to-one personalization and live streaming. As a result, Internet use globally jumped about 78% in the past year alone, and the tech industry accounts for 3.5% of harmful emissions.

Lawrence Berkeley National Laboratory in California has estimated electricity consumed by U.S. data centers is enough to power 6 million homes. By 2030, the ICT sector will require 21% of global electricity consumption, up from 5% to 9% now.

"Technology and the environment have a bit of a love-hate relationship," said Golestan Radwan, adviser to the minister for artificial intelligence at the Ministry of Communications and Information Technology (MCIT).

On the one hand, electrical equipment depletes natural resources like rare earth elements and precious metals, generating e-waste as new devices replace older ones. And the computing power needed to mine digital currencies, train artificial intelligence systems and other applications has a large energy footprint. But on the other hand, technology provides crucial data to address global environmental challenges, noted Radwan.

As a result, ICT companies are trying to slow greenhouse gas emissions. "We have an important role to play in reducing our ... impact on the planet ... continuously develop[ing] solutions that can drive progress to a resource-efficient future," said Louise Koch, global social impact director at Dell Technologies. "We set a goal of reducing ... emissions by 50% by 2030. We've also committed to purchasing 75% of our electricity from renewables by 2030 and 100% by 2040."

Dell is working with suppliers to reduce the carbon footprint of their products by 60% by 2030. The company also is "reducing the energy intensity of our entire product portfolio by 80%," Koch added.

However, the ICT sector faces challenges finding the right indicators to measure the impact of decarbonization efforts, said Lloyd Treinish, Distinguished Engineer and Chief Scientist for Environmental Modeling, Climate, Weather and Deep Thunder at IBM. He blames the long-term nature of such investments and uncertainty over the effects of climate change.

One example is buildings with green rooftops and green spaces. "Such a design can ... reduce heat impacts on a population, but one should also look. at ... how that might affect the propagation of pollution and the effect of air quality and water availability," Treinish said. "We need models that can look at the impact of certain trade-offs during the lifetime of infrastructure and then help decision-makers choose what optimizations make the most sense."

Governments can't apply climate solutions blindly. "Egypt needs refined studies nationally and regionally to match the scale of what decision-makers need to understand," said Treinish.

Involving academic institutions and advocacy groups in public-private partnerships could prove crucial for Egypt to achieve its climate ambitions and protect the most vulnerable communities.

Those efforts are a must as the government pushes digital transformation. It aims to grow the economy "in a fast and sustainable way by modernizing villages and transforming urban communities into smart and sustainable cities," Radwan said.

The first step is expanding optic fiber network coverage, Radwan noted. In addition to higher data transfer speeds, they emit less harmful emissions and are more energy-efficient. The MCIT also wants mobile network operators to share transmission towers to reduce power use and emissions. "We're also working on using solar panels for telecom sites along with [Telecom Egypt's] transmission network," she added.

The ministry is working with the Swiss government to promote sustainable and e-waste recycling investments. "We also are working to establish a dedicated center for the collection and recycling of old electronic devices," Radwan said, adding that artificial intelligence will be used in waste management for automatic sorting.

That could create new opportunities for both the government and private sector, she said, including startups, small businesses, universities, and research institutes.

Meanwhile, the government has digitized more than 130 services, reducing the need for citizens to commute. The first milestone is to make all government operations and transactions in the New Administrative Capital paperless.

The government offers farmers new AI-powered tools, such as Hudhud, a smart farmer assistance program launched in September, and Kenana, an online portal for agricultural communities. The government is also developing digital tools to ration groundwater use in irrigation based on crop types, growth stages, weather, soil moisture and other factors, said Radwan.

Finally, the ICT ministry is working with the Egyptian Meteorological Authority on AI-enabled forecasting, early warning systems and mapping climate change-related risks, said Radwan.

Financing challenges

Securing financing for green projects in Egypt and other emerging markets is critical. Rania Al Mashat, minister of international cooperation, said Egypt's development portfolio exceeds $25 billion.

To significantly increase that investment, conventional lending won't be suitable given many developing countries' "non-investment grade" ratings. Al Mashat said Egypt and similar markets need innovative financing tools to attract the private sector to eco-friendly projects. She also noted the need for new skills and capacity-building to establish and operate eco-friendly projects, stressing those topics would be a focus of COP27.

At present, Egypt is leading the way in securing climate finance. In November, the European Bank for Reconstruction and Development (EBRD) said it would extend $100 million to Banque Misr to accelerate climate change mitigation and adaptation projects. "We at EBRD help structure technically challenging innovative financing ... to leverage the more risk-averse private banks," said Heike Harmgart, EBRD's managing director for the Southern and Eastern Mediterranean.

Citing the bank's role in Benban, where it financed solar projects producing a total of 750 megawatts, Harmgart said the next stage is to engage the private sector in more sophisticated investments, including energy storage, grid digitization and green hydrogen.

The U.S. International Development Finance Corp (DFC) is also eyeing eco-friendly Egypt projects. "We stand ready to help finance this transition [given] the tremendous gap in financing and the need for the private sector to come in and engage in these areas," said Dev Jagadesan, DFC's acting CEO.

The DFC provides both development capital and tools, Jagadesan said, noting a $60 billion budget limit. Available tools include technical assistance, grant writing, equity financing, debt, project finance, loan portfolio guarantees and political risk assurance. "The portfolio of applications coming from Egypt [includes] projects in the electric mobility space to larger infrastructure projects," he said. "We are eager for more."

U.S. investment banks can also help finance Egypt's green transition. Jay Collins, vice chairman for capital markets, banking and advisory at CitiGroup, said, "We are now offering carbon credits as a new value tool, which should be structured into many upcoming green projects. Green investment cannot come solely

on the back of Egypt's or emerging markets countries' balance sheets."

CitiGroup also provides green export financing and grants, which it can blend into many green projects, including public-private partnerships. "The use of these tools is complex. Each risk has to go to the pocket that can take it," Collins said. He added that future versions of these tools must be simplified and scaled as much as possible to accelerate private sector involvement. At the same time, the developing world needs to build the skills and capacity to meet the enormous demand for innovative financing tools.

Al Mashat said the lack of standardized benchmarks for economic, social and governance metrics for private sector companies constrains eco-friendly FDI. "These metrics need to come into place so [investors] see that doing projects in Africa is similar to other places," she said.

Nonetheless, Egypt has an advantage over most emerging markets, with more than 10,000 scientific publications addressing environmental issues and the economic impacts of climate action. "That really matters because we need basic research to create the pathway to [convert] applied research into policy," said Márcia Balisciano, global head of corporate responsibility at RELX, a London-based information and analytics company.

COP27 and U.S. partnerships

America's foreign policy will likely play a significant role in realizing Egypt's climate ambitions. In 2021, U.S. President Joe Biden announced an increase in the climate finance budget from $2.3 billion to $11.6 billion. "That signals that climate change mitigation, prevention and adoption are a priority for this administration," said Moataz Zahran, Egypt's ambassador to the United States. Currently, Zahran is promoting a pipeline of green projects from the government worth $1.9 billion, including renewable energy, transport, water and wastewater management, and pollution prevention and control.

In November, Egypt created a climate working group with U.S. partners to attract American investors. There also will be a "green economy trade mission to Egypt in 2022 in addition to several events at the Egyptian Embassy from now until November," said Zahran, adding that Egypt is engaged within similar groups of "like-minded countries."

Jonathan Cohen, U.S. ambassador to Egypt, stressed that COP27 should be an ideal platform for attracting the U.S. private sector. He noted the Biden administration would support Egypt's efforts to stop "environmental degradation, shoreline erosion, desertification, air pollution, and water quality degradation." That would include embassy involvement in securing financing and training for the Egyptian government.

Failure to attract sufficient eco-friendly investments would have "very severe ... economic consequences," said Cho of Xylem. "The World Bank estimates the Middle East and North Africa could see the world's biggest economic losses ... associated with climate change [ranging from] 6% to 14% of GDP."

AmCham President Tawfik stressed in his concluding remarks that "Egypt is very serious about policy reforms, actionable initiatives and commitment to investments." So far, the government has invested $3 billion on green projects. "More will come as [the country] embarks on its second wave of reforms to restructure the economy and eliminate bureaucracy," he said. ■

EMERGING MARKETS GET A 'FED-ACHE'

The Federal Reserve's tighter monetary policy in 2022 might benefit the U.S. economy but likely will cause headaches in Egypt and other emerging markets.

By **Tamer Hafez**

Like most emerging markets, Egypt will always target a net inflow of dollars from exports, portfolio investors, and foreign direct investment (FDI). Accordingly, developing countries have always relied on the United States to keep interest rates low. "Markets spent most of 2021 trading on assurances from ... the U.S. Federal Reserve [that] monetary policy would continue to be in uber stimulus mode," wrote Mohamed El-Erian, president of Queen's College, in a Financial Times blog in January.

However, the Federal Reserve (Fed) plans to reverse that strategy to ease U.S. inflation, which hit a 40-year high in November. "Economic developments and changes in the outlook warrant this evolution of monetary policy, which will continue to provide appropriate support for the economy," Fed Chairman Jerome Powell said in December.

The change could be problematic for Egypt, which doesn't peg its currency to the dollar. With tighter monetary policy, "we will see an appreciation in the dollar's value against other currencies. That will impact banks and cause inflation elsewhere in the world," said Hisham Ezz El-Arab, Commercial International Bank's former chairman, to Al Arabiya in December.

That could hamper economic recoveries in Egypt and other developing countries for the next few years. The key to bypassing fallout from the Fed's tightening policy rests in large part with the Central Bank, which might face tough decisions, at least until inflation in the U.S. cools. "Smart and sensitive policies to maintain economic safety will be essential in 2022," said Ezz El-Arab.

The greenback's impact

As the global reserve currency, the dollar's value affects almost all economic aspects in developing countries that need greenbacks to fuel their GDP and fund imports. "It affects emerging market economies more forcefully than advanced economies," wrote Ozge Akinci, senior economist at the Federal Reserve Bank of New York's Research and Statistics Group, in a May blog on Liberty Street Economics.

For example, foreign investors prefer to put their dollars in the United States and other developed, wealthy nations. To attract investors to riskier emerging markets, their governments offer potentially higher profits by issuing higher interest rate treasury debt and raising interbank overnight interest rates.

That premium margin narrows if the dollar appreciates or interest rates increase in safe investment destinations. As a result, foreign investors would seek those safe markets, "sucking out high-interest savings" from emerging markets, said Ezz El-Arab. That results in "higher domestic lending spreads, making credit more expensive ... and triggering declines in investment, ultimately slowing economic activity," noted Akinci.

The dollar's appreciation against national currencies would also weigh on governments that rely on dollar-denominated treasury debt to finance imports. The value of those foreign currency loans and interest payments in the local currency would increase overnight.

Meanwhile, foreign investors with assets in emerging markets would see the dollar value of their investments decline. That could lead to an exodus, particularly those who primarily invest in government debt or stocks.

That cascade of events would only weaken foreign investors' demand for national currencies, devaluing them further. That could cripple Egypt, which imports most of its primary and luxury needs, and other import-dependent emerging economies.

Two-prong policy

"Central banks around the world have had loose policies to save their respective economies from collapse due to lockdowns," said Ezz El Arab. "They had no choice unless they wanted mass loan defaults as businesses go out of business."

During December's Fed meeting, Powell said the plan until 2024 is to gradually relax the Fed's role in stimulating the economy.

Additionally, the Fed is under pressure, with the annual U.S. inflation rate at 6.8% in November, up from 1.4% in January 2021. "Supply and demand imbalances related to the pandemic and the reopening of the economy have continued to contribute to elevated levels of inflation," read a Fed statement in December.

The first step is to halt the buyback of treasury debt, known as quantitative easing (QE), starting in late 2021, with the Fed reducing its buyback budget by $15 billion every month. It reached $120 billion in November, dropping to $90 billion in December and $60 billion in January.

However, there is some uncertainty about when QE will stop. El-Erian of Queen's College noted, "While the [Fed] policy will remain accommodative for a ... while the world's most powerful central bank is set to completely stop its asset purchases by the end of the first quarter" of 2022.

Thomas Costerg, a senior U.S. economist at Pictet Wealth Management, expects easing to end by June. That should open the door for five interest rate hikes through mid-2023, he wrote on the company's website in December.

Beth Bovino, the U.S. chief economist at S&P Global, expects the Fed to stretch it to September, but "the longer people sit on the sidelines, job market pressure on wages could force the Fed to move faster."

Interest rate hikes, which ultimately affect the dollar's value, will not happen until QE ends, Bovino said in November. In December, Jeff Cox, a finance editor at CNBC, said the Fed couldn't do both simultaneously, "as the two moves work at cross purposes."

Cox added that the Fed will likely raise interest rates three times this year, twice in 2023 and two times in 2024. Costerg of Pictet Wealth Management believes the Fed will continue to raise rates until inflation drops to 2%.

Fallout

Stephan Danninger, chief of the International Monetary Fund's (IMF) Macro Policies Division, noted in a January blog that since mid-2021, investors have seen the rise of inflation in the United States as temporary, resulting from "unsteady economic recovery and a slow unraveling of supply bottlenecks."

However, that "sentiment has shifted," Danninger said, adding that inflation has yet to cool off and governments' reactions to the Omicron variant have raised fears.

Emerging markets are the first to feel the impact of the Fed's expected policies. "These changes have made the outlook for emerging markets more uncertain," wrote Danninger. "In recent months, emerging markets with high public and private debt, foreign exchange exposures and lower current-account balances [already have seen] larger movements of their currencies relative to the U.S. dollar."

At the World Economic Forum's Davos Agenda, Chinese President Xi Jinping warned, "If major economies slam on the brakes or make major U-turns in their monetary policies, there will be serious negative spillovers. They would present challenges to global and economic financial stability, and developing countries would bear the brunt."

Central banks in several emerging markets are already taking pre-emptive actions. For example, Brazil raised interest rates from 2% in February 2021 to 9.25% by January 2022, while Russia raised rates from 4.25% to 8.5% during the same time. Danninger said their dollar borrowing costs were still low, yet their priorities were stabilizing foreign funding and limiting the likelihood of increasing inflation rates.

Egypt's CBE, on the other hand, has maintained interest rates at 8.25% since December 2020, the lowest it's been since 2014. Beltone Financial's December report explained that the current rate ensures loans are not too expensive for companies, keeps inflation between 5% and 6% according to CAPMAS, and is attractive for foreign treasury and stock investors. Others follow the same strategy, including Morocco, Taiwan and Malaysia.

Policy keyholder

Danninger stressed that the fate of monetary policies and foreign currency inflows in emerging markets would be dictated by the success of the Fed's policies to lower inflation. "Should policy rates rise and inflation moderate as expected, history shows that the effects for emerging markets are likely benign if tightening is gradual, well telegraphed and in response to a strengthening recovery," he wrote.

Confirming that scenario, economists expect a boom in GDP growth fueled by the approval of a $1 trillion infrastructure bill that should attract massive FDI to America. "We estimate that $1 trillion in infrastructure investment will add $1.4 trillion to the economy," said Bovino.

Accordingly, emerging markets' central banks would have to contend only with possible currency depreciation, "but foreign demand would offset the impact from rising financing costs," said Danninger. That is because the Fed would likely drop interest to historical averages once inflation has reached its 2% historical average. "We think the Fed will not want to move interest rates above its 2% inflation target -- in essence, inflation-adjusted Fed rates will stay native," wrote Costerg of Pictet Wealth Management.

On the flip side, emerging market central banks might have to contend with a less benign fallout if the Fed's policy shift doesn't yield the desired results. "Broad-based U.S. wage inflation or sustained supply bottlenecks could boost prices more than anticipated and fuel expectations for more rapid inflation," noted Danninger.

As a result, the Fed might accelerate rate increases. "That could rattle financial markets and tighten financial conditions globally," said Danninger, and that would mean slower U.S. demand and trade activity that may lead to dollar outflows from emerging markets and sustained decline in the value of the foreign currencies.

Danninger stressed the importance of allowing emerging market currencies to devalue against the dollar and rising interest rates, even if they put the brakes on GDP growth. "If faced with disorderly conditions in foreign exchange markets, central banks with sufficient reserves can intervene, provided this intervention does not substitute for warranted macroeconomic adjustment."

Way forward

Egypt's GDP growth has proved resilient despite the pandemic and lower-than-planned vaccination rates. It was the only country in the MENA region to grow in 2020, at 3.5%. And last year, it was the fourth-fastest, at 2.8%, according to data aggregator Statistica.

The government in January said it projected GDP growth to reach 5.7% in both 2022 and 2023. However, experts are wary of such projections, given the Fed's U-turn on longstanding monetary policies.

Ezz El-Arab stressed that central banks in emerging markets would have to be careful to balance policies in light of inflation, economic activity, and the reaction of other markets. "Central banks must put forth several plans for several scenarios, given how the United States and, subsequently, other nations, particularly China ... behave in 2022."

Danninger noted such pressure goes beyond making interest rate decisions at the right moment. "Clear and consistent communication of policy plans can enhance the public's understanding of the need to pursue price stability," he noted. Those plans should look at the next three to five years. "Such a strategy could include announcing a comprehensive plan to gradually increase tax revenues, improve spending efficiency or implement structural fiscal reforms, such as pension and subsidy overhauls."

Additionally, Egypt and emerging economies should reduce spending and revenue mismatches and hedge their exposures, said Danninger. According to the CBE's latest data, Egypt's external debt increased by 11.6% during the fiscal year 2020/2021, compared with a year earlier. As a result, external debt-to-GDP crept up to 34.2%, up from 34.1% in the reporting period.

Danninger also said continuing support for businesses that propped several emerging market economies during the pandemic's early days could prove risky in an environment where U.S. interest rates are high and rising. "It should be calibrated carefully to the outlook and to preserve financial stability," he said.

However, that might not prove enough in the face of a continuous Fed tightening if rising inflation persists. "Some [emerging] countries may need to rely on the global financial safety net," Danninger said, such as financing agreements with the IMF and other international institutions. "Given the risk that [COVID-19 poses, coinciding] with faster Fed tightening, emerging economies should prepare for potential bouts of economic turbulence."

REBOOTING COMPANY CULTURE

Uncertainties surrounding the Omicron variant in the workplace will likely force businesses to rethink their culture, which shaped pre-pandemic success.

By **Tamer Hafez**

Many management gurus emphasize that workplace culture is a key to business success. "Maybe you have an incredible product and provide marvelous services. But if your work culture is terrible, your business is going to hit more than a few rough bumps," wrote Barasha Medhi, a marketer at Vantage Circle, in a January blog on the company's website.

Many Egypt-based companies, like others elsewhere, still allow remote or hybrid work environments across entire organizations or specific departments. "The reality is that companies ... now offer more flexibility," according to an October publication titled "2022 Global Culture Report" by O.C. Tanner, which produces employee recognition software and awards.

That creates new "unevenness" among those who must be at work and those who can perform their tasks remotely, noted Brian Kropp, Distinguished Vice President of Research at Gartner, in January. Accordingly, executives and managers must redefine workplace culture to complement and correctly shape their teams' new dynamics to foster the team spirit lost during remote working those past two years. "We have been living through the greatest workplace disruption in generations, and the level of volatility will not slow down in 2022," said Kropp.

Understanding culture

Work culture is ever-changing, influenced by every aspect of the workplace, from employees' backgrounds to their mood on the day. The job search and recruitment website Indeed defines it as a "collection of attitudes, beliefs, and behaviors that make up the regular atmosphere in a work environment."

Michele McGovern, a content development strategist at the research firm SuccessFuel, said in a January blog on specialized news portal HR Morning, "Many organizations think their culture is built from its vision or mission statement." It isn't. Rather, those two statements "serve as a guidepost."

Aligning employees' perceptions with employer policies and goals signifies a "healthy" workplace culture that ultimately reflects on individual wellbeing. "Work culture determines how well a person fits into their environment at a new job and their ability to build professional relationships," according to Indeed. "Your attitude, work-life balance, growth opportunities and job satisfaction all depend on the culture of your workplace."

Work culture depends on the actions and interactions

of employees, owners, and top management. "Managers shape company culture from their hiring practices. [They] set the tone ... through their policies, benefits and mission," noted Indeed. "The physical environment of a workplace also influences culture."

Pandemic influence

Since the pandemic started, owners, management, and front-line employees slowly witnessed a change in the culture they had built. "At the start of 2021, many of us expected the world would return to normalcy," said Kropp of Gartner. "But 2021 was more volatile than expected [leading to] a massive war for talent, [high] quit levels ... and inflation."

In some cases, rising sub-cultures were enough to hurt a company's bottom line and cause top talent to resign. A report from Built In, a corporate culture consultancy, found that almost 40% of employees want to leave their jobs because they don't like the culture.

To reverse those changes, "a company [must] start looking inward and see what's great about you," Taylor Smith, CEO and co-founder of Blueboard, an employee reward platform, told HR Morning in January.

For 2022, Kropp sees corporate culture remaining volatile. The effects of COVID-19 variants, he said, "will be layered on top of longer-term technological transformation."

What employees want

Employees tend to join and stay in companies where they feel most comfortable, not just with the nature of work but also the employer's values. A Blueboard survey in 2021 revealed 80% of employees "are looking for, 'Can I bring my whole self to work?'" noted Smith. "So they joined ... companies that allowed them to do just that."

However, changes brought about by COVID-19 cause stress. That includes changing mask-wearing protocols, worrying about new variants, family safety, and job security. "The biggest challenge facing employers in 2022 is to ... predict and prevent employee mental health problems early -- before they have a negative impact -- and create a culture of mental wellbeing," Jan Bruce, CEO and co-founder of meQuilibrium, told HRMorning in January.

Experts have noted that work-life balance is a sure way to prevent stress, yet that is not always straightforward. "Grabbing a shred of work-life balance will continue to be difficult due to ongoing change, remote/hybrid work and blurrier boundaries between work and home," Alanna Fincke, senior vice president at meQuilbrium, told HR Morning in January.

Starting point

Understanding the cultural changes in 2021 may prove vital for business leaders attempting to shape their organization's culture in 2022. Ian Barrows, head of culture and engagement at Corporate Culture, noted in a company blog that last year was when companies realized the need to address the noticeable cultural shift that occurred in 2020, primarily due to remote work. "It is an understatement to say that 2020 was a year of unbelievable challenge, transformation and change," he wrote. "The 'ways of working' rule book has been shredded, and organizations have had to be nimble and agile in the way they do things."

In its "Culture Trends 2021" report, O.C. Tanner noted that the first change companies made was to focus on culture. "We ... see a greater and intentional focus on the human at the center of work," said Keri Higgin-Bigelow, CEO of LivingHR, in May 2021 to BCT Partners, an HR consultancy. "There is an awakening happening."

The other trend in 2021 was that companies adapted and developed new procedures to accommodate digital work. Managers needed training to understand how to supervise and assess teams working from different locations. The report also highlighted the creation of more inclusive workplaces.

Business owners and managers also had to contend with "Gen Z" entering the workforce for the first time. According to the O.C. Tanner 2021 report, those new entrants cared more about "cultural aspects" and working for a "cause they care about."

Meanwhile, decision-makers in organizations had to rethink almost every aspect of their work to accommodate "real digital transformation, but with a human element, [by considering] people and culture when making technology decisions," noted the report.

Culture in 2022

In many ways, owners and top managers will continue the work they started last year, using the solid cultural foundation they created in their companies. "The uncertainty of 2020 — exaggerated by distance, reduced collaboration and record staff burnout - was tamed somewhat as employers gave new importance to staff well-being and needs," wrote Benjamin Laker, a leadership professor at Henley Business School in the U.K., in a blog post in January. "But instead of putting out individual fires, attention must now turn to [create] a fundamentally different structure that is dynamic, proactive and resilient to change."

There will be several trends that owners and managers must contend with to ensure the right corporate culture exists in 2022. O.C. Tanner's "2022 Global Culture Report" stressed the prevailing culture would mainly revolve around flexibility: "It applies to more than where, or even when, employees work. It also means letting employees have a voice in deciding which type of work they do at home vs. in the office." That extends to "personalized recognition [which helps] every employee ... feel more connected and inspired to do great work."

Given that not all employees will be in the office with different departments having different attendance policies, fairness and equality "will be the number one priority for HR executives" in 2022, said the Gartner 2021 ReimagineHR Employee Survey published in November. "It has become a flashpoint in society." An analysis of S&P-listed companies found that CEOs having talks on "equity, fairness and inclusion" increased by 658% since 2018.

Another cultural flashpoint will be organization policies toward vaccination, personal freedoms and the law. The PwC report noted that mandating vaccinations this year could cause "a mass turnover event. Whatever turnover occurs will not distribute evenly. Some departments in some geographies might see" twice the turnover rate of other departments. On the other hand, vaccinated top talents could quit if there is no vaccination mandate. "Some employers don't feel they have the right to make this decision," noted Kropp.

New employer

Other trends likely to arise in 2022 relate to organizations aligning public service campaigns with employee values.

That involves company-wide initiatives to build connections and engagement. "Social fragmentation occurs when employees feel a loss of connection with the organization," noted the O.C. Tanner 2022 report. "This leads to individuals and teams feeling isolated, unsupported and excluded."

Organizations must empower HR departments to "make real changes" via initiatives that build culture and reestablish activities," said the report.

To retain top talent, Kropp said some companies could offer a four-day week in place of higher compensation for middle and top management. "As wages rise, leisure time becomes more valuable and appealing to workers. We are likely to see 32-hour workweeks with the same compensation as a new way to compete for knowledge workers."

Additionally, employers should introduce initiatives to promote the physical health of their employees as more work from home. "Organizations will adopt new communication plans, benefits, and technologies to support the physical movement of their remote employees to improve their health," said Kropp.

Tools of the trade

As in 2021, automation will continue to be a vital part of a manager's workday. The Gartner report published in December noted automation would perform mundane quantitative tasks, such as performance feedback and building new peer-to-peer communications. "Research shows that up to 65% of the tasks ... a manager currently does [can] be automated by 2025," noted the report.

That leaves qualitative responsibilities, such as "building more human relationships with their employees," it noted. In 2022, that will "become more important than ever for hybrid and remote employees," stated the report. "Managers are [their] primary connection through which they experience their employer."

Kropp noted that such tools would be essential when measuring performance. "Nearly 64% of managers and executives believe in-office employees are higher performers than remote employees, and 76% believe in-office workers are more likely to be promoted," noted Gartner's findings.

The O.C. Tanner report also noted HR professionals could use technology tools to build a culture. "As some organizations move to hybrid or completely remote workforces, it will take more than Zoom or Google Meets to keep employees connected and culture strong," it explained.

Kropp noted those new technologies would become more pervasive to create a balanced work environment. "During virtual meetings, new technologies will .... provide background information about the other people on a call," noted the PwC report. "By knowing more about who is on the call, participants will be able to focus on the issues that are the most important to them."

What next?

Fears over Omicron and future variants of the COVID-19 virus will continue to challenge both government policies and business strategies. That will result in ongoing uncertainty over how corporate culture will change. The Gartner report noted that regardless of what organizations do, they must accept the possible loss of top talent in 2022: "Unfortunately for many organizations, increasing flexibility will not slow the turnover in today's... labor market, in fact, [it] will increase."

One reason is remote and hybrid workers have "fewer friends at work and thus weaker social and emotional connections with their coworkers," noted Kropp. That makes it easier for employees to quit. Employers worldwide offering remote work opportunities can also recruit from that equally vast geographic pool.

Meanwhile, middle managers will come under increasing pressure in 2022. PwC's report noted that nearly "90% of employers are planning ... a hybrid working model," yet as the year progresses, many could "demand employees return, full time, to the office."

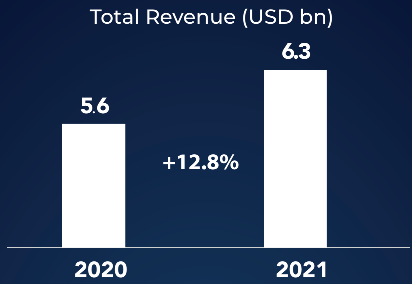
That is likely because managers might blame poor business performance on more flexible policies. "CEOs [will likely criticize] hybrid work, heightened turnover of employees working a hybrid schedule,... and perceived loss of organizational culture," said Kropp.

The PwC report recommends creating a new top-management position called "chief purpose officer" to handle politics, culture, and debate in the work environment. The goal would be to ensure employees align with organizational values and culture and identify deviations early.

A RECORD-BREAKING YEAR FOR SUEZ CANAL.....

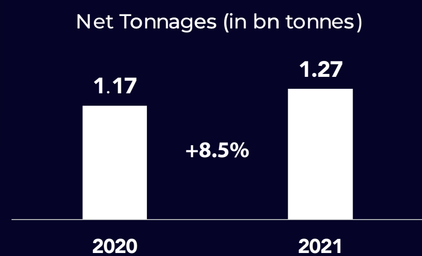
In partnership with

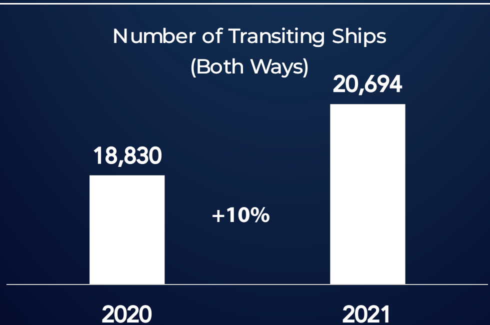
In this section, we present the navigation statistics published by the Suez Canal Authority for the calendar year 2021. Total revenues (USD 6.3 bn) and net tonnages (1.27 bn tonnes) reached record levels in 2021 with growth rates of several metrics exceeding the global ones, and despite the negative effects of COVID-19 pandemic on the supply chain and the grounding of the gigantic vessel “Ever Given” which blocked the canal for nearly 6 days.



The USD 6.3 bn total revenue of Suez Canal in 2021 is an all-time high for a calendar year by the international canal.

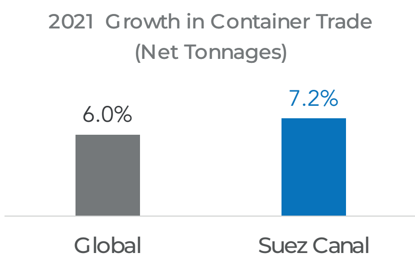
Similarly, the 1.27 billion tonnes of annual net tonnages of Suez Canal in 2021 is an all-time record for a calendar year, with the international canal accounting for 15.7% of global grain trade by sea. It is also worth noting that the growth rate of 8.5% in annual net tonnages exceeded the growth rate of the volume of world trade by sea during 2021 of 3.7%, according to Clarksons Shipping.

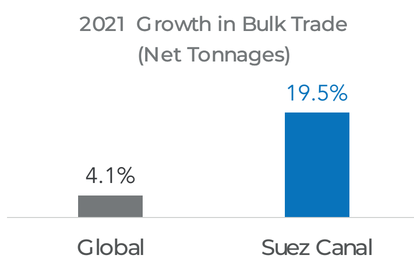




The number of ships transiting the canal for the first time reached an all-time record of 1,532 ships generating a revenue of USD 597.6 mn in 2021, driven by the marketing efforts of Suez Canal Authority. In 2021, the number of container ships transiting the canal increased by 10.1% to stand at 5,186 while the number of bulk ships increased by 15.3% to a record high of 5,893.

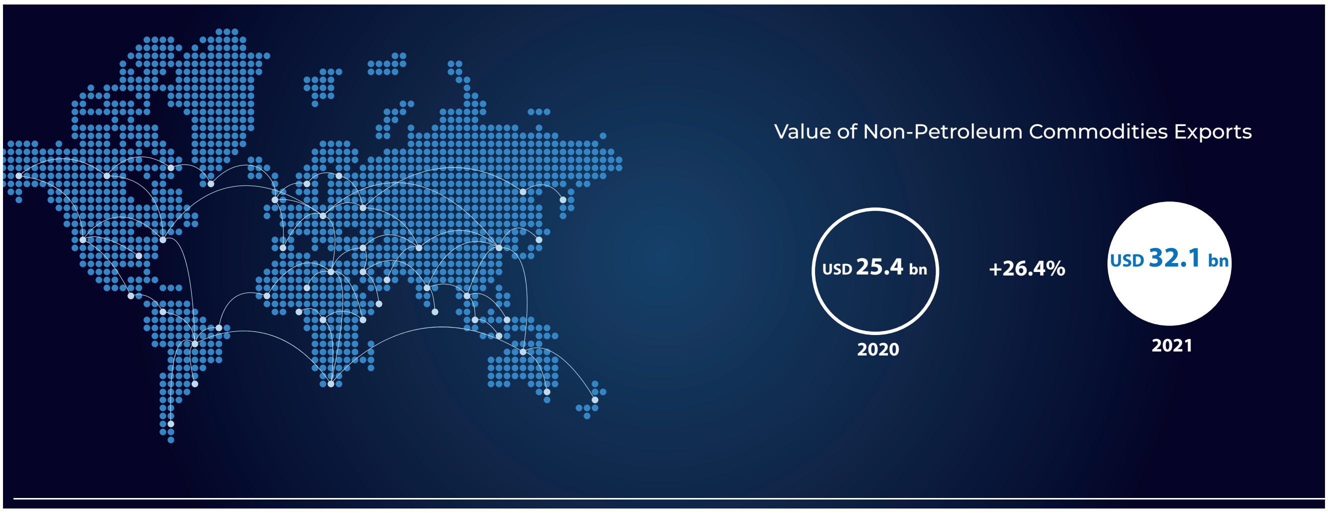
Global Comparison



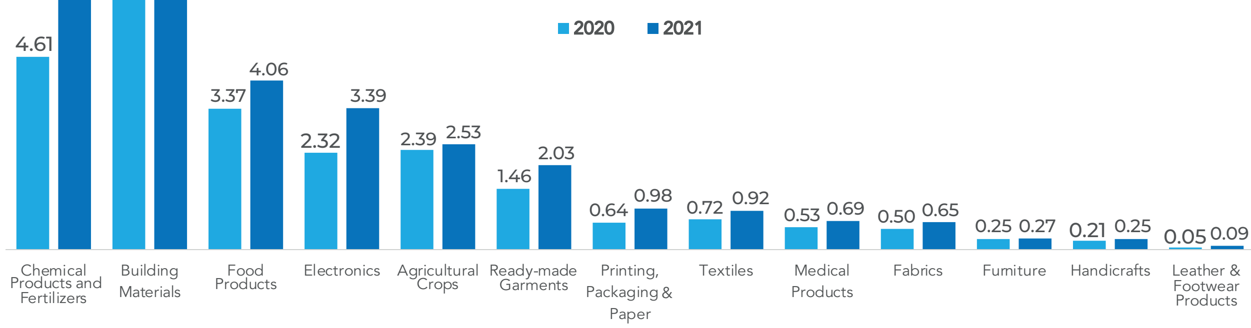


......AND RECORD-BREAKING NON-PETROLEUM ExPORTS

In this section, we present the main developments in Egypt's non-petroleum commodities exports in 2021 in terms of total value, main importing countries from Egypt, and most improved products. Egypt's non-petroleum exports recorded an all-time high of USD 32.1 bn in 2021, up by more than 26% from 2020.



Most Improved Commodities in 2021 (USD bn)



Main Importing Countries from Egypt in 2021

USD 2.45 bn **USA**

USD 2 bn **KSA**

USD 1.98 bn **Turkey**

USD 1.85 bn **Italy**

USD 1.2 bn **UAE**

USD 1.16 bn **Malta**

USD 1.16 bn **Spain**

USD 1.08 bn **UK**

USD 0.94bn **Libya**

Market Watch

Stock Analysis

Volatility, the name of the game

Last year ended on a dramatic note. The EGX 30 index staged a late comeback, ending the year up 10.2%, while its small-cap counterpart EGX 70 EWI rose only 2.6%. Interestingly, the EGX 30 beat EGX 70 EWI in 2021 after the latter had risen 43% for the year by early September. The EGX 30, on the other hand, had fallen as much as 10% by mid-June. In other words, the EGX 30 had recovered all its losses and added another 10%. Meanwhile, the EGX 70 EWI lost almost 94% of its gains.

As for the Dec. 15 to Jan. 15 period, both indices rose, with the EGX 30 up 3.4% and EGX 70 EWI up 5.7%. Advances outnumbered declines by a ratio of almost three to one. However, on a year-to-date basis, the EGX 30 was up 0.5% by mid-January and the EGX 70 EWI 1.5%.

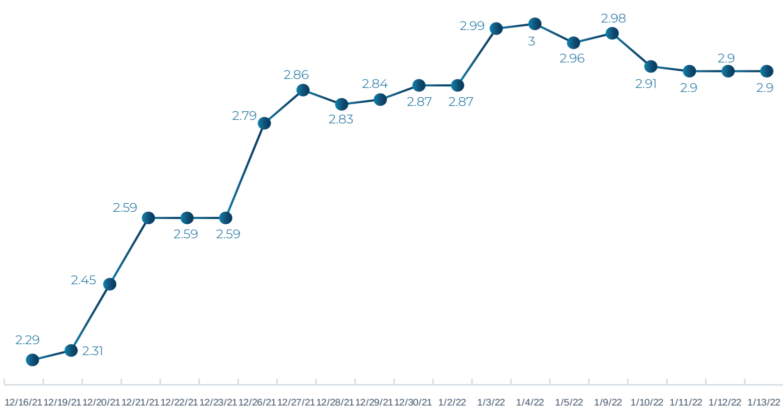
In a nutshell, the market has become distorted, with no clear direction. Both indices can give conflicting signals. One day the EGX 30 might be up and the EGX 70 EWI down, or vice versa. Even when the indices share the same direction, the magnitude of their performance can differ widely. The reason could be market segmentation in terms of individuals and institutions. During the period, Egyptian individuals were net sellers. On the other hand, Egyptian and Arab institutions were net buyers, while foreign institutions were net sellers.

Some small-cap stocks outperformed their large-cap counterparts, with no significant catalysts. Sharm Dreams for Tourism Investment (SDTI) jumped 34.5% during the period, and General Co. for Ceramic & Porcelain Products (PRCL) 32.8%. Meanwhile, other large-cap stocks rose, albeit to a lesser extent. MM Group for Industry & International Trade (MTIE) rose 20.9%, anticipating an imminent initial public offering for Ebitkar, one of its subsidiaries. Egypt Aluminum (EGAL) rose 18.9% after aluminum prices broke the $3,000-a-ton mark again. Similarly, QNB Alahli Bank (QNBA), Egypt's second-largest private-sector bank in terms of market cap, rose 18.3%, despite its limited free float. The bank was the first to report its 2021 results, with earnings marginally higher year on year.

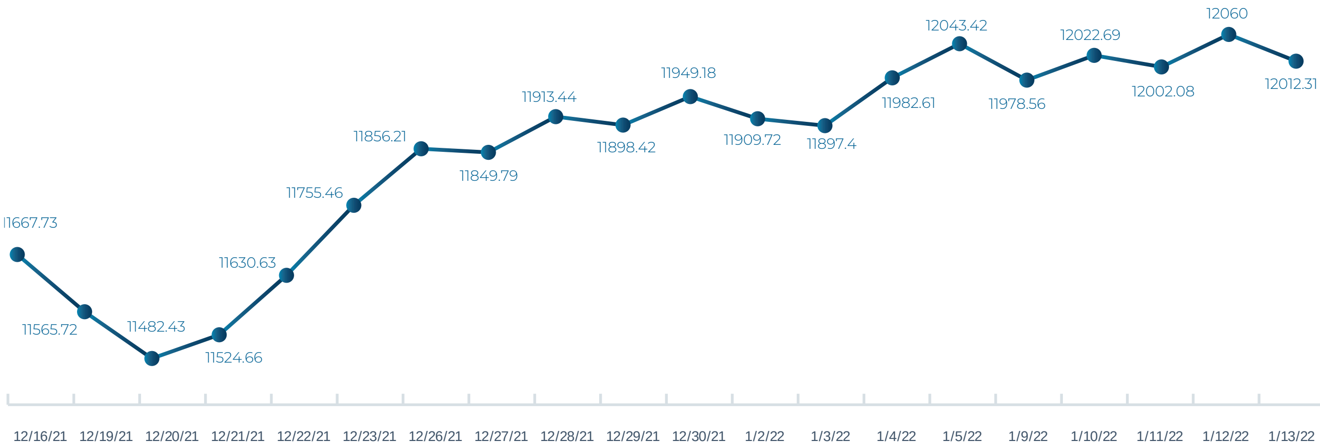
For the coming period, stock performance should be driven in part by fourth-quarter results. On the macro level, the Central Bank of Egypt will kick off its monetary policy meetings in early February. Most economists expect the CBE to maintain interest rates at their present level, especially since the U.S. Federal Reserve is not likely to raise its rates before March. However, volatility will likely be the name of the game, given political tensions involving Russia, NATO, and the United States.

Tanmiya for Real Estate Investment (TANM)

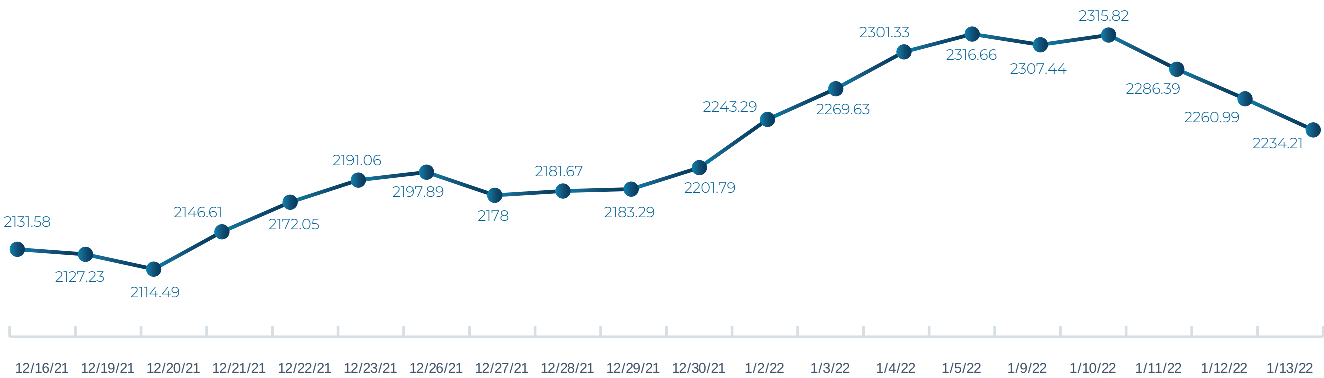
Tanmiya for Real Estate Investment (TANM) is a new spinoff of Industrial Engineering Co. (ENGC). ENGC spun off unutilized real estate assets into TANM, which started trading on June 17. Since then, the stock has been up 48% from its post-spinoff adjusted price of EGP 1.96 to close at EGP 2.90 on Jan 13. TANM rose 26.6% during the period but was down 39% off its all-time high of EGP 4.74 on Aug 9. Although TANM's market cap stands at more than EGP 350 million, earnings have yet to measure up.



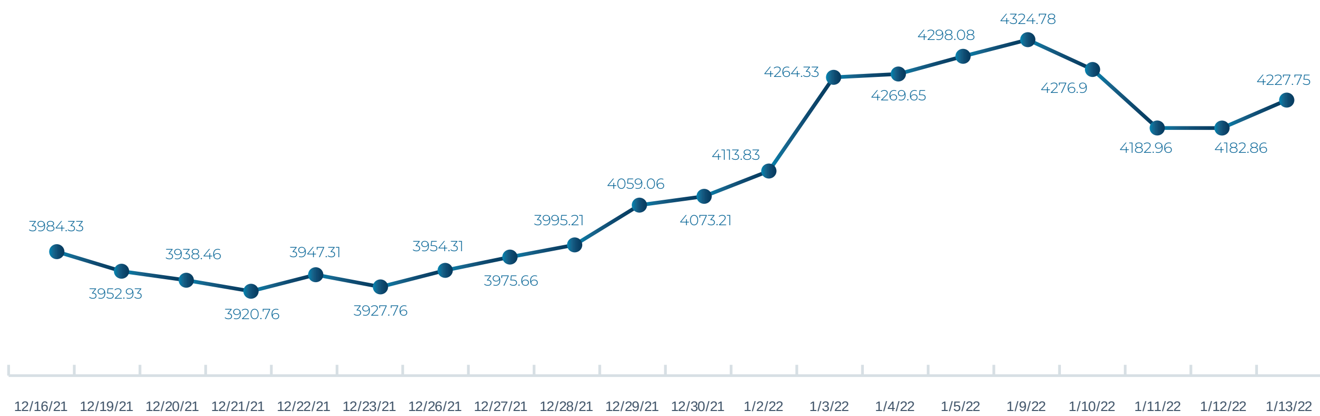
EGX 30



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.

CRYPTOCURRENCIES
AND THE GREEN ECONOMY

As cryptocurrency and blockchain threaten radical change to the legacy fiat monetary system, their environmental impact stirs debate and controversy.

By **Adam Skaria**

"The amount of energy that Bitcoin consumes is concerning. Its transactions use more than [entire] countries [consume], and this figure is bound to rise because of the asset's growing mining difficulty that demands more power to execute," said Edith Reads, author at TradingPlatforms, in a January article in The National.

Digital currencies, which refer to independent cryptocurrencies and the eventual government-issued versions, aka "govcoins," have become a global phenomenon. Accordingly, they have raised concerns beyond the realms of finance and economics, including the environmental impact of cryptocurrency mining.

Critics argue that the electricity needed to mine digital currencies often comes from fossil-fuel power plants, making climate change worse. But supporters say the mining process can not only run on green energy, but it also has the potential to be a sustainable alternative energy source.

As much of the world looks to reduce carbon emissions, questions about whether cryptocurrency is ultimately green or unclean will be a crucial determinant in its adoption, proliferation, and standardization by governments worldwide, including Egypt's.

Egypt is one of the many countries whose annual energy consumption is less than Bitcoin transactions and mining. It has a nonexistent digital currency infrastructure, but it has a growing renewable energy industry and currently a surplus of power. That could be a winning combination if Egypt decides to embrace govcoins or other digital currencies.

Mining heat

According to Ray Sun, head of finance at Exponential Digital, a subsidiary of one of North America's largest bitcoin mining firms PrimeBlock, cryptocurrency mining creates new digital currencies. It then adds them to the blockchain, a digital ledger keeping track of all such trades.

To do this, miners use powerful computers to solve complex mathematical equations. When miners solve one of these equations, they're rewarded with cryptocurrency. That is how "new digital currencies are distributed and how transactions are verified, and the integrity of the immutable transactional database of crypto and its holders is maintained," said Sun.

At first, digital currency miners could do that independently with rudimentary facilities. However, mining today is an energy-intensive process that requires state-of-the-art hardware and software, as well as massive data centers.

Bitcoin is the most widely circulated and valuable cryptocurrency and also the one that requires the most energy to mine. Bitcoin mining alone uses 195 TWh (terawatt hours) of electricity annually, enough to power Thailand for one year.

Such high energy consumption "means that mining operations have to keep low energy costs a priority," wrote Marco Streng, CEO of the Bitcoin mining company Genesis Digital Assets, for BitcoinMagazine.com in November. Since physical locations don't limit mining, many miners seek regions to "build data centers that offer cheap, and ideally renewable, energy sources," said Streng. "Currently, sustainable energy sources like hydro and wind are not only the cleanest, but the most cost-effective for mining operations to take advantage of, and ones that have excess energy to spare."

The massive amount of energy needed for mining operations produces large amounts of heat, requiring data centers to have commercial-grade cooling systems. That generated excess heat needs an eventual outlet, which begs the question: Can it be reappropriated for sustainable purposes?

Nordic countries lead the way in using digital currencies to drive green investments. In a BitcoinMagazine article, Mattias Vesterlund, a senior researcher at RISE, said greenhouse farmers could use recycled excess heat from crypto mining to grow food. He explained: "1 MW (megawatt) data center would have the ability to strengthen the local self-sufficiency up to 8% with products that are competitive on the market."

An initiative by Genesis Digital Assets uses a 600 kW air-cooled data center container to feed heat to a 300-square-meter greenhouse through a duct system. The heat would keep the greenhouse, located in Sweden, at a comfortable 25 degrees Celsius (77 degrees Fahrenheit) year-round, in a region where temperatures can fall to minus 30. Beyond fruits and vegetables, that recycled heat can be used for fish, insects, algae farming, etc.

Energy solution?

Different countries are adopting different approaches. In Iran, the Ministry of Industries, Mining and Trade has issued more than 1,000 licenses to crypto mining farms. After temporarily banning the mining of digital currencies to relieve pressure on the power grid, Iran now sees it as a way to help end blackouts by helping the country transition to reliable, sustainable, and cost-effective renewable energy, supported by the higher rates farms pay for electricity.

For developing economies "to grow, they have to expand their electrical infrastructure," Alex Gladstein, chief strategy officer at the Human Rights Foundation, said in a Forbes article in December. "But when they build power plants to try to capture renewable energy in remote places, that power often has nowhere to go."

Gladstein believes Bitcoin could be an incentives game-changer. "New power plants, no matter how remote, can generate immediate revenue, even with no transmission lines," he said. "By directing their energy to [mining operations] and turning sunlight, water or wind into money ... any excess energy can be directed to mining until communities around the plant catch up."

Put another way, Iran can mitigate the financial and logistical hurdles of an energy crisis and the green revolution by "buying mining machines and switching them on whenever its new power plants have energy to spare," explained Martin Leo Rivers, author of the Forbes piece.

Many governments are beginning to acknowledge that digital currencies have massive potential, other than replacing fiat currencies in online transactions, as a sustainable alternative energy source. However, they are banning unregulated ones until their central banks approve, develop and issue govcoins.

Energy applications for digital currency mining are picking up steam across the developing world in places like East Africa. A lobby group called "Project Mano" encourages Ethiopia's government to mine Bitcoin with surplus energy from the country's network of hydroelectric, wind and solar plants. In El Salvador, President Nayib Bukele has expressed support for large-scale Bitcoin mining using geothermal energy from volcanoes.

Streng believes that turning data center heat into sustainable energy "offers a use case for decentralization of energy production." With more of these projects developing, "it's forcing mining operations to reassess their role in giving back, as they already have ready ways of providing sustainable energy to the communities around them."

While greenhouses powered by recycled heat may seem like a small-scale initiative, it sets the stage for large-scale projects that will likely come with governmental backing. Streng said we must not "fault [digital currencies] for their energy usage. Encourage it because it may be the path to a more sustainable future."

Sustainability key

Digital currency mining is an energy and hardware-intensive process that releases a lot of waste into the environment, according to Reads of TradingPlatforms. A significant proportion of its mining activity uses non-renewable energy sources, like coal. These resources are affordable and attractive to miners but leave a huge carbon footprint on the environment.

But crypto mining's overall impact within the bigger picture is hotly contested. This year, the cryptocurrency exchange platform Coinbase said the energy wasted by "on-but-inactive" household devices annually in the U.S. could power Bitcoin mining for 18 months.

Lindsay Kelleher, senior policy manager at the Blockchain Association, in an article for BitcoinMagazine.com, wrote: "Many services that society implicitly or explicitly deems worthy of their high energy use, such as modern air travel, big tech and same-day shipping, are not criticized with nearly the same fervor as [digital currencies'] consumption."

Exponential Digital's Sun noted in an interview with the Australian website Stockhead, "The traditional banking system actually has a far bigger environmental footprint than digital currencies. Bitcoin, for example, consumes less than one-fifth the electricity of bank branches and ATMs [worldwide]."

Anthony Pompliano, a co-founder of Morgan Creek Digital, told CNBC last month, "There's a linear relationship between energy consumption and the U.S. dollar system. In order to support more users and more transactions, we need to consume more energy. We need more data centers, more bank branches, more ATMs, et cetera."

Digital currencies don't have that same linear relationship. "Regardless of how many transactions fit into a block of transactions, energy consumption is the same," Pompliano said. "So as it scales, [digital currencies] become more and more efficient because you can pack more economic value into each block, whereas in the legacy system, as you scale, you consume more energy."

Sun said that sustainable mining is key to the future of all digital currencies: "With mining shifting to more regulated, sustainability-focused countries, I see a future where legitimate mining companies continue to thrive and innovate, with ESG-focused (environmental, social and governance) players being recognized and rewarded by the market," he said in the Stockhead article. "Mining can be both profitable and sustainable. Publicly listed mining companies will face increasing market discipline from institutional investors and other stakeholders to drive ESG progress."

Environmental sustainability measures, such as reducing energy consumption, recycling, and using renewable energy whenever possible, will remain crucial for digital currency mining to not only survive but gain traction across the planet. To that end, the Bitcoin Mining Council, led by the CEOs of top North American crypto mining companies, was established to promote energy transparency and improve efficiency. In addition, the Crypto Climate Accord initiative intends to make the entire crypto industry achieve net zero emissions by 2040.

As countries chart their courses in the "Wild West" of digital currencies, Egypt is at risk of lagging behind global benchmarks in its adoption and formalization. Yet, judging by developments in other developing and comparable developing nations, Egypt stands to gain much from investing early in a digital currency infrastructure to meet its economic, energy, environmental, and fiscal needs and ambitions. ■

Chamber News

BOARD OF GOVERNORS

PRESIDENT
Tarek Tawfik, Cairo Poultry Group

EXECUTIVE VICE PRESIDENT
David Chi, Apache Egypt Companies

EXECUTIVE VICE PRESIDENT
Tarek Mohanna, MHR & Partners in Association with White & Case

VICE PRESIDENT, MEMBERSHIP
Soha Ali, J.P. Morgan Chase Bank

VICE PRESIDENT, PROGRAMS
Amr Allam, H.A. CONSTRUCTION (H.A.C.)

VICE PRESIDENT, LEGAL AFFAIRS
Gamal Abou Ali, Hassouna & Abou Ali Law Offices

TREASURER
Hatem El Ezzawy – PICO Group

MEMBERS OF THE BOARD
Ahmed Issa, Commercial International Bank (CIB)
Sarah El Battouty, ECOnsult
Sherif El Kholy, ACTIS
Hoda Mansour, SAP
Riad Armanious, EVA Pharma

PAST PRESIDENT
Sherif Kamel, The American University in Cairo

ADVISOR TO THE BOARD
Hisham A. Fahmy

CHIEF EXECUTIVE OFFICER
Sylvia Menassa

COMMITTEE LEADERS

2021 – 2022

Agriculture and Food Security
Co-Chairs: Abdel Hamid Demerdash, Agricultural Export Council
Mohsen ElBeltagy, The Egyptian International Co. for Land Reclamation (Belco)
Hesham El Naggar, Daltex Corporation
Seif ElSadek, Agrocorp for Agriculture Investment
Ahmet Ertürk, Soyven

Banking
Chair: Mervat Soltan, Export Development Bank of Egypt
Co-Chairs: Mohamed Abdel Kader, Citibank
Ahmed Gaber, Visa Egypt Service

Corporate Impact & Sustainability (CIS)
Chair: Sylvain Merlen, Resident Representative, UNDP
Co-Chairs: Laila Samir Hosny Attia, AlexBank
Mireille Nessim, Takatof Association for Development
Shereen Shaheen, Coca-Cola - Atlantic Industries

Customs & Taxation
Chair: Hassan Hegazi, Master Trading
Co-Chairs: Roba Ali, L'Oreal Egypt
Hossam Nasr, Allied for Accounting and Auditing - Ernst & Young

Digital Transformation
Co-Chairs: Khaled Abdel Kader, KlayyTech
Wael Abdoush, IBM
Mirna Arif, Microsoft Egypt
Reem Asaad, Cisco Systems International

Education for Competitiveness
Chair: Hashem El Dandarawy, Team 4 Security
Co-Chairs: Deena Boraie, The American University in Cairo
Mohamed El Kalla, Cairo for Investment and Real Estate Development
Hazem Fahmy, CARE Egypt

Entrepreneurship & Innovation (EIC)
Co-Chairs: Heba Ali, Endeavor Egypt
Ayman Ismail, The American University in Cairo
Moataz Kotb, CultArk

Healthcare
Chair: Ahmed Ezzeldin, Cleopatra Hospital Group
Co-Chairs: Hend ElSherbini, Integrated Diagnostics Holdings IDH
Ahmed Khalil, Janssen
Tamer Said, Alfa Medical Group

HR (Talent Management)
Chair: Emad Nasr, Lecico Egypt
Co-Chairs: Mohamed Elsenary, Commercial International Bank (CIB)
Kunal Sharma, Unilever Mashreq

Industry & Trade
Co-Chairs: Ashraf Bakry, Unilever Mashreq
Omar Elsahy, Amazon.eg
Alaa Hashim, Giza Seeds and Herbs
Mohamed Shelbaya, PepsiCo

Insurance
Chair: Alaa El Zoheiry, gig-Egypt
Co-Chairs: Haitham Taher Bassiouny, MetLife, Life Insurance Company
Sherif ElGhatrifi, Medmark Insurance Brokerage
Ayman Kandeel, AXA Egypt
Angelos Krasonis, Chubb Life Insurance Company

International Cooperation
Chair: Walid Labadi, IFC International Finance Corporation
Co-Chairs: Denys Denya, African Export-Import Bank
Khalid Hamza, The European Bank for Reconstruction and Development (EBRD)

Investment and Capital Market
Co-Chairs: Karim Awad, EFG Hermes Holdings
Omar El Labban, BPE Partners
Hesham Gohar, CI Capital Holding Co.
Nada Shousha, Egyptian - American Enterprise Fund

Legal Affairs
Chair: Ahmed Abou Ali, Hassouna & Abou Ali Law Offices
Co-Chairs:Girgis Abd El Shahid, Shahid Law Firm
Ziad Gadalla, MHR & Partners in Association with White & Case
Mohamed Serry, Serry Law Office

Marketing
Chair: Dalia Wahba, CID Consulting
Co-Chairs: Dina Aly, Matter
Nermeen Bedeir, TNS

Mining and Mineral Resources
Co-Chairs: Mostafa Sherif El Gabaly, Abo Zaabel Fertilizers & Chemicals Co.
Ahmed Wafik, Saint-Gobain Egypt
Muhammed Refaat Zaher, Real Mining Services

Non-Banking Financial Institutions
Co-Chairs: Ayman Abd el Hameed, El Taamir Mortgage Finance - Aloula
Amr Abou Elazm, Tamweely Microfinance
Tarek Azmy, Corporate Leasing Company Egypt (CORPLEASE)

Oil & Gas
Chair: Amr Abou Eita, ExxonMobil Egypt
Co-Chairs: Moataz Darwish, Shell Egypt
Karim El-Dessouky, Bechtel Overseas Corporation
Colby Fuser, Halliburton
Kristian Svendsen, Chevron Egypt

Pharmaceuticals
Chair: Yousri Nawar, Pfizer Biopharmaceutical Egypt
Co-Chairs: Hazem Abdelsamie Abdelfatah, MSD Egypt
Karim Kamel, Chemipharm
Magued Sayed, Sanofi
Hatem Werdany, AstraZeneca

Power
Chair: Khaled Hashem, Honeywell Egypt
Co-Chairs: Mai Abdelhalim, General Electric International Operation
Samy AbdelKader, TAQA Power
Wael Hamdy Daoud, Elsewedy Electric
Ahmed Ramadan, Power Generation Engineering and Services Company (PGESCo)

Real Estate
Co-Chairs: Mohamed Abdalla, Coldwell Banker Affiliates of Middle East & Greater Africa
Hazem Badran, Palm Hills Developments
Ahmed Shalaby, Tatweer Misr
Magued Sherif, Six of October Development & Investment Co. (SODIC)

Transport & Logistics
Chair: Marwan El Sammak, Worms Alexandria Cargo Services
Co-Chairs: Alfred Assil, Menarail Transport Consultants
Ahmed Elfangary, DHL Express
Tarek Fahmy, Mediterranean Shipping Company
Abir Leheta, Egyptian Transport & Commercial Services Co.

Travel & Tourism
Co-Chairs: Nelly El Katib, ASTRA Travel
Karim El Minabawy, Emeco Travel
Sherifa Issa, Four Seasons Hotels and Resorts Egypt
Haitham Nassar, Hilton Worldwide
Moataz Sedky, Travco International Holding

Women in Business
Chair: Manal Hussein AbdelRazek, New City Housing & Development
Co-Chairs: Ghada Fouad, MARS North Africa and Levant
Passant Fouad, Juhayna Food Industries Co.
Nahla Kamal, Nestlé Egypt
Menatalla Sadek, Hassan Allam Utilities ("HAU")

Corporate Impact and Sustainability

Committee explores climate role for business

On Jan. 13, AmCham Corporate Impact and Sustainability committee hosted a webinar on "The Road from Glasgow to Sharm El Sheikh: The Role of The Private Sector in COP27" featuring Cassie Flynn, strategic adviser on climate change for the U.N. Development Programme.

The latest report of the U.N.'s International Panel on Climate Change found that human activities cause global warming. Across 50 countries polled, most people believe there is a climate emergency. Regarding the upcoming COP27 scheduled for Sharm-El-Sheikh in November, stimulating private sector involvement and cooperation is essential.

In 2015, COP21 was the first time governments agreed all countries had to work and be part of the solution, which shaped a new approach to climate change. COP26 in Glasgow demonstrated the private sector's unprecedented presence and involvement. Businesses

have been able to engage in strategic and intelligent ways in bringing their perspective to specific issues.

On the road to COP27, bringing the private sector together is crucial for discussion and finding practical solutions. Flynn said there are many ways the private sector can take advantage of the opportunities while sharing best practices and expertise.

The webinar ended with a Q&A. The committee acknowledged that sharing practices, information, and opportunities would be crucial. Accordingly, committee leaders promised to hold sessions for members to share their best practices and tackle uture challenges to advocate for a transition focusing on social and environmental sustainability.

New Replacements in Member Companies

Change in Member Company

Mohamed Abdel Megeed
CFO, Banque Misr
Category: Affiliate
Sector: Financial Sector

Jacqueline Saad
Executive Partner & Lawyer of the Appeal Court, Shahid Law Firm
Category: Affiliate
Sector: Legal Services

Mohamed El Dababy
General Manager - Egypt, GlaxoSmithKline
Category: General
Sector: Pharmaceuticals/ Medical/Health

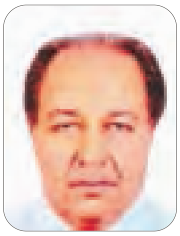
Mohamed El Dahan
City Edge Developments
Category: Associate Resident
Sector: Real Estate

Change in Member's Category

Osama Soliman
Group Managing Director, Soyven
Category: General
Sector: Agriculture

Marwa Abbas
General Manager, IBM
Category: General
Sector: Information Technology

Malak El Baba
Country Manager - Egypt, Visa Egypt Service LLC
Category: General
Sector: Information Technology



Membership Type:
Associate Resident

FOOD & BEVERAGES

Egyptian International Co. For Food Products (Great Foods)
Mohamed ELNaggar
Chairman

Address: 32 Batris Lumumba Street, El Shalalat, Alexandria.
Website: www.greatfoods.com.eg
Tel: (20-3) 495-5167/8/9

Membership Type:
General

PHARMACEUTICALS/ MEDICAL/HEALTH

Future Horizons Scientific
Amgad Youssef Abdel Ghany
CEO

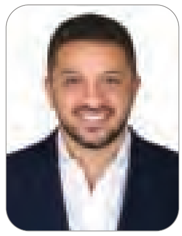
Address: 56 Mohamed El Nady Street, District 6, Nasr City
Website: www.futurehorizons.com
Tel: (20-2) 2671-4103

Membership Type:
Associate Resident

FOOD & BEVERAGES

Upper Egypt for Food Industries
Ayman El Shimi
Chairman

Address: 4 Mohammed Taimor Street, Saint Fatima, Heliopolis.
Website: http://ueffi.com/
Tel: (20-2) 2775-0461/ 2775-0462/ 2775-0463



Membership Type:
Multinational

PHARMACEUTICALS/ MEDICAL/HEALTH

Sandoz Egypt
Sameh Elbagoury
Chairman and Managing Director

Address: 289 Second Sector, City Center, Fifth Settlement, New Cairo
Website: https://www.sandoz.com/
Tel: (20-2) 2286-1600
Fax: (+20-2) 7689-7987

Membership Type:
Associate Resident

INFORMATION TECHNOLOGY

Digital Sphere Solutions
Ahmed El Rashidi
CEO

Address: Capital Business Park, Building B6, Floor 6, Office 601 & 602, Sheikh Zayed City, 6th of October

Membership Type:
Associate Resident

PETROLEUM

Enjaz Project Management
Omar Hamza
Founder/CEO

Address: 33 Street 254 , Maadi, Cairo
Website: www.enjazholdings.com
Tel: (20-2) 2521-1145

Membership Type:
Associate Resident

INVESTMENT

DisrupTech Egypt
Mohamed Okasha
Managing Partner

Address: Capital Business Park, Building B3, Floor 4, Unit 402, Sheikh Zayed,6th of October city
Website: www.disruptechventures.com
Tel: (20-2) 3790-1249

Membership Type:
General

SERVICE PROVIDERS

G4S Secure Solutions (Egypt) L.L.C
Mohamed Kamal
Regional Managing Director - Middle East

Address: Building C9, Floor 2, Pyramids Heights, Km 22, Cairo-Alexandria Desert Road, 6th of October city.
Website: www.g4s.com/en-eg
Tel: (20-2) 3536-2622

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

Affiliate Members

Automotive
Youssef El Naggar
General Manager- Nile Automotive Services Company, Nile Projects & Trading Co.

Consultancy
Sherine Zaklama
CEO, RadaResearch & Public Relations Co.

Financial Sector
Mohamed Shaker
Head of Corporate Banking, Banque Du Caire

Ahmed Sobhy
Head of Investments & Capital Markets Division - Banque Misr.

Hany Elsamra
Head of Human Resources, Banque Misr

Ashraf Tolba
Chief Risk Officer, Banque Misr

Food & Beverages
Moustafa ELNaggar
Vice President, Egyptian International Co. For Food Products (Great Foods)

Information Technology
Mennan Elkalyoubi
Vice President for Business Development & Strategy, Siemens Industrial LLC.

Legal Services
Shahira Khaled
Partner, Al Kamel Law Office

Petroleum
Saifalnasr Baza
CEO, Seaharvest

Mohamed Osama
Deputy CEO, Seaharvest

Pharmaceuticals/Medical/Health
Karim El Sherif
NA Senior Marketing Leader, Procter & Gamble Egypt, Ltd.
Amr Nasr
Public Affairs & Market Access Head, Sandoz Egypt

Service Providers
Mohamed Hegazy
Vice President of Business Development, Teleperformance-Service 800 Egypt

New Replacements in Member Companies

New Replacements in Member Companies

Bassam Hindy
Assurance Partner, Ernst & Young Egypt

Category: Affiliate
Sector: Accounting

Rachid Abdou
CEO, Bunge Egypt, SAE

Category: General
Sector: Agriculture

Walid Khalil
Commercial Director, International Company for Agricultural Production & Processing

Category: General
Sector: Agriculture

Jihad El Tannir
General Manager, The Egyptian Company for Foods "BiscoMisr"

Category: General
Sector: Food & Beverages

Satish Rendla
Senior Director Supply Chain - MENAT & Egypt, The Egyptian Company for Foods "BiscoMisr"

Category: Affiliate
Sector: Food & Beverages

Azza AbdelWahab
General Manager, Premier Services & Recruitment

Category: Affiliate
Sector: Human Resources

Sameh Anas
Chief Operating Officer AXA Egypt, AXA Egypt

Category: Affiliate
Sector: Insurance

Ahmed Khalifa
EB New Business Sales Director, AXA Egypt

Category: Affiliate
Sector: Insurance

Ferruccio Taverna
Managing Director, Damietta LNG, SAE

Category: Associate Resident
Sector: Petroleum

Hisham Halawa
CEO, Shehab Engineering

Category: General
Sector: Pharmaceuticals/ Medical/Health

Karim Shehab
Board Member, Shehab Engineering

Category: Affiliate
Sector: Pharmaceuticals/ Medical/Health

Ahmed Hammad
Country Holding Officer, Asea Brown Boveri SAE (ABB)

Category: Affiliate
Sector: Power

Sebastien Riez
Cluster President North East Africa & Levant, Schneider Electric

Category: Multinational
Sector: Power

Mohamed Sabry
Group Chief Financial Officer, Hassan Allam Properties (HAP)

Category: Affiliate
Sector: Real Estate

Alaa Ahmed Arafa
CEO & Chairman, Al Arafa For Investment & Consultancies (Arafa Holding)

Category: General
Sector: Textiles

Abou Ghaly Motors

Abou Ghaly Motors Group (AGM) has the pleasure to extend its exclusive benefits to AmCham members on various products as follows:

Automotive:

Test drives, priority on delivery, periodic promotions & special offers on the following brands: Jeep, Mercedes, Chrysler, Dodge & Ram, Alfa Romeo, Subaru.

Competitive price on trade-in deals.

Fast-lane "quick and priority service" on AGM Brands.

Accessories voucher worth EGP 2,000 when purchasing Subaru, Jeep, Chrysler, KTM and Alfa Romeo.

Vehicle Services:

3.5% discount on insurance; 5% discount on spare parts; 10% discount on labor work, free of charge in case of accident on towing to AGM service center; 20% discount on vehicle detailing and polishing; and 20% discount on rental during services.

Transportation:

10% discount on short-term car rentals from SIXT.

London Cab: 10% discount and 20% discount on second leg for airport shuttle.

5% discount on Limozeenak.

Discounts will be granted for AmCham members upon presenting their AmCham 2022 membership card

For more information, please contact: Noha Abdelgahny
Tel: (20-2) 2477-2219 Ext. 378; Mobile: (20-12) 7971-2708;
Call Center: 19570; for London Cab reservation: 19670
Email: noha.abdelghany@aboughalymotors.com

Please visit AmCham Cyberlink on http://www.amcham.org.eg/cyberlink for more information on AmCham benefits

This offer is valid until December 31, 2022

Aramex International Egypt

Special offer on Shop & Ship Membership & a 30% Discount on all Personal Domestic Services and a 20% discount on the international cash rates.

"Shop & Ship" are an international shipping service that allows you to shop from the US, the UK, China, Turkey, UAE, India, South Africa, Hong Kong, Germany, Italy, Spain, France, Singapore, Canada and Malaysia and then we deliver it to you with the best rates."

Membership fee for AmCham member will be only $5 instead of $45.

Discounts will be granted for 2022 membership card

For more information, please contact:
Shop & Ship: Sara Khalil
Short No.16996
Email: SaraK@aramex.com

Please visit AmCham Cyberlink on http://www.amcham.org.eg/cyberlink for more information on AmCham benefits

This offer is valid until December 31, 2022

Baron Hotels & Resorts

Baron Hotels & Resorts has the pleasure to offer a 15% Discount on Online Accommodation Rates, to AmCham members.

The offer is applicable on Baron Palace Sahl Hasheesh, Baron Resort Sharm El Sheikh, Baron Palms Sharm El Sheikh and Baron Cairo.

Discounts will be granted for AmCham members upon presenting their AmCham 2022 membership card

For more information, please contact:
For the reservations in Baron Palace Sahl Hasheesh and Baron Resort Sharm El Sheikh): Emad Fathy
Tel: (20-2) 2241-9206/207 Ext: 225/ 286/ 117; 2414-0929; 2290-1836
For the reservations in Baron Hotel Heliopolis, Cairo: Abdalla Hussein
Tel: (20-2) 2291-5757
Emails: reservation@baronhotels.com; reservation@baron-sharm.com; reservation@baronpalacesahlhasheesh.com; reservation@baroncairo.com

Please visit AmCham Cyberlink on http://www.amcham.org.eg/cyberlink for more information on AmCham benefits

This offer is valid until December 31, 2022

Cairo Marriott Hotel

Is pleased to extend its offer of 15% discount on the best available room rates and a 15% discount on Food and Beverages at all Cairo Marriott outlets (This offer does not require having a room at the hotel)

- 25% discount on laundry during your stay
- Rate is for Bed and Buffet Breakfast at Omar's Cafe, subject to availability and prior reservation, valid at any day of the week.
- Rate is subject service charge and taxes.
- Offer is valid for the members only and has to be reserved through and used by the member for a maximum of two rooms per stay.
- Members can only accompany their spouse and children during their stay.
- This discount is not applicable for more than 5 pax

Discounts will be granted for AmCham members upon presenting their AmCham 2022 membership card

For more information, please contact: Mai Moenes
Phone: (202) 27394647 Ext. 8808
Mobile: (20-12) 0434-0648
Email: mai.moenes@marriotthotels.com

Please visit AmCham Cyberlink on http://www.amcham.org.eg/cyberlink for more information on AmCham benefits

This offer is valid until December 31, 2022

DHL Express

DHL Express is proud to offer all AmCham members an exclusive **30% discount on DHL published rates for outbound international shipping services, and a 15% discount on shipping cost with DHL MENA eShop** (To be used with AmCham Promo Code from AmCham Cyberlink).

N.B:
- The discount is not available for domestic shipping.
- The discount is not to be used in conjunction with other promotions from DHL.
- Pick up service is now available.

Discounts will be granted for AmCham members upon presenting their AmCham 2022 membership card

For further information about the nearest **DHL location** visit our website **http://www.dhlegypt.com/en.html** or call **DHL hotline** 16345

Please visit AmCham Cyberlink on http://www.amcham.org.eg/cyberlink for more information on AmCham benefits

This offer is valid until December 31, 2022

Egyptair

Egyptair is pleased to extend the protocol agreement for the year 2021-2022.
This agreement entitles all AmCham members and their first degree family members to a special preferential reductions on Egyptair INTERNATIONAL flights ONLY.
Up to 15% Discount over Egyptair's special fares, depending on the booking class.
2% Additional Discount on New York & Washington flights

**This deal is applicable on trips from and to Egypt.*
**All discounts are not applicable to Jeddah/ Al Madina during Hajj and Omra season during the months of Ragab, Shaaban & Ramadan.*

Discounts will be granted for AmCham members upon presenting their AmCham 2022 membership card

For more information, please contact:
Call Center from mobiles: 1717 / from land lines: 090070000
Contact: **Astra Travel**
Downtown Adly Branch:
Tel: (20-2) 3333-2200 Tel: (20-2) 2390-6078/ 2392-7680
Fax: (20-2) 2391-1256
Zamalek Club Fence Branch:
Tel: (20-2) 3347-2027/ 3347-5193/ 3305-1431 Fax: (20-2) 3346-4501
Email: elzamalek@egyptair.com
Shobra Branch: Tel: (20-2) 2206-9071/3/5
Heliopolis Korba Branch: Tel: (20-2) 2418-3722

Please visit AmCham Cyberlink on http://www.amcham.org.eg/cyberlink for more information on AmCham benefits

This offer is valid until June 2022

gig-Egypt

Has the pleasure to provide AmCham members Up to
10% discount on gig –Egypt Products

An exclusive discount for groups and individuals on Medical insurance, Cancer, Funeral-Expenses, Personal-Accident, Travel-Care, Home Secure, Fire/Burglary/Property, Motor, Inbound Tourism, and Marine (Inland/Hull/Cargo/Aviation), Oil-Gas & Petrochemicals, and Engineering, and Trade Credit Insurance.

Discounts will be granted for AmCham members upon presenting their AmCham 2022 membership card

For more information, please contact:
Hotline: 19792
Mobile: (2-010) 0700-6233
E-mail: quotes@gig.com.eg

Please visit AmCham Cyberlink on http://www.amcham.org.eg/cyberlink for more information on AmCham benefits

This offer is valid until December 31, 2022

United Sons Moving Services

United Sons is pleased to offer AmCham members the following exclusive benefits:
- 15% Discount on any local move within Cairo city limits (up to a 50 km radius)
- 10% Discount on any local move within Egypt
- 5% Discount on any international move
- Priority booking for member companies' requests
- No overtime charge for services provided after working hours
- Free storage at our warehouse for all international moves

Discounts will be granted for AmCham members upon presenting their AmCham 2022 membership card

For more information, please contact: **Samer Elhamy**
Tel: (20-2) 2754-4974/ 94/ Mobile: (20-10) 6210-1998
Emails: info@unitedsons.org

Please visit AmCham Cyberlink on http://www.amcham.org.eg/cyberlink for more information on AmCham benefits

This offer is valid until December 31, 2022

A Glance At The Press

"No, money is a hazard to your health ... Don't you know it can easily transmit diseases and viruses!"

Al Masry Al Youm, Feb. 1

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.

Australian-Egyptian doctor honored Down Under

Australian-Egyptian Doctor Daniel Nour, 26, has been named 2022 Young Australian of the Year. According to the award's website, Nour founded Street Side Medics in 2020, a mobile clinic that provides no-cost health care to the homeless community in New South Wales, including Sydney.

The annual award honors those who strive toward change and ignite discussions on issues of national importance.

Street Side Medics, a nonprofit, has 145 volunteers and four clinics. It has helped treat more than 300 homeless people and detected many conditions, including diabetes, thyroid disorders, hepatitis C, HIV, heart disease, and cancer.

In an interview with ABC News Australia, Nour told how the homeless community faces severe medical challenges due to a lack of access to healthcare. "Health outcomes are much worse for those experiencing homelessness," he said, "and the best way to alleviate those barriers is to take these services to them."

Egyptian Streets, Jan. 26

U.A.E.-based burger joint Pickl sizes up Egypt

Pickl was started in Dubai in 2019 by aficionado Steve Flawith. It's now one of the U.A.E.'s most famous burger restaurants, operating in six locations in Dubai and two in Abu Dhabi, and plans to expand globally.

Speaking to Ahram Online, chief licensing officer Ashley Griffiths said Pickl views Egypt as crucial for its long-term strategy.

In addition, the food and beverage scene is seeing significant growth, bouncing back from the COVID-19 pandemic, with more international brands entering Egypt, said Griffiths.

"Other well-known burger brands have succeeded over the years in Egypt, so we feel there is both an economic excitement in the region as well as demand for the products we have on our menu," he said.

Griffiths said Pickl is looking at potential local franchisees. "While we would like to open at the earliest possible opportunity, selecting the right franchisee is crucial to the future of Pickl in Egypt," he noted.

On the potential of the Egyptian market, Griffiths said many of the factors that have helped make Pickl a success in the U.A.E. are present in Egypt, including a young population that enjoys eating out and is on the lookout for high-quality food at affordable prices.

"That's why we believe Pickl will be perfectly suited to the Egyptian market and prove to be a hit across all demographics," he explained.

Griffiths expects Pickl to roll out a minimum of 10 franchises over five years in Egypt, adding that significant investments will be made in infrastructure along with job creation as the sites open.

"Local crews will be engaged to build the outlets, and staff members hired from the local population will ensure Pickl has an Egyptian influence while retaining our signature Dubai-born qualities," he said.

Al Ahram, Jan. 27


TOYOTA
RUMION
لمغامرة كل يوم
TOYOTA
RUMION
الرقم الضريبى 640 - 214 - 200
TOYOTA EGYPT | 16550
MY TOYOTA
App Store
/ Toyota Egypt
www.toyota.com.eg
اعرف اكثر
ننصح باستخدام
TOYOTA
زيت محرك أصلي
5W-30
MOTOR OIL
15W-40
MOTOR OIL
20W-50
MOTOR OIL


EXTRA
BEATS
ORDINARY
NOW IN EGYPT
16362
THE NEW CLS