TRANSITION TO TRANSITION (T2T) INITIATIVE

“Stimulating Growth and Investment During Transition”

Cairo, 24 October 2011

REPORT

Organised by the EBRD Office of the Chief Economist
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INTRODUCTION

On the 24 October, 2011, the European Bank for Reconstruction and Development (EBRD) in association with the Federation of Egyptian Industries (FEI) and the Egyptian Junior Business Association (EJB) organized the 'Stimulating Growth and Investment During Transition' event to promote the sharing of reform experiences between public and private sector experts from Egypt and Central and Eastern Europe. The event was the first in a series of events under the Transition to Transition (T2T) Initiative. Taking place at the Intercontinental Cairo Citystars Hotel, the event (sponsored by The Ministry of Planning and International Cooperation of Egypt (MOPIC)) was attended by prominent public and private sector representatives with attendees such as Fayza Aboulnaga, Minister of Planning and International Cooperation of Egypt, Jan Krzysztof Bielecki, Former Prime Minister of Poland, Jan Fischer, Former Prime Minister of the Czech Republic and current EBRD Vice President, Ahmed Galal, Executive Director of the Economic Research Forum (ERF), Galal Zorba, Chairman of FEI, Omar Sabbour, Chairman of EJB, Erik Berglof, EBRD Chief Economist, Magda Kandil, Executive Director of The Egyptian Centre for Economic Studies (ECES) amongst many others.

OPENING PLENARY

_Understanding the Economic Challenges Facing Egypt in Transition and Reform Insights from Central and Eastern Europe_

The opening plenary titled 'Understanding the Economic Challenges facing Egypt in Transition and Reform Insights from Central and Eastern Europe' attempted to provide an answer to the crucial question of how Egypt will emerge from the current transition period. Moderated by Jonathan Charles, Director of Communications at EBRD, each of the panelists presented their viewpoint on the necessary private and public sector reforms needed in this time of transition.

Minister Fayza Aboulnaga was first invited to share her point of view on the above issue. She began by highlighting that Egypt is going through 'the most crucial period in its history' as the country experiences many severe economic challenges. The national income was severely hit as the tourism industry suffered dramatically with 70% of employment contracts terminated so far. Before the uprisings of the 25th of January, Egypt’s balance of payments amounted to $36 billion but the country has been losing $3 billion on a monthly basis since January. Today, the balance of payments has declined to $24.56 billion negatively impacting the country’s net reserves. In order to pave the way for Egypt’s transition, two battles should be fought in sync; that of combining political stability with renewed economic growth, incorporating social justice as a fundamental pre-condition for success. Although major milestones have been achieved on the political front with the announcement of the

_1_ The Transition-to-Transition (T2T) Initiative is a framework within which the EBRD can facilitate and exploit a "peer-to-peer" exchange of transition and reform experience between the Bank’s current countries of operations and countries of the Southern and Eastern Mediterranean region. A detailed description of the Initiative can be found in the Annex.
parliamentary and presidential election roadmap, Egypt cannot emerge as a successful model of transition without incorporating, within its political agenda, socio-economic reforms. What ignited the revolts of the 25\textsuperscript{th} of January was the people's demand for an inclusive model of growth that would promote above all social justice. She recommended that in order to absorb the considerable rate of unemployment amongst the youth, a national project should be put in place. She suggested moving forward with the national housing unit project that aims at building one million units of houses over a period of five years. This project would help promote labour intensive industries and would address many strategic economic challenges facing the country such as unemployment and the shortage of affordable housing units for the youth.

Ahmed Galal, Executive Director of the ERF, began his opening remarks by stressing Egypt's positive economic attributes. The country's economy is large and diversified with one the world's youngest and most dynamic populations. However, what is lacking in Egypt is a vision for the future as well as a reform plan that would articulate this vision clearly. The second challenge he pointed out was how the interim government should manage the current period of economic instability. He suggested that the government should not be making crucial economic decisions difficult to reverse in the future and must turn to foreign financial assistance immediately as relying on internal borrowing has and will only incur further negative pressure on business activities. The third challenge he discussed was how to revive the private sector that was severely hit since the 25\textsuperscript{th} of January. The private sector is currently operating on the defensive mode having been severely criticized by the people and with a number of infamous businessmen being pursued by the law. There needs to be a government-led campaign that differentiates between 'good capitalism' and 'bad capitalism' in order to revive the recognition amongst the people of the importance of encouraging private sector activities in the economy and also to attract foreign investors once again in Egypt.

Sherif El Gably, Deputy Chairman of FEI, stressed that Egypt had been doing well on the macro-level over the past five years achieving rates of growth as high as 7%. Egypt is naturally endowed with a plethora of natural resources and fertile agricultural land making the country's potential for an even higher growth rate very probable. However, the missing brick in the country's economic success which eventually ignited the 25\textsuperscript{th} of January uprising was the inequitable distribution of growth. As the trickling down of economic prosperity failed to reach the largest unprivileged portions of the society, a revolution against the past regime was inevitable. In order to revive the economy to its past levels of prosperity, there needs to be a new transparent and accountable government that promotes strict governance amongst the public and private sectors in order for business activities to pick up and capital flows to enter the Egyptian economy once again.

Omar Sabbour, Chairman of the EJB, argued that there is, without a doubt, hope and potential for economic growth in the medium and long-term prospect in Egypt. Sabbour’s primary concern was that many of the key elements that would affect the country's performance in the future are the decisions and actions taken by the interim government. Entrepreneurship needs to be supported immediately. Creating an ecosystem that would provide abundant technical assistance, financial support and mentorship are key attributes necessary to build an environment to help entrepreneurs grow. He applauded EBRD's commitment to invest in Egypt.

Jan Krzysztof Bielecki, Former Prime Minister of Poland, proudly shared his country's successful economic transition experience. He stressed that a key factor for Poland's success
was its commitment to meet the requirements needed to enter the European Union and NATO. He disagreed with the Egyptian government’s decision not to seek the financial assistance of the International Monetary Fund arguing that the institution has become much more flexible and less dogmatic than it was in the past and could very successfully articulate a model of transition that would balance growth with fiscal stability. EBRD is uniquely positioned to help Egypt through this economic and political transition period as it benefits from its past experiences and work in Central and Eastern Europe and Turkey. EBRD would be a valuable contributor to designing a model of economic and political transition. He highlighted the need for economic and political reforms to go hand-in-hand and not be thought of as mutually exclusive items on the government’s agenda. Reconciliation amongst the people and a fair and honest assessment of the past by the government are pre-conditions to ensure the country moves forward.

**Jan Fisher, Former Prime Minister of the Czech Republic and current EBRD Vice President**, pointed out that transition is a 'complex issue' coupled with the inevitable intertwining of politics and economics. He stressed the importance of setting up a civil society that would stimulate positive thinking and behaviour amongst the people. The importance of encouraging the establishment and promotion of small and medium enterprises is crucial as it would help develop a robust and strong middle class. He concluded by reiterating the engagement of EBRD in Egypt during the transition period. He continued saying that EBRD will opt for ‘on the ground initiative’ in Egypt working directly with Egyptian authorities as well as the private sector in this extremely strategic moment in Egypt’s history.

The opening plenary was highly fruitful as it laid out the principal challenges facing Egypt by some of the country’s most knowledgeable economic and political practitioners both in the public and private sectors. In addition, the knowledge sharing of the transition experience in Central and Eastern Europe of the EBRD by Jan Krzysztof Bielecki and Jan Fischer was instrumental in providing practical solutions to the many challenges raised by the Egyptian panelists.

**PARALLEL WORKING SESSIONS**

**Session 1: Promoting Growth and Employment through Development of Small and Medium Enterprises (SMEs)**

This session was chaired by Magda Kandil, Executive Director of the Egyptian Center for Economic Studies (ECES). The session brought together a large group of Egyptian stakeholders including local and foreign-owned banks, SMEs, representatives from the Central Bank of Egypt and the General Authority for Investment, as well as representatives from two banks from EBRD’s existing region: Ramona Ivan from Banca Comerciala Romana (BCR) and Marcello Sala from Intesa Sanpaolo and representation from the EBRD Banking team, the Office of the Chief Economist (OCE), the Legal Transition team, TAM-BAS and the Office of the Co-financing Unit (OCU).

The discussion focused on the challenges faced by SMEs in obtaining access to finance and what needs to be done to improve this. The conversation covered a range of topics from the banks’ SME lending skills, to ways of improving SMEs' business skills, to the role that information technology could play in dissipating knowledge among SMEs. Participants raised concerns over the lack of information available to SMEs. The need for additional means of funding through intermediaries such as venture capital funds was also discussed.
On an institutional level, participants addressed the issue of the Government's role in this area and its industrial policy to legal barriers such as bankruptcy and collateral laws. In addition, participants discussed the need for an improved environment for private equity and venture capital funds.

The session left an impression that in Egypt there is not one or two key issues, but rather a much broader set of obstacles and array of potential solutions that participants thought would be beneficial.

In terms of EBRD operational objectives, this discussion suggested that the Bank could use tools used in the old region to try and refine banks’ MSME lending practices. In order to do this, however, each given bank will require a strong commitment from the top management, which currently seems to be missing.

**Recommendations:**

- Banks should adopt a more focused approach to SME lending. For example, they need dedicated departments (possibly even dedicated SME branches) and more tailored SME and MSE credit practices. At the moment, Egyptian banks seem to be approaching SMEs as small corporates, often without adopting specific credit practices and appropriate internal incentive structures. There was also some support for establishing an SME-focused bank, although that seems to be a reaction to inability of commercial banks to do SME lending properly rather than a genuine belief that that is the best way to resolve the problem.
- The creation of an internet portal that would provide information to SMEs.
- Participants saw a need for credit guarantees, improved environment for private equity and venture capital funds, such as tax credits, and better coordination between the IFIs currently active in the country.
- On the institutional level, discussants saw a need to create a more structured representation for SMEs, such as an SME council and a formal forum for discussions on improving access to finance for SMEs. These advisory councils would involve SMEs, banks and IFIs.
- There was also a call for more favorable tax incentives for SMEs, and indeed a broader industrial policy. The potential industrial policy that was agreed upon would enable the government to choose sectors with particular upstream and downstream linkages, and then to use limited resources available to facilitate growth in these sectors by providing guarantees and tax incentives. There was talk of geographical clusters.
- Reform in legal barriers such as bankruptcy and collateral laws to provide a better basis for SME lending.
- The establishment of a common size definition of MSEs and SMEs among banks and policymakers.

**Session Two: Investing in Food Security: Finding Opportunities in Constraints**

This session was chaired by Tarek Tawfik, Chairman of Egyptian Agriculture Competitiveness Council and the CEO of the Cairo Poultry Group. There were about 20 participants in the session from the local business community, government and civil society. Milan Djakov,
Director from the Indemnity Fund, Serbia participated in the session from the old EBRD region.

The discussion addressed many issues ranging from the wastage of perishable crops to the need for developing the retail sector to the need for R&D in the agriculture sector. Wastage of perishable crops due to underdeveloped supply chain facilities, including proper storage, transport and packaging was one of the main issues raised.

The discussion also addressed many potential areas for investment in irrigation and agriculture, as well as the need for more investment attention in the regions outside of Cairo, especially for water security and irrigation in the delta region.

On the institutional level, there was discussion on property rights and the allocation of land to investors. There was also discussion on the length and complexity of procedures to register land. These are potential areas for policy dialogue between EBRD and the future government.

Many participants asked EBRD staff about specific financing conditions and policy dialogue experiences, highlighting the fact that they are used to subsidised lending from other institutions.

Recommendations:

- The development of the modern retail sector is an important issue to drive the development of the supply chain, and to improve food quality and hygiene. The retail sector is underdeveloped, with only 2-3 supermarket chains, the largest of which has close to 30 stores, the others less than 10 stores each.
- Investment in R&D to increase farming productivity is important, including research facilities to produce high quality seeds to match Egyptian conditions.
- Better organization and consolidation of farmers to increase productivity and efficiency.
- More attention is needed in Upper/South Egypt for investment in logistics and agribusiness infrastructure.
- Investments are needed in the following areas: development of milk and grains collection centers, grain processing, silos for smaller farms, cultivation and processing of tomatoes, as well as in irrigation in the Delta region (the agriculture heartland in the north of Egypt).
- Disposal and recycling of waste is a key issue. Farmers have been burning the waste of rice over the past few years, creating major pollution problems in Cairo.
- Milan Djakov’s presentation on WHR financing and the holistic approach this entails (involving private grain producers, banks and the Ministry of Agriculture to provide the legal, institutional framework as well as financial support to get the process started) was very well received and both the moderator as well as several other experts commented that this would be a very good idea for Egypt.
- The lack of an operational fertiliser industry constrains the efficient production and increases vulnerability to oil price fluctuations. Egypt exports nitrogen and phosphate and imports nitrogen and phosphate based fertilisers.
- Water security is particularly important in the Delta region, but also elsewhere to produce more food per drop. A key perceived bottleneck by the discussants was the lack of financial incentives due to subsidies on water and energy inputs.
• Accessing agricultural land was raised as an issue – there needs to be clear policies from the government regarding conditions for allocating land to investors – whether existing agricultural land or desert land to be reclaimed. Procedures for registering ownership of land are also very complicated and lengthy. These are potential areas for policy dialogue between the EBRD and the future government.
• Potential policy dialogue with the support of EBRD is welcomed to cover areas such as land ownership and land accessibility, reform of cooperatives law and reforming the system of licenses and permits.
• The role of the civil society is larger than in other areas of Egypt and participants encouraged EBRD to involve them in any bigger policy dialogue initiatives, in particular when there is a perception that subsidies will be involved.

Session Three: Preparing for a Sustainable Future

This session was chaired by Ahmed Gaber, Chairman of Chemonics, Egypt and Professor of Chemical Engineering at Cairo University. The session was attended by representatives from the Ministry of Public Works and Water Resources, companies in the energy and water sectors and civil society, as well as Milko Kovachev, Former Minister of Energy, Bulgaria.

The group discussed the key ingredients of sustainability in Egypt, mainly efficient use of energy and water, including renewable sources of energy.

The discussion focused on three key areas: the integration of energy and water efficiency, pricing of energy, and subsidy reform.

Participants focused on the similarities and integration of the two sectors in Egypt. The energy and water sectors share many similar features. They are scarce, dominated by state utilities, and are network industries, where production and distribution are strongly linked. In addition, both have similar value chain structures, use renewable sources, and are regulated in a similar way. They are also strongly linked to climate change.

They are also increasingly interdependent in Egypt. Irrigation in agriculture faces constraints both because of water scarcity and because of the limited capacity of power grids to pump large volumes of water. Producing more water, for example through desalinization, requires a lot of energy as well. Integrated resource efficiency is a key challenge for industry and public infrastructure.

Energy pricing was also a focal point of the session. The chairman stressed that “if we talk about efficiency we can not talk about pricing”. Energy saved is often the cheapest form of energy. If energy is cheap, however, energy saving becomes very expensive and financially unattractive to consumers. Energy subsidies in Egypt are widespread. They put unsustainable strain on public finances. They discourage rational use of energy and deter commercially driven investments in energy efficiency in private and public sectors. In addition, these subsidies are poorly targeted, benefiting mainly the rich population, which consumes excessive amounts of fuels and electricity.

Energy efficiency services were established 20 years ago, some ESCOs exist, and there is a rich literature on energy performance contracting. However, the market remains dormant because of the subsidized costs of energy.

Egypt also has large and poorly targeted water subsidies, particularly in agriculture.
They encourage wasteful use of water, which becomes scarce for municipal and industrial uses.

There is, however, a growing consensus among Egyptian leaders that continuation of the present subsidy programs is not sustainable for the finances of the country, not good for people and for investments.

There are plans of gradual phasing out of subsidies, starting from removal of energy subsidies to large industry. Industrial leaders seem to accept the need for change in pricing signals. There was discussion that Egyptians companies may face anti-dumping measures among importers if industry does not pay the full cost of energy. Some discussants highlighted that eventually the subsidy removal programme should be extended to all sectors of the economy in order to avoid permanent cross-subsidization of the municipal sector by large industry, which could be inefficient and detrimental to the international competitiveness of the important locomotives of Egyptian economy.

Since delivery of energy to households costs more than to large industrial consumers, in most countries retail electricity prices are higher than industrial prices. In Egypt this would require however a better social safety net system that could shield the poorest and most vulnerable households from poverty and provide access to essential services.

**Recommendations:**

The key priority elements of needed energy sector reform are:

- The establishment of an independent sector regulator who would set tariff rules rather than politicians setting them.
- Predictable policy to attract low cost independent private investors in renewable energy.
- The gradual development of energy market institutions, unbundling and establishing of wholesale market segments to attract much needed private investments, particularly in generation.
- In order to mitigate the worst impact of water stress, more commercial rules for water management systems, that are increasingly based on user pays principle with affordability constraints, should be introduced.
- EBRD possible engagement could be targeted in the following areas: waste to energy projects in industry, projects that improve climate resilience in water intensive industries based on integrated energy-water efficiency audits, projects involving the combined heat and power generation, projects that integrate EE/RE performance standards into the government co-funded program of providing affordable housing to young married couples. This can have a collateral benefit of supporting development of local suppliers of small renewable and energy efficient technologies, such as solar heaters etc.

*Session Four: Driving Competitiveness through Innovation*

This session was chaired by Mona Al Baradei Professor of Economics, FEPS, Cairo University and Senior Advisor, Egyptian National Competitiveness Council (ENCC). The session was attended mainly by representatives of the private sector, with some representation from the civil society.
The session focused on the following two main questions: what are the obstacles to innovation as a driver of competitiveness and what are the short and medium term priorities for Egypt to foster innovation.

The quality of institutions, especially the IPR protection, was repeatedly mentioned as a key challenge. The quality of the education system was another topic discussed – although the system produces a large number of educated people, the quality is a major challenge. The link between academia and business was probably the most frequently mentioned challenge. Participants highlighted the lack of trust between academia and business (business does not see academia as credible enough, academia sees business as untrustworthy). There are also gaps in terms of infrastructure and the overall innovation ecosystem. For example, venture capital is missing and there are no major science parks. On the other hand, the ecosystem seems to be overcrowded with too many different institutions and bureaucracy making it difficult for private sector companies to navigate within the system.

Some of the issues identified above may not bear fruit in the short or medium term horizon. However, it was understood that these changes need to take place as soon as possible, so as not to lose momentum and improve the long term perspectives.

**Recommendations:**

- There is a need for a comprehensive and clearly publicly communicated strategy for promoting innovation (there was an understanding that this strategy needs to be tailored to the specifics of Egypt, not implanted from another country).
- The institutional environment needs to be improved – specifically mentioned was the need to strengthen IPR protection rules, develop a new bankruptcy law, develop tax relief and other incentives to encourage private R&D and establish a venture capital industry.
- The links between the different innovation stakeholders need to be strengthened, especially those between academia and business – mutual trust between the two needs to be developed.
- The education system needs to be reformed to focus on quality rather than just quantity – the objective should be to integrate the concept of innovation into primary, secondary and higher education.
- The importance of social innovation needs to be recognised – NGOs should be engaged in funding projects to overcome community challenges and social problems, a social innovation fund should be considered.
- The focus should be on sectors with the greatest innovation potential, such as ICT, agribusiness, renewable energy, health and water.
- Streamlining of the system rather than adding additional bureaucracy on top of the existing ones is needed.

**CLOSING PLENARY**

*Egypt's Blueprint through Transition and Beyond*

The closing plenary was led by the moderators of the four working sessions: Magda Kandil, Executive Director of The Egyptian Center for Economic Studies (ECES); Tarek Tawfik, Chairman of Egyptian Agricultural Competitiveness Council and CEO of the Cairo Poultry
Group; Ahmed Gaber, Chairman of Chemonics Egypt and Professor of Chemical Engineering at Cairo University; Mona Al Baradei, Senior Consultant at the Egyptian National Competitiveness Council, as well as Erik Berglof, EBRD Chief Economist and Mohamed Mourad El Zayat, Youth Leader/Activist an Owner of PharohTech. The discussion was moderated by Sherif el Diwany, CEO of Al Marsad Inc. The moderators reported back to the plenary on the findings of their respective discussions. The conclusions of the sessions aimed at outlining the priorities of the four sectors and demonstrating different partnership alternatives between the EBRD and Egypt in the country's different sectors and industries in order to build a prosperous future.

Magda Kandil, session chair on the discussion of Promoting Growth and Employment through the Development of SMEs, called for the creation of an attractive political and economic environment to foster the growth of this sector. She suggested that a better definition of the many types of SMEs present in the Egyptian economy is fundamental to assessing the financial, regulatory and vocational assistance needed to encourage and promote these industries. She also explained that a new growth model should also be introduced in Egypt whereby inclusive growth is no longer an option but a crucial necessity to target geographical areas that were in the past ignored and forgotten. She concluded by stating that Egypt can make use of EBRD's financial and mentorship assistance in constructing such a model that would promote a more equitable distribution of wealth.

Mona Al Baradei, session chair of Driving Competitiveness through Innovation, urged the need to harness the skills needed to increase productivity and plant the seeds of innovative thinking within the Egyptian educational curriculum. She continued that a paradigm shift is needed in the mindset of Egyptians whereby entrepreneurial risk-taking is encouraged by creating an economic regulatory system that would cater to the needs of the entrepreneurs. Also a bridge needs to be built to bridge the gap between academia, the public sector and the private sector in order to promote mutually beneficial investment opportunities for these sectors as well as encouraging cross-sharing of knowledge and experiences. There is also a need to introduce a system that rewards entrepreneurial initiatives in particular in strategic industries such as ICT and renewable energies. She concluded that Egypt can greatly learn from EBRD's past experiences in Eastern and Central Europe in particular in the area of vocational training and mentorship of newly nascent entrepreneurs.

Tarek Tawfik, session chair of Investing in Food Security: Finding Opportunities in Constraints, stressed the importance of recognizing food security as a matter of national security of highest importance in particular with the high level of malnutrition amongst Egyptian people, the burden of subsidies on agricultural products on the government's fiscal budget and the construction of illegal buildings on fertile agricultural lands. He stated that the inefficiencies that have plagued the agricultural sector for so long are actually a channel of opportunities for the Egyptians as they can generate value-added activities for the economy. However, a framework needs to be set up that addresses issues such as investment infrastructure, research and development, supply chain development, nutritional habits amongst Egyptians and maximal utilization of crops. The EBRD can invest in this strategic sector of the country’s economy by helping the government address some of these issues as well as many others such as waste water recycling, desalination of water in coastal areas and using cooperatives as a venue for increasing agricultural productivity. Egypt can benefit from EBRD's special experience in this strategic sector extensively.

Ahmed Gaber, session chair of the Preparing for a Sustainable Future, argued that energy and electricity are fundamental elements in the production and delivery process of goods.
However, the price of goods in Egypt will be highly vulnerable if a decrease in subsidies of energy to the industries is indeed implemented by the government which would eventually lead industries to opt for renewable energy alternatives to produce and deliver their goods.

Erik Berglof noted that Egypt, unlike most of Central and Eastern Europe at the time of their transition, is actually doing much better than expected keeping the growth rate still on the positive side of the scale and having already gone a long way in applying market economy policies. He also pointed out that Egypt has a functional banking system. He stressed that any project that is in the process of being implemented needs not to happen in a vacuum, but rather consider the context in which it operates in. He explained that this is why the EBRD will unquestionably partner with all the different stakeholders in the Egyptian economy. He also argued that there needs to be a growth model that incorporates the private as well as the public sectors of the economy in order to encourage an inclusive and sustainable prosperous future for the Egyptian economy.

Sherif el Diwany, CEO of Al Marsad Inc, concluded the meeting by saying that in addition to an inclusive growth model that is undeniably of high importance to Egypt, there needs to be a strong sense of vision within the society and a 'result oriented' mindset amongst the Egyptian people.
ANNEX

TRANSITION TO TRANSITION INITIATIVE
A peer-to-peer approach for transfer of reform experience to the Southern and Eastern Mediterranean region
Summary of the T2T Initiative

The Transition-to-Transition (T2T) Initiative is a framework within which the EBRD can facilitate and exploit a "peer-to-peer" exchange of transition and reform experience between the Bank's current countries of operations and countries of the Southern and Eastern Mediterranean region.

In this spirit and among other activities, under the heading "From One Transition to Another", the Bank will help organize a series of events in the region in the coming months (Egypt, Morocco, Tunisia and Jordan). The Bank's role will be that of a facilitator, bringing old and new "peers" of reforms together, and a listener in order to better understand the differences between the reform experiences in the two regions.

Focusing on private sector development, the transfer will involve plenary panel discussions with high-level policy makers, private and public sector experts and think-tanks on broader reform insights, including political and social aspects, as well as thematic, interactive parallel sessions on specific experience in EBRD priority sectors.

Background and motivation

At the summit in Deauville in May of this year, the G8 gave an ambitious new mission to the EBRD and other international financial institutions to assist the recovery and the transition of a number of economies in the North Africa and Middle East region. In this process, the EBRD would like to engage with a wide range of stakeholders in the private as well as in the public sector and civil society to assess and respond to those challenges in the best possible fashion and in a spirit of collegiality and shared purpose.

The Southern and Eastern Mediterranean region has had a mixed reform experience thus far and the international institutions are to varying degrees associated with this record. In addition, there is an inherent negative sentiment about Washington Consensus conditionality and Western-imposed solutions. As a result, policy recommendations coming from sources associated with these institutions and such approaches are easily rejected.

As the people in the Southern and Eastern Mediterranean region get to grips with the challenge of translating the civil values for which they fought in the recent popular protests into practical and sustainable policies and institutions, they are keen to hear and learn from other transition experiences and countries that have been through the process themselves and managed to implement transition successfully. Several countries in Central and Eastern Europe, as well as other emerging countries around the world serve as reform models for the new governments in the Southern and Eastern Mediterranean region. Some direct contacts have already been established, but there is scope for much more exchange.
The EBRD was asked to enter the Southern and Eastern Mediterranean region because the European transition experience was deemed relevant and the Bank’s model of development in Central and Eastern Europe with a strong focus on the private sector was seen as the most acceptable and appropriate for the new region. However, the historical and political context, as well as the specificity of the recent experience of the “new” region, would require the Bank to take a position of a “listener”, at least at the beginning, to better understand the differences in reform experience in the two regions and in that way respond adequately to the needs and the challenges of the “new” region.

The attractiveness of the peer-to-peer approach

The ultimate choices, models of governance and policies will have to come from the people in the Southern and Eastern Mediterranean region themselves. However, without seeking to impose specific models, others who have been through the process can share opinions, experiences and best practices learned as developed by local actors. The process of dialogue and conversations can create new thinking and opportunities for exploring alternative perspectives.

International experience shows that peer exchanges work best when the exchanges are designed as mutually beneficial, i.e. not strictly in a paradigm of teaching/learning (more advanced to less advanced). This does not mean that the skills exchanged/knowledge transferred have to be equally beneficial to all participants, but it does preserve the space to appreciate local conditions and stimulate creative thinking and perhaps new knowledge to address the particular issue in the exchange.

The greatest impact is achieved when the peers are actively engaged in the design of the transfer of experience, so peers are not seen as "outsiders," but rather as partners. This takes time and trust, and investment over time to provide opportunities for local actors to build their own knowledge (through learning other experiences) and to participate in meaningful civic discourse at home. This is why follow-up exercises and events will be most important.

The role of the EBRD in the peer-to-peer transfer of experience

The EBRD can facilitate the sharing and transfer of transition experience from the existing countries of operations to the Southern and Eastern Mediterranean region by formulating the adequate framework and creating a platform for such exchanges. The Bank's role will be that of a facilitator, bringing old and new "peers" of reforms together, and listener in order to better understand the differences between the reform experiences in the two regions.

Focusing on private sector development, the transfer will involve events and activities in different locations with the participation of high-level policy makers, private and public sector experts and think-tanks on broader reform insights,
including political and social aspects, as well as expert-to-expert exchanges on specific experience in EBRD priority sectors.

**High-Profile Advisory Board**

To give visibility to the initiative, a Board of prominent policymakers from the two regions will be approached to lend their names to it. The Board would provide advice on the framework and platforms for such exchanges of experiences, policy strategies, case studies and analytical tools, and meet in different constellations for high-profile “peer-to-peer” exchanges of experiences.

A group of policymakers have already confirmed:

- Kemal Dervis, Former Finance Minister of Turkey
- Simeon Djankov, Finance Minister of Bulgaria
- Bozidar Djelic, Deputy Prime Minister of Serbia
- Jan Fischer, Former Prime Minister of Czech Republic
- Radoslaw Sikorski, Foreign Minister of Poland
- Valdis Zatlers, Former President of Latvia
- Gordon Bajnai, Former Prime Minister of Hungary
- Ivan Miklos, Deputy Prime Minister and Minister of Finance of the Slovak Republic

This group will be joined by a set of prominent policymakers from the countries of the Southern and Eastern Mediterranean.

**Draft schedule of forthcoming events and activities**

*i) Launch event at the World Economic Forum on the MENA region - 21-23 October 2011, Dead Sea, Jordan*

To launch this initiative, the EBRD Office of the Chief Economist (OCE), jointly with the WEF team, has conceptualized a panel on the transfer of reform experience from Central and Eastern Europe to the Southern and Eastern Mediterranean region, which will be held at the WEF regional meeting in Jordan in October.

The EBRD Chief Economist will take part in several panels of the public and private programme of the World Economic Forum, including sessions on the transfer of reform experience, with findings and successful case studies from the transitional economies of the Bank’s existing region.

An accompanying media effort prior to and during the Forum will be prepared jointly with the EBRD Communications Department. The launch event will be followed by a set of activities and events in the region.
ii) EBRD ‘T2T’ events in the Southern and Eastern Mediterranean region – Q4 2011/Q1 2012

The Bank, jointly with local partners, will organize T2T events in each of the three North African countries:
- Egypt: Cairo – 24 October 2011 (programme in the Appendix)
- Tunisia: Tunis – 12 December 2011
- Morocco: Casablanca – 27 February 2012
- Jordan: Q2 2012 (TBC)

High-level policy makers from the “old” and “new” regions will be brought together on a panel to share insights about broad reform experiences, including political and social aspects, and potentially explore alternative perspectives for the “new” region.

In addition, thematic, interactive parallel sessions on specific experience in the EBRD priority sectors will bring together public sector experts, think-tanks, entrepreneurs and banks for an exchange of views on how to stimulate private sector investment in the new region.

A draft working agenda for the events in Egypt is included in the Appendix. Subsequent events in the other countries would follow a similar format, adjusted to local circumstances.

iii) Follow-up activities

The EBRD will also seek to partner with other well-established international institutions and organizations to give further visibility to this initiative (tentatively through the Centre for Mediterranean Integration (CMI), but others could be contemplated), in the form of joint programmes and activities.

To continue the sector dialogue, the Bank will consider hosting regional events across the Southern and Eastern Mediterranean events, focused on specific sectors, providing opportunities for further strengthening and deepening of the T2T dialogue across countries in this region.
The aim of this meeting is to understand the short- and mid-term priorities for Egypt, particularly the private sector, by engaging and sharing of reform experiences among public and private sector experts from Egypt, Central and Eastern Europe (CEE) and Turkey.
Agenda for Cairo, 24 October 2011

09:00 - 09:30 Registration and welcome coffee

09:30 - 10:30

Room Al Saraya Opening Plenary: Understanding the Economic Challenges Facing Egypt in Transition and Reform Insights from Central and Eastern Europe

Transition experience in Central and Eastern Europe suggests that the benefits of moving to a more open and accountable government and economy are attractive to many stakeholders of society, but they may only materialize in the medium and longer term. During the period of transition, uncertainty can cause slow-down in investment, and economic challenges can emerge in the immediate term. Evidence from earlier transitions shows that the sequencing of reforms in an uncertain economic and political environment is very important, and so is the role of the state institutions, an enabling business environment as well as external anchors.

How will Egypt emerge from the current transition?

Discussion leaders:
- Fayza Aboulnaga, Minister of Planning and International Cooperation of Egypt
- Jan Krzysztof Bielecki, Former Prime Minister of Poland
- Jan Fischer, Former Prime Minister of the Czech Republic and current EBRD Vice President
- Ahmed Galal, Executive Director, Economic Research Forum
- Galal Al Zorba, Chairman, Federation of Egyptian Industries
- Omar Sabbour, Chairman, Egyptian Junior Business Association

Moderated by Jonathan Charles, Director of Communications, EBRD

10:30 - 11:00 Coffee break and networking
11:00 – 13:00  Parallel, interactive working sessions

Format: Closed, by-invitation-only, interactive working sessions aimed at sharing of experience among all participants. The format will be a roundtable. There will be no formal presentations. The Chair of each session will introduce the subject matter for discussion, request 3min introductory remarks by the discussion leaders for a max of 25 minutes then open the discussion to all participants. 15 minutes before the end of the session, the Chair will formulate preliminary conclusions. The Chair of each session is expected to prepare the issues for discussion with the discussion leaders ahead of the meeting and define and circulate a note on these issues to all the session participants in advance of the meeting.

Participation in all working sessions is by invitation only

WORKING SESSION 1
Room Mamounia  
Promoting Growth and Employment through Development of Small and Medium Enterprises (SMEs)

Despite significant shares in GDP and employment, SMEs are yet to effectively realize their full potential in creating and sustaining inclusive growth in Egypt. Several constraints hamper SMEs’ operations and growth, and these hurdles have become even more compounded since the recent revolution. What is the most appropriate way of supporting the development of SMEs in Egypt, as the main contributor to employment and growth?

Participants in this session will be invited to address the following questions:

1. How to create a conducive macroeconomic environment for SME growth: investment and export strategies, inflation targeting and exchange rate management?
2. Which type of industrial policy is needed for SME growth: priority sectors, geographic areas and participation of women?
3. What institutional support is required to foster the growth of SMEs: tax incentives, strengthened forward linkages and the impact of production subsidies
4. Who will provide finance to SMEs: what are the roles of the Central Bank, the government, commercial banks, the capital market and international institutions?

Session Chair: Magda Kandil, Executive Director, The Egyptian Center for Economic Studies (ECES), Egypt

Discussion Leaders:
- Hala Al Said, The Egyptian Banking Institute
- Hazem Hassan, Chairman, KPMG Hazem Hassan Management Consultants
- Mohanad Taha Khaled, Managing Partner, BDO Khaled & Co.
- Ramona Ivan, Executive Manager, Banca Comerciala Romana (BCR)
- Marcello Sala, Executive Vice Chairman of the Management Board, Intesa Sanpaolo Italy and member of the board of AlexBank, Egypt
WORKING SESSION 2  
Room Montaza 2&3  
Investing in Food Security: Finding Opportunities in Constraints

There is a strong consensus among most stakeholders in Egypt regarding the country’s food security challenges. In 2010, Egypt was a net importer of food in the order of USD 6 billion, its water scarcity puts its population below poverty levels, its food subsidy regime is very costly and inefficient and the waste in its distribution network and supply chain is in excess of 35%. Yet these challenges are can be attractive investment opportunities. Significant investment can be mobilized for grain storage. Private capital can find viable investments in supply chain logistics and storage. Voluntary initiatives can find an excellent collective action platform in a strengthened agricultural cooperative system, which will facilitate efficient water and energy management, support the value added supply chain and enhance agricultural productivity.

What are the challenges and business opportunities for the private sector to invest in the area of food security?

Session Chair: Tarek Tawfik, Chairman of Egyptian Agriculture Competitiveness Council and CEO of the Cairo Poultry Group (confirmed)

Discussion Leaders:
- Saad Nassar, Professor of Agricultural Economics, Cairo University
- Khaled Al Anani, Vice Chairman, Dakahlia Poultry and Agriculture
- Omar Abdin, Ministerial Group of Agricultural Policies
- Abla Abdel Latif, Professor of Economics, Cairo University, Cairo, Egypt
- Milan Djakov, Director of the Indemnity Fund, Serbia

WORKING SESSION 3  
Room Montaza 1  
Preparing for a Sustainable Future

If Egypt’s economic growth targets are to be achieved, its water and energy resources will require more efficient management. In response to this challenge, the government has set very ambitious resource management goals in its national development plans. National targets for water management include 30% improvement in water efficiency, investment in desalination technology and tapping renewable water sources. Equally in the energy sector the targets include a 20% improvement in efficiency and a ten-fold increase in the supply of renewable resources.

What are the development levers that could enable Egypt’s industry to invest in acquiring technology to improve energy and water efficiency, increase its use of renewable energy and effectively manage solid waste?

Session Chair: Ahmed Gaber, Chairman of Chemonics Egypt and Professor of Chemical Engineering, Cairo University, Egypt

Discussion Leaders:
Egypt’s competitiveness challenges post-revolution are compelling if its potential in improving governance and global integration are to be fulfilled. Enhancement of the business environment to promote competitiveness of the economy and investments in human capital, development of technology clusters, incubators and related infrastructure, and attracting investment angels are necessary now in order to compete in an innovation-based global economy.

What can government and businesses do to create a better environment for innovation-driven competitiveness, beyond the transition period?

**Session Chair:** Mona Al Baradei, Professor of Economics, FEPS, Cairo University and Senior Advisor, Egyptian National Competitiveness Council (ENCC), Egypt

**Discussion Leaders:**
- Seif Fahmy, Chairman, ENCC and CEO, Al Mona Inc., Egypt
- Abeer Shakweer, Advisor, Scientific Research Program in Misr Elkheir Foundation
- Hany Loka, President of Siemens Technology Egypt
- Rafal Rybkowski, Chief Financial Officer, Ciech, Poland
- Izzet Guney, Senior Advisor-ICT Sector, EBRD

**13:00 – 14:30  Working lunch**

**Al Hambra**  The Future of the Private Sector in Egypt

Lunch is closed to reporting press

Very often countries revisit the structure of their economy, the role of the private sector and their institutions of governance as they transition during post-revolutionary periods. There is no consensus among political leadership in Egypt, as of yet, as to what role the private sector will be expected to play after the transition.

How will the Egyptian private sector emerge from the current transition and where will the boundaries between the state and private sectors be in the economy?

**Keynote speaker:** Mahmoud Eissa, Minister of Industry and International Trade, Egypt
Moderated by Jonathan Charles, Director of Communications, EBRD

15:00 - 16:30
Room Al Saraya    Closing Plenary: Egypt’s Blueprint Through Transition and Beyond

Egypt’s foundations for a future economic success are being laid in parallel with its transition to democracy and fully-functioning market economy. Government and business leaders will face the challenge of managing a delicate balance between uncertainty in the short term, protecting the economically vulnerable population and accomplishing economic competitiveness in an increasingly complex and volatile global market. There is one certainty, however, that Egyptians are determined to rely on their home-grown development programmes and agendas.

What proposals, guidelines and strategic advice can the participants of this meeting offer the EBRD and Egypt for a successful partnership in building a sustainable and prosperous future for the country?

The plenary will begin with the moderators of the group sessions reporting back to the plenary on the findings of their respective discussions, followed by an interactive discussion and Q&A with the audience.

Discussion Leaders
- Magda Kandil, Executive Director, The Egyptian Center for Economic Studies (ECES), Egypt
- Tarek Tawfik, Chairman of Egyptian Agriculture Competitiveness Council and CEO of the Cairo Poultry Group
- Ahmed Gaber, Chairman of Chemonics Egypt and Professor of Chemical Engineering, Cairo University, Egypt
- Mona Al Baradei, Senior Consultant, Egyptian National Competitiveness Council, Egypt
- Mohamed Mourad El Zayat, Youth Leader/Activist and Owner of PharohTech
- Erik Berglof, EBRD Chief Economist

Moderated by Sherif el Diwany, CEO of Al Marsad Inc., Egypt
Media Coverage Report
“Transition to Transition”
“Stimulating Growth and Investment During Transition”
Cairo, Egypt, 24 October 2011
Media Coverage Report

“Transition to Transition”
“Stimulating Growth and Investment During Transition”

Cairo, Egypt, 24 October 2011

The EBRD listening exercise “Stimulating Growth and Employment” was well attended by local and international media. The EBRD received coverage in more than 35 media outlets.

Comprehensive media coverage focused mainly on statements made by the Bank’s officials. Jon Fisher was quoted in the Daily News Egypt as saying “One of Egypt’s main priorities should be to stabilize the labour market. The relation between the civil society and establishments in Egypt is vital, therefore communication must be developed because civil society is the capital and the essence of the country.”

The opening ceremony of “Stimulating Growth and Employment” was broadcast by local and regional TV stations and reported by leading newspapers in Egypt.

A number of interviews with the Bank’s officials was arranged during the event in Cairo. In particular, the EBRD Chief Economist Erik Berglof talked to the CNBC TV programme “Ain Ala Masr” and Al Arabiya and was quoted in leading newspapers. Jonathan Charles talked to ON TV, the Middle East News Agency, Daily News Egypt, Al Mal newspaper and several media outlets.

The EBRD was featured positively in the media as the articles and interviews were factual and objective and reflected the aim of the listening exercise in understanding the short and mid-term priorities for Egypt.

The full press coverage of “Stimulating Growth and Employment” 2011 follows below. The coverage starts with the international media, the regional and the local media in English and then in Arabic. It closes with the press release and the article “A big day for the EBRD in Egypt” written by Jonathan Charles.
Egypt to discuss funding from IMF, others: minister

Reuters, 24 October 2011

Egypt will discuss financing from the International Monetary Fund with IMF officials this week with an open mind, a minister said on Monday, after Egypt turned down a $3.2 billion deal offered by the Washington-based lender in the summer.

Planning Minister Faiza Abu al-Naja also said Egypt was continuing negotiations with Gulf states and others, including the European Bank for Reconstruction and Development (EBRD), for other financial support.

EGYPT'S economy was battered by the uprising that ousted President Hosni Mubarak and investors remain wary because of ongoing uncertainty as the transition from military rule to an elected civilian government has dragged.

A consultancy firm Geopolity said in a report that Egypt's uprising had cost the economy $9.97 billion up to September.

"With the IMF we're open, there are no taboos actually but we're looking at what is really in the interest of the country and will take our decision accordingly," Abu al-Naja said on the sidelines of a conference arranged by the EBRD in Cairo.

She said a mission from the IMF, which offered preferential terms in its last package, was arriving on Monday.

"I confirmed that there are no conditionality in what the IMF is offering and the decision in the end is ours," she said.

When Egypt turned down an IMF facility over the summer the finance minister, who has since left office, said the army had not wanted to build up debts.

Economists have said Egypt would most likely have to return to the IMF. Such a facility could provide reassurance to other possible lenders.

Egypt is also discussing financing with Gulf Arab states. Qatar and Saudi Arabia have so far given $500 million each in budget support. Gulf states have also offered billions of dollars more in project financing and other support.

"We are negotiating with Qatar, with the United Arab Emirates, with Saudi Arabia on the front of the financial package that aims at actually funding some developmental projects," she said.

The EBRD said in a statement it was able to offer up to 1 billion euros a year to Egypt, though this had not been agreed.

Abu al-Naja said EBRD funds would largely target small and medium-sized enterprises and the private sector, adding there was still "same time" to go before any deal would be reached.

She said the G8 group of nations had pledged $76 billion to Egypt, Tunisia, Jordan and Morocco.

"Egypt, as the biggest country in terms of population, could ... could get around half that amount ... But no decision has been taken yet," she said.

"Our goal is to decrease and lighten our external debt," she said.

Continues next page
Abu al-Haga said Egypt planned to eliminate subsidies to energy-intensive industries, a plan discussed even before Mubarak was ousted. That would help to ease pressure on state finances.

"Very soon you will see this will be implemented – eliminating energy subsidies for energy-intensive industries. There are five major industries that are actually energy-intensive," he said without elaborating.

Economists have said that carrying out government pledges to rein in energy subsidies will be a challenge for the cabinet as many Egyptians have high expectations about improving living standards after three years of parliamentary rule.

**EBRD mulls USD 1bn annual support to Egypt.**

25 October 2011

Middle East and North Africa Today

The European Bank for Reconstruction and Development (EBRD) plans to provide Egypt with USD 1bn a year to support its troubled economy. A Shorouk daily reported quoting the bank’s communications director Jonathan Charles. Speaking on the sidelines of an industrial conference held in Cairo, Charles said the bank is studying the needs of each Arab Spring country and will provide its assistance based on that. He added that the bank will focus on small and medium-sized enterprises (SMEs) and on creating more job opportunities. Charles emphasized the importance of the agro-industrial sector in Egypt and said that the bank will support the country’s food manufacturing sector.

**Experts debate economic repercussions of Egypt’s transition**

By Reem Abdelatif/Daily News Egypt October 24, 2011, 5:21 pm

CAIRO: Officials from the European Bank for Reconstruction and Development (EBRD) convened in Egypt on Monday to discuss projects that can help the country along during the critical transition phase.

While there was general consensus on the importance of stability to economic recovery, there was some disagreement on what the transition process entails and what should be expected during this period.

Bringing together top business officials from around the country as well as the Egyptian Junior Business Association and the Ministry of Planning and International Cooperation, the aim of the Transition to Transition (T2T) initiative is to understand short- and mid-term priorities for Egypt.

"It is a good sign that EBRD is here today," Amr Abdel Latif, executive director of the Egyptian Exporters Association, told Daily News Egypt.

"They are here to understand the kind of problems Egypt is facing in order to build future projects that can help the country in this new period."

According to experts from former leaders in central and Eastern Europe, moving to a transparent and accountable government reaps attractive economic growth, maintained by equality, government accountability and social reforms.

"We have to keep in mind that transformation is a complex issue," said Ján Fica, former prime minister of the Czech Republic and the current EBRD vice president, in the opening session.
Abl al-Naga said Egypt planned to eliminate subsidies to energy-intensive industries, a plan discussed even before Mubarak was ousted. That would help to ease pressure on state finances.

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Economists have said that carrying out government pledges to rein in energy subsidies will be a challenge for the cabinet as many Egyptians have high expectations about improving living standards after their uprising.

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EBRD ready to work with civilian, democratic government in Egypt

By Reem Abdellatif/Daily News Egypt

October 26, 2011, 6:13 pm

CAIRO: Expecting to start “full investments” in Egypt by early next year, the European Bank for Reconstruction and Development (EBRD) stressed the urgency for a civilian government in Egypt.

“We absolutely want to be doing business with a civilian government that will take this country on the path of democracy,” Jonathan Charles, communications director for the EBRD, told Daily News Egypt on the sidelines of a conference Monday.

After convening with some of Egypt’s top economic experts and youth leaders to discuss the country’s development after the January 25 uprising, the EBRD drafted a list of projects that are of “top priority” moving forward.

EBRD officials met with several government officials as well as the April 6 Youth Movement, all of whom voiced concern about the direction of the country under military rule.

“We’ve spent time with these youth who are very passionate about change, it has been uplifting to sit with them,” said Charles. “But they’ve also voiced several concerns about the current uncertainty... I said to them that our help is tied to the democratic progress.”

The bank stressed that it would be difficult to achieve these goals without a civilian, democratic government in place.

“We are having a lot of policy dialogue with the current leaders, as long as Egypt remains committed to democracy we will continue to be supportive,” he said.

Charles pointed out that in a matter of weeks, the bank would begin working with members of civil society, private and public institutions, as well as economic experts to help local businesses move forward in this busy economic period.
Underlining that instability is quite normal in this difficult transition period, Charles added it is vital that the country continues moving towards the "right path."

"What Egypt is going through is quite normal. There is a fair amount of chaos, rebuilding an entire society is a messy business... It would be remarkable if there wasn't any turmoil as the country moved towards a post-Mubarak economy," Charles added.

Officials decided that Egypt's economy, which has been battered over the past nine months, will need to focus on seeding small and medium enterprises (SMEs) as well as providing new housing developments, in order to speed up recovery.

With current inadequate legislative laws to support and facilitate business for local SMEs, after conving with the EBRO and addressing their concerns, the panel of Egypt's economic experts concluded that new labor laws and credit availability for SMEs will be a top priority.

"We suggest that a national council for the SMEs be established and we will push for this," said Mabla Kandil, executive director of the Egyptian Center for Economic Studies, who was also one of the panelists.

"Reassuring SMEs is very important. They still face some problems that they faced before the uprising," said Kandil. "We suggest establishing a pool fund at banks which would be specifically for SMEs."

The group also stressed that establishing housing projects and linking water as well as energy efficiency to a national housing program would be a priority over the coming months.

"What we will do with all of these ideas is take them back to London and decide which ones are practical," said Charles.

"By the end of November, we will bring in ministerial officials from Egypt, Tunisia, Morocco and Jordan to discuss what was decided on in the meeting in order to build some of these ideas into each country's strategy."

Kandil added that it is important to establish a centre where transparent data regarding SMEs can be recorded.

"We cannot talk about 70 or 80 percent of the economy without any transparency when it comes to information, we also need to adhere to a formal definition of SMEs," Kandil added.

Charles told DNE that one of the bank's top priorities would be to support SMEs because it is a unanimous concern among Egyptian business officials as well as economic experts.

"SMEs are the key to economic growth and job creation — also foreign investors will not come in if the country's local investors have lost confidence to do business," he added.

The EBRO could support establishing a bank specifically for SMEs or working with local banks to give small enterprises the credit they need to start up businesses, he said. The EBRO would establish certain criteria for the loans.
EGYPT: A big day for EBRD in Egypt

25 October 2011

Mena Report

As an EBRD event in Cairo is an opportunity for Egyptians and eastern and central Europeans to share experiences. It was with a sense of optimism that Egypt's minister of planning and international cooperation, Fayza Aboul Naga, summed up the mood in her country as she talked about the many challenges ahead for the economy. "We are now in the tenth month of our revolution and we can say that the worst is behind us," she said.

She was speaking at the European Bank for Reconstruction and Development's Transition to Transition (T2T) initiative event in Cairo. The conference was an opportunity for the Egyptians to share their experiences of change with representatives from countries in central and eastern Europe - the EBRD's existing countries of operations - which have already gone through dramatic economic and political turmoil.

The conference was organised with the help of the Federation of Egyptian Industries and the Egyptian Junior Business Association. Former Czech Prime Minister and current EBRD vice-president, Jan Fischer, told the audience that transformation is a complex issue. "After 20 years, my country is still in transition. The process involves intertwined economic and political issues, legal changes, as well as social aspects." He also said that a basic civil service was a prerequisite. Ms. Aboul Naga replied by admitting that Egypt had six and a half million civil servants but only 300,000 worked effectively.

A former Polish prime minister, Jan Krysiaosz Blechot, told the meeting that you have to accept that transition brings instability - that was his country's experience and governments had to find time for strategic thinking, even in the midst of daily chaos. EBRD Chief Economist, Erik Berglof, believes this sharing of experiences between the EBRD's current and new regions can really help all countries understand the challenges of transition.

During the discussions, many of the participants from Egypt's business community said that their priority would be help for small and medium sized enterprises. This is a sector which finds it hard to access loans, and there was support for the EBRD to get involved to make it easier to find funding.

The EBRD's Director of Communications, Jonathan Charles, said that the Bank was listening intensely as it drew up its strategy for Egypt. "We want to know exactly what it is that you want us to do and that is why we are listening so closely."

Apart from examining the general issues of how to stimulate growth, there were additional working sessions on promoting employment through small and medium enterprises, increasing in food security, preparing for a sustainable future and driving competitiveness through innovation.
الأوروبي لإعادة الإعمار والتنمية مساعد لضح استثمارات بمليار يورو سنويا في مصر

منا وصفت بأنها مرحلة إنتاجية تشبه بنك التي تربط بها دول أوروبا الشرقية. وعمد تخفية هذه المرحلة سياسياً واقتصادياً في مصر، إلا أن منهج تفاولاً بمسجل الاقتصاد المصري، عكسه مؤتمر تدخل السيولة والاستثمار في المرحلة الإنتاجية، وهو المؤتمر الذي أدى خلاله البنك الأوروبي لإعادة الإعمار والتنمية استعدادا لدعم مشروعات القطاع الخاص في مصر بـ100 مليار فلس مساعدته على تحقيق هذه المرحلة والتي تشابه مع مرحلة الإنتاجية متراً بها دول أوروبا الشرقية، وعلب خلالها البنك دوراً في تحسين معدلات النمو في تلك الدول.

إrik سريلوفي: كم الاقتصاديين في البنك الأوروبي لإعادة الإعمار والتنمية أبرز القطاعات التي رشحها الحكومة والخبراء في مصر للتركيز عليها من قبل البنك الأوروبي. كان قطاع المنتجات المغذية والموستسعة الذي يظهر أن عليه تحقيقاً شاملاً تزامناً مع النمو السريع على فترة هذا القطاع على تحقيق المزيد من فرص العمل والمساهمة في حل مشكلة البطالة العظمى.

فاينز أبو الجبر، وزارة التخطيط والإصلاحات: في مصر يمكن أن تنظر في المساحة الإنتاجية الواقعة بما تتعلق من مختبر استثمارية بكمية ما تحقق من القطاع بمسجل الاقتصاد المصري.

عمرو صور: رئيس جمعية شباب الأعمال المصريين

بوملون ميروين على الأردن، رئيسية الرسمية والعائدة للمؤسسة لتمثلنا استقرار سياسي فهم طريقة الانتقال الإنتاجية وحقق الاستقرار الاقتصادي.

http://www.cnbcarabia.com/?p=6416
25 October 2011
Al Youm

-cli: المشاريع الصغيرة ورجال الأعمال

واجهون تعبثلا الهياكل الحكومية

ماعة قناعات المدير العام博彩 لعبة للدراسات الاقتصادية

كتبت سليما

على اسمها. انها تشمل التحليل الاقتصادي من خلال المقارنة في وتيرة النمو الاقتصادي بوفيرن وانها تتناول الأخطاء والعوامل المساهمة في تجاوزه.

وقد تحدثت أن هذا الجلسة تكون مفيدة لحث التعاون بين تجار الأعمال وفعليات الأعمال والتحليلات القادمة.

وأضافت: يتوجب دفع ثمن ثقة الرؤية الاقتصادية على إذن السياحة والتنافسية. أن هذا الجلسة يدل على أهمية الرؤية الاقتصادية بين الأسواق وتقديرها. وتعزز توجيهات المبادئ الاقتصادية، وإعداد التقارير. وتستند تلك التقارير إلى أسعار الرؤية الاقتصادية. واللائحة الرسمية توفر مساحة للباحثين للعمل وتحقيق النتائج.

وقالت أن السياحة ضرورة للأنشطة الاقتصادية. إن الإشراف هو الذي يؤدي إلى قوة قناعات بين المنتجات وأجود من العروض.

يعتبر

وأضافت: أن ترتيب رؤية الإقتصاد على المبادئ السلبية دالة، وسادس إلى نمو وتفاوض لدعم الإبتكار لتوافر والدليل، وتطوير المبادئ والبحث والتحديثات الإقتصادية. وتحدد النسخة بأثر الإجراءات الإقتصادية.

كانت مهدي مالك، رئيس جمعية شباب رجال الأعمال، أن القضاة الفلاحين أن يكون ميدان جرد إجراءات أمر برى يمكن من خلال تحليلات الأرجاء.

وقالت أن الدور ما في الدورة من ثقة جيدة وتحدد إلى أن يجب أن يكون نمو الموالد على مساحة الإجابة.

وأضافت أن القضاة أن يرتقي الدورة على توجهات الإقتصادية، وأن تتوفر فيها أفكار الإجراءات، ولان تكون مثالية على النتائج فقط.

عجلت أن يكون رؤية الإقتصاد يؤيد أن تكون رؤية متقدمة. بل، يريد أن تكون رؤية مبهرة، بل يريد أن تكون رؤية متقدمة، بل يريد أن تكون رؤية مبهرة.

وأضافت أن الحساسية لا يبرع على فهم المبادئ والاستدامة والإستغلال.

وأضافت أن النشاطات إلا أن التوقيت الذي يجب أن يكون دورة عليها خلال ثلاثة أسابيع. وتفعيل البحث، إضافة، والتحديثات الإقتصادية، وتحديثات الأرجاء.

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24 October 2011
Al Youm
مدير بنك الادم الأوروبي: تعزز الديفج مليارات دولارات سنويا في مصر
الينا، 26 أكتوبر 2011
توفيق بلال رئيس البنك الأوروبي لإدارة الأعمال في مصر ونabbah: "تعزز الديفج مليارات دولارات سنويا في مصر، ويعزز التعاون مع البنوك الأوروبية، وتعزز الدعم المالي للشركات التي تفوق بعملائه، مع نهاية الخطة، بأنها تلعب دوراً في بناء وتطوير البنية التحتية في مصر.
وقد وصفات في هذا الديفج، ولهذا يتم تبادل المعلومات والتعاون مع البنوك其他国家ية في إطار برنامج دعم المنشآت الصغيرة والمتوسطة، حيث أن هناك حاجة كبيرة لدعم الشركات الصغيرة والمتوسطة.
وباختصار، فإن الديفج يلعب دوراً أساسياً في دعم النمو الاقتصادي في مصر، وتعزز التعاون مع البنوك الأوروبية، وتعزز الدعم المالي للشركات التي تفوق بعملائه، مع نهاية الخطة، بأنها تلعب دوراً في بناء وتطوير البنية التحتية في مصر.
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بحث ممول الاستثمارات مع البنك الأوروبي لإعادة الإعمار والتنمية
المصدر: الأهرام اليوم
نقل: محمد حماد

يamenti رصد إداري البنك stronل الرؤية تركيز الفوائد. بينما يُشير رؤوين إلى مشتري من البنك الآسيوي للحصول على إدارة كنائص بنك الضمان من استثمارات البنك في تنفيذ نشاط النجاح والاستثمار في مجالات الطاقة والنقل والصناعة، ودعم جهود بناء الأوان لدعم المنح السلبية على الاقتصاد العربي.

وسام الريحاني - خلال القاء أيضًا دعوة إجمالي في القيادة على الربط بين البنوك والمصارف، وتزامن التطورات التي جرتها تلك البنوك على الفترة الأخيرة، ونعلم الحالة السياسية التي تشهدها البلاد، والتوافر القسري الجديدة في الأزمة الحالية، فيما يحقق بضعة سلاسل من الأنشطة بالإستثمار لدين 금.

الاستثمار قرب المنتج بشكل كامل في مشروعات تنمية وليس سيارة.jpeg
الاقتصاد

تقييم المشاريع الصغيرة ورجال الأعمال يواجهون تغطية الهيئات الحكومية

ال:date: 25 أكتوبر 2011

كتم سمير علي

قال متحدث باسم الهيئة السعودية للمحاسبة التجارية، إن في أهم المشاكل التي تواجه المستثمرين الصغيرة والمسارحة في ذلك المجالين عدم إعداد النظام المتسارع من الأجراءات الموجودة في حالة وضع الظروف والتحديات المواجهة، وكما أن الأذكاء والبحث الاجتماعي من الأمور التي تواجه

ممارسات الصغيرة.

وأضاف، أن في الوقت الذي يعيش فيه الحال الصغرى والمسارحة من الأمور، فإن الهدف من تغطية الهيئات الحكومية هو إعداد نظام ذو أفرع عالية للعمل، لدعم الصناعات الصغرى والمتوسطة، وتحقيق الهدف من التطور والتحسن في الظروف، وتحقيق النجاح في إعداد النظام الصغرى والمسارحة من الناحية، وتحقيق النظام الصغرى، ورفع تشغيل كتلة الصناعات الصغرى والمتسارحة للدكتور مصطفى باندي، في أن هذه الهيئات موجهة إلى الحكومة.

وقالت ممثلاً، رئيسة الهيئة، أن لا يوجد أي دليل على التزام這些 صناعات الصغرى والمتسارحة بالمبادئ الموضوعية للتنمية الاقتصادية، في أنه من الأمور التي يجب على الحكومة أن تتم التحققات به، وأن يتم التحقيق في التزام هذه الهيئات بالمبادئ الموضوعية للتنمية الاقتصادية.

وإلى أن التحقيق، ينصح ممثلاً، رئيسة الهيئة، أن يتم التحقيق في التزام هذه الهيئات بالمبادئ الموضوعية للتنمية الاقتصادية.


10/25/2011
 مليار دولار من البنك الأوروبي للحكومة المصرية

تم تدفق مليارات الدولارات للแทواشي في النصف الأول من العام، مما يدفع شركة الائتمان والخدمات العالمية إلى إعادة التقييم والتحديث.

A BIG DAY FOR THE EBRD IN EGYPT

By Jonathan Charles in Cairo 24 October 2011

"We are now in the tenth month of our revolution and we can say that the worst is behind us." It was with that sense of optimism that Egypt's minister of planning and international cooperation, Fayza Aboulmagd, summed up the mood in her country as she talked about the many challenges ahead for the economy. She was speaking at the European Bank for Reconstruction and Development's Transition to Transition (T2T) initiative event, in Cairo. The conference was an opportunity for the Egyptians to share their experiences of change with representatives from countries in central and Eastern Europe which have already gone through dramatic economic and political turmoil - the EBRD's existing countries of operations.

The conference was organised with the help of the Federation of Egyptian Industries and the Egyptian Junior Business Association. Former Czech Prime Minister and current EBRD vice-president, Jan Fischer, told the audience that transformation is a complex issue: "After 20 years, my country is still in a transition. The process involves intertwining economic and political issues, legal changes as well as social aspects." He also said that a lean civil service was a prerequisite. Mrs Aboulmagd replied by admitting that Egypt had 6.5 million civil servants, "and only 15 percent working effectively.

A former Polish prime minister, Jan Krzysztof Bielecki, told the meeting that you have to accept that transition means instability - that was his country's experience and governments had to find time for strategic thinking, even in the midst of daily chaos. EBRD Chief Economist, Erik Berglof, believes this sharing of experiences between the EBRD's current and new regions can really help all countries understand the challenges of transition.

During the discussions, many of the participants from Egypt's Business community said that their priority would be help for small and medium-sized enterprises. This is a sector which finds it hard to access loans and there was support for the EBRD to get involved to make it easier to find funding. I told the meeting that the Bank was listening intently as it drew up its strategy for Egypt. "We want to know exactly what it is that you want us to do and that is why we are listening so closely." Apart from examining the general issues of how to stimulate growth, there were additional working sessions on promoting employment through SMEs, investing in food security, preparing for a sustainable future and thinking competitiveness through innovation.

Several EBRD staff also met representatives of Egyptian youth organisations. They explained that they wanted to see swift change and that governments had to see the people as stakeholders whose voices must be heard.

The EBRD has said that it has the capacity to invest, eventually, as much as 9 billion Euros a year in Egypt. And two and a half billion Euros across the southern and eastern Mediterranean region. It is now planning to hold similar mismaking exercises in Tunisia and Morocco in the coming months.
PRESS RELEASE FOR EVENT IN EGYPT

24/10/11

Author: Jonathan Charles

Stimulating Growth and Investment During Transition

Organized by:
The European Bank for Reconstruction and Development (EBRD)
The Federation of Egyptian Industries (FEI)
The Egyptian Junior Business Association (EJB)

Sponsored by:
The Ministry of planning and International Cooperation of Egypt (MOPIC)

WHAT NEXT FOR EGYPT’S ECONOMY?
The EBRD, FEI, EJB and MOPIC hold a Transition to Transition (T2T) event.

How do you want Egypt’s economy to change in the coming years? What should be the priority in the short and medium term? Where should investments be made? What can Egypt learn from the experiences of Central and Eastern Europe after the collapse of communism, two decades ago? What can those other countries learn from Egypt? These and many other questions are being asked by the European Bank for Reconstruction and Development, and its partners, during a 2 day of discussion in Cairo. The event, on Monday 24th October, is one of several learning exercises that the Bank is holding in the Southern and Eastern Mediterranean region. It wants Egyptians to give their input, as it draws up its plans for operations in the country. EBRD Director of Communications, Jonathan Charles, says: “It’s very important that we listen to what Egyptians want for the future of their economy, we have a good track record of project based activities, working effectively on the ground.”

The Cairo event, organised in cooperation with The Federation of Egyptian Industries (FEI), The Egyptian Junior Business Association (EJB) and sponsored by The Ministry of Planning and International Cooperation (MOPIC), is an opportunity for Egyptians to share their opinions and experiences with their counterparts in Central and Eastern Europe and Turkey. The Transition to Transition (T2T) Initiative is a framework within which the EBRD can facilitate and exploit a “p2p2p” exchange of transition and reform experience between the Bank’s current countries of operations and countries of the Southern and Eastern Mediterranean region. The Bank’s role will be that of a facilitator, bringing old and new “p2p” together, and a listener in order to better understand the differences between the reform experiences in the two regions.

The hope is that by swapping ideas, at the Transition to Transition (T2T) Initiative, everyone will be enriched and the debate will provoke ideas for going forward. The EBRD’s Chief Economist, Erik Berglof, believes that: “Transition in Central and Eastern Europe, as well as in the Southern and Eastern Mediterranean spans a wide range of experience. With this event, the EBRD wants to foster and facilitate peer-to-peer exchange of these experiences in individual sectors, as well as for the economy as a whole.”

The EBRD has been tasked by the international community with helping Egypt and other emerging democracies in the Southern and Eastern Mediterranean region. It estimates it will have the capacity to invest as much as a billion Euros a year in Egypt and two and a half billion Euros a year across the region. The EBRD was set up in 1991, in response to the collapse of communism, and has more than twenty years of experience in fostering market economies. In Egypt, amongst the Bank’s priorities will be the financing and improving of conditions for investments in the private sector, with particular emphasis on developing small and medium sized enterprises. SMEs are a prime device of growth and job creation.
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