

Get your product or service on the road



Cairo

Alexandria and Cairo, February 25-March 1, 2007 >

Canadian companies are invited to participate in a multi-faceted business event designed to promote Canadian products and services in Egypt as well as two-way investment. This event includes a catalogue and trade show and coincides with a trade mission to North Africa led by the Canada-Arab Business Council (CABC).

"Participating in a catalogue show is probably the most cost-effective way of introducing and promoting goods and services to a wide range of key buyers and decision makers in a new market," says Tarek Meguid of the Canadian Embassy in Cairo.

To participate, all exporters have to do is send brochures and promotional material which will be displayed and interested local companies will be encouraged to contact participants directly. During the catalogue show, a member of the trade section of the Canadian Embassy in Cairo will also take note of any expression of interest and relay them to exporters.

In addition to the catalogue show, exporters may wish to attend a multi-sector trade show, two general sessions with key Egyptian ministers, thematic seminars (including one on franchising) and sector-specific roundtables.

One-on-one meetings with pre-selected local government officials and businesspeople, not to mention a networking reception hosted by the Canada

Egypt Business Council (CEBC), will be organized for members of the Canadian trade mission delegation.

The event will provide an excellent opportunity for Canadian businesses to showcase their products, services and technologies in the Middle East's largest market. Although companies from all sectors are welcome, emphasis will be put on agriculture and agri-food, financial services, information and communication technology, energy and transportation.

The event is being organized by the Canadian Embassy in Cairo, in collaboration with the Canadian Chamber of Commerce in Egypt, the CEBC and the CABC.

To participate in the catalogue show and/or to be one of the sponsors for this event, contact Tarek Abdel Meguid, Canadian Embassy in Cairo, tel.: (011-202) 791-8700, fax: (011-202) 791-8865, email: tarek.meguid@international.gc.ca.

For a booth in the trade show, contact Rejan Rashad, Canadian Chamber of Commerce in Egypt, tel.: (011-202) 451-0033/0044 and 452-1440, fax: (011-202) 451-0099, email: info@cancham.org.eg, website: www.cancham.org.eg.

To join the CABC trade mission, contact Richard Mann, Canada-Arab Business Council, tel.: (416) 362-0050, fax: (416) 362-7633, email: info@canada-arabbusiness.org, website: www.canada-arabbusiness.org.

The deadline for expressions of interest is December 15, 2006.

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Egypt takes an economic leap forward

The busy skylines of Alexandria and Cairo will tell you that Egypt is in the midst of a major economic expansion. Reforms that began in the 1990s have had a positive effect on the country's private sector, which is now playing a pivotal role in driving Egypt's burgeoning economy.

"The most effective reforms were the de-pegging of the Egyptian currency to the American dollar and the nomination of Prime Minister Ahmed Nazif, a McGill graduate, and a reform-friendly cabinet," says Richard Dubuc, Senior Trade Commissioner with the Canadian Embassy in Cairo.

In 2005, Egypt's government made unprecedented progress in the areas of tax reform, public finance management, monetary policy, privatization and financial sector privatization.

Its efforts did not go unnoticed. In 2005, the World Bank ranked Egypt sixth in terms of progress in implementing economic reforms. In addition to these major reforms, the country made improvements to its infrastructure, healthcare services and education system.

Challenges remain

"There is still a pressing need to reduce the heavy burden of subsidies," says Dubuc. "Energy subsidies (gasoline, natural gas and electricity), for example, amount to around \$4 billion a year. The Egyptian government also subsidizes food items like bread and sugar."

Dubuc says other challenges include a general lack of transparency and a dearth of middle managers and technocrats.

"More than ever, the Egyptian government is aware that in order to achieve growth and meet the needs of its growing population, Egypt has to become more export-oriented," says Dubuc. "Egypt is emerging from its socialist past and moving ahead with the next phase of its reform plan which aims at reducing the structural impediments to higher growth and job creation, like large fiscal deficits, unproductive public expenditures, red tape, deficiencies in financial intermediation and labour market rigidities."

Given these economic leaps forward, observers say the future looks good. *The Economist* predicts that growth in Egypt's gross domestic product will reach

6% in 2006/07 compared to 5.6% for 2005/06. Significant growth is expected in the tourism and petroleum industries, but also when it comes to foreign investment.

Better climate for investors

Egypt's progress to date has improved its profile in international capital markets. As a result, foreign direct investment (FDI) and inward portfolio flows have risen sharply. Investment firm J.P. Morgan also noted Egypt's improvement in an investment climate study, which states that FDI is expected to reach \$5.5 billion in 2006. Egypt's stock market is also the most active in the region and was the top performer in 2005.



Egyptian workers put up a billboard in front of the pyramids of Giza. Egypt has undergone a series of economic and political reforms that many have said are long overdue.

Canadian direct investment to Egypt, estimated at \$400 million for 2005, is also on the rise and is mostly in the oil and gas sector. These figures are likely to increase substantially when two major petrochemical projects worth more than \$2.5 billion in total come on stream. In fact, these projects will position Canada as one of the top five foreign investors in Egypt.

So what does all this mean for Egypt's economic place in the world? According to Dubuc, Egypt is becoming a hub for Europe and the Middle East. It enjoys competitive advantages in terms of labour and energy costs and its location on the Mediterranean and the Red seas allows for low transport costs, particularly to Europe. Many manufacturing

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