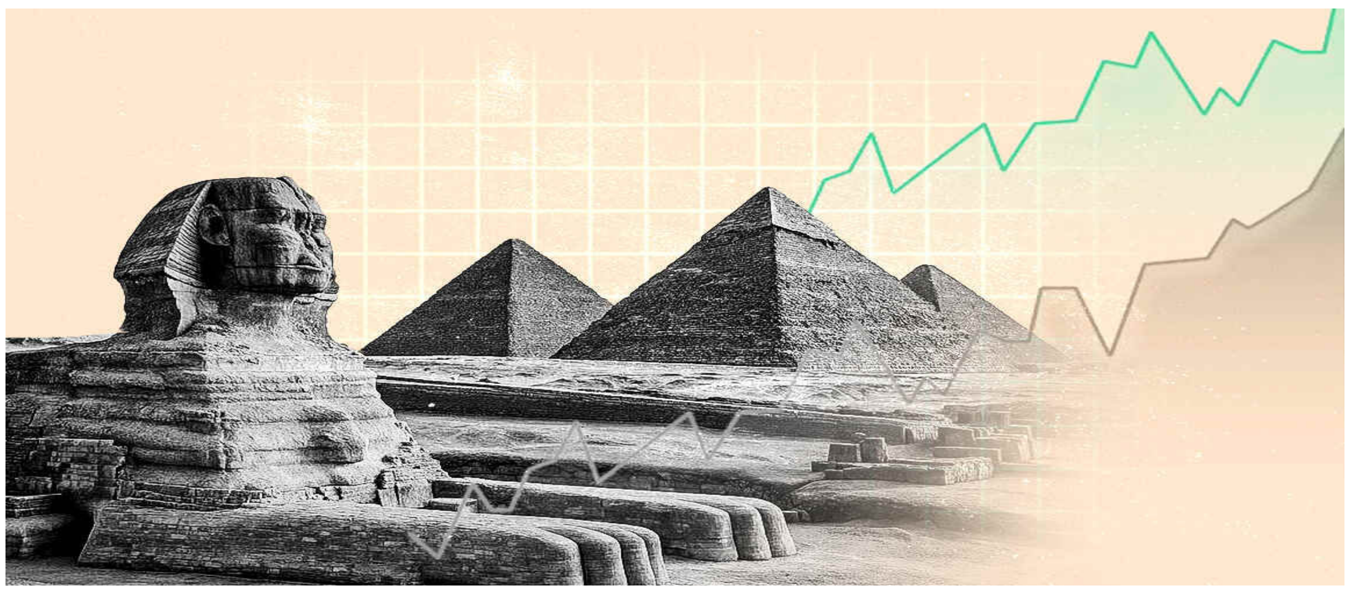
ECONOMY

Egypt Targets the Reduction of Its Debt-to-GDP Ratio and Reports 5% Economic Growth in the Third Quarter



The Egyptian government targets reducing the debt-to-GDP ratio to 78% by June 2027 and cutting external debt by $1 billion to $2 billion, as announced in the new state budget. Despite regional geopolitical challenges, the economy expanded by 5% in the third quarter of FY 25/26, driven in part by a return to growth in the petroleum sector.

The new budget for the coming financial year allocates EGP 837 billion for social safety nets and EGP 80 billion to stimulate industry and exports. Furthermore, the updated State Ownership Policy aims to increase the private sector's share of total investment to 65% by 2030.

INVESTMENT

Egypt Signs €300 million Health and Green Industry Financing Agreements with France and the EU

Egypt has secured €300 million in financing and grant agreements with the French Development Agency (AFD) and the European Union to support its universal health insurance system. These agreements focus on expanding access to medical services and improving the efficiency of primary healthcare facilities nationwide.

Additionally, the package includes a €45 million credit facility for the Green Sustainable Industry (GSI) program, aimed at reducing industrial emissions and promoting circular economy and green hydrogen projects until 2030. Further grants within the agreement will support French-language education and enhance economic opportunities for small and medium-sized enterprises.

INVESTMENT

Strategic Investment and Industrial Expansion in the Amriya Public Free Zone

Minister of Investment and Foreign Trade, Mohamed Farid, conducted a field tour of the Amriya Public Free Zone in Alexandria, a strategic hub hosting 416 projects with total investments exceeding 5.3 billion in commodity exports in 2025 and providing approximately 55,000 jobs.

The industrial activities within the zone are diverse, encompassing textiles, chemicals, petroleum, and electrical appliances. During the visit, the Minister emphasised the government's commitment to enhancing the investment climate by simplifying administrative procedures and supporting the expansion of high-impact production and export activities.

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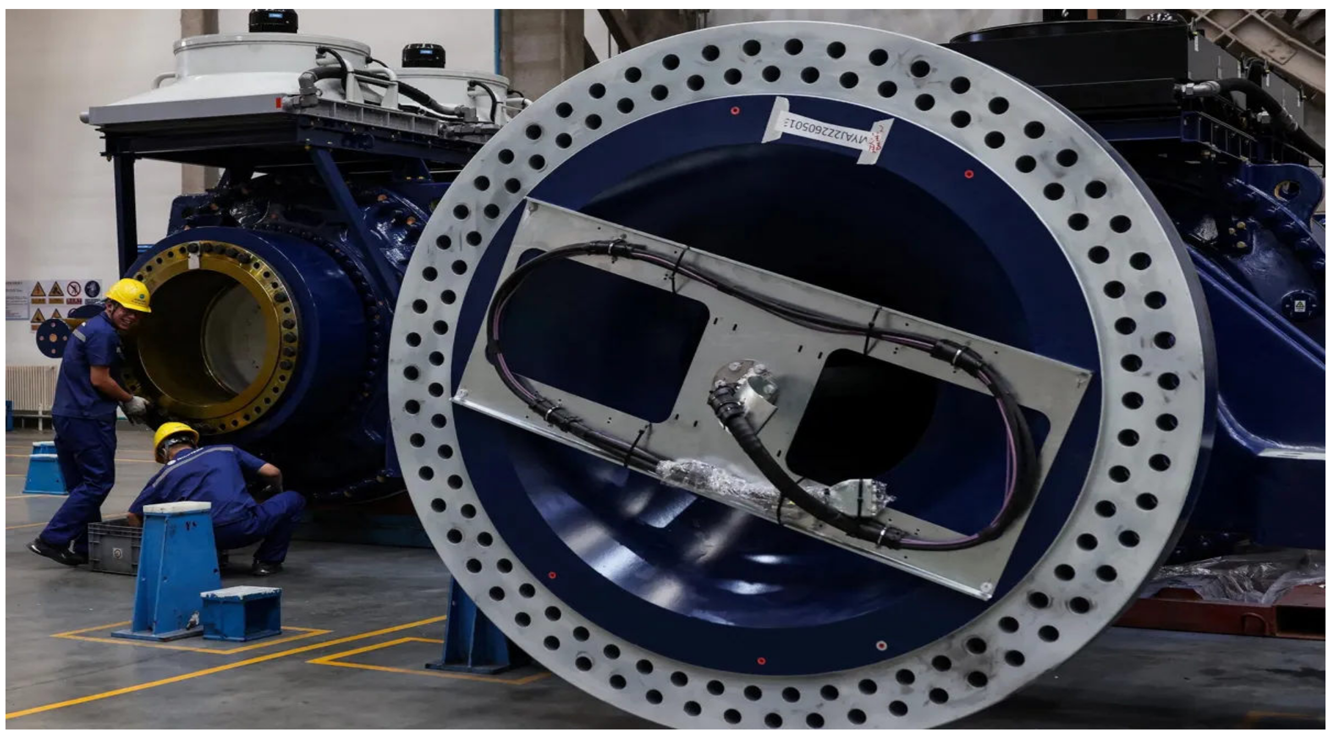
SUSTAINABILITY

Establishment of Egypt’s First Wind Turbine Manufacturing Plant and 2 GW Wind Farm



Prime Minister Mostafa Madbouly witnessed the signing of a memorandum of understanding (MoU) to establish Egypt’s first wind turbine manufacturing facility and a 2-gigawatt (GW) wind power project in the Gulf of Suez. The agreement, signed between China’s SANY Renewable Energy, the Egyptian Electricity Transmission Company (EETC), and the New and Renewable Energy Authority (NREA), aims to localise advanced renewable energy technologies.

The manufacturing plant will have an annual production capacity of 2 GW and is slated for completion within two years. This initiative supports the national goal of increasing the renewable energy share to 45% in the energy mix within two years, while positioning Egypt as a regional hub for manufacturing and exports.

INVESTMENT

MSMEDA Marks 35 Years of Supporting Small Enterprises and Entrepreneurship in Egypt

The Micro, Small, and Medium Enterprise Development Agency (MSMEDA) is celebrating 35 years of empowering the small projects sector since its establishment in 1991.

Over this period, the agency has injected EGP 79.6 billion in financing into more than 4 million projects, successfully creating 6.8 million jobs. A significant surge in support occurred since 2014, with EGP 62.4 billion provided under President Abdelfattah Al-Sisi's leadership, representing 82% of the agency's total historical funding. Through a strategic partnership with the UNDP, the agency continues to focus on digital transformation, the green economy, and economic empowerment for women.

ENERGY

Norway’s Scatec Commits $5bn Investment in Egyptian Green Energy

Norway’s Scatec has announced plans to invest an additional $5 billion in Egypt over the next two years, targeting renewable energy, water desalination, and energy storage systems. The company's current portfolio includes the "Obelisk" project, featuring 1.1 GW of solar power and 200 MWh of battery storage.

Another major initiative, the "Energy Valley" project, aims to deliver 1.75 GW of solar energy and 4 GWh of storage to support industrial competitiveness. Furthermore, a 5-gigawatt battery storage manufacturing plant is scheduled to begin production in June 2027 to localize the industry and enhance energy security.

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