



SEMINAR ON INVESTMENT OPPORTUNITIES IN THE SPECIAL ECONOMIC ZONE OF SUEZ CANAL AREA

Rome, 22nd October 2019 - Confindustria - Viale dell'Astronomia, 30 - Room A - Floor R

Speaking Notes Ilaria Vescovi

First of all I would like to welcome to Confindustria Mr. El Mofthy, General Manager of East Port Said Development Company, and Mr. Fekry, Board Member of the Federation of Egyptian Industries.

Let me also welcome and thank the Egyptian Embassy in Rome and Banca Intesa Sanpaolo for their support and commitment in the organization of this initiative.

The event of today represents an important occasion to meet a high-level delegation of the Suez Canal Economic Zone and discuss potential opportunities of cooperation.

The first message I would like to convey to our Egyptian friends is that despite the difficulties and the slowdown of

bilateral relations between our countries in the past years, Confindustria and the Italian Business Community has continued to believe in Egypt as a strong and reliable point of reference in the Mediterranean Region.

And the presence today of a large number of Italian companies, big, medium and small, confirms the confidence and our willingness to be part of your economic growth.

In this regard, last July Confindustria and the Federation of Egyptian Industries signed the renewal of the cooperation agreement.

The aim of this MoU is to plan new joint initiatives in the next months to stimulate a stronger cooperation among our companies.

The Seminar of today is not only the first initiative jointly agreed within the frame of the MoU but also an opportunity to start a new phase towards the complete normalization of our commercial and industrial relations.

Coming to the performance of our economic indicators, we all know that trade and industrial partnerships between Egypt and Italy are strong and long lasting.

If we have a look at the last statistics, we see that trade between our two countries has amounted to over 4.8 billion euro in 2018, ranking Italy as your third-largest partner and the first in Europe.

In the first months of 2019 our trade has increased by 6.8% and we expect a further growth in the second part of this year.

Furthermore, Italy continues to rank among the largest investors in Egypt.

Italian investments are distributed among big, medium and small companies in different industrial sectors: from oli&gas to renewable energies, infrastructure, mechanics, automotive, chemicals, transportation, textile and agroindustry.

New Italian investments were also announced after the visit of Minister Sahar Nasr in Rome, last February, and we, as Confindustria, have been offering a concrete support to encourage these companies to either start or strengthen existing partnerships.

Our strategy in the Mediterranean Region is based on the principle that the Italian industrial system can play a central role to promote a sustainable development.

This is why the “New Course” impressed by President Al Sisi and the investment plans of the Egyptian Government represent for us a unique opportunity to cooperate and grow together in a long standing and sustainable way.

In particular, the Suez Canal and the development of its industrial area is a crucial issue to boost our economic and commercial relations.

With its 150 years of operations, the Suez Canal Area is today a focal point of the New Course of Egypt and Italian companies want to be part of this development.

In recent years, in fact, the Mediterranean has assumed a role of increasing centrality.

And the record of 18.000 ships with an increase of 8% of goods passed through the Canal during the last year show the success of the investment policies of the Egyptian Government.

Development plans for the Special Economic Zones open new opportunities for international companies to approach an area that is crossed by almost 10% of total international trade and representing the third world route for oil and gas transportation.

About 37% of Italian total foreign trade is absorbed by sea-trade and this puts in evidence the necessity for our industrial system to develop new synergies in the Mediterranean in the field of maritime transportation, harbor logistics and port areas industrialization.

We can say that the potential is great but it must be properly exploited and we are here today to learn more on the ongoing projects in the Suez Canal Area and define together how to combine our strengths.

Italy represents industrial excellences on a global scale especially in high added-value sectors and our approach to international markets is based on the creation of added value on-site, supporting the local economic and social growth.

This is why the development of new partnerships in the Special Economic Zones and the strengthening of new ports

and logistic hubs should be focused on innovation and advanced manufacturing.

Secondly, we should strengthen dialogue and synergies among our port authorities to face the challenge of the creation of a fully integrated transport network between Egyptian and Italian ports.

Today the Second Italian-Egyptian Dialogue in the Maritime field organized by the Italian Ministry of Foreign Affairs and International Cooperation is taking place in Cairo and we think these are important steps towards a closer cooperation.

Let me conclude by emphasizing that Egypt is a key player for us and Confindustria will be more than happy to be a strategic partner to promote more joint business events.

In the next months we will work together to the organization of more initiatives together with the support of Italian and Egyptian partners such as FEI and the Egyptian Embassy.

In February 2020 the second edition of Connex, our event on industrial partnership, will take place in Milan and we intend to host an Egyptian business delegation on this

occasion so I would like to encourage Italian and Egyptian companies to attend this important initiative.

Egypt is taking a leading role in the Mediterranean Region becoming a hub of trade and manufacturing both towards the Arab world and African countries.

We need to join our strengths to promote an inclusive growth and I am confident that Italian and Egyptian companies will be able to catch the potential that these new scenarios offer.

I would like to thank again the Egyptian delegation for being here today, as well as the representatives of Banca Intesa Sanpaolo, Alexbank, EBRD European Bank for Development and Reconstruction, and Confindustria Assafrica&Mediterraneo.

I leave now the floor to Mr. Mohamed Dwidar, Head of the Commercial Office of the Egyptian Embassy, for his opening speech.

Thank you