

OVERVIEW

Because of the myriad of other priorities which it has had to address the Government of Egypt is only now getting around to environmental concerns. While this makes it extremely difficult to pinpoint projects which are imminent or even in the planning stages it creates an advantage for Canadian companies. The environment market in Egypt is now in the process of being shaped and defined. By being in on the ground floor Canadian companies can get an early jump on opportunities. The most difficult barrier is financial: Egypt cannot or most likely will not pay for environmental cleanup. Funding will have to come from bilateral or multilateral sources. In general, countries or donors determine the sub-sectors they want to pursue. For example waste water treatment has received the attention of Denmark, the European Community (EC), Italy, U.K. and the U.S.A., while Denmark in conjunction with Germany and the World Bank is currently working on a project to reduce air pollution in the Helwan area, a suburb of Cairo.

The recently completed national environmental action plan focuses on the following specific areas: water resources management, land resources management, air pollution, solid wastes, marine and coastal resources, institutional issues, global heritage preservation, and generally raising the public's awareness of environmental issues. The action plan calls for investments of about US \$300 to 500 million during phase 1 which could last up to five years. The highest priorities are those for strengthening environmental institutions and actions to reduce industrial pollution of water and air.

COMPETITION

Many countries are already involved in environment protection projects. At the top of the list are Denmark, the European Community (EC), Italy, the U.K., the Netherlands, U.S.A., Finland, Germany, Japan, and Switzerland. The World Bank and the UNDP are also playing leading roles in the institutional strengthening of the Egyptian Environmental Affairs Agency.

PENETRATING THE MARKET

As for Canada's role so far, CIDA recently organized a Geographic Information System Seminar (GIS) in Cairo. This seminar was part of a pre-feasibility study to set up an Egyptian Environmental Information System (EEIS). The study was conducted by Energy, Mines and Resources Canada. SNC, a Canadian consulting firm, is starting the second phase of the River Nile Development Project (RNDP), which encompasses a large environmental component, and is funded by CIDA.

To penetrate the market in Egypt, companies can take one of many approaches: (1) through multilateral funds such as the World Bank, the UN, the ADB, etc.; (2) through the CIDA environmental programme in Egypt; (3) by selling equipment directly to the Egyptian Government or to specific projects; (4) by appointing local agents to assist; (5) by cooperating with companies from other donor-countries. This latter action applies particularly well in cases of advanced technology unique to Canada and where a project will be financed bilaterally. At this stage, the Post sees opportunities in three areas : training, equipment, and consulting services.

The environmental master plan of Egypt is a unique document for a Middle East country. Historically, Egypt has exported its expertise to other Arab States. Any success that Canadian companies will have in Egypt could result in sales of know-how and equipment to other markets of the Middle East in conjunction with Egyptian partners. The relationship that Egypt has established with the other countries of the Middle East in sharing know-how and manpower cannot be over emphasized.