





# For Sustainable Growth and Prosperity of Egypt



Japan International Cooperation Agency

# Why Cooperate with Egypt?

The bilateral relationship between Egypt and Japan is traced back to 19<sup>th</sup> century, when the Japanese mission to the West visited Egypt. Since then, there has been a good and strong relationship between Egypt and Japan in a variety of fields including politics, economics and culture.

Egypt is a great nation, located at a geopolitically important point, linking the Middle East, Africa and Europe.

Given this, Egypt's stability, development and empowering enhancement of its constructive role in the region are important for the MENA regional peace and stability. Moreover, with a large young population, Egypt's labor force and market are also attractive for Japanese businesses, with about 50 companies having expanded operations here.

Japan's cooperation in Egypt began with technical cooperation in 1954, followed by grant aid in 1973, and ODA loan in 1974. In 1977, JICA Egypt Office was established and since then, JICA continued to provide cooperation in Egypt. Through cooperation across a wide range of sectors, JICA will continue to support the sustainable development of Egypt and will help strengthening this bilateral relationship.

# Egypt in Numbers

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91.51 million people
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**Population** (World Bank, 2015) Most populous country in the Middle East and North Africa region, and 15<sup>th</sup> largest population in the world.

# 2.1%

**Population growth** (World Bank, 2015) Egypt's population is tentatively calculated to reach 150 million in 2050. Population growth in Japan is -0.1%.

# \$3,340

**Per capita GNI** (World Bank, 2015) Average per capita GNI in the Middle East and North Africa region is \$8,210. The world average is \$10,400.

# 23.8 years

**Average age** (US Central Intelligence Agency, 2016 estimate) Average age of Japanese is 46.9 years.

# 25.2%

**Poverty rate** (World Bank, 2010) The proportion of people living on less than \$1.40 per day.

# **26.1%**

**Youth unemployment (ages 15-29)** (CAPMAS, 2015) Egypt's total unemployment rate is 12.8%. Japan's youth unemployment rate is 6.5%.





# 3 Pillars of Cooperation in Egypt

#### I. Inclusive and Sustainable Growth



Transportation



Tourism Development



**Private Sector** Development

#### II. Poverty Reduction/ Enhancement of Standard of Living



Irrigation and **Rural Development** 



**Basic Social Service** 

#### III. Human Resources Development/ Improvement of Public Sector



Education / Human 🕷 Resources Development



Public Sector Empowerment



South-South/ Triangular Cooperation

### JICA's Assistance Schemes and Results in Egypt

(ODA Loans and Volunteer programs: as of the end of 2016) (Other: as of the end of FY2015)

# **ODA** Loans

#### Total: 684.8 billion yen (Amount of agreed loans)

ODA loans support developing countries by low-interest. providing long-term and concessional funds finance to their development efforts. Projects are led by the developing countries themselves and it will foster their ownership.

## **Technical Cooperation**

### Total: 76.05 billion yen Acceptance of training participants: 10,635

#### Dispatch of experts: 2,816

JICA provides Japan's technologies, skills and knowledge to people in developing countries in order to nurture them into leaders for the sustainable development of that country's society and economy.

### **ODA** Grants

#### Total: 129.6 billion yen (Amount of agreed grants)

ODA Grants is financial assistance in which funds are granted to a developing country to support construction works or services such as procuring equipment and materials that are necessary economic for and social development.

# Volunteer Programs

Total: 273 volunteers **Japan Overseas Cooperation** Volunteers (JOCVs): 236 Senior Volunteers (SV): 37

The aim of JICA's volunteer programs is to contribute economic and social to development by addressing poverty and environmental issues while interacting directly with local communities and respecting their values, lifestyle and culture.

# I. Inclusive and Sustainable Growth

# Electricity

#### 6% of annual increase in demand for electricity

(FY2004/5–FY2013/2014, Egyptian Electricity Holding Company)

Electricity is essential for daily life and for economic and social development. Demand for electricity in Egypt continues to grow at an annual rate of 6%, thus electric power needs to be continuously developed. JICA has promoted the construction of power plants in order to build up generation capacity. Considering Egypt's high potential for renewable energy, JICA has also supported the establishment of wind and solar power generation facilities. Going forward, in addition to power generation, JICA will promote comprehensive support, including the improvement of infrastructure, energy efficiency and the development of human resources in the areas of power transmission and distribution so that stable electricity supply is secured.



Zafarana Wind Power Plant constructed along the coast of the Red Sea (ODA loan project completed in 2010)

Kuraymat Integrated Solar Combined Cycle Power Plant constructed near Cairo (ODA loan project completed in 2011)



Dr. Mohamed Moussa Ali Omran First Undersecretary, Ministry of Electricity and Renewable Energy



I am deeply grateful for our long-standing friendship with Japan.

Egyptian-Japanese relations are characterized by durable joint coordination and long friendly relations between the two countries. The solid bilateral cooperation between the two countries contributed in a series of mega-projects, through implementation and rehabilitation of a number of power plants such as: Gas-fired combined cycle power plants, Renewable Energy Power Plants, etc.

I look forward to even more extensive collaboration with Japan, utilizing Japanese knowledge and advanced technology.



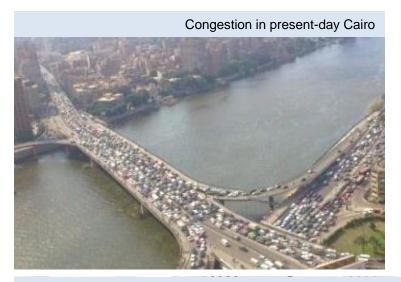
High-ranked government officials from Egypt are briefed about advanced technologies used at power plants in Japan. Through technical cooperation, JICA also provides assistance to facilitate human resources development in the electricity sector.

## 8 billion dollars per year

in economic losses

(2013, World Bank)

The population of Cairo, the global metropolis, was 16 million in 2006, and it is projected to exceed 32 million in 2050. Traffic congestion in Cairo is resulting in annual economic losses of 8 billion dollars, which is equivalent to approximately 3% of GDP. To help alleviate this congestion, in 2002, JICA formulated a Transportation Master Plan in the Greater Cairo Region, and decided to support construction of the Cairo Metro Line No. 4, which was highlighted as a priority project in the Plan. Phase 1 of the Cairo Metro Line No. 4 project will shorten the travel time between central Cairo to the Pyramids district, which ordinarily takes 1 hour by car, to 30 minutes, thereby contributing to improvement of life in Cairo and economic development through tourism promotion.





The Suez Canal Bridge is the only Cable Stayed bridge connecting Asia and Africa Continents. Supported by Japanese grant aid, the project was completed in 2001.

Since 1974, Japan has continued to provide aid to the Suez Canal, which is important as a source of foreign currency revenues for Egypt, and is a key channel of logistics connecting East and West. In the former Suez Canal Expansion Project, which was conducted through an ODA loan, Japanese construction technology was utilized. Going forward, Japan will continue to provide support utilizing Japanese technology in the construction of metros, airports and other infrastructure.

Prospective view for underground metro station of the Greater Cairo Metro Line No. 4 (Currently receiving Japanese ODA loan)



Prospective view for the Grand Egyptian Museum (GEM), receiving Japanese ODA loans.



# 🐲 Tourism Development

Approximately **11%** of GDP/employment (2016, World Travel and Tourism Council)

Tourism is an important industry for Egypt, accounting for approximately 11% of GDP and employment. Tourist numbers have declined considerably though, from 14 million in 2011, to 9 million in 2015, and the government is striving for recovery of the tourism industry.

In addition to supporting construction of the Grand Egyptian Museum, one of the world's largest museums near the Great Pyramid of Giza, JICA is also providing technical cooperation in relation to management of the museum, exhibition and the conservation and restoration of cultural properties as well as excavation of the second solar boat.



Worksite of the Grand Egyptian Museum

Japanese technologies are being utilized for technical cooperation for the conservation and restoration of Egyptian cultural properties. JICA has trained more than 2000 people through various training programs.



東京国立博物館および GEM の 交流・協力に関する覚書署名式



Ceremony to sign a memorandum for cooperation between the Tokyo National Museum (TNM) and the Grand Egyptian Museum, October 2016 (From left: Dr. Tarek, Director General of GEM; H.E Dr. El-Enany, Minister of Antiquities; Mr. Zeniya, Executive Director of TNM).

Knowledge from Japan including the Tokyo National Museum is expected to ameliorate management and exhibition at the Grand Egyptian Museum.

## II. Poverty Reduction/ Enhancement of Standard of Living



Monshat El Dahab Regulator on Bahr Yusef Canal (grant aid project for repair of the regulator completed in 2010)

51 mm

Annual Rainfall (FAO, 2016)

Since ancient times, civilization developed along the Nile River and grain has been produced in Egypt. Until today, many people are still engaged in farming and agriculture as a major industry, accounting for approximately 30% working population. of the Agriculture uses a lot of water, but the average annual rainfall in Egypt is just 51 mm. Thus, water from the Nile needs to be used more efficiently.

In addition, many of underprivileged people live in rural areas. JICA believes that the support for small-scale farmers, women and other socially vulnerable people in rural areas will lead to poverty reduction and a more stable society. For this reason, JICA supports development of irrigation facilities and the strengthening of water user associations for the efficient use of water resources. In addition, JICA provides training programs to small-scale farmers and rural women to transit from "Grow and then sell" approach to "Grow to sell" approach so as to improve their livelihoods.



Intercropping Demo-Farm at Assiut. Improving Small-Scale Farmers' Market-Oriented Agriculture Project (ISMAP) (Technical Cooperation).

#### Improving Small-Scale Farmers' Market-Oriented Agriculture Project Participants' Voice



Ms. Amal

Ibrahim

"Through participating in the activities, I learned about farming that can be done indoors. In the community where I live, there are restrictions on women working outside, but I learned that women can also earn their income by breeding chickens and growing mushrooms."

"Previously, I used to sell agricultural products to a broker in our local village only. However, now, I sell my products not only locally, but also to wholesalers. I was able to increase my income enough to repaint my house and to make a pilgrimage to Mecca."



Mr. Ahmad Mohamed



Waterways close to the end are often out of management by the central government, so that the capacity building of local water user associations is highly needed.

# 👛 Health Care

# Annual population increase of **2 million people**

(World Bank, 2015)

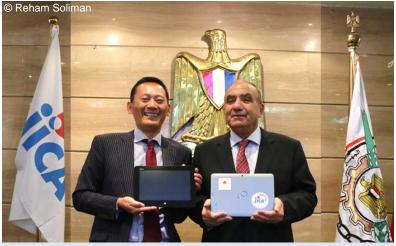
With the growth of Egyptian population up to 93 million in 2016 and with the influx of people into urban areas, one of the issues is how medical institutions in these areas can deal with the large numbers of patients that exceed their capacity. Since the 1970s, Japan has the expansion and improvement of supported healthcare services in Egypt, including the construction of the Cairo University Pediatric Hospital, which is known affectionately as the "Japanese hospital." In addition to a comprehensive health sector cooperation plan that works on achieving Universal Health Coverage through the 5 UHC pillars agreed in TICAD 6 in Nairobi, which includes Technical Cooperation and Training Programs in the field of hospital quality management, nursing and emergency pre-hospital care.



The number of consultation rooms are not enough at the Cairo University Pediatric Hospital, and so multiple examinations are conducted in each room. JICA provides funds for expanding the hospital and improving its equipment and supplies (Grant Aid).

## III. Human Resources Development/ Improvement of Public Sector

# 🖗 Public Sector Empowerment



Mr.Teruyuki Ito, Chief Representative of JICA Egypt Office and Gen. Abu Bakr El-Gendy, Chairman of CAPMAS, at the handover ceremony for 450 tablets from JICA to CAPMAS to be used in 2017 census. (Technical Cooperation)

## "11% of GDP"

Estimated Deficit for Egypt's Budget in (FY2015/16) (IMF)

With Egypt's budget deficit expanding since the political change, from 7% of GDP in FY2008/09, the government has been working hard to improve its financial situation. JICA supports development planning and implementation systems for systematic public investment. It also supports enhancing the quality of statistics that form the basis of policies.

# "Egypt Census 2017"

is the first e-census to utilize modern technologies to provide timely, accurate and reliable data, that will help decision makers to plan for better future policies that improve the lives of the Egyptian people. JICA contributes to this census, through providing technical assistance and equipment based on Japanese experience to the Central Agency for Public Mobilization and Statistics (CAPMAS) for improving quality of the census.



Seminar on energy policies and fiscal policies. Sharing Knowledge on Development and Implementation of Execution Plans Project (Technical Cooperation)

#### **26.1%** youth unemployment (CAPMAS, 2015)

One of Egypt's most prominent issues is the high youth unemployment rate of 26.1% (2015) among the youth aged 15-29. On the other hand, strengthening the capacity of human resources, including in the public sector, is also a pressing issue. To address these issues, the Egypt-Japan Education Partnership (EJEP) was launched during President El-Sisi's visit to Japan in 2016, to support the nurturing of human resources that can contribute to Egypt's economic and social development.

JICA will provide support to all the stages of education of the Egyptian educational system: early childhood education, basic education, technical education and higher education. Consequently, contributing to fostering the human resources that can contribute to Egypt's public sector and industrial development.

Egyptian government officials observe Tokkatsu activities at a Japanese school. Egypt has a keen interest in Japanese education, which fosters independence, discipline and cooperation among children.



the Egypt-Japan University of Science and Technology (E-JUST), aimed at the practical application of robotic probes used in disasters (Technical Cooperation).

Research at



#### Egypt-Japan Education Partnership





Training in Rice Cultivation Techniques, targeting Africa

Training is a unique opportunity to learn new technologies. After the program, I shared the technologies I learned through the training with farmers, and we were able to increase the volume of rice production in our region by 25%, from 4.5 tons per hectare to 5.6 tons (For reference, average amount of rice production in Japan is 6.4 tons).

Mr. Ladislas Hakizimana, Agricultural Extension Administrator from Rwanda





Seminar on Hospital Infection Control, targeting the Middle East

#### 30 years of history

Egypt, which is a major power in the Middle East and Africa, plays an important role in regional peace and stability. By leveraging the outcomes of its past cooperation for Egypt and by providing support to other regional countries in cooperation with Egypt, JICA aims to efficiently and effectively improve the capacity of each country and strengthen regional cooperation. JICA is also encouraging the independent provision of support in the region by Egypt's implementing agencies. 19 training programs are being conducted for Africa and Middle East during fiscal year 2016.

### **Training for Africa**

Egypt conducts training programs for Africa, with an aim of using advanced cultivation technologies in the efforts of African countries to "Double Rice Production."

The background of Egypt's advanced technologies have some roots in past Japanese cooperation from the 1980s. Technologies transferred through technical cooperation and facilities constructed through grant aid are still being used in current trainings.

Training in the Nile Delta region



### Training for the Middle East

Taking the initiative for support among Middle East countries, Egypt conducts training of tripartite cooperation in areas of medicine, tourism, electricity and trade relations. The fact that Egypt is in the same linguistic area and is geographically close, has improved the outcomes of training in terms of efficiency and effectiveness.

### **273** volunteers

Between first dispatch of volunteers in 1996 and the end of fiscal year 2016, 273 volunteers with diverse skills had worked in Egypt. Most emphasis has been placed on education, represented by early childhood education, extra curricula education, youth activities, art and teaching Japanese language. Also, volunteers with other widely diverse occupations have also been dispatched, including occupational therapists and physical therapists in the area of health, social workers and supporters for persons with disabilities in the area of social welfare, as well as construction machinery, automobile maintenance, textiles and ceramics making full use of Japanese technology in the manufacturing industries.



"Early childhood Education" Occupation: Nursery Teacher The most common area for volunteers dispatched to Egypt has been early childhood education. Strenuous efforts are being made every day for the "learning through playing" concept to become ingrained in childcare facilities in Egypt.



"Support for Better Living" Occupation: Rural Community Development, Handicrafts, Art, and others. Handicraft volunteers working at NGO raising the idea of income generation by assisting women participation in society as they engaged in improving the quality of handicraft souvenirs and in supporting the development of new products.



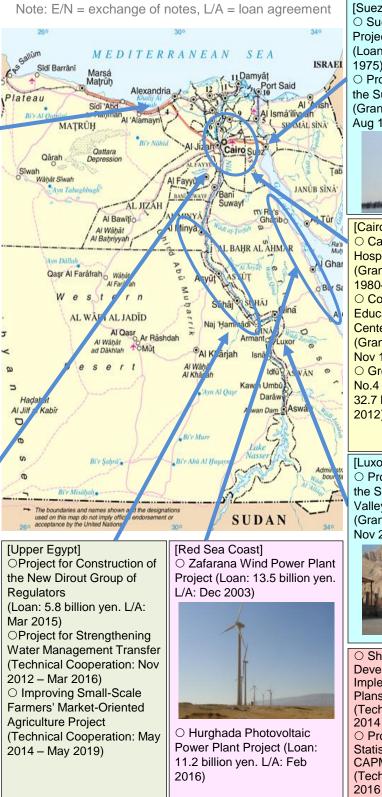
"Cultural Support" Occupation: Japanese Language Teacher The volunteers teach not only Japanese language, but also Japanese culture. Many students become deeply engaged in the lessons, with some students even studying about Japan outside the classroom. The class is energetically managed with active students. I manage the new Japanese department in the faculty of Alsun at my university, which was established in 2013.

I teach Japanese language for about 70 Egyptian students. I also organize some activities so those students can practice the Japanese language outside the classroom, such as participating in a dance performance at Cairo Japanese Club's autumn festival and in speech contests. Students study to tell me information about Egypt in Japanese, and I also learn a lot from them.

Message from a Japan Overseas Cooperation Volunteer (JOCV, Japanese language education)

# JICA's Major Projects in Egypt

[Alexandria / Nile Delta] ○ Borg El Arab International Airport Extension Project Sallüm (Loan: 18.2 billion yen. L/A: Feb 2016) Sidi Barrâni Plateau THE REAL PROPERTY AND Bi'r Al C Qārah O Project for Egypt-Japan Wàhật Siwat University of Science and Avn Ta Technology (E-JUST) (Technical Cooperation: Oct 2008 - Jan 2019) O Project for Procurement of Education and Research Avn Dällah Equipment, Egypt-Japan University of Science and Technology (E-JUST) (Grant: 2.0 billion yen. E/N: Jul 2016) ○ Electricity Distribution System Improvement Project (Loan: < 24.7 billion yen. L/A: Feb 2016) 22 [Giza] 3 O Grand Egyptian Museum Hadah Construction Project AI Jilf Kabi (Loan: 84.2 billion yen. L/A: May 2006 and Oct 2016) O Grand Egyptian Museum Joint Conservation Project (Technical Cooperation: Nov Regulators 2016-Oct 2019) ○ Grand Egyptian Museum Mar 2015) Management and Exhibition Project (Technical Cooperation: Apr 2016 – Mar 2019) ○ Third-Country Training for Middle East Countries (since 1994): Water management, export promotion, electricity, etc. ○ Third-Country Training for Sub-Saharan Countries (since 1985): Farming, health care, development of public sector, etc.



#### [Suez] O Suez Canal Expansion Project (Loan: 61.0 billion yen. L/A: Jul 1975) O Project for Construction of the Suez Canal Bridge (Grant: 11.7 billion yen. E/N: Aug 1997)

[Cairo] ○ Cairo University Pediatric Hospital Construction Project (Grant: 9.7 billion yen. E/N: 1980-2015) O Construction Project of the Educational and Cultural Center (Opera House) (Grant: 6.4 billion yen. E/N: Nov 1984) ○ Greater Cairo Metro Line No.4 Phase1 Project (Loan: 32.7 billion yen. L/A: Mar 2012)

#### [Luxor]

○ Project for Improvement of the Surrounding Area of the Vallev of the Kings (Grant: 0.3 billion yen. E/N: Nov 2004)



○ Sharing Knowledge on Development and Implementation of Execution **Plans Project** (Technical Cooperation: Oct 2014 - Sep 2017) ○ Project for Developing Statistical Quality System at CAPMAS (Technical Cooperation: Mar 2016 - Mar 2019)



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