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# Egypt to sign petroleum, investment agreements with Saudi Arabia

*The agreements to be signed Sunday follow orders from Saudi Arabian King Salman bin Abdulaziz Al-Saud in December to invest \$8bn in Egypt*

Egypt's Minister of International Cooperation Sahar Nasr will sign an agreement on Sunday with Saudi Arabian parties for the provision of petroleum to Cairo for coming five years.

The signing is expected to take place in Riyadh during the fifth and final meeting of the Saudi-Egyptian Coordination Council on 20 March, to be headed by Nasr and the Saudi Minister of Finance Ibrahim bin Abdulaziz Al-Assaf.

During the meeting, the attendees will also sign a memorandum of understanding (MOU) to promote Saudi investments in Egypt.

Nasr will also sign a \$1.5bn agreement with the Saudi Fund for Development (SFD) to fund "the development of the Sinai peninsula [sic]", including building a university and residential and agriculture projects.

The international cooperation minister will also negotiate a SAR 450m agreement from the SFD to fund to be applied to the upgrading

of Qasr El-Ainy hospital.

In December, Saudi Arabian King Salman bin Abdulaziz Al Saud gave orders to increase the kingdom's investments in Egypt to over SR 30bn (\$8bn), to secure Egypt's petroleum demands for the next five years, and to increase Saudi traffic in the Suez Canal.

Saudi-Egyptian Coordination Council was established with the aim of implementing Saudi Arabia's investment pledges.

In previous meetings, Egypt presented a number of projects in different fields to Saudi Arabia along with completed feasibility studies.

The Saudi Arabian investment funds chose to invest SR 30m in the fields of housing, tourism, agriculture, and energy over the next five years.

In September, the Ministry of Petroleum and Saudi Aramco Company signed a contract to facilitate approximately \$1.4bn for the supply of shipments of petroleum prod-



President Abdel Fattah Al-Sisi shakes hands with Saudi King Salman bin Abdulaziz during the Egypt Economic Development Conference held in March 2015 in Sharm El-Sheikh

ucts over a period of three months. The value of the contract will be paid a year after the confirmation of the contract.

Saudi Arabia is the largest exporter of oil in the world, followed by the UAE and Kuwait. The three Arab states provided Egypt with \$24bn in aid after the ouster of Islamist president Mohamed Morsi in July 2013.

The Saudi kingdom increased its raw production to 10.308m barrels during the second half of 2015 to enhance its share in the Asian market and nourish local power plants and refineries.

Saudi Arabia provided approximately \$2bn in support of Egypt's foreign exchange reserves during the Sharm El-Sheikh economic summit in March, in addition to allocating another \$2bn for development projects.

The trade exchange between Egypt and Saudi Arabia during the first eight months of 2015 amounted to about \$3.7bn.