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Big 5 Construct Egypt: Boosting Investments and Sustainability

The first-ever Big 5 Construct Egypt conference, held September 18-21, provided an unprecedented platform for networking in the construction sector as it brought in more than 200 companies from 24 countries to display their products.

By Yasmin El-Beih

Inaugurated by Minister of Trade and Industry Amr Nassar and organized by dmg events, the first-ever Big 5 Construct Egypt international conference began on September 18 to bring together influential decision-makers, innovators and suppliers from around the region, serving as a networking channel for prospective business in the local market.

"International players showed terrific interest

in the Egyptian construction market, which is one of the fastest-growing and most promising markets in the region," Portfolio Director at dmg events, Josine Heijmans, said on the first day of the event. "We are extremely proud to launch the show today, hosting 15 country pavilions from countries such as Germany, Italy, UK, Spain, China, Turkey, India, France and Greece—our official country partner."

As Egypt takes on ambitious infrastructure projects and increases spending, the business oppor-



tunities presented through networking and discussing new technologies proved invaluable for the hundreds of industry professionals in attendance. Heijmans affirmed that the event comes at a crucial time in Egypt's history, as the construction industry is growing and thriving at the current time; the industry is also "rapidly expanding, with a positive growth outlook," according to Heijmans, who emphasized dmg events' commitment to holding more events in Egypt during the coming years. The Big 5 Construct Egypt conference is also expected to help increase foreign direct investment flows.

Previous editions of the Big 5 Construct conference have been held in Morocco, Saudi Arabia and Kenya. The show has also been taking place annually in Dubai for over 40 years and is known as the largest construction event regionally. More than 200 companies from 24 countries participated in the inaugural Cairo-based edition, which ran through to September 21. The Dubai-based dmg events is owned by The Daily Mail, and organizes leading events in various industries including construction, energy and design. In Egypt, they have previously held two editions of the Egypt Petroleum Show under the patronage of President Abdel Fattah al-Sisi, among other exhibitions.

Educating stakeholders and raising awareness on key issues in construction

Industry professionals also benefited from the generous learning opportunities offered through workshops taking place on the sidelines of the exhibition. The 40 sessions on the program are all certified Continuing Professional Development (CPD) courses, covering varied themes: Future Trends and Technologies, BIM and Project Management, New Policies and Reforms, Sustainability and Technology, Urban Development, Architecture and Design, BIM and Project Management, Contract Management, as well as Sustainability and Technology.

A series of talks titled "Women in Construction" also took place, presenting the experiences of pioneering Egyptian female construction sector executives to enhance and empower women in a commonly male-dominated field. In one such session, Design Project Manager at Living in Interiors, Marwa AbdelZaher, noted that women in this field make a shocking 20-35% less than their male counterparts do, according to a survey she conducted of her contacts given lacking research on this front. "There is a need for prospective progress in terms of both equal opportunities and equal pay, in order for the construction sector to



adequately utilize female calibers," she stressed.

Women have a duty to set a higher glass ceiling for coming generations; projects such as the new Administrative Capital and the 40 new cities the government is in the process of developing require adequately trained hire. "Without making use of female calibers, it is unlikely that such projects will achieve any success. It is important to note that women's entry to the construction sector workforce should heighten in terms of on-site positions, as it should in marketing, human resources, sales and design departments as well," she argued in the talk, which was widely attended by male and female professionals alike.

A session on urban resilience to climate change presented by three high-level representatives from the Arab Water Council tackled the consequences of climate change on informal urban areas, proposing steps for reducing and controlling the impact of climate change. They also discussed the role of policymakers in combating heat stress, food security and other drastic effects of environmental changes.

"On a global scale, the impact of record-high temperatures is materializing as natural disasters have become all too common," said Khaled M. Abuzeid, director of technical programs at the Arab Water Council. On a nationwide scale, we will soon witness how rising sea levels will affect coastal cities, lead to losses in the delta, and potentially result in significant displacement, he noted during the session. However, he believes that Alexandria and the North Coast will not be heavily affected in the foreseeable future by ris-

ing sea levels (globally estimated at between 0.5 and 1.5 meters) since this area is more elevated than other, more vulnerable areas.

Former Minister of Water Resources and Irrigation Hussein El Atfy said that policymakers are particularly pressured on climate change, driven by its effects on vulnerable communities who find it most difficult to adapt. "Food security, migration, environmental disasters, and other issues are among the major effects of climate change in the Arab World; climate change is the biggest threat to development and SDGs goal 13 calls for urgent action on that front," El Atfy said.

"Further effects of climate change would lead to rising food prices as water resources in the region decline," El Atfy warned, stating projections of a 10-50% reduction in water resources in Syria, Jordan and Morocco. However, the Arab League is taking initiatives to deal with this. Regional success stories include Masdar, a sustainable city in the UAE entirely run within the framework of green policies. "We need climate change to be part of the policymaking agenda," he concluded.

Urban development and the SDGs

The UN Habitat's Cairo-based Manager of Urban Policies and Legislation Nihal El-Megharbel emphasized that Sustainable Development Goals (SDGs) goal 11 is to make cities resilient, safe and inclusive. The government's goal of building 40 new cities is also crucial to accommodate Egypt's growing population. Urbanization is not necessarily negative, since it provides economic opportunities and jobs, but it needs to be adequately planned for. The "Egypt Vision 2030" will act to serve this, according to a talk by El-Megharbel during conference, and the new cities will act to serve the heightened magnitude of economic activity nationwide.

El-Megharbel also discussed the New Urban Agenda, an action blueprint set out by the UN Habitat to ensure that cities are planned and governed in a manner that ensures achieving the SDGs. The Egypt 2052 plan is in line with the Agenda, although various actors, including civil society, the private sector, academics, and citizens, have a role to play in achieving it. Affordable housing is a constitutional right that Egypt should make further strides to achieve, and effective transportation networks are equally crucial. Echoing AbdelZaher, El-Megharbel said that many of these goals are not possible if gender equality is not achieved.

"The Egyptian market presents one of the greatest real estate opportunities globally as the population is expected to grow almost two-fold to reach 150-170 million in number by 2050," says Abdel Nasser Taha, founder of The Interna-

tional Federation for Real Estate's Egypt chapter. "Moreover, building the 40 new cities is necessary to accommodate rampant population growth."

When population growth is not adequately planned for, we end up with an increase in the slum-dwelling population. This makes the importance of accounting for sustainability all the more clear, Taha argued, noting how resources such as energy, water and food affect a nation's political economy, potentially leading to warfare if any of these aspects are lacking. He affirmed that the "Egypt Vision 2030" is making significant strides on various fronts as investment inflows increase. Lauding the UN Habitat's 2014 campaign titled "The City We Need," he asserted all nine points of the manifesto are important, including aspects of social inclusivity and community engagement, but stressed the point stating "the city we need is affordable and equitable."

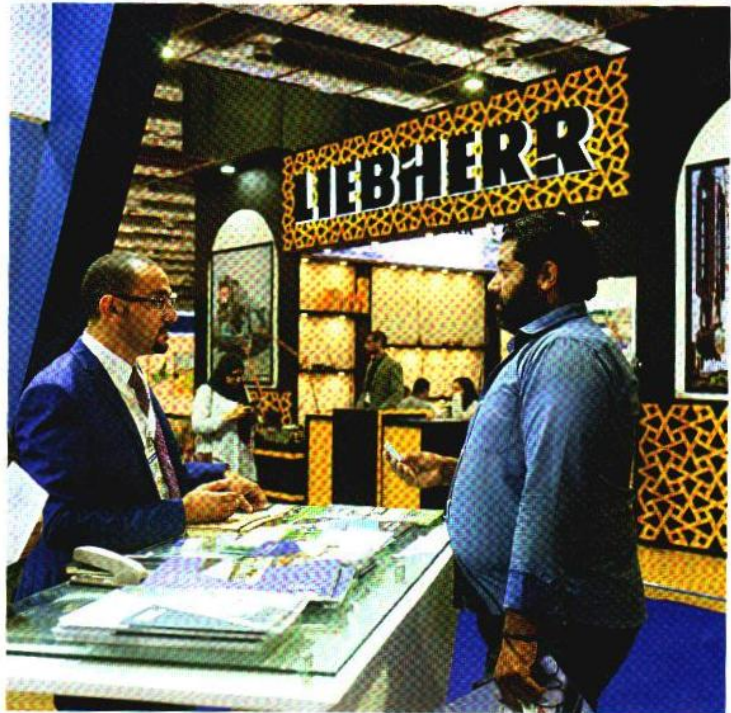
The current and prospective Egyptian construction market

As investment flows increase and the government takes on ambitious projects, the need for the best technology and adequate planning arise.

In a talk on the often problematic construction closeout phase, Contracting Chief Officer at KAHROMIKA Ahmed Gouda said, "Cairo has long needed a conference like the Big 5, providing a platform to discuss issues in the sector. There are 1,400 ongoing projects in Egypt at an aggregate cost of around \$348 billion; by 2020, 950 of these projects, worth \$142 billion will have reached completion stage."

Explaining one of the sector's major challenges, he noted that construction closeout activities often continue even after the team carrying out the project may have left the site, and as a project even becomes accessible to the end user or becomes complete, unsettled dues may become clear. "This is problematic, since construction projects often yield a mere 5% return on average, while some estimates say unsettled dues in some projects amount to around 10-15% of the project's value. As more international talent and investors join the Egyptian market, closeout activities become ever more of an issue as these teams leave to take on other projects elsewhere. Sometimes, outstanding closeout claims even take years to resolve," he added.

Turner International's Salah Omar Omran has long been an advocate for Building Information Modelling (BIM), advanced software that allows accurate communication and data documentation throughout project phases. BIM is a development from the 2D AutoCAD software commonly used in most engineering offices, and Omran has played a major role in BIM consulting at major Gulf proj-



ects, including those in Qatar and Kuwait.

"While BIM is becoming ever more crucial for the success of construction and building projects, it remains a relatively revolutionary concept that many people do not effectively understand. Since the construction industry is valued at over £100 billion per annum by some estimates, it is important to ensure efficiency and minimize waste," Omran noted. Other challenges the construction sector often faces include the effects of reworking and redesign, lacking understanding of software and effective design among some members of the workforce, poor coordination, and lacking accuracy. In Egypt, the local market also deals with the low value of the local currency. This demonstrates the need for implementing BIM, Omran argued, since every resource and financing should thereby be allocated in the best way possible.

BIM processes prevent duplication of work, allowing users to compare between alternative plans and view details they otherwise might not be able to grasp. Omran recommends implementing BIM as early as possible in the construction process, even as early as in the concept stage. "Building information modelling (BIM) is extremely beneficial for the construction industry as it enhances the sector's processes through up-to-date technology. In the future market, BIM will become the norm given its effectiveness," said Mohamed Mohsen, the Technical Team Manager at AURA.