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Petroleum ministry finalises project connecting natural gas to new Ismailia: Minister

By Mohamed Ayyad

The Ministry of Petroleum has completed the implementation of the natural gas connection project to the city of New Ismailia, Minister of Petroleum and Mineral Resources Sherif Ismail announced on Friday.

The New Ismailia city project, which was announced by President Abdel Fattah Al-Sisi in December 2014, is a residential city covering a space of 2,156 acres and includes 34,000 housing units.

"Connecting natural gas to New Ismailia comes as part of the implementation of the new governmental idea based on the optimal planning of new cities, which emphasises the need to connect all its facilities prior to the implementation of the city," Ismail stated in a Friday Ministry of Petroleum press release.

He said that New Ismailia comes as part of the state's plan to establish several new cities to serve the Suez Canal Axis development national project.

The cities are also set to act as accommodation for expatriate labour coming into Egypt to work in the economic projects planned after the



DNE file photo

Minister of Petroleum and Mineral Resources Sherif Ismail

opening of the axis.

Major General Tarik Sayed, Head of the Armed Forces' Projects Implementation Management Department and the New Ismailia city supervisor, said in January that work on the project will end with the opening of the new Suez Canal.

According to Ismail, the Ministry of Petroleum is targeting the delivery of natural gas to 1.2 million housing units nationwide, as part of the government plan to connect natural gas to all homes during the current fiscal year (FY) 2015/2016.

"This year's plan targets many densely populated areas, as well as the new areas that have not had natu-

ral gas delivered before, foremost of these being the governorate of Marsa Matruh. This will bring up the total number of governorates with natural gas delivered to 26," Ismail added.

The petroleum sector was successful in connecting natural gas to 710,000 housing units nationwide during FY 2014/2015, with an increase of 7% compared to the previous fiscal year.

An Egyptian Natural Gas Holding Company (EGAS) report stated: "All connection contracts have been signed with the executive companies for the implementation of the plan for connecting natural gas to Egypt's governorates."

Part of the financing of its costs will come via financing agreements signed by the Ministry of Petroleum in the last period.

The Ministry of Petroleum signed a \$500m agreement with the World Bank, and another €70m agreement with the French Development Agency.

These were in addition to a grant estimated at €68m through the European Union and administrated by the French Development Agency for the connection of natural gas to housing units.



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